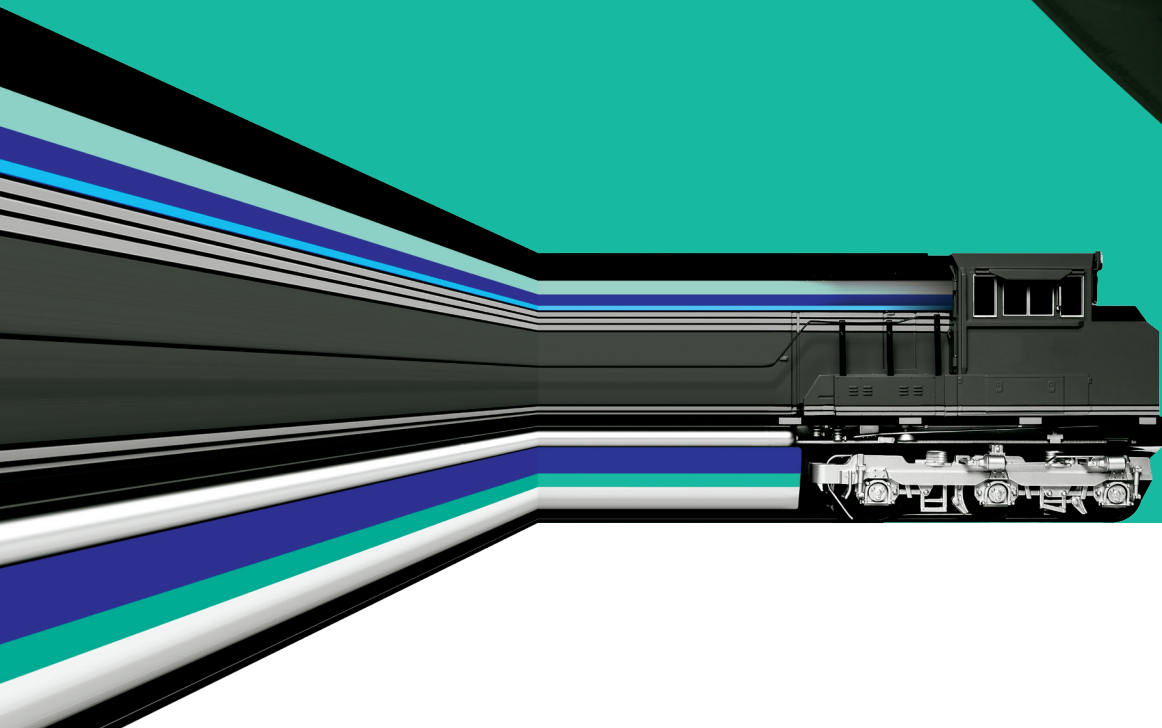
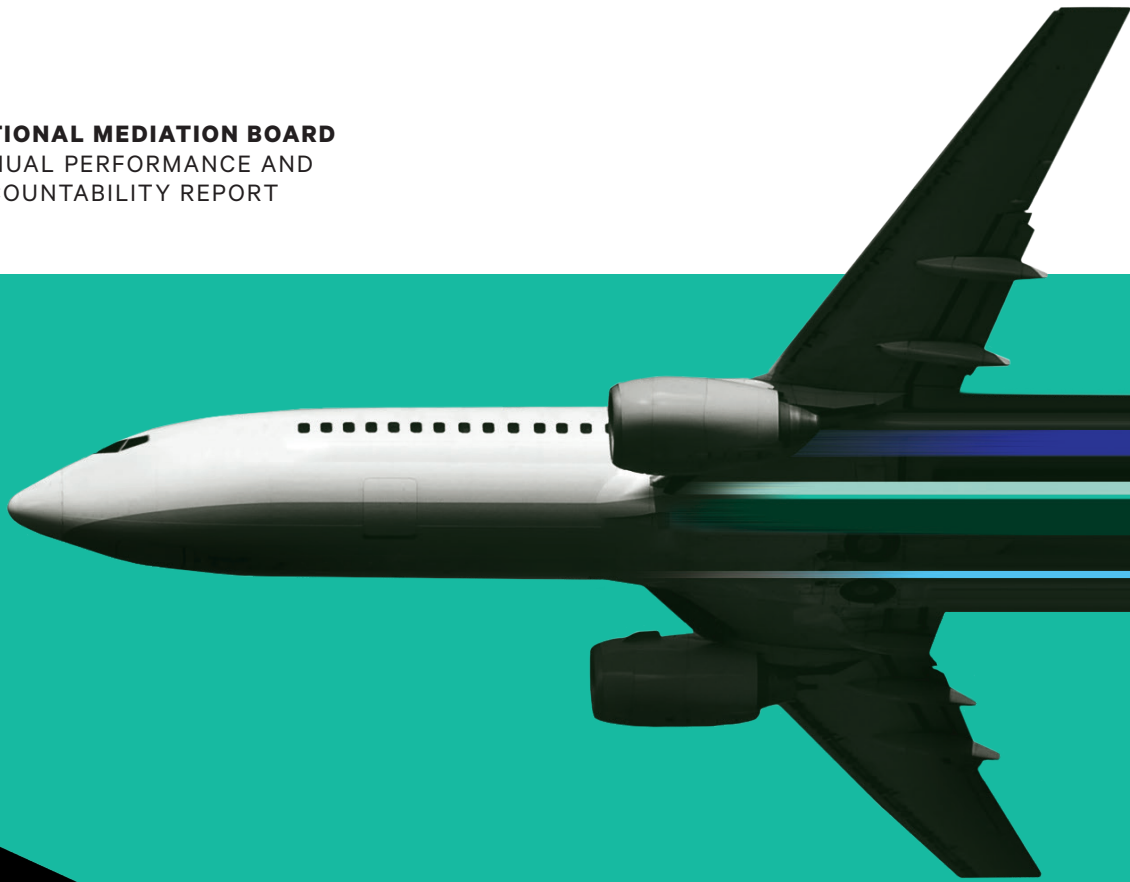


# NMMB

2016

**NATIONAL MEDIATION BOARD**  
ANNUAL PERFORMANCE AND  
ACCOUNTABILITY REPORT





## CHAIRMAN'S LETTER

**NOVEMBER 15, 2016**

For over 80 years the National Mediation Board has worked to administer the Railway Labor Act, and to minimize disruptions in two of the most important sectors of the economy of the United States: the railroad industry and the airline industry. Together these industries contribute trillions of dollars to the US economy, and they directly provide approximately twelve million jobs. Disruption in either industry would pose a severe threat to the health of the economy, and the well being of the citizens of the United States. As the case load reviews contained in this annual report will attest, the NMB has again in fiscal year 2016 performed its statutory duties in an exemplary manner.

The NMB's Office of Representation Services is charged with handling matters related to ensuring that employees in the industries have the opportunity to choose whether to elect union representation, and to choose which union will represent them. In FY 2016, a staff of only five attorneys successfully completed 30 representation cases.

The NMB's Office of Mediation Services and ADR is responsible for assisting in the negotiation of collective bargaining agreements and for offering training and intervention services for a broad range of disputes that occur on railroad and airline properties. In FY 2016, a staff of only 9 line mediators successfully negotiated 48 contracts and 41 training or grievance mediation sessions. In FY 2016, there were no strikes or other interruptions of service. In cooperation with the Office of Arbitration Services, Mediation and ADR staff were responsible for resolving over 2000 minor disputes, a figure that equals the number of minor disputes that could be funded with an entire year's budget for traditional arbitration in the railroad industry.

The NMB's Office of Arbitration Services is responsible for managing the handling of "minor disputes" under the Railway Labor Act. Minor disputes arise when there are questions about whether a collective bargaining agreement is being administered properly by the carrier. In FY 2016, a staff of 5 employees docketed and managed 3562 arbitration cases, and they provided outstanding assistance and service to the parties and the arbitrators.

The NMB's Office of Administrative Services handles the budget, facilities, and organizational infrastructure of the NMB with only 5 employees. During FY 2016, the NMB received a fully successful emergency and COOP operations report, and an organizational audit with no issues or findings of weakness. In the NMB FY 2016 audit, the auditors did not identify any deficiencies in internal control over financial reporting considered to be a material weakness or significant deficiency.

Finally, the Information and Communication Technology group, consisting of only two employees, successfully launched an internally developed Arbitrator Work Space and developed a new Mediation Case Management System. Their efforts represented significant monetary savings for the NMB, and a level of control over the agency's data and information that could not be reached with externally produced applications.

Ultimately, the Board's assessment of the status of FY 2016 is that the Agency's employees performed in an outstanding manner, delivering true value to the public with the expenditure of appropriated funds, and delivering effective and cooperative service to parties in the railroad and airline industries, and to the American public.



**LINDA A. PUCHALA**

Chairman

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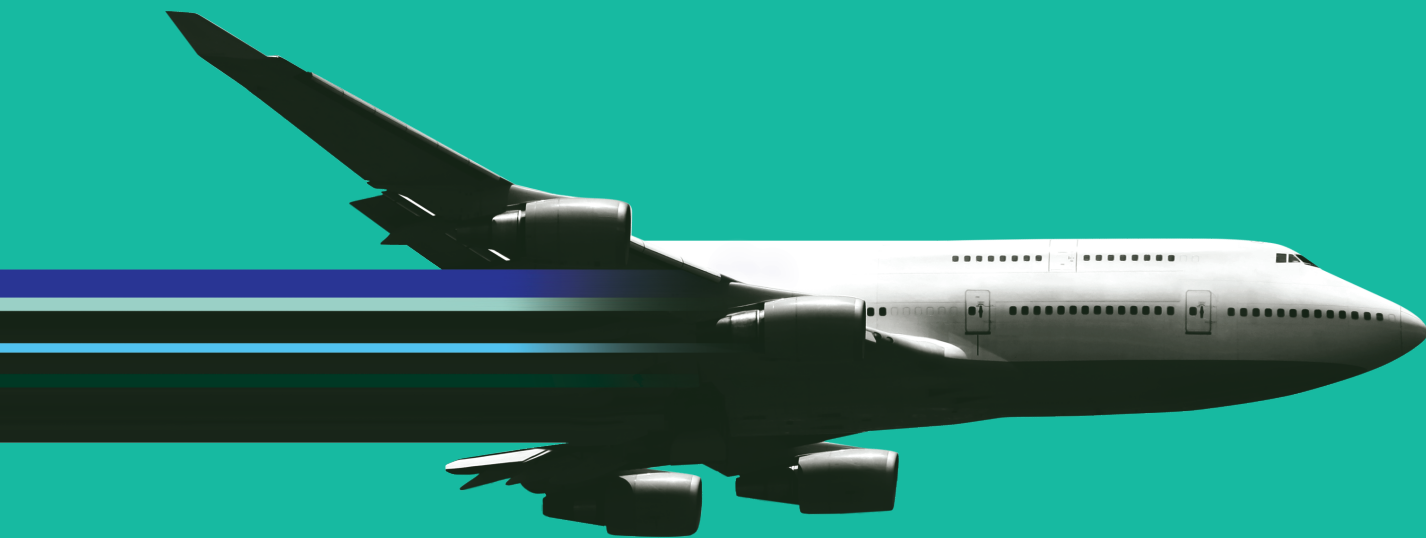
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# ABOUT THE NMB

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## MISSION STATEMENT

**The National Mediation Board (NMB) was established by the 1934 amendments to the Railway Labor Act (RLA) 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: the railroads and airlines.**

## OVERVIEW

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 Chief of Staff oversees an Office of Administration and two offices that house program areas: (1) Office of Mediation and ADR Services, and (2) Office of Arbitration Services. The Office of Legal Affairs constitutes the third program area and is overseen by NMB's General Counsel. For further information, see the Management Discussion and Analysis section of this Annual Report.

\*The Railway Labor Act (RLA) provides a comprehensive statutory framework for the resolution of labor-management disputes in the airline and railroad 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 (NMB) 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

<b>LINDA A. PUCHALA</b> <sup>1</sup> Chairman	<b>NICHOLAS C. GEALE</b> <sup>2</sup> Member	<b>HARRY R. HOGLANDER</b> Member
	<b>SHAWN PACKER</b> Confidential Assistant	<b>ROBIN STEIN</b> Confidential Assistant

### EXECUTIVE DIRECTORS

OFFICE OF CHIEF OF STAFF		CHIEF OF LEGAL AFFAIRS	
<b>DANIEL RAINEY</b> Chief of Staff	<b>CHARLES MONTAGUE</b> Chief Information Officer	<b>MARY JOHNSON</b> General Counsel	<b>ANDRES YODER</b> Counsel
	<b>DEAN WAGNER</b> Program Analyst	<b>MARIA-KATE DOWLING</b> Associate General Counsel	<b>CRISTINA BONACA</b> Counsel
	<b>DANE SMOTHERS</b> <sup>3</sup> Contractor	<b>NORMAN GRABER</b> Counsel	<b>ANGELA HEVERLING</b> Counsel
		<b>EILEEN HENNESSEY</b> Counsel	<b>TONYA KIRKSEY</b> Paralegal Specialist
			<b>KEITH HUSSONG</b> <sup>4</sup> Program Support Specialist

### DIRECTORS

OFFICE OF MEDIATION AND ADR		OFFICE OF ARBITRATION	OFFICE OF ADMINISTRATION
<b>MICHAEL KELLIHER</b> Deputy Chief of Staff	<b>JOHN KANE</b> <b>JOHN LIVINGOOD</b> <b>ANTHONY TOSI</b> <b>GERRY MCGUCKIN</b> <b>JAMES MACKENZIE</b> <b>VICTORIA GRAY</b> <b>JANE ALLEN</b> <b>EVA DURHAM</b> <b>CATHERINE MCCANN</b> Mediators	<b>ROLAND WATKINS</b> Director	<b>SAMANTHA T. JONES</b> Assistant Chief of Staff, Administration
<b>PATRICIA SIMS</b> Senior Mediator		<b>CAROL CONRAD</b> Supervisory Program Management Specialist	<b>DENISE M. MURDOCK</b> Program & Management Analyst
<b>TERRI D. BROWN</b> Senior Mediator		<b>ELIJAH CRAYTON</b> Paralegal Specialist	<b>ERIC B. JOHNSON</b> Budget & Financial Analyst
<b>DENISE HEDGES</b> Senior Mediator (ADR)	<b>APRIL DAWSON</b> Conflict Resolution Specialist	<b>KIMBERLY MCCANN</b> Arbitration Program Specialist (Chicago)	<b>BRUCE CONWARD, JR.</b> Support Service Specialist
		<b>LINDA GATHINGS</b> Arbitration Program Specialist (Chicago)	<b>TERRAN C. WALKER</b> Support Service Specialist
			<b>GENET KIDANE</b> Contractor

<sup>1</sup> Became Chairman on July 1, 2016. | <sup>2</sup> Served as Chairman in fiscal year 2015 through June 30, 2016. | <sup>3</sup> Joined NMB on October 27, 2016. | <sup>4</sup> Joined NMB on January 11, 2016.



**LINDA A. PUCHALA**

**CHAIRMAN**

Chairman Linda A. Puchala was first confirmed as Member of the National Mediation Board by the United States Senate on May 21, 2009. She was sworn into office on May 26, 2009. Chairman Puchala has served as NMB Chair three times: May 2009 through June 2009, July 1, 2011 through June 30, 2012, and July 1, 2013 through June 30, 2014. Her most recent Senate confirmation came on August 1, 2013.

Prior to becoming a Member, Chairman Puchala served 10 years at the National Mediation Board as a Mediator, Sr. Mediator (ADR) and the Associate Director of Alternative Dispute Resolution Services. Chairman 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.

Chairman Puchala resides in Glen Burnie, Maryland, and holds a Bachelor's degree in Business Administration from Cleary University in Howell, Michigan. She has two daughters, Jennifer Adams and Jessica Puchala.



**HARRY R. HOGLANDER**

**MEMBER**

Member Hoglander was first confirmed as a Member of the National Mediation Board (NMB) by the United States Senate on August 1, 2002; his fourth and most recent confirmation came on August 1, 2013. Member Hoglander has been named five times as Chairman of the Board, most recently from July 1, 2012, through June 30, 2013.

Prior to joining the Board, Member Hoglander served as a Legislative Specialist in the office of Congressman John Tierney of Massachusetts with responsibilities in Transportation issues including aviation, rail and maritime, Labor, Defense and Veterans Affairs. Member Hoglander has an extensive background in the aviation industry and labor relations, having flown as a Captain for Trans World Airline (TWA) and elected Master Chairman of TWA's Master Executive Council. He was also elected Executive Vice-President of the Air Line Pilots Association. After leaving TWA, Member Hoglander was named Aviation Labor Representative to the United States Bi-Lateral Negotiating Team by then Secretary of State James Baker. Member Hoglander was also a pilot in the United States Air Force, retiring with the rank of Lt. Colonel. He graduated from Suffolk University Law School and is a member of the Florida Bar.

Member Hoglander and his wife Judith reside in Gloucester, Massachusetts. They have six grown children.



**NICHOLAS  
C. GEALE**

**MEMBER**

Member Geale was confirmed by the United States Senate on August 1, 2013. He assumed his position with the National Mediation Board (NMB) on August 19, 2013.

Immediately prior to joining the NMB, Member Geale served as the Director of Oversight and Investigations for Ranking Member Lamar Alexander on the U. S. Senate Health, Education, Labor and Pensions Committee. His primary responsibilities included investigating waste, fraud and abuse in government programs, and he worked with agency Inspectors General and the Government Accountability Office in that capacity. He also evaluated and advised the Committee on Presidential nominees and assisted the Health, Education, Labor and Pensions policy teams in evaluating government programs. Before becoming Director of Oversight, Member Geale served as Oversight and Investigations Counsel on the Committee for two years for Ranking Member Michael B. Enzi.

Prior to joining the HELP Committee, he was first an Attorney/Advisor to the Solicitor and then the Counselor to the Deputy Secretary at the U.S. Department of Labor under the leadership of Secretary Elaine L. Chao. In both those roles, Member Geale assisted the Department in implementing policies for over 180 laws under its jurisdiction and managing the Department's 15,000 employees. Prior to federal service, Member Geale had six years of experience in labor and employment matters, general commercial litigation and alternative dispute resolution in private and public practice, including serving as Assistant General Counsel for the Washington Metropolitan Area Transit Authority. Member Geale graduated from Georgetown Law in 1999 and Claremont McKenna College in 1996.



**DANIEL  
RAINEY**

**CHIEF OF STAFF**

Daniel Rainey is the Chief of Staff for the National Mediation Board. He joined the NMB from private practice in ADR and conflict management in April, 2001.

As Chief of Staff, he is responsible for managing the agency's internal programs, and he has full responsibility for implementing the Board's policies in all matters coming under its jurisdiction in the administration of the Railway Labor Act, except for those related to the Board's legal representation program and FOIA requests.

Immediately prior to coming to the NMB, Mr. Rainey was the owner/president of a consulting firm specializing in conflict management, conflict intervention, and training. From 1978 through 1990, he was a faculty member and administrative faculty member at George Mason University.



**MICHAEL  
KELLIHER**

#### **DEPUTY CHIEF OF STAFF**

Michael Kelliher joined the National Mediation Board in August, 2010 as a Mediator. In that capacity, he handled both airline and railroad mediation cases, and conducted Interest Based Bargaining, Facilitative Problem Solving, Grievance Mediation, and System Board of Adjustment training. Currently, Mr. Kelliher serves as the Deputy Chief of Staff and has overall responsibility for the administration and management of mediation cases in the airline and railroad industries as well as the Agency's Alternative Dispute Resolution Program.

Mr. Kelliher brought thirty years of labor relations experience to the Board. He worked in a variety of capacities as a labor advocate, including a term as President of the Association of Professional Flight Attendants. Prior to joining the Board, he taught as an adjunct professor of management in the Brennan School of Business at Dominican University in River Forest, IL. Mr. Kelliher earned his undergraduate degree and MBA from Dominican University. He holds a certificate in mediation from Northwestern University's School of Continuing Studies and earned an Ombudsman certificate from the United States Department of Defense.



**MARY  
JOHNSON**

#### **GENERAL COUNSEL**

As General Counsel, she serves as the Chief Legal Officer of the agency and manages the Board's representation program and a legal program which 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.



**SAMANTHA  
T. JONES**

**ASSISTANT CHIEF OF STAFF, ADMINISTRATION**

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

Her federal government experience, which spans over 18 years, includes human resources, human capital, budget formulation and execution, financial management, procurement and contracting, audit management, strategic planning, organizational management, mediation, grievance mediation, and conflict coaching. She is responsible for guiding strategic human capital initiatives, overseeing human resources operations and the Board's administrative management functions including strategic planning; budgeting formulation and execution; accounting and finance; space and facilities management; telecommunication management; supply management; procurement and contracting; and internal audit and external audit control. In addition, she provides an overall management framework to support the Agency's internal operational and resource management work that enable NMB to effectively execute its mission.

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 the Administrative Officer and Senior Management on matters related to property management, space and facility management, procurement, human resources management, strategic planning, accounting and finance, and budget formulation and execution.

Ms. Jones holds a Bachelor of Science in Business Management with a minor in Computer Studies from the University of Maryland, and she also holds a Master of Conflict Resolution from Dominican University. Additionally, Ms. Jones is an Emerging Human Resources alumni from the non-profit organization Partnership for Public Service Program, has certifications in Mediation Skills, Conflict Coaching, and Online Dispute Resolution. At Cornell University's ILR School-the Sheinman Institute on Conflict Resolution, she received training in Mediating and Arbitrating in the Federal Sector. Ms. Jones is a member of the Association for Conflict Resolution, and also serves as the NMB's principal management official on the Small Agency Council Executive Committee for Human Resources and Procurement.





**ROLAND WATKINS**

**DIRECTOR, OFFICE OF ARBITRATION SERVICES**

Roland Watkins joined the National Mediation Board in February, 1980. During his career at the Board, he has been a Senior Hearing Officer and Legal Counsel. He has also served as counsel/special assistant to numerous Presidential Emergency Boards and Congressional Advisory Boards.

Currently, Mr. Watkins serves as the Director of the Arbitration Department, where he is responsible for all aspects of Grievance and Interest Arbitration in the airline and railroad industries. These responsibilities include administering railroad Public Law Boards, Special Boards of Adjustment and Arbitration Boards. He serves as the Administrator for the National Railroad Adjustment Board which is located in Chicago, Illinois.

Mr. Watkins received his B.A. degree in Economics from Lafayette College located in Easton, Pennsylvania, and his Juris Doctor from Cornell Law School in Ithaca, New York. He is a member of the Railroad and Airline Labor Committee and the Dispute Resolution Committee of the Labor and Employment Law Section of the American Bar Association.

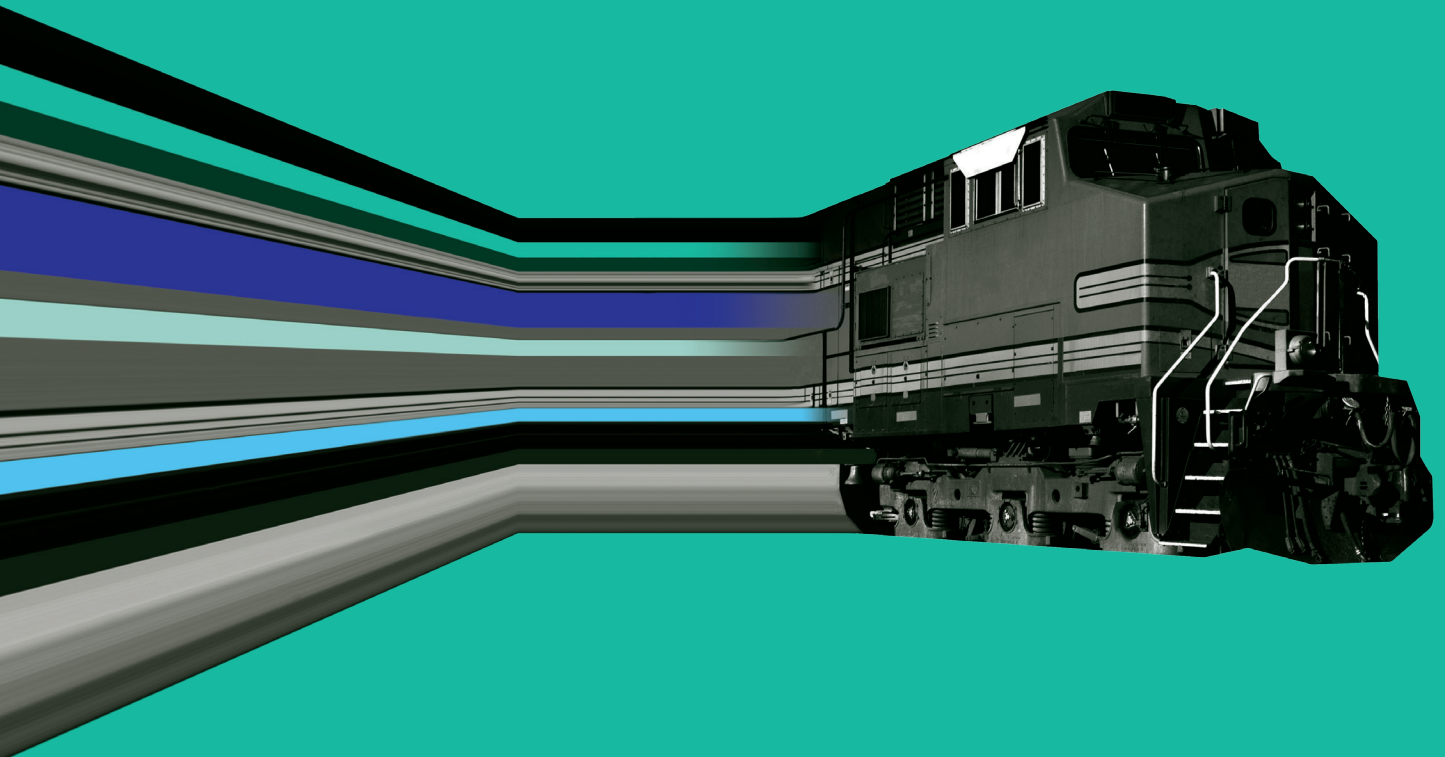
## REGISTRY OF BOARD MEMBERS

NAME	START DATE	END DATE
Nicholas C. Geale	08-19-13	Active <sup>1</sup>
Linda A. Puchala	05-26-09	Active <sup>2</sup>
Elizabeth Dougherty	12-13-06	06-02-12
Read Van de Water	12-11-03	05-22-09
Harry R. Hoglander	08-06-02	Active <sup>3</sup>
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 June 30, 2016. | 2 Term ends June 30, 2017. | 3 Term ended June 30, 2015.

# MANAGEMENT DISCUSSION & ANALYSIS

<b>14</b>	MEDIATION & ADR
<b>20</b>	ADMINISTRATION
<b>23</b>	ARBITRATION
<b>27</b>	PERFORMANCE PLAN & RESULTS



**MEDIATION  
& ADR**

**The Office of Mediation and Alternative Dispute Resolution Services (OMS) manages mandatory mediation of collective bargaining disputes pursuant to statutory authority under Section 6 of the Railway Labor Act (RLA), which is applicable to both the airline and railroad industries. The ADR component of OMS offers voluntary dispute resolution programs to the parties, including facilitation, grievance mediation, training, 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 [www.nmb.gov](http://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](http://www.nmb.gov).

## **MEDIATION HIGHLIGHTS**

Mediator productivity was high in FY2016 as evidenced by the number of collective bargaining agreements reached. 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 mainline, regional, low cost and cargo carriers, and in the rail sector with freight and commuter lines. Issues at the bargaining table included ever-evolving health care increases and the challenge of reaching sustainable agreements during cycles of unprecedented prosperity.

### **SETTLEMENTS**

In the airline sector, settlements were reached with pilot unions at Allegiant, ExpressJet, FedEx, NetJets, UPS and Sun Country. United Airlines reached an agreement with its flight attendants and Southwest reached a settlement as well with its ramp employees. In the rail sector, after two Presidential Emergency Boards (PEBs), New Jersey Transit settled its outstanding disputes and reached agreement with all of its unions. Additionally several agreements were reached at Canadian National properties.

### **PENDING CASES**

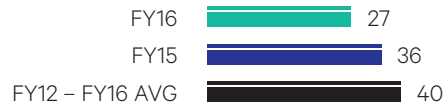
We continue to assist Spirit Airlines and Hawaiian Airlines and their pilot unions as they work through their disputes. On the rail side the National Carrier Conference Committee (NCCC) is in mediation with a Transportation Communications Union (TCU) coalition while they continue to actively bargain with other unions who are not in mediation. PATH, a northeast commuter railroad, and most of its unions are currently in mediation. They are the last of the commuter rail carriers with open collective bargaining agreements in this round.

**MEDIATION  
CASES**

**START PENDING**



**NEW**



**SUM**



**CLOSED**



**END-PENDING**



\*The Mediation Department completed a changeover from a manual to an automated case management system in Fiscal Year 2015. After the changeover was complete, the audit revealed an error in the old system which resulted in incorrect case numbers.

## **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 facilitation, training, grievance mediation, and an online dispute resolution (ODR) program, 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 ODR 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 and ODR 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 [www.nmb.gov](http://www.nmb.gov).

## **ADR HIGHLIGHTS**

ADR personnel continued to develop and deliver a wide range of services, including training (T cases), facilitation (F cases), grievance mediation (GM cases), facilitated problem solving (FPS) and Online Dispute Resolution (ODR). 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 pre-negotiation training and in mediation skills training for internal organization self-help use. Skill at instructing has been a by-product of the Agency's partnership with Dominican University where teaching mediation and negotiation courses turns into a learning opportunity for the mediators who teach the courses.

### **FACILITATION**

Mediators have been active on several properties using facilitation to help parties reach resolution to their disputes. United and AFA initially used a facilitated approach to merge their agreements, facilitation was used at CSX with the BRS to align multiple regional agreements, and at Virgin America as it negotiated agreements with its ALPA represented pilots and TWU represented flight attendants. With each experience, the NMB's knowledge base grows, and best practices from the process inure 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 has helped reduce the case load in the NMB's Arbitration Department, and serves to quicken the resolution of grievances. Grievance mediation is ongoing at CSX and Union Pacific, and began in FY2016 at Canadian Pacific and Illinois Central. Grievance mediation has served to solve problems before they become grievances, and helped to clarify issues ahead of bargaining. In an effort to build on the success of this process, the NMB is launching a new program in FY2017 designed to foster greater labor management partnership through the creation of grievance mediation ambassadors.

## **ADR HIGHLIGHTS CONTINUED**

### **ONLINE DISPUTE RESOLUTION**

In cooperation with the Arbitration Department and the Dispute Resolution Program at Dominican University, an Info Series is now on line that highlights areas of interest to the railroad industry. As each session is completed, it is being uploaded to the NMB's Lyceum (online training site) accessible through the NMB website at [www.nmb.gov/services/nmb-lyceum-center/](http://www.nmb.gov/services/nmb-lyceum-center/). The first two sessions are now available; "Hearing Expectations of Arbitrators" and "How Arbitrators are Selected by the Parties."

### **PARTNERSHIPS**

In partnership with Dominican University, the ADR staff designs and delivers trainings and presentations that provide quality training and complement employee's and student's career development alike. The partnership has successfully created shared value for all participants. The NMB's Info Series on Arbitration is one example of shared value with Dominican University. The NMB provides content, and Dominican handles the video and editing. Both share use of the videos developed.



## ADR CASES

### START PENDING



### NEW



### SUM



### CLOSED



### END-PENDING



\*The Mediation Department completed a changeover from a manual to an automated case management system in Fiscal Year 2015. After the changeover was complete, the audit revealed an error in the old system which resulted in incorrect case numbers.

## ADMINISTRATION OVERVIEW

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

## ADMINISTRATION HIGHLIGHTS

### HUMAN CAPITAL

OA continues to utilize online services in the personnel arena, which increased the efficiency and effectiveness, and the results of which can be seen in the agency hiring process. For internal posting, the NMB routinely completes the hiring process within 30 days. In cases involving delegated examining positions, the NMB continues to show movement toward the 80 day standard process. The NMB continues to use the E-verify system to ensure that all new appointees are eligible to work.

With the 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. Training plans, both through the Individual Development Plan's (IDP) and the department training plans, stress career development, including details and shadow assignments, as a way to broaden skills and prepare for job transitions. The agency uses internal details when possible to broaden skills and 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 programs for our employees. OA worked closely with the Bureau of Fiscal Services to procure subscriptions to Manager Advantage for the supervisor and managers. Manager Advantage is online information service for managers and supervisors. The information based on case law, statutes and regulations. It provides extensive federal policy and guidance for managers and supervisors. This information is obtained by LRP's experienced attorney editors and senior editorial staff who have gathered and then converted into the information 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 all from one definitive source. In July 2015, OA provided the all the NMB managers and supervisors Managers Advantage orientation training.

OA is working with the Office of Personnel Management and the Department of Interior to improve NMB's human capital operations and payroll. This will continue the NMB's objective of providing all its services electronically.

## **ADMINISTRATION HIGHLIGHTS CONTINUED**

### **INFORMATION TECHNOLOGY**

In accordance with the NMB's Capital Plan, the NMB reviewed options for its information technology equipment while taking steps to move completely into cloud computing. The NMB has implemented Google Mail, Google Drive and Google Calendar for all employees, with all records and documents stored and retrieved from secure cloud servers. This has resulted in the elimination of on-site servers, with the attendant savings in replacement and maintenance costs, and a reduced cost for network consulting services. The NMB also has moved the NMB's Corporate Memory and Knowledge Store to a cloud platform consistent with government requirements.

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. In November 2015, the NMB kicked off its Cyber Awareness Challenge security training using a web-based training offered by the Department of Defense.

### **CONTINUITY OF OPERATIONS**

The NMB participated in FEMA's Eagle Horizon 2016 (EH 2016), which was conducted as part of the National Exercise Program (NEP) Capstone Exercise on May 16-17, 2016. It was a mandatory, full-scale continuity exercise for all Federal Executive Branch Departments and Agencies. 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 2016, 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 2016 was "green." This was NMB's first overall "green" rating since 2009.

### **FINANCIAL PERFORMANCE**

The NMB has continued the agreement with the Bureau of Fiscal Services (BFS) for financial management services. This agreement affords the NMB with the ability to have at our fingertips up-to-date financial information that can be used to make efficient financial decisions. The OA provides budget planning, budget development, and oversight of budget execution. In addition, OA is responsible for the maintenance of the Agency's core accounting system; financial reporting to the Office of Management and Budget (OMB) and Treasury; payments to vendors for goods and services received; issuing bills; and the preparation of the Agency's financial statements which are audited on an annual basis. The NMB continues to work with an outside firm (Allmond & Company) to audit its financial statements. For the nineteenth consecutive year, Allmond & Company reported that the financial statements were presented fairly, in all material respects, and in conformity with U.S. generally accepted accounting principles (GAAP) for Federal agencies.

### **PROCUREMENT**

With the continued partnership with BFS, the NMB utilizes PRISM to electronically create requisitions, purchase orders, and inter-agency agreements. This system, along with new processes and procedures, is ensuring that the NMB complies with all applicable rules and regulations governing contracting.

In Fiscal year 2016 there were improvements substantially exceeding the Small Business Administration's government-wide goal to ensure that small businesses get their fair share of work with the federal government by awarding the following entities:

- Small Business Goal 5 percent – Actual awards 11.97 percent
- Small Disability Business Goal 3 percent – Actual awards 10.83 percent
- Women-Owned Business Goal 5 percent – Actual awards 2.99 percent

## **ADMINISTRATION HIGHLIGHTS CONTINUED**

### **TRAVEL**

The NMB currently uses the Concur Government Edition (CGE) Travel Services. CGE is an electronic online system which reduces the per-ticket cost for travelers. This system provides an electronic process for authorization, vouchers, and reimbursement. The NMB continued its agreement with Duluth Travel Inc., to serve as the agency's Travel Management Company.

### **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 internal forms, the Knowledge Store (providing current and historical information to the public and our external customers), and the NMB Lyceum.

### **NMB CORPORATE MEMORY**

The NMB continues to refine its records and document management programs, improving the search engine and further integrating the records database with the agency case management system.

### **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. During FY 2016, the NMB completed development of a new Knowledge Store interface that speeds recovery of documents, improves the search engine, makes it possible for parties to engage in "direct deposit" of new cases, and frees the data to reside in the new cloud environment created by the agency.

### **SUSTAINABILITY**

The National Mediation Board is committed to reducing greenhouse gases in accordance with Executive Order 13514 (E.O.). During 2016, 63 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, 38 out of 44 employees participate in the Smart Benefits program for public transportation. We also purchased new environmentally efficient copiers that generate 90 percent less waste than traditional copiers.

**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**

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 NMB 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 HIGHLIGHTS**

The Office of Arbitration Services directed its attention to promoting a more efficient Section III process, thereby fostering faster resolution of minor disputes (grievances). The NMB made a well-received move in this regard during FY 2016 by targeting the backlog of grievance arbitration cases for resolution and increasing the number of arbitrators available to hear and decide cases and introducing more technology to the administrative processing of cases with its arbitrators. The estimated 7,432 cases pending at the end of FY 2016 is 1,192 more than cases pending at the end of FY 2015. The increase is attributed to the filing of more grievances concerning the applicability of certain provisions of the agreement covering the Class I freight railroads.

The NMB Arbitration program continued its efforts to modernize the processing of minor disputes. 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 agency added a section on grievance mediation to the arbitration menu on the website. The section provides information on grievance mediation as well as online courses on the National Mediation Board.

During FY 2016, the NMB revised the Arbitrators Workspace, which has been in operation for several years. The Arbitrators Workspace is a web based information system which 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 Arbitrators Workspace replaced numerous hard-copy forms.

Arbitrators are able to use the AWS to schedule their work on the cases. The agency added this fiscal year a section which provides update information and tips on the AWS system. A new Arbitrator Work Space System User Guide was created and placed on the NMB website.

This fiscal year, the agency placed NRAB Division Awards templates on the website to assist the arbitrators in performing their duties as neutrals. This will ensure consistency in awards. The revised Arbitrators' Workspace now closes cases quicker and shortens the time for the adding of cases. The level of grievance activity handled through the NMB Arbitration program exceeded its level when compared to the activity in FY 2015. During FY 2016, the parties brought an estimated 4,754 cases to arbitration compared to 3,816 cases in FY 2015. In FY 2016, an estimated 3,562 cases were closed compared to 2,702 in FY 2015, leaving 7,432 cases pending at the end of FY 2016.

On several occasions during the fiscal year, the Agency met with representatives from the labor organizations and carriers to review its caseload. Carriers included Canadian National Railroad, Norfolk Southern Corporation, Union Pacific Railroad, Burlington Northern Santa Fe, Kansas City Southern Railway, and CSX Transportation. The NMB also met with carriers engaged in the transportation of passengers such as Amtrak, Metro North Railroad, SEPTA, New Jersey Transit, and Metra. The Office of Arbitration Services met with all of the labor organizations representing employees in the railroad industry. NMB efforts have been directed to facilitating a more efficient Section III process under the RLA, thereby reducing the backlog and furthering the RLA objective of prompt resolution of minor disputes.

The NMB continued its efforts designed to improve the arbitration of grievances under Section III of the Railway Labor Act. The Board had five ambitious goals for this transformation: (1) to ensure that the parties receive timely and outstanding arbitration services from the Board's staff and its contract arbitrators; (2) to ensure that the Board uses e-business capabilities to the maximum extent possible; (3) to ensure that Board procedures are improved through a process involving public input; (4) to ensure that 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.

## **ARBITRATION HIGHLIGHTS CONTINUED**

### **ANNUAL CASE AUDIT**

In June 2016, the NMB conducted an intensive audit of all pending cases before Public Law boards and Special Boards of Adjustment. The Agency provided the Class-I freight railroads, commuter railroads, regional railroads and all labor organizations representing railroad employees with a list of cases pending on these boards. The feedback from the audit enhanced the accuracy of the NMB case management system.

### **ALTERNATIVE DISPUTE RESOLUTION IN THE RAILROAD INDUSTRY**

The NMB actively promoted 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 the labor organizations. During FY 2016, Arbitration Services made presentations at a meeting of Class-I freight railroads and the labor organizations. The NMB anticipates continuing this initiative during FY 2017. The NMB had several grievance mediation cases with carriers in the railroad industry during 2016.

### **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 III activities. Arbitrators, parties, and the public use the website to obtain information and forms instantaneously. In FY 2016, the agency posted additional information on the AWS System on the NMB website. The Arbitrator Caseload Report was improved. 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 3 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 III caseload is on the NMB website ([www.nmb.gov](http://www.nmb.gov)).

### **ESTABLISHMENT OF THE 60 DAY AND 120 DAY RULE**

During this fiscal year, the NMB implemented procedures to expedite the processing of cases. When a case is assigned to an arbitrator within 60 days, the case must have been decided and the awards submitted or the case heard by an arbitrator or the cases 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.

### **KNOWLEDGE STORE**

The NMB further expanded its use of technology at the NRAB. All NRAB awards are entered into the Knowledge Store at the same time that they are distributed to the parties. Parties have been trained to enter awards into the Knowledge Store. In some instances, valid awards are entered within 24 hours of completion.

### **ARBITRATION INFO SERIES**

During FY 2016, the Office of Arbitration Services commenced a new info series on Arbitration and Section 3 topics. Using the NMB's Lyceum, the NMB posted several information film segments on various topics and issues in arbitration under the Railway Labor Act.

**ARBITRATION\*  
CASES**

**START PENDING**



**NEW**



**SUM**



**CLOSED**



**END-PENDING**



\*The automated case management system in fiscal year 2016 was updated resulting in a change in the start-pending case figures for fiscal year 2016.



**PERFORMANCE  
PLAN & RESULTS  
(GPRA)**

**This report contains FY2016 accomplishments of the National Mediation Board relating to goals and objectives for Mediation and Alternative Dispute Resolution; Representation; Arbitration; and Administration. These accomplishments enabled the NMB to meet its statutory obligations and provide services to its airline and railroad labor, management and public customers.**

**STRATEGIC  
PLAN  
GENERAL  
GOAL 1****MEDIATION  
& ADR****1 – TO PROVIDE PROMPT AND APPROPRIATE ASSISTANCE FOR DISPUTES INVOLVING PAY, WORK RULES, AND WORKING CONDITIONS (MAJOR DISPUTES)****FY 2016 ACCOMPLISHMENTS**

NMB standards for processing and managing cases involving major disputes were consistently met in FY2016. Development on the Agency's Mediation Case Management System (MCMS) which tracks cases from application to closure continued through FY2016, with the upgraded version scheduled to launch in early FY2017.

Case management was accomplished as planned with mediators utilizing appropriate techniques at the table supported by senior mediators acting in an oversight role. Quarterly reviews of cases one year old or older by Board Members and senior mediation management insured that parties to the process received assistance appropriate for their case.

**2 – PROVIDE APPROPRIATE AND EFFECTIVE MEDIATOR TRAINING AND CONTINUOUS DEVELOPMENT****FY 2016 ACCOMPLISHMENTS**

Through the use of Individual Development Plans (IDP) each mediator participated in training and development that met her or his individual needs. In addition, training covering industry specific topics was conducted at each mediator meeting. The NMB's partnership with Dominican University provided valuable and specialized training for mediators as they participated in and delivered courses in the areas of negotiation and mediation. Mediators and other staff attended professional conferences and training in specialized areas such as federal records training.

**3 – PURSUE INNOVATION IN THE DELIVERY OF MEDIATION AND ALTERNATIVE DISPUTE RESOLUTION SERVICES****FY 2016 ACCOMPLISHMENTS**

The Agency is translating its general mediation and negotiation training developed for Dominican University to industry specific training for air and rail to use for internal dispute resolution and other purposes for both carriers and organizations. The entire Mediator corps, as well as other employees of the Agency were trained in the area of behavior patterns in decision making. Mediators who participated in more innovative alternative dispute resolution training return to debrief other mediators on what they have learned.

Mediators continued to refine ADR strategies and techniques that addressed the unique needs of parties in negotiations, especially in the instances of merging carriers and unions in the airline sector. In the rail sector, mediators have used ADR tools to assist parties in integrating multiple regional contracts into a joint collective bargaining agreement.

#### **4 – IMPROVE EFFICIENCY AND EFFECTIVENESS OF NMB PROGRAMS BY PROVIDING LEADING ONLINE DISPUTE RESOLUTION (ODR) TECHNOLOGY AND TECHNIQUES TO THE MEDIATORS AND THE PARTIES**

##### **FY 2016 ACCOMPLISHMENTS**

The Agency continues to explore uses for online dispute technology and offer it to parties. Mediators made use of technology to remotely share language and discuss proposals, especially when travel funding was curtailed, and electronic flip charting was effectively used by the parties to reach agreements in complex cases merging multiple agreements, to track changes in language, and to share information. In FY2016, for the first time parties and arbitrators in Section 3 used an asynchronous, text based system to submit and decide cases.

## **STRATEGIC PLAN GENERAL GOAL 2**

### **REPRESENTATION**

#### **1 – PROMPT INVESTIGATION OF REPRESENTATION DISPUTES AND DEFINITIVE RESOLUTION OF EMPLOYEES' REPRESENTATION STATUS FOR COLLECTIVE BARGAINING PURPOSES**

##### **FY 2016 ACCOMPLISHMENTS**

In most cases: OLA responded to representation applications within 2 business days of receipt by the NMB; assigned an investigator within 2 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.

#### **2 – ENHANCE TRAINING AND DEVELOPMENT OF OLA STAFF**

##### **FY 2016 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 2016 OLA staff took classes related to the Freedom of Information Act (FOIA), records management, government ethics, the Railway Labor Act, conflict resolution, and employment law.

#### **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 2016 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, Presidential Emergency Boards, 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 and this year completed the fourth edition of this treatise.

**4 – OLA STAFF PROVIDES PROMPT AND EFFICIENT ASSISTANCE TO PRESIDENTIAL EMERGENCY BOARDS****FY 2016 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. OLA attorneys served as counsel to one Presidential Emergency Board.

**5 – OLA MAINTAINS CONCISE, RELEVANT REFERENCE MATERIALS THAT ARE READILY AVAILABLE TO THE PUBLIC AND WHICH REDUCE THE NUMBER OF MAN-HOURS USED TO RESEARCH AND RESPOND TO INQUIRIES****FY 2016 ACCOMPLISHMENTS**

OLA conducts semi-annual reviews of the Representation Manual and web site, updating where appropriate. In FY 2016, OLA began the process of updating the NMB's FOIA regulations and will engage in rulemaking on this topic in FY2017. The proposed regulations include rules on the "Proactive Disclosure of Materials" including the publication of frequently requested materials on the NMB's website.

**6 – EXPAND THE USE OF TECHNOLOGY TO FURTHER STREAMLINE AND REDUCE COSTS IN REPRESENTATION AND INTERFERENCE INVESTIGATIONS****FY 2016 ACCOMPLISHMENTS**

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

**STRATEGIC  
PLAN  
GENERAL  
GOAL 3****ARBITRATION****1 – ARBITRATION WILL PROVIDE OUTSTANDING SERVICE DELIVERY TO INTERNAL AND EXTERNAL CUSTOMERS****FY 2016 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. Procedures at the NRAB were also reviewed. Grievance mediation/arbitration was introduced to successfully resolve several aged cases at the NRAB.

**2 – TO ENGAGE IN ACTIVE ROSTER DEVELOPMENT FOR THE CONTRACT ARBITRATORS SERVING THE AIRLINE AND RAILROAD INDUSTRIES****FY 2016 ACCOMPLISHMENTS**

NMB worked with the outside professional associations to increase the diversity of its applicants for the NMB's Arbitrators roster. NMB participated in an arbitrator training program with Dominican University and several railroads and labor organizations to introduce more arbitrators to railroad arbitration.

**3 – THE OFFICE OF ARBITRATION SERVICES WILL BE A CENTER OF INNOVATION IN THE RESOLUTION OF "MINOR" DISPUTES****FY 2016 ACCOMPLISHMENTS**

The NMB met with the Arbitration Forum several times during FY 2016 to discuss innovation to improve the program. NMB also continued its review of all grievance mediation cases.

**STRATEGIC  
PLAN GENERAL  
GOAL 4**

**ADMINISTRATION**

**1 – PROVIDE OUTSTANDING SERVICE DELIVERY TO INTERNAL AND EXTERNAL CUSTOMERS**

**FY 2016 ACCOMPLISHMENTS**

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

**2 – PROVIDE TIMELY, EFFICIENT AND RESPONSIBLE STEWARDSHIP OF THE NMB'S FISCAL RESOURCES**

**FY 2016 ACCOMPLISHMENTS**

The NMB worked with BFS to ensure that required financial reporting is prepared and submitted timely. The NMB worked with BFS to ensure that 99.1% of payments were paid timely and accurately.

**3 – ENSURE AGENCY SPENDING AND BUDGETS ARE TRANSPARENT AND PROVIDE THE NECESSARY SUPPORT FOR EACH OF THE AGENCY'S MISSIONS THROUGHOUT THE WHOLE FISCAL YEAR**

**FY 2016 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.

**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**

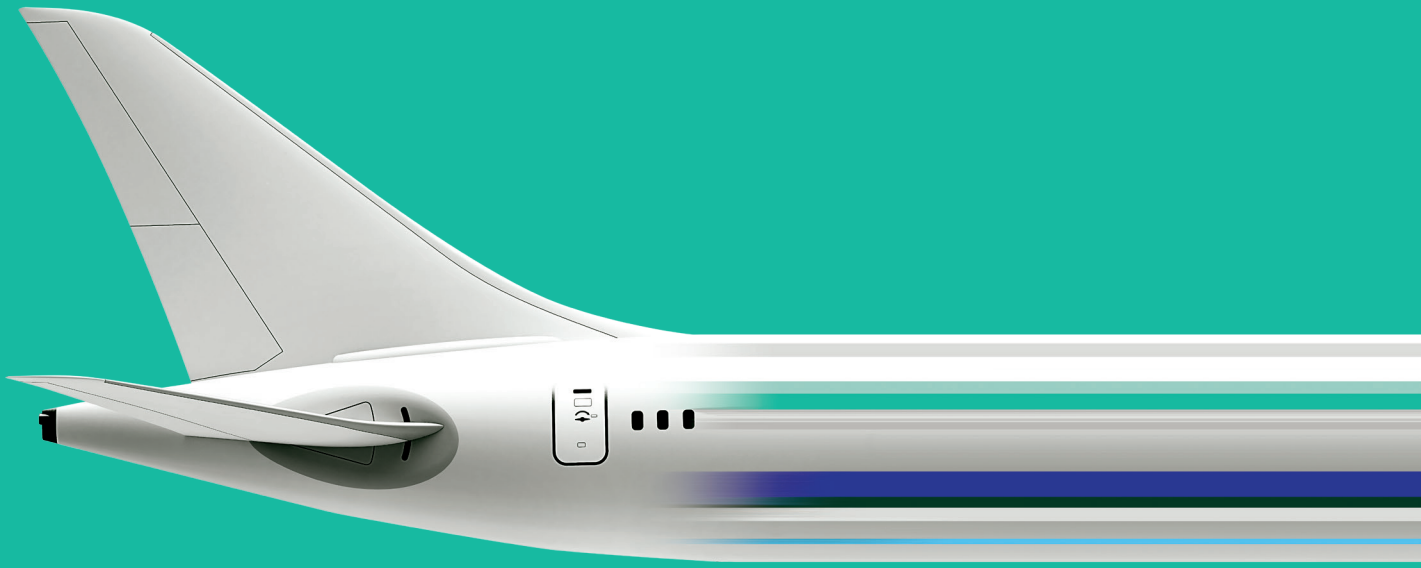
**FY 2016 ACCOMPLISHMENTS**

The NMB completed its transition into the cloud environment for e-mail, calendars, contacts, and records. With this change, the NMB eliminated the majority of its in-house servers and made possible a revision and reduction in price of its network support contract.

**5 – CONTINUE TO ENSURE THAT NMB INFORMATION IS SECURE WHILE MAINTAINING A GOVERNMENT-LEADING INFORMATION AND COMMUNICATION TECHNOLOGY SYSTEM**

**FY 2016 ACCOMPLISHMENTS**

The NMB ensures that all information that contains Private Personnel Information (PPI) is password protected when transmitted electronically.



# REPRESENTATION & PRESIDENTIAL EMERGENCY BOARDS

- 32 REPRESENTATION
- 39 PRESIDENTIAL EMERGENCY BOARDS

**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](http://www.nmb.gov).]

If a 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.

The following chart reflects the actual cases numbers for FY2015, FY2016, and the Five-Year Average, FY2012-2016 follows:

	<b>FY2015 ACTUAL</b>	<b>FY2016 ACTUAL</b>	<b>FY2012 – FY 2016 FIVE YEAR AVERAGE</b>
<b>PENDING AT START</b>	3	5	4
<b>DOCKETED</b>	31	26	34
<b>CLOSED</b>	29	30	36
<b>PENDING AT END</b>	5	1	3

**REPRESENTATION  
HIGHLIGHTS**

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 30 cases and also docketed 26 cases during the year. With the Agency resources requested for 2017, it is estimated that 32 representation cases will be investigated and resolved in the next fiscal year.

**REPRESENTATION  
HIGHLIGHTS  
CONTINUED****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 case summaries that follow are examples of the varied representation matters which were investigated and resolved by the NMB during FY 2016.

**ENVOY AIR**

In Envoy Air, Inc./CWA, AFL-CIO, 43 NMB 18 (Nov. 10, 2015), the Board granted an appeal and overturned an investigator's eligibility ruling regarding cross-utilized employees. On May 12, 2015, the Communications Workers of America, AFL-CIO (CWA) filed an application seeking to represent "Passenger Service Agents (Includes Station Agents)" at Envoy Air, Inc. (Envoy). The job title "Station Agent" at Envoy includes employees who perform exclusively passenger service functions, employees who perform exclusively fleet service functions, and employees who are cross-utilized, performing both functions. Pursuant to a voluntary recognition agreement, the Transport Workers Union (TWU) represents Fleet Service employees at Envoy.

In order to determine the eligibility of cross-utilized Station Agents, the investigator performed a preponderance test and removed from the List of Eligible Voters (List) those employees who did not spend a preponderance of their time in the three months prior to the application performing passenger service duties. CWA appealed the eligibility ruling and the Board overturned the determination, stating that the Station Agents shared a community of interest with the Passenger Service Employees and had a sufficient interest in the craft or class. They were, therefore, eligible to vote with the Passenger Service Employees craft or class. The Board stated that its determination was limited to the unique facts and circumstances of the carrier, where the preponderance of evidence did not represent the true nature of the Station Agent's duties, which often varied from day to day and seasonally.

Chairman Geale dissented, stating that the determination was a departure from Board practice and precedent. He noted that the majority ignored the NMB's Representation Manual and the results of the preponderance test to reach its decision. He also noted that the majority's decision has the effect of fragmenting the craft or class of Fleet Service personnel currently represented by TWU in violation of long standing NMB precedent and policy.

**ALLEGIAN AIRLINES**

In Allegiant Air, LLC, 43 NMB 45 (Jan. 6, 2016), the Board considered whether the the showing of interest was invalid where some of the authorization cards submitted in support of the application were dated and executed by trainees who are outside the Railway Labor Act's (RLA) definition of employee. While noting that it is well-settled that trainees are not eligible to vote in a representation election under the RLA until they perform line work (the Initial Operating Experience or IOE), the NMB stated that the issue of the validity of authorization cards signed by trainees prior to completing training was one of first impression. Looking first to the RLA and then to the NMB's Rules, Manual and decisions, the NMB concluded that it has considered the IOE in the context of voter eligibility and not with respect to the showing of interest required to trigger a representation election. The NMB requires that carriers provide a List of Eligible Voters (List). This List contains the individual employees who have performed line work as of the cut-off date. In determining the showing of interest required to hold an election, the NMB focuses on whether cards were submitted by individuals on that List. Accordingly the NMB declined to impose a standard that is not explicitly set out in the statute, the NMB's Rules, or the Manual and that would undermine the transparency and integrity of its authorization card check process.

## **REPRESENTATION HIGHLIGHTS CONTINUED**

### **RAVN AIR GROUP**

In Ravn Air Group, 43 NMB 59 (Feb. 18, 2016), the International Brotherhood of Teamsters (IBT) filed an application seeking to represent the Pilot craft or class at “Corvus Aviation/RAVN.” The Board determined that the appropriate system for representation purposes was Corvus and two other airlines, Hageland and Frontier, which were jointly owned and held out to the public as Ravn Air Group. The three entities shared a Board of Directors and human resources, marketing, and scheduling were combined. The pilots shared a single seniority list and were able to transfer between the three airlines. In holding that the three airlines made up a single system for representation purposes, the Board stated that the fact that they held different types of FAA operating certificates was not determinative. The application was dismissed due to lack of sufficient showing of interest.

### **SOUTHWEST AIRLINES**

In Southwest Airlines, 43 NMB 146 (June 28, 2016), the Board addressed the representation consequences following its determination that Southwest and Air Tran were operating as a single transportation system for the craft or class of Flight Attendants. The Association of Flight Attendants (AFA) represented Air Tran employees pursuant to a NMB certification while the Transport Workers Union (TWU) represented the Southwest employees pursuant to a National Labor Relations Board (NLRB) certification.

The Carrier reported that the current application covered 14,074 Flight Attendants with 14,070 of them being Southwest employees represented by TWU. The Board noted that, where the numbers of employees represented by the two organizations at merged carriers are not comparable, its longstanding practice is to extend one organization’s certification while terminating the other organization’s certification. American Airlines, Inc./US Airways, 41 NMB 237 (2014). The Board has also certified an organization as the representative where the numbers were not comparable and the organization represented a majority of the employees through voluntary recognition. See Southwest Airlines, 41 NMB 297 (2014). The Board also noted that it has long considered NLRB certifications as a basis for certifying a representative without election. See Dobbs Int’l Serv., Inc., 28 NMB 7 (2000). In this case, the Board found no basis to depart from its usual practice where the numbers were not comparable, there was prior Board precedent for considering NLRB certifications a basis for RLA certification without an election, and both groups of employees had agreed to be represented by TWU as part of the terms of a seniority integration agreement. Accordingly, the Board certified TWU as the representative of the Flight Attendant craft or class on the single transportation system and extinguished AFA’s certification.

### **FLIGHT OPTIONS**

In Flight Options, LLC/Flexjet, LLC, 43 NMB 165 (Aug. 23, 2016), the Board found that the Carrier failed to establish a prima facie case of election interference by the union. Following its determination that Flight Options and Flexjet comprised a single transportation system for the craft or class of Pilots, Flight Options/Flexjet, 42 NMB 174 (2015), the Board authorized an election. Flight Options/Flexjet, 43 NMB 16 (2015). Following the December 15, 2015 tally, the Board certified the International Brotherhood of Teamsters (IBT) as authorized representative of the Pilot craft or class at the merged Carrier. Flight Options/Flexjet, 43 NMB 43 (2015). Thereafter, the Carrier filed allegations that the IBT misused private customer and employee data; engaged in a pervasive campaign of coercion, intimidation, harassment and misrepresentation; and unlawfully provided tangible benefits to employees during the campaign.

The Board majority concluded that the Carrier failed to support its allegations of misuse of customer or employee contact information. With regard to the allegations of coercion, intimidation, harassment, and misrepresentation, the Board majority found insufficient evidence to warrant an interference investigation. With regard to the alleged grant of benefits, the Board majority found that under longstanding NMB precedent, the IBT did not engage in election interference by providing legal assistance to six non-union Flexjet pilots in proceedings alleging that Flexjet unlawfully terminated three of them and harassed and intimidated the others because of their union activity.



**REPRESENTATION  
HIGHLIGHTS  
CONTINUED**

The Board majority also concluded that the creation of an on-line support fund created by the IBT and the Flexjet Pilots Organizing Committee (FJPOC) for the terminated pilots and the contributions to that fund by an IBT International representative and IBT local vice president did not rise to the level of election interference. Unlike American/US Airways, 42 NMB 80 (2015), where gifts of \$500 were provided to employees during the solicitation of authorization cards, the Board majority found that there was no evidence that the on-line fund was created or donations were made to induce employees to do anything. The Board noted that the donations were solicited for employees whom an arbitrator determined had been unlawfully terminated by the Carrier and the employees and members of the public, including union representatives, were free to donate or not as they saw fit.

Chairman Geale dissented in part. In his view, further investigation of the interference allegations of intimidation and coercion and cash payments to employees was warranted given that the margin of the IBT's victory was only eight votes. Chairman Geale also noted that the majority decision in part relies on the fact that carriers and labor organizations are held to different standards during elections. While acknowledging that this is long standing NMB precedent, the Chairman stated that, in his view, holding both sides to similar standards would better protect the craft or class from undue influence. Finally, Chairman Geale noted that the setting up and possible gifting of funds from IBT leadership/treasuries directly to individual employees is problematic in light of the Board's decision in American/US Airways, and that he saw no reason to differentiate between the \$200 and \$100 cash payments here and the \$500 dollar gift cards present in the American/US Airways case.

**JURISDICTIONAL OPINIONS**

The NMB addressed novel issues of jurisdiction in Southern California Regional Rail Authority, 43 NMB 71 (February 23, 2016), and Norwegian Air Shuttle, 43 NMB 97 (April 19, 2016).

**SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY (SCRRA)**

In support of its application seeking a representation election among dispatchers employed by SCCRA, the American Train Dispatchers Association (ATDA) argued that SCRRA was both a public agency and a carrier subject to the RLA because the Dispatchers in question were performing work traditionally performed by railroad employees, and providing dispatch services for freight trains and Amtrak passenger trains, in addition to the commuter trains. SCRRA contended that it was a public agency which administers and manages intrastate commuter rail service. The definition of a "carrier by railroad" under Section 1, First of the RLA includes any railroad subject to the jurisdiction of the Surface Transportation Board (STB) and is "an entity that holds itself out to the public to provide rail transportation service for compensation" but excludes rail operations solely engaged in intrastate commerce unless they are a link to interstate commerce.

The Board ultimately held that SCRRA was not a carrier for purposes of the RLA through application of the State of Maine doctrine developed by the STB. The State of Maine doctrine exempts state agencies from becoming rail carriers when they have acquired active rail lines from freight carriers, through easements or operating agreements, to establish rail commuter passenger service. The investigation revealed that SCRRA uses its rail lines to provide commuter operations through Metrolink. Interstate freight service (through UPRR and BNSF) and interstate passenger service (through Amtrak) are carried out on SCRRA's Metrolink lines through operating agreements and most of the Metrolink operations are contracted out with the exception of the Train Dispatchers. While SCRRA is an entity which holds itself out to the public to provide intrastate rail commuter service and is a link in the interstate passage of freight and passengers, through its agreements with BNSF, UPRR, and Amtrak, it is exempted from RLA coverage through application of the State of Maine doctrine.

**REPRESENTATION  
HIGHLIGHTS  
CONTINUED**

The Board also declined to find jurisdiction over SCRRA as an indirect carrier as the evidence showed that SCRRA is a California public agency entirely funded and controlled by five Southern California transportation agencies, none of which are carriers or controlled by carriers. The Board further found that SCRRA controls entirely the work of the Train Dispatchers. Finally, the Board held that consistent with its previous decisions, the fact that SCRRA's Train Dispatchers are eligible to receive benefits under the Railroad Retirement Act and Railroad Unemployment Insurance Act is not sufficient to find SCRRA a carrier under the RLA.

**NORWEGIAN AIR SHUTTLE ASA**

In Norwegian Air Shuttle ASA, the Board was presented with the jurisdictional issues raised when an air carrier contracts with a crew management company to provide cabin crew for the carrier. On May 28, 2015, the Norwegian Cabin Crew Association (NCCA) filed an application alleging a dispute among the Flight Attendant craft or class at Norwegian Air Shuttle ASA (NAS). NCCA stated that the Flight Attendants at issue perform all of their work in the service of NAS and that NAS exerts extensive control through its contract with OSM Aviation, Inc. (OSM). In response to the application, NAS and its wholly-owned subsidiary Norwegian Air Holding Resources, Ltd. (NAR)(referred to collectively as "Norwegian") asserted that OSM is the sole employer of the Flight Attendants and that neither NAR nor NAS exercise control over OSM. Norwegian also stated that it lacked the "continuing authority to supervise and direct the manner in which the Cabin Crew members render their services." OSM agreed with Norwegian that it was the sole employer of the Flight Attendants but that it is neither a carrier nor a derivative carrier within the meaning of the RLA.

The Board initially noted that the RLA was enacted to limit interruptions to interstate commerce by providing a comprehensive framework for resolving labor disputes in the airline and railroad industries. *Hawaiian Airlines v. Norris*, 512 U.S. 246, 252 (1994). Turning to the facts of this case, the Board first addressed the issue of RLA jurisdiction. The Board found that NAS is a common carrier by air as defined by the RLA and had been issued a foreign air carrier permit by the United States Department of Transportation. NAR is its wholly-owned subsidiary and has been utilized to contract with staffing agencies such as OSM, to provide crew members who perform essential air transportation services integrally related NAS' business. Accordingly, the Board found NAR to be subject to NMB jurisdiction.

With regard to whether OSM was under the jurisdiction of the NMB, the Board noted that it is not a rail or air carrier but that it provides crew management services for NAS through its contract with NAS. Since the duties of the Flight Attendants constitute services traditionally performed by carrier employees, the Board examined the control exercised by Norwegian over OSM's employees. The contract between NAR and OSM states that Flight Attendants "will be assigned to Norwegian and while on duty shall be under the care, operational control, rostering and supervision of Norwegian" and that NAS retains complete control over their training and scheduling, and actively participates in the hiring process. Further, the Flight Attendants are held out to the public as Norwegian Flight Attendants wearing Norwegian uniforms, insignia, and IDs. The contract also prevents OSM from utilizing these employees for any other customer with whom it contracts. The Board found that NAS supervises and directs the day to day work activity of the Flight Attendants and NAS conceded that it in fact operationally supervises the Flight Attendants while they are engaged in revenue flying. The Flight Attendants work with and on NAS' equipment. NAS controls the manner by which the Flight Attendants carry out cabin service and operational and safety procedures. The crew planning or rostering is the sole responsibility of Norwegian. Accordingly, the Board found that the evidence clearly demonstrated that NAS, through NAR, asserted sufficient significant control over OSM and its Flight Attendants to establish RLA jurisdiction.

**REPRESENTATION  
HIGHLIGHTS  
CONTINUED**

Noting that Norwegian’s airline operation depended on the interrelationship of NAS, NAR, and OSM, the NMB found that the joint employer concept was properly invoked in the circumstances of this case to ensure the uninterrupted flow of commerce. The Board stated that, although it has previously relied on the derivative carrier concept to sweep contractors under the jurisdiction of the RLA, this case is distinguishable since it was the first time the Board is faced with a contract for services of operational employees of an air carrier. The Board found that the nature of the control exercised by the carrier over these operational employees is different. These operational employees are essential to the air carrier’s transportation of persons, property, and mail and are the face of the airline to the flying public. The NMB found that the record established that both NAS and OSM meaningfully affect matters relating to the employment relationship. The Board also made clear that it did not suggest that the parties to every contract for services are joint employers or even subject to RLA jurisdiction. Rather, the Board stated that Congress intended that all entities that provide essential transportation services by air and rail should be subject to the RLA to level the playing field and prevent interruptions to interstate commerce. Accordingly, the Board found that an air carrier cannot subcontract out every essential function performed by employees manning the aircraft and then attempt to avoid its legal obligations by stating that none of the companies providing what collectively amounts to the totality of the air operations are carriers covered by the RLA.

Subsequently, the Board found that a representation dispute existed among the Flight Attendants jointly employed by Norwegian and OSM and authorized an election. Norwegian Air Shuttle ASA, 43 NMB 140 (June 21, 2016). The Board also found that there were no extraordinary circumstances warranting changing the cut-off date for determining the showing of interest and eligibility to vote in the election. The Board found there was neither an extraordinary delay in the Board’s investigation nor turnover of clearly more than half the craft or class. The Board noted that a majority of the craft or class remained eligible to vote. The Board also denied OSM’s June 23, 2016 Motion for Reconsideration, finding that OSM failed to demonstrate a material error of fact made by the Board in its determination nor a single point of law that the Board overlooked or misapplied in its decision. Norwegian Air Shuttle ASA, 43 NMB 152 (July 1, 2016). On August 11, 2016, the NMB certified NCCA as the authorized representative of the Flight Attendant craft or class at Norwegian. Norwegian Air Shuttle ASA, 43 NMB 161 (2016).

The following chart reflects the actual case numbers for FY2016, and the estimated case numbers for FY2017, and FY2018:

	<b>FY2016 ACTUAL</b>	<b>FY2017 ESTIMATED</b>	<b>FY2018 ESTIMATED</b>
<b>PENDING AT START</b>	5	1	1
<b>DOCKETED</b>	26	32	34
<b>CLOSED</b>	30	32	33
<b>PENDING AT END</b>	1	1	2

## REPRESENTATION CASES

### START PENDING



### NEW



### SUM



### CLOSED



### END-PENDING



**PRESIDENTIAL EMERGENCY BOARDS (PEBS) 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 FY2015, FY2016 and the the Five-Year Average, FY2012-2016 follows:

	<b>FY2015 ACTUAL</b>	<b>FY2016 ACTUAL</b>	<b>FY2012 - FY2016 FIVE YEAR AVERAGE</b>
<b>EMERGENCY BOARD SECTION 160</b>	0	0	0.5
<b>EMERGENCY BOARD SECTION 159A</b>	2	1	1

### PEBS HIGHLIGHTS

One PEB was established during fiscal year 2016. This PEB involved the special, multi-step emergency procedures for unresolved collective-bargaining disputes affecting employees on publicly funded and operated commuter railroads. PEB 249 was established under Section 9(a) to resolve a dispute between the New Jersey Transit Rail (NJT) and certain of its employees.

**PRESIDENTIAL EMERGENCY BOARD 248** On July 15, 2015, the President created PEB 248, effective July 16, 2015 to investigate and report concerning the dispute between the NJT and certain of its employees represented by the Organizations<sup>1</sup>. The President appointed Elizabeth C. Wesman, as Chairman of the Board, and Barbara C. Deinhardt and Ann S. Kenis as Members. The Board submitted its Report and Recommendations to the President on August 14, 2015.

When the recommendations of PEB 248 did not result in a prompt resolution of the disputes, the NMB conducted a public hearing on September 9, 2015, at which time the Organizations stated their willingness to accept the recommendations of PEB 248 and NJT discussed its reasons for not accepting the recommendations of PEB 248.

On November 6, 2015, the Coalition requested that President Obama create a second Emergency Board pursuant to Section 9a(e) of the RLA regarding its dispute with the NJT. Thereafter, on November 12, 2015, the President issued an Executive Order establishing, effective 12:01 a.m. November 13, 2015, Presidential Emergency Board 249 to investigate and report concerning the dispute between the NJT and certain of its employees represented by the Organizations. The President appointed Joshua M. Javits, as Chairman of the Board, and Elizabeth Neumeier and Nancy E. Peace as Members. The Board submitted its Report to the President on January 11, 2016.

### FORECAST FOR FY2016, FY2017, 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.

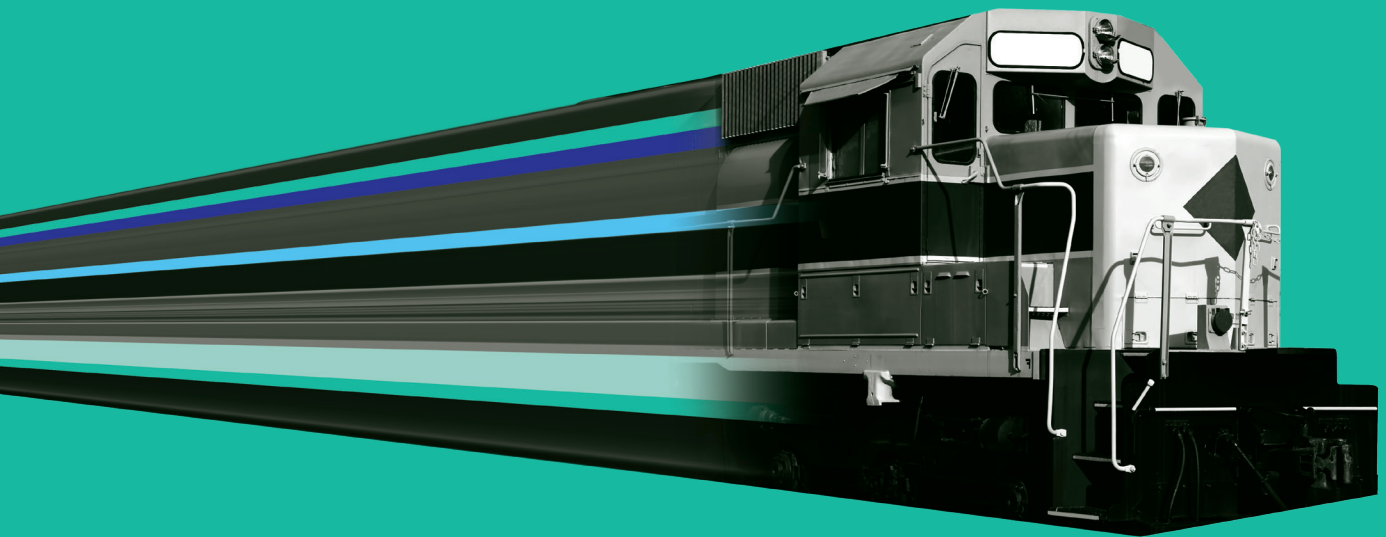
The following chart reflects the actual case numbers for FY2016 and estimated case numbers for FY2017 and FY2018:

	FY2016 ACTUAL	FY2017 ESTIMATED	FY2018 ESTIMATED
<b>EMERGENCY BOARD SECTION 160</b>	0	1	1
<b>EMERGENCY BOARD SECTION 159A</b>	1	1	1

1 | The New Jersey Transit Rail Labor Coalition ("the Coalition") represents all 4,220 unionized rail employees at NJT. The Coalition consists of the following organizations: International Brotherhood of Electrical Workers ("IBEW"), representing Electrical Workers and Supervisors; Transportation Communications International Union/IAM ("TCU/IAM"), representing Supervisors, Clericals, and Carmen; Brotherhood of Locomotive Engineers & Trainmen ("BLET"), representing Locomotive Engineers, Assistant Engineers, and Engineer Trainees; International Association of Sheet Metal, Air, Rail and Transportation Workers – Transportation Division (UTU) ("SMART" or "UTU"), representing Yardmasters and Conductors/Trainmen; International Association of Machinists & Aerospace Workers ("IAM"), representing Machinists; Brotherhood of Railroad Signalmen ("BRS"), representing Signalmen; National Conference of Firemen & Oilers, SEIU ("NCFO"), representing Laborers; International Association of Sheet Metal, Air, Rail and Transportation Workers ("SMART"), representing Railroad, Sheet Metal, Mechanical & Engineering Workers; American Train Dispatchers Association ("ATDA"), representing Train Dispatchers; Brotherhood of Maintenance of Way Employees Division ("BMWED"), representing Maintenance of Way Employees; International Brotherhood of Boilermakers ("IBB"), representing Boilermaker Welders; and Transport Workers Union of America ("TWU"), representing Carmen and Coach Cleaners. Although each of the separate bargaining units commenced negotiations with NJT on an individual basis, they subsequently joined together as a formal Coalition to bargain collectively with NJT.

# RAILROAD GRIEVANCE ARBITRATION

- 42** NRAB BOARD MEMBERS AND REFEREES
- 43** SECTION 3 TRIBUNALS
- 45** ONLINE ARBITRATION REPORTS



### NATIONAL RAILROAD ADJUSTMENT BOARD MEMBERS

#### NRAB

**MARCUS J. RUEF** BLET, Board Chairman  
**MATTHEW R. HOLT** NRLC, Board Vice Chairman

FIRST DIVISION	SECOND DIVISION	THIRD DIVISION	FOURTH DIVISION
<p><b>DAVID B. WIER</b> UTU, Chairman</p> <p><b>MATTHEW R. HOLT</b> NRLC, Vice Chairman</p> <p>Lisha Coffey, CIC Douglas W. Davidson, BLET Jeremy Ferguson, UTU Jackie Newstadt, G&amp;W Marcus J. Ruef, BLET Andres Smith, BNSF</p>	<p><b>WILLIAM T. BOHNÉ</b> IBEW, Chairman</p> <p><b>H. GLEN WILLIAMS</b> NRLC, Vice Chairman</p> <p>Sean M. Dalton, URR Charles J. Fraley, SMART Donald E. Grissom, BRC Brant Hanquist, UP Sherry Johnson, BNSF John Lacey, IAMAW David Pope, SCRF John Thacker, F&amp;O Timothy Thornton, CIC</p>	<p><b>ZACHARY C. VOEGEL</b> BMWED, Chairman</p> <p><b>JEANIE L. ARNOLD</b> NRLC, Vice Chairman</p> <p>Kim Ashley, NS Donald Boyd, HERE John Bragg, BRS Rory R. Broyles, ATDA Mary C. Gunn, TCIU Brant Hanquist, UP Anthony Lomanto, ST Jason Ringstad, BNSF</p>	<p><b>ALLISON PARKER</b> ARASA, Chairman</p> <p><b>JEFFREY F. RODGERS</b> NRLC, Vice Chairman</p> <p>Julie Eddy, TZPR Don Munro, KCS Ryan Hidalgo, BMWED Doyle K. Turner, SMART</p>

### NRAB REFEREES

FIRST DIVISION	SECOND DIVISION	THIRD DIVISION	FOURTH DIVISION
<p>Earlene Baggett-Hayes Meeta Bass Edwin H. Benn Paul Betts Ezio Borchini Michael Capone Michael Leech Peter Meyers William Miller Cary Morgen Debra Neveu Angelique Palmer Erica Tener Kathryn VanDagens M. David Vaughn Randy B. Weiss</p>	<p>Joseph Fagnani Don Hampton Lynette A. Ross Lamont Stallworth</p>	<p>Steven M. Bierig Patricia Bittel Joseph Fagnani Robert Grey Patrick Halter Richard Hanft I. B. Helburn Dr. Lou Imundo Sinclair Kossoff Roger K. MacDougall Sidney Moreland Barry E. Simon Elizabeth Wesman</p>	<p>William Miller</p>



### SECTION 3 TRIBUNALS ESTABLISHED FY 2016

TYPE	NO. OF BOARDS
Public Law	43
Special Boards of Adjustment	3
Arbitration Board	0
<b>TOTAL</b>	<b>46</b>

### 1 – PUBLIC LAW BOARDS, SPECIAL BOARDS OF ADJUSTMENT AND ARBITRATION BOARDS

#### 1A CARRIERS

Alabama Gulf Coast Railway	Long Island Rail Road
Alabama State Docks	Massachusetts Bay Commuter Railroad
Belt Railway Company of Chicago	Metro North Commuter Rail
Burlington Northern Santa Fe Railway Company	National Railroad Passenger Corporation (AMTRAK)
California Northern Railroad	New England Central Railroad
Canadian National Railway Company	New Jersey Transit Authority
Canadian Pacific Railway Company	New Orleans Public Belt Railroad
Canton Railroad Company	Norfolk Southern Corporation
Chicago, Fort Wayne Railroad	Northeast Illinois Regional Commuter Railroad
Connecticut Southern Railroad	Northern Indiana Commuter Transportation District
Consolidated Rail Corporation	Pacific Harbor Railroad
CSX Intermodal Terminal	Paducah & Louisville Road
CSX Transportation, Inc.	Pan Am Railway
Delaware and Hudson	Port Authority Trans Hudson of NY & NJ
Delray Connecting Railroad	Soo Line Railroad Company
Florida East Coast Railway	South Buffalo Railway
Fruit Growers Express	South Carolina Central Railroad
Gary Railway Company	Southeastern Pennsylvania Transportation Authority
Kansas City Southern Railroad	South Kansas & Oklahoma
Keolis Commuter	Springfield Terminal Railway
Kiamichi Railroad Company	Terminal Railroad Association of St. Louis
Idaho & Sedalia Transportation Company	Texas Mexican Railway
Illinois Central Railroad	Transit America Services, Inc.
Indiana Harbor Belt Railroad	Union Pacific Railroad Company
Indiana Railroad Company	Union Railroad
Intermodal Management Services	Wisconsin Central Ltd.
Iowa Interstate Railroad	
Lake Superior and Ishpeming Railroad	

### 1 – PUBLIC LAW BOARDS, SPECIAL BOARDS OF ADJUSTMENT AND ARBITRATION BOARDS

#### 1B UNIONS

American Train Dispatchers Association  
Amtrak Service Workers Council  
Association of Commuter Rail Employees  
Brotherhood of Locomotive Engineers  
& Trainmen-IBT  
Brotherhood of Maintenance of Way Employees-  
IBT  
Brotherhood of Railroad Signalmen  
Illinois Central Train Dispatchers Association  
Independent Railway Supervisors Association  
International Association of Machinists  
& Aerospace Workers  
International Association of Teamsters  
International Brotherhood of Blacksmiths  
& Boilermakers

International Brotherhood of Electrical Workers  
International Federation of Professional &  
Technical Engineers  
International Longshoremen's Association  
International Railway Supervisors Association  
Joint Council of Carmen, Helpers, Coach Cleaners  
& Apprentices  
Metropolitan Alliance of Police  
National Conference of Firemen and Oilers, SEIU  
Railway Independent Transit Union  
SMART-Sheet Metal, Air, Rail & Transportation  
SMART-Transportation Division  
Transportation Communications Union/IAM  
Transport Workers Union of America  
United Steelworkers of America

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

Earlene Baggett-Hayes  
David Bass  
Meeta Bass  
Edwin Benn  
Paul Betts  
Steven Bierig  
John R. Binau  
Patricia Bittel  
Ezio Borchini  
Daniel Brent  
Dennis Campagna  
Michael Capone  
Brian Clauss  
James E. Conway  
James Darby  
Francis J. Domzalski  
John Easley  
Lewis L. Ellsworth  
Joseph Fagnani  
Matthew Frankiewicz  
George Fitzsimmons  
Gayle Gavin  
Carmino Gianino  
Thomas Gibbons  
Charlotte Gold  
Robert Grey  
Patrick Halter  
Don Hampton  
Richard Hanft  
I B. Helburn

Ronald Hoh  
Michele Hoyman  
Louis Imundo  
Jeffrey Jacobs  
Jared Kasher  
Ann S. Kenis  
Andria Knapp  
Lisa S. Kohn  
Sinclair Kossoff  
Mitchell Kraus  
George Larney  
John LaRocco  
Michael Leech  
Charles Loughran  
Roger MacDougall  
Shelia Mayberry  
Andree McKissick  
Peter R. Meyers  
Clinton Miller  
William Miller  
Gail Moran  
Sidney Moreland  
Cary Morgen  
James Nash  
Debra Neveu  
Margo Newman  
Daniel Nielsen  
Kenneth O'Brien  
Robert M. O'Brien  
Angelique Palmer

Joan Parker  
Robert Perkovich  
Robert E. Peterson  
Richard H. Radek  
David Ray  
Thomas N. Rinaldo  
Sean Rogers  
Lynette A. Ross  
Martin Scheinman  
Barry E. Simon  
Lamont Stallworth  
Andrew Strongin  
Erica Tener  
David Twomey  
Kathryn VanDagens  
Pilar Vaile  
M. David Vaughn  
Gerald E. Wallin  
Lamont Walton  
Ruth Weatherly  
Floyd Weatherspoon  
Randy Weiss  
Elizabeth C. Wesman  
Burton White  
Charles Wise  
Jeanne Wood  
Carol Zamperini  
Jacalyn  
Zimmerman  
Marty E. Zusman

## 2 – LABOR PROTECTIVE PROVISIONS

– N/A

## 3 – UNION SHOPS

– N/A

## 4 – SYSTEM BOARDS OF ADJUSTMENT

Atlas Air and APA Teamsters Local 1224  
Arbitrator: Jeanne C. Wood

## 5 – ONLINE ARBITRATION REPORTS

The following online reports are “real time”; they are updated online as the NMB updates the underlying Case Tracking System. These reports are available on the Arbitration web page at: <http://awsreport.nmbarbitration.appspot.com/static/open.html>

### NRAB OPEN CASE REPORT

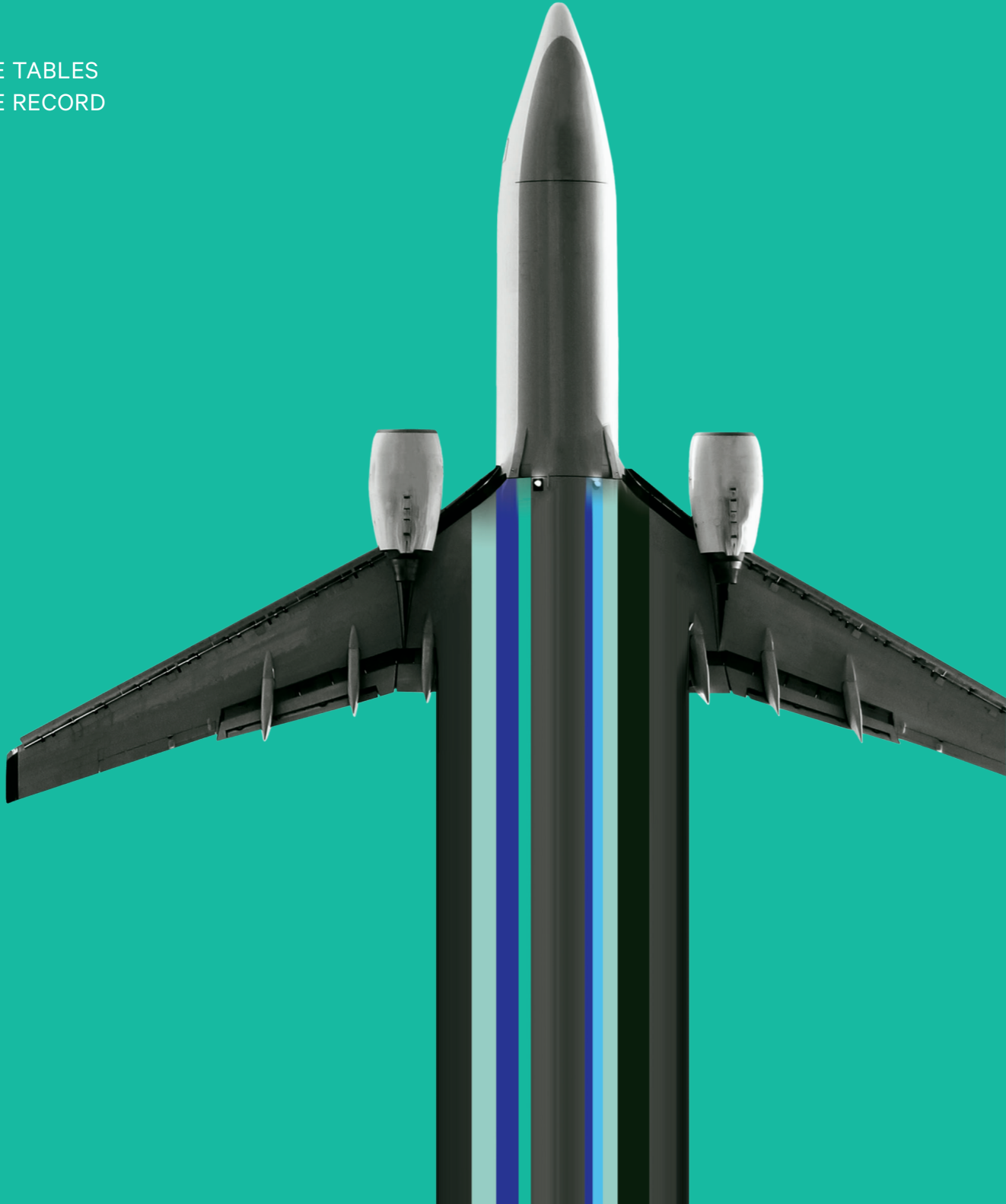
The NRAB Open Case Report shows all of the cases that are currently open for the NRAB. Shown in this report are the Arbitrator (if assigned), the parties, the date the case was opened, the date the case was deadlocked, and the date the case was heard.

### ARBITRATORS CASELOAD REPORT

This report lists by Arbitrator all of the open cases to which each Arbitrator is assigned. The report shows the parties involved, the date the case was opened, and the date the case was heard. Cases that have not been closed within 3 months of the hearing date are deemed late and this is also shown in the report.

# SUPPORTING REPORTS & TABLES

47 CASE TABLES  
53 CASE RECORD



## CASE TABLES

**TABLE 1  
CASES  
RECEIVED  
& CLOSED**

MEDIATION*	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	AVE. 2012-16
<b>START PENDING</b>	81	90*	100	98	91	92
<b>NEW</b>	27	36	44	38	53	40
<b>SUM</b>	108	126	144	136	144	132
<b>CLOSED</b>	48	45	55	36	46	46
<b>END-PENDING</b>	60	81	89	100	98	86
<b>ADR*</b>						
<b>START PENDING</b>	35	33*	30	26	23	29
<b>NEW</b>	45	75	70	40	32	52
<b>SUM</b>	80	108	100	66	55	82
<b>CLOSED</b>	41	73	58	36	29	47
<b>END-PENDING</b>	39	35	42	30	26	34
<b>REPRESENTATION</b>						
<b>START PENDING</b>	5	3	1		2	94
<b>NEW</b>	26	31	39	34	41	34
<b>SUM</b>	31	34	40	36	50	38
<b>CLOSED</b>	30	29	37	35	48	36
<b>END-PENDING</b>	1	5	3	1	2	3
<b>ARBITRATION*</b>						
<b>START PENDING</b>	6240	5133	3577	2084	2384	3883.6
<b>NEW</b>	4754	3816	4313	6576	3569	4605.6
<b>SUM</b>	10994	8949	7890	8660	5953	8489.2
<b>CLOSED</b>	3562	2702	2946	4332	3869	3482.2
<b>END-PENDING</b>	7432	6247	4944	4328	2084	5007

\*The Mediation Department completed a changeover from a manual to an automated case management system in Fiscal Year 2015. After the changeover was complete, the audit revealed an error in the old system which resulted in incorrect case numbers.

\*The automated case management system in Fiscal Year 2016 was updated resulting in a change in the start-pending case figures for Fiscal Year 2016.

**TABLE 2  
REPRESENTATION  
CASE  
DISPOSITIONS**

	<b>NUMBER OF CASES</b>	<b>NUMBER OF CRAFTS OR CLASSES</b>	<b>NUMBER OF EMPLOYEES INVOLVED</b>	<b>NUMBER OF EMPLOYEES PARTICIPATING</b>
<b>RAILROAD</b>				
Certifications	8	5	144	123
Dismissals	8	6	786	59
<b>TOTALS</b>	<b>16</b>	<b>11</b>	<b>930</b>	<b>182</b>
<b>AIRLINES</b>				
Certifications	11	5	22,144	17,444
Dismissals	3	3	465	0
<b>TOTALS</b>	<b>14</b>	<b>8</b>	<b>22,609</b>	<b>17,444</b>
<b>TOTALS - RAILROAD AND AIRLINES</b>	<b>30</b>	<b>19</b>	<b>23,539</b>	<b>17,626</b>

**TABLE 3  
RAILROAD  
REPRESENTATION  
& MEDIATION  
CASES CLOSED**

<b>RAILROADS</b>	<b>REPRESENTATION CASES</b>	<b>MEDIATION CASES</b>
Agents, Telegraphers and Towermen	0	
Boilermakers and Blacksmiths	0	
Brakemen and Conductors	0	
Carmen	0	
Clerical Office, Station and Storehouse Employees	1	
Conductors	0	
Dining Car Employees, Train and Pullman Porters	0	
Electrical Workers	0	
Engineers	0	
Engineers and Related Employees	0	
Firemen and Oilers	0	
Locomotive Engineers	1	
Locomotive Firemen and Hostlers	0	
Locomotive Maintenance Employees	0	
Longshoremen	0	
Machinists	0	
Maintenance of Way Employees	3	
Marine Service Employees	0	
Mechanical Department Foremen and/or Supervisor of Mechanics	0	
Operating and Non-Operating Employees	0	
Police Officers Below the Rank of Captain	0	
Power Directors (Supervisors)	0	
Railroad Freight Loaders and Handlers	0	
Sheet Metal Workers	0	
Signalmen	1	
Subordinate Officials in the Maintenance of Way Dept	0	
Subordinate Officials in the Maintenance of Equipment Department	0	
Subordinate Officials in the Maintenance of Way and Structures Department (B & B)	0	
Technical Engineers, Architects, Draftsmen and Allied Workers	0	
Train Dispatchers	1	
Train and Engine Service Employees	4	
Train, Engine and Yard Service Employees	0	
Transportation Operations Employees	0	
Yardmasters	0	
Combined Groups, Railroad	1	
Miscellaneous, Railroad	4	
<b>RAILROAD TOTAL</b>	<b>16</b>	

**TABLE 3  
AIRLINE  
REPRESENTATION  
& MEDIATION  
CASES CLOSED**

AIRLINE	REPRESENTATION CASES	MEDIATION CASES
Cockpit Crew Members	1	
Engineers and Related Employees	0	
Fleet and Passenger Service Employees	2	
Fleet Service Employees	1	
Flight Attendants	5	
Flight Crew Training Instructors	0	
Flight Deck Crew Members	0	
Flight Dispatchers	0	
Flight Engineers	0	
Flight Kitchen and Commissary Employees	0	
Flight Simulator Engineers	0	
Ground School Instructors	0	
Maintenance Training Specialists	0	
Mechanics and Related Employees	0	
Office Clerical Employees	0	
Passenger Service Employees	0	
Pilots	3	
Stock and Stores Employees	0	
Combined Groups, Airlines	0	
Miscellaneous, Airlines	2	
<b>AIRLINE TOTAL</b>	<b>14</b>	
<b>GRAND TOTAL RAILROADS AND AIRLINES</b>	<b>30</b>	



**TABLE 4  
RAILROAD  
REPRESENTATION  
DETERMINATIONS  
BY CRAFT OR  
CLASS**

<b>RAILROAD</b>	<b>NUMBER OF CASES</b>	<b>NUMBER OF CRAFT OR CLASS DETERMINATIONS</b>	<b>NUMBER OF EMPLOYEES</b>	<b>PERCENT OF EMPLOYEES INVOLVED</b>
Clerical Office, Station and Storehouse Employees	1	0	704	3
Carmen	0	0	0	0
Electrical Workers	0	0	0	0
Engineers	0	0	0	0
Locomotive Engineers	1	1	24	..
Locomotive Firemen and Hostlers	0	0	0	0
Locomotive Maintenance Employees	0	0	0	0
Machinists	0	0	0	0
Maintenance of Way Employees	3	3	38	..
Operating/Non-Operating Employees	1	0	14	..
Sheet Metal Workers	0	0	0	0
Signalmen	1	1	13	..
Train Dispatchers	1	1	26	..
Train and Engine Service Employees	4	4	100	..
Train, Engine and Yard Service Employees	0	0	0	0
Transportation Operations Employees	0	0	0	0
Yardmasters	0	0	0	0
Combined Groups, Railroad	0	0	0	0
Miscellaneous, Railroad	4	3	11	..
<b>RAILROAD TOTAL</b>	<b>16</b>	<b>13</b>	<b>930</b>	

**TABLE 4  
AIRLINE  
REPRESENTATION  
DETERMINATIONS  
BY CRAFT OR  
CLASS**

AIRLINE	NUMBER OF CASES	NUMBER OF CRAFT OR CLASS DETERMINATIONS	NUMBER OF EMPLOYEES	PERCENT OF EMPLOYEES INVOLVED
Cockpit Crew Members	0	0	0	0
Engineers and Related Employees	0	0	0	0
Fleet and Passenger Service Employees	2	2	5,525	23
Fleet Service Employees	1	1	280	1
Flight Attendants	5	5	15,043	64
Flight Crew Training				
Instructors	0	0	0	0
Flight Deck Crew Members	1	0	42	..
Flight Dispatchers	0	0	0	..
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	0	0	0	0
Office Clerical Employees	0	0	0	0
Passenger Service Employees	0	0	0	0
Pilots	3	2	915	3.8
Stock and Stores Employees	0	0	0	0
Combined Groups, Airlines	0	0	0	0
Miscellaneous, Airlines	2	0	804	3.6
<b>AIRLINE TOTAL</b>	<b>14</b>	<b>10</b>	<b>22,609</b>	
<b>GRAND TOTAL RAILROADS AND AIRLINES</b>	<b>30</b>	<b>23</b>	<b>23,539</b>	

**CASE  
RECORDS**

**1A AIRLINE  
MEDIATION  
CASES  
DOCKETED**

<b>CARRIER</b>	<b>UNION</b>	<b>CRAFT / CLASS</b>
Frontier Airlines	IBT	Maintenance Controllers
Hawaiian Airlines	ALPA	Pilots
Miami Air International	AFA	Flight Attendants
Delta Airlines	ALPA	Pilots
Great Lakes Aviation	IAM	Mechanics
Great Lakes Aviation	IAM	Clerks
Sun Country Airlines	IBT	Flight Attendants
Atlas Air	IBT	Flight Deck Crew
Spirit Airlines	ALPA	Pilots
Miami Air International	IBT	Flight Deck Crew
United Parcel Service	TWU	Dispatchers
Frontier Airlines	ALPA	Pilots

### 1B RAILROAD MEDIATION CASES DOCKETED

CARRIER	UNION	CRAFT / CLASS
National Carriers Conference Committee	TWU	Carmen
National Carriers Conference Committee	TCU	Carmen
National Carriers Conference Committee	TCU	Clerks
National Carriers Conference Committee	IAM	Machinists
National Carriers Conference Committee	IBEW	Electricians
Pan Am Railway	BMWE	Maintenance of Way
Pan Am Railway	BRS	Signalman
Indiana and Ohio Railroad	BLET	Engineers
New England Central Railroad	BLET	Train and Engine
Amtrak	PRLBC	Various
Indiana Railroad Company	BMWED	Maintenance of Way
New York, Susquehanna and Western Railroad	BMWED	Maintenance of Way
Union Railroad	USW	Office and Technical
Union Railroad	USW	Production Maintenance
PATH	SMART	Towermen

### 1C AIRLINE MEDIATION CASES CLOSED

CARRIER	UNION	CRAFT / CLASS
Allegiant Airlines	IBT	Pilots
FedEx	ALPA	Pilots
ExpressJet	ALPA	Pilots
NetJets	NJASAP	Pilots
NetJets	IBT	Flight Attendants
LSG/SkyChefs	Unite Here	Drivers/ Utilitymen
Spirit Airlines	AFA	Flight Attendants
Southwest Airlines	TWU	Ramp
Sun Country Airlines	ALPA	Pilots
Republic Airlines	IBT	Pilots
United Airlines	AFA	Flight Attendants
United Parcel Service	IPA	Pilots
Great Lakes Aviation	IAM	Mechanics
Continental Micronesia	AFA	Flight Attendants
Continental Airlines	AFA	Flight Attendants
Great Lakes Aviation	IAM	Clerks

## 1D RAILROAD MEDIATION CASES CLOSED

CARRIER	UNION	CRAFT / CLASS
Metra	NCFO	Laborers
Metra	SMART	Mechanics
Metra	IBEW	Electricians
Wisconsin Central Railroad	UTU-SMART	Yardmasters
Grand Trunk Railroad	UTU-SMART	Conductors
Illinois Central Railroad	UTU-SMART	Yardmasters
Iowa Pacific Railroad	SMART	Mechanics
Grand Elk Railroad	SMART	Mechanics
New York Susquehanna and Western Railroad	BMWED	Maintenance of Way
NJ Transit	TCU/IAM	Supervisors
NJ Transit	TCU/IAM	Clerks
NJ Transit	TCU/IAM	Carmen
NJ Transit	BLET	Engineers
NJ Transit	SMART-UTU	Yardmasters
NJ Transit	SMART-UTU	Conductors
NJ Transit	IAM	Machinists
NJ Transit	BRS	Signalmen
NJ Transit	NCFO	Laborers
NJ Transit	SMART-UTU	Mechanics
NJ Transit	ATDA	Dispatchers
NJ Transit	IBEW	Supervisors
NJ Transit	BMWE	MOW
NJ Transit	IBB	Boilermen
NJ Transit	TWU	Carmen/Cleaners
NJ Transit	IBEW	Electricians
Georgia Florida Railroad	SMART	Mechanics
Metra	MAP	Police
Metra	IAM	Mechanics
Grand Trunk Railroad	UTU	Yardmasters
Southeastern Pennsylvania Transit Authority	BLET	Engineers
Terminal Railroad	ATDA	Dispatchers
Union Railroad	UTU	Conductors

### 2A ADR CASES DOCKETED

CASE TYPE	CARRIER / ENTITY	UNION	GROUP
F	Virgin America	ALPA	Pilots
F	CSX	BRS	Signalmen
F	Hawaiian Airlines	AFA	Flight Attendants
GM	CSX	SMART	Conductors & Trainmen
GM	Illinois Central Railroad	SMART	Conductors
GM	Alaska Airlines	ALPA	Pilots
OP	Railway Labor Act Conference		
OP	Catholic University School of Professional & Continuing Studies		
OP	Dominican University		
OP	Labor Relations Association of Passenger Railroads		
OP	Hawaiian Airlines NMB Briefing		
OP	FedEx	ALPA	Pilots
OP	2016 Freight Rail Conference		
OP	Section 3 Meeting		
OP	Dunlop II Meeting		
OP	ALPA		
OP	National Railroad Adjustment Board Paperless Project		
OP	ABA Railway & Labor Law Committee Meeting		
OP	ABA Section of Dispute Resolution Conference		
OP	BLET Western General Chairman's Association		
OP	CSX	BRS	Signalmen
OP	AFA Leadership Conference		
OP	National Association of Railroad Referees 2016 Meeting		
OP	UPS	IPA	Pilots
T	CSX	SMART	
T		USACOA	Pilots

**2A ADR CASES  
DOCKETED  
CONTINUED**

CASE TYPE	CARRIER / ENTITY	UNION	GROUP
T	Mediator Meeting		
T	Mediator Meeting		
T	Mediator Meeting		
T	Mediator Meeting		
T	Mediator Meeting		
T	Dominican University Coaches Training		
T	Virgin America	ALPA	Pilots
T	Miami Air International	AFA	Flight Attendants
T	Dominican University Mediation Training		
T	Dominican University Negotiation Training		
T	Dominican University Mediation Training		
T	Dominican University Mediation Training		
T	Dominican University Negotiation Training		
T	Atlantic Southeast Airlines	ALPA	Pilots
T	Cathay Pacific	USACOA	Pilots
T	2016 Association of Labor Relations Agencies		
T	Federal Mediation & Conciliation Service		
T	Hawaiian Airlines	AFA	Flight Attendants
T	CSX		

### 2A ADR CASES CLOSED

CASE TYPE	CARRIER / ENTITY	UNION	GROUP
F	Hawaiian Airlines	IAM	Passenger Service, Fleet Service
F	CSX	BRS	Signalmen
F	CSX	BRS	Signalmen
GM	BNSF Railway	BMWED	Maintenance of Way Employees
OP	Railway Labor October Conference		
OP	Catholic University School of Professional & Continuing Studies		
OP	Dominican University		
OP	Labor Relations Association of Passenger Railroads		
OP	Hawaiian Airlines NMB Briefing		
OP	FedEx	ALPA	
OP	2016 Freight Rail Conference		
OP	Section 3 Meeting		
OP	Dunlop II Meeting		
OP	ALPA		
OP	ABA Railroad and Airline Labor Law Committee Meeting		
OP	ABA Section of Dispute Resolution Conference		
OP	BLET Western General Chairman's Association		
OP	CSX	BRS	
OP	AFA Leadership Conference		
OP	National Association of Railroad Referees 2016 Meeting		
T	Dominican University Negotiation Class		
T	Republic/Frontier Airlines	TWU	Dispatchers
T	Canadian Pacific Railway (Soo Line)	SMART	
T	Dominican University Mediation Class		
T	Dominican University Negotiation Class		
T	Dominican University Mediation Class		
T	Dominican University Mediation Class		
T	Keolis Commuter Services	7 Labor Unions	
T	CSX	SMART	
T		USACOA	Pilots
T	Mediator Meeting		
T	Mediator Meeting		
T	Mediator Meeting		
T	Mediator Meeting		
T	Dominican University Coaches Training for Mediation Class		
T	Virgin America	ALPA	Pilots
T	Miami Air International	AFA	Flight Attendants
T		IPA	Pilots
T	Cathay Pacific	USACOA	Pilots
T	Association of Labor Relations Agencies 2016 Conference		
T	Federal Mediation & Conciliation Service National Labor Management Conference		



### 3A AIRLINE REPRESENTATION CASES DOCKETED

CARRIER	UNION	CRAFT / CLASS
Air Transport Int'l American Airlines	AFA-CWA CWA/IBT Assoc.	Flight Attendants (R-7450) System Baggage Recovery Officers & Central
Support		Coordinators (CR-7154)
Allegiant Air	IBT	Flight Dispatchers (R-7468)
Corvus/RAVN	IBT	Pilots (R-7451)
Endeavor Air	PAFCA	Flight Dispatchers (R-7470)
Flight Options/ Flexjet	IBT	Pilots (R-7443)
Flight Services Int'l	TWU	Flight Attendants (R-7445)
GoJet Airlines, Inc.	AFA-CWA	Flight Attendants (R-7455)
McGee Air Services, Inc.	IAM	Fleet & Passenger Service (R-7467)
Mercy Air	NAGE	Emergency Medical Services Providers (R-7456)
Norwegian Air Shuttle ASA	NCCA	Cabin Crew (R-7461)
SM Cargo	IAM	Fleet Service (R-7465)
Southwest Airlines	TWU, AFA-CWA	Flight Attendants (R-7457)
Southwest Airlines	IAM	Crew Schedulers (R-7460)
Xtra Airways	Xtra Airways Pilot Association	Pilots (R-7448)

### 3B RAILROAD REPRESENTATION CASES DOCKETED

CARRIER	UNION	CRAFT / CLASS
Bay Line Railroad	SMART	MOW(R-7452)
Buffalo & Pittsburgh RR	SMART	Signalmen (R-7463)
Buffalo & Pittsburgh RR	SMART	MOW (R-7464)
Dakota, Minnesota & Eastern RR	IAM	Material Handlers (R-7462)
Lake State Railway	SMART-TD	Train & Engine (R-7466) Service Employees
Metro North Railroad	TCU/IAM	Clerical, Office, Station & Storehouse Employees (R-7446)
New England Central Railroad	BMWED-IBT	MOW (R-7458)
New York, Susquehanna & Western Ry.	BMWE	Train & Engine (R-7449)
Southern California Regional Rail Authority	ATDA	Service Employees Train Dispatchers (R-7453)
South Kansas & Oklahoma RR	SKOL MOW/BMWED	MOW (R-7454)
Texas Pacifico Transportation	BLET/Oscar De La Rosa	Locomotive Engineer/ Freight Conductor (R-7447)

### 3C AIRLINE REPRESENTATION CASES CLOSED

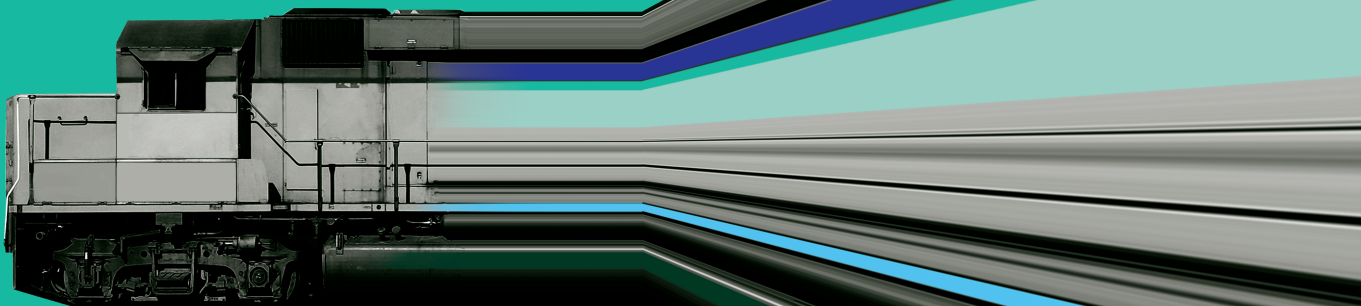
CARRIER	UNION	CRAFT / CLASS	DISPOSITION
Air Transport Int'l	AFA-CWA	Flight Attendants	Certification (R-7450)
Allegiant Air	TWU/ Steven Stoecker	Flight Dispatchers	Certification (R-7438)
Corvus/RAVN	IBT	Pilots	Dismissal (R-7451)
Envoy Air	CWA	Fleet & Passenger Service Employees	Certification (R-7444)
Flight Options/ Flexjet	IBT	Pilots	Certification (R-7443)
Flight Services Int'l	TWU	Flight Attendants	Certification (R-7445)
GoJet Airlines, Inc.	AFA-CWA	Flight Attendants	Certification (R-7455)
McGee Air Services, Inc.	IAM	Fleet & Passenger Service Employees	Certification (R-7467)
Mercy Air	NAGE	Emergency Medical Services Providers	Dismissal (R-7456)
Norwegian Air Shuttle ASA	NCCA	Cabin Crew	Certification (R-7461)
SM Cargo	IAM	Fleet Service	Certification (R-7465)
Southwest Airlines	TWU, AFA-CWA	Flight Attendants	Certification (R-7457)
Southwest Airlines	IAM	Crew Schedulers	Dismissal (R-7460)
Xtra Airways	Xtra Airways Pilot Association	Pilots	Certification (R-7448)

## 3D RAILROAD REPRESENTATION CASES CLOSED

CARRIER	UNION	CRAFT / CLASS	DISPOSITION
Bay Line RR	SMART	MOW	Dismissal (R-7452)
Buffalo & Pittsburgh RR	SMART	Signalmen	Certification (R-7463)
Buffalo & Pittsburgh RR	SMART	MOW	Certification (R-7464)
Central Maine & Quebec Ry.	SMART	Train & Engine Service Employees	Certification (R-7440)
Central Maine & Quebec Ry.	SMART	Non-Operating Employees	Certification (R-7442)
Dakota, Minnesota & Eastern RR	IAM	Material Handlers	Dismissal (R-7462)
Eastern Illinois RR	SMART	Train & Engine Service Employees	Certification (R-7437)
Kyle RR	SMART	Mechanical Shop Employees	Dismissal (R-7469)
Lake State Ry.	SMART-TD	Train & Engine Service Employees	Dismissal (R-7466)
Long Island RR	IRSA	Road Foreman	Dismissal (R-7441)
Metro North RR	TCU/IAM	Clerical, Office, Station & Storehouse Employees	WDI-Dismissal (R-7446)
New England Central RR	BMWED-IBT	MOW	Certification (R-7458)
New York, Susquehanna & Western Ry.	BMWE	Train & Engine Service Employees	Certification (R-7449)
Southern California Regional Rail Authority	ATDA	Train Dispatchers	FUI-Dismissal (R-7453)
South Kansas & Oklahoma RR	SKOL MOW/BMWED	MOW	Dismissal (R-7454)
Texas Pacifico Transportation	BLET/Oscar De La Rosa	Locomotive Engineer/ Freight Conductor	Certification (R-7447)

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## CHIEF FINANCIAL OFFICER LETTER

**NOVEMBER 4, 2016**

I am pleased to present the National Mediation Board's Performance and Accountability Report Financial section. This report shows both the progress we made in Fiscal Year 2016, and our plans to continue improving future performance. The principal financial statements and notes that follow explain the NMB's financial position as of September 30, 2016, and detail the use of agency's financial resources to achieve performance results.

Based on an independent audit, the NMB has received an "Unqualified Audit Opinion" on its financial statements. Along with the "Unqualified Audit Opinion," the report of independent auditors found "No Material Weaknesses or Significant Deficiencies" in the design and operation of the agency's system of internal controls over financial reporting. The audit opinion reflects a financial operation that meets U.S. Department of the Treasury guidance, the Office of Management and Budget (OMB), federal financial regulations, and generally accepted accounting principles.

Fiscal year 2016 saw monumental improvement substantially exceeding the Small Business Administration's Government-wide goal to ensure that small businesses get their fair share of work with the federal government by awarding the following:

- Small Business Goal 5 percent – Actual awards 11.97 percent
- Small Disability Business Goal 3 percent – Actual awards 10.83 percent
- Women-Owned Business Goal 5 percent – Actual awards 2.99 percent

This section also includes FY 2016 financial information and uses our performance results to show how we optimized our financial resources to protect consumers and maintain competition. The NMB is committed to exemplary financial management, and the enhancement of operational efficiency through a variety of cost-saving efforts.

We will continue to focus on identifying solutions to maintain our financial stability, ensure transparency and accountability, and maintain high levels of mission performance and employee satisfaction and morale. We are confident that the NMB's financial and performance data are complete, accurate, and reliable. We will also continue to seek ways to strengthen and improve the agency's system for the administrative control of funds.

The NMB is dedicated to the performance and accountability standards established by the President and Congress, and is keenly aware of the role of sound financial management practices in good government. The NMB's financial professionals will work together to improve financial management and accountability in support of our agency's mission.

The NMB continues to strive to maintain an environment in which program and financial managers work to ensure the integrity of financial information, and use that information in decision-making and performance measurement.

Respectfully,



**SAMANTHA JONES**

Assistant Chief of Staff, Administration & 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 which comprise the balance sheet as of September 30, 2016 and 2015 the related statement of net cost, changes in net position, and combined statement of budgetary resources for the year 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 U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the fiscal year 2016 and 2015 financial statements of NMB based on our audit. We conducted our audit 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 OMB Bulletin No. 15-02, Audit Requirements for Federal Financial Statements. Those standards and OMB Bulletin No. 15-02 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 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, 2016 and 2015, and its net costs, changes in net position, and budgetary resources for the year then ended in conformity with general accepted accounting principles in the United States of America.

**INDEPENDENT  
AUDITORS'  
REPORT  
CONTINUED****OTHER INFORMATION**

The information in the Management and Discussion Analysis section of this report is not a required part of the basic financial statements, but is supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of this information. 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 the financial statements as of and for the year ended September 30, 2016, we considered NMB's internal control over financial reporting by obtaining an understanding of NMB's internal control, determining whether internal control had been placed in operation, assessing control risk, and performing tests of control to determine auditing procedures for the purpose of expressing our opinion on the financial statements, but not to provide an opinion on the effectiveness of NMB 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. 15-02. We did not test all internal control relevant to operating objectives as broadly defined by the Federal Managers' Financial Integrity Act of 1982.

Our consideration of internal control over financial reporting was for the limited purpose as described in the paragraph above and was not designed to identify all deficiencies in internal control over financial reporting that might be a control deficiency, significant deficiency, or material weakness.

A control 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 significant deficiency is a control deficiency or a combination of control deficiencies, that adversely affects NMBs' ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the NMB's financial statements that is more than inconsequential will not be prevented or detected. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected.

In our fiscal year 2016 audit, we did not identify any deficiencies in internal control over financial reporting that we considered to be a material weakness or significant deficiency, as defined above.

We noted certain matters that we will report to NMB management in a separate letter.

**INDEPENDENT  
AUDITORS'  
REPORT  
CONTINUED**

**COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether NMBs' fiscal year 2016 and 2015 financial statements are free of material misstatements, we performed test of NMBs' compliance with certain provisions of laws and regulations, which noncompliance with could have a direct and material effect on the determination of the consolidated financial statement amounts, and certain provisions of other laws specified in OMB Bulletin No. 15-02. 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. 15-02.

This report is intended solely for the information of NMB management, OMB, and Congress. This report is not intended to be and should not be used by anyone other than these specified parties.

*Allmond & Company, LLC*

**ALLMOND & COMPANY, LLC**

November 4, 2016

Certified Public Accountants  
8181 Professional Place, Suite 250  
Landover, Maryland 20785  
(301) 918 8200



**BALANCE  
SHEET AS OF  
SEPTEMBER 30,  
2016 & 2015  
(IN DOLLARS)**

<b>ASSETS</b>	<b>2016</b>	<b>2015</b>
Intragovernmental		
Fund Balance with Treasury (Note 2)	\$ 7,091,321	\$ 7,120,208
Accounts Receivable, Net	4,235	4,251
<b>TOTAL ASSETS</b>	<b>\$ 7,095,556</b>	<b>\$ 7,124,459</b>
<b>LIABILITIES</b>		
Intragovernmental		
Accounts Payable	\$ 100,270	\$ 216,861
Employer Contributions and Taxes Payable	50,919	39,338
<b>TOTAL INTRAGOVERNMENTAL</b>	<b>151,189</b>	<b>256,199</b>
Accounts Payable	632,550	115,981
Accrued Payroll and Benefits	205,229	161,365
Unfunded Annual Leave (Note 3)	492,780	474,417
Contingent Liability (Note 6)	-	175,000
<b>TOTAL LIABILITIES</b>	<b>\$ 1,481,748</b>	<b>\$ 1,182,962</b>
<b>NET POSITION</b>		
Unexpended Appropriations	\$ 6,102,352	\$ 6,586,663
Cumulative Results of Operations	(488,544)	(645,166)
<b>TOTAL NET POSITION</b>	<b>\$ 5,613,808</b>	<b>\$ 5,941,497</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 7,095,556</b>	<b>\$ 7,124,459</b>

**STATEMENT  
OF NET COST  
FOR THE FISCAL  
YEARS ENDING  
SEPTEMBER 30,  
2016 & 2015  
(IN DOLLARS)**

<b>PROGRAM COSTS</b>	<b>2016</b>	<b>2015</b>
Mediation/ADR Gross Cost	\$ 7,700,989	\$ 7,233,742
<b>TOTAL MEDIATION/ADR</b>	<b>\$ 7,700,989</b>	<b>\$ 7,233,742</b>
Representation Gross Cost	\$ 2,220,764	\$ 2,243,999
<b>TOTAL REPRESENTATION</b>	<b>\$ 2,220,764</b>	<b>\$ 2,243,999</b>
Arbitration Gross Cost	\$ 3,144,844	\$ 2,566,043
<b>TOTAL ARBITRATION</b>	<b>\$ 3,144,844</b>	<b>\$ 2,566,043</b>
Presidential Emergency Board Gross Cost	\$ 77,069	\$ 103,707
<b>TOTAL PRESIDENTIAL EMERGENCY BOARD</b>	<b>\$ 77,069</b>	<b>\$ 103,707</b>
<b>TOTAL GROSS PROGRAM COSTS</b>	<b>\$ 13,143,666</b>	<b>\$ 12,147,491</b>
<b>NET PROGRAM COSTS (NOTE 7)</b>	<b>\$ 13,143,666</b>	<b>\$ 12,147,491</b>

**STATEMENT OF  
CHANGES IN  
NET POSITION  
FOR THE FISCAL  
YEARS ENDING  
SEPTEMBER 30,  
2016 & 2015  
(IN DOLLARS)**

	2016	2015
<b>CUMULATIVE RESULTS OF OPERATIONS</b>		
Beginning Balances	\$ (645,166)	\$ (512,920)
<b>BUDGETARY FINANCING SOURCES</b>		
Appropriations Used	12,891,227	11,616,730
<b>OTHER FINANCING SOURCES (NON-EXCHANGE)</b>		
Imputed Financing Sources (Note 4)	409,061	398,515
Net Cost of Operations	(13,143,666)	(12,147,491)
Net Change	156,622	(132,246)
Cumulative Results of Operations	\$ (488,544)	\$ (645,166)
<b>UNEXPENDED APPROPRIATIONS</b>		
Beginning Balances	\$ 6,586,663	\$ 5,652,637
<b>BUDGETARY FINANCING SOURCES</b>		
Appropriations Received	13,230,000	13,227,000
Other Adjustments	(823,084)	(676,244)
Appropriations Used	(12,891,227)	(11,616,730)
<b>TOTAL BUDGETARY FINANCING SOURCES</b>	<b>(484,311)</b>	<b>934,026</b>
<b>TOTAL UNEXPENDED APPROPRIATIONS</b>	<b>\$ 6,102,352</b>	<b>\$ 6,586,663</b>
<b>NET POSITION</b>	<b>\$ 5,613,808</b>	<b>\$ 5,941,497</b>

**STATEMENT OF  
BUDGETARY  
RESOURCES  
FOR THE FISCAL  
YEARS ENDING  
SEPTEMBER 30,  
2016 & 2015  
(IN DOLLARS)**

	2016	2015
<b>BUDGETARY RESOURCES</b>		
Unobligated Balance Brought Forward, October 1	\$ 3,977,704	\$ 3,467,179
Recoveries of Prior Year Unpaid Obligations	515,835	879,280
Other Changes in Unobligated Balance	(798,971)	(582,526)
Unobligated Balance from Prior Year Budget Authority, Net	3,694,568	3,763,933
Appropriations	13,230,000	13,227,000
<b>TOTAL BUDGETARY RESOURCES</b>	<b>\$ 16,924,568</b>	<b>\$ 16,990,933</b>
<b>STATUS OF BUDGETARY RESOURCES</b>		
New Obligations and Upward Adjustments (Note 8)	\$ 12,753,745	\$ 13,013,229
<b>UNOBLIGATED BALANCE, END OF YEAR</b>		
Apportioned, Unexpired Account	713,813	566,880
Unapportioned, unexpired Accounts	3,457,010	3,410,824
<b>TOTAL UNOBLIGATED BALANCE, END OF YEAR (TOTAL)</b>	<b>4,170,823</b>	<b>3,977,704</b>
<b>TOTAL BUDGETARY RESOURCES</b>	<b>\$ 16,924,568</b>	<b>\$ 16,990,933</b>
<b>CHANGE IN OBLIGATED BALANCE UNPAID OBLIGATIONS</b>		
Unpaid obligations, brought forward, October 1	\$ 3,142,504	\$ 2,705,722
New Obligations and Upward Adjustments (Note 8)	12,753,745	13,013,229
Outlays (gross)	(12,459,916)	(11,697,167)
Recoveries of Prior Year Unpaid Obligations	(515,835)	(879,280)
Unpaid Obligations, End of Year	\$ 2,920,498	\$ 3,142,504
<b>MEMORANDUM ENTRIES</b>		
<b>OBLIGATED BALANCE, START OF YEAR</b>	<b>\$ 3,142,504</b>	<b>\$ 2,705,722</b>
<b>OBLIGATED BALANCE, END OF YEAR</b>	<b>\$ 2,920,498</b>	<b>\$ 3,142,504</b>
<b>BUDGET AUTHORITY AND OUTLAYS, NET</b>		
Budget Authority, gross	\$ 13,230,000	\$ 13,227,000
Actual Offsetting Collections	(24,112)	(93,718)
Recoveries of Prior Year Paid Obligations	24,112	93,718
<b>BUDGET AUTHORITY, NET (TOTAL)</b>	<b>\$ 13,230,000</b>	<b>\$ 13,320,718</b>
Outlays, Gross	\$ 12,459,916	\$ 11,697,167
Actual Offsetting Collections	(24,112)	(93,718)
<b>AGENCY OUTLAYS, NET</b>	<b>\$ 12,435,804</b>	<b>\$ 11,603,449</b>

**NOTES TO  
FINANCIAL  
STATEMENTS  
SEPTEMBER 30,  
2016 &  
SEPTEMBER 30,  
2015****NOTES TO PRINCIPAL STATEMENTS****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 four 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.

**NOTES TO  
FINANCIAL  
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CONTINUED****D. 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, 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 is recognized as financing sources when the assets are purchased.

**E. USE OF ESTIMATES**

The preparation of the accompanying financial statements in accordance with U.S. 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.

**F. FUND BALANCES WITH THE US DEPARTMENT OF TREASURY**

The U.S. Treasury (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.

**G. 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.

**H. 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.

**I. 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.

**NOTES TO  
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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.

**J. ACCRUED PAYROLL AND BENEFITS**

Accrued payroll and benefits reflect salaries and benefits that have been earned, but not disbursed as of September 30, 2016. Accrued payroll and benefits are payable to employees and are therefore not classified as Intragovernmental.

**K. 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.

**L. RETIREMENT PLAN**

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.

**M. COMMITMENTS AND CONTINGENCIES**

A commitment is a preliminary action that reserves available funds until an obligation is made which 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 the 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 probable. 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 are not probable.

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**NOTE 2: FUND BALANCES WITH TREASURY**

Fund Balance with Treasury account balances as of September 30, 2016 and 2015 were as follows:

	2016	2015
<b>FUND BALANCES</b>		
General Funds	\$ 7,091,321	\$ 7,120,208
<b>TOTAL</b>	<b>\$ 7,091,321</b>	<b>\$ 7,120,208</b>

**STATUS OF FUND BALANCE WITH TREASURY**

Unobligated Balance Available	\$ 713,813	\$ 566,880
Unavailable	3,457,010	3,410,824
Obligated Balance Not Yet Disbursed	2,920,498	3,142,504
<b>TOTAL</b>	<b>\$ 7,091,321</b>	<b>\$ 7,120,208</b>

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: LIABILITIES COVERED AND NOT COVERED BY BUDGETARY RESOURCES**

Liabilities Covered and Not Covered by Budgetary Resources as of September 30, 2016 and 2015 consist of the following:

	2016	2015
<b>LIABILITIES NOT COVERED BY BUDGETARY RESOURCES</b>		
Contingent Liabilities	-	175,000
Unfunded Leave	\$ 492,780	\$ 474,417
Total Liabilities Not Covered by Budgetary Resources	\$ 492,780	\$ 649,417
Total Liabilities Covered by Budgetary Resources	988,968	533,545
<b>TOTAL LIABILITIES</b>	<b>\$ 1,481,748</b>	<b>\$ 1,182,962</b>



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**NOTE 4: PENSIONS, OTHER RETIREMENT BENEFITS, AND OTHER POST RETIREMENT BENEFITS**

The NMB reports the full cost of employee pensions, other retirement benefits, and other post-employment benefits in accordance with SFFAS No. 5, Accounting for Liabilities of the Federal Government. Although the NMB funds a portion of the benefits under FERS and CSRS relating to its employees and withholds the necessary payroll deductions, a portion of the Normal Pension Cost remains unpaid. SFFAS No. 5 requires the recognition of this remaining cost as imputed financing.

Pension and other retirement benefit expenses are calculated using cost factors determined by actuaries at the Office of Personnel Management. These cost factors are calculated based on economic and demographic assumptions. The cost factor is multiplied by the basic pay in order to obtain the "Normal Cost" for the accounting period. This Normal Cost is the present value of the projected benefits of each employee allocated on a level basis over the service of the employee between entry age and assumed exit age.

The imputed financing amount represents the difference between the employer's total pension expense and the employer's contribution.

Imputed Financing Sources in 2016 and 2015 consists of the following:

	2016	2015
Office of Personnel Management	\$ 409,061	\$ 398,515
<b>TOTAL IMPUTED FIANCING SOURCES</b>	<b>\$ 409,061</b>	<b>\$ 398,515</b>

**NOTE 5: ACCOUNTING FOR LEASES**

**OPERATING LEASES:**

NMB occupies office space under a lease agreement with the General Services Administration (GSA) that is accounting for as an operating lease. The lease term was for a period of eleven years began on November 1, 2005 and expires on October 31, 2016. 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.

OPERATING LEASE FISCAL YEAR	OFFICE SPACE
2015	1,418,181
2016	1,434,348
2017	-
2018	987,880
2019	1,206,501
2020	1,227,890
2021	1,249,921
2022	1,272,613
2023	1,295,985
2024	1,320,059
2025	1,344,855
2026	1,370,395
<b>TOTAL FUTURE PAYMENTS</b>	<b>\$ 14,128,628</b>

**NOTES TO  
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**NOTE 6: CONTINGENT LIABILITIES**

**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, 2016 and 2015 is 5,873 and 3,673 respectively. If these cases were assigned, we estimate it would cost \$3,699,990 in fiscal year 2016 and \$2,313,990 in fiscal year 2015 for arbitrators to hear and render an award on these cases.

**NOTE 7: INTRAGOVERNMENTAL COSTS AND EXCHANGE REVENUE**

The purpose of this classification of NMB's revenue and cost is to enable the Federal Government to provide consolidated financial statements, and not to match public and intragovernmental revenue with costs that are incurred to produce public and intragovernmental revenue. The intragovernmental costs relate to the source of goods and services purchased by NMB and are treated independently from the classification of related revenue.

<b>PROGRAM COSTS</b>	<b>2016</b>	<b>2015</b>
<b>MEDIATION/ADR</b>		
Intragovernmental Costs	\$ 2,336,021	\$ 2,415,698
Public Costs	5,364,968	4,818,044
<b>TOTAL MEDIATION/ADR</b>	<b>\$ 7,700,989</b>	<b>\$ 7,233,742</b>
<b>REPRESENTATION</b>		
Intragovernmental Costs	\$ 832,629	\$ 926,929
Public Costs	1,388,135	1,317,070
<b>TOTAL REPRESENTATION</b>	<b>\$ 2,220,764</b>	<b>\$ 2,243,999</b>
<b>ARBITRATION</b>		
Intragovernmental Costs	\$ 596,260	\$ 604,713
Public Costs	2,548,584	1,961,330
<b>TOTAL ARBITRATION</b>	<b>\$ 3,144,844</b>	<b>\$ 2,566,043</b>
<b>PRESIDENTIAL EMERGENCY BOARD</b>		
Intragovernmental Costs	\$ 1,738	\$ 3,271
Public Costs	75,331	100,436
<b>TOTAL PRESIDENTIAL EMERGENCY BOARD</b>	<b>\$ 77,069</b>	<b>\$ 103,707</b>
Total Intragovernmental Costs	\$ 3,766,648	\$ 3,950,611
Total Public Costs	9,377,018	8,196,880
Total Gross Program Costs	13,143,666	12,147,491
<b>NET PROGRAM COSTS</b>	<b>\$ 13,143,666</b>	<b>\$ 12,147,491</b>

**NOTES TO  
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**NOTE 8: APPORTIONMENT CATEGORIES OF NEW OBLIGATIONS**

A new obligation reported on the Statement of Budgetary Resources in 2016 and 2015 consists of the following:

<b>DIRECT OBLIGATIONS</b>	<b>2016</b>	<b>2015</b>
Category A	\$ 12,631,515	\$ 12,903,817
Category B	122,230	109,412
<b>NEW OBLIGATIONS AND UPWARD ADJUSTMENTS</b>	<b>\$ 12,753,745</b>	<b>\$ 13,013,229</b>

**NOTE 9: UNDELIVERED ORDERS AT THE END OF THE PERIOD**

The amount of budgetary resources obligated for undelivered orders at September 30, 2016 and 2015 is \$1,931,529 and \$2,608,959 respectively.

**NOTE 10: STATEMENT OF BUDGETARY RESOURCES VS. BUDGET OF THE UNITED STATES GOVERNMENT**

The reconciliation as of September 30, 2015 is presented below. The 2017 Budget of the United States Government, with the Actual Column completed for FY 2016, had not been published as of the date of these financial statements. The budget is expected to be published and delivered to Congress in early February 2017. The National Mediation Board Budget Appendix can be found on the OMB website (<http://www.whitehouse.gov/omb/budget>).

For the Fiscal Year Ended September 30, 2015 (In Millions)

	<b>BUDGETARY RESOURCES</b>	<b>OBLIGATIONS INCURRED</b>	<b>DISTRIBUTED OFFSETTING RECEIPTS</b>	<b>NET OUTLAYS</b>
Statement of Budgetary Resources	\$ 13	\$ 13		\$ 12
Difference - Adjustment for Rounding				1
<b>BUDGET OF THE U.S. GOVERNMENT</b>	<b>\$ 13</b>	<b>\$ 13</b>	<b>\$ -</b>	<b>\$ 13</b>

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**NOTE 11: RECONCILIATION OF NET COST OF OPERATIONS (PROPRIETARY) TO BUDGET**

<b>RESOURCES USED TO FINANCE ACTIVITIES</b>	<b>2016</b>	<b>2015</b>
Budgetary Resources Obligated		
Obligations Incurred	\$ 12,753,745	\$ 13,013,229
Spending Authority From Offsetting Collections and Recoveries	(539,947)	(972,997)
Obligations Net of Offsetting Collections and Recoveries	12,213,798	12,040,232
Net Obligations	12,213,798	12,040,232
Other Resources Imputed Financing From Costs		
Imputed Financing From Costs Absorbed By Others	409,061	398,515
Net Other Resources Used to Finance Activities	409,061	398,515
<b>TOTAL RESOURCES USED TO FINANCE ACTIVITIES</b>	<b>12,622,859</b>	<b>12,438,747</b>
<b>RESOURCES USED TO FINANCE ITEMS NOT PART OF THE NET COST OF OPERATIONS</b>		
Services and Benefits Ordered But Not Yet Provided	677,430	(423,501)
Total Resources Used to Finance Items Not Part of Net Cost of Operations	677,430	(423,501)
Total Resources Used to Finance the Net Cost of Operations	13,300,289	12,015,246
<b>COMPONENTS OF THE NET COST OF OPERATIONS THAT WILL NOT REQUIRE OR GENERATE RESOURCES IN THE CURRENT PERIOD</b>		
Components Requiring or Generating Resources in Future Periods Increase In Annual Leave Liability	18,362	2,373
Other	-	100,000
Total Components of Net Cost of Operations That Will Require or Generate Resources In Future Periods	18,362	102,373
Components Not Requiring or Generating Resources Depreciation and Amortization	-	30,811
Other	(174,985)	(939)
Total Components of Net Cost of Operations That Will Not Require or Generate Resources	(174,985)	29,872
Total Components of Net Cost of Operations That Will Not Require or Generate Resources In The Current Period	(156,623)	132,245
<b>NET COST OF OPERATIONS</b>	<b>\$ 13,143,666</b>	<b>\$ 12,147,491</b>

**MANAGEMENT  
ASSURANCES**

This section provides information on NMB's compliance with the Federal Managers' 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 costs 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 Chairman to provide an assurance statement on the adequacy of management controls.

**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 directors' knowledge of daily operations and other management reviews, the NMB is able to provide reasonable assurance that, as of September 30, 2016, its internal controls over the effectiveness and efficiency of operations were compliant with applicable laws and regulations, and no material weaknesses were found.



**LINDA A. PUCHALA**

Chairman

November 15, 2016

## **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 the payroll Electronic Funds Transfer (EFT) payments. The NMB does not administer any entitlement, grant, or loan programs.

## **FEDERAL TRAVEL CARD PROGRAM**

The NMB is a full participant in the Federal Travel Card Program, and has issued travel credit cards to employees whose official duties may require frequent travel. The Office of Administration (OA) along with the Bureau of Fiscal Services (BFS) routinely monitors each employee's use of the travel card to ensure that charge activities are restricted to official government travel-related expenses, and that the employee is paying his/her credit card bills on-time. BFS processes all travel-related expenses on behalf of the NMB. The BFS will reimburse all travel-related expenses within an average of 5 business days after receipt of their completed travel voucher which is audited and approved by the OA. All NMB Travel Credit card holders are required to complete the required Government Travel credit card training. In addition, NMB requires all travel card holders to complete GSA Travel Basic training on an annual basis. All NMB Management officials are required to complete training in GSA Travel Basic, Attending a Conference, Approval Officials Responsibility and Federal Travel Regulations (FTR) In-Depth on an annual basis.

## **FEDERAL PURCHASE CARD PROGRAM**

During this period, the NMB continued its use of the U.S. Government's purchase card program to expedite the purchase of authorized supplies and services. The NMB has an internal process that requires an approved purchase request form for all requests. Also, requesters must ensure that any item that is being requested for purchase is in compliance with Section 508 of the Rehabilitation Act of 1973. The NMB's Purchase Request form has been modified to include 508 language certifying compliance. This purchase request is reviewed and approved by the office director before being submitted to the OA for action. Prior to the approval of the Assistant Chief of Staff, Administration the purchase request is verified to confirm that the request does not exceed the micro purchase limit. The OA staff determines the vendor to procure the requested goods and/or services.

# APPENDIX

82 GLOSSARY

85 ACROYSMS



**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.



## GLOSSARY

**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 negotiations 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 which 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-a-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.

**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 that 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.

**GLOSSARY**

**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 (PLB)** 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**

<b>AA</b>	American Airlines
<b>ABA</b>	American Bar Association
<b>ABX</b>	Airborne Express
<b>A-Case</b>	An NMB designation for a Mediation case
<b>ACR</b>	Association for Conflict Resolution
<b>ACRE</b>	Association of Commuter Rail Employees
<b>ADR</b>	Alternative Dispute Resolution
<b>ADRS</b>	Alternative Dispute Resolution Services
<b>AE</b>	American Eagle
<b>AFA</b>	Association of Flight Attendants
<b>AFL-CIO</b>	American Federation of Labor and Congress of Industrial Organizations
<b>AFR</b>	Air Freight Representatives
<b>AFSCME</b>	American Federation of State, County and Municipal Employees
<b>AIRCON</b>	Airline Industrial Relations Conference
<b>ALI-ABA</b>	American Law Institute-American Bar Association
<b>ALPA</b>	Air Line Pilots Association
<b>AMFA</b>	Aircraft Mechanics Fraternal Association
<b>AMTRAK</b>	National Railroad Passenger Corporation (NRPC)
<b>AMTTI</b>	Air Tran Maintenance Technical Training Instructors
<b>APA</b>	Allied Pilots Association
<b>APFA</b>	Association of Professional Flight Attendants
<b>ARASA</b>	America Railway and Airway Supervisors Association
<b>ARB</b>	Arbitration
<b>ATDA</b>	American Train Dispatchers Association
<b>ATDD</b>	American Train Dispatchers Department (BLET)
<b>AVG</b>	Average
<b>BCW</b>	Brotherhood of Communication Workers
<b>BHPP</b>	Brotherhood of Hoggers and Pin-Pullers
<b>BLET</b>	Brotherhood of Locomotive Engineers and Trainmen
<b>BMWE</b>	Brotherhood of Maintenance of Way Employees [Employees]
<b>BMWED</b>	Brotherhood of Maintenance of Way Employees Division
<b>BNSF</b>	Burlington Northern and Santa Fe
<b>BPD</b>	Bureau of Public Debt
<b>BRC</b>	Brotherhood of Railway Carmen
<b>BRS</b>	Brotherhood of Railroad Signalmen
<b>CA</b>	Confidential Assistant
<b>CBA</b>	Collective Bargaining Agreement
<b>CFO</b>	Chief Financial Officer
<b>CGE</b>	Concur Government Edition Travel Services
<b>CIO</b>	Chief Information Officer
<b>CLE</b>	Continuing Legal Education
<b>CMI</b>	Continental Micronesia
<b>COOP</b>	Continuity of Operations Plan
<b>COS</b>	Chief of Staff
<b>CP</b>	Canadian Pacific
<b>CRU</b>	Coalition of Rail Unions
<b>CSR</b>	Customer Service Representative
<b>CSX / CSXT</b>	CSX Transportation, Inc.
<b>CWA</b>	Communication Workers of America

**ACRONYMS**

<b>D&amp;H</b>	Delaware and Hudson
<b>DC</b>	District of Columbia
<b>DEN</b>	Denver International Airport
<b>DOT</b>	Department of Transportation
<b>EO</b>	Executive Order
<b>F Case</b>	An ADR designation for Facilitation cases (F and F-ODR)
<b>F&amp;O</b>	Firemen & Oilers
<b>FAA</b>	Federal Aviation Administration
<b>FAA ACT</b>	Federal Aviation Administration Modernization and Reform Act of 2012
<b>FAR</b>	Federal Acquisition Regulation
<b>FFMIA</b>	Federal Financial Management Improvement Act
<b>FISMA</b>	Federal Information Security Management Act
<b>FMFIA</b>	Federal Managers' Financial Integrity Act of 1982
<b>FOIA</b>	Freedom of Information Act
<b>FPS</b>	Facilitative Problem Solving
<b>FUI</b>	Findings Upon Investigation
<b>FY</b>	Fiscal Year
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GAO</b>	Government Accountability Office
<b>GC</b>	General Counsel
<b>GLOWS</b>	Accounting System Used by NMB
<b>GM</b>	Grievance Mediation
<b>GM-Case</b>	An ADR designation for Grievance Mediation cases (GM and GM-ODR)
<b>GPRA</b>	Government Performance and Results Act
<b>GSA</b>	General Services Administration
<b>HELP</b>	Health, Education, Labor and Pensions
<b>HERE</b>	Hotel Employees and Restaurant Employees International Union
<b>IAM</b>	International Association of Machinists & Aerospace Workers
<b>IAMAW</b>	International Association of Machinists & Aerospace Workers
<b>IBB</b>	International Brotherhood of Blacksmith & Boilers
<b>IBEW</b>	International Brotherhood of Electrical Workers
<b>IBT</b>	International Brotherhood of Teamsters
<b>IFPTE</b>	International Federation of Professional & Technical Engineers
<b>IHB</b>	Indiana Harbor Belt
<b>JD</b>	Juris Doctor (Doctor of Law)
<b>MBCR</b>	Massachusetts Bay Commuter Railroad
<b>MD</b>	Maryland
<b>MI</b>	Michigan
<b>MOW</b>	Maintenance of Way
<b>MPI</b>	Mileage Plus, Inc.
<b>MRL</b>	Montana Rail Link
<b>NA</b>	Not Applicable
<b>NCCC</b>	National Carrier's Conference Committee
<b>NCFO</b>	National Conference of Firemen and Oilers
<b>NJASAP</b>	NetJets Association of Shared Aircraft Pilots
<b>NLRA</b>	National Labor Relations Act
<b>NLRB</b>	National Labor Relations Board
<b>NMB</b>	National Mediation Board
<b>NO&amp;GCTU</b>	New Orleans & Gulf Coast Trainman's Union
<b>NPRM</b>	Notice of Public Rulemaking
<b>NRAB</b>	National Railroad Adjustment Board
<b>NRLC</b>	National Railway Labor Conference
<b>NRPC</b>	National Railroad Passenger Corporation (AMTRAK)

## ACRONYMS

<b>OA</b>	Office of Administration
<b>OAS</b>	Office of Arbitration Services
<b>ODR</b>	Online Dispute Resolution
<b>OLA</b>	Office of Legal Affairs
<b>OMAS</b>	Office of Mediation and ADR Services
<b>OMB</b>	Office of Management and Budget
<b>OP</b>	Outreach and Promotion
<b>OP-Case</b>	An ADR designation for Outreach OP and OP-ODR cases
<b>OPEIU</b>	Office and Professional Employees International Union
<b>OPM</b>	Office of Personnel Management
<b>ORD</b>	Chicago O'Hare Int'l Airport
<b>OVC</b>	Online Video Conferencing
<b>PAR</b>	Pan Am Railways
<b>PATH</b>	Port Authority Trans Hudson
<b>PEB</b>	Presidential Emergency Board
<b>PIN</b>	Personal Identification Number
<b>PLB</b>	Public Law Board
<b>POA&amp;M</b>	Plans of Action and Milestones
<b>PRISM</b>	A BPD Procurement System
<b>PRLBC</b>	Passenger Rail Labor Bargaining Coalition
<b>PSA</b>	PSA Airlines
<b>R-case</b>	An NMB designation for a Representation case
<b>RDM</b>	Records and Document Management
<b>RIM</b>	Records and Information Management
<b>RLA</b>	Railway Labor Act
<b>RLBC</b>	Rail Labor Bargaining Coalition
<b>RR</b>	Railroad
<b>SBA</b>	Special Board of Adjustment or System Board of Adjustment
<b>SEIU</b>	Service Employees Int'l Union
<b>SEPTA</b>	Southeastern Pennsylvania Transportation Authority
<b>SFFAC</b>	Statements of Federal Financial Accounting Concepts
<b>SIU</b>	Seafarers International Union of North America
<b>SMART</b>	Merger of SMWIA and UTU
<b>SMWIA</b>	Sheet Metal Workers International Union
<b>SOP</b>	Standard Operating Procedures
<b>SORS</b>	Station Operations Representatives
<b>T-Case</b>	An ADR designation for Training cases (T and T-ODR)
<b>TCU/TCIU</b>	Transportation Communications International Union
<b>TEV</b>	Telephone Electronic Voting
<b>TWA</b>	Trans World Airlines
<b>TWU</b>	Transport Workers Union of America
<b>UAL</b>	United Air Lines
<b>UCH</b>	United Continental Holdings
<b>UP</b>	Union Pacific Railroad
<b>USA</b>	United States of America
<b>USA</b>	United Steelworkers of America
<b>USAOA</b>	United States Aircrew Officers Association
<b>USWW</b>	United Service Workers – West (SEIU)
<b>UTU</b>	United Transportation Union
<b>VAPA</b>	Virgin America Pilots Association
<b>VIN</b>	Voter Identification Number
<b>WDI</b>	Withdrawn During Investigation
<b>YDM</b>	Yardmasters





1301 K STREET NW, SUITE 250 EAST  
WASHINGTON DC 20005-7011  
202 692 5000 [WWW.NMB.GOV](http://WWW.NMB.GOV)