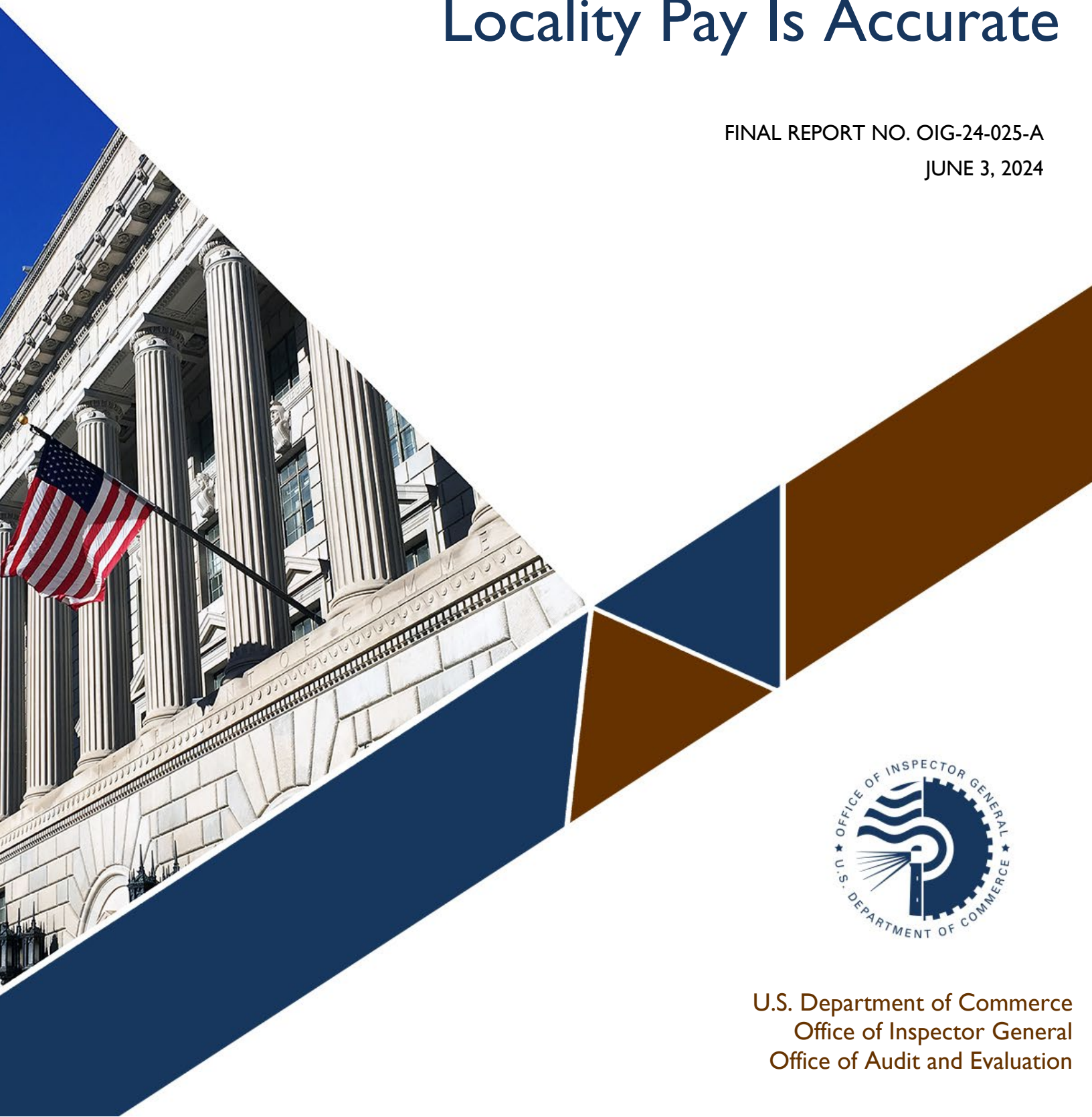


The Department Can Improve Processes to Ensure Locality Pay Is Accurate

FINAL REPORT NO. OIG-24-025-A

JUNE 3, 2024



U.S. Department of Commerce
Office of Inspector General
Office of Audit and Evaluation



June 3, 2024

MEMORANDUM FOR: Jeremy Pelter
Deputy Assistant Secretary for Administration, performing the
non-exclusive functions and duties of the Chief Financial Officer
and Assistant Secretary for Administration
U.S. Department of Commerce

A handwritten signature in black ink, appearing to read "Richard Bachman".

FROM: Richard Bachman
Assistant Inspector General for Audit and Evaluation

SUBJECT: *The Department Can Improve Processes to Ensure Locality Pay
Is Accurate*
Final Report No. OIG-24-025-A

Attached for your review is our final report on our audit of the U.S. Department of Commerce's (the Department's) locality pay. Our audit objective was to determine whether the Department ensures employees are paid the correct locality pay in accordance with applicable regulations and policy. To address this objective, we assessed the Department's controls and monitoring for establishing and updating locality pay; judgmentally selected employees and reviewed documentation supporting their locality rates; and reviewed documentation confirming telework employees complied with their telework agreements.

Overall, we found that while the Department and bureaus have some policies and controls in place to ensure employees are paid the correct locality pay, they do not have sufficient policies and controls in place for timely processing of duty station changes or ensuring employees comply with telework agreements. Specifically, we found the following:

- I. Department personnel did not timely initiate or process changes in employee duty stations.
- II. The Department could not demonstrate that all teleworking employees reported to the office as required by their telework agreements.

On April 30, 2024, we received the Department's response to our draft report. In response to our draft report, the Department concurred with all our recommendations and described actions it has taken, or will take, to address them. The Department also provided technical comments. We considered those comments and made changes to the final report where appropriate. Appendix C of the final report contains the full text of the Department's formal response.

Pursuant to Department Administrative Order 213-5, please submit to us an action plan that addresses the recommendations in this report within 60 calendar days. This final report will be

posted on our website pursuant to the Inspector General Act of 1978, as amended (5 U.S.C. §§ 404 & 420).

We appreciate the cooperation and courtesies extended to us by your staff during this audit. If you have any questions or concerns about this report, please contact me at (202) 793-3344 or Patricia McBarnette, Audit Director, at (202) 793-3316.

Attachment

cc: Jessica Palatka, Director, Office of Human Resources Management and Chief Human
Capital Officer



Report in Brief

June 3, 2024

Background

The U.S. Office of Personnel Management (OPM) encourages agencies to strategically use workplace flexibilities such as telework and remote work to help attract, recruit, and retain employees. Telework allows employees to work certain days at an alternative worksite instead of the agency worksite. According to U.S. Department of Commerce (Department) policy, the teleworking employee's official worksite, also called the official duty station, is the location of the agency's worksite. Remote work allows an employee to perform regular work at an approved alternative worksite, such as their home, instead of working from an agency worksite on a regular basis. The employee's official duty station is the approved alternative worksite location. Employees are required to record their work time for each pay period according to the Department's policies and procedures. This includes accurately recording time worked as telework, remote work, or regular time (e.g. in-office) on their time sheets.

Most General Schedule (GS) federal employee pay includes a locality payment based on the employee's official duty station. The locality payment may vary significantly depending on the location of the duty station.

In March 2020, the Department implemented mandatory telework for all telework-eligible employees due to the COVID-19 pandemic. The Department gave notice to return to office facilities beginning in April 2022, requiring employees to have signed telework or remote work agreements in place to continue using these flexibilities.

Why We Did This Review

Our audit objective was to determine whether the Department ensures employees are paid the correct locality pay in accordance with applicable regulations and policy.

OFFICE OF THE SECRETARY

The Department Can Improve Processes to Ensure Locality Pay is Accurate

OIG-24-025-A

WHAT WE FOUND

To address our objective, we assessed the Department's controls and monitoring for establishing and updating locality pay; judgmentally selected employees and reviewed documentation supporting their locality rates; and reviewed documentation confirming telework employees complied with their telework agreements.

Overall, we found that while the Department and bureaus have some policies and controls in place to ensure employees are paid the correct locality pay, they do not have sufficient policies and controls in place for timely processing of duty station changes or ensuring employees comply with telework agreements. Specifically, we found the following:

- I. Department personnel did not timely initiate or process changes in employee duty stations.
- II. The Department could not demonstrate that all teleworking employees reported to the office as required by their telework agreements.

WHAT WE RECOMMENDED

We recommended that the Chief Financial Officer and Assistant Secretary for Administration

1. Implement internal controls to ensure that changes in duty stations are initiated and processed timely.
2. Review duty station changes processed since the return to office to determine whether untimely initiation or processing resulted in incorrect employee locality pay. Recover any excess salary amounts paid to employees in accordance with Departmental policy.
3. Regularly track and determine whether all teleworking Department employees are meeting the schedule requirement for 2 days in the office per pay period. For employees failing to meet this requirement, take action to ensure that the agency has assigned the proper locality pay and telework or remote work status to the employees and prevent or address any overpayment of salary amounts paid to the employees in accordance with Departmental policy.
4. Implement internal controls to ensure employees are following the requirements of their telework or remote work agreements and temporary exceptions are properly documented.

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Cover: Herbert C. Hoover Building main entrance at 14th Street Northwest in Washington, DC. Completed in 1932, the building is named after the former Secretary of Commerce and 31st President of the United States.

Background

Overview of federal workplace flexibilities and pay policies

The U.S. Office of Personnel Management (OPM) encourages agencies to strategically use workplace flexibilities such as telework and remote work as tools to help attract, recruit, and retain employees. Telework is an arrangement that allows employees with a written telework agreement to work certain days at an alternative worksite instead of the agency worksite. An employee with a routine telework agreement works regularly scheduled days at their agency worksite and an alternative location, such as their home. Situational telework allows eligible employees to work from an alternative location on an occasional, episodic, or short-term basis outside of their regular telework schedules.¹ According to U.S. Department of Commerce (Department) policy, the teleworking employee's official worksite, also called the official duty station, is the location of the agency's worksite.² Teleworking federal employees must be scheduled to report to their agency's worksite at least twice per biweekly pay period or have temporary exceptions approved by an authorized agency official.³

Remote work is an alternative arrangement in which an employee with a written remote work agreement performs regular work at an approved alternative worksite, such as their home, instead of working from an agency worksite on a regular basis. The employee's official duty station is the approved alternative worksite location and must be documented on a Standard Form 50 (SF-50), Notification of Personnel Action. Department employees on remote work agreements cannot unilaterally change their alternate worksite without supervisory approval.

Employees are required to record their work time for each pay period according to the Department's policies and procedures. This includes accurately recording specific time worked as telework, remote work, or regular time (e.g. in-office) on their time sheet. The supervisor then certifies the employee's time and attendance data is correct and the employee is paid based on the time recorded.

Most General Schedule (GS) federal employee pay includes a locality payment⁴ based on the employee's official duty station, as identified on the employee's SF-50, Notification of Personnel Action. The locality payment may vary significantly depending on the location of the duty station.⁵

¹ U.S. Office of Personnel Management, November 2021. *2021 Guide to Telework and Remote Work in the Federal Government*. Washington, DC: OPM, 12-13. Available online at <https://www.opm.gov/telework/documents-for-telework/2021-guide-to-telework-and-remote-work.pdf> (accessed August 17, 2023).

² U.S. Department of Commerce Office of Human Resources Management, December 2021. *Telework and Remote Work Plan*. Washington, DC: DOC, 8. Available online at <https://www.commerce.gov/sites/default/files/2022-06/DOC%20Telework%20and%20Remote%20Work%20Plan%20-%2012-16-2021.pdf> (accessed June 2, 2023).

³ 5 C.F.R. § 531.605(d).

⁴ Locality payment is a locality-based comparability payment designed to reduce the disparity between federal and private sector pay. It is a geographically based percentage rate as determined by the U.S. Bureau of Labor Statistics.

⁵ Refer to OPM pay tables at <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/>.

COVID-19 workplace changes

In certain temporary situations, OPM policies allow federal agencies to prohibit teleworking employees from returning to an agency worksite.⁶ During those situations, agencies may continue to consider the agency worksite as the employee's official worksite, even though the employee is not working from the agency worksite.

In March 2020, the pandemic forced the federal government to react to help prevent the spread of the COVID-19 virus. That month, the Department implemented mandatory telework for employees, requiring all telework-eligible employees to telework full-time until further notice. The Department gave notice to return to office facilities beginning in April 2022, requiring employees to have signed telework or remote work agreements in place to continue using the workplace flexibilities.

⁶ OPM, *2021 Guide*, 32.

Objective, Findings, and Recommendations

The objective of our audit was to determine whether the Department ensures employees are paid the correct locality pay in accordance with applicable regulations and policy. To address this objective, we assessed the Department's controls and monitoring for establishing and updating locality pay; judgmentally selected employees and reviewed documentation supporting their locality rates; and reviewed documentation confirming telework employees complied with their telework agreements. Appendix A provides a more detailed description of our scope and methodology.

Overall, we found that while the Department and bureaus have some policies and controls in place to ensure employees are paid the correct locality pay, they do not have sufficient policies and controls in place for timely processing of duty station changes or ensuring employees comply with telework agreements. Specifically, we found the following:

- I. Department personnel did not timely initiate or process changes in employee duty stations.
- II. The Department could not demonstrate that all teleworking employees reported to the office as required by their telework agreements.

I. Department Personnel Did Not Timely Initiate or Process Changes in Employee Duty Stations

A federal employee's locality rate is based on the employee's official duty station.⁷ When an employee's official duty station is changed to a duty station in a different locality area, the employee is entitled to the locality rate for the new locality pay area. The new rate may be higher or lower than (or may be the same as) the employee's previous locality rate. This entitlement begins on the effective date of the change in official worksite.⁸

We judgmentally selected 31 employees for testing throughout the Department to determine if they were paid the correct locality pay. We found that 7 of the 31 employees were overpaid during the period we reviewed (see table I).

⁷ OPM, *2021 Guide*, 31.

⁸ 5 C.F.R. § 531.609, *Adjusting or terminating locality rates*.

Table I. Employees with Incorrect Duty Stations

Employee	Bureau	Estimated Number of Pay Periods ^a Paid Based on Incorrect Duty Station	Incorrect Locality Payment (%)	Entitled Locality Payment (%)	Total Overpayment (\$)	Recovery in Process
1	U.S. Economic Development Administration (EDA)	12	32.49 ^b	16.5 ^b	7,695	Yes
2	National Technical Information Service (NTIS)	17	31.53 ^c 32.49 ^b	23.80 ^c 24.14 ^b	6,629	No ^d
3	Office of the Secretary (OS)	24	31.53 ^c 32.49 ^b	25.49 ^c 26.39 ^b	3,367	Yes
4	OS	24	31.53 ^c 32.49 ^b	16.20 ^c 16.50 ^b	7,940	No ^d
5	United States Patent and Trademark Office (USPTO)	19	31.53 ^c 32.49 ^b	16.20 ^c 16.50 ^b	10,358	Yes
6	USPTO	6	31.53 ^c	16.20 ^c	3,352	Yes
7	USPTO	5	31.53 ^c 32.49 ^b	16.20 ^c 16.50 ^b	3,644	Yes
Total					\$42,985	

Source: Office of Inspector General (OIG) review of Department documentation

^a Federal pay periods are 2 weeks in length.

^b GS locality payment effective January 2023.

^c GS locality payment effective January 2022.

^d The bureau does not intend to pursue recovery of the overpaid funds.

Six of the employees implemented new remote work agreements resulting in corresponding changes in duty station but did not have their duty stations updated timely. These delays ranged from approximately 2 months to 11 months. Another employee remained on a full-time telework agreement after Department employees returned to the office. As the employee was not scheduled to work at the agency worksite at least 2 days per biweekly pay period and did not receive temporary exceptions to that requirement, the employee's official worksite should have been their telework location.⁹ The employee's telework location was in a locality area with a lower locality payment than their assigned duty station. Because Department officials did not timely initiate or process the changes in duty stations,

⁹ 5 C.F.R. § 531.605(d)(3).

all 7 employees continued to receive locality pay at a higher rate than established for the duty stations they should have been assigned, resulting in overpayments totaling approximately \$42,985 (see appendix B). The Department stated it will pursue recovery of the overpayments from 5 of the 7 employees. Department and bureau officials decided not to seek reimbursement from the remaining two employees because one no longer works for the Department and for the second, the bureau asserted it could not determine the date locality pay should have changed or who was responsible for the delay. However, Department and bureau officials did not provide documentation to demonstrate that they followed Departmental policy on waivers of overpayments to employees.

Bureaus do not have adequate controls in place to ensure changes in duty stations are initiated and processed in a timely manner. Our review of the bureaus' telework guidance and the Department's *Telework and Remote Work Plan* showed that there is no guidance for ensuring personnel changes have the effective date of the change in the employee's duty station. The bureaus also did not have adequate controls to identify and correct instances when the changes were not initiated or processed timely.

Recommendations

We recommend that the Chief Financial Officer and Assistant Secretary for Administration

1. Implement internal controls to ensure that changes in duty stations are initiated and processed timely.
2. Review duty station changes processed since the return to office to determine whether untimely initiation or processing resulted in incorrect employee locality pay. Recover any excess salary amounts paid to employees in accordance with Departmental policy.

II. The Department Could Not Demonstrate That Teleworking Employees Reported to the Office as Required by Their Telework Agreements

The official duty station for employees who telework is the location of the agency worksite, as long as the employee is scheduled to physically report to the agency worksite at least twice per biweekly pay period on a regular basis. The employee must physically report to the agency worksite unless excused by their supervisor for legitimate reasons.¹⁰ If a teleworking employee does not meet those requirements, the employee's official worksite should be their telework location.¹¹ While reviewing the 31 Department employees' locality pay, we also requested evidence to verify telework employees worked at their agency worksite in accordance with their telework agreements. In addition to the seven employees we noted in finding I, the Department was unable to demonstrate whether two employees

¹⁰ Commerce OHRM, *Telework and Remote Work Plan*, 20.

¹¹ 5 C.F.R. § 531.605(d)(3).

at the National Oceanic and Atmospheric Administration (NOAA) physically reported to their duty stations as required by their telework agreements.

We identified one employee with a duty station in Seattle, Washington, and another employee with a duty station of Silver Spring, Maryland, both with telework locations in distant states with lower locality rates. The Department could not provide electronic badge data demonstrating that these employees entered the agency worksite during the period we reviewed, as it was either unavailable for the location or contained no entries for the employee. Additionally, the Department did not provide any other support to verify employees worked in the office at least 2 days per biweekly pay period in accordance with their telework agreements. Further, the Department did not provide sufficient evidence that temporary exceptions were granted to the employees. Without badge data or any other evidence available for the employees, we reviewed their timesheets. Those timesheets indicated that the employees only worked in the office at least 2 days during 4 and 5 pay periods, respectively, of the 24 pay periods we reviewed.¹² The locality pay these employees received was based on their duty station while they were teleworking in geographic regions with lower locality payments.

If employees are routinely not physically reporting to the office in accordance with their telework agreements, they may not be complying with those agreements. Furthermore, an employee who does not satisfy the twice-per-pay-period requirement and is not obtaining approvals for temporary exceptions is, according to the Department's *Telework and Remote Work Plan*, not a teleworker but a remote worker, which can affect the employee's locality pay. Failure to take action to ensure that an employee only receives the duty station and locality pay of the agency worksite if the employee regularly satisfies the twice-per-pay-period requirement could result in overpayment to the employee if the conversion would have changed their duty station to one with a lower locality payment.

Recommendations

We recommend that the Chief Financial Officer and Assistant Secretary for Administration

3. Regularly track and determine whether all teleworking Department employees are meeting the schedule requirement for 2 days in the office per pay period. For employees failing to meet this requirement, take action to ensure that the agency has assigned the proper locality pay and telework or remote work status to the employees and prevent or address any overpayment of salary amounts paid to the employees in accordance with Departmental policy.
4. Implement internal controls to ensure employees are following the requirements of their telework or remote work agreements and temporary exceptions are properly documented.

¹² Includes use of leave and federal holidays in addition to regular time.

Summary of Agency Response and OIG Comments

On April 30, 2024, we received the Department's response to our draft report. In response to our draft report, the Department concurred with all our recommendations and described actions it has taken, or will take, to address them. The Department also provided technical comments. We considered those comments and made changes to the final report where appropriate. Appendix C of this report contains the full text of the Department's response.

Appendix A: Objective, Scope, and Methodology

In April 2023, we initiated an audit of the Department's employee locality pay from April 2022 to March 2023.¹³ The objective of our audit was to determine whether the Department ensures employees are paid the correct locality pay in accordance with applicable regulations and policies. To accomplish our objective, we performed the following actions:

- Reviewed the following relevant regulations, policies, and guidance, including but not limited to:
 - The Department's *Telework and Remote Work Plan*, December 2021
 - Department guidance concerning COVID-19 and mandatory telework
 - 5 C.F.R. Part 531, Subpart B, *Determining Rate of Basic Pay*
 - 5 C.F.R. Part 531, Subpart F, *Locality-Based Comparability Payments*
 - Public Law 111-292, Telework Enhancement Act of 2010
 - OPM's GS locality pay tables for fiscal years 2022 and 2023
 - OPM's *2021 Guide to Telework and Remote Work in the Federal Government*, November 2021
 - OPM's *Guide to Processing Personnel Actions*, March 2017
 - *Bureau of Economic Analysis Remote Work Policy*, October 12, 2020
 - *U.S. Census Bureau Telework Policy*, February 2019 and January 2023
 - EDA's *Telework Program*, September 28, 2021
 - International Trade Administration's (ITA's) *ITA Remote Work Program*, July 1, 2022
 - National Institute for Standards and Technology's (NIST's) *Remote Work Program*, April 19, 2022
 - NOAA's *Remote Work Implementation Plan*, February 2023
 - *U.S. DOC NTIS Telework Policy*, September 13, 2022
- Interviewed officials in the OS, the U.S. Census Bureau, EDA, ITA, NIST, NOAA, and USPTO to gain an understanding of human resources policies and procedures, as well as control activities and monitoring related to employee locality pay.
- Obtained and analyzed payroll data from the National Finance Center (NFC) for Department employees in the GS classification and pay system, grade 15 and below, that

¹³ For employees we identified with an overpayment, we expanded our scope beyond March 2023 to identify the full overpayment to the employees.

received pay during pay period 2022-09 (April 2022) through pay period 2023-06 (March 2023).

Our audit included a judgmental selection of employees to determine if they were paid the correct locality pay during the audit period. We chose employees based on perceived risk factors in the NFC payroll data, including (1) the distance between residential address and official duty station and (2) changes in residential address and/or duty station. We chose 31 total employees across 10 Departmental bureaus (see table A-1).

Table A-1. Employees Tested Per Bureau

Bureau	No. Employees Tested
Bureau of Industry and Security	1
U.S. Census Bureau	7
EDA	3
ITA	1
Minority Business Development Agency	2
NOAA	4
National Telecommunications and Information Administration	1
NTIS	2
OS	4
USPTO	6
Total	31

Source: OIG review of Department documentation

We requested documentation from the bureaus to support the locality rates of the selected employees, including SF-50s supporting the establishment of or changes to official duty stations; telework and remote work agreements; and electronic badge data. We also compared NFC payroll data to OPM salary tables to ensure consistency with established GS pay rates. As we did not statistically sample employees, the results of our testing should not be used to project to the population of untested employees.

We did not rely solely on computer-processed data to perform this audit. We assessed the reliability of the data by (1) reviewing the data for obvious errors, (2) comparing the data with other available supporting documents to determine data consistency and reasonableness, and (3) reviewing other audit reports related to the data system. Based on these efforts, we believe the data we obtained is sufficiently reliable for this report.

During our audit, we gained an understanding of the internal controls significant within the context of our audit objective by interviewing Department officials and reviewing relevant

policies, guidance, and documentation. We assessed the Department's and bureaus' internal controls significant to our audit objective, including control activities and monitoring for the establishment of and updates to employee duty stations. We reported internal control deficiencies we identified during the audit in the Objective, Findings, and Recommendations section of this report.

We conducted our audit from April 2023 to December 2023 under the authority of the Inspector General Act of 1978, as amended (5 U.S.C. §§ 401-424), and Department Organization Order 10-13, as amended October 21, 2020. We performed our fieldwork remotely.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence that provides a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Appendix B: Potential Monetary Benefits

Finding and Recommendation	Potential Funds to Be Put to Better Use
Finding I, recommendation 2	\$42,985
Total Potential Monetary Benefits	\$42,985

Source: OIG review of Department documentation

Appendix C: Agency Response

The Department's response begins on the following page.



UNITED STATES DEPARTMENT OF COMMERCE
Office of the Chief Financial Officer and
Assistant Secretary for Administration
Washington, D.C. 20230

MEMORANDUM FOR Richard Bachman
Assistant Inspector General for Audit and Evaluation

FROM: Jeremy Pelter **JEREMY PELTER** Digitally signed by JEREMY PELTER
Date: 2024.04.29 16:57:05 -04'00'
Deputy Assistant Secretary for Administration, performing the non-exclusive functions and duties of the Chief Financial Officer and Assistant Secretary for Administration
U.S. Department of Commerce

SUBJECT: Response to Draft Report: “The Department Can Improve Processes to Ensure Locality Pay Is Accurate”

Thank you for the opportunity to review and comment on this draft report. The U.S. Department of Commerce (the Department or DOC) appreciates the effort of the Office of Inspector General (OIG). The Department remains committed to strategically using workplace flexibilities, such as remote work and telework, to recruit and retain talent while ensuring employees receive the correct locality pay in accordance with applicable regulations and policy. The Department respectfully submits the following comments in response to OIG’s findings and related recommendations.

Finding I: Department personnel did not timely initiate or process changes in employee duty stations.

Response: The Department agrees with the findings pertaining to the 7 employees found to have incorrect duty stations during the time period analyzed. The Department, as detailed below, is committed to ensuring that duty station changes are initiated and processed in a timely fashion.

Recommendation 1: Implement internal controls to ensure that changes in duty stations are initiated and processed timely.

Response: While the Department currently has in place policies and controls that cover changes in an employee duty station, it agrees to implement improvements and has already begun that process.

During the audit period, the Department initiated a series of data collection and reporting efforts to increase awareness—and scrutiny—of telework and remote work practices at all levels of leadership. The Office of Human Resources (OHRM) has dedicated time to the timeliness and accuracy of telework and remote work changes during monthly meetings with bureau Principal Human Resources Managers (PHRMs), and OHRM began issuing regular broadcast messages to

the DOC workforce aimed at increasing the accuracy of timekeeping, including the proper use and supervisory review of telework and remote work transaction codes.

In response to this recommendation, the Chief Human Capital Officer/Director of OHRM will also release guidance to PHRMs requiring a review of their approaches to processing duty station changes and share any enhancements implemented because of such reviews, which will help ensure that the Department and bureaus are taking a consistent approach to processing duty station changes.

Recommendation 2: Review duty station changes processed since the return to office to determine whether untimely initiation or processing resulted in incorrect employee locality pay. Recover any excess salary amounts paid to employees in accordance with Departmental policy.

Response: The Department agrees to focus on duty station changes since the return to office and recover any excess salary amounts paid, if appropriate.

In response to this recommendation, the Chief Human Capital Officer/Director of OHRM will release guidance to PHRMs requiring both a review of duty station changes since 2022, and a resolution of any identified discrepancies, in accordance with Department policy. This guidance will also require the PHRMS to provide a status update to OHRM on their progress.

Finding II: The Department could not demonstrate that all teleworking employees reported to the office as required by their telework agreements.

Response: The Department agrees with the findings pertaining to the 7 employees found to have incorrect duty stations and the two employees lacking sufficient documentation of required in-person reporting during the period analyzed. The Department does not believe these findings are representative of systemic non-compliance with telework agreements or regulatory required work site reporting and, as detailed below, is committed to ensuring that Department employees are meeting the requirement of two days in the office per pay period.

Recommendation 3: Regularly track and determine whether all teleworking Department employees are meeting the schedule requirement for 2 days in the office per pay period. For employees failing to meet this requirement, take action to ensure that the agency has assigned the proper locality pay and telework or remote work status to the employees and prevent or address any overpayment of salary amounts paid to the employees in accordance with Departmental policy.

Response: While existing Departmental policy requires regular review, including by supervisors, of employee compliance with telework (and remote work) agreements, the Department agrees to increase its efforts to ensure such oversight of teleworking employees is occurring in at bureaus in accordance with existing regulation and policy.

In response to this recommendation, the Chief Human Capital Officer/Director of OHRM will distribute regular communications and training information to assist employees, supervisors, and organizational leaders in understanding existing telework policy, including the criticality of monitoring compliance with signed agreements, conducting regular reviews of agreements to consider changes or cancellation, and coding time and attendance records using appropriate telework and remote work transaction codes. The Chief Human Capital Officer/Director of OHRM will also release guidance to PHRMs requiring they review their approaches to generating and monitoring telework (and remote work) agreements and address any identified discrepancies regarding in-person reporting in accordance with Departmental policy.

Recommendation 4: Implement internal controls to ensure employees are following the requirements of their telework or remote work agreements and temporary exceptions are properly documented.

Response: The Department agrees to increase efforts to ensure such oversight of telework and remote work agreements is occurring in at bureaus in accordance with existing regulation and policy. In addition to the actions listed in response to Recommendation 3, the OHRM will complete a review of online resources available to employees and supervisors to ensure understanding of—and compliance with—existing Departmental telework and remote work policy. OHRM aims to enhance or supplement such resources by the end of this Fiscal Year.

REPORT

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