

2020 NATIONAL MEDIATION BOARD



NMB
ANNUAL
PERFORMANCE
AND
ACCOUNTABILITY
REPORT
FY 2020

20
20 NATIONAL
MEDIATION
BOARD

ANNUAL PERFORMANCE AND ACCOUNTABILITY REPORT

CHAIRMAN'S LETTER

The year 2020 will certainly go down in history due to the devastating impact of the COVID-19 pandemic worldwide. The toll of lives lost, sickness, jobs lost, furloughs, educations interrupted, industries battered and businesses closed is devastating. We recognize that some of the harshest economic brunt of the pandemic has fallen on the people who power the two industries that utilize our services—airlines and rail. The pandemic also challenged the National Mediation Board (NMB), and this agency has successfully strived to complete our mission.

Now 86 years old, the NMB was created under amendments to the Railway Labor Act to prevent disruption to interstate commerce in the rail and airline industry—a mission that remains critical today.

Adaptation was required in order to complete our mission in the COVID-19 environment. Agency-wide, pandemic telework became available for staff in March 2020, yet the Washington, DC headquarters remained open and our Chicago office has now reopened. Individual departments have made necessary adjustments in order to continue their work. The cooperation of parties with these adjustments has contributed to our successful mission year and is much appreciated.

In FY 2020, the Office of Mediation Services (OMS) successfully closed 41 cases, including a very large joint collective bargaining case that had been ongoing for several years in direct mediation before entering NMB mediation in 2018. Mediation is a process typically completed through numerous in-person meetings, usually requiring travel. When that became impossible, NMB mediators adapted to provide virtual mediation meeting services to parties. Although online mediation is being utilized, for many parties the devastating business impact and uncertainty of COVID-19 have delayed negotiations that would otherwise be underway. NMB stands ready to provide services whenever we are called upon.

Additionally, skilled NMB mediators provided alternative dispute resolution assistance to labor and management parties in the rail and air sector. OMS provided targeted ADR assistance to the railroad industry through the Ambassador Program, which was actively promoted this year. These services help parties resolve grievances through mediation rather than arbitration. When successful, the ADR process takes cases off of NMB's arbitration caseload, saving taxpayer dollars and also teaching parties how to resolve future disputes independently.

In FY 2020, the Office of Arbitration Services (OAS) also had to adapt in order to complete its mission. OAS increased its use of electronic docketing and worked with the National Railroad Adjustment Board to facilitate electronic filing processes. Arbitrator travel was suspended and arbitration hearings were conducted by videoconference. In fact, these adaptations present a silver lining of greater efficiency for this department.

Although the caseload of arbitration cases increased slightly this year as over 1000 more new cases were filed as compared to last year, the release of significant additional funding at the end of the fiscal year will lead to more cases closing in early FY 2021. Overall, the caseload continues to trend below the 2012–2017 levels. It is NMB's current policy to address chronically high backlogs by requiring timely decisions from arbitrators, encouraging grievance mediation as an alternative to arbitration, removing aged cases that were not being progressed by the parties on an annual basis and, when possible, devoting additional resources to fund arbitration cases.

The Office of Legal Affairs (OLA) similarly adapted to meet the challenge of mission completion in the time of COVID-19. OLA closed 16 representation cases in FY 2020, including conducting 11 elections. Due to COVID-19, NMB stopped accepting new applications for representation and conducting elections for a brief period of time (March 25, 2020–June 15, 2020). This pause was not made lightly, but was necessary in order to ensure that representation cards and voting ballots were correctly received, processed and preserved when employees were not present in the office to follow NMB’s procedures. The suspension was lifted as soon as NMB was able to ensure a minimal staffing presence to maintain the operational integrity, which safeguards the election process. OLA did not stop investigating existing cases at any time.

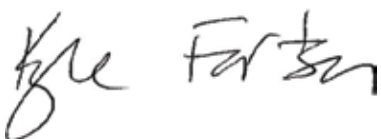
In FY 2020, NMB’s mission support offices have continued to play a critical role in ensuring the agency is able to perform its statutory mission.

The Office of Administration (OA) performed the important role of facilitating COVID-19 procedures and staffing changes. Despite the limitations of having most staff on telework status, OA ensured NMB made progress on our workforce plan by completing the hiring process for seven employees in 2020 and processing credentials for over 20 contractors.

The Office of Information Services (OIS) continued the challenging work of leading the agency to full compliance with federal IT security requirements. In addition, OIS oversaw a major project replacing an outdated arbitration case management system with a new system that will provide multiple improvements.

The Office of Fiscal Services (OFS) navigated federal budgeting for the agency in a year challenged with multiple continuing resolutions and funding delays and ensured sound fiscal management of our budget. We are pleased to report that the Independent Auditor’s report found no deficiencies in NMB’s internal control over financial reporting.

Despite the remarkable challenges COVID-19 brought to the world in 2020, NMB has adapted and effectively met its statutory obligations to air and rail carriers, their employees, the traveling public and taxpayers. Yet, we do not forget the brutal impact this pandemic is having on the airline and rail sector. To be sure, future negotiating will bear the scars of surviving this pandemic. More than ever, NMB will be ready to assist parties in furtherance of harmonious labor/management relationships.



KYLE FORTSON

Chairman

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MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

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MISSION

The National Mediation Board was established by the 1934 amendments to the Railway Labor Act* of 1926. It is an independent, federal agency performing a central role in facilitating harmonious labor-management relations within two of the nation's key transportation sectors: railroads and airlines.

The NMB is headed by a three-member Board nominated by the President and confirmed by the Senate. Although appointed for three-year terms, members may serve until replaced. The members self-designate a Chairman, typically on a yearly basis.

Pursuant to the Railway Labor Act, the Agency's integrated dispute resolution processes are designed to promote the following three statutory goals, enabling the National Mediation Board to effect its mandate to minimize work stoppages in the railroad and airline industries:

1. The resolution of disputes arising out of the negotiation of new or revised collective bargaining agreements;
2. The effectuation of employee rights of self-organization where a representation dispute exists; and
3. The resolution of disputes over the interpretation or application of existing collective bargaining agreements.

In order to realize these goals, the NMB has three established program offices: the Office of Mediation Services (OMS), the Office of Legal Affairs (OLA), and the Office of Arbitration Services (OAS). Offices that support all purposes include the Office of Administration (OA), the Office of Fiscal Services (OFS), and the Office of Information Services (OIS). For further information, see the Management's Discussion and Analysis section of this annual report.

*The Railway Labor Act provides a comprehensive statutory framework for the resolution of labor-management disputes in the railroad and airline industries. Enacted in 1926 as a collaborative effort of labor and management, the RLA succeeded several previous federal statutes dating back to 1888. The 1926 Act provided for mandatory Mediation and voluntary Arbitration of railroad disputes in contract negotiations, as well as for Presidential Emergency Boards to enhance dispute resolution. Key amendments to the Act in 1934 established a three-member National Mediation Board and authorized the resolution of employee Representation disputes by the NMB. In 1936, the jurisdiction of the RLA was expanded to include the airline industry. The 1981 amendment to the Act permitted the creation of specialized Presidential Emergency Boards for collective bargaining disputes at certain commuter railroads.

NMB STRUCTURE

CHAIRMAN AND MEMBERS OF THE BOARD

Kyle Fortson¹

Chairman

Linda A. Puchala²

Member

Gerald W. Fauth, III

Member

Kelsey Kelleher

Confidential Assistant

Connor M. Parker

Confidential Assistant

Nancy Guiden

Confidential Assistant

PROGRAM OFFICES

OFFICE OF LEGAL AFFAIRS

Mary Johnson³

General Counsel

Maria-Kate Dowling

Associate General Counsel

Norman Graber

Counsel

Eileen Hennessey

Counsel

Andres Yoder

Counsel

Josie Bautista

Counsel

John S.F. Gross

Counsel

Keith Hussong

Program Support Specialist

OFFICE OF MEDIATION SERVICES

Patricia Sims

Director

John Livingood⁴

Senior Mediator

Kelley Gallop⁵

Senior Mediator

Anthony Tosi

Mediator

Gerry McGuckin

Mediator

James Mackenzie

Mediator

Victoria Gray

Mediator

Michael Kelliher

Mediator

Eva Durham

Mediator

Catherine McCann

Mediator

Jane Allen

Mediator

Nakita Raiford⁶

Mediation Program Specialist

OFFICE OF ARBITRATION SERVICES

Terri D. Brown⁷

Director

Roland Watkins⁸

Elijah Crayton
Paralegal Specialist

Linda Gathings

Arbitration Program Specialist
(Chicago)

Michaela Guyton

Arbitration Program Specialist
(Chicago)



SUPPORT OFFICES

OFFICE OF FISCAL SERVICES

Michael Jerger
Chief Financial Officer

Denise Murdock
Program & Management Analyst

Eric B. Johnson
Budget & Financial Analyst

OFFICE OF INFORMATION SERVICES

William Fumey
Chief Information Officer

Taha Sadeghi
Information Technology Specialist (INFOSEC)

Charles Montague⁹
Information Technology Specialist

Dean Wagner¹⁰
Information Technology Specialist

OFFICE OF ADMINISTRATION

Samantha T. Jones
Director

Bruce Conward, Jr.
Support Service Specialist

Terran C. Walker
Support Service Specialist

Footnotes:

1. Became Chairman on July 1, 2020.
2. Served as Chairman from July 1, 2019 through June 30, 2020.
3. Retired from NMB on September 30, 2020.
4. Promoted to Senior Mediator on August 2, 2020.
5. Joined NMB on August 16, 2020.
6. Joined NMB on November 24, 2019.
7. Promoted to Director of OAS on March 29, 2020.
8. Retired from NMB as Director of OAS on October 1, 2019.
9. Retired from NMB on December 31, 2019.
10. Retired from NMB on March 31, 2020.

NMIB BOARD MEMBERS





KYLE FORTSON

Chairman

Ms. Kyle Fortson was confirmed by the United States Senate on November 2, 2017. She previously served as Chairman from July 1, 2018, to June 30, 2019.

Since joining the Board, Ms. Fortson has worked to successfully resolve mediation cases of national importance. As Board Member and Chairman, Ms. Fortson has emphasized reducing the long-standing backlog of arbitration cases and, during her tenure, the caseload has been reduced by nearly 60 percent. Ms. Fortson also implemented a realignment of the agency structure to enhance and modernize support services.

Immediately prior to joining the NMB, Ms. Fortson served as Labor Policy Director for the Senate Health, Education, Labor and Pensions (HELP) Committee, working directly for the Chairman, Senator Lamar Alexander of Tennessee. As Labor Policy Director, Ms. Fortson was responsible for all labor, employment and workplace safety issues in the Committee's jurisdiction. Ms. Fortson also worked for previous Republican HELP Committee leaders: Senator Mike Enzi and Senator Judd Gregg. Before moving to the Senate, she served as Counsel to a member of the House of Representatives Judiciary Committee.

She is a graduate of the University of Colorado at Boulder and the George Washington University School of Law.

BOARD MEMBERS



LINDA A. PUCHALA

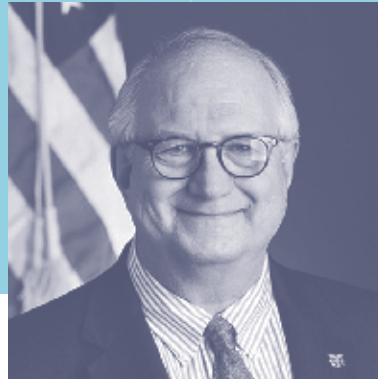
Member

Ms. Linda A. Puchala was first confirmed as Member of the National Mediation Board by the United States Senate on May 21, 2009.

Ms. Puchala previously served as Chairman from May 2009 through June 30, 2009; July 1, 2011, through June 30, 2012; July 1, 2013, through June 30, 2014; July 1, 2016, through June 30, 2017; and July 1, 2019, through June 30, 2020. Her most recent Senate confirmation came on November 2, 2017.

Prior to becoming a Member, Ms. Puchala served 10 years at the National Mediation Board as a Mediator, Sr. Mediator (ADR), and the Associate Director of Alternative Dispute Resolution Services. Ms. Puchala's prior labor relations experience includes work as International President of the Association of Flight Attendants-CWA, AFL-CIO and Staff Director, Michigan State Employees Association, AFSCME, AFL-CIO.

Ms. Puchala resides in Glen Burnie, Maryland, and holds a Bachelor's degree in Business Administration from Cleary University in Howell, Michigan.



GERALD W. FAUTH, III

Member

Gerald W. Fauth, III, was confirmed by the United States Senate on November 2, 2017, and assumed his position as a Board Member. Mr. Fauth served as Chairman of the National Mediation Board from November 9, 2017, through June 30, 2018. Mr. Fauth has 40 years of experience in the private sector and federal government working on economic, regulatory, public policy, and legislative issues related to transportation.

Mr. Fauth has been involved in negotiating, mediating, arbitrating, facilitating, supporting, or deciding the resolution of hundreds of transportation problems and disputes during his long career. He has submitted expert testimony and evidence on behalf of a wide variety of clients in numerous proceedings, which has helped resolve complex economic and regulatory issues. Mr. Fauth served at the U.S. Surface Transportation Board (STB), where he worked for more than three years as Chief of Staff and Senior Advisor to a Board Member.

While serving at the STB, he reviewed, analyzed, and made recommendations on hundreds of formal written decisions, which involved all matters of STB jurisdiction and had an impact on the transportation industry and the national economy.

Mr. Fauth was previously President of G.W. Fauth & Associates, Inc., a transportation economic consulting firm based in Alexandria, Virginia. Mr. Fauth holds a bachelor's degree from Hampden-Sydney College in Virginia.

DIRECTORS



MARY JOHNSON

General Counsel

As General Counsel, Mary Johnson serves as the Chief Legal Officer of the Agency and manages the Board's representation program and a legal program that includes litigation. In this role, Ms. Johnson provides legal advice to the Board Members and Agency staff. In addition, she ensures compliance with the Freedom of Information Act, Government in the Sunshine Act, and other statutes.

Ms. Johnson received her Juris Doctor from the University of Connecticut School of Law and her A.B. from Barnard College. She is a member of the Connecticut Bar and public Co-chair of the Railroad and Airline Labor Committee of the Labor and Employment Law Section of the American Bar Association.



PATRICIA SIMS

Director, Office of Mediation Services

Patricia Sims joined the NMB in 1997 as a Mediator and was promoted to Senior Mediator in 2000 and promoted to Director of Mediation Services (DOMS) in 2018. Ms. Sims is the first woman to hold the position as Director of Mediation. As the DOMS, she is responsible for supervision and oversight of the Mediation Department services and programs. Ms. Sims brings more than 20 years of experience in mediation in both the air and rail industries. She has mediated major disputes with all of the legacy airlines and their unions, including legacy merger agreements. Ms. Sims successfully mediated National Handling, concluding in 2007, which included the five Class I railroads and the UTU. Additionally, in 2002 she completed mediation with the first interest-based contract in the rail industry at CSX with their yardmasters.

Ms. Sims worked to create the Alternative Dispute Resolution (ADR) department at the NMB, which provides problem-solving training to the parties in both industries. She has been instrumental in promoting and facilitating new processes in both industries.

Ms. Sims earned her bachelor's degree in education from Virginia Tech and received her mediation certification at Harvard Law School and at the Private Adjudication Program at Duke University Law School.

DIRECTORS



TERRI D. BROWN

Director, Office of Arbitration Services

Terri D. Brown is the Director, Office of Arbitration Services at the National Mediation Board, where she is responsible for all aspects of grievance and interest arbitration in the airline and railroad industries. Ms. Brown was selected as the new Director of Arbitration Services in March 2020. She joined the NMB in 2002 as a Mediator and was subsequently promoted to Senior Mediator in 2010. Ms. Brown has more than 25 years of experience in labor relations, mediation, arbitration, and dispute resolution. During her tenure as an NMB mediator she successfully mediated many complex cases in both the airline and railroad industries. Since 2010, she has served as one of the two Ombudsmen under the NMB's internal Conflict Prevention and Resolution Policy.

Ms. Brown has an MBA from the University of Baltimore, a JD from Howard University and a BA from Chatham University.



MICHAEL JERGER

Chief Financial Officer

Michael Jerger joined the National Mediation Board in June 2019 as the Chief Financial Officer. In this role Mr. Jerger serves as a senior advisor to the Board and staff on financial, budgetary, and resource management decisions. In addition, he directs the financial management of the NMB and provides interpretation and direction on fiscal policy and law.

Prior to joining the NMB, Mr. Jerger was the Chief Operating Officer for the Institute of Museum and Library Services (IMLS), which is the main source of federal support for libraries and museums within the United States. In this role, he directed and managed the Offices of the Chief Financial Officer, Grants Administration, Human Resources, and Operations. Prior to joining the IMLS, Mr. Jerger was a Senior Global Business consultant with the IBM Corporation in New York.

Mr. Jerger holds a bachelor's degree in accounting from the University of Maryland, College Park.



WILLIAM FUMEY
Chief Information Officer

William Fumey is the Chief Information Officer and Director of the Office of Information Services at the National Mediation Board. Mr. Fumey joined the NMB in January 2019. As Chief Information Officer, Mr. Fumey oversees information technology and its related security and management for the Board.

Mr. Fumey holds a Master of Business Administration from the George Washington University and a Bachelor of Science in Information Sciences and Technology and a minor in Telecommunications from the Pennsylvania State University. He is a Certified Project Management Professional (PMP), Certified Information Systems Security Professional (CISSP), and Certified Information Systems Auditor.



SAMANTHA T. JONES
Director, Office of Administration

Samantha T. Jones is the Director of Office Administration (OA) at the National Mediation Board. During her tenure at the NMB, she has served in many leadership roles, including Acting Director of OA, Special Assistant to the Chief of Staff, the Assistant Chief of Staff—Administration, the Chief Financial Officer, and most recently, as the Acting Chief Financial Officer and the Acting Director of the Office of Fiscal Services.

Prior to joining the NMB in 2005, Ms. Jones was employed by the National Capital Planning Commission, where she served in many capacities, providing advice and guidance to senior management officials.

Ms. Jones holds a Bachelor of Science in business management with a minor in computer studies from the University of Maryland. She also holds a Master of Arts in conflict resolution from Dominican University, a certificate in executive leadership and a certificate in high performance, both from Cornell University. At Cornell University's ILR School, the Scheinman Institute on Conflict Resolution, she received training in Mediating and Arbitrating in the Federal Sector. Ms. Jones also serves as NMB's principal management official on the Small Agency Council Executive Committee for Human Resources.

REGISTRY OF BOARD MEMBERS

NAME	START DATE	END DATE
Kyle Fortson	11-13-17	Active ¹
Gerald W. Fauth, III	11-09-17	Active ²
Linda A. Puchala	05-26-09	Active ³
Harry R. Hoglander	08-06-02	11-09-17
Nicholas C. Geale	08-19-13	02-15-17
Elizabeth Dougherty	12-13-06	06-02-12
Read Van de Water	12-11-03	05-22-09
Edward J. Fitzmaurice, Jr.	08-02-02	12-13-06
Francis J. Duggan	11-22-99	11-21-03
Magdalena G. Jacobsen	12-01-93	08-02-02
Ernest W. DuBester	11-15-93	08-01-01
Kenneth B. Hipp	05-19-95	12-31-98
Kimberly A. Madigan	08-20-90	11-30-93
Patrick J. Cleary	12-04-89	01-31-95
Joshua M. Javits	01-19-88	11-14-93
Charles L. Woods	01-09-86	01-15-88
Helen M. Witt	11-18-83	09-18-88
Walter C. Wallace	10-12-82	07-01-90
Robert J. Brown	08-20-79	06-01-82
Robert O. Harris	08-03-77	07-31-84
Kay McMurray	10-05-72	07-01-77
Peter C. Benedict	08-09-71	04-12-72
David H. Stowe	12-10-70	07-01-79
George S. Ives	09-19-69	09-01-81
Howard G. Gamser	03-11-63	05-31-69
Robert O. Boyd	12-28-53	10-14-62
Leverett Edwards	04-21-50	07-31-70
John Thad Scott, Jr.	03-05-48	07-31-53
Francis A. O'Neill, Jr.	04-01-47	04-30-71
Frank P. Douglass	07-03-44	03-01-50
William M. Leiserson	03-01-43	05-31-44
Harry H. Schwartz	02-26-43	01-31-47
David J. Lewis	06-03-39	02-05-43
George A. Cook	01-07-38	08-01-46
Otto S. Beyer	02-11-36	02-11-43
John M. Carmody	07-21-34	09-30-35
James W. Carmalt	07-21-34	12-02-37
William M. Leiserson	07-21-34	05-31-39

¹ Term ended July 1, 2019.

² Term ended July 1, 2020.

³ Term ended July 1, 2018.

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OFFICE OF MEDIATION SERVICES

The Office of Mediation Services (OMS) manages mandatory mediation of collective bargaining disputes pursuant to statutory authority under Section 6 of the RLA, which is applicable to both the airline and railroad industries. The Alternative Dispute Resolution (ADR) component of OMS offers voluntary dispute resolution programs to the parties including training, facilitation, grievance mediation, and other dispute resolution efforts.

MEDIATION OVERVIEW

The RLA requires labor and management to exert every reasonable effort to make and maintain collective bargaining agreements. Initially, the parties must give notice to each other of their proposals for new or revised agreements. Direct negotiation between the parties must commence promptly and continue in an effort to conclude a new collective bargaining agreement or to narrow their differences. Should parties fail to reach agreement during direct negotiations, either party or the parties jointly may apply to the NMB for mediation. Following receipt of an application, the NMB promptly assigns a mediator to assist the parties in reaching an agreement. An application for NMB Mediation Services may be obtained from the Agency's web site at nmb.gov.

The NMB is obligated under the Act to use its "best efforts" to bring about a peaceful resolution of the dispute. If such efforts do not settle the dispute, the NMB advises the parties and offers Interest Arbitration (proffers arbitration) as an alternative approach to resolving the remaining issues. If either party rejects this offer of binding arbitration, the NMB releases the parties from formal mediation. This release triggers a thirty-day cooling-off period, during which the Agency continues to work with the parties to achieve a consensual solution to the dispute. However, if an agreement is not reached by the end of the thirty-day period and the President of the United States does not establish an Emergency Board, the parties are free to exercise lawful self-help, which includes carrier-imposed working conditions or a strike by the union/organization. A flow chart of mediation procedures can be found in the Mediation section of the NMB website at nmb.gov.

MEDIATION HIGHLIGHTS

Mediation for collective bargaining agreements was successful in FY 2020. Mediators effectively used their skills to assist parties in finding ways to bridge their disputes and reach agreement. Agreements were mediated in the airline sector with passenger and freight carriers, and in the rail sector with freight and commuter lines. Challenges at the bargaining table included consolidating agreements after mergers, and dealing with health care changes.

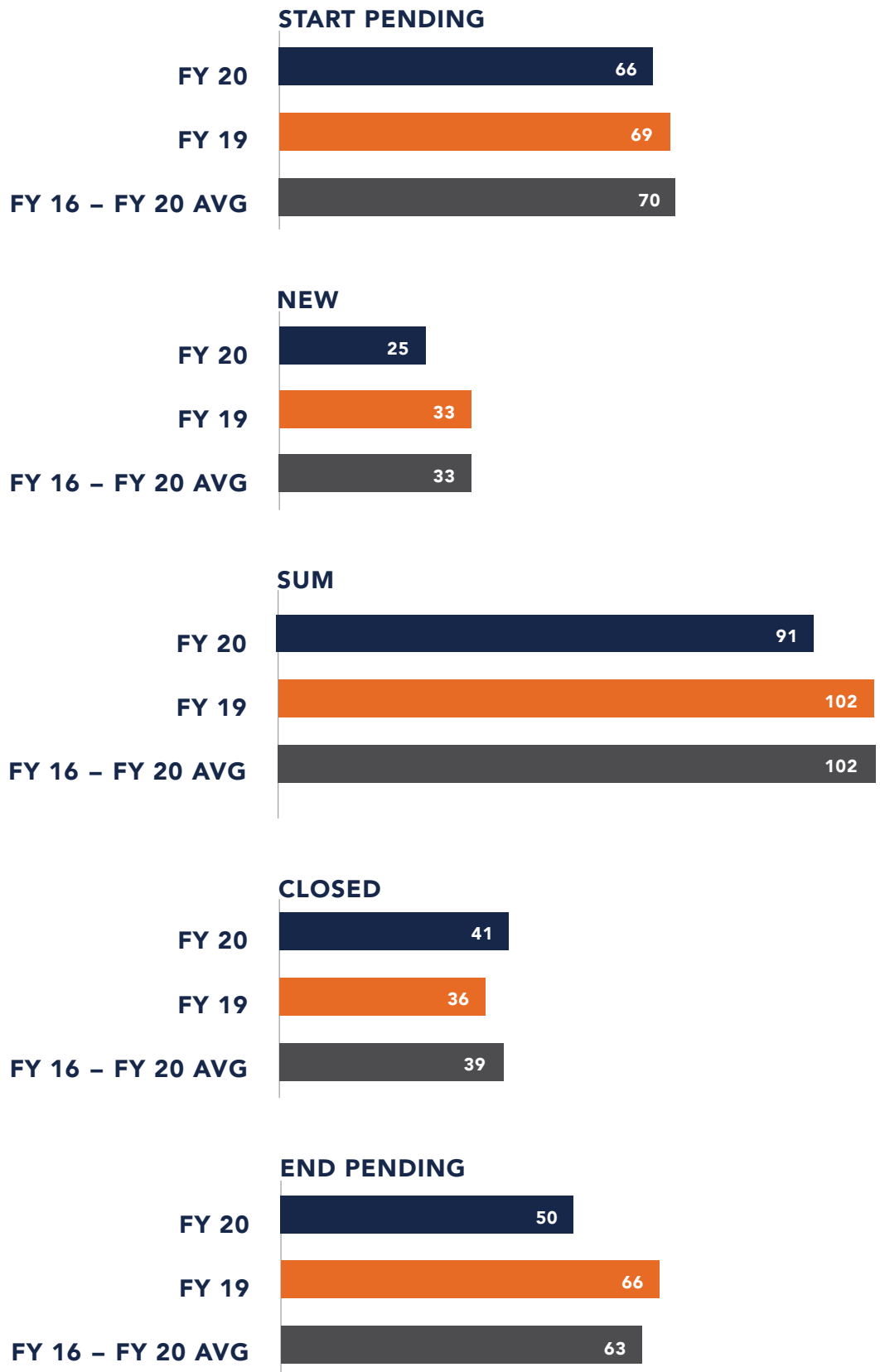
Settlements

Settlements were reached with American Airlines / TWU-IAM, Mechanics and Related, Fleet Service, and Stock and Stores employees. These three cases were the last of the legacy carrier merger negotiations. Foreign-flag air carrier settlements were reached with British Airways / IAM Customer and Passenger Service employees, and Maintenance (Engineering) employees; and Norwegian Air / AFA Flight Attendants. Other notable airline settlements included: Air Wisconsin Airlines ALPA Pilots, and AFA Flight Attendants; Hawaiian Airlines / AFA Flight Attendants; and Sun Country Airlines / TWU Dispatchers. Notable railroad settlements included commuter rail agreements with SEPTA / IAM Machinists; PATH / SMART-TD Conductors, and TCU Supervisors; Keolis Commuter Services and three of its unions—BRS, IBEW, and ATDA; and Metro-North Railroad (MTA) / ACRE Locomotive Engineers. Additionally, a number of agreements were reached on regional, short line, and switching/terminal railroads such as the Terminal Railroad Association of St. Louis / SMART-TD Train and Engine Service employees.

Pending Cases

Fifty cases remained open at the close of FY 2020. In the airline sector, legacy carriers are reaching amenable dates with many of their unions in 2020. Due to COVID-19 and the severe repercussions to the financial condition of the airline industry, many of the expected mediation cases will be delayed due to the economic recovery efforts of the industry. Delta Air Lines / ALPA Pilots are currently in mediation. In the airline catering sector, among other cases, the NMB is working with Gate Gourmet / IBT-HERE; and LSG Sky Chefs / UNITE HERE. In the area of commuter rail, the NMB is working with PATH and eight of its unions to reach agreements, and with Metra and its unions on 13 cases.

A chart reflecting the actual mediation case numbers for FY 2020, FY 2019, and the five-year average, FY 2016 – FY 2020, follows:



ADR OVERVIEW

In addition to statutory mediation and arbitration services under Sections 3 and 6 of the RLA, the NMB provides voluntary Alternative Dispute Resolution (ADR) Services. ADR Services include training, facilitation, grievance mediation, and applying technology to the dispute resolution process.

The primary goal of the NMB's ADR program is to assist the parties in learning and applying more effective, less confrontational methods for resolving disputes. Another goal is to help the parties resolve more of their own disputes without outside intervention, and to use appropriate technology to increase efficiency and reduce the cost of dispute resolution efforts for the parties.

The NMB established its ADR Services program with the conviction that use of ADR methods would result in fewer cases progressing to statutory mediation, reducing and narrowing the issues that the parties bring to mediation, and positively affecting working relationships among the parties.

A complete description of and an application for ADR Services may be found on the Agency's web site at [nmb.gov](https://www.nmb.gov).

ADR HIGHLIGHTS

ADR personnel continued to develop and deliver a wide range of services, including training, facilitation, grievance mediation, facilitated problem solving and use of appropriate technology to increase efficiency. These services included training programs and facilitation efforts outside of, and in addition to, traditional grievance mediation work.

Training

ADR Services has seen interest grow in its various training programs. NMB Mediators are skilled at instructing, and regularly trained parties as they began facilitation or grievance mediation cases, or when they encountered problems during negotiations.

Facilitation

Facilitation plays an important role in helping parties to reach common ground. It offers carriers and unions a way to reach agreement outside the stricter confines of traditional mediation. With each experience, the NMB's knowledge base grows, and best practices from the process increase to the parties' benefit.

Grievance Mediation

Interest in grievance mediation continues to grow with the parties we serve in both the air and rail sectors. Activity in the rail sector in particular has grown with the ADR Ambassador program, which pairs a Mediator with a particular rail carrier and its unions to advance alternatives to arbitration. Grievance mediation also serves to solve problems before they become grievances, and helps to clarify issues ahead of bargaining.

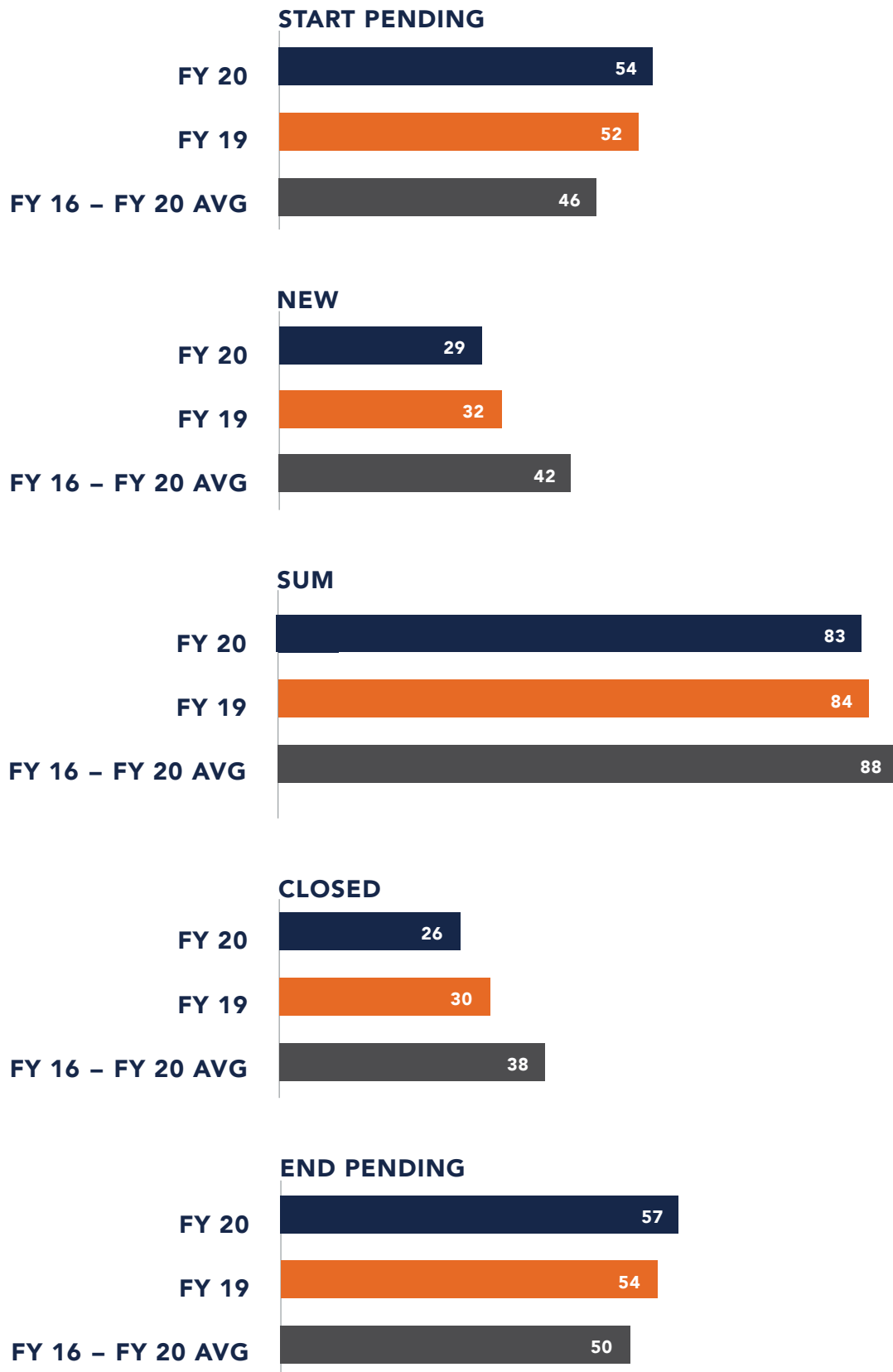
Technological Dispute Resolution

Technology continues to play an important role in resolving disputes in the air and rail industries. Especially during the pandemic when timing is critical, or when information exchange is beneficial, video conferencing technology has helped to provide virtual face-to-face meetings to allow Mediation sessions to continue.

Pending Cases

The ADR component of our work includes activities such as training, facilitation, grievance mediation and outreach endeavors. Much of that case work opens and closes in quick succession; however, grievance mediation cases stay open for many years. The Agency considers that a success because it means the parties find value in the process that helps them to find resolution to the individual disputes that we work on. Mediators take on a docket of claims or grievances at each session and work them to conclusion. On any given property, one grievance may represent hundreds of claims, so the resolution of one grievance can significantly reduce the number of claims and grievances that require resolution.

A chart reflecting the actual ADR case numbers for FY 2020, FY 2019, and the five-year average, FY 2016 – FY 2020, follows:



OFFICE OF LEGAL AFFAIRS

REPRESENTATION OVERVIEW

Under the Railway Labor Act (RLA), employees in the airline and railroad industries have the right to select a labor organization or individual to represent them for collective bargaining. Employees may also decline representation. An RLA representational unit is "craft or class," which consists of the overall grouping of employees performing particular types of related duties and functions. The selection of a collective bargaining representative is accomplished on a system-wide basis, which includes all employees in the craft or class anywhere the carrier operates in the United States. Due to this requirement and the employment patterns in the airline and railroad industries, the Agency's representation cases frequently involve numerous operating stations across the nation. An application for a representation investigation may be obtained from the Agency's web site at nmb.gov.

If the showing-of-interest requirement is met, the NMB continues the investigation, usually with a secret telephone/ internet election. Only employees found to be eligible to vote by the NMB are permitted to participate in elections. The NMB is responsible for determining RLA jurisdiction, carrier status in mergers, and for ensuring that the requirements for a fair election process have been maintained without "interference, influence or coercion." If the employees vote to be represented, the NMB issues a certification of that result, which commences the carrier's statutory duty to bargain with the certified representative.

In many instances, labor and management raise substantial issues relating to the composition of the electorate, jurisdictional challenges, allegations of election interference, and other complex matters that require careful investigations and ruling by the NMB.

The following chart reflects the actual case numbers for FY 2020, FY 2019, and the five-year average, FY 2016 – FY 2020:

	FY 2020 ACTUAL	FY 2019 ACTUAL	FY 2016 – FY 2020 FIVE YEAR AVERAGE
Cases Pending at Start	5	3	5
Cases Docketed	21	13	22
Cases Closed	16	12	22
Cases Pending at End	10	5*	6

*System adjustment.

HIGHLIGHTS DURING FY 2020

The NMB Office of Legal Affairs (OLA) continues to operate at a high level of quality and efficiency. As a review of customer service and performance standards will attest, the Agency's Representation program consistently achieves its performance goals, delivering outstanding services to the parties and the public.

The OLA staff closed 16 cases and also docketed 21 cases during the year. With the Agency resources requested for 2021, it is estimated that 23 representation cases will be investigated and resolved in the next fiscal year.

CASE SUMMARIES

Representation disputes involving large numbers of employees generally are more publicly visible than cases involving a small number of employees. However, all cases require and receive neutral and professional investigations by the Agency. The NMB ensures that the employees' choices regarding representation are made without interference, influence or coercion. The following case summary is an example of a system-wide representation investigation and election conducted by the NMB during FY 2020.

ALASKA AIRLINES/VIRGIN AMERICA

On December 30, 2016, pursuant to the NMB's merger procedures and NMB Representation Manual Section 19.3, Alaska Airlines and Virgin America (collectively the Carriers) notified the NMB that, on December 14, 2016, Alaska Air Group, Inc. (AAG), parent of Alaska Airlines, Alpine Acquisition Corp. (a wholly owned subsidiary of AAG), and Virgin America implemented their April 1, 2016, Agreement and Plan of merger, resulting in AAG's acquisition of 100 percent of the outstanding shares of Virgin America.

Subsequently, the Board investigated Alaska Airlines and Virgin America to determine whether the Carriers were operating as a single transportation system for representation purposes under the RLA with respect to the crafts or classes of Flight Attendants, Pilots, Clerical, Office, Fleet and Passenger Service Employees and Dispatchers. See *Alaska Airlines, Inc./Virgin America, Inc.*, 44 NMB 24 (March 13, 2017) (Flight Attendants); *Alaska Airlines, Inc./Virgin America, Inc.*, 44 NMB 49 (April 6, 2017) (Clerical, Office, Fleet and Passenger Service Employees); *Alaska Airlines, Inc./Virgin America, Inc.*, 44 NMB 82 (May 5, 2017) (Pilots); *Alaska Airlines, Inc./Virgin America, Inc.*, 44 NMB 165 (June 15, 2017) (Dispatchers). These cases involved approximately 12,000 employees.

On August 15, 2019, the Aircraft Mechanics Fraternal Association (AMFA) filed an application requesting the NMB to determine whether Alaska Airlines and Virgin American were operating as a single transportation system for the craft or class of Mechanics and Related Employees. Based on the application of the NMB's well-settled single carrier criteria to the facts disclosed by the investigation, the Board determined that there was substantial integration of operations, financial control, and labor and personnel functions and that Alaska and Virgin America are a single transportation system with respect to the Mechanics and Related Employees craft or class. See *Alaska Airlines, Inc./Virgin America, Inc.*, 47 NMB 25 (October 24, 2019).

Following its single transportation system determination, the Board has also resolved the representation consequences with regard to the Mechanics and Related Employees craft or class. See *Alaska Airlines Inc./Virgin America, Inc.*, 47 NMB 47 (December 18, 2019). After determining that the numbers of employees in the Mechanics and Related Employees craft or class at pre-merger Alaska and pre-merger Virgin America were not comparable, the Board extended AMFA's certification to cover the entire Mechanics and Related Employees craft or class on the merged carrier. This case involved approximately 1000 employees.

The Board had previously resolved the representation consequences with regard to the Flight Attendant, Clerical, Office, Fleet and Passenger Service Employees, Pilots, and Dispatchers crafts or classes. See *Alaska Airlines, Inc./Virgin America, Inc.*, 44 NMB 63 (April 18, 2017) (Flight Attendants); *Alaska Airlines, Inc./Virgin America, Inc.*, 44 NMB 97 (May 8, 2017) (Clerical, Office, Fleet and Passenger Service Employees); *Alaska Airlines, Inc./Virgin America, Inc.*, 44 NMB 152 (June 5, 2017) (Pilots); *Alaska Airlines/Virgin America* 44 NMB 195 (August 24, 2017) (Dispatchers).

DIRECT DECERTIFICATION

On August 26, 2019, the Board began to apply the direct decertification procedure adopted in its Final Rule, 84 FR 35977 (July 26, 2019). Under this direct decertification procedure, an employee seeking to decertify an incumbent representative must file an application asserting that a representation dispute exists among the identified craft or class. This application must be supported by a valid showing of interest from 50 percent of the craft or class. The application must be supported by authorizations that clearly and unambiguously state the employees' desire to no longer be represented by their incumbent union. NMB Representation Manual Section 3.1. Where it is clear that the petitioning employees wish to be free of the incumbent representative, the Board will authorize an election and the ballot will include the incumbent union and the no representation option, along with the write-in option. The two-year election bar applies to decertification elections. 29 CFR 1206.4.

The Board conducted three decertification elections in FY 2020: *Kalitta Charter II*, 47 NMB 54 (January 24, 2020) (Flight Deck Crewmembers); *Brownsville & Rio Grande International Railway*, 47 NMB 70 (April 15, 2020) (Maintenance of Way); and *Brownsville & Rio Grande International Railway*, 47 NMB 74 (March 27, 2020) (Carmen). Each of these elections resulted in the decertification of the incumbent representative, the employees in the craft or class becoming unrepresented, and the application of the two-year election bar.

JURISDICTIONAL OPINIONS

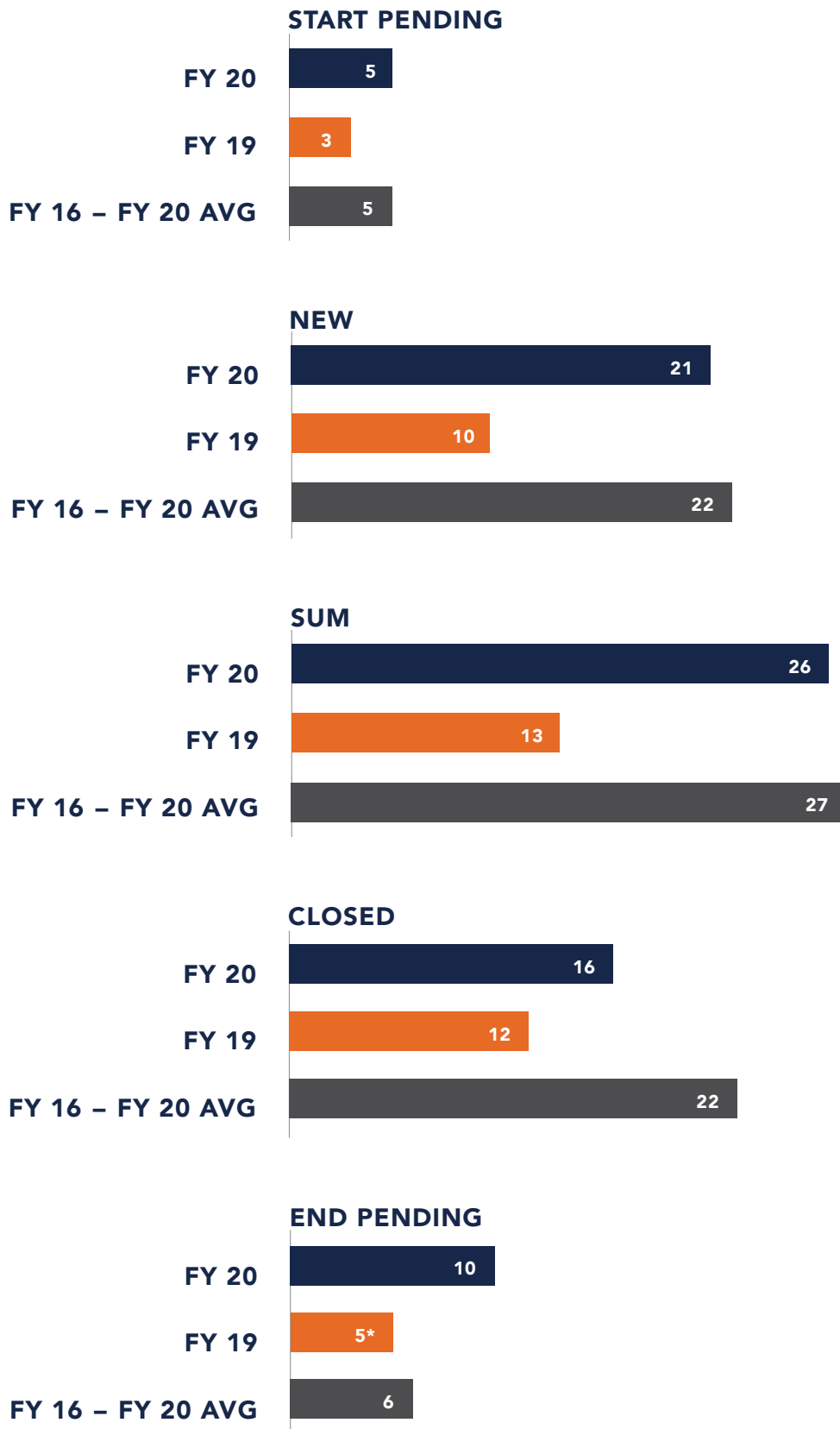
In FY 2018, NMB reaffirmed its traditional two-part test for determining whether an entity is a derivate carrier subject to the RLA and its reliance on multiple factors to establish the required control by an air or rail carrier. *ABM-Onsite Services*, 45 NMB 27 (2018). In FY 2020, the NMB continued to receive a number of jurisdictional referrals from the National Labor Relations Board (NLRB). In view of the National Labor Relations Act (NLRA) specific exemption of employers covered by the RLA, the NLRB follows a long-standing practice of referring cases to the NMB in instances where the jurisdictional issue is raised. In these cases, the NMB reviews the record provided by the NLRB and provides an opinion letter regarding whether the employer in question is, in the NMB's opinion, covered by the RLA.

The following chart reflects the actual number of jurisdictional opinions* issued for FY 2020, FY 2019, and the five-year average, FY 2016 – FY 2020:

	FY 2020 ACTUAL	FY 2019 ACTUAL	FY 2016 – FY 2020 FIVE YEAR AVERAGE
Jurisdictional Opinions	4	6	3

*Jurisdictional opinions are considered separate and not reflected in the overall representation case numbers.

A chart reflecting the actual representation case numbers for FY 2020, FY 2019, and the five-year average, FY 2016 – FY 2020, follows:



*System adjustment.

PRESIDENTIAL EMERGENCY BOARD (PEB) OVERVIEW

Section 159A (Section 9A) of the Railway Labor Act (RLA) provides special, multi-step emergency procedures for unresolved collective-bargaining disputes affecting employees on publicly funded and operated commuter railroads. Section 160 (Section 10) of the RLA covers all other railroads and airlines.

When the National Mediation Board determines that a collective bargaining dispute cannot be resolved in mediation, the agency proffers Interest Arbitration to the parties. Either labor or management may refuse the proffer and, after a 30-day cooling-off period, engage in a strike, implement new contract terms, or engage in other types of economic self-help, unless a Presidential Emergency Board (PEB) is established.

If the NMB determines, pursuant to Section 160 of the RLA, that a dispute threatens substantially to interrupt interstate commerce to a degree that will deprive any section of the country of essential transportation service, the NMB notifies the President. The President may, at his discretion, establish a PEB to investigate and report upon such dispute. Status-quo conditions must be maintained throughout the period that the PEB is impaneled and for 30 days following the PEB report to the President. If no agreement is reached, and there is no intervention by Congress, the parties are free to engage in self-help 30 days after the PEB reports to the President.

Apart from the emergency board procedures provided by Section 160 of the RLA, Section 9a provides special, multi-step emergency procedures for unresolved disputes affecting employees on publicly funded and operated commuter railroads. If the Mediation procedures are exhausted, the parties to the dispute or the Governor of any state where the railroad operates may request that the President establish a PEB. The President is required to establish such a board if requested. If no settlement is reached within 60 days following the creation of the PEB, the NMB is required to conduct a public hearing on the dispute. If there is no settlement within 120 days after the creation of the PEB, any party or the Governor of any affected state may request a second, final-offer PEB. No self-help is permitted pending the exhaustion of these emergency procedures.

A chart reflecting the actual case numbers for FY 2020, FY 2019, and the five-year average, FY 2016 – FY 2020 follows:

	FY 2020 ACTUAL	FY 2019 ACTUAL	FY 2016 – FY 2020 FIVE YEAR AVERAGE
Emergency Board Sec. 160	0	0	0
Emergency Board Sec. 159A	0	0	.2

Highlights of Fiscal Year 2020

No PEBs were established during fiscal year 2020.

Forecast for FY 2021, FY 2022, and Beyond

The NMB cannot predict precisely the number of PEBs that may be created during a given fiscal year. Estimates are based, among other factors, upon prior experience and knowledge of the contentiousness of the parties in the bargaining process and mediation, the number of cases, and the degree of impact of any dispute. For example, activity leading up to a release and the creation of a PEB for the LIRR and multiple unions occurred in FY 2013, but the PEB was established in FY 2014.

The following chart reflects the actual case numbers for FY 2020 and estimated case numbers for FY 2021 and FY 2022:

	FY 2020 ACTUAL	FY 2021 ESTIMATED	FY 2022 ESTIMATED
Emergency Board Sec. 160	0	1	1
Emergency Board Sec. 159A	0	1	1

OFFICE OF ARBITRATION SERVICES

ARBITRATION OVERVIEW

The RLA provides for both grievance and interest arbitration. Access to grievance arbitration, involving the interpretation or application of an existing collective bargaining agreement, is mandatory under the RLA. The Board has significant administrative responsibilities for the three sources of grievance arbitration in the railroad industry. These sources are the National Railroad Adjustment Board established under the RLA, as well as the arbitration panels established directly by the labor-management parties at each railroad (Public Law Boards and Special Boards of Adjustment). Grievance arbitration in the airline industry is accomplished at the various System Boards of Adjustment created jointly by labor and management at the parties' expense. The Board furnishes panels of prospective arbitrators for the parties' selection in both the airline and railroad industries.

The NMB has substantial financial responsibilities for railroad arbitration proceedings in that it pays the fees and travel expenses of the arbitrators. Arbitration decisions under the RLA are final and binding with very limited grounds for judicial review.

INTEREST ARBITRATION

Interest Arbitration is a process used to establish the terms of a new or modified collective bargaining agreement through arbitration, rather than through negotiations. Although the RLA provides an effective process for interest arbitration, its use is not statutorily required. The NMB offers the parties the opportunity to use interest arbitration when the Board has determined that further mediation efforts will be unsuccessful. In addition, the parties may directly agree to resolve their collective bargaining dispute or portions of their dispute through interest arbitration. The NMB generally provides the parties with panels of potential arbitrators from which they select the individual to resolve the dispute. In some instances, the parties' agreement to arbitrate allows the NMB to directly appoint an arbitrator. The interest arbitration decision is final and binding with very narrow grounds for a judicial appeal.

ARBITRATION – SECTION 3 HIGHLIGHTS

FY 2020 was a year of significant changes for the Office of Arbitration Services. There was a leadership change with the retirement of the long-tenured Director in October 2019. In early March, the COVID-19 crisis forced an immediate pivot to full-telework for the OAS staff. In late March, a new Director was appointed in the midst of the pandemic. The COVID-19 crisis shifted all operations to a virtual environment. As a consequence, the administrative process for docketing and assigning cases became entirely electronic, which allows greater efficiency in processing. In April, the NRAB instituted electronic procedures for filing Notices of Intent and the NMB designed a method for the parties to utilize Google to upload their submissions to a secure Google space, with a link sent to the appropriate Arbitration Staff Assistant, who used the secure link to download the submission and related case material to the appropriate docket file.

Despite the shift to full telework, the Office of Arbitration continued its efforts in promoting a more efficient Section 3 process, and faster resolution of minor disputes (grievances). The OAS constantly monitors the backlog of grievance arbitration cases and routinely recommends the use of alternative methods such as grievance mediation, which is done in partnership with the Office of Mediation Services.

At the beginning of FY 2020, 3,698 cases were pending in Section 3. Throughout the fiscal year, 4,881 new cases were added. At the conclusion of the fiscal year, a total of 3,692 cases were closed, while 4,887 cases remain pending.

The Office of Arbitration was successful in increasing the diversity of arbitrators available to hear and decide cases. More women are now represented in the ranks of active arbitrators.

During FY 2020, the NMB completed the redesign of the Arbitrator Workspace (AWS), which has been in operation for several years. As a part of that process, the prototype underwent robust testing from all internal and external users. The Arbitrator Workspace is a web-based information system that gives arbitrators online access to their case information. This system is used by the arbitrators to request work and submit requests for compensation for work. The new Arbitrator Workspace will have a more user friendly interface and increased functionality for both NMB staff and arbitrators.

In anticipation of the new AWS, OAS is engaged in outreach with the parties to discuss opportunities to refine case tracking and subject code data. The Subject Code Project will begin in earnest in FY 2021 and will enable the department to generate a variety of reports and highlight developing trends, which may lead to more innovative solutions for the resolution of grievances.

The NMB continued its efforts to improve the arbitration of grievances under Section 3 of the Railway Labor Act by ensuring that: (1) the parties receive timely and outstanding arbitration services from the Board's staff and its contract arbitrators; (2) the Board uses technology to maximize efficiency; (3) Board procedures are improved through a process involving public input; (4) arbitrators schedule, hear, and decide cases in a timely manner; and (5) to ensure that NMB resources are used wisely and in accordance with federal regulations and sound accounting practices.

REMOVAL OF NON-PROGRESSED AND OVER-AGED CASES

This fiscal year the NMB continued the practice of removing over-aged cases that have not been processed by the parties from the NMB's case tracking system. Cases in our case management system that are not assigned to an arbitrator constitute an ongoing unfunded liability. The NMB's previous practice was to remove all cases three years and older that had not been progressed by the parties. During FY 2020, the NMB removed more than 500 non-progressed and over-aged cases that were two years and older. The NMB will periodically review its caseload and remove over-aged cases.

ALTERNATIVE DISPUTE RESOLUTION IN THE RAILROAD INDUSTRY

The NMB continues to advocate for the use of grievance mediation to resolve grievances that do not have significant operational impact or involve serious disciplinary matters. The parties in general are receptive to the process and many use it on a regular basis. However, this process was one of the many affected by the COVID-19 pandemic and the abrupt switch to working remotely with a greater reliance on technology. Despite these challenges, more than 300 rail cases were resolved using grievance mediation in FY 2020.

Nevertheless, we continue to actively promote grievance mediation as an alternative means of dealing with grievances in the railroad industry by reaching out to the largest Class I freight carriers and labor organizations. While grievance mediation activity decreased in FY 2020 due to COVID-19, interest in the program remains high because its benefits are indisputable. Despite the pandemic, grievance mediation was used to settle more than 350 grievances in FY 2020.

The COVID-19 crisis eliminated the ability to attend annual meetings and present the case for grievance mediation. The NMB anticipates continuing and in some instances expanding upon these initiatives during FY 2021 and FY 2022.

ARBITRATOR PRODUCTIVITY

The NMB continued its efforts to increase arbitrator productivity as a result of strict adherence to the three-month rule. Arbitrators who have not issued a decision within three months of a hearing are contacted monthly and encouraged to issue those decisions.

The Agency improved its already successful program of using the NMB website as a source for many of the forms and documents needed by arbitrators and the parties. The NMB used the website to keep the parties and the public informed regarding Section 3 activities. Arbitrators, parties, and the public use the website to obtain information and forms instantaneously. In FY 2020, the agency continued the posting of information on the AWS System on the NMB website. The Arbitrator Caseload Report was continued. The report shows, by arbitrator, grievance cases of railroad employees the parties have chosen to pursue. It also indicates whether a case is late (i.e., a decision has not been rendered within three months of when a case was heard by the arbitrator). The Arbitrator Caseload Report is real-time in that it has a direct link to an NMB database reflecting updates as they are made by Arbitration Services staff. The availability of information on the website reduces the staff time, which ordinarily would be required to respond to questions and requests. The NMB has also placed an NMB National Railroad Adjustment Board Open Case Report on the website. This report lists all of the open cases at the NRAB. With this report and the Arbitrators Caseload Report, the NMB's entire Section 3 caseload is on the NMB website at nmb.gov.

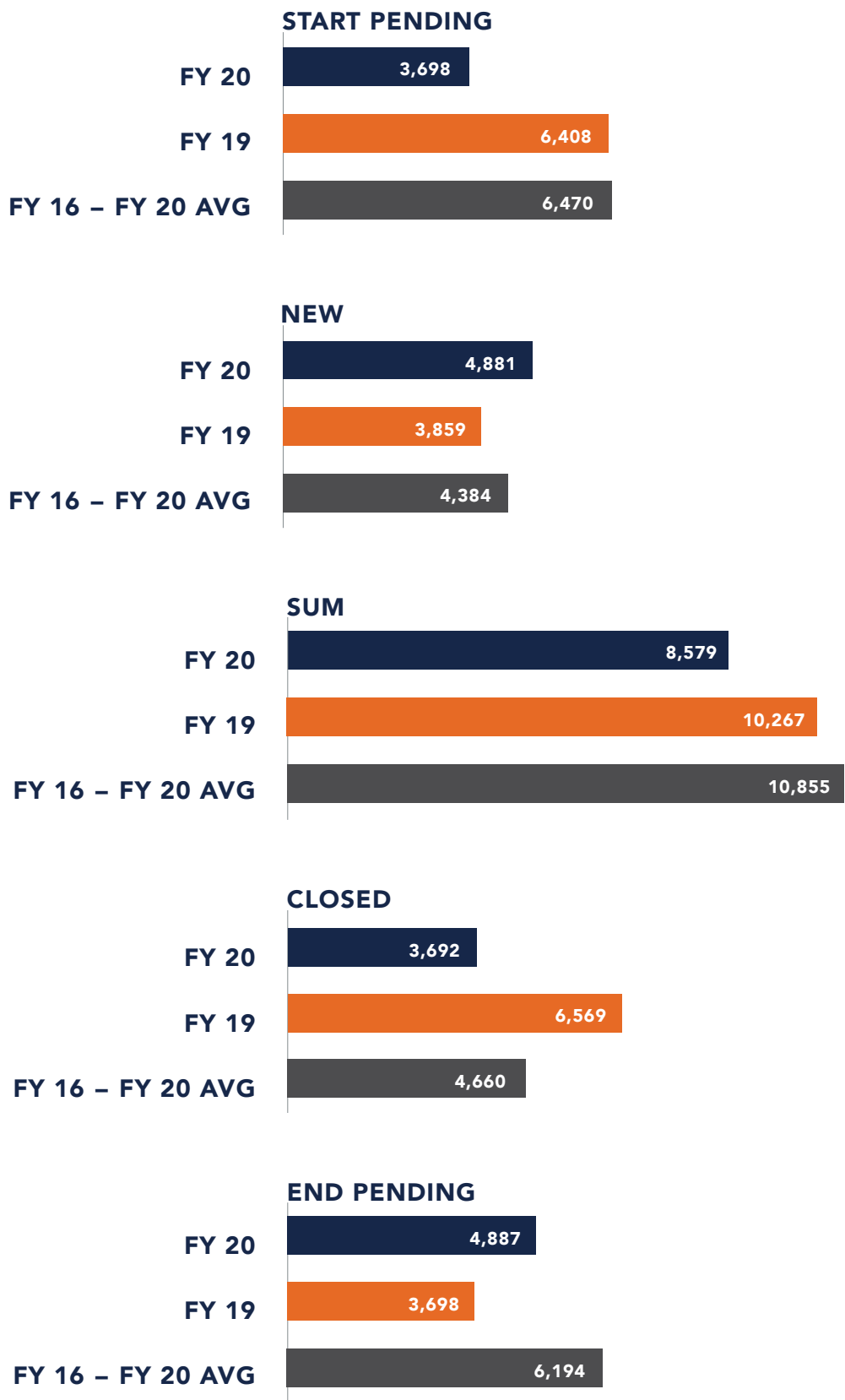
ENHANCED ENFORCEMENT OF THE 60-DAY, 90-DAY AND 120-DAY RULES

During this fiscal year, the NMB continued enhanced enforcement of the 60-day, 90-day and 120-day rules through the AWS. When a case is assigned to an arbitrator, within 60 days, one of the three must be initiated: (1) the case must have been decided, and the award submitted or (2) the case must be heard by an arbitrator or (3) the case must have been scheduled for a hearing. If the case is scheduled for a hearing, the scheduled date must be within 120 days of the date of assignment. Once the case has been heard, the arbitrator must render the award within 90 days of the hearing. When an arbitrator enters the AWS, the arbitrator is now notified when assigned cases have not been progressed in accordance with these rules. The arbitrator must bring those identified cases in compliance with the rules before the system will permit them to open and work on new cases.

KNOWLEDGE STORE

Knowledge Store continues to be a critical resource for parties searching for arbitration decisions to support them in their advocacy. Awards are entered into the Knowledge Store at the same time that they are distributed to the parties. Parties have the ability to enter awards into the Knowledge Store. In some instances, valid awards are entered within 24 hours of completion.

A chart reflecting the actual arbitration case numbers for FY 2020, FY 2019, and the five-year average, FY 2016 – FY 2020, follows:



RAILROAD GRIEVANCE ARBITRATION

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SECTION 3 TRIBUNALS | 35

NATIONAL RAILROAD ADJUSTMENT BOARD

NRAB MEMBERS

NRAB

Marcus J. Ruef
BLET, Board Chairman

Jeanie L. Arnold
NRLC, Board Vice Chairman

First Division Members

Douglas W. Davidson
BLET, Chairman

Michael P. Maratto
NRLC, Vice Chairman

Tabetha Bolton
CRCX

Craig Ingrisano
UP

Macon Jones
CSX

Jamie Modesitt
SMART-TD

Marcus J. Ruef
BLET

David Wier, Jr.
SMART-TD

Second Division Members

Alphonse Russo, Jr.
IBEW, Chairman

David Marcus
NRLC, Vice Chairman

Charles J. Fraley
SMART

Danielle Gauthier
METRA

Carl Lakin
BRC

J. Michael Perry
IAM

Joe Racicot
MRL

Kevin Sanor
UP

Chris Steinway
BRC

John Thacker
NCFO

Third Division Members

Zachary C. Voegel
BMWED, Chairman

Jeanie L. Arnold
NRLC, Vice Chairman

Donald Boyd
HERE

Rory R. Broyles
ATDA

Katrina Donovan
CSX

Brandon Elvey
BRS

Tracye Gibbs-Elbert
CSX

Scott Goodspeed
NS

James Rhodes
BNSF

Brian Shanahan
TCU

Fourth Division Members

Allison Dillon
ARASA, Chairman

Jeffrey F. Rodgers
NRLC, Vice Chairman

Chris Bartz
SMART

Ryan Hidalgo
BMWED

Jackie Newstadt
G&W

Ed Reardon
VTMI

NRAB REFEREES

First Division

Earlene Baggett-Hayes
David Bass
Edwin Benn
Robert A. Creo
James M. Darby
Barbara C. Deinhardt
Richard D. Fincher
Jeffrey W. Jacobs
Michael D. Phillips
Barry E. Simon
Lamont Stallworth
Erica Tener
Kathryn A. VanDagens
Elizabeth C. Wesman

Second Division

N/A

Third Division

Meeta Bass
Paul S. Betts
Patricia T. Bittel
Dennis J. Campagna
Jeanne Clauss
Brian Clauss
Keith D. Greenberg
Patrick Halter
Richard K. Hanft
I.B. Helburn
Andria Knapp
Andree Y. McKissick
Kathryn A. VanDagens
Elizabeth C. Wesman

Fourth Division

Brian Clauss
Barry E. Simon

SECTION 3 TRIBUNALS ESTABLISHED IN FY 2020

TYPE	NO. OF BOARDS
Public Law Boards	18
Special Boards of Adjustment	1
Arbitration Boards	1
Parties' Pay Boards	7
TOTAL	27

1. PUBLIC LAW BOARDS, SPECIAL BOARDS OF ADJUSTMENT, AND ARBITRATION BOARDS

1A. CARRIERS

Alabama and Gulf Coast Railway	Montana Rail Link, Inc.
Belt Railway Co. of Chicago	National Railroad Passenger Corporation (Amtrak)
BNSF Railway	Northeast Illinois Regional Commuter Railroad Corporation (METRA)
Bombardier Transit Systems Corporation	Northern Indiana Commuter Transportation District
Brownsville & Rio Grande Railway	New Jersey Transit
Buffalo and Pittsburgh Railroad, Inc.	New Orleans Public Belt Railroad
Canadian National	Norfolk Southern Corporation
Consolidated Rail Corporation	Pan Am Railways
Canadian Pacific	Port Authority Trans-Hudson Corporation
Chicago Rail Link	Pacific Harbor Line, Inc.
CSX Transportation	Paducah and Louisville Railway
Delaware and Hudson Railroad Company	Rochester and Southern Railroad
Duluth, Missabe and Iron Range Railway	Southeastern Pennsylvania Transportation Authority
Fruit Growers Express	Soo Line Railroad Company
Gary Railway Company	Springfield Terminal Railway
Grand Trunk Western Railroad Company	Transit America Services, Inc.
Iowa Northern Railway Company	Texas Mexican Railway Company
Illinois Central Railroad	Terminal Railroad Association of St. Louis
Indiana Harbor Belt Railroad	TTX Company
Indiana Rail Road Company	Union Railroad Company
Kansas City Southern Railway Company	Union Pacific Railroad Company
Keolis Commuter Services, LLC	Wisconsin Central, Ltd.
Louisville and Indiana Railroad	Wheeling and Lake Erie Railway
Long Island Rail Road	
Metro North Railroad	

1B. UNIONS

Association of Commuter Rail Employees
American Railway and Airway Supervisors Association / TCU
Amtrak Service Workers Council
American Train Dispatchers Association
Brotherhood of Locomotive Engineers & Trainmen
Brotherhood of Maintenance of Way Employees Division
Brotherhood of Railway Carmen / TCU
Brotherhood of Railroad Signalmen
International Association of Machinists and Aerospace Workers
International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers
International Brotherhood of Electrical Workers
Independent Railway Supervisors Association
International Brotherhood of Teamsters
National Conference of Firemen and Oilers
Railway Independent Transit Union
SMART Transportation Division
SMART Mechanical Division
Transportation Communications Union / IAM
Transport Workers Union of America
United Steelworkers

1C. ARBITRATORS (PUBLIC LAW BOARD, SPECIAL BOARD OF ADJUSTMENT, OR ARBITRATION BOARD)

Meeta Bass	Joseph M. Fagnani	Andree Y. McKissick	DeAndra Roache
Steven M. Beirig	Gayle A. Gavin	Peter R. Meyers	Lynette A. Ross
Wendell Bell	Charlotte Gold	William R. Miller	Barry E. Simon
Edwin H. Benn	Melinda G. Gordon	Sidney Moreland	Erica Tener
Paul S. Betts	Robert A. Grey	Margo R. Newman	David P. Twomey
John R. Binau	Don A. Hampton	Daniel Nielsen	Kathryn A. VanDagens
Patricia T. Bittel	Stephen L. Hayford	Kenneth J. O'Brien	M. David Vaughn
Dennis J. Campagna	I.B. Helburn	Robert M. O'Brien	Gerald E. Wallin
Michael Capone	Jeffrey W. Jacobs	Joan Parker	Lamont M. Walton
Jeanne Charles	Michael S. Jordan	Robert Peterson	Alan L. Weed
James E. Conway	Ann S. Kenis	Michael D. Phillips	Randy B. Weiss
James Warren Dent	Andria S. Knapp	Richard K. Radek	Michael G. Whelan
Francis J. Domzalski	John B. LaRocco	David Ray	Bradley A. Winter
Andrea L. Dooley	Sherwood Malamud	Thomas N. Rinaldo	Jacalyn Zimmerman

2. LABOR PROTECTIVE PROVISIONS

N/A

3. UNION SHOPS

N/A

4. SYSTEM BOARDS OF ADJUSTMENT

N/A

SUPPORTING REPORTS & TABLES

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CASE RECORDS | 43

TABLE 1: NUMBER OF CASES RECEIVED AND CLOSED

MEDIATION	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2016 – 20
Start Pending	66	69	72	60	81	70
New	25	33	42	36	27	33
Sum	91	102	114	96	108	102
Closed	41	36	44	26	48	39
End Pending	50	66	68	72	60	63

ADR	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2016 – 20
Start Pending	54	52	48	39	35	46
New	29	32	38	67	45	42
Sum	83	84	86	106	80	88
Closed	26	30	34	59	41	38
End Pending	57	54	50	48	39	50

REPRESENTATION	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2016 – 20
Start Pending	5	3	7	5	3	5
New	21	10	20	30	31	22
Sum	26	13	27	35	34	27
Closed	16	12	24	28	29	22
End Pending	10	5*	3	7	5	6

ARBITRATION	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2016 – 20
Start Pending	3,698	6,408	8,550	7,455	6,240	6,470
New	4,881	3,859	4,280	4,148	4,754	4,384
Sum	8,579	10,267	12,830	11,603	10,994	10,855
Closed	3,692	6,569	6,422	3,057	3,562	4,660
End Pending	4,887	3,698	6,408	8,546	7,432	6,194

*System adjustment.

TABLE 2: REPRESENTATION ELECTION CASE DISPOSITIONS

RAILROADS	NUMBER OF CASES	NUMBER OF CRAFTS/ CLASSES	NUMBER OF EMPLOYEES INVOLVED	NUMBER OF EMPLOYEES PARTICIPATING
Certifications	2	2	41	35
Dismissals	6	5	95	71
Totals	8	7	136	106

AIRLINES	NUMBER OF CASES	NUMBER OF CRAFTS/ CLASSES	NUMBER OF EMPLOYEES INVOLVED	NUMBER OF EMPLOYEES PARTICIPATING
Certifications	1	1	10	7
Dismissals	2	2	321	241
Totals	3	3	331	248

Totals Railroads and Airlines	11	10	467	354
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TABLE 3: RAILROAD & AIRLINE REPRESENTATION CASES CLOSED BY CRAFT OR CLASS

RAILROADS	REPRESENTATION CASES
Carmen	1
Clerical Office, Station, and Storehouse Employees	0
Electrical Workers	0
Engineers	0
Locomotive Engineers	0
Locomotive Firemen and Hostlers	0
Locomotive Maintenance Employees	0
Machinists	0
Maintenance of Way Employees	2
Non-Operating Employees	0
Operating Employees	1
Sheet Metal Workers	0
Signalmen	0
Train Dispatchers	0
Train and Engine Service Employees	2
Transportation Operations Employees	0
Yardmasters	1
Combined Groups, Railroad	0
Miscellaneous, Railroad	4
Railroad Total	11
AIRLINES	REPRESENTATION CASES
Cockpit Crew Members	0
Engineers and Related Employees	0
Fleet and Passenger Service Employees	0
Fleet Service Employees	0
Flight Attendants	0
Flight Crew Training Instructors	0
Flight Deck Crew Members	1
Flight Dispatchers	1
Flight Engineers	0
Flight Simulator Engineers	0
Ground School Instructors	0
Maintenance Training Specialists	0
Mechanics and Related Employees	2
Office Clerical Employees	0
Passenger Service Employees	0
Pilots	0
Stock and Stores Employees	0
Combined Groups, Airlines	0
Miscellaneous, Airlines	1
Airline Total	5
Total, Railroads and Airlines	16

TABLE 4: RAILROAD & AIRLINE REPRESENTATION DETERMINATIONS BY CRAFT OR CLASS

RAILROADS				
	NUMBER OF CASES	NUMBER OF CRAFTS OR CLASS DETERMINATIONS	NUMBER OF EMPLOYEES	PERCENT¹ OF EMPLOYEES INVOLVED
Carmen	1	1	4	–
Clerical, Office, Station and Storehouse Employees	0	0	0	0
Electrical Workers	0	0	0	0
Engineers	0	0	0	0
Locomotive Engineers	0	0	0	0
Locomotive Firemen and Hostlers	0	0	0	0
Locomotive Maintenance Employees	1	0	3	–
Machinists	0	0	0	0
Maintenance of Way Employees	2	2	58	2
Non-Operating Employees	0	0	0	0
Operating Employees	1	1	12	–
Sheet Metal Workers	0	0	0	0
Signalmen	0	0	5	–
Train Dispatchers	0	0	0	0
Train and Engine Service Employees	2	2	36	1
Transportation Operations Employees	0	0	0	0
Yardmasters	1	1	6	–
Combined Groups, Railroad	0	0	0	0
Miscellaneous, Railroad	5	4	106	3
Railroad Total	13	11	225	7

¹Percent listing for each group represents the percentage of the 3,119 employees involved in all railroad and airline docketed and closed cases during fiscal year 2020. (–) Less than 1 percent.

TABLE 4: RAILROAD & AIRLINE REPRESENTATION DETERMINATIONS BY CRAFT OR CLASS (CONTINUED)

AIRLINES				
	NUMBER OF CASES	NUMBER OF CRAFTS OR CLASS DETERMINATIONS	NUMBER OF EMPLOYEES	PERCENT² OF EMPLOYEES INVOLVED
Cockpit Crew Members	0	0	0	0
Engineers and Related Employees	0	0	0	0
Fleet and Passenger Service Employees	0	0	0	0
Fleet Service Employees	0	0	0	0
Flight Attendants	0	0	0	0
Flight Crew Training Instructors	0	0	0	0
Flight Deck Crew Members	1	1	75	2
Flight Dispatchers	1	1	10	–
Flight Engineers	0	0	0	0
Flight Simulator Engineers	0	0	0	0
Ground School Instructors	0	0	0	0
Maintenance Training Specialists	0	0	0	0
Mechanics and Related Employees	5	2	1,933	62
Office Clerical Employees	0	0	0	0
Passenger Service Employees	0	0	0	0
Pilots	2	0	257	8
Stock and Stores Employees	0	0	0	0
Combined Groups, Airlines	1	1	400	13
Miscellaneous, Airlines	2	0	219	7
Airline Total	12	5	2,894	93
Grand Total, Railroads and Airlines	25	16	3,119	100

²Percent listing for each group represents the percentage of the 3,119 employees involved in all railroad and airline docketed and closed cases during fiscal year 2020. (–) Less than 1 percent.

CASE RECORDS

REPRESENTATION CASES DOCKETED

RAILROAD REPRESENTATION CASES DOCKETED			
CASE	CARRIER	UNION	CRAFT OR CLASS
R-7535	Savannah Port Terminal Railroad (G&W)	Railroaders for SAPT	Operating Employees
RD-7540	Brownsville & Rio Grande International Railway	Individual	Maintenance of Way Employees
R-7541	Port Authority Trans–Hudson	RITU	Foremen
R-7542	Golden Isles Terminal Railroad (G&W)	Railroaders for GIMY	Train and Engine Service Employees
RD-7544	Brownsville & Rio Grande International Railway	Individual	Carmen
R-7545	Port Authority Trans–Hudson	RITU	Tower Operator Employees
R-7547	Golden Isles Terminal Railroad (G&W)	Railroaders for GIMY	Yardmasters
R-7548	Rapid City, Pierre & Eastern Railroad (G&W)	SMART	Maintenance of Way Employees
R-7549	Rapid City, Pierre & Eastern Railroad (G&W)	SMART	Signal Department Employees
RD-7552	Brownsville & Rio Grande International Railway	Individual	Locomotive Mechanics
CR-7215	Wisconsin Central Ltd. (CN)	ILA	Freight Loaders and Handlers

AIRLINE REPRESENTATION CASES DOCKETED			
CASE	CARRIER	UNION	CRAFT OR CLASS
R-7538	Lufthansa Technik Puerto Rico	IAM	Mechanics and Related Employees
RD-7539	Kalitta Charters II	Individual	Flight Deck Crewmembers
R-7546	Dubai National Air Transport Association	Amalgamated Local 81, National Airport Workers Union	Ground Handling Crew
R-7550	Amerijet International, Inc.	Individual	Pilots
R-7551	Republic Airways	IAM	Mechanics and Related Employees
R-7553	Northern Air Cargo	IAM	Mechanics and Related Employees
CR-7212	G2 Secure Staff	Individual	Cleaners and Drivers
CR-7216	Alaska Airlines, Inc.	AMFA	Maintenance Controllers
CR-7217	Bristow Group Inc. / Era Group Inc.	OPEIU	Mechanics and Related Employees
CR-7218	Bristow Group Inc. / Era Group Inc.	OPEIU	Pilots

REPRESENTATION CASES CLOSED

RAILROAD REPRESENTATION CASES CLOSED				
CASE	CARRIER	UNION	CRAFT OR CLASS	DISPOSITION
R-7531	Northern Plains Railroad	USW	Train and Engine Service Employees	Dismissal
R-7535	Savannah Port Terminal Railroad (G&W)	Railroaders for SAPT	Operating Employees	Dismissal
R-7536	Long Island Rail Road	NATS	Plumber-Drivers	Dismissal
RD-7540	Brownsville & Rio Grande International Railway	Individual	Maintenance of Way Employees	Dismissal
R-7541	Port Authority Trans-Hudson	RITU	Foremen	Certification
R-7542	Golden Isles Terminal Railroad (G&W)	Railroaders for GIMY	Train and Engine Service Employees	Dismissal
RD-7544	Brownsville & Rio Grande International Railway	Individual	Carmen	Dismissal
R-7545	Port Authority Trans-Hudson	RITU	Tower Operator Employees	Certification
R-7547	Golden Isles Terminal Railroad (G&W)	Railroaders for GIMY	Yardmasters	Dismissal
R-7548	Rapid City, Pierre & Eastern Railroad (G&W)	SMART	Maintenance of Way Employees	Dismissal
R-7549	Rapid City, Pierre & Eastern Railroad (G&W)	SMART	Signal Department Employees	Dismissal

AIRLINE REPRESENTATION CASES CLOSED				
CASE	CARRIER	UNION	CRAFT OR CLASS	DISPOSITION
R-7537	Alaska Airlines, Inc. / Virgin America, Inc.	AMFA	Mechanics and Related Employees	Certification
R-7538	Lufthansa Technik Puerto Rico	IAM	Mechanics and Related Employees	Dismissal
RD-7539	Kalitta Charters II	Individual	Flight Deck Crewmembers	Dismissal
R-7543	Northern Air Cargo	IBT	Dispatchers	Certification
R-7546	Dubai National Air Transport Association	Amalgamated Local 81, National Airport Workers Union	Ground Handling Crew	Dismissal

MEDIATION CASES DOCKETED AND CLOSED

RAILROAD CASES DOCKETED

CARRIER	UNION	CRAFT / CLASS
California Northern Railroad (G&W)	SMART-TD	Train and Engine Service Employees
Delaware & Hudson Railway (CP)	SMART-TD	Trainmen
Florida East Coast Railway	IBEW	Signalmen
Florida East Coast Railway	SMART-TD	Conductors; Engineers
Long Island Rail Road (MTA)	TCU	Clerical Employees
Metra	BLET	Locomotive Engineers
Metra	IBEW	Communication Electricians
Metra	IBEW	Engineering Department Electricians
Metra	IBEW	Mechanical Department Electricians
Metra	IBEW	Substation Electricians
Metra	MAP	Patrolmen
Metra	NCFO	Mechanical Department Laborers
Metra	SMART-M	Sheet Metal Workers
Metro–North Railroad (MTA)	ACRE	Signalmen
Metro–North Railroad (MTA)	TCU	Clerical Employees
NICTD	BMWED	Foremen
Pacific Harbor Line, Inc.	BLET	Engineers; Maintenance of Way Employees
Rochester & Southern Railroad (G&W)	SMART-TD	Train and Engine Service; Mechanical Dept. Employees
South Central Florida Express	IAM	Engineers; Conductors; Utility Workers; Clerks; Mechanical Dept. Employees; Maintenance of Way Employees; Trackmen

RAILROAD CASES CLOSED

CARRIER	UNION	CRAFT / CLASS
Delaware & Hudson Railway (CP)	BLET	Locomotive Engineers
Delaware & Hudson Railway (CP)	SMART-TD	Trainmen
Florida East Coast Railway	SMART-TD	Conductors; Engineers
Gary Railway	SMART-TD	Trainmen; Yardmasters
Indiana Harbor Belt Railroad	BMWED	Maintenance of Way Employees
Indiana Rail Road	BLET	Train Operators
Keolis Commuter Services	ATDA	Train Dispatchers
Keolis Commuter Services	BRS	Signalmen
Keolis Commuter Services	IBEW	Electrical Workers
Metro-North Railroad (MTA)	ARCE	Locomotive Engineers
Pacific Harbor Line, Inc.	BLET	Engineers; Maintenance of Way Employees
PATH	SMART-TD	Conductors
PATH	TCU	Supervisors
Portland & Western Railroad (G&W)	BLET	Operating Employees
Providence & Worcester Railroad (G&W)	BRS	Maintenance of Way Employees; Signalmen; Shop Crafts
Rochester & Southern Railroad (G&W)	SMART-TD	Train and Engine Service; Mechanical Dept. Employees
Savannah Port Terminal Railroad (G&W)	SMART-TD	Conductors; Engineers
SEPTA	IAM	Machinists
South Buffalo Railway (G&W)	TCU	Carmen
South Central Florida Express	IAM	Engineers; Conductors; Utility Workers; Clerks; Mechanical Dept. Employees; Maintenance of Way Employees; Trackmen
Terminal Railroad Association of St. Louis	SMART-TD	Train and Engine Service Employees

AIRLINE CASES DOCKETED

CARRIER	UNION	CRAFT / CLASS
Delta Air Lines	ALPA	Pilots
Envoy Air	TWU	Fleet Service Employees
Republic Airways	IBT	Flight Attendants
Southwest Airlines	IAM	Customer Service Employees
Southwest Airlines	TWU	Flight Crew Training Instructors
United Airlines	UNITE HERE	Flight Kitchen, Commissary, Catering and Related Employees

AIRLINE CASES CLOSED

CARRIER	UNION	CRAFT / CLASS
Air Wisconsin Airlines	AFA	Flight Attendants
Air Wisconsin Airlines	ALPA	Pilots
American Airlines	TWU-IAM	Fleet Service Employees
American Airlines	TWU-IAM	Mechanics and Related Employees
American Airlines	TWU-IAM	Stock and Stores Employees
British Airways	IAM	Customer & Passenger Service Employees
British Airways	IAM	Maintenance (Engineering)
Cape Air (Hyannis Air Service)	IBT	Pilots
Compass Airlines	AFA	Flight Attendants
Envoy Air	TWU	Aircraft Dispatchers
ExpressJet Airlines (ASA)	IAM	Flight Attendants
ExpressJet Airlines (XJT)	IAM	Flight Attendants
ExpressJet Airlines (ASA)	IBT	Mechanics and Related Employees
GoJet Airlines	AFA	Flight Attendants
Hawaiian Airlines	AFA	Flight Attendants
Kalitta Charters II	IBT	Flight Deck Crewmembers
Norwegian Air	AFA	Flight Attendants
Silver Airways	IBT	Pilots
Sun Country Airlines	TWU	Flight Dispatchers
Trans States Airlines	ALPA	Pilots

ADR CASES DOCKETED AND CLOSED

ADR CASES DOCKETED

CASE TYPE	CARRIER / EVENT	UNION	CRAFT / CLASS
GM	BNSF Railway	TCU	Intermodal Facility Workers
GM	Gate Gourmet	IBT/HERE	Kitchen, Commissary, Catering and Related Employees
GM	Kansas City Southern Railway	SMART-TD	Trainmen
GM	Kansas City Southern Railway	SMART-TD	Trainmen
GM	Union Pacific Railroad	SMART-TD	Trainmen; Engineers
GM	United Airlines	AFA	Flight Attendants
OP	ABA RLA Midwinter Meeting	-	-
OP	ALRA Planning Meeting	-	-
OP	Dunlop II Meeting	-	-
OP	Freight Rail Labor/Management Symposium	-	-
OP	Section 3 Briefing – Feb 4, 2020	-	-
OP	Section 3 Briefing – Sep 23, 2020	-	-
T	ABX Air	IBT	Pilots
T	Air Transport International	ALPA	Flight Deck Crewmembers
T	American Airlines	CWA/IBT	Passenger Service Agents
T	CSX	SMART-TD	Conductors
T	FMCS 2020 National Labor-Management Virtual Conference	-	-
T	Gate Gourmet	IBT/HERE	Kitchen, Commissary, Catering and Related Employees
T	Kansas City Southern Railway	SMART-TD	Trainmen
T	Mediator Meeting - Oct 1-2, 2019	-	-
T	Mediator Meeting - Dec 4-5, 2019	-	-
T	Mediator Meeting - Apr 15, 2020	-	-
T	Mediator Meeting - Jun 10, 2020	-	-
T	Mediator Meeting - Aug 3, 2020	-	-
T	NMB All-Hands Meeting, Departmental Spotlight: Office of Legal Affairs	-	-
T	NMB All-Hands Meeting, Departmental Spotlight: Office of Mediation Services	-	-
T	NMB Mediation Department Google Hangout Weekly Meetings	-	-
T	Union Pacific Railroad	SMART-TD	Trainmen; Engineers
T	United Airlines	AFA	Flight Attendants

ADR CASES CLOSED

CASE TYPE	CARRIER / EVENT	UNION	CRAFT / CLASS
F	NICTD	SMART-TD	Engineers, Conductors & Collectors
GM	BNSF Railway	TCU	Intermodal Facility Workers
GM	Miami Air	AFA	Flight Attendants
OP	ABA RLA Midwinter Meeting	–	–
OP	ALRA Planning Meeting	–	–
OP	Dunlop II Meeting	–	–
OP	Freight Rail Labor/Management Symposium	–	–
OP	Section 3 Briefing - Feb 4, 2020	–	–
OP	Section 3 Briefing - Sep 23, 2020	–	–
T	ABX Air	IBT	Pilots
T	Air Transport International	ALPA	Flight Deck Crewmembers
T	American Airlines	CWA/IBT	Passenger Service Agents
T	CSX	SMART-TD	Conductors
T	FMCS 2020 National Labor-Management Virtual Conference	–	–
T	Gate Gourmet	IBT/HERE	Kitchen, Commissary, Catering and Related Employees
T	Kansas City Southern Railway	SMART-TD	Trainmen
T	Mediator Meeting - Oct 1–2, 2019	–	–
T	Mediator Meeting - Dec 4–5, 2019	–	–
T	Mediator Meeting - Apr 15, 2020	–	–
T	Mediator Meeting - Jun 10, 2020	–	–
T	Mediator Meeting - Aug 3, 2020	–	–
T	NMB All-Hands Meeting, Departmental Spotlight: Office of Legal Affairs	–	–
T	NMB All-Hands Meeting, Departmental Spotlight: Office of Mediation Services	–	–
T	NMB Mediation Department Google Hangout Weekly Meetings	–	–
T	Union Pacific Railroad	SMART-TD	Trainmen; Engineers
T	United Airlines	AFA	Flight Attendants

SUPPORT OFFICES OVERVIEW

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OFFICE OF ADMINISTRATION

The Office of Administration (OA) provides operational, management, and leadership support for the entire Agency. These services include human resources management, property and space management, and office support.

ADMINISTRATION HIGHLIGHTS

Human Capital

OA continues to utilize online services in the personnel arena. The NMB continues to use the E-verify system to ensure that all new appointees are eligible to work.

With an aging workforce at the NMB, succession planning continues to be a challenge, but the Agency's new Succession and Workforce Plan analyzes the NMB's future staffing requirements and sets forth strategies for adequately recruiting, promoting, and retaining employees. NMB utilizes training plans, including Individual Development Plans (IDP), departmental training plans, and career development, as a way to broaden skills and prepare for transitions. The Agency uses internal details when possible to broaden skills and to give staff exposure to a range of work possibilities within the Agency.

The NMB has devoted more attention and resources to training and has provided meaningful training program opportunities for our employees. The NMB continues to provide subscriptions to Manager Advantage for supervisors and managers. Manager Advantage is an online information service for managers and supervisors. The information is based on case law, statutes, and regulations. It provides extensive federal policy and guidance for supervisors and managers. This information is obtained from the vendor LRP Publications' experienced attorney editors and senior editorial staff who have gathered and then converted the information into easy-to-understand major categories, key topics, scenario-based videos and more. Manager Advantage breaks down the complexities of federal civil service law to provide managers with practical, authoritative guidance in easy-to-understand terms while also providing essential tools for developing necessary leadership and managerial skills from one definitive source. OA is working with the Office of Personnel Management (OPM) and the Department of the Interior (DOI) to improve the NMB's human capital operations. OA continues to ensure that all new NMB managers, supervisors, and employees receive the Telework Fundamentals-Managers training and the Telework Fundamentals-Employee training.

Continuity of Operations

The Federal Emergency Management Agency (FEMA) did not conduct an Eagle Horizon 2020 (EH-2020), because of the coronavirus disease 2019 (COVID-19) pandemic.

Due to the lapse in appropriations, FEMA's NCP adjusted the planning construct for Eagle Horizon (EH-2019). Using a common scenario and framework provided by FEMA NCP, D/As conducted internal activities to test their devolution plans and communications systems and examine interdependencies prior to the full-scale NLE in 2020.

The NMB was required to activate its continuity plan, deploy continuity personnel to a continuity site, and perform essential functions. At the conclusion of EH-2019, participants, planners, and evaluation teams noted their observations and identified critical issues associated with the agency's continuity plans and programs. The NMB's overall rating for the EH 2019 was "green." This was NMB's fourth overall "green."

Property and Space Management

The NMB continues to track and maintain its physical inventory. Additionally, OA ensures that NMB's physical inventory is properly recorded in NMB's cloud-based inventory system. OA continues to maintain close liaison with the building property management and the General Services Administration regarding NMB's space.

Sustainability

The National Mediation Board is committed to reducing greenhouse gases in accordance with Executive Order 13514. During 2020, 76 percent of the NMB employees regularly used public transportation. The Agency provides alternative work schedules (AWS) and telework programs to its employees to reduce the number of commuters. Currently, 28 out of 37 employees participate in the Smart Benefits program for public transportation.

OFFICE OF INFORMATION SERVICES

The Office of Information Services (OIS) provides information technology leadership and support for the entire agency. These services include systems development, information technology operations, cybersecurity and information assurance, helpdesk and IT support, telecommunications, and records management.

INFORMATION SERVICES HIGHLIGHTS

Information Security

NMB made strides in better securing its information technology by taking numerous actions to meet federal IT security requirements and industry best practices. NMB staff upgraded legacy applications running on obsolete software, implemented agency-wide website content filtering and anti-phishing, and performed patch upgrades to its systems and networks to ensure continuity of operations.

Federal Agencies are required to provide annual computer security awareness training for employees and contractors. Security awareness efforts are designed to change behavior or reinforce good security practices by focusing attention on security. The NMB conducted comprehensive cybersecurity training to ensure its employees remained vigilant in the face of growing online security threats.

NMB Knowledge Store

NMB staff continued to build and improve the public archive of information available through the NMB Knowledge Store. Currently, the NMB Knowledge Store contains over 100,000 documents in an easily searchable format, including arbitration awards, representation decisions, annual reports, PEB reports, and collective bargaining contracts. NMB implemented a complete rewrite and upgrade of the Knowledge Store to improve user friendliness, provide better search results and ensure the stability and reliability of the system.

Electronic Government

The NMB provides electronic access to all its policies, and the agency continues to use the NMB website to provide information to its internal and external customers. The website provides access to our internal customers by allowing them to access NMB forms and other pertinent information. NMB completed significant updates to the website to modernize the look and feel of the site, to improve reliability and to implement security measures such as automated backups and end-to-end encryption.

Arbitrator Workspace System

The NMB is in the process of a complete rewrite of the Arbitrator Workspace system. NMB is utilizing Agile Methodology to ensure the new system meets user needs and is delivered within budget. The new system leverages commercial FedRAMP approved Software-as-a-Service solutions that will improve security and reliability. The system is expected to be delivered by Q1 FY 2021.

OFFICE OF FISCAL SERVICES

The Office of Fiscal Services (OFS) provides fiscal management and leadership support for the National Mediation Board. These services include budgeting formulation and execution, accounting and financial reporting, audit services, payroll, travel, and contracting and interagency agreement services.

FISCAL SERVICES HIGHLIGHTS

In FY 2020, the NMB continued to use the Bureau of Fiscal Services (BFS) for accounting and financial reporting requirements, contracting services, and E-travel. Using a federal Financial Management Line of Business Center of Excellence has significant benefits, including reduced overhead costs and shared knowledge of financial management practices throughout the federal government.

In addition, NMB uses these other federal government shared service providers for major administrative and financial services.

- The Department of Interior Personnel, Payroll, Human Resources and Related Systems & Services.
- General Services Administration (GSA) for agency purchase and travel credit cards.

Included in the continued partnership with BFS, the NMB utilizes the electronic contract writing system, PRISM, to create purchase requisitions and orders for contracts and inter-agency agreements. A more streamlined RFP process, improved bid analysis, and further transforming contracting administration are just some of the benefits the NMB gains in using this system. It also ensures compliance with all applicable rules and regulations governing contracting.

In FY 2020 the NMB continued its use of the Concur Government Edition (CGE) Travel Services. Concur is a cloud-based expense and travel management software solution that provides an electronic process for travel authorizations, vouchers, and reimbursement to travelers, and reduces the overall per-ticket cost for travelers.

BRIEF ANALYSIS OF FINANCIAL STATEMENTS

Underlying the NMB’s many achievements is its commitment to organizational excellence and sound financial management. NMB has a fiduciary and stewardship responsibility to manage its federal funds effectively and efficiently and comply with federal financial management guidance. As part of this responsibility, the agency prepares annual financial statements in accordance with Generally Accepted Accounting Principles. The principal financial statements have been prepared to report the financial position and results of operations for NMB. The FY 2020 financial statements and accompanying notes are presented in accordance with OMB Circular A-136, Financial Reporting Requirements, and are shown in comparative formats.

To ensure the integrity and reliability of the annual financial statements, NMB subjects them to an annual independent audit. Figure 1 below summarizes the financial position in FY 2020.

FIGURE 1: NMB FY 2020 FINANCIAL POSITION (IN DOLLARS)

NET FINANCIAL CONDITION	FY 2020	FY 2019	INCREASE/DECREASE
Assets	\$11,056,093	\$10,406,454	\$649,639
Liabilities	\$1,757,667	\$1,070,188	\$687,479
Net Position	\$9,298,426	\$9,336,266	(\$37,840)
Net Cost	\$13,604,026	\$12,952,593	\$651,433

LIMITATIONS OF FINANCIAL STATEMENTS

NMB has prepared the principal financial statements to report the financial position and results of operations of the entity, pursuant to the requirements of 31 U.S.C. 3515(b). While the statements have been prepared from the books and records of the entity in accordance with Generally Accepted Accounting Principles for federal entities and the formats prescribed by the Office of Management and Budget (OMB), the statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records. The statements should be read with the realization that they are for a component of the U.S. government, a sovereign entity.

MANAGEMENT ASSURANCES

NMB recognizes the importance of establishing and maintaining adequate controls over its program and administrative support functions. NMB also recognizes that technology can enhance effectiveness and efficiency and ensure an adequate degree of internal control and compliance with applicable laws and regulations.

This section provides information on NMB's compliance with the Federal Manager's Financial Integrity Act (FMFIA) and the Improper Payments Information Act, as well as other management information, initiatives, and issues. FMFIA requires that agencies establish controls that provide reasonable assurance that:

- Obligations and expenses comply with applicable law;
- Assets are safeguarded from waste, loss, unauthorized use, or misappropriation; and
- Revenue and expenditures are properly recorded and accounted.

It also requires the NMB Chairman to provide an assurance statement on the adequacy of management control.

FMFIA ASSURANCE STATEMENT

The NMB's management is responsible for establishing and maintaining effective internal controls that meet the obligations of FMFIA within their areas of responsibility. Based on the Chairman's knowledge of daily operations and other management reviews, and in accordance with the Office of Management and Budget Circular A-123, Management's Responsibility for Enterprise Risk Management and Internal Control, the NMB is able to provide reasonable assurance that, as of September 30, 2020, its internal controls over the effectiveness and efficiency of operations and reporting were compliant with applicable laws and regulations, and no material weaknesses were found in the design or operation of the internal controls.

Respectfully submitted,



KYLE FORTSON

Chairman

National Mediation Board



MEASURING PERFORMANCE: KEY RESULTS FOR FY 2020

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PROGRAM OFFICES PERFORMANCE GOALS

OFFICE OF MEDIATION SERVICES

MEDIATION STRATEGIC GOAL

Resolve disputes arising out of the negotiation of new or revised collective bargaining agreements.

GOAL 1: Provide prompt and appropriate intervention and assistance for disputes involving pay, work rules, and working conditions (major disputes).

FY 2020 Accomplishments

NMB standards applicable to processing and managing cases involving major disputes were consistently met in FY 2020. The NMB will continue to refine case processing with enhancements to the Agency's Mediation Case Management System to track cases from application to closure. Case management was accomplished as planned with Mediators utilizing appropriate techniques at the table with support from Senior Mediators acting as advisors in an oversight role. Quarterly reviews of cases one year old or older by Board Members and senior mediation management ensured that parties to the process received assistance appropriate for their cases.

GOAL 2: Provide appropriate and effective mediator training and continuous development.

FY 2020 Accomplishments

Through the use of Individual Development Plans (IDPs), each Mediator participated in training and development that met his or her individual needs. In addition, training covering industry-specific topics was conducted during each mediator meeting. Mediators attended virtual conferences as offered. Each of these provided targeted information and training that enhanced the skills Mediators bring to the table.

GOAL 3: Pursue innovation in the delivery of mediation and alternative dispute resolution services.

FY 2020 Accomplishments

The Agency continued to provide its negotiation training that was developed for air and rail parties to use to prepare for negotiations. Mediators continued to refine ADR strategies and techniques that addressed the unique needs of our parties, especially in grievance mediation.

GOAL 4: Improve efficiency and effectiveness of NMB programs by utilizing technological resources.

FY 2020 Accomplishments

The Agency continues to use technology for dispute resolution and offer its possibilities to our parties. Mediators made use of technology to remotely share information and language, and to discuss proposals. Technology has been helpful in continuing the mediation process when remote meetings are more efficient and in the best interest of the case.

OFFICE OF LEGAL AFFAIRS

REPRESENTATION STRATEGIC GOAL

Investigate and resolve representation disputes efficiently. Provide effective legal counsel for the Agency. Serve as counsel to any Presidential Emergency Board.

GOAL 1: Prompt investigation of representation disputes and definitive resolution of employees' representation status for collective bargaining purposes.

FY 2020 Accomplishments

In most cases, OLA responded to representation applications within two business days of receipt by the NMB; assigned an investigator within two business days of receipt of the application; determined showing of interest within 45 days of docketing an application and issued a certification or dismissal the next business day after the ballot count.

GOAL 2: Enhance training and development of OLA staff.

FY 2020 Accomplishments

Each OLA staff member updated their Individual Development Plan (IDP). Each year OLA employees meet with their manager to update or develop a plan to enhance career-related skills. To date, in Fiscal Year 2020, OLA staff took classes related to the Freedom of Information Act (FOIA), records management, government ethics, the Railway Labor Act, federal sector personnel law, conflict resolution, and employment law.

GOAL 3: Enhance outreach opportunities in the legal, labor relations, and alternative dispute resolution communities to better inform stakeholders about developments and increase the skills and experience of OLA employees.

FY 2020 Accomplishments

Members of the Office of Legal Affairs continue to actively participate as panelists and attendees at conferences sponsored by the American Bar Association, American Law Institute, the National Association of Railroad Referees, and the Association of Labor Relations Agencies. This year, OLA attorneys gave presentations on the Railway Labor Act, ethics, recent RLA case developments, and remedies under the RLA. OLA continued to participate in intragovernmental initiatives with other federal agencies, such as the Department of Transportation, Federal Labor Relations Authority, Department of Labor, National Labor Relations Board, and the Federal Mediation and Conciliation Service. OLA attorneys serve as both Senior Editors and Contributing Editors of the Railway Labor Act treatise, published by Bloomberg/BNA, which completed the fourth edition of this treatise this year.

GOAL 4: OLA staff provides prompt and efficient assistance to Presidential Emergency Boards.

FY 2020 Accomplishments

All OLA staff members are trained on Emergency Board procedures. OLA maintained continuous industry and agency communication at a level that provided for early preparation for potential Presidential Emergency Boards.

GOAL 5: OLA maintains concise, relevant reference materials that are readily available to the public, and that reduce the number of man-hours used to research and respond to inquiries.

FY 2020 Accomplishments

OLA conducts semi-annual reviews of the Representation Manual and website, and updates where appropriate.

GOAL 6: Expand the use of technology to further streamline and reduce costs in representation and interference investigations.

FY 2020 Accomplishments

OLA continued to investigate the use of voice recognition software, and other cost- and time-saving mechanisms, for taking employee statements, during interference investigations, and when drafting representation determinations.

OFFICE OF ARBITRATION SERVICES

ARBITRATION STRATEGIC GOAL

Facilitate the settlement of disputes arising from the implementation or interpretation of existing agreements covering rates of pay, work rules, and working conditions.

GOAL 1: Provide outstanding service delivery to internal and external customers.

FY 2020 Accomplishments

An audit was conducted of the administrative caseload processes, and procedures governing public law boards and system boards of adjustments were reviewed with the goal of streamlining. The new AWS system underwent robust testing by staff and the arbitrator community.

GOAL 2: Increase the diversity of active arbitrators serving the airline and railroad industries.

FY 2020 Accomplishments

NMB increased the diversity of active arbitrators on the roster to include more women regularly receiving assignments.

GOAL 3: The Office of Arbitration Services will be a center of innovation in the resolution of "minor" disputes.

FY 2020 Accomplishments

The NMB worked to develop a new AWS system to enhance the process of requesting work, approving reports, and streamlining the payment process for arbitrators.

SUPPORT OFFICES PERFORMANCE GOALS

OFFICE OF ADMINISTRATION

ADMINISTRATION STRATEGIC GOAL

Support the program missions of the Agency and provide outstanding administrative services.

GOAL 1: Provide outstanding service delivery to internal and external customers.

FY 2020 Accomplishments

The Office of Administration responded to all requests for assistance or service from internal and external customers as soon as they were received. In addition, new Employee Orientation training was completed for each new employee.

GOAL 2: Attract and retain a high-performing workforce with the technical and professional skills needed.

FY 2020 Accomplishments

The NMB worked with the Department of the Interior to ensure that each vacancy announcement reflected the technical and professional skills needed.

OFFICE OF FISCAL SERVICES

FISCAL SERVICES STRATEGIC GOAL

Support the missions of the Agency and provide outstanding financial and accounting service, including payroll, audits, travel, and procurement.

GOAL 1: Provide timely, efficient, and responsible stewardship of the NMB's fiscal resources.

FY 2020 Accomplishments

The NMB continues to work with the Bureau of the Fiscal Service (BFS), a bureau within the U.S. Department of the Treasury, to ensure that required financial reporting is prepared and submitted in a timely manner. The NMB worked with BFS to ensure that over 99 percent of payments paid accurately and on time as of the fourth quarter of FY 2020, and that all Office of Management and Budget financial reports and data collections in FY 2020 were submitted in a timely manner. The Office of Fiscal Services is committed to responding to timely requests from our internal and external customers.

GOAL 2: Ensure Agency spending and budgets are transparent and provide the necessary support for each of the Agency's missions throughout the entire fiscal year.

FY 2020 Accomplishments

The NMB has an agreement with BFS to handle the Agency's financial management system, and the Agency integrated PRISM (a web-based procurement system) into its procurement process. The NMB works with the BFS on a regular basis to ensure that the Agency's quarterly apportionment is not exceeded, and that all budget-related reports and activities have been reported in a timely manner.

GOAL 3: Ensure Agency compliance with all Office of Management and Budget (OMB) and Department of the Treasury laws and regulations with respect to budget and financial reporting requirements, and implement proper internal controls.

FY 2020 Accomplishments

The NMB has submitted all applicable financial reports in FY 2020, in a timely manner, and has continued to adhere to OMB Circulars A-11, A-123, and A-136.

OFFICE OF INFORMATION SERVICES

INFORMATION SERVICES STRATEGIC GOAL

Support the program missions of the agency and comply with intragovernmental requirements.

GOAL 1: Ensure compliance with regulations from the Department of Homeland Security and the National Archives.

FY 2020 Accomplishments

The Office of Information Services (OIS) completed several actions related to Cybersecurity and Infrastructure Security Agency (CISA) Emergency Directive (ED) 20-02 CISA ED 20-03, as well as compliance with several actions related to the biannual Federal Information Security Modernization Act (FISMA) metrics. In addition, the agency conducted an IT security assessment utilizing the DHS OIG metrics. This assessment resulted in several recommendations and action items that will improve the agency's maturity in accordance with the Cybersecurity Framework.

GOAL 2: Maintain and update internal policies.

FY 2020 Accomplishments

In FY 2020 an additional contract resource was acquired to maintain and fully document all information technology policies, processes and procedures in accordance with the Cybersecurity Framework. NMB has begun and will continue to develop and update a comprehensive set of IT policies and procedures. NMB expects to reach a maturity level of "Defined" in all eight Function Domain areas as required by the Cybersecurity Framework.

GOAL 3: Maintain hardware/software architecture and configuration.

FY 2020 Accomplishments

To improve the security and maintainability of our office network, the agency implemented security patches to its network hardware. The agency also rewrote and upgraded legacy software for the Knowledge Store, Mediation Case Management System and its nmb.gov website. Finally, the agency is in the process of deploying a new system to replace its legacy Arbitrator Workspace system.

GOAL 4: Fully trained and technology-literate staff.

FY 2020 Accomplishments

OIS recruited and hired new staff to assist in meeting agency IT needs. OIS is in the process of recruiting additional staff and will continue to train all staff in accordance with their Individual Development Plans.

GOAL 5: Improve agency efficiency and public communications through cost effective information and communications technology improvements, including implementing enterprise architecture (design, secure and document) the emerging cloud, mobile, and other mechanisms.

FY 2020 Accomplishments

NMB rewrote and deployed new versions of the Knowledge Store, Mediation Case Management System and nmb.gov to improve user friendliness and reliable access to its records. By modernizing these systems, NMB improved the reliability of its information technology to better serve the public.

GOAL 6: Continue to ensure that NMB Information is secure while maintaining a government-leading information and communication technology system.

FY 2020 Accomplishments

NMB implemented several emergency patches and upgrades to its information technology hardware and software. The NMB also acquired Security Assessor and Information System Security Officer resources and is in the process of improving the maturity of its IT security program.



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LETTER FROM THE CHIEF FINANCIAL OFFICER

NOVEMBER 6, 2020

On behalf of the National Mediation Board (NMB), it is my pleasure to join with the Board in presenting the NMB's FY 2020 Performance and Accountability Report. This report is an integrated presentation of our programmatic, administrative, and financial achievements during the past year. The principal financial statements and notes that follow explain the NMB's financial position as of September 30, 2020 and 2019, respectively, as well as detail the use of Agency resources to achieve our performance results.

The independent audit of our financial statements has been completed, and I am pleased to report that the NMB received another unmodified opinion, with no material weaknesses. This is evidence of the organization's continued emphasis on reviewing and strengthening internal controls in accordance with requirements from central regulatory bodies of the federal government such as the U.S. Treasury and OMB. This validates our confidence that our financial and performance data are complete, accurate, and reliable.

In FY 2020 there were no significant changes or issues in the Board's financial operations or systems. We continued our successful partnership with the U.S. Department of the Treasury—Bureau of the Fiscal Service (BFS) for our accounting, financial, contractual, and reporting services. The ability to partner with one of the Centers of Excellence designated by OMB affords us the opportunity to receive the numerous benefits a shared service provider can offer, at affordable costs.

In FY 2021 we will continue to seek out opportunities to further improve our financial and human resource operations by exploring automation and other electronic options. These enhancements will offer additional efficiencies and customer service to our internal and external customers.

We are confident that our financial systems and operations will continue to support the Board's mission to effectively and efficiently reach our intended outcomes. I would again like to extend my sincere thanks and appreciation to all of the dedicated staff at the NMB whose commitment and effort made this past year a success during challenging times; your work is recognized and appreciated.

Sincerely,



MICHAEL JERGER

Chief Financial Officer



INDEPENDENT AUDITORS' REPORT

BOARD MEMBERS, NATIONAL MEDIATION BOARD:

Report on the Financial Statements

We have audited the accompanying financial statements of the National Mediation Board (NMB), which comprise the balance sheets as of September 30, 2020 and 2019; the related statements of net cost, changes in net position, and budgetary resources for the fiscal years ended; and the related notes to the financial statements (hereinafter referred to as the financial statements).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the fiscal years 2020 and 2019 financial statements of NMB based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and the Office of Management and Budget (OMB) Bulletin No. 19-03, Audit Requirements for Federal Financial Statements. Those standards and OMB Bulletin No. 19-03 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the National Mediation Board as of September 30, 2020 and 2019, and its net cost of operations, changes in net position, and budgetary resources for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Other Matters

Required Supplementary Information

The information in the *Message from the Chief Financial Officer*, *Management's Discussion and Analysis* section, and *Other Information* section of this report is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of NMB's financial statements. However, we did not audit this information and, accordingly, we express no opinion on it.

Other Reporting Required by Government Auditing Standards

Internal Control over Financial Reporting

In planning and performing our audit of NMB's financial statements as of and for the year ended September 30, 2020, in accordance with generally accepted government auditing standards, we considered NMB's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of NMB's internal control over financial reporting. Accordingly, we do not express an opinion on NMB's internal controls over financial reporting. We limited internal control testing to those necessary to achieve the objectives described in OMB Bulletin No. 19-03. We did not test all internal control relevant to operating objectives as broadly defined by the Federal Managers' Financial Integrity Act of 1982.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatement on a timely basis. A material weakness is a deficiency, or combination of deficiencies, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness yet important enough to merit the attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose as described in the first paragraph of this section, and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our fiscal year 2020 audit we did not identify any deficiencies in internal control over financial reporting that we considered to be a material weakness, as defined above. However, material weaknesses may exist that have not been identified. However, we noted an additional matter that we will report to NMB management in a separate letter.

Compliance and Other Matters Specific to the Financial Statements

As part of obtaining reasonable assurance about whether NMB's fiscal year 2020 financial statements are free of material misstatements, we performed tests of NMB's compliance with certain provisions of applicable laws, regulations, contracts, and grant agreements, which noncompliance could have a direct and material effect on the determination of material



amounts and disclosures in NMB's financial statements, and certain provisions of other laws specified in OMB Bulletin No. 19-03. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests of compliance as described in the preceding paragraph disclosed no instances of noncompliance or other matters that are required to be reported herein under Government Auditing Standards or OMB Bulletin No. 19-03.

Purpose of the Other Reporting Required by Government Auditing Standards

The purpose of the communication provided in the Other Reporting Required by Government Auditing Standards section is solely to describe the scope of our testing of internal control and compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements, and the results of that testing, and not to provide an opinion on the effectiveness of the NMB's internal control or on compliance. This communication is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering internal controls and compliance with laws, regulations, contracts, and grant agreements which could have a material effect NMB's financial statements. Accordingly, this communication is not suitable for any other purpose.

Allmond & Company, LLC

LANHAM, MD

November 2, 2020

BALANCE SHEET

AS OF SEPTEMBER 30, 2020 AND 2019 (IN DOLLARS)

ASSETS	2020	2019
Intragovernmental		
Fund Balance with Treasury (Note 2)	\$11,053,654	\$10,399,062
Total Intragovernmental	\$11,053,654	\$10,399,062
With the Public		
Accounts Receivable Net (Note 3, Note 11)	\$2,439	\$7,392
Total With the Public	\$2,439	\$7,392
Total Assets	\$11,056,093	\$10,406,454

LIABILITIES	2020	2019
Intragovernmental		
Employer Contributions and Taxes Payable	\$55,073	\$41,504
Accounts Payable	\$500,565	\$143,505
Employer Contributions and Taxes Payable (Without Reciprocals)	\$22,818	\$14,458
Other (Note 4, Note 11)	106	58
Total Intragovernmental	\$578,562	\$199,525
With the Public		
Accounts Payable	\$278,707	\$134,041
Unfunded Annual Leave (Note 4)	\$563,046	\$512,610
Employer Contributions and Taxes Payable	\$10,742	\$8,535
Accrued Payroll and Benefits	\$326,550	\$215,417
Other (Note 4, Note 11)	\$60	\$60
Total Liabilities	\$1,757,667	\$1,070,188

COMMITMENTS AND CONTINGENCIES	2020	2019
Net Position		
Unexpected Appropriations - Funds other than those from Dedicated Collections	\$9,859,199	\$9,841,602
Cumulative Results of Operations - Funds other than those from Dedicated Collections	(\$560,773)	(\$505,336)
Total Net Position - Funds other than those from Dedicated Collections	\$9,298,426	\$9,336,266
Total Net Position	\$9,298,426	\$9,336,266
Total Liabilities and Net Position	\$11,056,093	\$10,406,454

STATEMENT OF NET COST

FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019 (IN DOLLARS)

GROSS PROGRAM COSTS	2020	2019
Mediation/ADR		
Gross Costs	\$8,529,236	\$6,789,055
Less: Earned Revenue	\$60	(\$50)
Net Program Costs	\$8,529,296	\$6,789,005
Representation		
Gross Costs	\$2,207,893	\$1,948,555
Less: Earned Revenue	–	–
Net Program Costs	\$2,207,893	\$1,948,555
Arbitration		
Gross Costs	\$2,866,847	\$4,215,033
Less: Earned Revenue	–	–
Net Program Costs	\$2,866,847	\$4,215,033
Presidential Emergency Board		
Gross Costs	–	–
Less: Earned Revenue	–	–
Net Program Costs	–	–
Net Cost of Operations	\$13,604,036	\$12,952,593

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET POSITION

FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019 (IN DOLLARS)

	2020	2019
Unexpended Appropriations		
Beginning Balances	\$9,841,602	\$9,537,955
Budgetary Financing Sources		
Appropriations Received	\$14,050,000	\$13,800,000
Other Adjustments	(\$823,089)	(\$1,068,447)
Appropriations Used	(\$13,209,314)	(\$12,427,906)
Total Budgetary Financing Sources	\$17,597	\$303,647
Total Unexpended Appropriations	\$9,859,199	\$9,841,602
Cumulative Results of Operations		
Beginning Balances	(\$505,336)	(\$442,814)
Budgetary Financing Sources		
Appropriations Used	\$13,209,314	\$12,427,906
Nonexchange Revenue	(\$58)	–
Imputed Financing Sources (Note 12)	\$339,391	\$462,215
Other (Note 11)	(\$48)	(\$50)
Total Financing Sources	\$13,548,599	\$12,890,071
Net Cost of Operations	(\$13,604,036)	(\$12,952,593)
Net Change	(\$55,437)	(\$62,522)
Cumulative Results of Operations	(\$560,773)	(\$505,336)
Net Position	\$9,298,426	\$9,336,266

The accompanying notes are an integral part of these financial statements.

STATEMENT OF BUDGETARY RESOURCES

FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019 (IN DOLLARS)

	2020	2019
Budgetary Resources		
Unobligated Balance from Prior Year Budget Authority, Net (Discretionary and Mandatory) (Note 13)	\$6,137,123	\$5,898,659
Appropriations	\$14,050,000	\$13,800,000
Total Budgetary Resources	\$20,187,123	\$19,698,659
Status of Budgetary Resources		
New Obligations and Upward Adjustments (Note 7) (Total)	\$13,521,107	\$12,866,142
Unobligated Balance, End of Year		
Apportioned, Unexpired Account	\$615,351	\$977,532
Unexpired Unobligated Balance, End of Year	\$615,351	\$977,532
Expired Unobligated Balance, End of Year	\$6,050,665	\$5,854,985
Unobligated Balance, End of Year (total)	\$6,666,016	\$6,832,517
Total Budgetary Resources	\$20,187,123	\$19,698,659
Outlays, Net and Disbursements, Net:		
Outlays, Net (Total)	\$12,572,318	\$12,641,273
Agency Outlays, Net	\$12,572,318	\$12,641,273

The accompanying notes are an integral part of these financial statements.

NOTES TO PRINCIPAL STATEMENTS

September 30, 2020 and September 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The National Mediation Board (NMB), established in 1934 under Section 4 of the Railway Labor Act (RLA), is an independent U.S. federal government agency that performs a central role in facilitating harmonious labor-management relations within two of the nation's major transportation modes, the railroads and airlines. Recognizing the importance of these transportation industries to the public, shippers, and consumers, as well as to the economy and security of the country, the RLA established NMB to promote three key statutory goals:

- The prompt and orderly resolution of disputes arising out of the negotiation of new or revised collective bargaining agreements;
- The effectuation of employee rights of self-organization where a representation dispute exists; and
- The prompt and orderly resolution of disputes over the interpretation or application of existing agreements.

NMB prepares its financial statements to be in conformity with generally accepted accounting principles.

NMB does not hold any non-entity assets and has no funds from dedicated collections as described by the Statement of Federal Financial Accounting Standards (SFFAS) 43.

B. Basis of Presentation

NMB's principal financial statements were prepared from its official financial records and general ledger in conformity with accounting principles generally accepted in the United States and follow the presentation guidance established by OMB Circular No. A-136 "Financial Reporting Requirements," as amended. The amounts reported in the financial statements are consolidated totals net of intra-entity transactions. The financial statements have been prepared to report the financial position, net cost of operations, changes in net position, and the status and availability of budgetary resources of NMB. Unless specified otherwise, all amounts are presented in dollars.

C. Basis of Accounting

Transactions are recorded on both an accrual accounting basis and a budgetary basis. The accrual method of accounting requires recognition of the financial effects of transactions, events, and circumstances in the period(s) when those transactions, events, and circumstances occur, regardless of when cash is received or paid. Budgetary accounting facilitates compliance with legal requirements and controls over the use of funds and to keep track of budget authority at the various stages of execution, including allotment, obligation, and outlay.

The Balance Sheet, Statement of Net Cost, Statement of Net Position, and Statement of Budgetary Resources have been prepared in accordance with generally accepted accounting principles accepted in the United States for federal entities as prescribed by the standards set forth by the Federal Accounting Standards Advisory Board (FASAB). FASAB is recognized by the American Institute of Certified Public Accountants as the body designated to establish generally accepted accounting principles for federal entities. Certain assets, liabilities, and costs have been classified as intragovernmental throughout the financial statements and notes. Intragovernmental is defined as transactions made between two reporting entities within the federal government.

D. Classified Activities

All federal reporting entities must include the following in the summary of significant accounting policies:

Accounting standards require all reporting entities to disclose that accounting standards allow certain presentations and disclosures to be modified, if needed, to prevent the disclosure of classified information.

Reporting entities must not disclose application of SFFAS 56, including any interpretations of SFFAS 56.

E. Revenue and Other Financing Sources

NMB receives funds to support its programs through annual appropriations. These may be used to pay program and administrative expenses (primarily salaries and benefits, occupancy, travel, inter-agency agreements and contractual services costs).

Appropriations are recognized as other financing sources at the time they are used to pay program or administrative expenses. Appropriations used to acquire property and equipment are recognized as financing sources when the assets are purchased.

F. Use of Estimates

The preparation of the accompanying financial statements in accordance with U.S. Treasury generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

G. Fund Balances with the US Department of Treasury

The U.S. Treasury processes cash receipts and disbursements on NMB's behalf. The balance of funds with Treasury represents appropriated funds that are available to pay current liabilities and finance authorized purchase obligations relative to goods or services that have not been received. NMB does not maintain cash in commercial bank accounts or foreign currency balances.

H. Accounts Receivable

Accounts receivable primarily consists of amounts due from current and former employees. These receivables are a result of payroll adjustments and/or court ordered actions. An allowance for uncollectible accounts receivable from the public is established when either (1) management determines that collection is unlikely to occur after a review of outstanding accounts and the failure of all collection efforts, or (2) an account for which no allowance has been established is submitted to the Department of the Treasury for collection, which takes place when it becomes 120 days delinquent. Based on historical experience, all receivables are collectible and no allowance is provided.

I. Property and Equipment

Property and equipment is stated at cost less accumulated depreciation. NMB capitalizes property and equipment purchases with a cost greater than \$5,000, and a total useful life exceeding one year. Depreciation is calculated on a straight-line basis based on an estimated useful life of 5 years for all assets. Expenditures for repairs and maintenance are charged to operating expenses as incurred.

When NMB enters into a lease agreement, as lessee, if the title of the asset transfers to NMB at the end of the lease or any of the other three capitalization criteria pursuant to SFFAS No. 6, Accounting for Property, Plant, and Equipment, are met, NMB capitalizes the lease at the present value of minimum lease payment and amortizes the cost over the economic useful life of the asset.

J. Liabilities

Liabilities represent the amount of monies or other resources that are likely to be paid by NMB as the result of a transaction or event that has already occurred. However, no liability can be paid by NMB absent an appropriation. Liabilities for which an appropriation has not been enacted are therefore classified as Liabilities Not Covered by Budgetary Resources and there is no certainty that the appropriations will be enacted. Also, liabilities of NMB arising from other than contracts can be abrogated by the government, acting in its sovereign capacity.

Liabilities covered by budgetary resources are liabilities funded by a current appropriation or other funding source. These consist of accounts payable and accrued payroll and benefits. Accounts payable represent amounts owed to another entity for goods ordered and received and for services rendered except for employees.

Liabilities not covered by budgetary resource are liabilities that are not funded by any current appropriation or other funding source. These liabilities consist of accrued annual leave and contingent liabilities.

K. Accrued Payroll and Benefits

Accrued payroll and benefits reflect salaries and benefits that have been earned, but not disbursed as of September 30, 2020. Accrued payroll and benefits are payable to employees and are therefore not classified as intragovernmental.

L. Annual, Sick and Other Leave

Annual leave is accrued as a liability as it is earned. The accrual is reduced as leave is taken. Each pay period the balance in the accrued leave account is adjusted to reflect the current leave balances and pay rates. Accrued annual leave is paid from future funding sources and accordingly is reflected as a liability not covered by budgetary resources. Sick leave and other types of non-vested leave are charged to expense as the leave is used.

M. Retirement Plans and Other Employee Benefits

NMB's employees participate in either the Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS). Employees participating in CSRS contribute 7 percent of their gross pay to the plan, and NMB contributes 7 percent.

On January 1, 1987, FERS went into effect pursuant to Public Law 99-335. Most employees hired after December 31, 1983, are automatically covered by FERS and are eligible for Social Security benefits. Employees hired prior to January 1, 1984, could elect either to transfer to the FERS plan and become eligible for Social Security benefits or remain in CSRS. A primary feature of FERS is that it offers a savings plan in which NMB automatically contributes 1 percent of employees' pay and matches any employee contribution up to an additional 4 percent of pay.

The actuarial present value of accumulated benefits, assets available for benefits, and unfunded pension liability of CSRS and FERS is not allocated to individual departments and agencies and is therefore not disclosed by NMB. The reporting of these amounts is the responsibility of the Office of Personnel Management.

The NMB imputes costs and the related financing sources for its share of retirement benefits accruing to its past and present employees that are in excess of the amount of contributions from the NMB and its employees, which are mandated by law. The Office of Personnel Management (OPM), which administers federal civilian retirement programs, provides the cost information to the NMB. The NMB recognizes the full cost of providing future pension and Other Retirement Benefits (ORB) for current employees as required by Statement of Federal Financial Accounting Standards (SFFAS) 5, Accounting for Liabilities of the Federal Government. Full costs include pension and ORB contributions paid out of the NMB's appropriations and costs financed by OPM. The amount financed by OPM is recognized as an imputed financing source. Reporting amounts such as plan assets, accumulated plan benefits, or unfunded liabilities, if any, is the responsibility of OPM.

N. Commitments and Contingencies

A commitment is a preliminary action that reserves available funds until an obligation is made that will result in a legal liability of the U.S. government. Examples of a commitment include purchase requisitions or unsigned contracts. All open commitments at year end are closed out and new commitments (requisitions) need to be recorded in the next fiscal year. Accordingly, no open commitments exist at year end to report in either the financial statements or notes.

A contingency is an existing condition, situation, or set of circumstances involving uncertainty as to possible gain or loss. The uncertainty will ultimately be resolved when one or more future events occur or fail to occur. A contingent liability is disclosed in the notes to the financial statements when a past event or exchange transaction has occurred, and future outflow or other sacrifice of resources is measurable and reasonably possible. A contingency is not disclosed when any of the conditions for liability recognition are not met and the chance of the future event or events occurring is remote.

NOTE 2: FUND BALANCES WITH TREASURY

Fund Balance with Treasury account balances as of September 30, 2020 and 2019, were as follows:

	2020	2019
Status of Fund Balance with Treasury		
Unobligated Balance		
Available	\$615,351	\$977,532
Unavailable	\$6,050,665	\$5,854,985
Obligated Balance Not Yet Disbursed	\$4,387,638	\$3,566,545
Total	\$11,053,654	\$10,399,062

The available unobligated fund balances represent the current-period amount available for obligation or commitment.

The unavailable unobligated fund balances represent the amount of appropriations for which the period of availability for obligation has expired. These balances are available for upward adjustments of obligations incurred only during the period for which the appropriation was available for obligation or for paying claims attributable to the appropriations.

The obligated balance not yet disbursed includes accounts payable, accrued expenses, and undelivered orders that have reduced unexpended appropriations but have not yet decreased the fund balance.

NOTE 3: ACCOUNTS RECEIVABLE

Accounts receivable balances as of September 30, 2020 and 2019, were as follows:

	2020	2019
With the Public		
Accounts Receivable	\$2,439	\$7,392
Total Public Accounts Receivable	\$2,439	\$7,392
Total Accounts Receivable	\$2,439	\$7,392

The accounts receivable is primarily made up of reimbursements due from employees.

Historical experience has indicated that the majority of the receivables are collectible. There are no material uncollectible accounts as of September 30, 2020 and 2019.

NOTE 4: LIABILITIES NOT COVERED BY BUDGETARY RESOURCES

Liabilities covered and not covered by budgetary resources as of September 30, 2020 and 2019, consist of the following:

	2020	2019
Unfunded Leave	\$563,046	\$512,610
Total Liabilities Not Covered by Budgetary Resources	\$563,046	\$512,610
Total Liabilities Covered by Budgetary Resources	\$1,194,455	\$557,460
Total Liabilities Not Requiring Budgetary Resources	\$166	\$118
Total Liabilities	\$1,757,667	\$1,070,188

NOTE 5: LEASES

Operating Leases

NMB has entered into a new operating lease to commence November 1, 2016, and expiring on October 31, 2026. NMB pays GSA a standard level users charge for the annual rental adjusted annually for operating cost escalations in accordance with the provisions in the Federal Management Regulations.

FISCAL YEAR	BUILDING	TOTALS
2021	\$1,249,921	\$1,249,921
2022	\$1,272,613	\$1,272,613
2023	\$1,295,985	\$1,295,985
2024	\$1,320,059	\$1,320,059
2025	\$1,344,855	\$1,344,855
2026	\$1,370,395	\$1,370,395
2027	\$106,486	\$106,486
Total Future Payments	\$7,960,314	\$7,960,314

NOTE 6: COMMITMENTS AND CONTINGENCIES

Arbitrator Liabilities

The NMB revised its policy, so that when cases are assigned to an arbitrator the full cost of the case is obligated. The number of cases not assigned to any arbitrators September 30, 2020 and 2019, is 2,192 and 1,947, respectively. If these cases were assigned, we estimate it would cost \$1,380,960 in fiscal year 2020 and in fiscal year 2019 \$1,226,610 for arbitrators to hear and render an award on these cases.

NOTE 7: APPORTIONMENT CATEGORIES OF NEW OBLIGATIONS INCURRED AND UPWARD ADJUSTMENTS

Obligations incurred and reporting in the Statement of Budgetary Resources in 2020 and 2019 consisted of the following:

	2020	2019
Direct Obligations, Category A	\$13,521,107	\$12,866,142
New Obligations and Upward Adjustments	\$13,521,107	\$12,866,142

NOTE 8: UNDELIVERED ORDERS AT THE END OF THE PERIOD

As of September 30, 2020, budgetary resources obligated for undelivered orders were as follows:

CURRENT YEAR	FEDERAL	NONFEDERAL	TOTAL
Unpaid Undelivered Orders	\$121,012	\$3,072,172	\$3,193,184
Total Undelivered Orders	\$121,012	\$3,072,172	\$3,193,184

As of September 30, 2019, budgetary resources obligated for undelivered orders were as follows:

PRIOR YEAR	FEDERAL	NONFEDERAL	TOTAL
Unpaid Undelivered Orders	\$298,634	\$2,710,451	\$3,009,085
Total Undelivered Orders	\$298,634	\$2,710,451	\$3,009,085

NOTE 9: RECONCILIATION OF NET COST TO NET OUTLAYS

Budget and accrual reconciliation for the year ended September 30, 2020 (in dollars)

	INTRA- GOVERNMENTAL	WITH THE PUBLIC	TOTAL
Net Operating Cost (SNC)	\$4,086,959	\$9,517,077	\$13,604,036
Components of Net Operating Cost Not Part of the Budget Outlays			
(Increase)/Decrease in Assets Not Affecting Budget Outlays:			
Accounts Receivable	–	(\$4,953)	(\$4,953)
(Increase)/Decrease in Liabilities Not Affecting Budget Outlays:			
Accounts Payable	(\$357,061)	(\$144,666)	(\$501,727)
Salaries and Benefits	(\$21,928)	(\$113,340)	(\$135,268)
Other Liabilities	(\$23)	(\$50,435)	(\$50,458)
Other Financing Sources:			
Imputed Federal Employee Retirement Benefit Costs	(\$339,391)	–	(\$339,391)
Total Components of Net Operating Cost Not Part of the Budget Outlays	(\$718,403)	(\$313,394)	(\$1,031,797)
Components of the Budget Outlays That Are Not Part of Net Operating Cost			
Other	\$23	\$68	\$91
Total Components of the Budget Outlays That Are Not Part of Net Operating Cost	\$23	\$68	\$91
Other Temporary Timing Differences	–	–	–
Net Outlays (Calculated Total)	\$3,368,579	\$9,203,751	\$12,572,330
Related Amounts on the Statement of Budgetary Resources			
Outlays, Net, (total) (SBR 4190)			\$12,572,318
Distributed Offsetting Receipts (SBR 4200)			–
Agency Outlays, Net (SBR 4210)			\$12,572,318

Budget and accrual reconciliation for the year ended September 30, 2019 (in dollars)

	INTRA-GOVERNMENTAL	WITH THE PUBLIC	TOTAL
Net Operating Cost (SNC)	\$3,529,556	\$9,423,037	\$12,952,593
Components of Net Operating Cost Not Part of the Budget Outlays			
(Increase)/Decrease in Assets Not Affecting Budget Outlays:			
Accounts Receivable	–	3,052	3,052
Other Assets	–	(\$262)	(\$262)
(Increase)/Decrease in Liabilities Not Affecting Budget Outlays:			
Accounts Payable	\$163,879	\$99,887	\$263,766
Salaries and Benefits	(\$9,818)	(\$40,318)	(\$50,136)
Other Liabilities	\$2,778	(\$68,303)	(\$65,525)
Other Financing Sources:			
Imputed Federal Employee Retirement Benefit Costs	(\$462,215)	–	(\$462,215)
Total Components of Net Operating Cost Not Part of the Budget Outlays	(\$305,376)	(\$5,944)	(\$311,320)
Components of the Budget Outlays That Are Not Part of Net Operating Cost			
Other	\$8	(\$8)	–
Total Components of the Budget Outlays That Are Not Part of Net Operating Cost	\$8	(\$8)	–
Other Temporary Timing Differences			
	–	–	–
Net Outlays (Calculated Total)	\$3,224,188	\$9,417,085	\$12,641,273
Related Amounts on the Statement of Budgetary Resources			
Outlays, Net (Total) (SBR 4190)			\$12,641,273
Distributed Offsetting Receipts (SBR 4200)			–
Agency Outlays, Net (SBR 4210)			\$12,641,273

Budget and accrual reconciliation for the year ended September 30, 2020 (in dollars)

NOTE 10: BUDGETARY RESOURCE COMPARISONS TO THE BUDGET OF THE UNITED STATES

Government

The president’s budget that will include fiscal year 2020 actual budgetary execution information has not yet been published. The president’s budget is scheduled for publication in February 2021 and can be found at the OMB website: whitehouse.gov/omb/. The 2021 budget of the United States government, with the “Actual” column completed for 2020, has been reconciled to the Statement of Budgetary Resources and there were no material differences.

FY 2019	BUDGETARY RESOURCES	NEW OBLIGATIONS & UPWARD ADJUSTMENTS	DISTRIBUTED OFFSETTING RECEIPTS	NET OUTLAYS
Statement of Budgetary Resources	\$20,000,000	\$13,000,000	–	\$13,000,000
Expired Unobligated Balance Not Available	(\$6,000,000)	–	–	–
Budget of the U.S. Government	\$14,000,000	\$12,000,000	–	\$13,000,000

NOTE 11. CUSTODIAL REVENUES

The National Mediation Board’s custodial activity primarily consists of collection of nonfederal receivables, fines, penalties, as well as Freedom of Information Act requests. While these collections are considered custodial, they are neither primary to the mission of the Board nor material to the overall financial statements. The Board’s total custodial collections are \$68 and \$118 for the years ending September 30, 2020 and 2019, respectively.

NOTE 12. INTER-ENTITY COSTS

NMB recognizes certain inter-entity costs for goods and services that are received from other federal entities at no cost or at a cost less than the full cost. Certain costs of the providing entity that are not fully reimbursed are recognized as imputed cost and are offset by imputed revenue. Such imputed costs relate to employee benefits. NMB recognizes as inter-entity costs the amount of accrued pension and post-retirement benefit expenses for current employees. The assets and liabilities associated with such benefits are the responsibility of the administering agency, OPM. For the periods ended September 30, 2020 and 2019, respectively, inter-entity costs were as follows:

	2020	2019
Office of Personnel Management	\$339,391	\$462,215
Total Imputed Financing Sources	\$339,391	\$462,215

NOTE 13. NET ADJUSTMENTS TO UNOBLIGATED BALANCE, BROUGHT FORWARD, OCTOBER 1

The Unobligated Balance Brought Forward from the prior fiscal year has been adjusted for recoveries of prior year paid and unpaid obligations and other changes such as canceled authority. The Adjustments to Unobligated Balance Brought Forward, October 1, as of September 30, 2020 and 2019, consisted of the following:

	2020	2019
Unobligated Balance Brought Forward, October 1	\$6,832,517	\$6,387,272
Recoveries of Prior Year Obligations	\$127,695	\$579,834
Other Changes in Unobligated Balances	(\$823,089)	(\$1,068,447)
Unobligated Balance From Prior Year Budget Authority, Net	\$6,137,123	\$5,898,659



OTHER INFORMATION

- 86** | SUMMARY OF FINANCIAL STATEMENT AUDIT AND MANAGEMENT ASSURANCES (UNAUDITED)
- 87** | IMPROPER PAYMENTS INFORMATION ACT
- 87** | GOVERNMENT CHARGE CARD PROGRAMS

04



SUMMARY OF FINANCIAL STATEMENT AUDIT AND MANAGEMENT ASSURANCES

TABLE 1. SUMMARY OF FINANCIAL STATEMENT AUDIT

AUDIT OPINION	UNMODIFIED			
Restatement	No			
Material Weaknesses	Beginning Balance	New	Consolidated	Ending Balance
None				
Total Material Weaknesses	0	0	0	0

TABLE 2. SUMMARY OF MANAGEMENT ASSURANCES

EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING (FMFIA § 2)				
Statement of Assurance	Unmodified			
Material Weaknesses	Beginning Balance	New	Consolidated	Ending Balance
None				
Total Material Weaknesses	0	0	0	0
EFFECTIVENESS OF INTERNAL CONTROL OVER OPERATIONS (FMFIA § 2)				
Statement of Assurance	Unmodified			
Material Weaknesses	Beginning Balance	New	Consolidated	Ending Balance
None				
Total Material Weaknesses	0	0	0	0
CONFORMANCE WITH FEDERAL FINANCIAL MANAGEMENT SYSTEM REQUIREMENTS (FMFIA § 4)				
Statement of Assurance	Federal Systems conform to financial management system requirements			
Non-Conformances	Beginning Balance	New	Resolved	Ending Balance
None				
Total Non-conformances	0	0	0	0
COMPLIANCE WITH SECTION 803(A) OF THE FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT (FFMIA)				
	Agency	Auditor		
1. Federal Financial Management System Requirements	Not Applicable*	Not Applicable*		
2. Applicable Federal Accounting Standards	Not Applicable*			
3. USSGL at Transaction Level	Not Applicable*			

*OMB Bulletin 14-02 states that agencies subject to the ATDA and Government Corporation Control Act are not subject to the requirements of FFMIA.

IMPROPER PAYMENTS INFORMATION ACT

The NMB is considered to be at low risk for improper payments since the functional payment areas are limited to traveler reimbursement, commercial vendors for supplies and services, and for employee payroll through electronic funds transfer (EFT) payments. The NMB does not administer any entitlement, grant, or loan programs.

GOVERNMENT CHARGE CARD PROGRAMS

TRAVEL

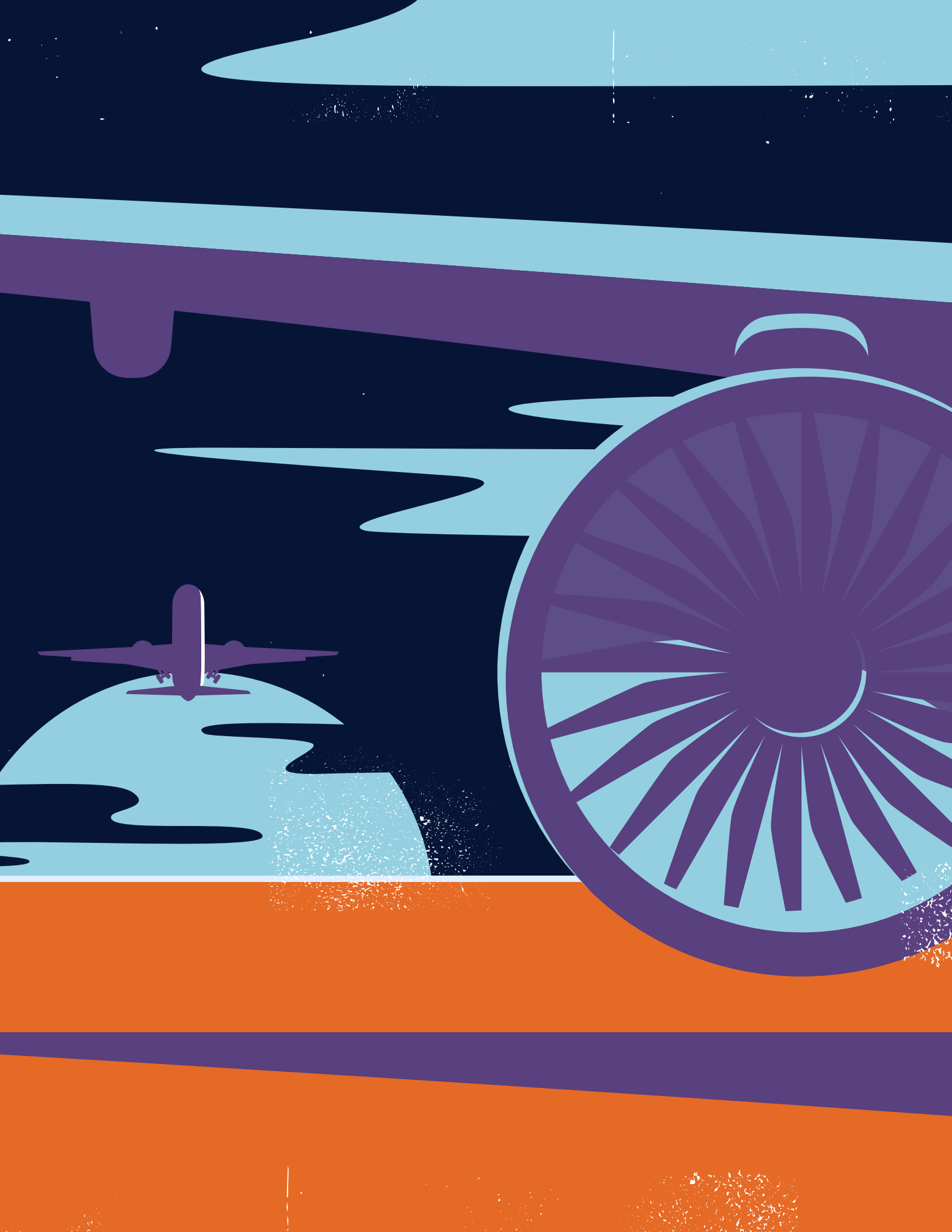
In FY 2020, the NMB continued to be a full participant in the General Service Administration's (GSA's) Government Travel Charge Card program, and issued individually billed account (IBA) travel cards to employees whose official duties require frequent travel. The NMB also uses a Centrally Billed Account (CBA) for agency-wide airfare and rail expenses.

The NMB continued to use the GSA SmartPay 3 program, which is routinely monitored by the NMB and the Bureau of Fiscal Services (BFS), including monitoring each employee's use of the travel card to ensure only appropriate official government-related expenses are being charged on the card. Accounts are also monitored for any delinquency of payment of the account that may occur.

All NMB travel cardholders are provided with and must complete the required Government Travel Card Training per OMB and GSA. Additionally, all NMB approving officials are required to complete the FTR training course, Approving Officials' Responsibilities.

PURCHASE

In FY 2020, the NMB continued its use of the U.S. government's purchase card program, which helps expedite the purchase of authorized supplies and services. The NMB Office of Fiscal Services reviews and approves all purchase requests prior to ordering supplies or services. All NMB purchase card holders are required to complete the GSA Government SmartPay Purchase cardholder training on an annual basis.



APPENDIX

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05



GLOSSARY

These definitions are provided for general understanding only. They do not provide definitive definition regarding any matter before the Board and are not to be construed as legal definitions that may be cited in any administrative, legal, or arbitral proceeding.

Act

The Railway Labor Act

Agency

The National Mediation Board

Alternative Dispute Resolution (ADR)

ADR is a process for resolving disputes outside of the judicial system of law. In the venue of the NMB, ADR is the facilitation of interest-based or mutual interest negotiations and grievance mediation.

Amendable Contract

Under the Railway Labor Act, collective bargaining agreements become subject to change on a specified date, rather than expiring as agreements do under the National Labor Relations Act.

Annual Report

NMB's Annual Performance and Accountability Report

Arbitration

A type of dispute resolution process where an arbitrator renders a decision, which usually can be appealed judicially only on a very narrow basis such as fraud.

Arbitration Forum

A committee formed of officials of railroads, rail unions, arbitrators, and the NMB for the purpose of improving the processing of railroad employee grievances.

Board

May be one of the following, depending upon the context in which it appears:

- National Mediation Board (NMB)
- Presidential Emergency Board (PEB)
- National Railroad
- Adjustment Board (NRAB)
- Special Board of Adjustment (SBA)
- Public Law Board (PLB)
- System Board of Adjustment (SBA)

Carrier

An airline or railroad as defined by sections 151 and 181 of the Railway Labor Act.

CFO

Chief Financial Officer

Class I

A category of the largest U.S. railroads as defined by the Surface Transportation Board.

Collective Bargaining Agreement

A labor contract between a union and a carrier.

Cooling-Off Period

A 30-day period of time preceding the right of parties to a collective bargaining dispute to engage in economic self-help under the RLA.

Craft or Class

A group of employees deemed by the NMB to share a community of work and interest for the purpose of collective bargaining under the RLA.

Direct Negotiations

Negotiations between the parties to a collective bargaining dispute before or apart from NMB mediation.

E-book

A book available via the Internet such as NMB's Annual Performance and Accountability Report.

E-business

The conduct of business on the Internet.

E-filing

An electronic method for submitting documents.

E-verify

A system for online verification.

Facilitation

A process where a neutral helps the parties in a collective bargaining or grievance dispute use ADR problem-solving methods such as interest-based bargaining or grievance mediation.

Facilitated Problem-Solving

This approach to bargaining utilizes a process of problem identification and discussion to reach resolution of issues rather than an exchange of proposals.

Grievances

Complaints of employees or unions arising out of the application or interpretation of collective bargaining agreements.

Grievance Arbitration

A method of resolving grievances whereby an arbitrator determines the outcome.

Grievance Mediation

In the venue of the NMB, using mediation as an alternative to arbitration for resolving grievances.

Impasse

In mediation under the RLA, an impasse is when the NMB determines that further mediation will not resolve a collective bargaining dispute.

Interest Arbitration

A process, under the RLA, to establish the terms of a new or modified collective bargaining agreement through arbitration, rather than through negotiations.

Interest-Based Negotiation

A type of negotiation where the parties collaboratively focus on finding solutions to underlying needs or concerns of each party (i.e., the whys) instead of adversatively negotiating specific positions.

Internet Voting

A web-based balloting option that supplements telephone electronic voting in representation elections.

Laboratory Conditions

Conditions to a representation dispute that ensure the independence of labor and management for the purpose of self-organization and the right of employees to freely determine whether they wish to be represented, or not, for the purpose of collective bargaining.

Legacy Carriers

A term applied to traditional major, hub-based airlines versus regional or point-to-point carriers.

Major Disputes

Disputes between management and a union pertaining to collective bargaining as opposed to grievance disputes known as Minor Disputes.

Mediation

A type of dispute resolution process where a neutral (i.e., a mediator) facilitates agreement between the parties to a collective bargaining dispute, vis-à-vis imposing a settlement on the parties via arbitration.

Minor Disputes

Grievances of employees or unions arising out of the application or interpretation of collective bargaining agreements as opposed to collective bargaining disputes known as Major Disputes.

National Handling

Mediation of a collective bargaining dispute where management of several railroads have chosen to negotiate collectively on a national basis. National Labor Relations Act (NLRA) grants most private sector workers the right to organize and bargain collectively. Air and rail employees, however, are covered by the Railway Labor Act (RLA) rather than the NLRA. National Railroad Adjustment Board—one of three types of tribunals under the RLA for resolving railroad grievances (also see Special Boards of Adjustment and Public Law Boards). NRAB cases are resolved by the carrier and union members with or without a neutral.

National Labor Relations Act (NLRA)

Grants most private sector workers the right to organize and bargain collectively. Air and rail employees, however, are covered by the Railway Labor Act (RLA) rather than the NLRA.

National Railroad Adjustment Board

One of three types of tribunals under the RLA for resolving railroad grievances (also see Special Boards of Adjustment and Public Law Boards). NRAB cases are resolved by the carrier and union members with or without a neutral.

NMB Lyceum

The NMB's open-resource, distance learning website established to provide NMB staff, labor relations practitioners, and the public with training programs relevant to the National Mediation Board and the Railway Labor Act.

Ombudsman

An official of the NMB who receives and addresses problems or complaints of employees or contractors regarding actions of agency managers or staff.

Online Arbitration

An arbitration forum and a form of Online Dispute Resolution where hearings are held in virtual, web-based meeting rooms with live video.

Online Dispute Resolution

The application of internet or web-based technology to resolving disputes.

Open Government Directive

President Obama's Directive of December 8, 2009, requiring federal executive departments and agencies to take specific actions to implement the principles of transparency, participation, and collaboration.

Presidential Emergency Board

A Board established under the Railway Labor Act by the U.S. President to investigate and report on an airline or railroad labor dispute.

Proffer of Arbitration

The step in the process of resolving collective bargaining disputes under the RLA, which follows a determination of impasse by the NMB, whereby the NMB offers voluntary, binding arbitration to the parties as a method for resolving the dispute.

Public Interest Meetings

Under the RLA, the NMB can intervene in an active collective bargaining dispute at any time in the interest of the general public. Usually, one or both parties to a dispute requests the mediation services of the NMB.

Public Law Boards (PLBs)

One of three types of tribunals under the RLA for resolving railroad grievances (also see National Railroad Adjustment Board and Special Boards of Adjustment).

Railway Labor Act (RLA)

A federal law that grants interstate airline and railroad employees the right to organize and bargain collectively. Other private industry employees are covered by the National Labor Relations Act (NLRA).

Representation Dispute

A situation on an airline or railroad where employees in a specific, carrier-wide workgroup seek to organize for the purpose of collectively bargaining with their employer regarding matters of wages, benefits, and working conditions.

Section 3

Section 153 of the RLA pertaining to the National Railroad Adjustment Board.

Section 3 Committee

A group of representatives from freight, regional, and commuter railroads and representatives of major rail unions, whose goal is the improvement of resolution of grievances.

Section 6

Section 156 of the RLA pertaining to the changing of wages, rules, hours, and working conditions.

Section 7

Section 157 of the RLA pertaining to arbitration.

Section 9

Section 159A of the RLA pertaining to Presidential Emergency Boards for certain publicly funded and operated commuter railroads.

Section 10

Section 160 of the RLA pertaining to Presidential Emergency Boards for airlines and railroads other than those covered by Section 9A.

Self-Help

The right of a party to a collective bargaining dispute to unilaterally act in its own best interest. A carrier, for example, may lock disputing employees out of the workplace or implement changes in pay, rules, and working conditions; and the union, for example, may work specifically as required by its collective bargaining agreement or strike.

Showing-of-Interest

In a representation dispute, employees in a craft or class must indicate an interest in being represented for the purpose of collective bargaining by signing authorization cards, which are submitted to the NMB by the representative/s of their choosing.

Special Boards of Adjustment (SBA)

One of three types of tribunals under the RLA for resolving railroad grievances (also see National Railroad Adjustment Board and Public Law Boards).

Status Quo

Situations under the RLA in either collective bargaining or representation disputes where existing pay rates, rules, and working conditions cannot be changed unilaterally, pending the resolution of the dispute in question.

Strike

A work stoppage action initiated by a union.

System Boards of Adjustment (SBA)

An arbitration board pursuant to an agreement by the parties for resolving airline grievances.

System-wide

Under the RLA, a craft or class applies anywhere an airline or railroad operates in the United States.

Telephone Electronic Voting (TEV)

A paperless balloting process using telephones instead of traditional paper ballots.

Work Stoppage

An interruption to the operations of an airline or railroad.

ACRONYMS

ACRONYM	NAME	ACRONYM	NAME
A4A	Airlines for America	CSRS	Civil Service Retirement Act
AAA	American Arbitration Association	CSX	CSX Transportation, Inc.
ABA	American Bar Association	CWA	Communication Workers of America
ABM	ABM-Onsite Services	CWA/IBT	CWA/IBT Association
A-Case	An NMB Designation for a Mediation Case	D&H	Delaware and Hudson Railway
ACRE	Association of Commuter Rail Employees	DM&E	Dakota, Minnesota and Eastern Railroad
ADR	Alternative Dispute Resolution	DOMS	Director of the Office of Mediation Services
AFA	Association of Flight Attendants	EFT	Electronic Funds Transfer
AFL-CIO	American Federation of Labor and Congress of Industrial Organizations	EH	Eagle Horizon - FEMA
AFSCME	American Federation of State, County and Municipal Employees	FASAB	Federal Accounting Standards Advisory Board
ALI-CLE	American Law Institute Continuing Legal Education	F-Case	An NMB Designation for a Facilitation Case
ALPA	Air Line Pilots Association	FEMA	Federal Emergency Management Agency
ALRA	Association of Labor Relations Agencies	FERS	Federal Employees Retirement System
AMFA	Aircraft Mechanics Fraternal Association	FMCS	Federal Mediation and Conciliation Service
AMTRAK	National Railroad Passenger Corporation (NRPC)	FMFIA	Federal Managers' Financial Integrity Act
ARASA	American Railway and Airway Supervisors Association	FOIA	Freedom of Information Act
ASA	Atlantic Southeast Airlines	FTR	Federal Travel Regulation
ATDA	American Train Dispatchers Association	FY	Fiscal Year
AVG	Average	G&W	Genesee & Wyoming Inc.
AWS	Alternative Work Schedule	GAAP	Generally Accepted Accounting Principles
AWS	Arbitrator Work Space	GAO	Government Accountability Office
BFS	Bureau of the Fiscal Service	GIMY	Golden Isles Terminal Railroad (G&W)
BLET	Brotherhood of Locomotive Engineers & Trainmen	GM-Case	An NMB designation for a Grievance Mediation Case
BMWED	Brotherhood of Maintenance of Way Employees Division	GPRA	Government Performance and Results Act
BNSF	Burlington Northern Santa Fe Railway	GSA	General Services Administration
BRC	Brotherhood of Railway Carmen	HERE	Hotel Employees and Restaurant Employees Union
BRS	Brotherhood of Railroad Signalmen	IAM	International Association of Machinists and Aerospace Workers
CFO	Chief Financial Officer	IBB	International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers
CGE	Concur Government Edition	IBEW	International Brotherhood of Electrical Workers
CN	Canadian National Railway	IBT	International Brotherhood of Teamsters
CP	Canadian Pacific Railway	IBT/HERE	IBT/HERE Employee Representatives' Council
CR-CASE	An NMB Designation for a Representation Case Pre-docketing Investigation	IDP	Individual Development Plan
CRCX	Conrail Shared Assets Operations	ILA	International Longshoremen's Association

ACRONYMS

ACRONYM	NAME	ACRONYM	NAME
METRA	Northeast Illinois Regional Commuter Railroad (NIRCR)	PTRA	Port Terminal Railroad Association
N/A	Not Applicable	R-Case	An NMB Designation for a Representation Case
NAA	National Academy of Arbitrators	RD-Case	An NMB Designation for a Representation Decertification Case
NARR	National Association of Railroad Referees	RITU	Railway Independent Transit Union
NATS	National Association of Transportation Supervisors	RLA	Railway Labor Act
NCCC	National Carriers' Conference Committee	SAPT	Savannah Port Terminal Railroad (G&W)
NCFO	National Conference of Firemen and Oilers	SBA	Special Board of Adjustment
NEP	National Exercise Program - FEMA	SEIU	Service Employees International Union
NIRCR	Northeast Illinois Regional Commuter Railroad (METRA)	SEPTA	Southeastern Pennsylvania Transportation Authority
NLRB	National Labor Relations Board	SFFAS	Statement of Federal Financial Accounting Standards
NMB	National Mediation Board	SMART	International Association of Sheet Metal, Air, Rail and Transportation Workers
NRAB	National Railroad Adjustment Board	SMART-M	International Association of Sheet Metal, Air, Rail and Transportation Workers - Mechanical Division
NRLC	National Railway Labor Conference	SMART-TD	International Association of Sheet Metal, Air, Rail and Transportation Workers - Transportation Division
NRPC	National Railroad Passenger Corporation (Amtrak)	STB	Surface Transportation Board
OA	Office of Administration - NMB	T-Case	An NMB Designation for a Training Case
OAS	Office of Arbitration Services - NMB	TCU	Transportation Communications Union
OFS	Office of Fiscal Services - NMB	TCU/IAM	Transportation Communications Union affiliation International Association of Machinists and Aerospace Workers
OIS	Office of Information Services - NMB	TWU	Transport Workers Union of America
OLA	Office of Legal Affairs - NMB	TWU-IAM	TWU-IAM Association
OMB	Office of Management and Budget	UNITE	Union of Needletrades, Industrial, and Textile Employees and Hotel Employees and Restaurant Employees International Union
OMS	Office of Mediation Services - NMB	HERE	
OP-Case	An NMB Designation for an Outreach and Promotion Case	UP	Union Pacific Railroad
OPEIU	Office and Professional Employees International Union	VTMI	Veolia Transportation Maintenance and Infrastructure, Transdev North America, Inc.
OPM	Office of Personnel Management	WDI	Withdrawn During Investigation
ORB	Other Retirement Benefits	XAPA	XTRA Airline Pilot Association
PAFCA	Professional Airline Flight Control Association	XJT	ExpressJet Airlines
PAR	Pan Am Railways		
PATH	Port Authority Trans-Hudson		
PEB	Presidential Emergency Board		
PLB	Public Law Board		
PPI	Private Personnel Information		
PRISM	A BFS Web-based Procurement System		
PRLBC	Passenger Rail Labor Bargaining Coalition		
PSA	PSA Airlines		



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