



## Office of Inspector General Pension Benefit Guaranty Corporation

February 15, 2017

Mr. Alex van Schaick  
Counsel, Communications Workers of America, AFL-CIO  
501 3rd Street, NW, 6<sup>th</sup> Floor  
Washington, DC 20001

Dear Mr. van Schaick:

I am writing in response to your December 6, 2016 email, in which the Communications Workers of America (CWA) alleged that General Dynamics Information Technology, Inc. (GDIT), a PBGC contractor, held meetings with its employees working at PBGC's Alexandria, Virginia contact center on November 28 and 29, 2016 to dissuade them from organizing with CWA. CWA also alleged that if GDIT seeks payment from PBGC of its costs associated with these meetings, PBGC should not pay them because, pursuant to Executive Order 13494, they are unallowable "costs of ... activities undertaken to persuade employees ... not to exercise ... their right to organize." Finally, CWA alleged that GDIT's meetings constituted an unfair labor practice and, as such, CWA filed a charge with the National Labor Relations Board (NLRB).

Upon our review of the allegations, we referred the question of whether GDIT had sought payment from PBGC for any costs incurred on November 28 and 29, 2016 to PBGC's Procurement Department. On January 11, 2017, we received the initial response and after sufficiency review requested follow-up on some outstanding issues. The Procurement Department provided its follow-up response on February 10, 2017.

The Procurement Department's review of the allegations revealed that GDIT is familiar with Executive Order 13494 and it has dedicated charge codes, so that any and all time spent on issues of union representation are treated as unallowable costs and not charged to the PBGC contract. The Procurement Department independently verified GDIT's internal audit, which identified some employees charged time to an incorrect code. The amount of mischarged time was 6.9 hours (\$273.56), and GDIT agreed to reimburse PBGC this amount. Further, to prevent future mischarges, GDIT will re-train its supervisors on GDIT's timekeeping review policy.

On February 10, 2017, you informed my office that GDIT had conducted another round of "captive-audience meetings" with their employees at the contact center. You alleged that GDIT informed all of its employees attending these meetings to charge .3 hours, even though certain

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employees allegedly had more accurate reports of their time spent at the meetings. We provided this additional information to the Procurement Department.

With respect to the unfair labor practice charge, as we indicated in our December 16, 2016 letter to you, NLRB has exclusive jurisdiction over the unfair labor practice charge and, therefore, we defer that allegation to the Board.

As a result of the Procurement Department's findings from its review, as well as the unfair labor charge being outside of our jurisdiction, we have determined that no further OIG action is warranted. This matter will be closed by my office.

We appreciate your efforts to prevent government waste, fraud, and abuse and thank you for providing us the opportunity to look into this matter.

Sincerely,

CONRAD QUARLES

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Conrad Quarles

Assistant Inspector General for Investigations