

GAO Highlights

Highlights of [GAO-18-301](#), a report to congressional committees

Why GAO Did This Study

NMB was established under the Railway Labor Act to facilitate labor relations for railroads and airlines by mediating and arbitrating labor disputes and overseeing union elections. The FAA Modernization and Reform Act of 2012 included a provision for GAO to evaluate NMB programs and activities every 2 years. GAO's previous reports, issued in December 2013 and February 2016, included eight recommendations for NMB based on assessments of policies and processes in several management and program areas.

This third report examines the (1) progress NMB has made to fully implement past GAO recommendations, and (2) challenges NMB faces in managing its operations. GAO reviewed relevant federal laws, regulations, and NMB documents, such as its procurement and travel policies; examined the results of a 2017 employee survey; interviewed NMB officials; and investigated a potential conflict of interest at NMB.

What GAO Recommends

To improve its operations, NMB should develop and execute a plan to address the rail arbitration case backlog; follow up on employee survey results, including conducting an organizational climate assessment; and implement internal controls to ensure that employee requests for outside employment, travel, and telework comply with federal law. NMB agreed with these recommendations, and said that it is taking actions to address them. NMB also said that it is taking actions to fully implement the remaining recommendations from GAO's 2013 and 2016 reports.

View [GAO-18-301](#). For more information, contact Cindy Brown Barnes at (202) 512-7215 or brownbarnesc@gao.gov.

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NATIONAL MEDIATION BOARD

Progress Made on GAO Recommendations, but Actions Needed to Address Management Challenges

What GAO Found

The National Mediation Board (NMB), which facilitates labor relations for railroads and airlines, has implemented five of the eight recommendations GAO made in its December 2013 and February 2016 reports (see table). The three remaining recommendations—on information security, information privacy, and rail grievance arbitration—are not yet fully implemented.

Regarding information security, GAO found that NMB has made progress but is only partially following key practices. On information privacy, GAO found that NMB was following two of four key privacy practices but has not yet, among other things, assessed the privacy risks of its information systems. Finally, the agency has taken steps to track rail grievance arbitration cases, but still cannot perform needed analysis of the data. At the same time, NMB reports its backlog of these cases has grown from about 2,400 at the end of fiscal year 2011 to over 8,400 at the end of fiscal year 2017. While NMB has taken some steps to reduce this growing number of cases, it does not have a specific plan to address the backlog. Without such a plan, the backlog could continue to increase.

Status of GAO's 2013 and 2016 Recommendations to NMB

Recommendation Area	Implemented	Not Fully Implemented
Strategic Plan	X	
Performance Measures	X	
Workforce Plan	X	
Audit Response	X	
Procurement	X	
Information Security		X
Information Privacy		X
Rail Grievance Arbitration		X

Source: GAO analysis of National Mediation Board (NMB) documents | GAO 18-301

NMB also faces other management challenges. First, although federal employees may not use their public office for private gain, NMB does not have controls in place to ensure that this is followed. During this review, GAO found that a lack of internal controls may have permitted a former manager to represent himself as a government employee while conducting business for his private companies. GAO plans to refer the matter to the appropriate authority for further investigation. Second, NMB employees expressed concerns in a 2017 employee survey about issues such as promotions, training, and leadership. NMB officials said they have not yet taken actions in response to survey results or conducted an internal climate assessment, even though such actions were promised in NMB's strategic plan. Finally, some of NMB's travel and telework policies are inconsistent with federal law and not consistently enforced. For example, NMB management approved rental of a luxury car in one case, which may have been prohibited by federal regulations. Oversight of a cognizant Inspector General (IG), as suggested in GAO's 2013 report, might have prevented or minimized many of the issues GAO identified. NMB recently established an agreement with the National Labor Relations Board IG to operate a telephone fraud hotline; however, ongoing oversight is needed to identify and assist NMB with addressing agency challenges.