

**NATIONAL MEDIATION BOARD
FISCAL YEAR 2025
CONGRESSIONAL BUDGET JUSTIFICATION**

MARCH 2024



TABLE OF CONTENTS

EXECUTIVE SUMMARY	2
NMB MISSION STATEMENT.....	4
APPROPRIATION LANGUAGE.....	6
APPROPRIATION HISTORY.....	7
SUMMARY OVERVIEW.....	8
OBJECT CLASSIFICATION.....	11
DETAILED EXPLANATION OF CHANGES.....	12
OFFICE OF THE BOARD.....	15
PRESIDENTIAL EMERGENCY BOARDS.....	16
OFFICE OF MEDIATION SERVICES.....	18
OFFICE OF LEGAL AFFAIRS/REPRESENTATION.....	25
OFFICE OF ARBITRATION SERVICES.....	31
OFFICE OF ADMINISTRATION.....	37
OFFICE OF FISCAL SERVICES.....	40
OFFICE OF INFORMATION SERVICES	44

EXECUTIVE SUMMARY

The National Mediation Board (NMB) presents its justification supporting the Fiscal Year (FY) 2025 budget request. This budget outlines the NMB's request of \$15,113,000. The NMB is a micro-agency (51 FTE's) with a mission to deliver critical services to approximately 100 commercial airlines and over 500 railroads and their unions. Its mission areas of representation, mediation, and arbitration serve to facilitate harmonious labor relations in our nation's essential airline and rail transportation networks.

The NMB's 2025 budget request of \$15,113,000 equals the FY 2023 enacted budget for the Agency. In addition to the Agency's request of \$8,500,000 for personnel compensation and benefits, the Agency requests \$1,200,000 for referees who conduct statutory arbitration in the railroad industry. The remaining \$5,413,000 includes a \$400,000 set aside for any potential Presidential Emergency Boards (PEB's) as well as all remaining object classifications for NMB operations. PEB's issue recommendations for settlement of disputes in the negotiations of new or existing collective bargaining agreements that often avoid the interruption of interstate commerce by strikes and/or lockouts.

The NMB will remain in compliance with prior audits and Government Accountability Office (GAO) decisions regarding how it must account for the cost of arbitration cases once they are assigned to a referee.

In recent years the NMB has successfully implemented the majority of the Government Accountability Office's (GAO) recommendations from previous years' audits. These included areas of Organizational Climate Assessment, Travel Policy, Telework Policy, Rail Arbitration Backlog, Annual Appropriations Monitoring, Audit Protocols Process, and certain Information Technology Policies. Progress has continued with the remaining recommendations, and the Agency expects to fully closeout more of these by March 2024.

In FY 2023 the NMB updated its Privacy Policy, Information Security, and Cloud Services Authorization. The NMB will continue to prioritize these areas and allocate appropriate funding to resolve and implement any outstanding federal requirements. NMB is now in the process of deploying another FedRAMP solution for increased asset management for mobile, PC, and other devices. Through these new technology upgrades NMB improved the reliability and security of its information technology to better serve the public. In the coming months the NMB will need to build a new comprehensive system for its balloting process, an endeavor similar to the newly released Arbitrator Workspace System (AWS). The NMB's ability to continue to fund technology upgrades, along with FY 2025 OMB and government-wide mandates

around Cybersecurity initiatives fully depends on receiving this full budget request. The NMB may need to adjust funding levels within this request in mission areas to address technology upgrades and new government-wide Cybersecurity mandates announced in FY 2025 that require immediate implementation. Finally, last year, the NMB issued a comprehensive IT Security Policy that addressed previous GAO audit findings and brought NMB in compliance with several federal government mandates.

In order to ensure that cases are settled in a timely manner, and to reduce the overall cost of arbitrating “minor disputes” in the railroad industry, the NMB has for the past few years encouraged the parties to take advantage of grievance mediation (GM) as a precursor to formal arbitration. The NMB GM Ambassador Program and the ongoing efforts by the Board Members and NMB staff have resulted in significant cost savings for the agency.

For a micro-sized Agency, the NMB continues to be at the forefront of organizational and technological innovation among Federal government agencies. Development and use of online applications in Representation, Mediation, and Arbitration have increased the parties’ access to NMB mission area services and has allowed the NMB to continue to provide outstanding service as a result of COVID-19 and increased telework. NMB implemented the first all-electronic records program and was the first Federal agency to move completely to a secure cloud for all of its business systems. Use of GM and other innovative approaches to resolve minor disputes has allowed the agency to help the parties resolve outstanding disputes at a lower per-case cost than ever before. This spirit of innovation ensures that the NMB will continue to be one of the premier labor-management dispute resolution programs in the world. The Board continues to anticipate an increase in demand for its services from the parties.

Respectfully,

A handwritten signature in black ink, appearing to read "Deirdre Hamilton". The signature is fluid and cursive, with a long horizontal stroke at the end.

Deirdre Hamilton, Chair

NMB MISSION STATEMENT

Railway Labor Act and NMB Functions

The National Mediation Board is an independent Executive Branch agency established by the Railway Labor Act of 1926, as amended in 1934. The Act was expanded in 1936 to cover the airline industry. The NMB performs a key role in achieving the principal purpose of the Act: “to avoid any interruption in commerce or to the operation of any carrier engaged therein” by assisting the carriers and their employees in their duty under the Act to “exert every reasonable effort” to settle disputes. The Board’s principal statutory goals are:

1. To facilitate the resolution of disputes in the negotiation of new or revised collective bargaining agreements;
2. To insure employee rights of self-organization, without interference, when representation disputes exist, and;
3. To provide for the prompt and orderly settlement of disputes growing out of minor disputes or out of the interpretation or application of agreements covering rates of pay, rules, or working conditions.

General Agency Goals

- To promote the amicable resolution of disputes between carriers and employees by providing quality conflict prevention and resolution services, including both traditional mediation and alternative dispute resolution, while encouraging an atmosphere of harmony that will facilitate future bargaining in the airline and railroad industries.
- To deliver, through the prompt investigation of representation disputes among rail and air employees’ definitive resolution of employees’ representation status for collective bargaining purposes.
- To improve and strengthen the NMB’s systems and processes for resolving minor disputes in the air and rail industries.
- To improve the management of our human capital and to continue to assess the opportunities to outsource commercial tasks, improve financial performance, and

expand e-government applications; and strengthen the linkage between budget planning and agency performance.

- To develop a program of outreach and coordination with entities engaged in dispute resolution, with entities engaged in collective bargaining, and to engage in educational enterprises with other agencies.

APPROPRIATION LANGUAGE

National Mediation Board Salaries and Expenses

For expenses necessary to carry out the provisions of the Railway Labor Act, including emergency boards appointed by the President *\$15,113,000*. (Department of Labor, Health and Human Services and Education, and Related Agencies Appropriations Act, 2025).

NMB's Appropriation History

Fiscal Year	Budget Request to Congress (\$)	House Allowance (\$)	Senate Allowance (\$)	Final Appropriation (\$)	Public Law Citation
2011	13,772,000	14,972,000	13,772,000	13,436,074	112-10
2012	13,961,000	13,436,000	13,436,000	13,410,606	112-74
2013	13,530,000	13,411,000	14,411,000	12,709,000	113-6
2014	13,347,000	N/A	13,384,000	13,116,000	113-32
2015	13,227,000	13,108,734	13,108,734	13,227,000	113-235
2016	13,230,000	13,230,000	12,600,000	13,230,000	114-113
2017	13,300,000	13,300,000	13,800,000	13,800,000	115-31
2018	13,205,000	13,500,000	13,800,000	13,800,000	115-141
2019	13,205,000	13,800,000	13,800,000	13,800,000	115-245
2020	13,800,000	15,800,000	N/A	14,050,000	116-94
2021	13,900,000	14,300,000	N/A	14,300,000	116-260
2022	14,542,000	N/A	N/A	14,729,000	117-103
2023	15,113,000	15,113,000	15,113,000	15,113,000	117-328
2024	15,601,000	N/A	N/A	TBD	TBD
2025	15,113,000	TBD	TBD	TBD	TBD

SUMMARY OVERVIEW

National Mediation Board

The National Mediation Board requests \$15,113,000, respectively, for its total program expenses for FY 2025 to continue its efforts to perform the statutory mandates of managing representation issues and resolving major and minor labor disputes in the airline and railroad industries. The Board continues its efforts to maintain a highly skilled workforce by recruiting, developing, and retaining qualified individuals. This budget provides an overview of the Railway Labor Act (RLA) and the functions of the NMB. It also provides information on the resources needed for the Board to accomplish its strategic and performance goals.

SUMMARY OVERVIEW (Financial and Personnel requests)

Financial Summary

Fiscal Year 2023 Enacted Level	\$15,113,000
Fiscal Year 2024 President's Request Level	\$15,601,000
Fiscal Year 2025 President's Request Level	\$15,113,000

Personnel Summary

FY 2023 Request - FTE	51
FY 2024 Request - FTE	51
FY 2025 Request - FTE	51

PROGRAM AND FINANCING SCHEDULE

(In Thousands of Dollars)

Obligations by Program Activities	FY 2023 Enacted	FY 2024 Request	FY 2025 Request
Mediation Services	\$8,850	\$9,238	\$8,850
Representation Services	\$2,750	\$2,800	\$2,750
Arbitration Services	\$3,113	\$3,163	\$3,113
Emergency Boards	\$400	\$400	\$400
Total Obligations	\$15,113	\$15,601	\$15,113
Budgetary Resources Available for Obligation			
New budget authority (gross)	\$15,113	\$15,601	\$15,113
New obligations	(\$15,113)	(\$15,601)	(\$15,113)
Unobligated balance, expiring	\$0	\$0	\$0
New Budget Authority (Gross), Detail:			
Appropriation	\$15,113	\$15,601	\$15,113
Appropriation permanently reduced	0	0	0
Appropriation (total discretionary)	\$15,113	\$15,601	\$15,113
Net Budget Authority and Outlays:			
Budget Authority, gross	\$15,113	\$15,601	\$15,113
Actual Offsetting Collections	0	0	0
Recoveries of Prior Year Paid Obligations	0	0	0
Budget Authority (net)	\$15,113	\$15,601	\$15,113
Outlays (net)	\$14,450	\$15,100	\$14,450

Personnel Summary

	FY 2023 Enacted	FY 2024 Request	FY 2025 Request
Total # of Full-Time Employees	51	51	51
Full-Time Permanent	45	45	45
Full-time Other	6	6	6
Total Employment, end of year (FTE)	51	51	51
Average GS Grade	13.9	13.9	13.9
Average GS Salary	\$138,000	\$145,000	\$150,500
Senior Executive Service (SES)	2	2	2
Average SES Salary	\$187,300	\$197,000	\$204,000
Executive Level Positions (NMB Board)	3	3	3
Average Salary of Executive Level positions			
Level 3, Chairman	\$168,400	\$168,400	\$168,400
Level 4, Board Members	\$158,500	\$158,500	\$158,500

BUDGET OBJECT CODE CLASSIFICATION

(In Thousands of Dollars)

	FY 2023 Enacted	FY 2024 Request	FY 2025 Request
Personnel Compensation			
Full-time permanent	\$6,262	\$6,450	\$6,262
Special personnel services payments	\$1,200	\$1,250	\$1,200
Total Personnel Compensation	\$7,462	\$7,700	\$7,462
Civilian Benefits	\$2,235	\$2,250	\$2,235
Benefits for Former Personnel	\$0	\$0	\$0
Travel & Transportation of Persons	\$429	\$450	\$450
Transportation of Things	\$2	\$2	\$2
Rental Payments to GSA	\$1,485	\$1,510	\$1,485
Communications, Utilities, and Misc. Charges	\$100	\$100	\$100
Printing & Reproduction	\$2	\$2	\$2
Other Services	\$2,868	\$3,037	\$2,868
Supplies & Materials	\$80	\$75	\$59
Equipment	\$50	\$75	\$50
Subtotal, Obligations	\$14,713	\$15,201	\$14,713
PEB	\$400	\$400	\$400
Total Obligations	\$15,113	\$15,601	\$15,113

**DETAILED EXPLANATION OF CHANGES
BY OBJECT CLASS FOR FISCAL YEAR 2025**

National Mediation Board
(In Thousands of Dollars)

Personnel Compensation and Benefits

FY '23	FY '25	Net Change
\$9,697	\$9,700	\$+3

The personnel category provides funding for salaries and benefits of the Federal career staff along with the government’s share of the two retirement systems (CSRS, FERS), Medicare, and the Thrift Savings Plan.

NMB’s request of \$8,500 includes funding for career staff and \$1,200 for payments for work by the arbitration referees. These funds support salary compensation for the Board, the three program areas (Arbitration, Mediation, and Legal Representation) and the three program support areas (Administration, Fiscal Services, and Information Services). These funds also include a 2% proposed pay increase for civilian employees in 2025.

Travel and Transportation of Persons

FY '23	FY '25	Net Change
\$429	\$450	\$11

This category will fund the travel expenses of the Board Members, Mediators, Attorneys, Arbitration referees, other NMB staff travel, and local transportation costs for the entire Agency.

Transportation of Things

FY '23	FY '25	Net Change
\$2	\$2	\$0

The requested amount will cover the cost of commercial courier

services used by NMB staff.

Rental Payments to GSA (Rent)

FY '23	FY '25	Net Change
\$1,485	\$1,485	\$0

This category covers the amount paid to the General Services Administration (GSA) to lease its office space in Washington, D.C. and annual taxes. In addition, the cost of leasing the office space in Chicago for the National Railroad Adjustment Board is in this category. These are fixed costs to the NMB.

Rent, Communications, and Utilities (RCU)

FY '23	FY '25	Net Change
\$100	\$100	\$0

This category covers funds for the use of commercial, local and long-distance telephone services, and payment to GSA for after-hour utilities.

Printing and Reproduction

FY '23	FY '25	Net Change
\$2	\$2	\$0

This category covers non-GPO printing, reproduction, binding and related composition operations of the Board.

Other Services

FY '23	FY '25	Net Change
\$2,868	\$2,879	+\$11

This category provides funding for a wide range of commercial and government services. These services include maintenance contracts on all general and information management equipment, cybersecurity activities, GPO printing, commercial database

access, payments for systems development and support, electronic voting system, repairs and/or alterations to existing space, consultants and experts, diversity and inclusion, agency training and conference fees for its staff. This category also provides training for the staff, funding to support services for the agency's accounting, procurement, human resources, information technology and records management mandates and activities, which are outsourced, and all other government interagency agreements.

Supplies and Materials

FY '23	FY '25	Net Change
\$80	\$59	\$-21

This category provides funding to purchase general supplies, IT supplies, subscriptions, and government publications.

Equipment

FY '23	FY '25	Net Change
\$50	\$50	\$0

This category provides for the equipment needs of the agency including hardware and software for information technology requirements, tele-communication equipment as well as office furniture purchases.

Presidential Emergency Board

FY '23	FY '25	Net Change
\$400	\$400	\$0

This category funds the Presidential Emergency Boards (PEB) in which the NMB compensates members appointed by the President to resolve disputes. The object class breakout is determined once the board is enacted. Based upon historical knowledge, funds can be obligated in personnel compensation, travel, rent and communication and other services.

TOTAL FOR ALL OBJECT CLASSES \$15,113 / \$15,113

PROGRAM DESCRIPTIONS

OFFICE OF THE BOARD

Funding (in thousands) and FTE	FY 2024 Request	FY 2025 Request
\$	1,175	1,000
FTE	7	7

*The amounts listed above reflect personnel compensation and benefits.

The three Board Members of the National Mediation Board administer the Railway Labor Act, which governs labor relations in the rail and air industries. The Board Members oversee the mediation of collective bargaining disputes, and by quorum they are responsible for determining whether and when to release the parties so they may engage in self-help. If the Board Members determine that a labor dispute potentially threatens interstate commerce, the Members are responsible for notifying the President. Additionally, the Members are responsible for certifying the results of representation elections, and for all representation policy decisions, including, but not limited to, jurisdiction, merger issues, system and craft or class issues, and election interference. The Board Members also oversee the funding of arbitration of disputes over the interpretation of collective bargaining agreements in the rail industry.

The Board Members provide overall leadership and strategic direction for the entire Agency, but the Board has delegated most of the day-to-day oversight and administration to the departmental directors and the General Counsel. The departmental directors and General Counsel direct the program areas, which include: Office of Mediation Services (OMS), Office of Legal Affairs (OLA), and Office of Arbitration Services (OAS). The departmental directors also direct the operation support offices of the Agency including, the Office of Administration (OA), the Office Fiscal Services (OFS) and Office of Information Services (OIS).

PRESIDENTIAL EMERGENCY BOARDS

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.

Overview of Fiscal Year 2023

There were no PEB’s during FY 2023.

Forecast for FY 2024 and FY 2025

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.

The following chart reflects the actual case numbers for FY 2023 and estimated case numbers for FY 2024 and FY 2025:

	FY 2023 Actual	FY 2024 Estimated	FY 2025 Estimated
Emergency Board Sec. 160	0	1	1
Emergency Board Sec. 159A	0	1	1

OFFICE OF MEDIATION SERVICES

Funding (in thousands) and FTE	FY 2024 Request	FY 2025 Request
\$	2,685	2,750
FTE	14	14

*The dollar amounts listed above reflect personnel compensation and benefits.

Mediation Overview

The Office of Mediation Services (OMS) manages mandatory mediation of collective bargaining disputes pursuant to statutory authority under Section 5 of the Railway Labor Act (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.

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 www.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 www.nmb.gov.

Mediation Highlights

Mediation for collective bargaining agreements was successful in FY 2023. Mediators effectively used their skills to assist parties in finding ways to bridge their disputes and reach agreement. Negotiations 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 adjusting to increased costs due to labor shortages and dealing with health care changes.

Settlements: Early in the fiscal year, settlements were reached with Republic Airways and its Transport Worker's Union (TWU) represented Dispatchers, as well as between Port Authority Trans-Hudson and its IBEW represented Supervisors and Electrical Workers, as well as its TWU represented Trackmen. Significant effort by the Board was realized when the National Carriers' Conference Committee (NCCC) concluded ratified agreements with eight of the twelve labor organizations on the properties represented by the NCCC, and when the remaining four agreements became effective pursuant to House Joint Resolution 100 signed by President Biden on December 2, 2022. Delta Airlines and its ALPA represented Pilots also reached an agreement this year with the assistance of the NMB.

Pending Cases: Forty-nine cases remained open at the close of FY 2023. A sector still feeling the effects of changes the pandemic wrought is airline catering; the NMB continues to work with Gate Gourmet/IBT-UNITE HERE and LSG Sky Chefs/UNITE HERE to reach agreements. Air India and their IBT represented Clerical and Related Employees remain in mediation, as well as Air Wisconsin and its TWU represented Dispatchers. Finally, the NCCC is mediating separately with two carriers and SMART-TD involving crew consist.

An application for NMB Mediation Services may be obtained from the Agency's web site at https://nmb.gov/NMB_Application/index.php/mediation-application/

A chart reflecting the actual Mediation case numbers for FY 2023, estimated case numbers for FY 2024 and FY 2025 and the five-year average, FY 2019 – FY 2023, follows:

MEDIATION CASES	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate	FY 2019 - FY 2023 Five Year Average
Cases Pending Start	47	49	44	58
Cases Docketed	38	30	35	31
Sum	85	79	79	89
Cases Closed	36	35	35	35
Cases Pending End	49	44	44	54

Alternate Dispute Resolution Overview

In addition to statutory mediation and arbitration services under Sections 3 and 5 of the RLA, the NMB provides voluntary 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 the 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 arbitration, reducing and narrowing the issues that the parties bring to mediation, and positively affecting working relationships among the parties.

Alternate Dispute Resolution Highlights

ADR personnel continue to develop and deliver a wide range of services to increase the efficiency of dispute resolution. Mediators utilize ADR techniques as appropriate in negotiation settings as well as in grievance mediation cases. They are adept at the use of technology, and parties to disputes have come to realize the efficiencies and savings it generates. NMB mediators trained Jet Blue and its TWU represented

Flight Attendants, and Envoy Air and its ALPA represented Pilots in grievance mediation, and Piedmont Airlines and its CWA represented Customer and Ramp Service Employees in negotiations and problem solving.

Training: ADR Services has seen interest grow in its various training programs. NMB Mediators are skilled at instructing, and regularly train parties as they begin facilitation or grievance mediation cases, or when they encounter 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. By enabling and enhancing communication and understanding of issues, 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. When timing is critical, or when information exchange is beneficial, video conferencing technology has provided face to face meetings to allow mediation sessions to continue and move the parties to agreement.

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 may stay open for many years. The Agency considers that a success because it means the parties find ongoing value in the process that helps them to find resolution to individual disputes. 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 might otherwise move to arbitration.

A complete description of and an application for ADR Services may be found on the Agency's web site at www.nmb.gov.

A chart reflecting the actual ADR case numbers for FY 2023, estimated case numbers for FY 2024 and FY 2025, and the five-year average, FY 2019 – FY 2023, follows:

ADR CASES	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate	FY 2019 - FY 2023 Five Year Average
Cases Pending Start	54	36	38	53
Cases Docketed	20	10	20	25
Sum	74	46	58	78
Cases Closed	38	8	8	28
Cases Pending End	36	38	50	49

Forecast for Fiscal Years 2024 and 2025

In any given year, it is difficult to predict which disputes may require the assistance of the NMB. There are a variety of factors that cause some carriers and unions to agree to contract extensions instead of entering into Section 6 negotiations, or parties may reach agreement in direct negotiations and never require NMB assistance. When they do, however, the circumstances of the dispute are often complex and the problems difficult to resolve.

The NMB and the parties we work with have learned from the pandemic years. In post pandemic operations, mediation efforts have utilized a combination of in-person and virtual mediation sessions. By combining new technologies with traditional in-person mediation, NMB increased its efficiency in assisting the parties in the mediation process. This combination is the new normal for the Agency and the parties we serve, and all are adroit at switching from one method to another.

Going forward, American Airlines and their Flight Attendants as represented by the Association of Professional Flight Attendants, and the Airline Pilots Association (ALPA) represented pilots at FedEx, remain in mediation. Several carriers with Association of Flight Attendants (AFA) represented Flight Attendants are in mediation and those of United Airlines will begin shortly. Air Wisconsin continues in talks with its TWU represented Dispatchers and has recently begun mediated negotiations with its AFA represented Flight Attendants. In the rail sector, numerous Class II carriers and commuter railroads are bargaining with, to name a few, their Brotherhood of Locomotive Engineers and Trainmen (BLET), Sheet Metal Air, Rail, and Transportation

Workers-Transportation Division (SMART-TD), Brotherhood of Railroad Signalmen (BRS) and Brotherhood of Maintenance of Way Employees Division (BMWED) represented employees. Class I railroads such as Union Pacific and Burlington Northern Santa Fe (BNSFF) are currently being mediated and it is expected that negotiations with the National Carriers Conference Committee (NCCC) will begin in 2024, potentially portending mediation. Given the collective size of these labor groups and the complexity of their agreements, we anticipate they will be in active mediation in 2024 and 2025 requiring extensive time and NMB resources.

We anticipate that ADR, and in particular, grievance mediation activity will increase in FY2025. Cases already in grievance mediation have proceeded as the parties appreciate the benefits it affords, and opt to meet quarterly or more often to resolve dockets of minor disputes. In the rail sector, a generational shift is occurring in the workforce that will mean new people in management and labor. Such a shift presents an opportunity to teach and train, and will contribute to the upward trend in that aspect of ADR activity in 2025. Our ADR Ambassador program has been effective in generating interest and activity in grievance mediation in the rail sector and we expect it will continue to do the same in FY 2025.

FY 2025 MEDIATION PERFORMANCE GOALS

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).

Recent accomplishments: NMB standards applicable to processing and managing cases involving major disputes were consistently met in FY 2023, including the closeout of numerous ADR cases. 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.

Recent accomplishments: Through the use of Individual Development Plans (IDPs), each Mediator participated in training and development that met her or his individual needs. In addition, industry-specific topics were covered at selected conferences. Mediators also attended virtual training sessions as offered. Together, 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.

Recent accomplishments: The Agency continued to provide the negotiation training that it developed for air and rail parties to use to prepare for negotiations. Mediators continued to refine and advocate ADR strategies and techniques that address the unique needs of our parties, especially in grievance mediation.

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

Recent 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 were the best, and in some cases, only avenue available.

OFFICE OF LEGAL AFFAIRS / REPRESENTATION

Funding (in thousands) and FTE	FY 2024 Request	FY 2025 Request
\$	1,625	1,650
FTE	9	9

*The dollar amounts listed above reflect personnel compensation and benefits.

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 www.nmb.gov.

If 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 which require careful investigations and ruling by the NMB.

A chart reflecting the case numbers for FY 2023 actual, FY 2024 estimate, and FY 2025 estimate, follows:

	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Cases Pending at Start	12	8	10
Cases Docketed	15	20	22
Cases Closed	19	18	22
Cases Pending at End	8	10	12

Highlights during Fiscal Year 2023

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.

In FY 2023 the OLA staff closed **19** cases and also docketed **15** cases. With the Agency resources requested for FY 2025, it is estimated that **22** 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 OLA’s representation case work during FY 2023.

In **North Memorial Health Care doing business as Air Care**, case # 50 NMB 5 (2022), the Board asserted jurisdiction over the air ambulance operations of a health care network. The Office and Professional Employees International Union (OPEIU) filed an application with the NMB seeking to represent the air ambulance employees of North Memorial Health Care (NMHC). NMHC is a licensed Part 135 air taxi operator and is authorized to operate as an air carrier and conduct common carriage operations. Its Air Care operations provide air transport emergency services using its own aircraft and its FAA-certified pilots. Its Air Care operations are held out to the public as available to anyone to utilize its services. Further its service area includes Minnesota, Wisconsin, Iowa, North Dakota and South Dakota. NMHC argued that the NMB lacked jurisdiction over the representation dispute because its Air

Care operation did not sufficiently engage in interstate commerce to justify coverage by the RLA.

After noting that the RLA applies to “every common carrier by air engaged in interstate commerce” and that the NMB has long exercised jurisdiction over air taxi and air ambulance services, the Board rejected NHMC’s contention that its Air Care Operations were sporadic and negligible. The Board found that Air Care responds to more than 6,000 service requests per year, which equates to more than 16 flights per day and 500 flights per month. Air Care is also an integral part of NMHC’s primary business of healthcare and its medical transport services that it provides and advertises to the general public. Further, revenue generated by its air care operations was significant totaling in the tens of millions of dollars.

Finally, citing its prior decisions where the NMB asserted jurisdiction over a portion of an employer’s operations, the Board limited its jurisdiction to Air Care’s flight operation and those employees that perform the flight transportation functions regulated by the FAA and specifically excluded NMHC’s operations pertaining to the medical services of its hospitals, clinics, urgent care centers and urgency centers and those employees who work in those facilities. The Board found that RLA jurisdiction was properly invoked by OPEIU with respect to the Air Care pilots who have a direct connection to the air carrier and air transportation functions. The Board recognized that the medical operations of NMHC, in contrast, is work normally covered by the NLRA. The Board observed that Congress has enacted two distinct bodies of federal labor law, the RLA covering airline and railroad employees and the NLRA covering most other private employers and their employees. By limiting its decision to the employees who perform the air transportation function, the Board sought to strike the proper balance between the two statutory schemes.

In **North Memorial Health Care doing business as Air Care**, case # 50 NMB 16 (2022), the Board denied NMHC’s motion for reconsideration. Following a mail ballot election, the Board certified OPEIU as the collective bargaining representative of the NMHC pilots. **North Memorial Health Care doing business as Air Care**, 50 NMB 22 (2022).

JURISDICTIONAL OPINIONS

In view of the National Labor Relations Act (NLRA) specific exemption of employers covered by the RLA, the NLRB follows a longstanding 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. To date in FY2024, the NMB has issued no jurisdictional opinions.

A chart reflecting the actual number of jurisdictional opinions issued for FY 2023, and the estimated case numbers for FY 2024 and FY 2025, follows:

	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Jurisdictional Opinions	0	6	2

MAIL BALLOT VOTING

On September 3, 2021, the NMB announced that it would begin conducting representation elections by mail ballot for a period of time as the agency transitions to a new electronic voting system. Mail ballots have been used historically at NMB. All parties involved in elections receive detailed instructions and guidance from the NMB Office of Legal Affairs regarding mail ballot participation.

As part of the ongoing federal government cybersecurity evaluation process, all agency IT systems in use are examined to ensure compliance with federal standards. NMB is committed to compliance with federal information security requirements. Pursuant to this evaluation process, the NMB requested certain IT information from its electronic voting contractor. Due to the failure of the contractor to provide the requested information during this past year, the NMB decided to stop operating elections under the existing contract, which expired on September 30, 2021. Further, the NMB's recent solicitation for a contract resulted in no bids. Therefore, the agency is initiating a process to build a comparable electronic voting system internally.

The Board shares a unified commitment to return to internet voting as soon as possible. Electronic voting has been used in hundreds of past NMB elections where thousands of rail and air employees freely determined their chosen representatives or decided to end representation and deal directly with their employer. The Board also shares a commitment to build a new safe and secure electronic voting system that totally complies with all federal security standards.

Thus far in FY 2024 the NMB is continuing to conduct all of its representation elections by mail balloting while activating working on the design and construction of a new electronic voting system. To date in FY2024 the NMB has authorized five elections and held six tallies each of which resulted in a certification of a bargaining representative.

FY 2025 REPRESENTATION PERFORMANCE GOALS

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.

Recent 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. OLA has fully transitioned to mail ballot elections and has authorized three elections and completed five tallies. OLA continues to work with the NMB's Office of Information Services on the development of a new electronic voting system.

Goal 2: Enhance training and development of OLA staff.

Recent 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. In Fiscal Year 2023 OLA staff took classes related to the Freedom of Information Act (FOIA), records management, government ethics, the Railway Labor Act, the Privacy Act, federal sector personnel law, conflict resolution and employment law, and will continue these classes in Fiscal Year 2024 and 2025.

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.

Recent 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. OLA attorneys gave presentations on the Railway Labor Act, Ethics, recent RLA case developments, and remedies under the RLA. OLA continued to participate in intra-governmental 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 the 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.

Recent 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.

Recent accomplishments: OLA conducts semi-annual reviews of the Representation Manual and web site, updating where appropriate. In FY 2023 OLA further revised and updated the manual provisions applicable to mail ballot elections.

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

Recent 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. OLA also developed and implemented mail ballot templates.

The NMB has initiated the process to build a comparable electronic voting system internally, working in collaboration with NMB Office of Information Services and Fiscal Services. In the interim, elections are now conducted by mail-in ballot. OLA has leveraged web-based video conferencing to conduct mail ballot tallies virtually and also offers participants the option of in-person tallies.

OFFICE OF ARBITRATION SERVICES

Funding (in thousands) and FTE	FY 2024 Request	FY 2025 Request
\$	2,100	2,000
FTE	5	5

*The dollar amounts listed above reflect personnel compensation and benefits, including arbitration referee expenses.

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 (NRAB) established under the RLA, as well as the arbitration panels established directly by the labor-management parties at each railroad (Public Law Boards (PLB) and Special Boards of Adjustment (SBA)). Grievance arbitration in the airline industry is accomplished at the various System Boards of Adjustment created jointly by airline labor and management. Airline arbitration is done entirely 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

can select an arbitrator 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.

Grievance Arbitration Caseload

A chart reflecting actual case numbers for FY 2023, and estimated numbers for FY 2024 and FY 2025, follows:

	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Cases Pending at Start	5,537	4,819	6,219
Cases Docketed	3,106	4,900	5,000
Cases Closed	3,824	3,500	3,650
Cases Pending at End	4,819	6,219	7,569

Arbitration – Section 3 Highlights

The pandemic era productivity enhancements remain in place. The NRAB continues to use 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.

The Office of Arbitration continued its efforts in promoting a more efficient Section 3 process, and faster resolution of minor disputes (grievances). The OAS 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.

The Office of Arbitration continues to work on increasing the diversity of arbitrators on the NMB roster. As a result of arbitration training offered in 2023 there is greater diversity on the NMB roster as well as a greater diversity of selected arbitrators.

The Subject Code Project began in early FY 2021 and was completed in the second quarter of FY 2021. The joint labor-management committee developed 28 new subject codes which were implemented on July 1, 2021. The new codes now 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. Current trends suggest that discipline cases constitute approximately 60% of cases docketed for arbitration.

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: The NMB continues the practice of removing over-aged cases, which have docketed but not assigned, from the NMB's case tracking system. Cases in our case management system which are not assigned to an arbitrator constitute an ongoing unfunded liability. Beginning in FY 2020, the NMB removed all non-progressed and over-aged cases that were two years and older. The NMB will periodically review its caseload and remove cases that are two years or older.

Alternative Dispute Resolution in The Railroad Industry: Grievance mediation remains a key dispute resolution tool 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 pandemic and the abrupt switch to working remotely with a greater reliance on technology. Despite these challenges, grievance mediation continues to be a viable tool in the dispute resolution toolbox. While grievance mediation activity decreased due to COVID-19, interest in the program remains high because its benefits are indisputable. 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 and sharing the benefits of the program.

Arbitrator Productivity: The NMB continued its efforts to increase arbitrator productivity as a result of strict adherence to the 60-90-120-day rule. Arbitrators

who have not issued a decision within three months of a hearing are contacted monthly and encouraged to issue those decisions.

The NMB website continues to serve as a valuable source of information for the Section 3 community. The website is a vehicle to keep the parties and the public informed of Section 3 activities. Arbitrators, parties, and the public use the website to obtain information and forms instantaneously. The Arbitrator Caseload 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 3 months of when a case was heard by the arbitrator). The Arbitrator Caseload Report is linked to an NMB database reflecting updates as they are made in real-time. 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 can be found on the NMB website.

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 also have the ability to enter awards into the Knowledge Store. In some instances, valid awards are entered within 24 hours of completion.

Forecast for FY 2024 and FY 2025

The NMB projects that the number of cases pending at the end of FY 2024 will increase due to budget uncertainty. The impact of funding in FY 2024 also may have

an impact on cases pending at the end of FY 2025 so we anticipate those case numbers to be higher. The delayed funding in one year means fewer cases closed which in turn means there are more cases pending at the start of the next fiscal year.

The following chart reflects the estimated case numbers for FY 2024 and FY 2025 and 5-year average FY 2020 – FY 2024:

	FY 2024 Estimate	FY 2025 Estimate	FY 2020 - FY 2024 Five Year Average
Cases Pending at Start	4,819	6,219	4,813
Cases Docketed	4,900	5,000	4,249
Cases Closed	3,500	3,650	3,749
Cases Pending at End	6,219	7,569	5,313

FY 2025 ARBITRATION PERFORMANCE GOALS

Arbitration Strategic Plan

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.

Recent 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 continuous improvement of service delivery. The Office of Arbitration Services promptly responds to questions and general inquiries from the Section 3 community, railroad and airline employees, NMB staff and other government agencies.

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

Recent accomplishments: NMB is collaborating with the Federal Mediation and Conciliation Service (FMCS), American Arbitration Association (AAA) and National Academy of Arbitrators (NAA) to discuss opportunities to partner on initiatives aimed at improving diverse representation on the arbitrator roster.

Goal 3: The Office of Arbitration Services will be a center of innovation in the resolution of “minor” disputes.

Recent accomplishments: A joint labor-management committee revised the NMB Subject Codes which had not been updated since 1996. The new codes are streamlined and reflect the current state of operations in the railroad industry. These codes are now used to provide data, on a bi-annual basis, to the parties on the predominant issues being sent to arbitration for resolution.

OFFICE OF ADMINISTRATION

Funding (in thousands) and FTE	FY 2024 Request	FY 2025 Request
\$	600	600
FTE	5	5

*The dollar amounts above reflect personnel compensation and benefits.

Administration Overview

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

Highlights of during Fiscal Year 2023

Human Capital: OA continues to utilize online services in the personnel arena and uses the Department of Interior as a shared service provider for personnel and payroll functions. 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, however the Agency is updating its Succession and Workforce Plan which analyzes the NMB's future staffing requirements and sets forth strategies for adequately recruiting, promoting, and retaining employees. Training plans, both through the Individual Development Plan's (IDP) and Agency-wide opportunities, promote career development. NMB made good progress in FY 2023 in hiring critical vacant positions in the Office of Mediation Services, including the Director of Mediation Services. Additionally, the NMB made key hires in the Offices of Legal Affairs and Information Services. Furthermore, the Agency hired a Human Resources Specialist in the Spring of 2023 to enhance the NMB's HR programs and promote best practices. The Agency is anticipating hiring multiple vacancies in the Office of Mediation Services in FY 2024, as well as other key positions throughout the NMB.

The NMB continues to devote attention and resources to training and has provided meaningful training program opportunities for our employees in FY 2023. The NMB

continues to provide subscriptions to Manager Advantage, an online information service for managers and supervisors. The information is based on case law, statutes, and regulations, and provides extensive federal policy and guidance for supervisors and managers. The OA continues to partner with the Office of Personnel Management (OPM) and the Department of Interior (DOI) to improve the NMB's human capital operations and implement executive order requirements. OA continues to ensure that all new NMB managers, supervisors, and employees receive the Telework Fundamentals-Managers Training and the Telework Fundamentals-Employee training. In FY 2024 the Agency is looking to partner with the United States Department of Agriculture (USDA) for the use of their online learning management training system, AgLearn. This will afford the NMB access to FedRamp approved training modules for a wide array of government required training courses at an affordable cost.

Property and Space Management: The NMB continues to track and maintain its physical inventory. Additionally, the OA ensures that NMB's physical inventory is properly recorded in NMB's cloud-based inventory system. The OA continues to maintain a close liaison with the building property management and the General Services Administration regarding NMB's space, both in Washington, DC and Chicago, Illinois.

Sustainability: The National Mediation Board is committed to reducing greenhouse gases in accordance with Executive Order 13514. The Agency provides Alternative Work Schedules (AWS) and Telework and Remote work programs to its employees to reduce the number of commuters.

Coronavirus Pandemic: The NMB remained actively involved in all facets of post-pandemic activities in FY 2023 and thus far in FY 2024, and regularly participated in meetings with OMB and OPM. The Agency ensured that policies and procedures were adjusted and updated appropriately, including a return to work plan, and continues to follow all OMB and OPM requirements and Executive Orders. The Agency continues to increase meaningful in-person meetings in the NMB office, and held an agency-wide in-person All-Hands meeting in December 2023.

OPM Audit: In 2021 the Office of Personnel Management conducted an audit of NMB's human capital programs. The audit included a review of the Agency's performance culture and talent management systems for their effectiveness and efficiency. In 2022 the NMB responded to OPM on their recommended actions and continues to address these items.

FY 2025 ADMINISTRATION PERFORMANCE GOALS

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.

Recent accomplishments: The Office of Administration responded to all requests for assistance or service from internal and external customers in a timely manner.

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

Recent accomplishments: The NMB worked with the Department of Interior to ensure that each vacancy announcement reflects the technical and professional skills needed. The Office of Administration collaborated with the Office of Mediation Services, the Office of Legal Affairs, and the Office of Information Services to hire critical positions in FY 2023, and will continue to backfill the Agency's remaining vacancies in FY 2024 and beyond pending adequate appropriations.

Goal 3: Ensure all COVID-19 policies and procedures are followed.

Recent accomplishments: The NMB has diligently been following all COVID-19 protocols from OMB, OPM, and the CDC, including the return to office requirements. The Office of Administration ensures all Staff are properly alerted, trained, and cooperate with all Federal and building policies, protocols, and procedures.

OFFICE OF FISCAL SERVICES

Funding (in thousands) and FTE	FY 2024 Request	FY 2025 Request
\$	815	740
FTE	5	5

*The dollar amounts above reflect personnel compensation and benefits.

Fiscal Services Overview

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

Highlights of during Fiscal Year 2023

In FY 2023, 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.

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.

In November 2023 the Agency received an unmodified “clean” audit opinion on its financial statements and notes to the statements. Additionally, in 2023 the Government Accountability Office (GAO) is conducting their bi-annual audit of the NMB. To date, the NMB has been able to address and close the majority of findings and recommendations from previous GAO audits.

FY 2025 FISCAL SERVICES PERFORMANCE GOALS

Fiscal Services Strategic Goal

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

Goal 1: To provide timely, efficient, and responsible stewardship of the NMB's fiscal resources.

Recent accomplishments: The NMB continues to work with the Bureau of the Fiscal Service (BFS), a bureau within the U.S. Department of Treasury, to ensure that required financial reporting is prepared and submitted timely. The NMB worked with BFS to ensure that over 99% of payments were paid timely and accurately in FY 2023. All Office of Management and Budget financial reports and data collections in FY 2023 were submitted in a timely manner. The Office of Fiscal Services is committed to responding to timely requests from our internal and external customers. In November 2023, the NMB received another unmodified "clean" opinion on its financial statement and notes, from the Agency's independent auditor.

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.

Recent accomplishments: The NMB has an agreement with BFS to handle the agency's financial management system, and the agency integrates 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 Treasury laws and regulations with respect to budget and financial reporting requirements, and implement proper internal controls.

Recent accomplishments: The NMB submitted all applicable financial reports, to date, and has continued to adhere to OMB Circulars A-11, A-123, and A-136. In FY 2023 the Agency the received another "Green" scorecard from the U.S. Department of Treasury for various reporting and reconciliation requirements and analyses.

Goal 4: Enhance Training and Development of Fiscal Services Staff

Recent accomplishments: Each OFS staff member updated their Individual Development Plan (IDP). Each year OFS employees meet with their manager to update or develop a plan to enhance career related skills. Training in records management, travel, federal financial management, and contracting courses were completed.

OFFICE OF INFORMATION SERVICES

Funding (in thousands) and FTE	FY 2024 Request	FY 2025 Request
\$	950	950
FTE	6	6

Information Services Overview

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 & information assurance; helpdesk & IT support; telecommunications; and records management.

Highlights during Fiscal Year 2023

Arbitrator Workspace System: The NMB made enhancements to its Arbitrator Workspace System. These enhancements improved the security and functionality of the system and provided accurate reporting to users. NMB will continue to make enhancements in the next fiscal year.

Phone and Voicemail System: NMB made enhancements to its voicemail system. Users are now able to get their voicemail records in their emails. NMB will continue to make enhancements in the next fiscal year.

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 implemented new tools to allow laptops and

cellphones to be remotely evaluated for security vulnerabilities and for laptop updates to be applied without end user intervention. NMB will continue to make steps towards improving its information security in the next fiscal year.

Personal Identity Verification (PIV) cards / Multifactor Authentication

(MFA): OIS deployed a solution to enable NMB users to login to their laptops using their PIV cards. This addresses requirements in HSPD-12 and OMB Memorandum M-19-17. OIS plans to expand this functionality to all NMB systems to fully satisfy M-19-17 requirements.

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 now contains over 150,000 documents in an easily searchable format, including arbitration awards, representation decisions, annual reports, PEB reports, and collective bargaining contracts.

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 continued to update the website to improve reliability and to implement security measures.

Compliance with Government-Wide Requirements & Mandates for FY 2025

The National Mediation Board is subject to many of the Office of Management and Budget Memorandums, Cybersecurity and Infrastructure Security Agency (CISA) Binding Operational Directives (BODs), and subsequent federal mandates around Cybersecurity, HSPD-12, Multi-factor Authentication, FISMA, Section 508, etc. As a micro-agency with limited staff many of these requirements must be met through the procurement of goods and/or contractual services. In order to be in full compliance with OMB M-19-17, M-19-21, M-20-32, M-21-07, M-21-31, M-22-09, M-23-22, CISA BOD 23-01 and Executive Order 14028 it is imperative that the NMB receive adequate funding in FY 2025 and beyond to cover the expenses associated with these mandates.

FY 2025 INFORMATION SERVICES PERFORMANCE GOALS

Information Services Strategic Goal

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

Goal 1: Ensure compliance with regulations from the Cybersecurity and Infrastructure Security Agency and the National Archives.

Recent accomplishments: The Office of Information Services (OIS) completed several actions related to Cybersecurity and Infrastructure Security Agency (CISA) Emergency Directives, as well as compliance with several actions related to the bi-annual Federal Information Security Modernization Act (FISMA) metrics. In addition, the agency implemented PIV card logins for its laptops. In FY 2025, NMB will work to meet Electronic Records Management requirements. NMB will need to acquire or develop a records management system to ensure the records contain appropriate metadata and are formatted correctly for transfer to NARA per OMB Memorandum M-19-21. NMB's Budget request includes the funding needed to ensure it is meeting new cybersecurity requirements as the information security landscape is constantly changing and threats continue to evolve, and to ensure it is meeting existing cybersecurity and records management requirements.

Goal 2: Maintain and update internal policies.

Recent accomplishments: NMB has updated its IT Security Policy and has developed a comprehensive set of supporting operational procedures. NMB has reached a maturity level of 'Defined' in all 8 Function Domain areas as required by the Cybersecurity Framework. NMB will continue to make updates to its policies and procedures as necessary.

Goal 3: Maintain hardware/software architecture and configuration.

Recent accomplishments: NMB has implemented a tool to allow laptops and cellphones to be remotely evaluated for security vulnerabilities and for laptop updates to be applied without end user intervention. With this funding request, NMB will expand this work to install a new tool to also allow for NMB cellphones to be updated without end user intervention.

Goal 4: 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.

Recent accomplishments: NMB enhanced its phone and voicemail system, as well as its Arbitrator Workspace System. Through these new technology upgrades, NMB improved the functionality and security of its information technology to better serve the public. NMB will continue to ensure it is maintaining its configuration baselines on all endpoints and also manage its mobile devices and workstations.

Goal 5: Continue to ensure that NMB Information is secure while maintaining a government-leading information and communication technology program.

Recent accomplishments: NMB implemented several emergency patches and upgrades to its information technology hardware and software. The NMB also deployed technology to better manage computer software upgrades and configuration baselines. In FY 2025, NMB will work to ensure that all systems meet Multifactor Authentication and Zero Trust Architecture requirements as required by Executive Order 14028, *"Improving the Nation's Cybersecurity"*. This work will be funding dependent. NMB will also work to mature and maintain a Standardized Cybersecurity Vulnerabilities and Incident Response Program per OMB Memorandum M-20-32, as well as improve its IT logging, encryption, and enterprise Identity, Credential, and Access Management (ICAM) capabilities, consistent with OMB Memorandum M-19-17, OMB M-21-31, M-22-09 and Executive Order 14028. As new OMB directives are issued, NMB will need funding to ensure it can meet the requirements of those new directives as well as existing OMB directives.