

# NMB 24

**THE NATIONAL MEDIATION BOARD**

**ANNUAL PERFORMANCE AND ACCOUNTABILITY REPORT**

*FY2024*

# 2024

## THE NATIONAL MEDIATION BOARD

Annual Performance and Accountability Report

# LETTER FROM THE CHAIR

NOVEMBER 7, 2024

In 1934, Congress built on the success of the 1926 Railway Labor Act (RLA) to statutorily authorize and establish the National Mediation Board (NMB) to ensure uninterrupted operation of railroads and in 1936 added the nascent air industry. Ninety years later the NMB's mission covers 150 commercial airlines, 500 railroads, and over 725,000 employees nationwide.

The Agency delivers critical services to the ever-growing and changing commercial airline and railroad industries, their employees, and unions. Together with professionals from carriers and labor organizations, the NMB staff work to prevent air and rail service disruptions, resolve grievances, provide secret ballot organizing elections, all working to achieve labor peace and protect interstate commerce. Railroad and airline workers are critical to maintaining and protecting the supply chain which brings goods and services to the American people and supports our nation's robust economic growth.

Over the last fiscal year, the NMB utilized various methods to support the Agency's mission. Mediators provided guidance to achieve ratifiable collective bargaining agreements. In addition, mediators relied on dispute resolution efforts such as facilitation and grievance mediation to resolve conflicts. In Fiscal Year 2024, the NMB provided Mediation Services for 80 labor contract cases, with 30 cases brought to a successful conclusion without any interruption to service.

Protecting the rights of airline and railroad workers to select a representative for purposes of collective bargaining or to decline such representation is managed by the Office of Legal Affairs (OLA). OLA conducted 14 elections via mail ballot. In FY 2024, OLA closed a total of 19 Representation cases.

Grievances within the railroad industry relating to the interpretation of collective bargaining agreements are managed by the Office of Arbitration Services (OAS). To enhance stakeholder outreach, OAS collects data regarding the top ten subject codes generating the most grievances. This list highlights developing trends, which parties can use to provide innovative solutions for the resolution of grievances. Discipline cases constitute approximately 60% of cases docketed for arbitration. Within this category, Discipline for Safety/Operating Rules and Attendance tend to lead all cases in this category. Scope cases, which refer to grievances regarding which craft or class should perform certain types of work, are also consistently in the top ten in terms of volume of grievances. OAS works closely with Mediation Services to encourage the use of grievance mediation, when the parties agree to use this process. By the end of FY 2024, there were 4,456 pending arbitration cases, compared to 4,819 cases at the end of the prior fiscal year.

Despite the NMB's best efforts and that of the parties, not all mediation ends in a ratifiable agreement. In FY 2024, New Jersey Transit Rail Operations and the Brotherhood of Locomotive Engineers and Trainmen were released from mediation. The President appointed an Emergency Board, which provided its report to the parties on August 23, 2024. As required by RLA Section 9a(d), the Board held a meeting in the public interest on September 20, 2024, in order for the New Jersey Transit Rail Operations and Brotherhood of Locomotive Engineers and Trainmen to provide further information for the record and apprise the public of the state of negotiations. Other than the record established by the parties, the Board does not issue a report or order on these proceedings. While the Board itself is firewalled from the PEB process, the NMB Offices support a PEB's operation through legal counsel, logistics support, funding, and IT support.

Support services through the Offices of Administration, Information Services, and Fiscal Services work to actively recruit the NMB staff, maintain information technology, and protect the fisc. This year the NMB hired a range of positions to include fully staffing mediator positions, increasing IT support, and administrative support throughout the offices. Staff received requisite training for compliance with ethics, whistleblower protection, security awareness, and effective communications. Stakeholders' interaction with the Knowledge Store, arbitrator workspace, and information line were addressed through support service identified improvements.

The NMB received an unmodified "clean" opinion of the Agency's financial position as of September 30, 2024. The Agency continues to be level funded at \$15.1 million and 51 full time equivalents.

It is notable in its ninetieth year the Board Members are all women – an historic first – all confirmed by a voice vote in the U. S. Senate on March 7, 2024. I am honored to serve with Member Puchala and Member Hamilton and the entire professional career staff of the NMB.

V/R,



**LOREN SWEATT**

Chairman

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# 01 MANAGEMENT DISCUSSION AND ANALYSIS

# ABOUT THE NATIONAL MEDIATION BOARD

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## MISSION

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

Led by a three-member Board nominated by the President and confirmed by the Senate, members are initially appointed to the remainder of their predecessor's term. Upon re-appointment they are confirmed to three-year terms. The members self-designate a Chairman, typically on a yearly basis. Members may continue to serve until a replacement is nominated and confirmed.

Pursuant to the Railway Labor Act, the National Mediation Board's mandate to minimize work stoppages in the railroad and airline industries uses integrated dispute resolution processes to:

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

In order to realize these goals, the NMB has three program offices: Mediation Services, Legal Affairs, and Arbitration Services, that provide stakeholders professional assistance related to the core mission of collective bargaining, representation without interference, and dispute resolution. Underpinning this work are the Administration, Fiscal Services, and Information Services program areas.

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

# THE NMB STRUCTURE



## CHAIRMAN AND MEMBERS OF THE BOARD

**Loren Sweatt**<sup>1</sup>  
Chairman

**Deirdre Hamilton**<sup>3</sup>  
Member

**Linda A. Puchala**  
Member

**Devin Roth**<sup>2</sup>  
Confidential Assistant

**Ernest Fleischer**  
Confidential Assistant

## PROGRAM OFFICES

### OFFICE OF LEGAL AFFAIRS

**Maria-Kate Dowling**  
General Counsel

**Angela Heverling**  
Assoc. General Counsel

**Eileen Hennessey**  
Counsel

**Andres Yoder**  
Counsel

**Josie G.M. Bautista**  
Counsel

**John S.F. Gross**  
Counsel

**Tamika Shorter**  
Program Support Specialist

### OFFICE OF MEDIATION SERVICES

**Christopher Beebe**  
Director

**Anthony Tosi**<sup>4</sup>  
Supervisory Mediator

**Gerry McGuckin**<sup>5</sup>  
Supervisory Mediator

**James Mackenzie**  
Mediator

**Mark Littleton**  
Mediator

**Michael Kelliher**  
Mediator

**Eva Durham**  
Mediator

**Connor M. Parker**  
Mediator

**Jack Stephan**  
Mediator

**Michael Donatelli**<sup>6</sup>  
Mediator

**Kevin Barry**<sup>7</sup>  
Mediator

**Bjarne Henderson**<sup>8</sup>  
Mediator

**Samantha Ross**<sup>9</sup>  
Mediation Support Specialist

### OFFICE OF ARBITRATION SERVICES

**Terri D. Brown**  
Director

**Elijah Crayton**  
Lead Management & Program Analyst

**Jeremy Coleman**<sup>10</sup>  
Arbitration Program Specialist

**Linda Gathings**  
Arbitration Program Specialist (Chicago)

**Michaela Guyton**  
Arbitration Program Specialist (Chicago)

## SUPPORT OFFICES

### OFFICE OF FISCAL SERVICES

**Michael Jerger**  
Chief Financial Officer

**Denise Murdock**  
Program & Management Analyst

**Eric B. Johnson**  
Budget & Financial Analyst

### OFFICE OF INFORMATION SERVICES

**William Fumey**  
Chief Information Officer

**Taha Sadeghi**  
Information Technology Specialist (INFOSEC)

**Amy Anderson**  
Information Technology Specialist (INFOSEC)

### OFFICE OF ADMINISTRATION

**Michael Jerger**  
Acting Director

**Morenikeji Anjorin**  
Human Resource Specialist

**Bruce Conward, Jr.**  
Support Service Specialist

**Terran C. Walker**  
Support Service Specialist

#### Footnotes:

1. Became Chairman on July 1, 2024.
2. Selected as the Confidential Assistant to Chairman Sweatt in August 2024.
3. Served as Chairman from July 1, 2023 through June 30, 2024.
4. Selected as Supervisory Mediator in October 2023.
5. Selected as Supervisory Mediator in October 2023.
6. Selected as Mediator in April 2024.
7. Selected as Mediator in April 2024.
8. Selected as Mediator in July 2024.
9. Selected as Mediation Support Specialist in March 2024.
10. Selected as Arbitration Program Specialist in August 2024.

# BOARD CHAIRMAN



## LOREN SWEATT

*Chairman*

Loren Sweatt was confirmed as a Member of the National Mediation Board by the United States Senate on March 7, 2024. Ms. Sweatt transitions to the Board from the U.S. Senate Committee on Health, Education, Labor, and Pensions where she most recently was a Senior Professional Staff Member. Prior to the Senate position, Ms. Sweatt also served as the Principal Deputy Assistant Secretary with the Occupational Safety and Health Administration at the U.S. Department of Labor for almost four years. For 15 years, Ms. Sweatt was a Senior Policy Advisor at the Committee on Education and the Workforce in the House of Representatives.

Her experience includes all facets of labor policy. Ms. Sweatt holds a Bachelor of Arts from Texas Christian University and a Master of Business Administration from Marymount University.

# BOARD MEMBERS



## DEIRDRE HAMILTON

*Member*

Ms. Deirdre Hamilton was confirmed by the United States Senate as a Member of the National Mediation Board on December 7, 2022.

Prior to becoming a Member, Ms. Hamilton worked as a staff attorney at the International Brotherhood of Teamsters (IBT), working exclusively with the IBT's Airline Division. At the IBT she represented most of the crafts or classes within the airline industry—including pilots, flight attendants, technicians, and aircraft cleaners – at both commercial and cargo air carriers. Before that, Ms. Hamilton was a staff attorney at the Association of Flight Attendants. In her career, she has handled a wide range of legal matters including National Mediation Board elections and mediation, collective bargaining support, contract enforcement, and litigation of Railway Labor Act issues. Ms. Hamilton began her career as a legal fellow in the General Counsel's office at the International Association of Machinists and Aerospace Workers.

Ms. Hamilton has been an active member of the Railway Labor Act legal community. She has served as a panelist at meetings of the American Bar Association's Labor and Employment Law Committee and the Railway and Airline Labor Law Committee. She has also served as a Senior Editor for the ABA Railway Labor Act Treatise.

Ms. Hamilton is a graduate of Oberlin College and the University of Michigan Law School.



## LINDA A. PUCHALA

*Member*

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

Puchala has held various positions at the NMB during her 25-year tenure. Prior to serving as a Board Member, Ms. Puchala served 10 years at the NMB first as a Mediator and then as Senior Mediator (ADR), and the Associate Director of Alternative Dispute Resolution Services. Ms. Puchala's prior labor relations experience includes serving in various elected union positions before becoming the International President of the Association of Flight Attendants —CWA, AFL-CIO. Ms. Puchala also served as Staff Director, Michigan State Employees Association, AFSCME, AFL-CIO which represents members in the labor and trades and safety and regulatory fields.

A native of Michigan's Upper Peninsula, Ms. Puchala now resides in Glen Burnie, Maryland. She holds a Bachelor's degree in Business Administration from Cleary University in Howell, Michigan.



# DIRECTORS



## MARIA-KATE DOWLING

*General Counsel*

Maria-Kate Dowling is General Counsel of the National Mediation Board. Ms. Dowling joined the NMB as Associate General Counsel in 2003. Prior to joining the NMB, she served as an Assistant Chief Counsel on the staff of a Member of the National Labor Relations Board.

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. Dowling 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. Dowling received a B.S. degree in Computer Science and a B.A. degree in English from the University of Maryland, where she was elected to Phi Beta Kappa. She earned a J.D. with honors from the George Washington University Law School. Ms. Dowling is a member of the Maryland Bar.



## TERRI D. BROWN

*Director, Office of Arbitration Services*

Terri D. Brown, Director, Arbitration Services, is responsible for all aspects of grievance and interest arbitration in the airline and railroad industries. Ms. Brown has served as the Director of Arbitration Services since March 2020. She joined the NMB in 2002 as a Mediator and was subsequently promoted to Senior Mediator in 2010. Ms. Brown has more than 25 years of experience in labor relations, mediation, arbitration, and dispute resolution. During her tenure as an NMB mediator she successfully mediated many complex cases in both the airline and railroad industries.

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



## MICHAEL JERGER

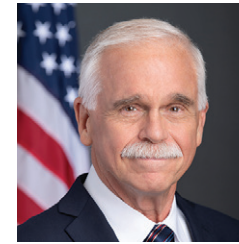
*Chief Financial Officer | Acting Director, Office of Administration*

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

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

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

# DIRECTORS



## CHRISTOPHER BEEBE

*Director, Office of Mediation Services*

Mr. Beebe joined the NMB on July 31, 2023. As the Director of Mediation Services, he has overall responsibility for the administration and management of the NMB Mediation programs to assist in the negotiations of collective bargaining agreements, resolution of minor disputes through grievance mediation, and training and utilization of Alternative Dispute Resolution (ADR) in the airline and railroad industries.

Mr. Beebe has over 35 years of labor relations experience including contract negotiations and mediation, and in grievance and discipline representation. While holding numerous union leadership positions in the United States, he also served as a National Officer for the Air Line Pilots Association, Intl. and as the General Secretary of pilot unions in the United States, Asia, Australia, and Europe.

A graduate of the Pennsylvania State University with a degree in Biology, he has long been a proponent of utilizing Interest Based Bargaining (IBB) and ADR in dispute resolution.



## WILLIAM FUMEY

*Chief Information Officer*

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

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

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## OFFICE OF MEDIATION SERVICES

The Office of Mediation Services (OMS) manages mandatory mediation of collective bargaining disputes pursuant to Section 5 of the RLA, which is applicable to both the airline and railroad industries. The Alternative Dispute Resolution (ADR) component of OMS offers voluntary programs to the parties including training, facilitation, grievance mediation, and other dispute resolution efforts.

Collective bargaining agreements covered by the RLA do not expire, but become amendable at specified times. Labor and management are statutorily required to exert every reasonable effort to make and maintain collective bargaining agreements. Initially, the parties must provide 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.

The NMB is obligated under the Act to use its “best efforts” to bring about an amicable 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 mutually agreeable solution to the dispute.

Parties must operate in a status quo condition until the end of the cooling off period. Carriers are prohibited from changing rates of pay, rules, and working conditions except as provided for in agreements. Unions are prohibited from engaging in any form of self-help against the carrier for the purpose of affecting negotiations.

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, to include carrier-imposed working conditions such as a lockout, or a union-imposed work slowdown or strike.

In the event of a release from mediation for commuter rail carriers and their unions, a Presidential Emergency Board may be requested by the Governor of an affected state or any party to the dispute.

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

Mediation efforts are evolving to utilize a combination of in-person and virtual mediation sessions. By combining new technologies with traditional in-person mediation, the NMB increased its efficiency in assisting the parties in the mediation process.



## MEDIATION HIGHLIGHTS

In FY 2024, 30 mediations resulted in ratified collective bargaining agreements for 64,283 workers. Negotiations were completed across the spectrum of the agency’s jurisdiction. Challenges at the bargaining table include adjusting to labor shortages, especially in the airline industry, increased inflationary costs, and changes in health insurance.

### Settlements

Early in the fiscal year, several agreements were reached and successfully ratified. For example, Southwest Airlines and its Southwest Airlines Pilots Association (SWAPA) represented pilots, followed by the Southwest Airlines flight attendants, represented by the Transport Workers Union of America (TWU). Additional flight attendant agreements were successfully concluded at American Airlines with the Association of Professional Flight Attendants (APFA) and at North American Airlines with their International Association of Machinists and Aerospace Workers (IAM).

For the regional airlines, mediated agreements were reached between Air Wisconsin and their TWU represented dispatchers.

At derivative carriers of the airline industry, a mediated agreement was concluded and ratified between Gate Gourmet and its 8,000 workers as represented by a coalition of UNITE HERE and the International Brotherhood of Teamsters (IBT). Likewise, agreement was reached between Allied Aviation Services and their fuelers as represented by the TWU.

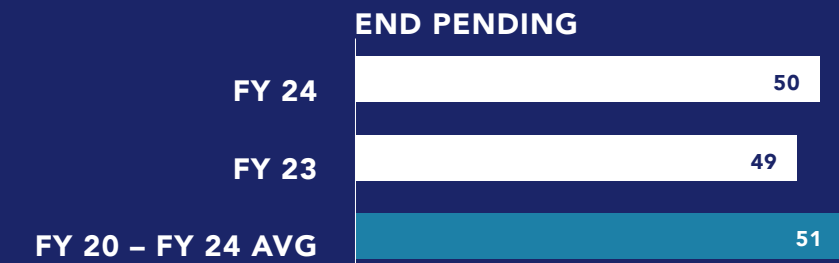
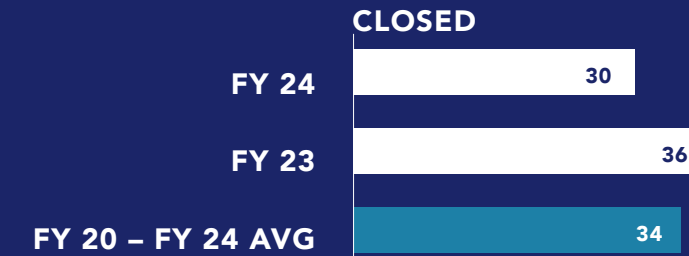
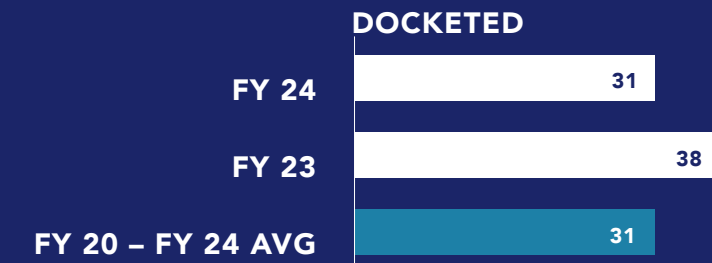
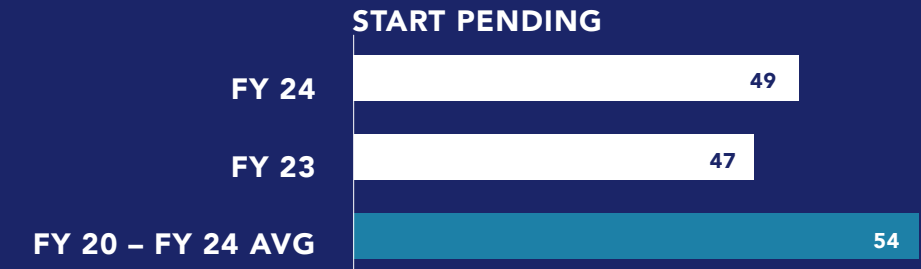
Railroad agreements included Soo Line and their Maintenance of Way workers represented by the Brotherhood of Maintenance of Way Employees Division of the International Brotherhood of Teamsters (BMWED), and their signalmen who are represented by the Brotherhood of Railroad Signalmen (BRS). Additional agreements were completed between Rapid City and Pierre Railroad, Mississippi Southern Railroad, Puget Sound and Pacific, Tacoma Railroad, Appalachian and Ohio Railroad, and the Buffalo and Pittsburgh Railroad and their workers represented by the Sheet Metal, Air, Rail, and Transportation Workers-Transportation Division (SMART-TD).

On commuter railroads, agreements were reached between Metro-North Railroad and their electrical foremen and supervisors represented by the TWU and International Brotherhood of Electrical Workers (IBEW). The Southeastern Pennsylvania Transit Authority (SEPTA) concluded agreements with the Brotherhood of Locomotive Engineers (BLET) and the conductors of SMART-TD. Another commuter railroad case betweenafter New Jersey Transit Rail Operations (NJTRO) and their locomotive engineers, represented by the BLET, did not reach agreement and were released from mediation. A Presidential Emergency Board (PEB) was formed and reported (PEB 251) recommendations for settlement to the parties.

### Pending Cases

Fifty cases remained open at the end of FY 2024.

The Federal Railroad Administration finalized a regulation addressing the minimum number of crew to operate specific trains, resolving the “crew consist” issue for freight railroads. Mediated discussions continue between Burlington Northern and Santa Fe (BNSF) and SMART-TD with a tentative agreement reached with Union Pacific (UP) and SMART-TD. National Handling between the Class 1 railroads and their unions begins in the first quarter of FY 2025.



Mediation case numbers for FY 2024 and FY 2023, and the five-year average, FY 2020 – 2024.

## ALTERNATE DISPUTE RESOLUTION OVERVIEW

In addition to statutory mediation and arbitration services under RLA Sections 3 and 5, the NMB provides voluntary ADR services. The primary goal of the NMB’s ADR program is to assist the parties in learning and applying more effective, less confrontational methods for resolving disputes. Another goal is to help the parties resolve more of their own disputes without outside intervention, and to use appropriate technology to increase the efficiency and reduce the cost of dispute resolution efforts for the parties. This process is successfully using virtual meetings, saving parties time and travel costs, while still achieving results.

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

### Training

Interest in ADR Services’ various training programs is growing. The NMB Mediators are skilled instructors, and regularly educate parties as they begin facilitation or grievance mediation cases, or when they encounter problems during mediation. The NMB is seeing success by conducting training, emphasizing Interest Based Bargaining principles, at the start of new mediation cases. This refreshes experienced negotiator’s skills while providing learning opportunities for newer negotiators – building the bench for future negotiations.

### Facilitation

Facilitation plays an important role in helping parties to reach common ground. Carriers and unions agreeing to facilitation are able to find a way to reach agreement outside the stricter confines of traditional mediation.

### Grievance Mediation

Grievance mediation is a successful tool in both air and rail sectors. Activity in the rail sector in particular has grown with the ADR Ambassador program, pairing a Mediator with a specific rail carrier and its unions to advance alternatives to arbitration. By enabling and enhancing communication and understanding of issues, grievance mediation also serves to resolve problems before they become grievances, helping to clarify issues ahead of bargaining.

### Online Dispute Resolution

Technology continues to play an important role in resolving disputes in the air and rail industries. Scheduling in-person meetings sometimes can be challenging. Thus, when timing is critical, or when information exchange is beneficial, video conferencing technology has enabled face-to-face meetings to allow mediation sessions to continue and move the parties to agreement.

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

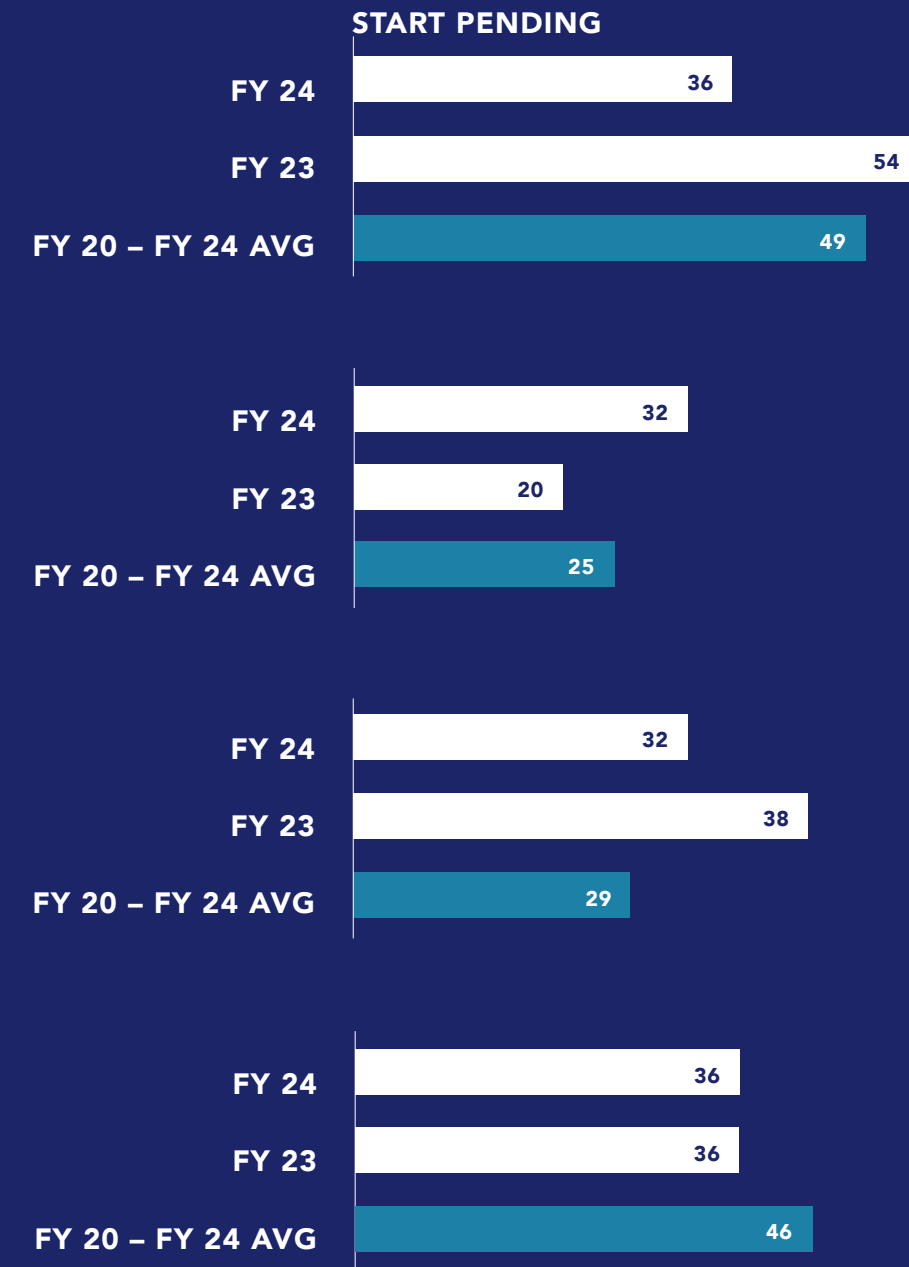
## ALTERNATE DISPUTE RESOLUTION HIGHLIGHTS

In FY 2024, NMB Mediators continued to develop and deliver a wide range of services to increase the efficiency of dispute resolution. Mediators utilize ADR techniques as appropriate in negotiation settings as well as in grievance mediation cases. They are adept at the use of technology, and parties to disputes have come to realize the efficiencies and savings it generates.

NMB mediators worked with Piedmont Airlines and the Communications Workers of America (CWA) representing Customer Service Employees and Hawaiian Airlines and Norse Atlantic Airways and the Association of Flight Attendants (AFA) represented flight attendants to utilize ADR. Facilitation services at Northern Indiana Commuter Transit District and SMART-TD culminated in a tentative agreement between the parties.

Grievance mediation continues to pay great dividends for both airlines and railroads. New cases for this fiscal year included Union Pacific (UP) and BLET, Delta Airlines and its pilots represented by the Air Line Pilots Association, International (ALPA), and the AFA flight attendants of Endeavor Air.

As noted above, the participation in grievance mediation continues to grow in both airline and railroad cases. The process succeeds when parties can reach resolutions that meet their interests and agree to terms without engaging an arbitrator. This has the collateral effect of utilizing the arbitration process for only the most important issues.



ADR case numbers for FY 2024 and FY 2023, and the five-year average, FY 2020 – FY 2024.

# OFFICE OF LEGAL AFFAIRS

## REPRESENTATION

RLA covered 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 a “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.

If there is a sufficient showing of interest, the NMB proceeds with an investigation, with a secret ballot election conducted by the NMB. Only employees found to be eligible to vote by the NMB are permitted to participate in elections. Uniquely, the NMB election rules require carriers to ensure military Reservists vote when on active duty. 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 investigation and rulings by the NMB.

## HIGHLIGHTS DURING FY 2024

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

In FY 2024 the OLA staff investigated and resolved 19 cases and also docketed 21 cases. With the Agency resources requested for FY 2026, it is estimated that 23 representation cases will be investigated and resolved.

## CASE SUMMARIES

Employee units seeking representation vary dramatically from as few as 2 to over 25,000. All representation cases require and receive neutral and professional investigations by the Agency. The NMB ensures that the employees’ choices regarding representation are made without interference, influence, or coercion. The following case summaries represent court approval of OLA’s representation decisions.

In North Memorial Health Care, 50 NMB 5 (2022), the Board authorized an election among pilots of Air Care Pilots (Air Care) after finding that it had jurisdiction over the air ambulance service that was part of North Memorial Health Care (North Memorial). North Memorial filed an action in federal court seeking a declaration that it is not subject to the Board’s jurisdiction and voiding the election. The district court held that the Board followed the RLA’s unambiguous language when it asserted jurisdiction over Air Care, which was a common carrier by air engaged in interstate commerce. North Memorial Health Care v. The NMB, No. 0:23-cv-00194 (D. Minn. July 29, 2024). In a footnote, the court noted that the Supreme Court’s recent overruling of *Chevron* deference, which courts had previously applied to the Board’s jurisdictional determinations, did not bear on the case because the Board applied the plain language in the statute.

In Breeze Aviation, 49 The NMB 112 (2022), the Board (1) determined that Trainee Pilots were not eligible to vote in an election; and (2) declined to modify the cut-off date to a future date on which the Carrier believed the Trainee Pilots would indisputably be eligible to vote. The Carrier then challenged the Board’s rulings in federal court. In Breeze Aviation v. The NMB, 674 F.Supp.3d 1045 (D. Utah 2023), a district court determined that it lacked jurisdiction to review the Board’s rulings, and dismissed the Carrier’s complaint. Breeze then appealed to the Tenth Circuit. In Breeze Aviation v. The NMB, 104 F.4th 1211 (10th Cir. 2024), the Tenth Circuit affirmed the dismissal. It held that the Board fulfilled its statutory duty to investigate the representation dispute and that under the Railway Labor Act, the Board has the discretion to decide the scope of a craft or class and establish the rules to govern a representation election. Because the Board did not act contrary to its statutory powers, the courts had no jurisdiction over these determinations.

## JURISDICTIONAL OPINIONS

In view of the National Labor Relations Act’s (NLRA) specific exemption of employers covered by the RLA, the NLRB is expected to follow longstanding practice of referring cases to the NMB in instances where the jurisdictional issue is raised. In these cases, the NMB reviews the record provided by the NLRB and concludes in an opinion letter whether the employer in question is, in the NMB’s opinion, covered by the RLA. In FY 2024, the NMB issued no jurisdictional opinions.

	FY 2024 ACTUAL	FY 2023 ACTUAL	FY 2020 – FY 2024 FIVE YEAR AVERAGE
Jurisdictional Opinions	0	0	1

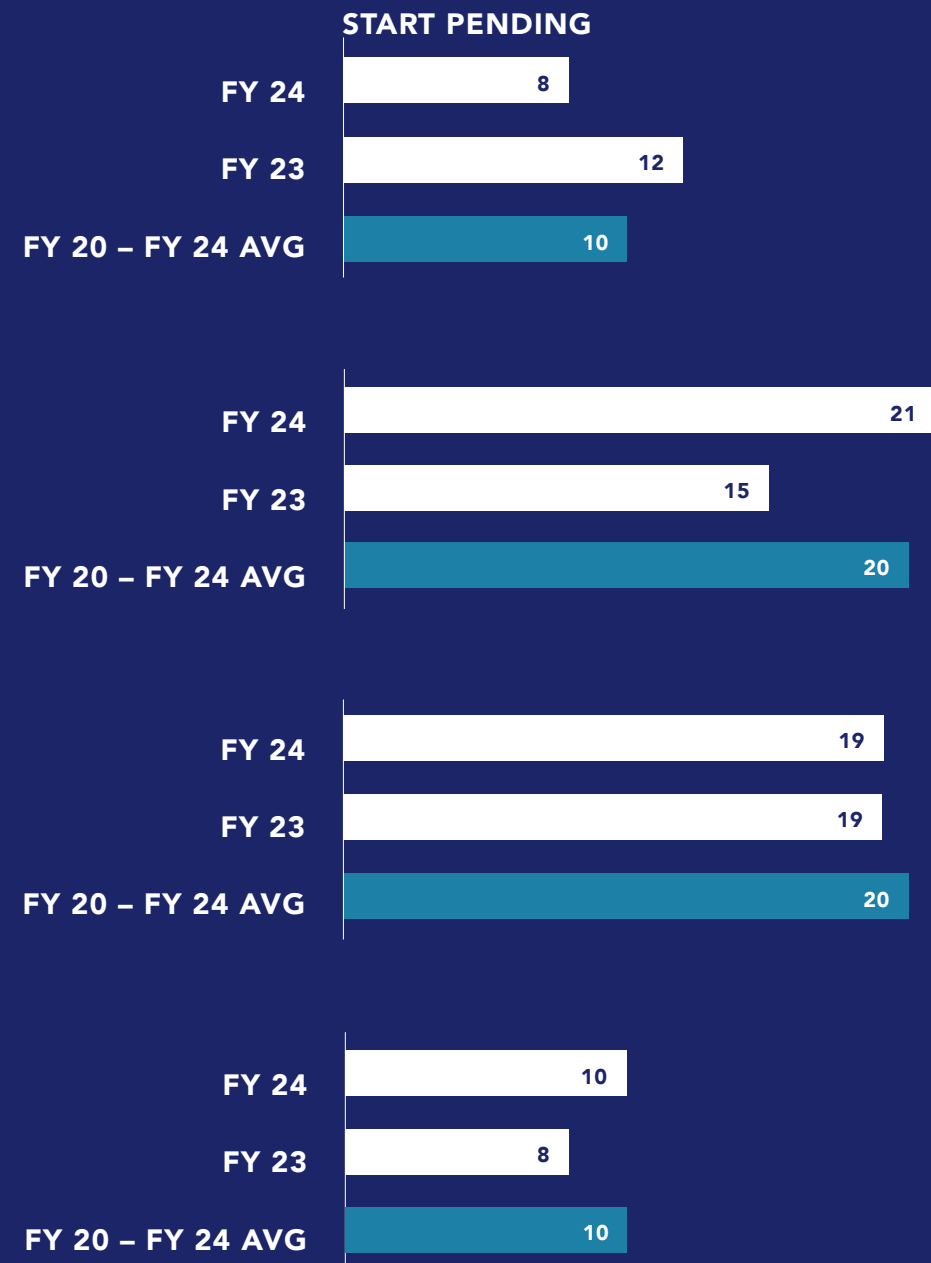
Jurisdictional opinion case numbers for FY 2024 and FY 2023, and five-year average, FY 2020 - 2024

## MAIL BALLOT VOTING

On September 3, 2021, the NMB announced the use of mail ballot representation elections as the agency transitions to a new, secure electronic voting system (EVS). Mail ballots have been used historically at the NMB. All parties involved in elections receive detailed instructions and guidance from OLA regarding mail ballot participation.

Electronic voting has been used in hundreds of NMB elections where thousands of rail and air employees freely selected their chosen representatives or decided to end representation and deal directly with their employer. The Board is committed to building a new, safe and secure electronic voting system in compliance with all appropriate federal security standards, and is actively working toward that goal.

All FY 2024 NMB elections were conducted by mail balloting. In FY 2024, the NMB authorized 15 elections. Fourteen tallies occurred resulting in a certification of a bargaining representative.



Representation case numbers for FY 2024 and FY 2023, and the five-year average, FY 2020 – 2024.

## PRESIDENTIAL EMERGENCY BOARDS

RLA Section 159A (Section 9A) 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 NMB determines that a collective bargaining dispute cannot be resolved in mediation (impasse), 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 PEB is established.

If the NMB determines, pursuant to RLA Section 160, 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 or her discretion, establish a PEB to investigate and report upon such a 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 159a provides special, multi-step procedures for commuter railroads. If the mediation procedures are exhausted, the parties to the dispute or the Governor of any state where the railroad operates may request that the President establish a PEB. The President is required to establish such a board if requested. If no settlement is reached within 60 days following the creation of the PEB, the NMB is required to conduct a public hearing on the dispute. If there is no settlement within 120 days after the creation of the PEB, any party or the Governor of any affected state may request a second, final-offer PEB. No self-help is permitted pending the exhaustion of these emergency procedures.

### OVERVIEW OF FISCAL YEAR 2024

PEB No. 251 was convened to address a dispute between New Jersey Transit Rail Operations and the Brotherhood of Locomotive Engineers and Trainman. Parties received the report on August 23, 2024. As required by RLA Section 9a(d), the Board held a meeting in the public interest on September 20, 2024, in order for the New Jersey Transit Rail Operations and Brotherhood of Locomotive Engineers and Trainmen.

Other than the record established by the parties, the Board does not issue a report or order on these proceedings. Section 9a does not require a finding. The parties are in status quo until November 21, 2024.

	FY 2024 ACTUAL	FY 2023 ACTUAL	FY 2020 – FY 2024 FIVE-YEAR AVERAGE
Emergency Board Sec. 160	0	0	0.2
Emergency Board Sec. 159A	1	0	0.2

PEB case numbers for FY 2024 and FY 2023, and the five-year average, FY 2020 – 2024.

# OFFICE OF ARBITRATION SERVICES

## ARBITRATION OVERVIEW

The RLA provides for both grievance and interest arbitration. The RLA requires parties to collective bargaining agreements to resolve disputes over the interpretation and applications of those agreements through a grievance process culminating in binding arbitration. The Board has significant administrative responsibilities for the three sources of grievance arbitration in the railroad industry. These sources are the National Railroad Adjustment Board (NRAB) established under the RLA, as well as the arbitration panels established directly by the labor-management parties at each railroad (Public Law Boards) and Special Boards of Adjustment (SBA). Grievance arbitration in the airline industry is accomplished at the various System Boards of Adjustment created jointly by airline labor and management. Airline arbitration is done without taxpayer funding, entirely at the parties' expense. Upon request, the Board furnishes panels of prospective arbitrators for the parties' selection in both the airline and railroad industries.

Fees and travel expenses of the arbitrators hearing rail cases are paid out of the NMB's annual appropriation unless the parties agree to party pay arbitration. Arbitration decisions under the RLA are final and binding with very limited grounds for judicial review. Courts may review an arbitration panel's award if there was a failure to comply with the requirements of the RLA, a failure to conform or confine itself to matters within the scope of its jurisdiction, or fraud or corruption by a member of the arbitration panel.

## 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. Parties may select arbitrators from a list maintained by the NMB to resolve the dispute. In some instances, the parties' agreement to arbitrate allows the NMB to directly appoint an arbitrator. The interest arbitration decision is final and binding with very narrow grounds for a judicial appeal.

## ARBITRATION — SECTION 3 HIGHLIGHTS

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

The NRAB continues to use electronic procedures for filing Notices of Intent and uploading their submissions to a secure internet portal. A link is sent to the appropriate Arbitration Staff Assistant, who uses the secure link to download the submission and related case material to the appropriate docket file.

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

The Office of Arbitration Services (OAS) continues to work on increasing the diversity of arbitrators on the NMB roster. As a result of arbitration training offered in 2022 there is greater diversity on the NMB roster as well as a greater diversity of selected arbitrators.

In an effort to track and report on the kinds of cases docketed for arbitration, revised and updated subject codes identifying the type of grievance filed enables the OAS to provide comprehensive data to the Section 3 community. The OAS identified the "top ten" grievance categories to highlight developing trends, which may lead to more innovative solutions for the resolution of grievances. Current trends suggest that discipline cases constitute approximately 60% of cases docketed for arbitration. Discipline for Safety/Operating Rules and Attendance tend to lead all discipline cases. Scope cases, regarding performance of work by crafts or classes, consistently rank in the top ten of grievances.

### Removal of Non-Progressed and Over-Aged Cases

The NMB continues the practice of removing over-aged (more than 2 years old) cases from the NMB's case tracking system as key stakeholders have not prioritized these cases for arbitration. These are cases the parties have docketed but not assigned to an arbitrator. The parties must designate an arbitrator in every case before it can be funded. Cases that are docketed but not assigned to an arbitrator constitute an ongoing unfunded liability. Beginning in FY 2020, the NMB removed all non-progressed and over-aged cases that were two years and older. Parties objecting to the removal of cases should provide a written request for reactivation to the Director of Arbitration Services.

### Alternative Dispute Resolution in the Railroad Industry

Grievance mediation remains a key dispute resolution tool to resolve grievances that do not have significant operational impact or involve serious disciplinary matters. The parties in general are receptive to the process and many use it on a regular basis. Interest in the program remains high as it benefits both parties to have more control over when and how grievances get resolved. The NMB outreach to the railroad industry promotes grievance mediation as a successful approach to addressing grievances.

### Arbitrator Productivity Enhanced Enforcement of the 60 Day, 90 Day, and 120 Day Rules

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

The NMB website continues to serve as a valuable resource for the Section 3 community. The website is a vehicle to keep the parties and the public informed of Section 3 activities. Arbitrators, parties, and the public use the website to obtain information and forms instantaneously. Found at NMB.gov, the Arbitrator Caseload Report shows by arbitrator, grievance cases of railroad employees the parties have agreed to pursue. It also indicates whether a case is late (i.e., a decision has not been rendered within 3 months of when a case was heard by the arbitrator). The Arbitrator Caseload Report is linked to a NMB database reflecting updates as they are made in real-time. The availability of information on the website increases stakeholder access to information in an efficient and timely manner. The NMB has also placed the NMB NRAB Open Case Report on the website, providing access to open case information. Combined with the Arbitrator Caseload Report, the NMB's entire Section 3 caseload can be found on the NMB website.

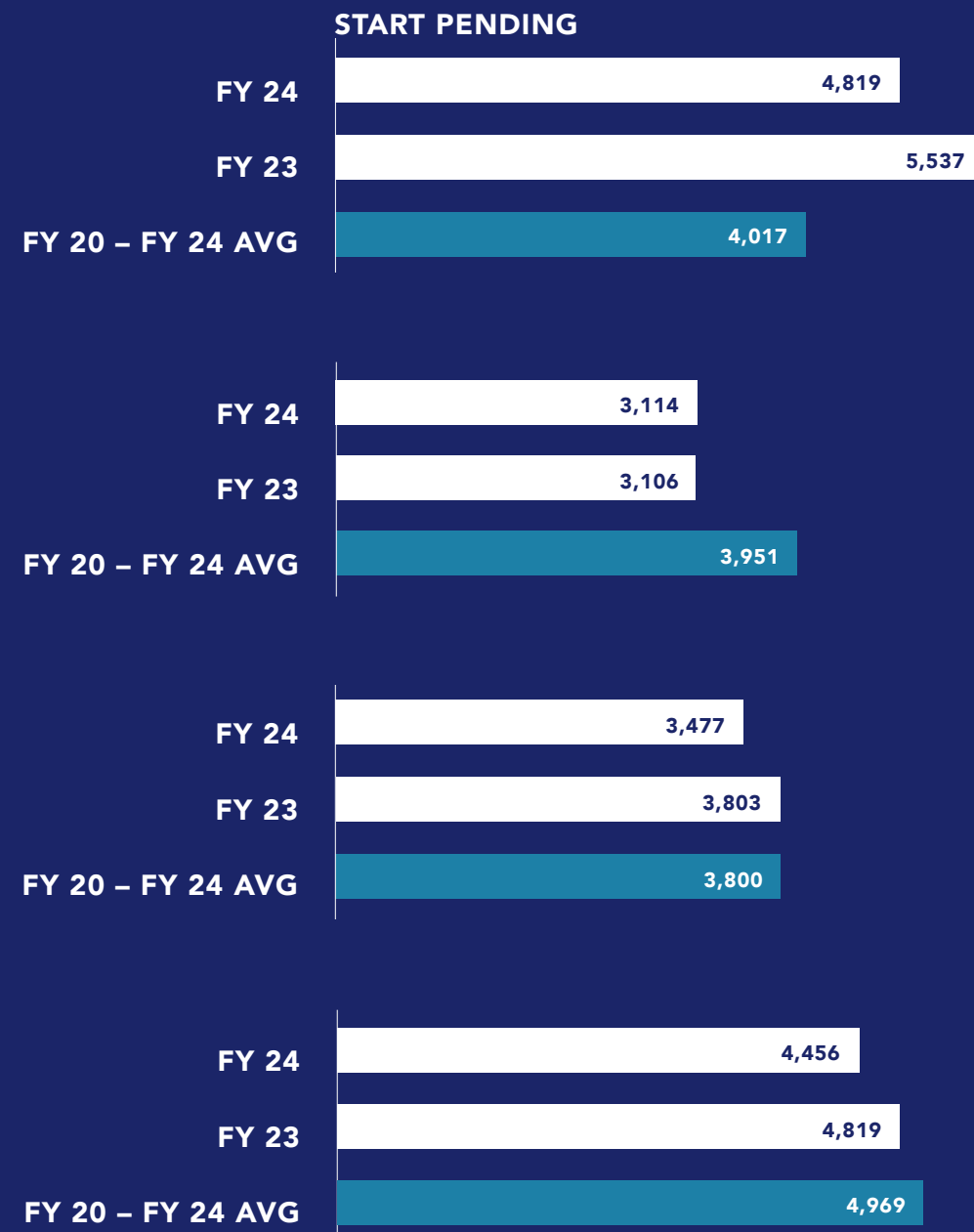
### Knowledge Store

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

# RAILROAD GRIEVANCE ARBITRATION

NRAB BOARD MEMBERS AND REFEREE 31

SECTION 3 TRIBUNAL 32



Arbitration case numbers for FY 2024 and FY 2023, and the five-year average, FY 2020 – 2024.





# NATIONAL RAILROAD ADJUSTMENT BOARD

## NRAB MEMBERS

### NRAB

**Kristin C. Beckner**  
NRLC, Board Chairman

**Douglas W. Davidson**  
BLET, Board Vice Chairman

### First Division Members

**Jackie Newstadt**  
G&W

**Liz Dewald**  
UP

**David Weir, Jr.**  
SMART-TD, Division  
Chairman

**Douglas W. Davidson**  
BLET

**Jamie Modesitt**  
SMART-TD

**Peter M. Semenek**  
BLET

**Michael P. Maratto**  
NRLC, Division Vice  
Chairman

**Matt Holt**  
AMTRAK

### Second Division Members

**Alphonse Russo, Jr.**  
IBEW, Division Chairman

**Carl Lakin**  
BRC

**Joe Fraley**  
SMART

**Kristin Beckner**  
NRLC, Division Vice  
Chairman

**Carl Matjeka**  
PTRA

**Jordan McCarthy**  
UP

**Reece Murtagh**  
IAMAW

**Lyndsey Thacker**  
F&O

**Jim Hurlburt**  
G&W

**Kurtis Williams**  
LS&I

### Third Division Members

**Brandon Elvey**  
BRS, Division Chairman

**Allison Parker**  
TCIU

**Pierre Whittaker**  
HERE

**Beth Wilderman**  
UP

**Jeanie L. Barrere**  
NRLC, Division  
Vice Chairman

**Sylvia Dutka**  
METRA

**Brandon Pregler**  
IAIS

**Brandon Denucci**  
ATDA

**Brant Hanquist**  
LS&I

**John Schlismann**  
BMW

### Fourth Division Members

**Allison Parker**  
ARASA, Division Chairman

**Chris Bartz**  
SMART

**Larry Hicks**  
IAIS

**Jeffrey F. Rodgers**  
NRLC, Division Vice  
Chairman

**James Boyle**  
UP

**Dave Pascarella**  
BMW

## NRAB REFEREES

### First Division

**Andrea L. Dooley**

**Dr. Andree Y. McKissick**

**Barbara C. Deinhardt**

**Barry E. Simon**

**Brian Clauss**

**David Bass**

**Deborah M. Gaines**

**Edwin H. Benn**

**Elizabeth Neumeier**

**Elizabeth C. Wesman**

**Erica Tener**

**Gail R. Moran**

**Haydeé Rosario**

### First Division, cont.

**James Warren Dent**

**Jeanne Charles**

**Jeffrey W. Jacobs**

**M. David Vaughn**

**Mary Ellen Shea**

**Michael D. Phillips**

**Patrick Halter**

**Peter R. Meyers**

**Sheila G. Mayberry**

**Sidney Moreland, IV**

**Thomas A. Pontolillo**

**William T. Bohne, Jr.**

### Second Division

**N/A**

### Third Division

**Barbara C. Deinhardt**

**Bradley A. Areheart**

**Daniel Brent**

**Diego J. Peña**

**Edwin H. Benn**

**Elizabeth C. Wesman**

**Erica Tener**

**George E. Larney**

**Gerald E. Wallin**

**James Warren Dent**

### Third Division, cont.

**Jeanne Charles**

**Melinda G. Gordon**

**Michael Capone**

**Michael D. Phillips**

**Patricia T. Bittel**

**Peter R. Meyers**

**Rachel J. Goedken**

**Sarah Miller Espinosa**

**Steven M. Bierig**

**William T. Bohne, Jr.**

### Fourth Division

**N/A**

# SECTION 3 TRIBUNALS ESTABLISHED IN FY 2024

TYPE	NO. OF BOARDS
Public Law Boards	21
Special Boards of Adjustment	3
Arbitration Boards	0
Parties' Pay Boards	(3 PLB; 3 SBA)
<b>TOTAL</b>	<b>24</b>

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

### 1A. CARRIERS

Alabama and Tennessee River Railway  
Alabama State Docks  
AMTRAK (National Railroad Passenger Corporation)  
Belt Railway Company of Chicago  
BNSF Railway  
Canadian National Railway  
Canadian Pacific Railway  
Consolidated Rail Corporation  
CSX Transportation  
Delaware and Hudson Railroad Company  
Duluth, Missabe and Northern Railway  
Florida East Coast Railway Company  
Grand Trunk Western Railroad Company  
Illinois Central Railroad  
Iowa Interstate Railroad, Ltd.  
Kansas City Southern Railway Company  
Keolis Commuter Services, LLC  
Keolis Rail Services, Virginia  
Kiamichi Railroad Company  
Long Island Rail Road  
METRA (Northeast Illinois Regional Commuter Railroad Corporation)  
Metro North Railroad (MTA)  
New Orleans Public Belt Railroad  
NJ Transit Rail Operations  
Norfolk Southern Corporation

Northern Indiana Commuter Transportation district  
Pacific Harbor Line, Inc.  
Port Authority Trans-Hudson Corporation  
Soo Line Railroad Company  
SEPTA (Southeastern Pennsylvania Transportation Authority)  
Transit America Services  
TTX Company  
Union Pacific Railroad Company  
Wisconsin Central Ltd.  
Wisconsin Central Railroad

## 1B. UNIONS

American Railway and Airway Supervisors Association: A Division of TCU (ARASA-TCU)  
American Train Dispatchers Association (ATDA)  
Amtrak Service Workers Council (ASWC)  
Brotherhood of Locomotive Engineers and Trainmen (BLET)  
Brotherhood of Maintenance of Way Employees Division of IBT (BMWED)  
Brotherhood of Railroad Signalmen (BRS)  
Brotherhood of Railway Carmen — Division of TCU (BRC-TCU)  
International Association of Machinists and Aerospace Workers (IAMAW)  
International Association of Sheet Metal, Air, Rail, and Transportation Workers  
International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers (IBB)  
International Brotherhood of Electrical Workers (IBEW)  
International Longshoremen’s Association (ILA)  
National Conference of Firemen and Oilers (NCFO)  
Railway Independent Transit Union (RITU)  
Sheet Metal Workers International Association  
SMWIA-SMART (Mechanical and Engineering Department)  
SMWIA-SMART (Transportation Division)  
Transport Workers Union of America (TWU)  
Transportation Communications International Union (TCU-IAM)  
United Transportation Union (UTU)

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

Andrea L. Dooley	Erica Tener	Kenneth J. O’Brien	Richard K. Radek
Andrew M. Strongin	Gerald E. Wallin	Lamont M. Walton	Richard K. Hanft
Barbara C. Deinhardt	Jacquelin F. Drucker	Lisa S. Kohn	Sarah Miller Espinosa
Barry E. Simon	James M. Darby	M. David Vaughn	Sheila G. Mayberry
Brian Clauss	James Warren Dent	Michael Capone	Sidney Moreland, IV
Daniel G. Zeiser	Jeanne Charles	Michael D. Phillips	Steven M. Bierig
Daniel M. Kininmonth	Jeanne M. Vonhof	Michael G. Whelan	Thomas A. Pontolillo
David Ray	Jeffrey W. Jacobs	Patrick Halter	Thomas N. Rinaldo
David P. Twomey	Joan Parker	Peter R. Meyers	Wendell Bell
Deborah M. Gaines	John R. Binau	Pilar Vaile	William R. Miller
Debra Simmons Neveu	Joseph M. Fagnani	Rachel J. Goedken	
Don A. Hampton	Kathryn A. VanDagens	Rachel Yurek	
Edwin H. Benn	Keith D. Greenberg	Randy B. Weiss	

## 2. LABOR PROTECTIVE PROVISIONS

N/A

## 3. UNION SHOPS

N/A

## 4. SYSTEM BOARDS OF ADJUSTMENT

N/A

# SUPPORTING REPORTS & TABLES

CASE TABLES 35

CASE RECORDS 39



**TABLE 1: NUMBER OF CASES RECEIVED AND CLOSED**

MEDIATION	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2020 – 24
Start Pending	49	47	57	50	66	54
New	31	38	36	24	25	31
Closed	30	36	46	17	41	34
End Pending	50	49	47	57	50	51

ADR	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2020 – 24
Start Pending	36	54	46	57	54	49
New	32	20	22	22	29	25
Closed	32	38	14	33	26	29
End Pending	36	36	54	46	57	46

REPRESENTATION	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2020 – 24
Start Pending	8	12	14	10	5	10
New	20	15	29	17	21	20
Closed	19	19	31	13	16	20
End Pending	9	8	12	14	10	11

ARBITRATION	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2020 – 24
Start Pending	4,819	5,537	5,146	4,887	3,698	4,017
New	3,114	3,106	4,194	4,462	4,881	3,951
Closed	3,477	3,824	3,803	4,203	3,692	3,800
End Pending	4,456	4,819	5,537	5,146	4,887	4,969

**TABLE 2: REPRESENTATION ELECTION CASE DISPOSITIONS**

RAILROADS	NUMBER OF CASES	NUMBER OF CRAFTS/ CLASSES	NUMBER OF ELIGIBLE EMPLOYEES	NUMBER OF VOTES CAST
Certifications	8	4	173	130
Dismissals	3	3	67	19
<b>Totals</b>	<b>11</b>	<b>7</b>	<b>240</b>	<b>149</b>

AIRLINES	NUMBER OF CASES	NUMBER OF CRAFTS/ CLASSES	NUMBER OF ELIGIBLE EMPLOYEES	NUMBER OF VOTES CAST
Certifications	6	5	792	549
Dismissals	2	2	63	0
<b>Totals</b>	<b>8</b>	<b>7</b>	<b>855</b>	<b>549</b>

<b>Totals Railroads and Airlines</b>	<b>19</b>	<b>14</b>	<b>1,095</b>	<b>698</b>
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**TABLE 3: RAILROAD & AIRLINE REPRESENTATION CASES CLOSED BY CRAFT OR CLASS**

RAILROADS	REPRESENTATION CASES
Maintenance of Way Employees	1
Signalmen	1
Station Managers	1
Train Dispatchers	2
Train and Engine Service Employees	6
<b>Railroad Total</b>	<b>11</b>

AIRLINES	REPRESENTATION CASES
Flight Attendants	1
Ground School Instructors	1
Mechanics and Related Employees	2
Stock and Stores Employees	1
Miscellaneous, Airlines	3
<b>Airline Total</b>	<b>8</b>

<b>Total, Railroads and Airlines</b>	<b>19</b>
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**TABLE 4: RAILROAD & AIRLINE REPRESENTATION DETERMINATIONS BY CRAFT OR CLASS**

RAILROADS	NUMBER OF CASES DOCKETED	NUMBER OF CASES CLOSED	NUMBER OF EMPLOYEES	PERCENT OF EMPLOYEES INVOLVED*
Clerical, Office, Station and Storehouse Employees	0	1	25	1.4%
Maintenance of Way Employees	1	1	17	0.9%
Non-Operating Employees	1	0	9	0.5%
On Board Service	1	0	104	5.6%
Operating Employees	1	0	9	0.5%
Signalmen	1	1	20	1.1%
Train Dispatchers	1	2	83	4.5%
Train and Engine Service Employees	8	6	349	18.9%
<b>Railroad Total</b>	<b>14</b>	<b>11</b>	<b>616</b>	<b>33.4%</b>

AIRLINES	NUMBER OF CASES DOCKETED	NUMBER OF CASES CLOSED	NUMBER OF EMPLOYEES	PERCENT OF EMPLOYEES INVOLVED*
Flight Attendants	1	1	462	25.1%
Instructors	0	1	28	1.5%
Mechanics and Related Employees	2	2	392	21.3%
Stock and Stores Employees	1	1	132	7.2%
Miscellaneous, Airlines	3	3	212	11.5%
<b>Airline Total</b>	<b>7</b>	<b>8</b>	<b>1,226</b>	<b>66.6%</b>

<b>Grand Total, Railroads and Airlines</b>	<b>21</b>	<b>19</b>	<b>1,842</b>	<b>100%</b>
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\* Percent listing for each group represents the percentage of the 1,842 employees involved in all railroad and airline docketed and closed cases during Fiscal Year 2024.

# CASE RECORDS

## REPRESENTATION CASES DOCKETED

RAILROAD REPRESENTATION CASES DOCKETED			
CASE	CARRIER	UNION	CRAFT OR CLASS
R-7622	Florida Gulf & Atlantic Railroad	BMWED	Non-operating/Maintenance of Way Craft
R-7626	Louisville & Indiana Railroad	SMART	Train and Engine Service
R-7628	Arizona Eastern Railway	BLET	Train and Engine Service
R-7631	Genesee & Wyoming	ATDA	Train Dispatchers
R-7633	Decatur & Eastern Illinois Railroad	BLET	Train and Engine Service
R-7635	Georgia Central Railway	BMWED	Maintenance of Way
R-7636	Georgia Central Railway	BLET	Train Service Employees
R-7637	RJ Corman Railroad Co/ Cleveland Line	BLET	Train and Engine Service
R-7638	Patriot Rail / Utah Central Railway	BLET	Train and Engine Service Employees
CR-7248	Springfield Terminal Railway Co.	BRS	Signalmen
CR-7250	COASTER Commuter Rail	BLET	Train and Engine Service
CR-7251	Carrollton RR	TWU/IAM	Operating Engineers
CR-7253	Transglobal Solutions	BLET	Train and Engine Service
CR-7254	Brightline Trains Florida LLC	TWU	On Board Service

AIRLINE REPRESENTATION CASES DOCKETED			
CASE	CARRIER	UNION	CRAFT OR CLASS
R-7623	Qantas Airways Ltd.	IAM	Mechanics and Related Employees
R-7624	Breeze Airways	AFA	Flight Attendants
R-7632	PSA Airlines	IAM	Stock Clerks
CR-7247	Southwest Airlines	IAM	NOC Customer Planners
CR-7249	Menzies Aviation	TWU	Fuel Farm Maintenance Operators
CR-7252	United Airlines	IAM	Senior Staff Technical Writers
CR-7255	United Airlines	IBT	Mechanics and Related Employees

## REPRESENTATION CASES CLOSED

RAILROAD REPRESENTATION CASES CLOSED				
CASE	CARRIER	UNION	CRAFT OR CLASS	DISPOSITION
R-7614	Alabama Export Railroad	SMART	Train and Engine Service Employees	Certification
R-7617	Denver Rock Railroad	SMART	Train and Engine Service Employees	Certification
R-7620	RailTerm, LLC	SMART	Dispatchers	Certification
R-7622	Florida Gulf & Atlantic Railroad	BMWED	Maintenance of Way Employees	Certification
R-7626	Louisville & Indiana RR	SMART	Train and Engine Service Employees	Certification
R-7628	Arizona Eastern Railway Company	BLET	Train and Engine Service Employees	Certification
R-7630 (CR-7250)	North County Transit District	BLET	Train and Engine Service Employees	Certification
R-7631	Genesee & Wyoming	ATDA	Train Dispatchers	Certification
R-7633	Decatur & Eastern Illinois RR	BLET	Train and Engine Service Employees	Dismissal
RD-7610	Long Island Railroad	TCU/IAM	Station Managers	Dismissal
RD-7617 (CR-7248)	Springfield Terminal Railway Company	BRS	Signalmen	Dismissal

AIRLINE REPRESENTATION CASES CLOSED				
CASE	CARRIER	UNION	CRAFT OR CLASS	DISPOSITION
R-7621	Allied Aviation	USWU	Mechanics and Related Employees	Certification
R-7596	JetBlue Airways Corp.	TWU	Instructors	Certification
R-7625 (CR-7245)	United Airlines, Inc.	IBT	Senior Staff Rep. – Maintenance Control Tech Support	Dismissal
R-7623	Qantas Airways Ltd.	IAM	Mechanics and Related Employees	Certification
R-7627 (CR-7247)	Southwest Airlines	IAM	NOC Customer Planners	Dismissal
R-7624	Breeze Airways	AFA	Flight Attendants	Certification
R-7629	Menzies Aviation	TWU	Fuel Farm Maintenance Operators	Certification
R-7632	PSA Airlines	IAM	Stock Clerks	Certification

## MEDIATION CASES DOCKETED AND CLOSED

### RAILROAD CASES DOCKETED

CARRIER	UNION	CRAFT / CLASS
LIRR	BLET	Locomotive Engineers
LIRR	IRSA	Gang Foremen
LIRR	BRS	Communications and Signal Department, and Technical Engineers, Architects, Draftsman, Allied Workers, Professional Engineers, Load Dispatchers, Supervisors-Special Services Employees
LIRR	IAM	Machinists
LIRR	IBEW	Electrical Workers
LIRR	TCU	Clerical Employees
ELSR	SMART-TD	Trainmen
MERR	SMART-TD	Trainmen
IND	TCU	Mechanical Employees
MN	TWU	Carmen and Coach Cleaners
PL	BMWED	Maintenance of Way Employees
KEOLIS	SMART-TD	Train Service Employees
KEOLIS	IBEW	Electrical Workers
PL	BRS	Signalmen

### RAILROAD CASES CLOSED

CARRIER	UNION	CRAFT / CLASS
RAP	SMART-TD	Engineers, Conductors, Brakemen, Switchmen, Flagmen
TR	SMART-TD	Conductors
SEPTA	SMART-TD	Conductors and Assistant Conductors
SEPTA	BLET	Locomotive Engineers
MN	TWU	Carmen Cleaners
SOO	BMWED	Maintenance Of Way Employees
SOO	BRS	Signalmen
DHR	BRS	Signalmen
DHR	BMWED	Maintenance Of Way Employees
DMER	BRS	Signalmen
CFE	BRS	Signalmen
MNCR-MN	IBEW	Foremen Supervisor
UTAH	TCU	Carmen
UTAH	BLET	Train & Engine Service
MSR	SMART-TD	Train & Engine Service
PSAP	SMART-TD	Transportation Employees
AO	SMART-TD	Train & Engine Service
BPRI	SMART-TD	Signalmen
BPRI	SMART-TD	Maintenance of Way Employees
CRANDIC	IAM	Machinists

## AIRLINE CASES DOCKETED

CARRIER	UNION	CRAFT / CLASS
SUN COUNTRY	AMFA	Mechanics and Related Employees
SPIR	AMFA	Mechanics and Related Employees
UAL	AFA	Flight Attendants
PSA	AFA	Flight Attendants
FFT	ALPA	Pilots
SPIR	PAFCA	Dispatchers
OAI	TWU	Dispatchers
EAL	AFA	Flight Attendants
WGN	ALPA	Pilots
NAC	IBT-AIR	Pilots
ATI	AFA	Flight Attendants
MESA	AFA	Flight Attendants

## AIRLINE CASES CLOSED

CARRIER	UNION	CRAFT / CLASS
GATEGOUR	IBT-HERE-ERC	Catering and Commissary Employees
AWAC	TWU	Dispatchers
AIRM	OPEIU	Pilots
SWA	TWU	Flight Attendants
SWA	SWAPA	Pilots
AA	APFA	Flight Attendants
NA	IAM	Flight Attendants
AAS	TWU	Fueler Ground Service Employees
SPIR	PAFCA	Dispatchers
OAI	TWU	Dispatchers

## ADR CASES DOCKETED AND CLOSED

### ADR CASES DOCKETED

CASE TYPE	CARRIER / EVENT	UNION	CRAFT / CLASS
T	LIRR	BLET/ BRS/ IRSA/TCU/ IBEW/ IAM	Railroaders
GM	UP	BLET	Engineers
GM	NBT	AFA	Flight Attendants
GM	DAL	ALPA	Pilots
GM	EDV	AFA	Flight Attendants

## ADR CASES CLOSED

CASE TYPE	CARRIER / EVENT	UNION	CRAFT / CLASS
T	HAL	TWU	Dispatchers
T	Transition Training, Director, Office of Mediation Services, 2023		
T	NICT	SMART-TD	Operating Employees
T	Transportation Technology		
T	Senior Mediator Transition & Training		
T	UPS	IPA	Negotiations Training
T	Mediator Meeting March 2024		
T	ABA Railway & Airline Labor Law Committee Meeting		
T	NBT	AFA	Flight Attendants
T	UP	BLET	Locomotive Engineers
T	ABA Dispute Resolution Conference	SMART-TD	
T	New Mediator Training		
T	OMS PMS		
T	DAL	ALPA	Pilots
T	FMCS-LERA-ILERA Triad Conference 2024		
T	ALRA Conference 2024, Detroit, MI		
T	SEPTA	BLET	Locomotive Engineers
T	Mediator Meeting		
T	All Hands		
T	New Mediator Training (Henderson)		
T	OMS Management Meeting		
GM	KCS	SMART-TD	Trainmen
OP	National Association of Railroad Referees 2023 Annual Conference 9/20/23 - 9/22/23		
OP	Smwia -Smart Leadership Conference		
OP	Iam Unity And Growth Conference		
OP	G. Dellaverson/Familiarization Tour, NYC Commuter Rail		
OP	ACRE, ARSA-BRAC, NCFO, IBT, IBEW		
OP	UPS	IPA	Pilots
OP	NCCC		
OP	National Academy of Arbitrators (NAA) Southwest Rockies Region Conference		
OP	NAA Southeast Regional Conference		

\* T – Training; GM – Grievance Mediation; OP – Outreach and Promotion.

# SUPPORT OFFICES

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## OFFICE OF ADMINISTRATION

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

### HIGHLIGHTS OF FISCAL YEAR 2024

#### Human Capital

The OA continues to utilize online services in the personnel arena and uses the Department of Interior (DOI) as a shared service provider for personnel and payroll functions. The NMB continues to use the E-verify system to ensure that all new appointees are eligible to work.

With an aging workforce at the NMB, succession planning continues to be an OA initiative, and in 2024 the Agency updated its Succession and Workforce Plan. This plan analyzes the NMB's future staffing requirements and sets forth strategies for adequately recruiting, promoting, and retaining employees. Training plans, both through Individual Development Plans (IDP) and Agency-wide opportunities, promote career development. The NMB made great progress in FY 2024 in hiring key vacant positions in the Office of Mediation Services, Office of Legal Affairs, and Office of Arbitration.

The NMB continues to devote attention and resources to training in order to improve employee competencies and responsiveness. The OA continues to partner with the Office of Personnel Management (OPM) and the Department of Interior (DOI) to improve the NMB's human capital operations and implement executive order requirements. The OA ensures that all new NMB managers, supervisors, and employees receive appropriate training to comply with the agency's policies and procedures. In FY 2025, the Agency plans to continue to access training and education programs to ensure staff received all training to comply with government requirements and support professional development.

In FY 2024, the NMB signed an agreement with the DOI's Interior Business Center to begin the implementation of Quicktime, a federal electronic time and attendance system. Quicktime provides accurate attendance and leave accumulation, ensuring accountability to both the employee and the taxpayer.

#### Property and Space Management

The OA ensures that the NMB's physical inventory is properly recorded in the NMB's cloud-based inventory system. The OA continues to maintain a close liaison with the building property management and the General Services Administration (GSA) regarding the NMB's space, both in Washington, DC, and Chicago, IL.

#### Sustainability

The National Mediation Board is committed to reducing greenhouse gasses in accordance with Executive Order 13514. The Agency provides transit benefits as well as telework programs to eligible employees.



## OFFICE OF INFORMATION SERVICES

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

### HIGHLIGHTS DURING FISCAL YEAR 2024

#### Arbitrator Workspace System

The NMB made enhancements to its Arbitrator Workspace System to improve the security and functionality of the system and provide accurate reporting to users.

#### Phone and Voicemail System

The NMB made enhancements to its voicemail system. Users are now able to get their voicemail records in their emails.

#### Information Security

The NMB made strides in better securing its information technology by taking numerous actions to meet Federal IT security requirements and industry best practices. The NMB staff implemented new tools to allow laptops and cellphones to be remotely evaluated for security vulnerabilities and for laptop updates to be applied without end user intervention.

#### Personal Identity Verification cards/Multifactor Authentication

OIS continued to maintain its solution to enable the NMB users to login to their laptops using their government issued personal identity verification (PIV) cards. OIS also deployed Yubikeys and Google Security Assertion Markup Language (SAML) logins for phishing resistant multi-factor authorization.

#### The NMB Knowledge Store

The NMB staff continue to build and improve the public archive of information available through the NMB Knowledge Store. Currently, the NMB Knowledge Store now contains over 150,000 documents in an easily searchable format, including arbitration awards, representation decisions, annual reports, PEB reports, and collective bargaining contracts.

#### Electronic Government

The NMB provides electronic access to all its policies, and the Agency continues to use the NMB website to provide information to its internal and external customers. The website provides access to the NMB's internal customers by allowing them to access NMB forms and other pertinent information. The NMB continues to update the website to improve reliability and to implement security measures.

#### Compliance with Government-Wide Requirements and Mandates for FY 2026

The National Mediation Board is subject to many of the Office of Management and Budget Memorandums, Cybersecurity and Infrastructure Security Agency (CISA) Binding Operational Directives (BODs), and subsequent federal mandates around Cybersecurity, Homeland Security Protocol Directive-12, Multi-factor Authentication, Federal Information Security Modernization Act (FISMA), and Section 508 of the Rehabilitation Act. As a micro-agency with limited staff, many of these requirements must be met through the procurement of goods and/or contractual services.

## OFFICE OF FISCAL SERVICES

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

### HIGHLIGHTS OF FISCAL YEAR 2024

Clean Audit finding here.

In FY 2024, the NMB continued to use the Bureau of Fiscal Services (BFS) for accounting and financial reporting requirements, contracting services, and E-travel. Using a federal Financial Management Line of Business Center of Excellence has significant benefits, including reduced overhead costs and shared knowledge of financial management practices throughout the Federal Government.

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

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

Included in the services provided by the BFS, the NMB utilizes the electronic contract writing system, PRISM, to create purchase requisitions and orders for contracts and IAA. This results in a more streamlined request for proposal process and improved bid analysis, ensuring compliance with all applicable government procurement rules and regulations.

The NMB continued its use of the Concur Government Edition (CGE) Travel Services. Concur is a cloud-based expense and travel management software solution to process travel authorizations, vouchers, and reimbursement to travelers, and reduces the overall per-ticket cost for travelers. The NMB is prepared to transition to the new system as Concur is moved to a new contractor.

The NMB closed a majority of the U.S. Government Accountability Office (GAO) audit findings.

## BRIEF ANALYSIS OF FINANCIAL STATEMENTS

The NMB is committed to organizational excellence and sound financial management. The NMB has a fiduciary and stewardship responsibility to manage its federal funds effectively and efficiently and comply with federal financial management guidance. As part of this responsibility, the Agency prepares annual financial statements in accordance with Generally Accepted Accounting Principles. The principal financial statements have been prepared to report the financial position and results of operations for the NMB. The FY 2024 financial statements and accompanying notes are presented in accordance with OMB Circular A-136, Financial Reporting Requirements, and are shown in comparative formats.

To ensure the integrity and reliability of the annual financial statements, the NMB subjects them to an annual independent audit.

NET FINANCIAL CONDITION	FY 2024	FY 2023
Assets	\$8,324,804	\$9,528,660
Liabilities	\$1,989,314	\$1,551,637
Net Position	\$6,335,490	\$7,977,023
Net Cost	\$16,001,078	\$13,181,358

Summary of the NMB's financial position for FY 2024 and FY 2023.

## LIMITATIONS OF FINANCIAL STATEMENTS

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

## MANAGEMENT ASSURANCES

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

This section provides information on the 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 expenses comply with applicable law;
- Assets are safeguarded from waste, loss, unauthorized use, or misappropriation; and
- Revenue and expenditures are properly recorded and accounted.

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

## FEDERAL MANAGER'S FINANCIAL INTEGRITY ACT ASSURANCE STATEMENT

The NMB's management is responsible for establishing and maintaining effective internal controls that meet the obligations of FMFIA within their areas of responsibility. Based on the Chairman's knowledge of daily operations and other management reviews, and in accordance with the Office of Management and Budget Circular A-123, Management's Responsibility for Enterprise Risk Management and Internal Control, the NMB is able to provide reasonable assurance that, as of September 30, 2024, its internal controls over the effectiveness and efficiency of operations and reporting were compliant with applicable laws and regulations, and no material weaknesses were found in the design or operation of the internal controls.

Respectfully submitted,



**LOREN SWEATT**  
Chair, National Mediation Board

# 02

## MEASURING PERFORMANCE: KEY RESULTS FOR FY 2024



**53** PROGRAM OFFICES

**56** SUPPORT OFFICES

# PROGRAM OFFICES PERFORMANCE GOALS

## OFFICE OF MEDIATION SERVICES

### MEDIATION STRATEGIC GOAL

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

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

**Recent accomplishments:** The NMB standards applicable to processing and managing cases involving major disputes were consistently met in FY 2024, including the closeout of numerous ADR cases. The NMB will continue to refine case processing with enhancements to the Agency's Mediation Case Management System to track cases from application to closure. Case management was accomplished as planned with Mediators utilizing appropriate techniques at the table with support from two newly appointed Supervisory Mediators acting in an oversight and mentor role. The addition of four Mediators will allow for expeditious processing of cases and expansion of grievance mediation. Quarterly reviews of cases one year old or older by Board Members and senior mediation management ensured that parties to the process received assistance appropriate for their cases.

Also, the addition of a Program Management Specialist has provided administrative support to the Agency with the added benefit of better organized resources to enhance the utility and usefulness of existing infrastructure.

#### Goal 2: Provide appropriate and effective Mediator training and continuous development.

**Recent accomplishments:** Through the use of IDPs, each Mediator participated in training and development meeting individual needs. In addition, industry-specific topics were covered at selected conferences. Mediators also attended virtual training sessions as offered. Together, these provided targeted information and training that enhanced the skills Mediators bring to the table.

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

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

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

**Recent accomplishments:** The Agency continues to use technology for dispute resolution and offer its possibilities to our parties. Mediators made use of technology to remotely share information and language, and to discuss proposals. Technology has been helpful in continuing the mediation process when remote meetings were the best, and in some cases, only avenue available.

## OFFICE OF LEGAL AFFAIRS

### REPRESENTATION STRATEGIC GOAL

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

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

**Recent accomplishments:** In most cases, OLA responded to representation applications within two business days of receipt by the NMB; assigned an investigator within two business days of receipt of the application; determined showing of interest within 45 days of docketing an application; and issued a certification or dismissal the next business day after the ballot count. OLA has fully transitioned to mail ballot elections and has authorized 15 elections and completed 14 tallies. OLA continues to work with the NMB's Office of Information Services on the development of a new electronic voting system.

#### Goal 2: Enhance training and development of OLA staff.

**Recent accomplishments:** OLA staff members updated their IDPs. Each year OLA employees coordinate with their manager to update or develop a plan to enhance career related skills. In FY 2024 OLA staff took classes related to the Railway Labor Act, Freedom of Information Act (FOIA), records management, government ethics, the Privacy Act, federal sector personnel law, conflict resolution and employment law.

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

**Recent accomplishments:** OLA staff continue active stakeholder outreach, participating as panelists and attendees at conferences sponsored by the American Bar Association, American Law Institute, the National Association of Railroad Referees, and the Association of Labor Relations Agencies. OLA attorneys gave presentations on the RLA, recent RLA case developments, Ethics, and remedies under the RLA. OLA continued to participate in intra-governmental initiatives with other federal agencies such as the Department of Transportation, Department of Labor, Federal Labor Relations Authority, National Labor Relations Board, and the Federal Mediation and Conciliation Service. OLA attorneys serve as both Senior Editors and Contributing Editors of the Railway Labor Act Treatise, published by the Bloomberg/BNA, which completed the 2023 Update this year.

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

**Recent accomplishments:** All OLA staff members are trained on Emergency Board Procedures. OLA maintained continuous industry and agency communication at a level that provided for early preparation for potential Presidential Emergency Boards. In FY 2024, OLA Staff served as counsel to PEB No. 251 established under Section 9a of the RLA and involving New Jersey Transit Rail Operations and its Locomotive Engineers represented by the Brotherhood of Locomotive Engineers and Trainmen.

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

**Recent accomplishments:** OLA conducts semi-annual reviews of the Representation Manual and agency website, updating where appropriate. In FY 2024, OLA further revised and updated its representation manual provisions regarding eligibility of trainees.

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

**Recent accomplishments:** The OLA continued to investigate the use of voice recognition software, and other cost-and-time-saving mechanisms for taking employee statements during interference investigations, and when drafting representation determinations. The OLA also developed and implemented mail ballot templates.

The NMB has made significant progress developing a comparable electronic voting system internally, working in collaboration with NMB Office of Information Services and a contractor. In the interim, elections are conducted by mail-in ballot. The OLA provides in-person tallies with the option of web-based video conferencing to conduct mail ballot tallies virtually.

## OFFICE OF ARBITRATION SERVICES

### ARBITRATION STRATEGIC GOAL

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

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

**Recent accomplishments:** An audit was conducted of the administrative caseload processes, and procedures governing public law boards and system boards of adjustments were reviewed with the goal of continuous improvement of service delivery. The Office of Arbitration Services promptly responds to questions and general inquiries from the Section 3 community, railroad and airline employees, the NMB staff and other government agencies.

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

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

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

**Recent accomplishments:** A joint labor-management committee revised the NMB Subject Codes to reflect the current state of operations in the railroad industry. These codes are now used to provide data, on a bi-annual basis, to the parties on the predominant issues in cases docketed for arbitration.

# SUPPORT OFFICES PERFORMANCE GOALS

## OFFICE OF ADMINISTRATION

### ADMINISTRATION STRATEGIC GOAL

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

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

**Recent accomplishments:** The Office of Administration (OA) responded to all requests for assistance or service from internal and external customers in a timely manner. The OA continues to be a central function and liaison for all NMB offices as well as numerous government agencies and shared service providers.

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

**Recent accomplishments:** The NMB works with the Department of Interior to ensure that each vacancy announcement reflects the technical and professional skills needed. The Office of Administration collaborated with the Office of Mediation Services, the Office of Legal Affairs, and the Office of Arbitration Services to hire qualified staff in FY 2024, and will continue to backfill the Agency’s remaining vacancies in FY 2025.

**Goal 3: Ensure all OPM and GSA policies and procedures are followed.**

**Recent accomplishments:** The NMB has diligently been following all protocols from OPM for personnel activities and programs. The OA ensures all Staff are properly aware of, trained, and in compliance with all Federal and building policies, protocols, and procedures as well.

## OFFICE OF FISCAL SERVICES

### FISCAL SERVICES STRATEGIC GOAL

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

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

**Recent accomplishments:** The NMB continues to work with BFS to ensure that required financial reporting is prepared and submitted timely. The NMB worked with BFS to ensure that over 99% of payments were made timely and accurately in FY 2024. All Office of Management and Budget financial reports and data collections in FY 2024 were submitted in a timely manner. The Office of Fiscal Services is committed to responding to timely requests from our internal and external customers. In November 2024, the NMB received another unmodified “clean” opinion on its financial statement and notes from the Agency’s independent auditor.

**Goal 2: Ensure agency spending and budgets are transparent and provide the necessary support for each of the agency’s missions throughout the entire fiscal year.**

**Recent accomplishments:** The NMB has an agreement with BFS to handle the Agency’s financial management system, and the Agency integrates PRISM into its procurement process. The NMB works with BFS on a regular basis to ensure that the Agency’s quarterly apportionment is not exceeded, and that all budget related reports and activities have been reported in a timely manner.

**Goal 3: Ensure agency compliance with all Office of Management and Budget and Department of Treasury laws and regulations with respect to budget and financial reporting requirements, and implement proper internal controls.**

**Recent accomplishments:** The NMB submitted all applicable financial reports, to date, and has continued to adhere to OMB Circulars A-11, A-123, and A-136. In FY 2024 the Agency received another “Green” scorecard from the U.S. Department of Treasury for various reporting and reconciliation requirements and analyses.

**Goal 4: Enhance Training and Development of Fiscal Services Staff**

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

## OFFICE OF INFORMATION SERVICES

### INFORMATION SERVICES STRATEGIC GOAL

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

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

**Recent accomplishments:** The Office of Information Services (OIS) completed several actions related to Cybersecurity and Infrastructure Security Agency (CISA) Emergency Directives, as well as compliance with several actions related to the bi-annual Federal Information Security Modernization Act (FISMA) metrics. In addition, the agency implemented PIV card logins for its laptops. The NMB will need to acquire or develop a Governance, Risk, and Compliance (GRC) tool per OMB guidance to manage policies, assess risk, control user access, and streamline compliance. The NMB will also need to replace its network hardware in the DC office.

**Goal 2: Maintain and update internal policies.**

**Recent accomplishments:** The NMB has updated its IT Security Policy and has developed a comprehensive set of supporting operational procedures. The NMB has reached a maturity level of ‘Defined’ in all 8 Function Domain areas as required by the Cybersecurity Framework. The NMB will need an Artificial Intelligence tool to assist in developing policies and procedures. The NMB will continue to make updates to its policies and procedures as necessary.

**Goal 3: Maintain hardware/software architecture and configuration.**

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

**Goal 4: Improve agency efficiency and public communications through cost-effective information and communications technology improvements, including implementing Enterprise Architecture (design, secure, and document) the emerging cloud, mobile, and other mechanisms.**

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

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

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



# 03

## FINANCIAL INFORMATION

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# LETTER FROM THE CHIEF FINANCIAL OFFICER

NOVEMBER 7, 2024

On behalf of the National Mediation Board (NMB), it is my pleasure to join with the Board in presenting the NMB's FY 2024 Performance and Accountability Report. This report is an integrated presentation of our programmatic, administrative, and financial achievements during the past year. The principal financial statements and notes that follow explain the NMB's financial position as of September 30, 2024 and 2023, respectively, as well as detail the use of Agency resources to achieve our performance results.

The independent audit of our financial statements and notes is complete, and I am pleased to report that the NMB received another unmodified "clean" opinion. This is evidence of the organization's continued emphasis on reviewing and strengthening internal controls in accordance with requirements from central regulatory bodies of the federal government such as the U.S. Treasury and the Office of Management and Budget. This validates our confidence that our financial and performance data are complete, accurate, and reliable.

In FY 2024 there were no significant changes or issues in the Agency's financial operations or systems. We continued our successful partnerships with the U.S. Department of Treasury — Bureau of Fiscal Services (BFS) for our accounting, financial, contractual, and reporting services, and the Department of Interior — Interior Business Center, for payroll and personnel services. The ability to partner with these Centers of Excellence designated by OMB affords us the opportunity to receive the numerous benefits a shared service provider can offer, at affordable costs.

In FY 2025 we will continue to seek out opportunities to further improve our financial, information technology, and, in particular, our human resource operations including the adoption of a federally approved electronic time & attendance system. These enhancements will offer additional efficiencies and customer service to our internal and external customers.

We are confident that our financial systems and operations will continue to support the Board's mission to effectively and efficiently reach our intended outcomes. My sincere thanks and appreciation goes out to all of the dedicated staff at the NMB whose commitment and effort made this past year a success. Your work is admirable, recognized, and appreciated.

Sincerely,



**MICHAEL JERGER**  
Chief Financial Officer

**NMB – 2024 Financial Statement Audit**  
**Contract: GS23F0111L/20343220F00007**

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**National Mediation Board (NMB)**  
**Fiscal Year 2024 Financial Statement Audit**

## Final Independent Auditor's Report

*Submitted for review and acceptance to:*  
Michael Jerger  
Chief Financial Officer  
National Mediation Board  
1301 K Street Suite 250 E, N.W.  
Washington, DC 20005-7011

*Submitted by:*  
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### Final Independent Auditors' Report

Prepared under contract to the National Mediation Board (NMB) to provide financial auditing services



NATIONAL MEDIATION BOARD  
AUDIT REPORT  
SEPTEMBER 30, 2024



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Independent Auditors' Report

Board Members  
National Mediation Board:

Report on the Financial Statements

Opinion

In accordance with the Accountability of Tax Dollars Act of 2002, we have audited the National Mediation Board (NMB) financial statements. NMB financial statements comprise the balance sheets as of September 30, 2024 and 2023; the related statements of net cost, changes in net position, and budgetary resources for the fiscal years then ended; and the related notes to the financial statements.

In our opinion, NMB's financial statements present fairly, in all material respects, NMB's financial position as of September 30, 2024 and 2023, and its net cost of operations, changes in net position, and budgetary resources for the fiscal years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with U.S. generally accepted auditing standards (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 24-02, *Audit Requirements for Federal Financial Statements*. Our responsibilities under those standards and OMB Bulletin No. 24-02 are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the NMB and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for

- the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles;
- preparing, measuring, and presenting the Required Supplementary Information (RSI) in accordance with U.S. generally accepted accounting principles;
- preparing and presenting other information included in NMB's Performance and Accountability Report (PAR), and ensuring the consistency of that information with the audited financial statements and the RSI; and
- designing, implementing, and maintaining effective internal control relevant to the preparation

and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to (1) obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and (2) to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit of the financial statements conducted in accordance with GAAS, generally accepted government auditing standards (GAGAS), and OMB Bulletin No. 24-02 will always detect a material misstatement or material weakness when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered to be material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, GAGAS, and OMB Bulletin No. 24-02, we;

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures that are responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to an audit 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 NMB's internal control over financial reporting. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Perform other procedures we consider necessary in the circumstances.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope of and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the financial statement audit.

Required Supplementary Information (RSI)

U.S. generally accepted accounting principles issued by the Federal Accounting Standards Advisory Board (FASAB) require that the information in the RSI be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by FASAB, which considers it to be an essential part of financial reporting for placing the financial statements in appropriate operational, economic, or historical context.

We have applied certain limited procedures to the RSI in accordance with U.S. generally accepted government auditing standards. These procedures consisted of (1) inquiring of management about the methods used to prepare the RSI and (2) comparing the RSI for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during the audit of the financial statements, in order to report omissions or material departures from FASAB guidelines, if any, identified by these limited procedures. We did not audit and we do not express an opinion or provide any assurance on the RSI because the limited procedures we applied do not provide sufficient evidence to express an opinion or provide any assurance.

Other Information

NMB's other information contains a wide range of information, some of which is not directly related to the financial statements. This information is presented for purposes of additional analysis and is not a required part of the financial statements or the RSI. Management is responsible for the other information included in NMB's Performance Accountability Report. The other information comprises the *Chairman's Letter, Management and Discussion Analysis, Measuring Performance: Key Results for FY 2024, Letter from the Chief Financial Officer, and Other Information* sections but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exist between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Report on Internal Control over Financial Reporting**

In connection with our audits of NMB's financial statements, we considered NMB's internal control over financial reporting, consistent with the auditor's responsibilities discussed below.

Results of Our Consideration of Internal Control over Financial Reporting

Our consideration of internal control was for the limited purpose described below, and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies<sup>1</sup> or to express an opinion on the effectiveness of NMB's internal control over financial reporting. Given these limitations, during our fiscal year 2024 audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses; however, material weaknesses or significant deficiencies may exist that have not been identified.

<sup>1</sup> A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit the attention by those charged with governance.

Basis for Results of Our Consideration of Internal Control over Financial Reporting

We performed our procedures related to NMB's internal control over financial reporting in accordance with U.S. generally accepted government auditing standards and OMB audit guidance.

Responsibilities of Management for Internal Control over Financial Reporting

NMB management is responsible for designing, implementing, and maintaining effective internal control over financial reporting relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for Internal Control over Financial Reporting

In planning and performing our audit of NMB's financial statements as of and for the fiscal year ended September 30, 2024, in accordance with U.S. generally accepted government auditing standards, we considered NMB's internal control relevant to the financial statement audit 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 NMB's internal control over financial reporting. Accordingly, we do not express an opinion on NMB's internal control over financial reporting. We are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses. We did not consider all internal controls relevant to operating objectives, such as those controls relevant to preparing performance information and ensuring efficient operations.

Definition and Inherent Limitations of Internal Control over Financial Reporting

An entity's internal control over financial reporting is a process effected by those charged with governance, management, and other personnel, the objectives of which are to provide reasonable assurance that:

- transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles, and assets are safeguarded against loss from unauthorized acquisition, use, or disposition, and
- transactions are executed in accordance with provisions of applicable laws, including those governing the use of budget authority, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent, or detect and correct, misstatements due to fraud or error.

Intended Purpose of Report on Internal Control over Financial Reporting

The purpose of this report is solely to describe the scope of our consideration of NMB's internal control over financial reporting and the results of our procedures, and not to provide an opinion on the effectiveness of NMB's internal control over financial reporting. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering internal control over financial reporting. Accordingly, this report on internal control over financial reporting is not suitable for any other purpose.

**Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements**

In connection with our audits of NMB's financial statements, we tested compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements consistent with our auditor's responsibilities discussed below.

Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our tests for compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements disclosed no instances of noncompliance for fiscal year 2024 that would be reportable under U.S. generally accepted government auditing standards. However, the objective of our tests was not to provide an opinion on compliance with laws, regulations, contracts, and grant agreements applicable to NMB. Accordingly, we do not express such an opinion.

Basis for Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

We performed our tests of compliance in accordance with U.S. generally accepted government auditing standards and OMB audit guidance.

Responsibilities of Management for Compliance with Laws, Regulations, Contracts, and Grant Agreements

NMB management is responsible for complying with laws, regulations, contracts, and grant agreements applicable to NMB.

Auditor's Responsibilities for Tests of Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our responsibility is to test compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements applicable to NMB that have a direct effect on the determination of material amounts and disclosures in NMB's financial statements, and to perform certain other limited procedures. Accordingly, we did not test compliance with all laws, regulations, contracts, and grant agreements applicable to NMB. We caution that noncompliance may occur and not be detected by these tests.

Intended Purpose of Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements

The purpose of this report is solely to describe the scope of our testing of compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements, and the results of that testing, and not to provide an opinion on compliance. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering compliance. Accordingly, this report on compliance with laws, regulations, contracts, and grant agreements is not suitable for any other purpose.

*Allmond & Company, LLC*

Lanham, MD  
November 1, 2024

NATIONAL MEDIATION BOARD

Fiscal Year 2024  
Financial Statements



NATIONAL MEDIATION BOARD  
BALANCE SHEETS  
AS OF SEPTEMBER 30, 2024 AND 2023  
(In Dollars)

	2024	2023
<b>Assets</b>		
Intragovernmental Assets		
Fund Balance with Treasury (Note 2)	\$ 8,263,865	\$ 9,519,706
Advances and Prepayments	60,939	8,954
Total Intragovernmental Assets	8,324,804	9,528,660
<b>Total Assets</b>	<b>\$ 8,324,804</b>	<b>\$ 9,528,660</b>
<b>Liabilities (Note 3)</b>		
Intragovernmental Liabilities		
Accounts Payable	\$ 828,188	\$ 548,238
Other Liabilities (Note 5)	42,243	29,892
Total Intragovernmental Liabilities	870,431	578,130
Other than Intragovernmental Liabilities		
Accounts Payable	437,860	339,347
Federal Employee Salary, Leave, and Benefits Payable (Note 3)	681,023	634,160
Total Other than Intragovernmental Liabilities	1,118,883	973,507
<b>Total Liabilities</b>	<b>\$ 1,989,314</b>	<b>\$ 1,551,637</b>
<b>Commitments and Contingencies (Note 6)</b>		
<b>Net Position</b>		
Unexpended Appropriations		
Funds from Other than Dedicated Collections	\$ 6,876,496	\$ 8,461,891
Total Unexpended Appropriations (Consolidated)	6,876,496	8,461,891
Cumulative Results of Operations		
Funds from Other than Dedicated Collections	(541,006)	(484,868)
Total Cumulative Results of Operations (Consolidated)	(541,006)	(484,868)
<b>Total Net Position</b>	<b>\$ 6,335,490</b>	<b>\$ 7,977,023</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 8,324,804</b>	<b>\$ 9,528,660</b>

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

**NATIONAL MEDIATION BOARD  
STATEMENTS OF NET COST  
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2024 AND 2023  
(In Dollars)**

	2024	2023
<b>Program Costs:</b>		
Program: Mediation / ADR		
Gross Costs	\$ 11,828,852	\$ 9,196,959
<b>Net Program Costs</b>	<b>\$ 11,828,852</b>	<b>\$ 9,196,959</b>
Program: Representation		
Gross Costs	\$ 1,789,928	\$ 1,606,588
<b>Net Program Costs</b>	<b>\$ 1,789,928</b>	<b>\$ 1,606,588</b>
Program: Arbitration		
Gross Costs	\$ 2,232,398	\$ 2,380,503
<b>Net Program Costs</b>	<b>\$ 2,232,398</b>	<b>\$ 2,380,503</b>
Program: Presidential Emergency Board		
Gross Costs	\$ 149,900	\$ (2,692)
<b>Net Program Costs</b>	<b>\$ 149,900</b>	<b>\$ (2,692)</b>
<b>Net Cost of Operations</b>	<b>\$ 16,001,078</b>	<b>\$ 13,181,358</b>

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

**NATIONAL MEDIATION BOARD  
STATEMENT OF CHANGES IN NET POSITION  
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2024 AND 2023  
(In Dollars)**

	2024	2023
<b>Unexpended Appropriations</b>		
Beginning Balance	\$ 8,461,891	\$ 8,856,585
Appropriations Received	15,113,000	15,113,000
Other Adjustments	(1,320,718)	(2,746,870)
Appropriations Used	(15,377,677)	(12,760,824)
Net Change in Unexpended Appropriations	(1,585,395)	(394,694)
<b>Total Unexpended Appropriations</b>	<b>\$ 6,876,496</b>	<b>\$ 8,461,891</b>
<b>Cumulative Results of Operations</b>		
Beginning Balance	\$ (484,868)	\$ (488,638)
Appropriations Used	15,377,677	12,760,824
Imputed Financing (Note 12)	567,263	424,304
Net Cost of Operations	(16,001,078)	(13,181,358)
Net Change in Cumulative Results of Operations	(56,138)	3,770
<b>Total Cumulative Results of Operations</b>	<b>\$ (541,006)</b>	<b>\$ (484,868)</b>
<b>Net Position</b>	<b>\$ 6,335,490</b>	<b>\$ 7,977,023</b>

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

**NATIONAL MEDIATION BOARD  
STATEMENTS OF BUDGETARY RESOURCES  
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2024 AND 2023  
(In Dollars)**

	2024	2023
<b>Budgetary Resources</b>		
Unobligated Balance From Prior Year Budget Authority, Net (Note 13)	\$ 2,981,930	\$ 3,411,244
Appropriations	15,113,000	15,113,000
<b>Total Budgetary Resources</b>	<b>\$ 18,094,930</b>	<b>\$ 18,524,244</b>
<b>Status of Budgetary Resources</b>		
New Obligations and Upward Adjustments (Total) (Note 7)	\$ 15,099,493	\$ 14,940,633
Unobligated Balance, End of Year		
Apportioned, Unexpired Accounts	170,978	338,287
Unexpired Unobligated Balance, End of Year	170,978	338,287
Expired Unobligated Balance, End of Year	2,824,459	3,245,324
Unobligated Balance, End of Year (Total)	2,995,437	3,583,611
<b>Total Budgetary Resources</b>	<b>\$ 18,094,930</b>	<b>\$ 18,524,244</b>
<b>Outlays, Net and Disbursements, Net</b>		
Outlays, Net (Total)	\$ 15,048,123	\$ 13,447,431
<b>Agency Outlays, Net</b>	<b>\$ 15,048,123</b>	<b>\$ 13,447,431</b>

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

**NOTES TO THE FINANCIAL 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 three key statutory goals:

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

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

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

**B. Basis of Presentation**

The financial statements have been prepared to report the financial position and results of operations of the NMB. The Balance Sheet presents the financial position of the agency. The Statement of Net Cost presents the agency's operating results; the Statement of Changes in Net Position displays the changes in the agency's equity accounts. The Statement of Budgetary Resources presents the sources, status, and uses of the agency's resources and follows the rules for the Budget of the United States Government.

The statements are a requirement of the Chief Financial Officers Act of 1990, the Government Management Reform Act of 1994 and the Accountability of Tax Dollars Act of 2002. They have been prepared from, and are fully supported by, the books and records of the NMB in accordance with the hierarchy of accounting principles generally accepted in the United States of America, standards issued by the Federal Accounting Standards Advisory Board (FASAB), Office of Management and Budget (OMB) Circular A-136, Financial Reporting Requirements, as amended, and the NMB's accounting policies which are summarized in this note. These statements, with the exception of the Statement of Budgetary Resources, are different from financial management reports, which are also prepared pursuant to OMB directives that are used to monitor and control the NMB's use of budgetary resources. The financial statements and associated notes are presented on a comparative basis. 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. Under the accrual method, revenues are recognized when earned, and expenses are recognized when a liability is incurred,

without regard to receipt or payment of cash. Budgetary accounting facilitates the control and monitoring of federal funds as well as the compliance with legal requirements on the use of those funds.

#### **D. Fund Balance with Treasury**

Fund Balance with Treasury is an asset of a reporting entity and a liability of the General Fund. It is the aggregate amount of the NMB's funds with Treasury in expenditure, receipt, revolving, and deposit fund accounts. Appropriated funds recorded in expenditure accounts are available to pay current liabilities and finance authorized purchases.

The NMB does not maintain bank accounts of its own, has no disbursing authority, and does not maintain cash held outside of Treasury.

#### **E. Accounts Receivable**

Accounts receivable consists of amounts owed to the NMB by other federal agencies and the general public. Amounts due from federal agencies are considered fully collectible. Accounts receivable from the public include reimbursements from employees. An allowance for uncollectible accounts receivable from the public is established when, based upon a review of outstanding accounts and the failure of all collection efforts, management determines that collection is unlikely to occur considering the debtor's ability to pay.

#### **F. Property, Equipment, and Software**

Property, equipment, and software represent furniture, fixtures, equipment, and information technology hardware and software which are recorded at original acquisition cost and are depreciated or amortized using the straight-line method over their estimated useful lives. Major alterations and renovations are capitalized, while maintenance and repair costs are expensed as incurred. The NMB's capitalization threshold is \$5,000 for individual purchases. Property, equipment, and software acquisitions that do not meet the capitalization criteria are expensed upon receipt. Applicable standard governmental guidelines regulate the disposal and convertibility of agency property, equipment, and software.

#### **G. Advances and Prepaid Charges**

Advance payments are generally prohibited by law. There are some exceptions, such as reimbursable agreements, subscriptions and payments to contractors and employees. Payments made in advance of the receipt of goods and services are recorded as advances or prepaid charges at the time of prepayment and recognized as expenses when the related goods and services are received.

#### **H. Liabilities**

Liabilities represent the amount of funds likely to be paid by the NMB as a result of transactions or events that have already occurred.

The NMB reports its liabilities under two categories, Intragovernmental and Other than Intragovernmental. Intragovernmental liabilities represent funds owed to another government agency. Liabilities other than intragovernmental represent funds owed to any entity or person that is not a federal agency, including private sector firms and federal employees. Each of these categories may include liabilities that are covered by budgetary resources and liabilities not covered by budgetary resources.

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. Accrued payroll and benefits represent payroll costs earned by employees during the fiscal year which are not paid until the next fiscal year.

Liabilities not covered by budgetary resources are liabilities that are not funded by any current appropriation or other funding source. These liabilities consist of accrued annual leave, deferred rent actuarial FECA, and the amounts due to Treasury for collection and accounts receivable of civil penalties and FOIA request fees. Deferred rent is the difference at year-end between the sum of monthly cash disbursements paid to date for rent and the sum of the average monthly rent calculated based on the term of the lease. Liabilities not covered by budgetary resources on the Balance Sheet are equivalent to amounts reported as components requiring or generating resources on the Reconciliation of Net Cost to Budget.

#### **I. Annual, Sick, and Other Leave**

Annual leave is accrued as it is earned, and the accrual is reduced as leave is taken. The balance in the accrued leave account is adjusted to reflect current pay rates. Liabilities associated with other types of vested leave, including compensatory, restored leave, and sick leave in certain circumstances, are accrued at year-end, based on latest pay rates and unused hours of leave. Funding will be obtained from future financing sources to the extent that current or prior year appropriations are not available to fund annual and other types of vested leave earned but not taken. Nonvested leave is expensed when used. Any liability for sick leave that is accrued but not taken by a Civil Service Retirement System (CSRS)-covered employee is transferred to the Office of Personnel Management (OPM) upon the retirement of that individual. Credit is given for sick leave balances in the computation of annuities upon the retirement of Federal Employees Retirement System (FERS)-covered employees.

#### **J. Retirement Plans**

The NMB's employees participate in either the CSRS or the FERS. The employees who participate in CSRS are beneficiaries of the NMB's matching contribution, equal to seven percent of pay, distributed to their annuity account in the Civil Service Retirement and Disability Fund.

Prior to December 31, 1983, all employees were covered under the CSRS program. From January 1, 1984 through December 31, 1986, employees had the option of remaining under CSRS or joining FERS and Social Security. Employees hired as of January 1, 1987 are automatically covered by the FERS program. Both CSRS and FERS employees may participate in the federal Thrift Savings Plan (TSP). FERS employees receive an automatic agency contribution equal to one percent of pay and the NMB matches any employee contribution up to an additional four percent of pay. For FERS participants, the NMB also contributes the employer's matching share of Social Security.

FERS employees and certain CSRS reinstatement employees are eligible to participate in the Social Security program after retirement. In these instances, the NMB remits the employer's share of the required contribution.

The NMB recognizes the imputed cost of pension and other retirement benefits during the employees' active years of service. OPM actuaries determine pension cost factors by calculating the value of pension benefits expected to be paid in the future and communicate these factors to the NMB for current period expense reporting. OPM also provides information regarding the full cost of health and life insurance benefits. The NMB recognized the offsetting revenue as imputed financing sources to the extent these expenses will be paid by OPM.

The NMB does not report on its financial statements information pertaining to the retirement plans covering its employees. Reporting amounts such as plan assets, accumulated plan benefits, and related unfunded liabilities, if any, is the responsibility of the OPM, as the administrator.

**K. Use of Estimates**

The preparation of the accompanying financial statements in accordance with 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.

**L. Contingencies**

Liabilities are deemed contingent when the existence or amount of the liability cannot be determined with certainty pending the outcome of future events. The NMB recognizes contingent liabilities in the accompanying balance sheet and statement of net cost, when it is both probable and can be reasonably estimated. The NMB discloses contingent liabilities in the notes to the financial statements when the conditions for liability recognition are not met or when a loss from the outcome of future events is more than remote.

**M. Classified Activities**

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

**NOTE 2. FUND BALANCE WITH TREASURY**

Fund Balance with Treasury account balances as of September 30, 2024 and 2023, were as follows:

	2024	2023
<b>Status of Fund Balance With Treasury</b>		
Unobligated Balance Available	\$ 170,978	\$ 338,287
Unavailable	2,824,459	3,245,324
Obligated Balance Not Yet Disbursed	5,268,428	5,936,095
<b>Total</b>	<b>\$ 8,263,865</b>	<b>\$ 9,519,706</b>

No discrepancies exist between the Fund Balance reflected on the Balance Sheet and the balances in the Treasury accounts.

The available unobligated fund balances represent the current-period amount available for obligation or commitment. At the start of the next fiscal year, this amount will become part of the unavailable balance as described in the following paragraph.

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 on hand.

**NOTE 3. LIABILITIES NOT COVERED BY BUDGETARY RESOURCES**

The liabilities for the NMB as of September 30, 2024 and 2023, include liabilities not covered by budgetary resources. Congressional action is needed before budgetary resources can be provided. Although future appropriations to fund these liabilities are likely and anticipated, it is not certain that appropriations will be enacted to fund these liabilities.

	2024	2023
Unfunded Leave	541,007	484,868
Total Liabilities Not Covered by Budgetary Resources	\$ 541,007	\$ 484,868
Total Liabilities Covered by Budgetary Resources	1,448,307	1,066,769
<b>Total Liabilities</b>	<b>\$ 1,989,314</b>	<b>\$ 1,551,637</b>

Unfunded leave represents a liability for earned leave and is reduced when leave is taken. The balance in the accrued annual leave account is reviewed quarterly and adjusted as needed to accurately reflect the liability at current pay rates and leave balances. Accrued annual leave is paid from future funding sources and, accordingly, is reflected as a liability not covered by budgetary resources. Sick and other leave is expensed as taken.

**NOTE 4. LEASES**

The NMB occupies office space under a lease agreement that is accounted for as an operating lease. The lease term begins on November 1, 2016 and expires on October 31, 2026. Lease payments are increased annually based on the adjustments for operating cost and real estate tax escalations. The total operating lease expense for fiscal years 2024 and 2023 were \$1,320,059 and \$1,295,985, respectively.

The operating lease amount does not include estimated payments for leases with annual renewal options.

Below is a schedule of future payments for the term of the lease:

	Office Space	Total Federal
<b>Fiscal Year</b>		
2025	\$ 1,344,855	\$ 1,344,855
2026	1,370,395	1,370,395
2027	106,486	106,486
<b>Total</b>	<b>\$ 2,821,736</b>	<b>\$ 2,821,736</b>



**NOTE 5. OTHER LIABILITIES**

Other liabilities account balances as of September 30, 2024 and 2023, were as follows:

	Current	Non-Current	Total
<b>2024</b>			
Intragovernmental:			
Employer Contributions and Payroll Taxes Payable (without reciprocals)	\$ 9,820	\$ -	\$ 9,820
Other Current Liabilities – Benefit Contributions Payable	32,423	-	32,423
<b>Total Intragovernmental</b>	<b>\$ 42,243</b>	<b>\$ -</b>	<b>\$ 42,243</b>
<b>Total Other Liabilities</b>	<b>\$ 42,243</b>	<b>\$ -</b>	<b>\$ 42,243</b>
<b>2023</b>			
Intragovernmental:			
Employer Contributions and Payroll Taxes Payable (without reciprocals)	\$ 6,939	\$ -	\$ 6,939
Other Current Liabilities – Benefit Contributions Payable	22,953	-	22,953
<b>Total Intragovernmental</b>	<b>\$ 29,892</b>	<b>\$ -</b>	<b>\$ 29,892</b>
<b>Total Other Liabilities</b>	<b>\$ 29,892</b>	<b>\$ -</b>	<b>\$ 29,892</b>

**NOTE 6. COMMITMENTS AND CONTINGENCIES**

**Arbitrator Liabilities**

The NMB revised its policy, so that when cases are assigned to an Arbitrator the full cost of the case is obligated. The number of cases not assigned to any arbitrators September 30, 2024 and 2023 is 1,925 and 1,437 respectively. If these cases were assigned, we estimate it would cost \$1,212,750 fiscal year 2024 and in fiscal year 2023 \$905,310 for arbitrators to hear and render an award on these cases.

**NOTE 7. APPORTIONMENT CATEGORIES OF NEW OBLIGATIONS AND UPWARD ADJUSTMENTS**

New obligations and upward adjustments incurred and reported in the Statement of Budgetary Resources in 2024 and 2023 consisted of the following:

	2024	2023
Direct Obligations, Category A	\$ 14,949,493	\$ 14,927,236
Direct Obligations, Category B	150,000	13,397
<b>Total New Obligations and Upward Adjustments</b>	<b>\$ 15,099,493</b>	<b>\$ 14,940,633</b>

**NOTE 8. UNDELIVERED ORDERS AT THE END OF THE PERIOD**

Budgetary resources obligated for undelivered orders as of September 30, 2024 and 2023 were as follows:

	Intragovernmental	Other than Intragovernmental	Total
<b>2024</b>			
Paid Undelivered Orders	\$ 60,939	\$ -	\$ 60,939
Unpaid Undelivered Orders	326,127	3,493,993	3,820,120
<b>Total Undelivered Orders</b>	<b>\$ 387,066</b>	<b>\$ 3,493,993</b>	<b>\$ 3,881,059</b>
<b>2023</b>			
Paid Undelivered Orders	\$ 8,954	\$ -	\$ 8,954
Unpaid Undelivered Orders	229,613	4,639,713	4,869,326
<b>Total Undelivered Orders</b>	<b>\$ 238,567</b>	<b>\$ 4,639,713</b>	<b>\$ 4,878,280</b>

**NOTE 9: RECONCILIATION OF NET OPERATING COST & NET BUDGETARY OUTLAYS**

The reconciliation of net outlays, presented on a budgetary basis, and the net cost, presented on an accrual basis, provides an explanation of the relationship between budgetary and financial accounting information.

The reconciliation of Net Cost to Net Outlays as of September 30, 2024:

	Intragovernmental	Other than Intragovernmental	Total
<b>Net Operating Cost (Revenue) Reported on Statement of Net Cost</b>	<b>\$ 5,086,615</b>	<b>\$ 10,914,463</b>	<b>\$ 16,001,078</b>
<b>Components of Net Operating Cost Not Part of the Budgetary Outlays</b>			
<b>Increase/(Decrease) in Assets Not Affecting Budgetary Outlays:</b>			
Advances and Prepayments	51,985	-	51,985
<b>(Increase)/Decrease in Liabilities Not Affecting Budgetary Outlays:</b>			
Accounts Payable	(279,950)	(98,513)	(378,463)
Federal Employee Salary, Leave, and Benefits Payable	-	(46,863)	(46,863)
Other Liabilities	(12,351)	-	(12,351)
<b>Financing Sources:</b>			
Imputed Cost	(567,263)	-	(567,263)
<b>Total Components of Net Operating Cost Not Part of the Budgetary Outlays</b>	<b>\$ (807,579)</b>	<b>\$ (145,376)</b>	<b>\$ (952,955)</b>
<b>Total Net Outlays (Calculated Total)</b>	<b>\$ 4,279,036</b>	<b>\$ 10,769,087</b>	<b>\$ 15,048,123</b>
<b>Budgetary Agency Outlays, net</b>			<b>\$ 15,048,123</b>

The reconciliation of Net Cost to Net Outlays as of September 30, 2023:

	Intragovern- mental	Other than Intragovern- mental	Total
<b>Net Operating Cost (Revenue) Reported on Statement of Net Cost</b>	\$ 3,931,822	\$ 9,249,536	\$ 13,181,358
<b>Components of Net Operating Cost Not Part of the Budgetary Outlays</b>			
<b>Increase/(Decrease) in Assets Not Affecting Budgetary Outlays:</b>			
Advances and Prepayments	8,954	-	8,954
<b>(Increase)/Decrease in Liabilities Not Affecting Budgetary Outlays:</b>			
Accounts Payable	323,060	373,872	696,932
Federal Employee Salary, Leave, and Benefits Payable	-	3,462	3,462
Other Liabilities	1,154	(20,125)	(18,971)
<b>Financing Sources:</b>			
Imputed Cost	(424,304)	-	(424,304)
<b>Total Components of Net Operating Cost Not Part of the Budgetary Outlays</b>	\$ (91,136)	\$ 357,209	\$ 266,073
<b>Misc Items</b>			
<b>Total Other Reconciling Items</b>	\$ -	\$ -	\$ -
<b>Total Net Outlays (Calculated Total)</b>	\$ 3,840,686	\$ 9,606,745	\$ 13,447,431
<b>Budgetary Agency Outlays, net</b>			\$ 13,447,431

**NOTE 10. EXPLANATION OF DIFFERENCES BETWEEN THE STATEMENT OF BUDGETARY RESOURCES AND THE BUDGET OF THE U.S. GOVERNMENT**

The President's Budget that will include fiscal year 2024 actual budgetary execution information has not yet been published. The President's Budget is scheduled for publication in February 2025 and can be found at the OMB website: <http://www.whitehouse.gov/omb/>. The Fiscal Year 2025 Budget of the United States Government, with the "Actual" column completed for 2023, has been reconciled to the Statement of Budgetary Resources and there were no material differences.

(In Millions)

	Budgetary Resources	New Obligations & Upward Adjustments (Total)	Distributed Offsetting Receipts	Net Outlays
Combined Statement of Budgetary Resources	\$ 19,000,000	\$ 15,000,000	\$ -	\$ 13,000,000
Unobligated Balances Not Available	(4,000,000)			
Difference Due to Rounding				1,000,000
<b>Budget of the U.S. Government</b>	<b>\$ 15,000,000</b>	<b>\$ 15,000,000</b>	<b>\$ -</b>	<b>\$ 14,000,000</b>

**NOTE 11. INTER-ENTITY COSTS**

The NMB recognizes certain inter-entity costs for goods and services that are received from other federal entities at no cost or at a cost less than the full cost. Certain costs of the providing entity that are not fully reimbursed are recognized as imputed cost and are offset by imputed revenue. Such imputed costs and revenues relate to employee benefits and claims to be settled by the Treasury Judgement Fund. The NMB recognizes as inter-entity costs the amount of accrued pension and post-retirement benefit expenses for current employees.

The assets and liabilities associated with such benefits are the responsibility of the administering agency, OPM. For the fiscal years ended September 30, 2024 and 2023, respectively, inter-entity costs were as follows:

	2024	2023
Office of Personnel Management	\$ 567,263	\$ 424,304
<b>Total Imputed Financing Sources</b>	<b>\$ 567,263</b>	<b>\$ 424,304</b>

**NOTE 12. NET ADJUSTMENTS TO UNOBLIGATED BALANCE, BROUGHT FORWARD, OCTOBER 1**

The Unobligated Balance Brought Forward from the prior fiscal year has been adjusted for recoveries of prior year paid and unpaid obligations and other changes such as canceled authority. The Adjustments to Unobligated Balance Brought Forward, October 1, as of September 30, 2024 and 2023, consisted of the following:

	2024	2023
Unobligated Balance Brought Forward from Prior Year, October 1	\$ 3,583,611	\$ 5,061,830
Recoveries of Prior Year Obligations	719,037	1,096,285
Other Changes in Unobligated Balances	(1,320,718)	(2,746,871)
<b>Unobligated Balance from Prior Year Budget Authority, Net (Discretionary and Mandatory)</b>	<b>\$ 2,981,930</b>	<b>\$ 3,411,244</b>



# 04 OTHER INFORMATION

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- 88 GOVERNMENT CHARGE CARD PROGRAMS



## SUMMARY OF FINANCIAL STATEMENT AUDIT AND MANAGEMENT ASSURANCES (UNAUDITED)

**TABLE 1. SUMMARY OF FINANCIAL STATEMENT AUDIT**

AUDIT OPINION	UNMODIFIED			
Restatement	No			
Material Weaknesses	Beginning Balance	New	Consolidated	Ending Balance
None				
<b>Total Material Weaknesses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TABLE 2. SUMMARY OF MANAGEMENT ASSURANCES**

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

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

## IMPROPER PAYMENTS INFORMATION ACT

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

## GOVERNMENT CHARGE CARD PROGRAMS

### TRAVEL

In FY 2024 the NMB continued to be a full participant in the GSA's Government Travel Charge Card program, and issued individually billed account (IBA) travel cards to employees whose official duties require frequent travel. The NMB also uses a Centrally Billed Account (CBA) for Agency-wide airfare and rail expenses.

The NMB continued to use the GSA SmartPay3 program, which is routinely monitored by the NMB and the BFS, including monitoring each employee's use of the travel card to ensure only appropriate official government-related expenses are being charged on the card. Accounts are also monitored for any delinquency of payment of the account that may occur.

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

### PURCHASE

In FY 2024 the NMB continued its use of the U.S. Government's purchase card program, which helps expedite the purchase of authorized supplies and services. The NMB Office of Fiscal Services reviews and approves all purchase requests prior to ordering supplies or services. All NMB purchase card holders are required to complete the GSA Government SmartPay Purchase cardholder training on an annual basis.

# 05

## APPENDIX

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# GLOSSARY

These definitions are provided for general understanding only. They do not provide conclusive definitions 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

The 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:

- The 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 the NMB mediation.

## E-book

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

## E-business

The conduct of business on the Internet.

## E-filing

An electronic method for submitting documents.

## E-verify

A system for online verification.

## Facilitation

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

## Facilitated Problem-Solving

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

## Grievances

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

## Grievance Arbitration

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

## Grievance Mediation

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

## Impasse

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

## Interest Arbitration

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

## Interest-Based Negotiation

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

## Internet Voting

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

## Legacy Carriers

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

## Major Disputes

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

## Mediation

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

## Meeting in the Public Interest

Within 60 days after the creation of an emergency board under RLA Section 9a (which exclusively covers commuter railroads), if there has been no settlement between the parties, the National Mediation Board conducts a public hearing on the dispute at which each party appears and provides testimony setting forth the reasons it has not accepted the recommendations of the emergency board for settlement of the dispute.

## 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 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.

## Ombudsman

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

## Online Arbitration

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

## Online Dispute Resolution

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

## Open Government Directive

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

## Presidential Emergency Board

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

### Proffer of Arbitration

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

### Public Law Boards (PLBs)

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

### Railway Labor Act (RLA)

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

### 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 interest 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 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.

### Work Stoppage

An interruption to the operations of an airline or railroad.

## REGISTRY OF BOARD MEMBERS

NAME	START DATE	END DATE
Loren Sweatt	04-02-2024	Active <sup>1</sup>
Deirdre Hamilton	01-25-2022	Active <sup>2</sup>
Linda A. Puchala	05-26-2009	Active <sup>3</sup>
Gerald W. Fauth, III	11-09-2017	03-30-2024
Kyle Fortson	11-13-2017	11-22-2021
Harry R. Hoglander	08-06-2002	11-09-2017
Nicholas C. Geale	08-19-2013	02-15-2017
Elizabeth Dougherty	12-13-2006	06-02-2012
Read Van de Water	12-11-2003	05-22-2009
Edward J. Fitzmaurice, Jr.	08-02-2002	12-13-2006
Francis J. Duggan	11-22-1999	11-21-2003
Magdalena G. Jacobsen	12-01-1993	08-02-2002
Ernest W. DuBester	11-15-1993	08-01-2001
Kenneth B. Hipp	05-19-1995	12-31-1998
Kimberly A. Madigan	08-20-1990	11-30-1993
Patrick J. Cleary	12-04-1989	01-31-1995
Joshua M. Javits	01-19-1988	11-14-1993
Charles L. Woods	01-09-1986	01-15-1988
Helen M. Witt	11-18-1983	09-18-1988
Walter C. Wallace	10-12-1982	07-01-1990
Robert J. Brown	08-20-1979	06-01-1982
Robert O. Harris	08-03-1977	07-31-1984
Kay McMurray	10-05-1972	07-01-1977
Peter C. Benedict	08-09-1971	04-12-1972
David H. Stowe	12-10-1970	07-01-1979
George S. Ives	09-19-1969	09-01-1981
Howard G. Gamser	03-11-1963	05-31-1969
Robert O. Boyd	12-28-1953	10-14-1962
Leverett Edwards	04-21-1950	07-31-1970
John Thad Scott, Jr.	03-05-1948	07-31-1953
Francis A. O'Neill, Jr.	04-01-1947	04-30-1971
Frank P. Douglass	07-03-1944	03-01-1950
William M. Leiserson	03-01-1943	05-31-1944
Harry H. Schwartz	02-26-1943	01-31-1947
David J. Lewis	06-03-1939	02-05-1943
George A. Cook	01-07-1938	08-01-1946
Otto S. Beyer	02-11-1936	02-11-1943
John M. Carmody	07-21-1934	09-30-1935
James W. Carmalt	07-21-1934	12-02-1937
William M. Leiserson	07-21-1934	05-31-1939

<sup>1</sup> Term ends on July 1, 2026.

<sup>2</sup> Term ends on July 1, 2025.

<sup>3</sup> Term ends on July 1, 2027.







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