



## BRIEFLY...

### **DOL Needs Stronger Oversight and Controls for Sharing Confidential Information**

#### **Why We Did the Audit**

In November 2024 and January 2025, the Committee on Education and the Workforce requested the U.S. Department of Labor (DOL) Office of Inspector General evaluate allegations that the Employee Benefits Security Administration (EBSA) and Office of the Solicitor (SOL) used a common interest agreement to share confidential information with plaintiffs' attorneys during class action lawsuits. The Deputy Secretary of Labor also requested we review the Wage and Hour Division's (WHD) information-sharing practices with plaintiffs' law firms.

DOL uses these agreements to obtain information to enhance enforcement efforts and to protect sensitive information from being disclosed.

Based on the Committee's and the Deputy Secretary's requests, we initiated a performance audit to answer the following question:

To what extent do SOL, EBSA, and WHD have established controls for how they share confidential information using common interest agreements with non-governmental entities?

#### **What We Found**

We found DOL did not establish sufficient controls for how it shared confidential information using common interest agreements with non-governmental entities. Specifically, SOL, EBSA, and WHD did not have formal policies and procedures, a framework for internal coordination, and tracking mechanisms.

The agencies did not have a formalized oversight process to ensure these agreements were appropriately and consistently executed. For example, they did not establish roles and responsibilities or have strategies for minimizing potential, actual, and apparent bias for government personnel working on agreements. For a program to operate effectively, there needs to be appropriate and consistent implementation of controls. Without standardization, agencies and offices within the same agency entered into agreements inconsistently and possibly inappropriately.

In addition, SOL, EBSA, and WHD did not establish an adequate coordination process to develop and execute common interest agreements. As a result, SOL did not regularly communicate or coordinate with or involve agencies when executing agreements, including disclosing information shared. Without ongoing communication, EBSA and WHD indicated they were not always aware agreements existed or what information was shared.

Furthermore, SOL, EBSA, and WHD did not have tracking mechanisms for common interest agreements and were unable to determine with certainty the number of agreements that had been executed. As a result, DOL may have improperly entered into common interest agreements with non-governmental entities and potentially disclosed privileged investigative information, providing an unfair advantage to those entities.

These issues occurred because DOL management did not place sufficient emphasis on establishing roles and responsibilities necessary for effective oversight and did not provide adequate training to all responsible parties.

#### **What We Recommended**

We made eight recommendations to DOL to establish policies and procedures for the use of common interest agreements with non-governmental entities, initiate coordination processes between DOL client agencies, develop a tracking system, and update training. SOL, EBSA, and WHD agreed with all eight recommendations.

#### **Read the Full Report**

For more information, go to:

<https://www.oig.dol.gov/public/reports/oa/2026/09-26-001-08-001.pdf>.