

GAO Highlights

Highlights of [GAO-25-107297](#), a report to congressional requesters

Why GAO Did This Study

On behalf of their members, labor organizations negotiate collective bargaining agreements related to pay, safety, and workplace policies. OLMS promotes transparency and financial integrity in labor organizations through its enforcement of LMRDA. In part, this law aims to prevent improper practices by labor organizations and protect the rights and interests of their members. OLMS pursues this goal through audits, investigations, and compliance assistance.

GAO was asked to review how OLMS administers LMRDA provisions that apply to labor organizations. This report examines the extent to which OLMS (1) ensures labor organizations adhere to LMRDA requirements and (2) helps labor organizations comply with LMRDA requirements. GAO reviewed relevant federal laws, annual reports and compliance assistance publications, and all 172 compliance audit closing letters issued in calendar year 2023, the most recent available at the onset of GAO's review. GAO also analyzed fiscal year 2019 to 2023 enforcement and compliance assistance data and interviewed OLMS national and regional officials.

What GAO Recommends

GAO is making seven recommendations, including that OLMS assess voluntary compliance results and establish a mechanism to cite related publications in audit closing letters. The Department of Labor concurred with all seven recommendations. In its comments, the agency outlined its plans to implement them.

View [GAO-25-107297](#). For more information, contact Thomas Costa at CostaT@gao.gov.

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LABOR ORGANIZATION OVERSIGHT

Department of Labor Should Enhance Enforcement and Assistance Processes

What GAO Found

The Department of Labor undertakes several efforts to enforce the requirements of the Labor-Management Reporting and Disclosure Act (LMRDA), but it could improve its processes to ensure violations are adequately addressed. Each year, the department's Office of Labor-Management Standards (OLMS) selects some labor organizations for audits of their financial reports, based on factors such as member complaints, to ensure financial integrity. Most audits identified reporting and recordkeeping violations, but OLMS's response to addressing them varies. OLMS primarily relies on voluntary compliance—an organization's promise to maintain accurate reports and proper records in the future—to address recordkeeping violations. Some recordkeeping violations could reveal weaknesses that leave labor organizations vulnerable to theft and misuse of funds. However, OLMS has not assessed whether assurances of voluntary compliance result in corrective actions. As a result, OLMS does not know if its focus on voluntary compliance is an effective means to ensure labor organizations are adequately safeguarding members' dues.

Selected OLMS Enforcement and Compliance Assistance Activities



Source: GAO icons and analysis of Office of Labor-Management Standards (OLMS) information. | GAO-25-107297

To support compliance, OLMS provides over 50 publications covering all sections of LMRDA requirements, but the agency does not have a mechanism to cite them in audit closing letters when relevant. Specifically, in GAO's review of 172 closing letters—which OLMS uses to summarize violations it identifies and cite available assistance—from 2023, letters did not consistently reference publications that could help labor organizations address recordkeeping violations. For example, 46 closing letters with violations were related to documenting credit card expenses, and none referenced a related publication. According to OLMS officials, investigators determine which publications to reference on a case-by-case basis. However, OLMS does not have a systematic process to help investigators consistently cite related guidance in audit closing letters. This may leave labor organizations unaware of the available resources to address violations and comply with the LMRDA.