



The National Labor Relations Board

2025 PAR

PERFORMANCE AND ACCOUNTABILITY REPORT

Protecting Democracy in the Workplace Since 1935

HOW THIS REPORT IS ORGANIZED

This Performance and Accountability Report (PAR) consist of the following sections:

SECTION 01 The Management’s Discussion and Analysis (MD&A) Section provides an overview of the National Labor Relations Board’s (NLRB or the Agency) mission, organization, mission-related goals, performance and financial systems highlights as well as the Agency’s operational and casehandling highlights for Fiscal Year (FY) 2025. The MD&A also contains an analysis of financial statements and a discussion of compliance with legal and regulatory requirements, such as the Federal Managers’ Financial Integrity Act of 1982 (FMFIA).

SECTION 02 The Performance Section compares the NLRB’s performance to the strategic goals and objectives established in alignment with the current Administration’s priorities. The current strategic goals include two mission-related goals and two support goals to help achieve the Agency’s mission and vision. The performance measures associated with the mission-related goals are outcome-based. The Agency has several outcome-based performance measures for support goals combined with those that are management strategy driven to ensure alignment with the mission and needs of stakeholders.

SECTION 03 The Financial Section is composed of the NLRB’s audited financial statements, related footnotes, and the Independent Auditor’s Report.

SECTION 04 Other Information provides the Top Management and Performance Challenges identified by the Office of the Inspector General (OIG) in the current fiscal year, and the NLRB’s summary of audit and management assurances, which details the Agency’s review of compliance with the Payment Integrity Information Act of 2019 (PIIA). For an update on the Board’s progress in addressing management and performance challenges from FY 2025 please see <https://www.nlr.gov/reports/inspector-general-reports/oig-semiannual-reports>.

SECTION 05 Appendices:

Appendix A: Acronyms used throughout this report

Appendix B: Glossary of terms used throughout this report

An electronic version of the NLRB FY 2025 PAR is available on the NLRB’s website at <https://www.nlr.gov>.

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MESSAGE FROM THE BOARD

The NLRB is pleased to submit its FY 2025 PAR. The NLRB is charged with administering and enforcing the National Labor Relations Act (NLRA or the Act), which guarantees the right of private sector workers, if they desire, to choose a union and to bargain collectively with their employers over wages, hours, working conditions, and other aspects of their employment. Additionally, with or without a union, the Act protects workers' rights to act collectively to seek improvements at their workplace. The Agency takes its mission to protect these rights seriously, and in FY 2025 we marked our 90th year of faithfully effectuating the Act for the benefit of employees, employers, and unions across the Nation.

The need for the Agency's services remains strong. Significantly, there is no private right of action under the Act; thus, the NLRB is the only recourse for an employee, employer, or labor organization to seek redress of a violation of the Act or to obtain a legally-binding certification that a labor organization is—or is not—the representative of a group of employees. Consequently, the Agency is indispensable for the enforcement of rights under the Act. The Board's effective processing of cases results in the disposition of over 95.0 percent of charges without need for judicial review, which eases the burden on the court systems across the United States and promotes industrial stability nationwide. The NLRB thus plays a vital role in fostering labor peace, assuring the efficient delivery of government services, and supporting the uninterrupted flow of commerce.

Moreover, public demand for Agency services has increased dramatically in recent years. Since FY 2021, the Agency's total intake of Unfair Labor Practice (ULP) cases and representation cases has increased by 35.0 percent, from 16,719 to 22,495 cases. We believe that demand will remain high in coming years, as public awareness of the Act and the Agency services continues to grow significantly. We stand ready to meet these needs, yet, as discussed below, in FY 2025 circumstances beyond the Agency's control significantly limited the Board's ability to fully achieve its mission.

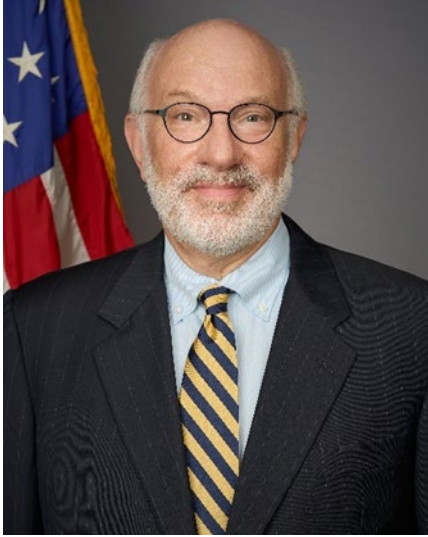
The Board itself is a five-member body that serves as an impartial decision-maker to 1) adjudicate appeals regarding alleged unfair labor practices and 2) resolve questions concerning union representation. The Act also authorizes the Board to engage in rulemaking, as appropriate, as a means of more efficiently performing those two core functions. The Board and its career staff share a strong commitment to producing quality decisions as quickly as possible because timely decision-making is vitally important to workers seeking the benefits of collective bargaining, to victims of unfair labor practices, and to employers seeking resolution of cases involving their workplaces. The Board's ability to fully execute on that commitment by issuing timely decisions, however, was curtailed by the loss, at the end of January 2025, of its statutorily-required quorum. That circumstance continued, with only brief respite, throughout the remainder of the fiscal year. As a result, in FY 2025 the Board issued only 86 decisions in contested cases, a 67.0 percent decrease compared to FY 2024. Further, the Board was unable to achieve its long-standing annual goal of ensuring that the median age of pending cases at the end of the fiscal year was 180 days or less, coming in at 245 days. The Board also did not engage in any rulemaking in FY 2025.

We are fortunate, however, to have a workforce that is committed to achieving the Agency’s mission, even in the face of the many challenges presented this year. Notwithstanding the Board’s lack of a quorum, we can proudly report that our dedicated career staff continued preparing and advancing cases as far as possible in the Board’s internal decision-making process. Thanks to their resilience and hard work, the Board is well positioned to quickly resume issuing decisions immediately upon the restoration of a quorum.

Finally, we can also report that in FY 2025 the Agency made significant progress streamlining its operations using data-driven insights, developing technological improvements, and reducing its labor and non-labor expenditures, in accordance with the President’s initiatives to ensure the efficient delivery of government services in as cost-effective a manner as possible. This process of transformation will continue in FY 2026 and beyond, as the Agency continues to seek opportunities to optimize all aspects of its operations. By doing so, we are confident the Agency will be well positioned to continue building on its longstanding track record of success in enforcing the Act.

The Board

BOARD MEMBERS



Board Member David M. Prouty

MESSAGE FROM THE ACTING GENERAL COUNSEL



It has been my privilege to serve as the Acting General Counsel since February 2025. While the Board has been without a quorum for most of 2025 and without a Chairman since August 27, 2025, the NLRB was able to continue normal operations to the greatest extent permitted by law. In this regard, based on contingently delegated authority, the General Counsel (GC) has full authority over court litigation matters, including authorizing seeking 10(j) relief. I am pleased to provide this report on the Agency's case accomplishments, improved efficiency of operations and management of resources as well as some of the collaborative and other efforts that are expected to yield future progress for our Agency and the Office of the General Counsel.

The NLRB is an independent federal agency created by Congress to enforce the Act and safeguard most private sector employees' rights to organize, choose whether or not to have union representation, engage in collective bargaining over terms and conditions of employment, or otherwise engage in concerted activity for mutual aid and protection. The Agency protects employee free choice and encourages stable, productive labor management relations by conducting representation elections and investigating and remedying unfair labor practices.

I am pleased to share the significant achievements of the Office of the General Counsel over the past fiscal year. This FY 2025 report highlights our casehandling, administrative, human capital, and financial successes, as well as our effective resource management.

As the Acting General Counsel, I oversee and prosecute unfair labor practice charges submitted to the Agency and manage the processing of representation case petitions filed through our 26 Regional Offices nationwide. My responsibilities include exercising supervisory authority over the dedicated field staff of approximately 700 employees and hundreds of committed employees working within various Headquarters components responsible for operational, casehandling, administrative, and personnel functions.

Casehandling

My first priority when I was appointed Acting General Counsel was to reset the Agency's enforcement and casehandling priorities to provide much needed relief to the employees who have been working diligently to process an ever-increasing workload. As I noted in GC Memo 25-05, *Rescission of Certain General Counsel Memoranda*, "The unfortunate truth is that if we attempt to accomplish everything, we risk accomplishing nothing." As the first step in this process, after a comprehensive review, I withdrew a number of memorandums issued by my predecessor that had promoted expansive interpretations of protected concerted activity, aggressive use of remedies, and broader challenges to practices such as noncompet

agreements, “stay or pay” provisions, and certain severance agreements. By withdrawing this prior guidance, I was able to both narrow the prosecutorial agenda and get back to investigating what I call the “bread-and-butter” cases.

When I issued GC Memo 25-06, *Seeking Remedial Relief in Settlement Agreements*, I turned from policy rescission to affirmative settlement guidance. The memo instructs Regions to structure settlements around foreseeable, demonstrable harms caused by unfair labor practices, with a focus on streamlined make whole relief and careful use of default and nonadmissions clauses. At the same time, it discourages routinely seeking far reaching, structural remedies in ordinary cases, reserving those tools for severe or repeated violations, which aligns with my broader resource conservation goals.

GC Memo 25-07, addressing *Surreptitious Recordings of Collective Bargaining Sessions as a Per Se Violation of the NLRA*, clarifies my stance on secret recording in negotiations. The memo indicates that covert recordings of bargaining sessions can themselves constitute unlawful conduct, and it gives the Regions a clearer framework for evaluating such conduct as an independent violation rather than merely an evidentiary issue. This guidance strengthens expectations of good faith bargaining decorum and signals that certain forms of electronic surveillance in negotiations are inconsistent with the Act.

I provided direction for handling cases involving union “salts” who seek employment with an organizing purpose in GC Memo 25-08, *Guidance for Investigating Salting Cases*. The memo addresses how Regions should assess discriminatory refusal to hire or discharge allegations involving salts, balancing recognition of salting as protected activity with careful scrutiny of pretext and employer defenses. This represents my effort to regularize a historically contentious area so that investigative practices are more uniform and anchored in existing Board law.

In GC Memo 25-09, *Guidance for Referring Cases to the National Mediation Board*, I focused on jurisdictional and interagency coordination in industries covered by the Railway Labor Act (RLA). It outlines how to proceed with cases that raise jurisdictional questions regarding whether an employer is subject to the Act or the RLA, and that those cases should be referred to the National Mediation Board. By referring these cases, we reduce duplicative proceedings and ensure that the proper statute and forum govern labor relations disputes in transportation sectors. This both conserves NLRB resources and offers parties more certainty about which agency will address their disputes.

GC Memo 25-10, *Guidance for Deferring Unfair Labor Practice Cases*, revisits the standards and procedures for deferring certain disputes to arbitration or other contractual mechanisms. By clarifying when deferral is appropriate and what showing is needed for the Agency to rely on contractual forums, the memo encourages greater use of private dispute resolution where it is fair, timely, and capable of resolving statutory issues. My goal was to reduce unnecessary Board litigation while still protecting statutory rights.

During my tenure as Acting General Counsel, I used 10(j) as an important tool for effective enforcement of the Act, authorizing it five times in the absence of a Board quorum, and when there was a quorum, the Board authorized seven 10(j) proceedings in FY 2025 for a total of twelve 10(j) authorizations. In GC Memo 25-11, *Proceedings Under Section 10(j) of the Act*, I reaffirmed my position that the use of injunctive relief in federal court is a crucial mechanism for preserving the Board’s ability to remedy certain unfair labor

practices. In doing so, consistent with my approach to curtail efforts to expand the Agency's reach and instead focus on the core principles of the Act, I emphasized that such extraordinary relief should be reserved for situations where delay would seriously undermine employee rights or Board processes.

Protecting the Agency's Constitutional Authority

As a result of the NLRB not having a Board quorum for most of calendar year 2025, several states took the extraordinary step to pass legislation that, in my view, would unconstitutionally attempt to step into the Board's role by creating parallel systems to regulate private sector labor relations when the federal Board lacks a quorum. The Act gives the NLRB exclusive jurisdiction over most private sector unfair labor practices and representation matters, so state laws purporting to transfer that authority to state agencies are preempted under the Supremacy Clause.

On September 12, 2025, we filed a lawsuit against the State of New York to block a statute (S.8034A) that authorizes the New York Public Employment Relations Board to run private sector union elections and decide unfair labor practice cases during periods when the NLRB lacks a quorum. My position is that this law "usurps" the Board's core jurisdiction and creates a conflicting, parallel regulatory scheme that undermines the nationally uniform labor policy Congress intended when it enacted the NLRA. These concerns raised by the State of New York and other states about the NLRB's functionality are overstated because Regional Offices continue to process the overwhelming majority of cases even without a full Board, making state "backup" regimes both unnecessary and unlawful.

Summary

As you can see from our FY 2025 accomplishments, our employees who work in the Field Offices and Headquarters have continued to do an excellent job effectuating the Act. I repeat what I said in February 2025, "I am truly honored to be asked to serve as Acting General Counsel. The men and women of this agency represent the finest in public service..."



William B. Cowen
Acting General Counsel

FY 2025 YEAR IN REVIEW

Agency Operations

FY 2025 was a very challenging year for the Board. The Board lost its quorum in January FY 2025, with only brief respite, leaving it unable to issue decisions in pending cases for nearly three-quarters of the fiscal year. This was an insurmountable obstacle to the Board meeting its case processing goals for FY 2025. Fortunately, the Board's lack of a quorum did not substantially impair General Counsel field operations or the Agency's federal court litigation. The Board anticipated that it would lose a quorum from time to time, and in 2011 the Board adopted subpart X of the Board's Rules and Regulations and a number of contingent delegations, effective whenever the Board loses a quorum, to enable normal Agency operations to continue to the greatest extent permitted by law.

The Board nevertheless continued to focus on timely and efficiently issuing decisions in pending ULP and representation cases during the limited period it did have a quorum. The Board issued 86 decisions in contested cases during FY 2025 during the periods when the Board had a quorum (51 decisions in unfair labor practice cases and 35 decisions in representation cases). In addition, the Board issued 124 rulings, orders, or notices in a variety of other matters, including requests for special permission to appeal and various motions and petitions during FY 2025, which was only a 13.9 percent decrease from FY 2024's result of 144 rulings, orders, or notices issued in other matters, despite the lack of a Board quorum during much of FY 2025. The Board achieved this by successfully utilizing Subpart X of the Board's Rules & Regulations, which allowed certain matters to be delegated for ruling to the Chief Administrative Law Judge or Executive Secretary when the Board lacks a quorum. Finally, Board staff worked diligently throughout the fiscal year to review and prepare cases for voting once the Board regains a quorum, ensuring that every effort was made to maintain productivity despite the quorum lapse.

Notwithstanding the challenges described above, the Board remained committed to maintaining the high quality of its decisions. The Board is regularly apprised of the outcomes of cases that have been appealed to the federal courts of appeals and, as in years past, the Board enjoyed a high rate of judicial enforcement of its orders in FY 2025. In addition, senior leaders and staff on the Board- side regularly reviewed all appellate court decisions concerning Board orders to identify strengths and weaknesses in the Board's decision-making. These strategies enabled the Board to continually evaluate ways to enhance the quality of its decisions.

The Board fully appreciates, however, that achieving the Agency's statutory mission also depends on having the necessary infrastructure, particularly information technology (IT), to support Agency operations. Accordingly, the Board strongly supported the Agency's efforts to modernize its IT systems and implement significant cybersecurity measures and related technology to protect the integrity of our IT systems, including the Agency's ongoing development of a new electronic case-management system, with funding from the Technology Modernization Fund. This new system will greatly enhance the Board's ability to efficiently process cases and deliver timely decisions to employees, employers, and unions awaiting

resolutions of their labor disputes. The Board's commitment to this project demonstrates its focus on effective management and stewardship of its budgetary appropriations.

The Board is looking forward to the restoration of a quorum in FY 2026 and resuming full operations for the benefit of the American people.

Technology Advances

In FY 2025, the Office of the Chief Information Officer (OCIO) at the NLRB made key technological advancements supporting the Agency's goals. These upgrades modernized digital infrastructure, enhanced cybersecurity, and improved public services and internal efficiency. By aligning technology with mission priorities, the OCIO upheld the NLRB's commitment to excellence, transparency, and innovation. The following section highlights the year's most significant advancements by platform and technology stack.

Infrastructure Modernization and Cloud Optimization

To maintain system health and meet growing demand, the OCIO upgraded all Mission Systems Azure virtual machines and database servers from Windows Server 2019 to the newer Windows Server 2022. This vital maintenance ensures continued vendor support, reduces system vulnerabilities, and improves system responsiveness.

We also achieved significant cloud cost savings by decommissioning underutilized virtual servers and rightsizing others. Our development and test environments now operate on an "as-needed" basis, which directly reduces computing costs and resource consumption.

- *Open-Source Migration:* All Mission Systems applications were successfully migrated from Oracle's licensed Java to OpenJDK. This change eliminated licensing fees while maintaining performance, directly supporting federal cost-efficiency goals.
- *Modern Network Implementation:* The NLRB largely transitioned to a modern Wide-Area Network (WAN), replacing the older Multiprotocol Label Switching technology with Software-Defined WAN (SD-WAN). This new network dynamically routes traffic to enhance efficiency, reliability, and security while cutting annual costs by 18.0 percent. It also meets key federal security mandates, including Zero Trust Architecture and Trusted Internet Connections 3.0 requirements.

Application Development & Framework Modernization

E-Filing System Enhancements for Efficient Case Intake

To improve the efficiency and accuracy of the Board's core work, the OCIO upgraded the e-Filing Processing application. These enhancements enabled faster document processing, reduced delays, and improved system responsiveness.

- *Improved Accuracy:* The upgrades lowered the chances of duplicate filings and processing errors, which is critical for timely case adjudication and reducing the administrative workload on staff.

-
- *Refined Business Logic:* The e-Filing system now has improved logic to ensure documents for the Compliance and Coordination Section of the Legal Branch (CCSLB) are only accepted when relevant actions are present. This enhancement reduces misrouted filings and improves case assignment accuracy, saving time for Regional Office staff who previously had to manually reassign misfiled documents.
 - *Better User Experience:* Updates were made to the interface and validation logic to make the e-Filing system more intuitive and easier for all users. This change reduces errors and lowers the need for support and training, allowing staff to focus on higher-value tasks.

Framework Modernization

OCIO successfully transitioned applications built using Microsoft .NET 6 to the latest .NET 8 framework. This included mission-critical systems like the Imaging Dashboard Application Programming Interface (API) and Document Service APIs. This modernization was essential to:

- Improve application performance and scalability.
- Reduce technical debt and complexity for easier maintenance.
- Enable faster deployment of future system improvements.

By adopting the latest framework, the Agency ensures long-term supportability and takes advantage of new features and security improvements in the .NET ecosystem.

Judicial Case Management System Enhancements

The Judicial Case Management System (JCMS), the cornerstone of the NLRB's adjudicatory operations, received targeted enhancements to improve functionality and streamline workflows.

- *Modern Identity Management:* We replaced the deprecated Azure Active Directory Graph client library with the modern Microsoft Graph client library. This ensures continued compatibility with Microsoft's cloud services and aligns the system with modern identity management standards.
- *Flexible Casehandling:* A new "Draft" Docset Type was introduced to accurately categorize documents in scenarios where a majority opinion could not be formed due to limited board membership.
- *Improved Access Control:* Enhancements were made to ensure that Deputy Chief Counsels only view their assigned tasks. This improves both security and workflow efficiency by ensuring users focus on relevant cases.

These enhancements are critical to maintaining the reliability and security of the core case management platform, which underpins the NLRB's legal and administrative work.

Document Management and Digital Signature Transformation

To improve the Agency's digital signing process, the OCIO implemented a new digital signature solution using Adobe's APIs, replacing the third-party platform (DocuSign) while maintaining the same user interface. This change reduced our dependency on an external platform and improved efficiency.

OCIO also upgraded the Adlib document transformation engine to the latest version, ensuring compatibility with new formats and enhancing the reliability of automated document processing.

Security and Compliance Enhancements

In response to evolving cybersecurity threats and federal mandates, the OCIO implemented a series of targeted security upgrades across platforms to strengthen the Agency's cybersecurity posture.

- *Stricter Recusal Enforcement:* Stricter recusal enforcement was implemented in NxGen and iSearch to prevent unauthorized access to related case materials, safeguarding the integrity of sensitive proceedings. Similarly, the search system prevents recused users from viewing documents in related cases.
- *Vulnerability Mitigation:* Multiple vulnerabilities were mitigated through targeted upgrades to key software components (Java, Tomcat, and Visual C++ Redistributables), ensuring compliance with federal security mandates and addressing known risks.
- *Web Attack Prevention:* HTTP security headers were implemented across key applications to prevent clickjacking and other web-based attacks.

These efforts collectively reinforced the Agency's compliance with the Federal Information Security Modernization Act of 2014 (FISMA) and other federal cybersecurity frameworks. These improvements are critical to safeguarding the NLRB's digital assets and preserving public trust.

Search & Indexing

To improve the accuracy and performance of internal and public search capabilities, OCIO upgraded its Solr-based indexing infrastructure to version 8.11.4. This upgrade introduced faster indexing, better fault tolerance, and enhanced performance. Key functional improvements included:

- Reindexing of previously missing GC Memos to ensure comprehensive search coverage.
- Exclusion of Special Project documents from public search results to maintain confidentiality.
- Addition of metadata fields such as "Office Assigned" to improve the precision of eFiling-related queries.

These improvements significantly enhanced the usability and security of the Agency's search platforms, enabling staff and the public to find relevant information more efficiently.

Reporting and Analytics Improvements

The OCIO made substantial enhancements to its analytics platform, the Oracle Analytics Server (OAS) environment, to support data-driven decision-making.

- *System Stability:* Java and WebLogic components were patched and upgraded to the latest supported versions, improving system stability and security.
- *Granular Access:* New user roles—OAS Admin and Analyst—were introduced to provide more precise access control across dashboards and reports.
- *Enhanced Reporting:* Existing reports were enhanced with new filters, export capabilities, and drill-down features.
- *New Agency Stats Report:* A new Agency Stats Report was developed, consolidating data from multiple operational areas into a single, user-friendly dashboard. This report supports both current and year-over-year performance analysis.

These analytics enhancements were critical to improving transparency, accountability, and operational oversight.

Case Management & Workflow Automation

To streamline case processing and reduce manual workload, the OCIO implemented several workflow enhancements:

- *Data Integrity in JCMS:* JCMS now prevents the creation of new document sets when the originating office is changed, which preserves data integrity and reduces redundancy, resolving a longstanding tracking issue.
- *Reliable e-Filing:* The e-Filing system fixed duplication of media files and documents during submission, improving reliability and reducing manual cleanup.
- *Accurate Routing:* Improved routing logic ensures that the CCSLB only accepts relevant actions, decreasing misrouted filings and enhancing processing accuracy.

These improvements directly support the NLRB's goal of delivering timely and accurate case management services.

Template Management & Productivity Tools

OCIO continued to expand the use of the Indy templating system, successfully replacing the legacy xPression platform. The Indy now supports advanced document generation directly within Microsoft Word. This shift not only improved productivity but also reduced system complexity and support costs. The successful decommissioning of xPression marked a major milestone in the transition to modern, maintainable, and user-friendly document management tools.

Legacy System Modernization: NxGen and TMF-Funded Transformation

A cornerstone of FY 2025's technology advancement was the continued modernization of the Agency's legacy case management system, NxGen. Recognizing the operational and security risks posed by the aging platform, the NLRB secured funding through the Technology Modernization Fund (TMF) to overhaul the system in phases.

- *Phase 1 Success:* Phase 1 was successfully completed, delivering a proof of concept that validated the future system architecture and laid the foundation for a more secure, scalable, and user-friendly case management environment.
- *Phase 2 Funding:* Following this success, the TMF approved and transferred \$8.4 million for Phase 2 development.
- *Phase 2 Scope:* A new Task Order was initiated and awarded to expand the modernization to include critical areas such as Customer Experience, Documentation, Training, and User Acceptance Testing.

These efforts are essential to replacing NxGen's outdated architecture, which has historically contributed to frequent outages, integration challenges, and cybersecurity vulnerabilities. The TMF-backed modernization ensures that the NLRB can continue to fulfill its mission with a resilient, modern, and secure platform.

Advance Innovation and Responsible Artificial Intelligence Integration

The NLRB is actively adopting emerging technology with a focus on responsibility and security:

- *Artificial Intelligence (AI)-Powered Document Processing:* The Agency led the development and implementation of its first AI-powered document processing tool utilizing Azure Document Intelligence. This tool facilitates real-time data extraction and significantly reduced manual data entry workloads across various departments.
- *AI Governance Policy:* OCIO co-authored the NLRB's inaugural AI Governance Policy, establishing a secure, ethical, and transparent framework for AI deployment in alignment with OMB mandates.
- *Responsible AI Protocols:* Comprehensive "rules of engagement" were instituted for AI development, defining protocols for data classification, access controls, and cost monitoring to ensure responsible experimentation.

Improve Internal Communication and User Experience

- *Intranet Modernization:* The Agency's SharePoint intranet homepage was redesigned to improve navigation, accessibility, and content relevance, incorporating feedback from Board and General Counsel offices.

- *Contextual Search:* The SharePoint architecture was modernized by implementing a hub-site model. This transformed the search experience from hierarchical to contextual, significantly improving content discoverability and employee productivity.
- *Workplace Usability:* 90.0 percent of private office workspaces were migrated to the SharePoint Modern User Interface, ensuring greater usability and continuity of operations.

Process Automation Advancements

Enhance Operational Efficiency and Reduce Costs in Alignment with Strategic Goal 4: Manage Agency Resources Efficiently and in a Manner that Instills Public Trust

The OCIO continued the development and automation of legacy processes into streamlined digital solutions using the Microsoft Power Platform and Azure services. These automations deliver a measurable return on investment (ROI) by reducing processing time and support calls.

- *Example of ROI:* The automation of the PAR centralized the collection and dissemination of document sections to content owners for yearly updates. The previous manual process took two days for several employees to organize, separate, and send emails. Automating this process now takes only a few minutes to perform the same tasks.

Federal Information Security Modernization Act

The standard method to measure the effectiveness of the NLRB's information security is an annual independent evaluation by the OIG.

- *OIG Audit Result:* In the FY 2025 annual FISMA audit, the NLRB's information security program was deemed to be "Effective" with an overall maturity assessment of "Managed and Measurable". Notably, two of the six security functions were assessed at the Optimized level.
- *Cybersecurity Training:* The Agency achieved an overall awareness training completion rate of approximately 99.8 percent for FY 2025. Training programs were Continuous, Interactive, Engaging, Measured, Tested, and Role-based.
- *Continuous Monitoring:* We have integrated the Department of Homeland Security's Cybersecurity and Infrastructure Security Agency (CISA) continuous monitoring and diagnostics program tools, including Qualys and Secure Cloud Business Applications, into our operational environment. OCIO has also worked with CISA to implement an Agency Endpoint Detection and Response solution to ensure timely hunting and identification of cyber threats, in line with Executive Order (E.O.)14144, *Strengthening and Promoting Innovation in the Nation's Cybersecurity*.
- *Advanced Security Posture:* The Agency has strengthened identity assurance, cloud posture, and Security Information and Event Management visibility for long-term event logging capabilities, aligning with the Office of Management and Budget (OMB) Memorandum M-21-31, *Improving the*

Federal Government's Investigative and Remediation Capabilities Related to Cybersecurity Incidents.

Public Information Program

The Agency's Public Information Program is one of the critical services provided to the American public, including employers, unions, and employees. Under this program, in addition to the services provided by the Office of Congressional and Public Affairs (OCPA) in Headquarters, Board agents in the Field Offices provide information directly to individuals or entities that contact the Agency seeking assistance. In FY 2025, the Agency's Regional Offices received 33,202 public inquiries regarding workplace issues. In responding to these inquiries, the Board agents spent a considerable amount of time explaining the rights and responsibilities under the Act, preparing charges and referring parties to other federal or state agencies. Of the 22,497 Charges and Petitions filed, the vast majority were filed electronically (via E-filing wizard and onsite fillable forms), with others being filed by mail, facsimile or in-person. The public may also contact the Agency through a toll-free telephone service (844-762-6572) designed to provide easy and cost-free access to information. Callers to this number will hear messages recorded in English and Spanish languages that provide a general description of the Agency's mission, contact information for other government agencies, and contact information for the Regional Offices in closest geographic proximity. Board staff also monitor *publicinfo@nlrb.gov*, an email account for general public inquiries.

Public outreach is encouraged and has been embraced at all levels of the Agency. Over the past few years, Board Members, the General Counsel, Regional Directors, OCPA staff, and Board agents participated in numerous speaking engagements at events sponsored by law schools, bar associations, chambers of commerce, worker advocacy groups, and various other employer, union, and human resources professional groups to educate them on the NLRA and the role of the NLRB in impartially enforcing the Act. The Agency's leadership spoke with a variety of media outlets about the NLRB's congressional mandate and the rights and responsibilities under the Act. Additionally, the Director of OCPA corresponded with hundreds of reporters, explaining the NLRB's processes. Further, the Regional Offices publish newsletters and participate in televised or radio public talk shows. The Agency has also been active on X (formerly known as Twitter), Facebook, Bluesky, Threads, and Instagram accounts.

FY 2025 Statistical Highlights

The following statistical highlights provide an overview of the NLRB's activities and case processing results during FY 2025:

- The Board issued 86 decisions in contested cases: 51 unfair labor practice cases and 35 representation cases.
- 94.4 percent of all initial elections were conducted within 56 days of filing the petition.
- Initial elections in union representation cases were conducted in a median of 30 days from the filing of the petition.
- The Regional Offices issued 704 complaints.
- 60.0 percent of meritorious ULP charges were resolved within 365 days.
- The Regional Offices prevailed, in whole or in part, in 78.3 percent of the Board and Administrative Law Judge (ALJ) decisions issued in FY 2025.
- \$64,002,157 was recovered on behalf of employees as backpay, consequential damages, or reimbursement of fees, dues, and fines, and 854 employees offered reinstatement.
- The Agency received 33,202 inquiries through its Public Information Program.
- The Division of Judges closed 120 hearings, issued 148 decisions, and achieved 362 settlements in cases on its trial docket.



MANAGEMENT'S DISCUSSION AND ANALYSIS

Protecting Democracy in the Workplace Since 1935

ABOUT THE NLRB

Mission Statement

Protecting workplace democracy and the rights of employees, unions and employers under the National Labor Relations Act, in order to promote commerce and strengthen the Nation's economy.

The National Labor Relations Act

- It is the basic law governing relations between workers, labor unions, and business enterprises engaging in interstate commerce in the private sector.
- Serves the public interest by reducing interruptions in commerce caused by conflict between employers and employees.
- Embodies a bill of rights for workers, which establishes freedom of association for purposes of collective bargaining and concerted activities to improve terms and conditions in the workplace.
- Addresses the rights of employees and obligations of labor unions and private employers.

The National Labor Relations Board

The NLRB is an independent federal agency created in 1935 to administer and enforce the NLRA by ensuring that workers can freely express their wishes regarding union representation; and by protecting workers' fundamental right to act together for their mutual aid or protection.

The NLRB acts only on those charges brought before it and does not initiate cases. All proceedings originate with the filing of charges or petitions by employees, labor unions, private employers, or other private parties.

In its 90-year history, the NLRB has counted millions of votes, investigated hundreds of thousands of charges, and issued thousands of decisions. These numbers tell an important part of the Agency's story. Specific data on the following components of the Agency's work can be found on the NLRB's website at: <https://www.nlr.gov>.

Charges and Complaints - Data related to the investigation and prosecution of ULPs received by the Regional Offices and their disposition over time, including withdrawals, dismissals, complaints, and settlements.

Petitions and Elections – Data related to petitions for representation, decertification, unit amendment and clarification, and rescission of union security agreements received by the Regional Offices, elections held, and outcomes.

Decisions – Data related to decisions issued by the Board and NLRB ALJs.

Federal Litigation – Data related to litigation by Board attorneys before ALJs, the Board, and in federal court, including petitions for temporary injunctions, defending Board decisions in court, and pursuing enforcement, contempt and compliance actions.

Employee Rights Under The NLRA

The NLRA extends rights to many private-sector employees, including the right to organize and to bargain collectively with their employer. Employees covered by the Act are protected from certain types of employer and union misconduct and have the right to support union representation in a workplace where none currently exists or to attempt to improve their wages and working conditions through other group actions.

Under the NLRA, employees have the right to:

- Form, or attempt to form, a union among the employees of an employer.
- Join a union whether the union is recognized by the employer or not.
- Assist a union in organizing employees.
- Engage in concerted activity for mutual aid or protection. Generally, “protected concerted activity” are activities that seek to improve working conditions.
- Refuse to do any or all of these things. However, the union and employer, unless precluded by state law, may enter into a lawful union-security clause requiring employees to pay basic union dues and fees for core representational activities.

The NLRA forbids employers from interfering with, restraining, or coercing employees in the exercise of rights relating to organizing, forming, joining or assisting a labor organization for collective bargaining purposes, engaging in protected concerted activities, or refraining from these activities. Similarly, unions may not restrain or coerce employees in the exercise of these rights.

Statutory Structure

The NLRB’s leadership consists of six presidential appointees—five Board Members (including the Chairman) and the General Counsel. Day-to-day management of the Agency is divided by law, delegation, and Agency practice between the Chairman, the Board, and the General Counsel. The Agency’s offices include its Headquarters in Washington, D.C., a network of Field Offices throughout the U.S., and two Judges’ offices, one in Washington, D.C., and another in San Francisco, CA. The NLRA assigns separate and independent responsibilities to the Board and the General Counsel. The General Counsel’s role is chiefly prosecutorial, and the Board’s is adjudicative. A map depicting the Regional Offices can be found at: <https://www.nlr.gov/about-nlr/who-we-are/regional-offices>.

The Five-Member Board

The five-member Board primarily acts as a quasi-judicial body, deciding cases based on formal records in administrative proceedings. Board Members are appointed by the President with the advice and consent of the Senate and serve staggered five-year terms¹. The President designates one of the Board Members as Chairman.

The General Counsel

Congress created the position of the General Counsel in its current form in the Taft-Hartley Act of 1947. The General Counsel is appointed by the President to a four-year term, with Senate consent, and is responsible for the investigation and prosecution of ULP cases and for the general supervision of the NLRB Regional Offices, and pursuant to a delegation by the Board, the administrative, financial, and human capital operations of the Agency. In performing delegated functions, and in some aspects statutorily assigned functions, the General Counsel acts on behalf of the Board. With respect to the investigation and prosecution of ULP cases, the General Counsel has sole prosecutorial authority under the statute, independent of the Board. William B. Cowen was appointed by the President to serve as Acting General Counsel on February 3, 2025.

Below is information about the terms of the current Presidential appointees of the NLRB.

Appointee	Sworn In	Term Expires
THE BOARD		
Chairman of the Board – Vacant	N/A	N/A
David M. Prouty Board Member	9/22/2021	8/27/2026
Board Member – Vacant	N/A	N/A
Board Member – Vacant	N/A	N/A
Board Member – Vacant	N/A	N/A
THE GENERAL COUNSEL		
William B. Cowen Acting General Counsel	2/3/2025	The term will expire when the President’s nominee to serve as General Counsel is confirmed by the Senate.

¹ Even though Board Members have five-year terms, a new five-year term begins running immediately upon the expiration of the previous Member’s term and the seat remains vacant until an individual is nominated and confirmed by the Senate. Therefore, a lapse of time can occur between when a term expires and a new Board Member is confirmed, which means that a new Board Member would serve only the remaining portion of the five-year term to which they were appointed.

ORGANIZATION



CASEHANDLING FUNCTIONS

The NLRB strives to create a positive labor-management environment for the Nation's employees, unions, and employers by assuring employees free choice regarding union representation and by preventing and remedying statutorily defined ULPs. The NLRB maintains a public-focused and results-oriented philosophy to best serve the needs of the American people.

The primary function of the NLRB is the effective and efficient resolution of charges and petitions filed under the NLRA by individuals, employers, or unions. In carrying out the NLRA's mandates, the NLRB supports the collective bargaining process and seeks to prevent and remedy ULPs on the part of employers and unions so as to effectuate employees' rights under the NLRA and promote commerce and strengthen the Nation's economy.

Unfair Labor Practice Proceedings

The NLRA regulates the conduct of labor-management relations between employers and unions. The NLRB enforces the provisions of the Act through ULP proceedings, which are adjudicated and remedied through procedures under the NLRA.

The General Counsel has sole responsibility—independent of the Board—to investigate charges of ULPs, and to decide whether to issue complaints with respect to such charges. The Board, in turn, acts independently of the General Counsel in deciding the merits of ULP cases.

The General Counsel investigates ULP charges through the Agency's network of Regional, Subregional, and Resident Offices (collectively known as Field Offices). If there is reason to believe that a ULP charge has merit, the Regional Director, on behalf of the General Counsel, issues and prosecutes a complaint against the charged party, unless a settlement is reached. With some exceptions, a complaint that is not settled or withdrawn is tried before an ALJ, who issues a decision. The decision may be appealed by any party to the Board through the filing of exceptions. The Board decides cases on the basis of the formal record, according to the Act and the body of case law that has been developed by the Board and the federal courts.

If the Board finds that a violation of the Act has been committed, the role of the General Counsel thereafter is to act on behalf of the Board to obtain compliance with the Board's order remedying the violation.

Although Board decisions and orders in ULP cases are final and binding with respect to the General Counsel, they are not self-enforcing. The statute provides that any party may seek review of the Board's decision in a U.S. Court of Appeals. In addition, if a party refuses to comply with a Board decision, the Board must petition for court enforcement of its order. In court proceedings to review or enforce Board decisions, the General Counsel represents the Board and acts as its attorney. Also, the General Counsel acts as the Board's attorney in contempt proceedings and when the Board seeks temporary injunctive relief under Sections 10(e) and (f) of the NLRA after the entry of a Board order and pending enforcement or review of proceedings in circuit court.

Section 10(j) of the NLRA empowers the Agency to petition a federal district court for an injunction to temporarily prevent ULPs by employers or unions and to restore the status quo, pending full review of the case by the Board. In enacting this provision, Congress was concerned that delays inherent in the administrative processing of ULP charges, in certain instances, would frustrate the Act's remedial objectives. Determining whether the use of Section 10(j) is appropriate in a particular case is dependent on preserving the Board's ability to effectively remedy the alleged ULP and ensuring the alleged violator would not otherwise reap the benefits of its violation.

Under the NLRB procedures, after deciding to issue a ULP complaint, the General Counsel may request authorization from the Board to seek injunctive relief. The Board votes on the General Counsel's request and, if a majority votes to authorize injunctive proceedings, the General Counsel, through the Regional staff, files for injunctive relief with an appropriate federal district court. In addition, under Section 10(l) of the Act, when a Region's investigation of a charge yields reasonable cause to believe that a union has committed certain specified ULPs, such as a work stoppage or picketing with an unlawful secondary objective, the Regional Director is required, on behalf of the Board, to seek an injunction from a federal district court to halt the alleged unlawful activity.

Representation Proceedings

In contrast to ULP proceedings, representation proceedings conducted pursuant to the Act are not adversarial². Representation cases are initiated by the filing of a petition (petitioner) by an employee, a group of employees, a labor organization acting on their behalf, or in some cases by an employer. Typically, the petitioner requests an election to determine whether a union has the support of a majority of the employees in an appropriate bargaining unit and therefore should be certified or decertified as the employees' bargaining representative. The role of the Agency in such cases is to investigate the petition and conduct a secret-ballot election, if appropriate, addressing challenges and objections to the election subsequently, and thereafter determining whether certification should be issued.

In the processing of representation cases, the Board and the General Counsel have shared responsibilities. The Regional Offices, which are under the day-to-day supervision of the General Counsel, process

² Unlike ULP hearings where violations of the statute are litigated in an adversarial proceeding, representation case hearings are fact-finding proceedings regarding questions concerning representation.

representation petitions and conduct elections on behalf of the Board based on a delegation of authority made in 1961. The Board also has ultimate authority to determine such matters as the appropriateness of the bargaining unit and to rule on any challenges and objections to the conduct of an election. The Regional Directors have been delegated authority to render initial decisions in representation matters, which are subject to Board review.

Compliance Proceedings

To obtain compliance with the Board's orders and settlement agreements, the General Counsel's staff must follow up to ensure that the results of the processes discussed above are enforced. The NLRB staff deals with employees whose rights have been violated to calculate backpay, and works with respondents regarding notice postings, reinstatement of workers, disciplinary record expungement, withdrawal of unlawful rules or policies, and bargaining remedies. Since Board orders are not self-enforcing, noncompliance or disputes on findings may require additional hearings or actions in the courts.

Administrative Functions

Section 3(d) of the Act assigns the General Counsel supervision over all attorneys employed by the Agency, with the exception of the Administrative Law Judges, the Solicitor, the Executive Secretary and the attorneys who serve as counsel to the Board Members. The Board has also delegated to the General Counsel general supervision over the administrative, financial, and human capital functions of the Agency.

CASEHANDLING HIGHLIGHTS

The NLRB acts only on cases brought before it and does not initiate cases. While charges must be filed with the Agency to begin an investigation, if merit is found to the charge allegations, the Regional Director has delegated authority from the General Counsel to issue a complaint absent settlement.

All proceedings originate with the filing of charges or petitions by employees, labor unions, or private-sector employers engaged in interstate commerce. During FY 2025, the public filed 19,754 ULP charges, containing one or more allegations of unlawful conduct, of which 32.8 percent were found to have merit, and 96.8 percent of meritorious cases were settled. Also, in FY 2025, the NLRB received 2,743 representation petitions, including 2,633 petitions to conduct secret-ballot elections in which workers in appropriate units freely decide whether they want unions to represent them in collective bargaining with their employers.

There were 237 RM petitions filed, which are filed by employers who question whether the incumbent union should continue to be the bargaining representative of its employees. There were 18 union security deauthorization petitions (UD) petitions filed, which seek elections in which workers vote on whether to rescind existing union-security agreements. The NLRB also received seven amendment of certification (AC) petitions seeking amendment of a certification of representative, and 84 unit clarification petitions (UC) petitions, which seek clarification of an existing bargaining unit.

The NLRB is focused on effectuating the dual purposes of the Act to ensure employees' free choice regarding union representation, and to prevent and remedy statutorily defined ULPs in an efficient manner that best serves the needs of the American people.

The cases summarized on the following pages highlight some of the Agency's more notable casehandling activities in furtherance of these purposes.

Board Highlights

Despite operational challenges due to a lack of Board quorum for nearly three-quarters of the year, the Board remained productive throughout FY 2025. Prior to the loss of a quorum, the Board built upon its track record of success in promptly issuing quality decisions in both unfair labor practice and representation cases. The Board issued 86 decisions in contested cases during FY 2025 during the periods when the Board had a quorum (51 decisions in unfair labor practice cases and 35 decisions in representation cases). Equally noteworthy, 65 of those 86 cases, or 76.0 percent, were decided unanimously, which aligns with the historical fact that about 80.0 percent of Board decisions in any given fiscal year are unanimous. This level of collegiality both enhances the Board's productivity and enables the Board to provide parties with more timely resolutions of their labor disputes.

In addition, the Board issued 124 rulings, orders, or notices in a variety of other matters, including requests for special permission to appeal and various motions and petitions during FY 2025. This output was only a 13.9 percent decrease from FY 2024's result of 144 rulings, orders, or notices issued in other matters,

despite the lack of a Board quorum during much of FY 2025. The Board achieved this result by successfully utilizing Subpart X of the Board's Rules & Regulations, which allowed certain matters to be delegated for ruling to the Chief Administrative Law Judge or Executive Secretary when the Board lacks a quorum.

Finally, the Board's career staff continued working diligently throughout the fiscal year to fully prepare cases for consideration by a future Board. Thanks to their hard work, the Board is well positioned to quickly resume issuing decisions once a quorum is reestablished.

Regional Highlights

The Region Obtains Injunctive Relief Requiring Nonprofit to Recognize and Bargain with its Employees' Union for a First Contract

Covenant House New York

02-CA-337831

After an investigation and determination of merit, the Region issued a complaint alleging that the Employer repeatedly violated Section 8(a)(5) of the Act by refusing to meet and bargain with the Union and refusing to provide relevant, requested information. The Region also alleged the Employer had violated Section 8(a)(1) by threatening the two employees with discipline if they engaged in any further union activity.

On May 1, 2025, the Region petitioned the United States District Court for the Southern District of New York for Section 10(j) injunctive relief. At the hearing on August 13, 2025, the Court granted the injunction from the bench and issued a written order on September 5, 2025, requiring the Employer to, among other things, resume meeting and bargaining with the Union for a first contract, provide requested information, and cease threatening employees for engaging in union activity. The Court also ordered the Employer to bargain at least two days a month for at least four hours per session and to submit bargaining progress reports to the Region every 30 days.

The Region Wins ALJ Decision Involving Nationwide Unpaid Time Off Policy

Amazon.com Services, LLC

04-CA-297653, et al.

After an investigation and determination of merit, the Region issued a complaint alleging that the Employer's maintenance and application of a companywide Unpaid Time Off (UPT) policy violated Section 8(a)(1) and 8(a)(3) of the Act.

Following a hearing, the Administrative Law Judge declined to find the UPT policy facially overly broad; however, the Judge concluded that the Employer violated Section 8(a)(1) and (3) of the Act when it assessed and discriminatorily refused to restore employees' UPT hours upon learning that their absence was due to protected Section 7 activities.

Consequently, the Judge ordered appropriate relief, requiring the Employer to: rescind any attendance points assessed for the period an employee was engaged in a legal strike or walkout; restore the UPT hours of every employee from whom UPT hours were deducted due to a strike or other protected activity; and reinstate any employee who was discharged as a result of the employee's UPT hours falling below zero due to their participation in protected activity or was discharged due to accumulating excessive attendance points as the result of their participation in protected activity. The Judge also ordered make-whole relief for any employee who suffered adverse consequences from either having UPT hours deducted on account of protected activity or had attendance points assessed as a result of such activity.

The Agency Obtains an Interim Injunction Pending Appeal and Later Obtains Full Enforcement of the Board's Order Requiring Restoration of Employee Healthcare Benefits

PG Publishing Co., Inc. (d/b/a Pittsburgh Post-Gazette)

06-CA-248017

After an investigation and determination of merit, the Region issued a complaint that included allegations that the Employer violated Section 8(a)(5) and (1) of the Act by failing to bargain in good faith and unilaterally implementing terms and conditions of employment without bargaining to a lawful impasse. The Employer's unilateral changes to the employees' healthcare benefits, in particular, increased costs and precipitated an unfair labor practice strike. After a hearing, an Administrative Law Judge issued a decision finding the violations as alleged. On review, the Board affirmed the Judge's findings and conclusions and ordered remedies that included restoration of the healthcare benefits as they were required under the contract.

After the Employer failed to comply with the Board's Order, the Appellate and Supreme Court Litigation Branch filed for enforcement in the United States Court of Appeals for the Third Circuit. The Branch also filed a petition for temporary injunctive relief under Section 10(e) of the Act, which the Court granted in part and ordered the restoration of healthcare benefits. After the Employer failed to comply with the injunction, the Branch filed a motion to hold the Employer in civil contempt. In an unpublished opinion, the Court held that substantial evidence supported the Board's unfair labor practice findings and enforced the Board's order in full. The Court simultaneously issued an order dismissing the contempt motion without prejudice and clarified that restoration of the terms of healthcare benefits under the contract was necessary for compliance.

The Region Conducts Large-Scale Election Involving Almost 10,000 Nurses

Corewell Health East

07-RC-351617

After an election agreement was reached, the Region conducted one of the largest manual ballot elections in recent Agency history that involved almost 10,000 eligible nurses working at nine locations and involved 49 board agents from 11 different regions. Overall, about 8,333 votes were cast in the election, meaning approximately 85.0 percent of eligible voters participated.

Despite its size and complexity, the election was conducted within 46 days from the date of filing of the petition, no objections to the election were filed, and the election was timely certified.

The Region Prevails in Hearing Concerning Overly Broad Work Rules and Cease-and Desist-Letter

University Hospitals Cleveland Medical Center

08-CA-280382 and 08-CA-287186

After an investigation and determination of merit, the Region issued a complaint alleging that the Employer violated Section 8(a)(1) of the Act by maintaining overly broad work rules and sending the Charging Party a cease-and desist letter instructing him to refrain from reaching out to former coworkers and threatening legal action.

Following a hearing, the Administrative Law Judge agreed that the Employer violated the Act as alleged and ordered the Employer to rescind the unlawful policies and notify current and former employees concerning the rescission. In addition, the Employer was ordered to rescind elements of the letter and notify the Charging Party in writing.

The Region Carries Out Large Election Involving E-Commerce Employees

Amazon.com Services, LLC

10-RC-357236

Following the achievement of an election agreement, the Region conducted a large-scale election involving 4,738 eligible voters, which included numerous polling sessions over five days. Approximately 70.0 percent of voters cast votes in the election, which took place within 54 days of the filing of the petition.

The Region Wins ALJ Decision Granting Extension of Certification Year

Reliance Plumbing, Sewer and Drainage, Inc.

13-CA-328849, 13-CA-334657, 13-CA-338726, 13-CA-353855

After an investigation and determination of merit, the Region issued a complaint alleging that the Employer violated Sections 8(a)(1), (3), and (5) of the Act by making numerous coercive statements and reducing employees' work hours, which subsequently resulted in the constructive discharge of three employees and the suspension of an employee. The complaint further alleged that the Employer failed and refused to bargain with the Union for an initial contract and a failure to bargain over effects before implementation of the elimination of certain job duties in violation of 8(a)(5) of the Act.

The Region prevailed on all the allegations before the Administrative Law Judge. In addition to traditional relief, the Judge extended the Union's certification year by an additional 12 months and ordered a notice reading by the Employer's owner.

The Region Obtains Win in Case Involving Unlawful Discharges, Secures Make-Whole Order

Nu-Way Fab, Inc.

14-CA-331222, 14-RC-331217

After an investigation and determination of merit, the Region issued a complaint alleging that the Employer violated Section 8(a)(1) of the Act by discharging five employees, discontinuing the services of a worker employed by a temporary staffing agency, inviting an employee to quit, and threatening employees, among other things.

Following a hearing, the Administrative Law Judge agreed that the Employer had violated the Act as alleged. Among other remedial relief, the Judge ordered reinstatement and make-whole remedies. Thereafter the Region filed a Petition for injunctive Relief under Section 10(j) of the Act, which prompted the Employer to commit to full compliance with the Judge's order.

Separately, the Judge heard and ruled on challenged ballots from an election that occurred several weeks after the Employer committed the unfair labor practices discussed above. After the issuance of the Judge's decision, the Region moved quickly to certify the results of the election.

The Region Prevails before ALJ in Hiring Hall Case Involving Discrimination

Teamsters, Local 657

16-CB-294650, 16-CB-303345, 16-CB-305026

After an investigation and determination of merit, the Region issued a complaint alleging that the Union committed numerous violations of the Act.

Following a hearing, the Administrative Law Judge issued a decision finding that the Union had violated Sections 8(b)(1)(A) and (2) of the Act by operating an exclusive hiring hall while using a referral procedure that discriminated against employees who are not union members and discriminatorily delaying the referral of employees to employment because they engaged in activities protected by Section 7 of the Act.

Consequently, the Judge ordered appropriate relief, requiring the Union to operate its hiring hall in a manner that does not discriminate against employees on the basis of membership in a labor union and make affected employees whole.

The Region Secures \$225,000 in Make-Whole Relief via Post-Complaint Settlement

Refugee & Immigrant Care Center for Education and Legal Services

16-CA-333226

After an investigation and determination of merit, the Region issued a complaint alleging that the Employer terminated an employee for engaging in activities protected by Section 7 of the Act.

Following a hearing before an Administrative Law Judge, but before the issuance of a decision, the Region secured a non-Board settlement providing for \$225,000 in make-whole relief.

The Region Negotiates Compliance Agreement Requiring Payment of \$301,037 in Make-Whole Relief

Tri-County Electric Co-op, Inc.

16-CA-260485

Following a detailed compliance investigation concerning a court-enforced Board Order, the Region secured a compliance agreement, under the terms of which the Employer agreed to pay the lone discriminatee \$301,037 in make-whole relief.

The Region Wins Compliance Hearing Involving Make-Whole Award for Two Discriminatees

River City Asphalt, Inc.

18-CA-280068

Following a detailed compliance investigation concerning a court-enforced Board Order, the Region issued a compliance specification alleging that the Employer owed back pay to two individuals whom it had discriminated against.

After a compliance hearing, the Administrative Law Judge found that the Employer's arguments constituted an attempt to relitigate the unfair labor practice case and ordered the Employer to pay the make-whole amounts liquidated by the Region.

The Region Obtains Formal Settlement Stipulation Containing Broad Relief

Honeybee Foods Corporation d/b/a Jollibee

22-CA-340092

After an investigation and determination of merit, the Region issued a complaint alleging the Employer made numerous threats, discharged two employees, and issued discipline to several employees in retaliation for the employees' protected concerted activity, among other things.

Prior to conclusion of an administrative hearing on the merits, the Region negotiated a formal settlement stipulation requiring the Employer to offer reinstatement and back pay to the two discharged employees, post a remedial notice and explanation of employee rights for 90 days, email the remedial notice to employees, conduct a notice reading, and facilitate Board-conducted supervisor training.

The Region Secures Settlement Requiring Employer to Pay \$104,711 in Backpay

Logistics Insight Corp.

25-CA-323103, et al.

After an investigation and determination of merit, the Region issued a complaint alleging that the Employer discharged two employees for engaging in protected concerted activity.

Prior to an administrative hearing, the Region obtained a favorable informal settlement, which included payment of backpay to two employees totaling \$104,711. In addition, the settlement required that the Employer send a signed copy of the remedial notice to its employees via text message.

The Region Conducts Three Elections Involving More Than 2,000 Nurses

Randall Children's Hospital at Legacy Emanuel

19-RC-357817

Legacy Good Samaritan Hospital and Medical Center

19-RC-358260

Legacy Emanuel Hospital and Health Center

19-RC-358261

After securing election agreements, the Region successfully carried out three significantly large elections involving three different petitions filed by a single Petitioner to represent over 2,000 registered nurses employed by three different acute care hospitals located in Portland, Oregon. The Region worked closely with all parties to schedule concurrent elections. Three polling locations were established at the hospitals over a three-day period, and there were 18 polling periods scheduled for various times from 6:00 am to 8:00 pm, totaling 36 hours of polling.

The Region Prevails Before ALJ and Obtains Reinstatement for Eight Employees

Envision Hospice

19-CA-306972, et al.

After an investigation and determination of merit, the Region issued a complaint involving nine cases, which alleged a host of unlawful conduct, including, but not limited to, allegations implicating Weingarten, the unlawful discipline and discharge of employees, unilateral changes, and surface bargaining.

Following a hearing, the Administrative Law Judge found merit to a number of violations including the constructive discharge of eight employees, various unilateral changes, and surface bargaining with the Union while negotiating a first contract. Among other remedies, the Judge ordered a reading of the remedial notice to employees.

The Region Oversees Large Election Involving Over 1,600 Production, Maintenance, and Logistics Employees

Seimens Mobility, Inc.

20-RC-360009

Following the issuance of a decision and direction of election, the Region timely conducted a large-scale election to determine whether about 1,600 production, maintenance, and logistics employees at the

Employer's manufacturing facility desired to be represented by a labor union for the purposes of collective bargaining.

The Region Wins Bargaining Order and Employee Reinstatement

Sportsman's Warehouse, Inc.

28-CA-308079, et al.

After an investigation and determination of merit, the Region issued a complaint alleging that the Employer made coercive statements, discharged an employee for engaging in union and protected concerted activities, and refused to recognize and bargain collectively with the Union as the exclusive bargaining representative of employees.

Following an administrative hearing, the Judge found that Employer had violated the Act by soliciting grievances and impliedly promising to remedy them; threatening and interrogating employees; promising to increase wages to discourage employees from unionizing; discharging an employee; and refusing to recognize and bargain collectively with the Union as the exclusive bargaining representative of employees while engaging in the conduct that undermined the Union's support and prevented a fair rerun election.

Consequently, in addition to traditional relief, including reinstatement and make-whole remedies, the Judge prescribed a remedial bargaining order.

The Region Obtains \$2.5 Million Payout for 21 Discriminatees

Seven Seas Union Square, LLC and Key Food Stores Cooperative, Inc, Joint Employer

29-CA-164058, et al.

Following a compliance investigation concerning a court-enforced Board Order, the Region issued a compliance specification alleging that certain backpay and other monies were due.

Prior to the opening of a compliance hearing, the Parties reached a compliance agreement in which the 21 involved discriminatees were made whole by payment of \$2.5 million dollars.

The Agency Authorizes Private Resolution of Nationwide Dispute Involving 11 Stores

Recreational Equipment, Inc. (REI)

32-CA-329152, et al.

After an investigation and determination of merit, multiple Regions issued complaints alleging that the Employer violated the Act by restructuring its operations without notice to the involved Unions and without affording the Unions an opportunity to bargain. Other complaints concerned the withholding of a profit-sharing payout and an annual pay increase from certain employees.

In July, the parties reached a global resolution that provides for a new negotiation structure and bargaining schedule, back pay for employees at certain stores, and effects bargaining. This resolution was approved by the Agency in August.

The Region Secures Settlement Requiring Recission and Modification of Nationwide Rules

Apple, Inc.

32-CA-284428

After an investigation and determination of merit, the Region issued complaint alleging that the Employer violated the Act by maintaining overly broad work rules, among other things.

Subsequently, the parties entered into an informal Settlement Agreement, which required the Employer revise or rescind certain nationwide policies to make clear that they do not restrict employees' right to form, join or assist a union, or engage in other protected, concerted activity. In addition, the Employer agreed to post a remedial notice on its intranet for 60 consecutive days.

The Ninth Circuit Sides with Agency and Issues Contempt Order Requiring Employer to Comply with Mandate and Pay Costs and Fees

Import Motors II, Inc. (d/b/a Audi Concord)

32-CA-281627

After an investigation and determination of merit, the Region issued a complaint asserting that the Employer violated Sections 8(a)(1) and (5) of the Act by failing and refusing to recognize and bargain with the Union after the Union's certification. After the General Counsel filed a Motion for Summary Judgment, which the Employer failed to answer, the Board granted the Motion. The Employer then petitioned for review of the Board's Order to the Ninth Circuit, which affirmed the Board's Order. The Employer's petition for rehearing and rehearing en banc was also denied.

After the Ninth Circuit issued its Mandate, the Agency contacted the Employer and requested that it comply. The Union also requested that the Employer comply and renewed its demand to bargain. The Employer did not respond to the Union and later informed the Board that it would not comply with the Judgment, arguing for the first time that because the Agency's structure was unconstitutional, the Board's court-enforced Order was therefore void.

The Contempt, Compliance, and Special Litigation Branch filed a Contempt Petition with the Ninth Circuit, seeking an Order further requiring the Employer to fully comply with its prior Mandate, including by bargaining with the Union in good faith, and paying the Board its costs and attorneys' fees, as well as imposing prospective fines, should the Employer or its agents continue to fail to fully comply with the Court's Order. The Employer then admitted to the Ninth Circuit that it would not comply, raising to the Ninth Circuit for the first time that its Mandate was void because of constitutional issues with the removal

protections for the Board's members and its Administrative Law Judges. The Ninth Circuit found in favor of the Board on the papers, and ordered all relief sought by the Agency in response to the Employer's contemptuous conduct.

FINANCIAL AND SYSTEMS HIGHLIGHTS

Operational/Performance Highlights

The Office of the Chief Financial Officer (OCFO) is comprised of four branches: Budget, Acquisitions Management, Finance, and Internal Control, Risk Management, and Performance (IRP). The OCFO reports to both the Chairman and the General Counsel. This structure integrates and enhances Agency financial management. Specifically, the OCFO focuses on efficiency and effectiveness in financial operations, reliability of financial reporting, transparency of financial data, and compliance with applicable laws and regulations.

The OCFO continuously seeks to improve discipline, structure, and internal control in the financial management lifecycle and throughout the financial management process.

FY 2025 was a challenging and unique year. The OCFO implemented, executed, and managed multiple executive orders such as E.O. 14222, *Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative*; E.O. 14240, *Eliminating Waste and Saving Taxpayer Dollars by Consolidating Procurement*; E.O. 14275, *Restoring Common Sense to Federal Procurement*; E.O. 14249, *Protecting America's Bank Account Against Fraud, Waste, and Abuse*; and E.O. 14247, *Modernizing Payments To and From America's Bank Account*. The OCFO team worked closely with the U.S. General Service Administration (GSA) and OMB to develop and implement all critical Executive Orders. The OCFO was a key contributor in addressing the Phase I and Phase II requirements outlined in the Agency Reduction in Force and Reorganization Plans, as mandated by the Implementing the President's "Department of Government Efficiency" Workforce Optimization Initiative.

In FY 2025, the OCFO continued its collaboration with the GSA and internal NLRB offices to execute the TMF investment. The TMF is a program authorized by the Modernizing Government Technology Act of 2017 (Section 1078 of the National Defense Authorization Act for Fiscal Year 2018) that provides financing to government agencies in support of their IT initiatives. All OCFO branches were actively involved and collaborated on the successful implementation of the TMF efforts.

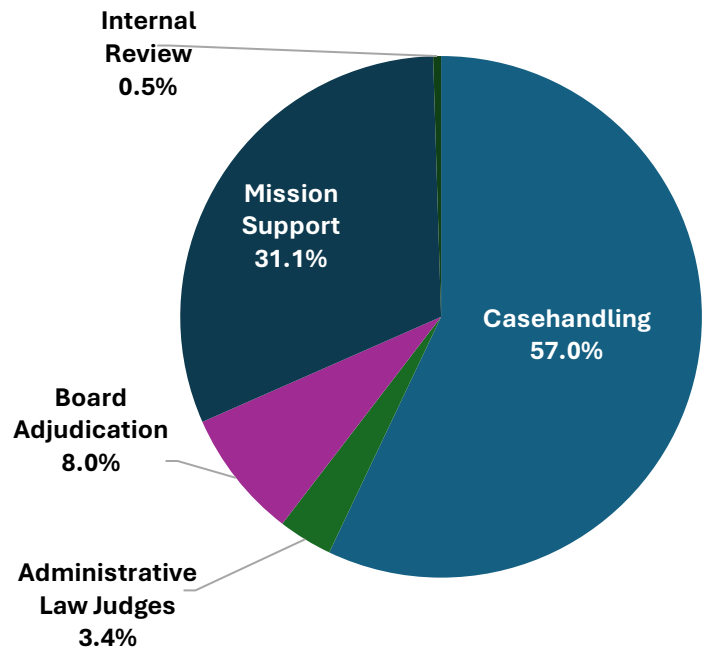
The OCFO continued to end the fiscal year with no outstanding audit recommendations and received no new audit recommendations in FY 2025. This was the result of the outstanding work of the OCFO staff.

Below are some highlights from FY 2025 OCFO activities:

Budget Branch

The Budget Branch has achieved a significant milestone in the successful execution of the Agency's multi-million-dollar annual appropriation, its no-year fund, and advancing the President's priorities set forth in several Executive Orders and Presidential memoranda. The Budget Branch collaborated in developing guidance for the execution of the February 11, 2025, E.O. 14210, *Implementing The President's "Department of Government Efficiency" Workforce Optimization Initiative*. The Budget Branch also collaborated in the implementation of the January 20, 2025, Federal Civilian Hiring Freeze Guidance.

The FY 2025 Budget, amounting to \$299.2 million, was allocated to fund the NLRB's statutory mission of resolving labor disputes. The NLRB's five program activities, which define the major mission functions for budgetary reporting, were fully supported with an obligation of \$298.8 million (99.8 percent) of the enacted appropriation. This left approximately 0.2 percent of the budget to provide to any upward obligations that may arise in FY 2026. The FY 2025 obligated budget of \$298.8 million provided:



- \$170.5 million to support Casehandling
- \$93.0 million for Mission Support
- \$23.8 million for Board Adjudication
- \$10.0 million for Administrative Law Judges
- \$1.5 million for Internal Review

Of the total obligations, the NLRB FY 2025 annual staff compensation (salaries and benefits) accounted for approximately \$244.1 million, or 81.7 percent. The Agency obligated \$20.6 million, or 6.9 percent, to fund GSA rent for NLRB offices in Headquarters and Regional Offices across the country. Spending on information technology amounted to \$21.4 million, or 7.2 percent. The remaining \$12.7 million, or 4.2 percent, was allocated to non-labor obligations associated with facilities, security, court reporting, case-related travel, witness fees, interpreters and translation services, training, and compliance with Government-wide statutory and regulatory mandates.

The Budget Branch, in coordination with the Agency Leadership and program offices, has made strategic investments in high-priority programs. These investments, totaling over \$4.6 million, were directed towards enhancing the Agency infrastructure, resourcing various space alteration projects, and supporting additional physical security requirements. Such strategic investments underscore the Agency's commitment to advancing the President's Executive Orders, Presidential memoranda, and the Agency's mission and goals.

The Budget Branch continued its efforts relating to the budget execution of the TMF no-year funds. The NLRB received two of the three TMF transfers from GSA, totaling \$15.6 million, and has obligated a total of \$9.2 million by the close of FY 2025. The fund balance of \$6.4 million will carry over into FY 2026, providing support for advancing the modernization of the Agency's case management system.

Finance Branch

In FY 2025, the Finance Branch successfully implemented the requirements of the following presidential executive orders:

- E.O. 14222, *Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative*
 - Non-Essential Travel Justification Form. Collaborated with the OCIO to design and implement an online Non-Essential Travel Justification Form, streamlining the Agency's workflow for review and approval. This digital solution enhanced transparency, improved efficiency, and ensured compliance with the executive order and travel policy requirements.
 - Freeze/Limit Agency Travel Cards for 30 days in March 2025
- E.O. 14249, *Protecting America's Bank Account Against Fraud, Waste, and Abuse*
 - Developed the Agency's compliance plan and coordinated with the Agency's leadership (General Counsel and Board Side) to review, refine, and secure formal approval. This effort ensured alignment with OMB's request and timely submission of the Compliance Plan.
- E.O. 14247, *Modernizing Payments To and From America's Bank Account*
 - Developed the Agency's compliance plan and coordinated with the Agency's leadership to review, refine, and secure formal approval. This effort ensured alignment with OMB's request and timely submission of the Compliance Plan.
 - Collaborated with key Agency offices, including Operations and Compliance, on the Agency's transition plan to implement digital payment methods for disbursements and receipts. This initiative included the modernization of payment processes for Backpay and FOIA check, aiming to enhance efficiency, reduce processing time, minimize reliance on paper-based transactions and align with the executive order initiatives.

The Finance Branch continued to provide excellent customer service to our internal and external customers. The Finance Branch successfully submitted input to the monthly Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS) and the Central Accounting Reporting System to the U.S. Department of the Treasury (Treasury), Bureau of the Fiscal Service (BFS), in a timely manner.

The Finance Branch continued its collaborative effort on the NLRB's TMF case management system modernization project. The TMF is a funding vehicle that is used to enhance cybersecurity and IT initiatives across the Federal Government. The Finance Branch monitored the lines of accounting and the posting logic to ensure proper tracking of the funds transferred from the GSA to the NLRB and the repayment to the GSA. The Finance Branch collaborated with internal stakeholders to track and promote transparency, improve decision making, and facilitate the Agency's reporting requirements to outside oversight bodies.

In addition, the Finance Branch resolved approximately \$52 thousand in Fund Balance with Treasury (FBWT) discrepancies with Treasury; and processed 103 backpay schedules totaling approximately \$1.2 million in payments.

Acquisition Management Branch

In FY 2025, the Acquisition Management Branch (AMB) provided exceptional customer service to internal and external customers. The AMB led the development of cost-effective acquisition approaches for the prevention of waste, fraud, and abuse with the objective of meeting the mission of the NLRB. The AMB successfully executed all non-labor funds allocated in the FY 2025 Operating Plan by September 30, 2025.

The AMB exceeded the Agency's Small Business goal of 23.0 percent by awarding 72.7 percent of the NLRB's contracts to small businesses.

In response to the E.O. 14275, *Restoring Common Sense to Federal Procurement*, the NLRB issued deviations to the Federal Acquisition Regulation (FAR), and the AMB is reviewing agency supplemental policy to ensure alignment with the Revolutionary FAR Overhaul.

Charge Card Program

On October 17, 2014, the President signed E.O. 13681, *Improving the Security of Consumer Financial Transactions* directing the federal government to establish and maintain safeguards and internal controls for the charge card program. The NLRB evaluated the charge card program as directed by the guidance provided in OMB Memorandum M-12-12, *Promoting Efficient Spending to Support Agency Operations* and OMB Circular No. A-123 Appendix B, *A Risk Management Framework for Government Charge Card Program*. The effectiveness of the Agency's purchase card program was assessed through enhanced monitoring procedures to detect fraud, waste, and abuse.

The NLRB is currently using Citibank online tools and Visa Intellilink to do enhanced monitoring for fraud, waste, and abuse. The Agency conducted 100.0 percent reviews of purchase transactions to deter fraud, waste, and abuse as well as identify areas for enhanced training.

In response to E.O. 14222, *Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative*, issued February 26, 2025, the NLRB has limited the number of Purchase Card Holders within the Agency. This measure is intended to strengthen internal controls, reduce unnecessary or duplicative micro-purchases, and ensure greater oversight of government spending.

Internal Control, Risk, And Performance Branch

The IRP Branch reviews and evaluates existing policies, processes, and procedures to ensure compliance with applicable laws and regulations. The assessments and evaluations conducted by the IRP Branch involve collaborative efforts with management and staff of various divisions and program offices within the NLRB. The results of these assessments support short and long-term strategic decisions.

In addition, the IRP Branch ensures that mechanisms, rules, and procedures are in place to:

- Safeguard operations and the integrity of financial and accounting information;
- Promote accountability; and
- Prevent fraud, waste, and abuse.

The IRP Branch provides recommendations and guidance for improvements to existing policies, processes, and procedures. It ensures that adequate documentation is in place to support the Acting General Counsel's annual Statement of Assurance (SOA), which is published in the annual PAR.

As part of the IRP's annual assessment to comply with the requirements per the OMB Circular No. A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*, the IRP Branch developed test plans and assessed the design and operating effectiveness of key internal controls for OCFO operations. The IRP Branch also evaluated and assessed the NLRB's Entity Level Controls (ELCs). The results of these assessments were summarized in a Gap Analysis report that supports the NLRB's annual SOA.

During FY 2025, the OCFO continued to play a pivotal role in helping the Agency identify, assess, and manage its risks. In April 2025, the IRP Branch conducted its semi-annual Enterprise Risk Management (ERM) Maturity Level Assessment to assess the NLRB's current ERM maturity level. The IRP Branch briefed the Risk Management Council (RMC) on the assessment results and provided recommendations to strengthen the Agency's ERM maturity level. Similarly, the IRP Branch facilitated the completion of the NLRB's first-ever draft ERM Risk Profile and presented it to leadership for approval. Feedback from leadership led to additional collaborative sessions in which Risk Owners and the RMC reviewed and refined proposed enterprise risks, further shaping the Agency's Risk Profile. In FY 2025 the Agency released its first mandatory ERM training, which all employees were required to complete by September 30, 2025. Collectively, these efforts reflect the Agency's commitment to maturing the ERM program and framework.

The IRP Branch collaborated with the NLRB program areas to collect, compile, and summarize the Agency's quarterly performance indicators which are reported annually in the PAR. The IRP Branch also reviewed and assessed quarterly performance data from various program areas to ensure that they aligned with the

Goals and Objectives established in the Agency's FY 2026 Agency Performance Plan. Additionally, the IRP Branch facilitated the review and completion of the NLRB's FY 2026-2030 Strategic Plan and FY 2025 PAR.

Financial Systems

The NLRB obtains the majority of its financial systems and services from the Department of the Interior's Interior Business Center (IBC). The IBC provides shared services and offers administrative and financial services to the NLRB. The services provided include system support for procurement and contracts, payroll management, finance, accounting, and travel. The NLRB is responsible for overseeing the work produced by the IBC and ensuring that financial systems and internal controls are in place to fulfill legislated and regulatory financial management requirements. The IBC provides shared services using the following systems:

- Oracle Federal Financials (OFF) – The integrated system of record for all financial transactions.
- Oracle Analytics Server – IBC's OAS reporting solution is a group of over 95 top level reports, 70 financial/purchasing reports (analysis), 22 payroll reports (analysis), four credit cards and Do Not Pay (DNP) reports (analysis) across Oracle modules that the NLRB can customize to meet its own agency-specific needs.
- Federal Payroll and Personnel System – The personnel system of record that interfaces with the OFF system.
- E2Solutions – The eTravel system provided by Carlson Wagonlit (CWTSato), which is the NLRB's Travel Management Service. E2Solutions also interfaces with the Oracle system.
- Invoice Payment Platform – Treasury's web-based system that provides a single, integrated, secure system to simplify the management of vendor invoices. It is offered at no charge to federal agencies and their vendors.
- Government invoicing (G-Invoicing) – Treasury's platform for managing intragovernmental transactions (buy/sell) between federal agencies and their trading partners.

Analysis of Financial Statements

The NLRB prepares annual financial statements in accordance with U.S. Generally Accepted Accounting Principles (GAAP) for federal government entities and subjects the statements to an independent audit to ensure their integrity and reliability in assessing performance. The NLRB's financial statements summarize the financial activity and financial position of the Agency. The financial statements, footnotes, and the balance of the required supplementary information appear in the Financial Section of the PAR.

Balance Sheet

The NLRB's assets were \$70.5 million as of September 30, 2025. The FBWT the NLRB's largest asset at \$53.4 million (75.7 percent), representing available appropriated funds and balances held on behalf the

U.S. Government. It is an asset of a reporting entity and a liability of the General Fund of the U.S. Government. The FBWT enables the NLRB to make expenditures and pay liabilities. The NLRB's FBWT includes general funds, deposit funds, clearing accounts, and miscellaneous receipt accounts.

Following FBWT, Property, Plant, and Equipment (PP&E) represent the NLRB's second-largest asset at \$16.1 million (22.8 percent). PP&E increased \$5.4 million (51.3 percent) from the prior year, primarily due to capitalized costs for construction in progress and new leasehold improvements related to Headquarters and Regional Office space projects. These increases were partially offset by accumulated depreciation and amortization of existing PP&E.

In addition to changes in PP&E, the NLRB also experienced significant activity in other asset categories. Intragovernmental Advances and Prepayments increased \$401 thousand (2,131.9 percent), driven largely by higher prepayments for security investigations, transportation benefits, and professional services beginning in FY 2025. Security investigation payments are recorded as advances and subsequently reduced as G-invoicing drawdowns occur.

The NLRB's total liabilities were \$36.2 million as of September 30, 2025. The liabilities consisted of amounts owed to vendors, federal government trading partners, and the Agency's employees.

The Unfunded Annual Leave liability of \$15.4 million accounted for (42.5 percent) of the NLRB's total liabilities and remained relatively consistent with the prior year. In FY 2025, NLRB received the second TMF transfer of \$8.4 million from GSA for the investment in case management system modernization and made its first repayment of \$1.6 million back to GSA. As a result, Other Liabilities for the TMF were \$6.3 million, which represented a \$2.7 million increase (73.4 percent) from the prior year reflecting the portion of transferred funds that will be repaid to GSA in future years. The Accrued Funded Payroll and Leave liability was \$5.3 million, which was an increase of \$1.3 million (33.0 percent). The change was primarily attributable to higher payroll-related costs in FY 2025, including increased accrued salaries for employees retiring or separating, higher compensation expenses, and additional leave and payroll liabilities associated with the Voluntary Early Retirement Authority (VERA) and Deferred Resignation Program (DRP). In FY 2025, the NLRB offered voluntary separations under both the DRP and VERA programs, which increased end-of-year accruals.

Benefit Program Contributions Payable increased \$182 thousand (14.3 percent), driven by higher payroll accruals between pay periods and increased benefit-related costs – including FERS, FEGLI, FICA, Medicare, CSRS/FERS Retirement, Thrift Savings Plan matching, and life and health insurance contributions. Increased separation activity under DRP and VERA also contributed.

The FECA Actuarial Liability increased \$548 thousand (139.5 percent), primarily due to higher chargeback activity from the Department of Labor. FY 2025 reflects a return to normal actuarial estimates based on DOL's updated chargeback report, which includes current-year actual payments and future liability projections for compensation, medical, and disability benefits.

Statement of Net Cost

The NLRB's appropriation is used to support mission critical activities and to resolve cases associated with unfair labor practices and representation cases filed by employees, employers, and unions. In FY 2025, the Net Cost of Operations was \$327.5 million; 88.0 percent of the costs was used to resolve charges for unfair labor practices and 12.0 percent was used for representation cases. The NLRB had to absorb increases in cost associated with pay inflation, investment to support critical information technology and office space alterations.

Statement of Changes in Net Position

The NLRB's net position is affected by changes in two components: Unexpended Appropriations and Cumulative Results of Operations. Unexpended Appropriations include the portion of the entity's appropriations represented by undelivered orders and unobligated balances. Unexpended Appropriations decreased \$7 million (-17.9 percent) due to an increase in expenditures to fund mission support activities including payroll and benefits, professional services and space alterations. Cumulative Results of Operations reflect the net results of operations since inception. Cumulative Results of Operations increased \$6.4 million (152.1 percent) due to net increases in cost associated with the NLRB's mission.

Statement of Budgetary Resources

The Statement of Budgetary Resources shows the budgetary resources available and the status at the end of the period. This statement also represents the relationship between budget authority and budget outlays and reconciles obligations to total outlays. For FY 2025, the NLRB's total budgetary resources were \$315.4 million which included appropriations of \$299.2 million and unobligated balance from prior years of \$16.2 million. In FY 2025, new obligations were \$306.9 million and total outlays were \$309.1 million. In FY 2025, the apportioned unexpired balance at the end of the fiscal year was \$6.9 million which includes the unobligated balance of \$6.4 million for the no year TMF Fund and \$458 thousand for the annual appropriated fund.

Limitations of Principal Financial Statements

The principal financial statements are prepared to report the financial position, financial condition, and results of operations, pursuant to the requirements of 31 U.S.C. § 3515(b). The statements are prepared from records of federal entities in accordance with federal GAAP and the formats prescribed by OMB. Reports used to monitor and control budgetary resources are prepared from the same records. Users of the statements are advised that the statements are for a component of the U.S. Government.

COMPLIANCE WITH LAWS AND MANAGEMENT ASSURANCES

Antideficiency Act

The Antideficiency Act (ADA) prohibits employees of the U.S. Government from:

- Making or authorizing an expenditure from, or creating or authorizing an obligation under, any appropriation or fund in excess of the amount available in the appropriation or fund unless authorized by law;
- Involving the government in any obligation to pay money before funds have been appropriated for that purpose unless otherwise allowed by law;
- Accepting voluntary services for the U.S., or employing personal services not authorized by law, except in cases of emergency involving the safety of human life or the protection of property; and
- Making obligations or expenditures in excess of an apportionment or reappropriation, or in excess of the amount permitted by the Agency's regulations.

There were no known ADA violations in FY 2025 at the NLRB.

Debt Collection Improvement Act

The Debt Collection Improvement Act of 1996 (DCIA) was passed as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996. It tasked the U.S. Department of Treasury with governmentwide debt collection responsibilities which focused to maximize the collection of non-tax delinquent debt owed to the government by requiring agencies to notify the Department of Treasury of debts delinquent more than 120 days for purposes of administrative offset.

The NLRB is in compliance with the DCIA.

Digital Accountability and Transparency Act

The Digital Accountability and Transparency Act of 2014 (DATA Act) expands the Federal Funding Accountability and Transparency Act of 2006 (FFATA) to increase accountability and transparency in federal spending, making federal expenditure information more accessible to the public. The goal of the DATA Act is to make federal spending more accessible, searchable, and reliable, so taxpayers can understand the impact of federal funding for federal programs/entities.

As required by the OMB Memorandum M-15-12, *Increasing Transparency of Federal Spending by Making Federal Spending Data Accessible, Searchable, and Reliable*, the NLRB established its own DATA Act Policy and Standard Operating Procedures to increase the transparency of federal spending as required by the

DATA Act and FFATA Act. The NLRB's DATA Act Policy was updated in FY 2024 to include new guidance provided in the OMB Memoranda below:

- OMB Memorandum M-20-21, *Implementation Guidance for Supplemental Funding Provided in Response to the Coronavirus Disease 2019 (COVID-19)*;
- OMB Memorandum M-21-20, *Promoting Public Trust in the Federal Government through Effective Implementation of the American Rescue Plan Act and Stewardship of the Taxpayer Resources*; and
- OMB Memorandum M-22-12, *Advancing Effective Stewardship of Taxpayer Resources and Outcomes in the Implementation of the Infrastructure Investment and Jobs Act*.

Additionally, the policy was updated to reflect changes in the roles and responsibilities section.

AMB inputs contracts directly into the Federal Procurement Data System – Next Generation (FPDS-NG). AMB has drafted and implemented the Independent Verification and Validation Policy to identify inaccurate data within the FPDS-NG to improve data accuracy and integrity.

The NLRB's service provider, IBC, has identified the required reportable data elements that will be provided for us to report from existing systems.

The NLRB is in compliance with the DATA Act.

Federal Information Security Management Act

The Federal Information Security Management Act of 2002, as amended by the Federal Information Security Modernization Act of 2014, requires federal agencies to ensure adequate security protections for federal information systems and information. Under this act, federal agencies must submit annual FISMA reports to OMB.

In FY 2025, the NLRB maintained its compliance with the OMB Memorandum M-25-04, *FY 2025 Guidance on Federal Information Security and Privacy Management Requirements*. The Agency consistently managed risk across all security domains in the CIO FISMA metrics. Furthermore, the NLRB enhanced the effectiveness of OCIO metrics in the following areas:

- Endpoint Detection and Response (OMB Memorandum M-22-01, *Improving Detection of Cybersecurity Vulnerabilities and Incidents on Federal Government Systems through Endpoint Detection and Response*)
- Ground Truth Testing and Vulnerability disclosure programs (OMB Memorandum M-20-32, *Improving Vulnerability Identification, Management, and Remediation*)
- Visibility and Vulnerability detection (OMB Memorandum M-23-01, *Increasing the Share of Contract Dollars Awarded to Small Disadvantaged Businesses*)
- Adoption of Multifactor Authentication and Encryption (E.O. 14028, *Improving the Nation's Cybersecurity*)

- Advancing our Cybersecurity Alignment (OMB Memorandum M-22-09, *Moving the U.S. Government Toward Zero Trust Cybersecurity Principles*)
- Update to OMB Memorandum M-22-18 (OMB Memorandum M-23-16, *Enhancing the Security of the Software Supply Chain through Secure Software Development Practices*)
- Improve Critical Software Security (OMB Memorandum M-21-30, *Protecting Critical Software Through Enhanced Security Measures*)

The NLRB complies with FISMA reporting requirements through the submission of quarterly and annual reports, and the annual Senior Agency Official for Privacy report to OMB as required.

Government Charge Card Abuse Prevention Act

On October 17, 2014, the President signed E.O. 13681, *Improving the Security of Consumer Financial Transactions*, directing the federal government to establish and maintain safeguards and internal controls for the charge card program. The NLRB evaluated the charge card program as directed by the guidance provided in OMB Memorandum M-12-12, *Promoting Efficient Spending to Support Agency Operations* and OMB Circular No. A-123 Appendix B, *A Risk Management Framework for Government Charge Card Program*. The effectiveness of the Agency's purchase card program was assessed through enhanced monitoring procedures to detect fraud, waste, and abuse. The NLRB performs annual reviews to evaluate existing policies and procedures to ensure compliance with applicable laws and regulations including the Federal Acquisition Regulation. In addition, the NLRB performs reviews using Citibank's online tools and Visa Intellilink to do enhanced monitoring for fraud, waste, and abuse.

In response to E.O. 14222, *Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative*, issued February 26, 2025, the NLRB has limited the number of Purchase Card Holders within the Agency. This measure allows the Agency to more effectively monitor transactions, improve compliance with procurement regulations, and support broader cost-efficiency and accountability goals outlined in the executive order.

Payment Integrity Information Act

The PIIA requires Federal agencies to report information to Congress regarding improper payments. It aims to improve efforts to identify and reduce improper payments by codifying, updating, and improving previous improper payment laws. The PIIA mandates executive branch agencies to review programs and activities with outlays exceeding a certain threshold for susceptibility to significant improper payments. A detailed report of the NLRB's improper payments activities is presented in the Other Information section on page 113.

Fraud Reduction Report

In FY 2025, the NLRB carried out both quantitative and qualitative risk assessments, including a comprehensive fraud risk assessment of potential fraud risks at the Agency. This assessment highlighted

potential fraud risks in key sub-process areas: Travel Cards, Back Pay, Time and Attendance, and Contracts. The fraud risk assessment also emphasized the importance of the NLRB finalizing and implementing the draft Fraud Risk Assessment Policy. As part of the FY 2025 internal controls testing, the OCFO evaluated internal controls related to travel cards, payroll, procurement, and commercial contracts and found that they were operating effectively as designed.

Prompt Payment Act

The Prompt Payment Act of 1982 requires the federal government to pay their bills on a timely basis; to pay interest penalties for late payments and to take discounts. Invoices are to be paid within 30 days after receipt and acceptance of goods and/or services - or - after receipt of a proper invoice whichever is later. The Agency made late payments resulting in interest penalties of \$106 in FY 2025.

Federal Financial Management Improvement Act

The Federal Financial Management Improvement Act of 1996 (FFMIA) was enacted to improve the federal financial management by ensuring that federal agencies provide accurate, reliable, and timely financial management information. The act mandates that federal agencies implement and maintain financial management systems that comply with federal requirements, accounting standards, and the U.S. Standard General Ledger at the transaction level. Federal agencies are also required to undergo audits to determine whether their financial management systems comply with the act. If the federal agency is noncompliant, it must develop a remediation plan to address the issues identified during audits.

The NLRB is in compliance with FFMIA.

Federal Managers' Financial Integrity Act

The Federal Managers' Financial Integrity Act of 1982 requires federal agencies to develop and implement appropriate and cost-effective internal controls for results-oriented management. Federal agencies are also required to assess the adequacy of those internal controls, identify areas needing improvement, take corresponding corrective action, and provide an annual SOA regarding internal controls and financial systems. The annual SOA and management control over financial application controls and financial reporting submitted by the NLRB's service provider follows this section.

The NLRB management is responsible for establishing and maintaining an environment throughout the Agency that is positive and supportive of internal controls and conscientious management. The NLRB is committed to management excellence and recognizes the importance of strong financial systems and an internal control system that promotes integrity, accountability, and reliability.

- Internal control systems are expected to provide reasonable assurance that the following objectives are being achieved:
- Effectiveness and efficiency of operations
- Reliability of reporting

- Compliance with applicable laws and regulations

In assessing whether these objectives are achieved, the NLRB used the following standards in accordance with OMB Circular No. A-123, *Management’s Responsibility for Enterprise Risk Management and Internal Control*, dated July 15, 2016.

Control Environment	Creating and maintaining an organizational structure that promotes a high level of integrity and personal and professional standards and sets a positive and supportive attitude toward internal controls through conscientious management.
Risk Assessment	Identification and analysis of risks that could impede the achievement of the Agency goals and objectives.
Control Activities	Policies, procedures, techniques, and mechanisms to ensure proper stewardship and accountability for government resources and for achieving effective and efficient program results.
Information and Communications	Ensures that the control environment, risks, control activities, and performance results are communicated throughout the Agency.
Monitoring	Assessing the quality of performance over time to ensure that internal control processes are appropriate and effective.

The NLRB’s approach to assessing its internal controls included the identification and assessment of risks by designated Agency executives and managers on an Agency-wide basis. In completing this annual review, the designated executives and managers, in conjunction with subordinate staff as needed, used personal judgment as well as other sources of information to make their assessments. These sources included: knowledge gained from day-to-day operations; the OIG audits and investigations; program evaluations; reviews of financial systems; annual performance plans; and previous management reviews. The designated executives and managers were responsible for conducting reviews of program operations, assisting program offices in identifying risks and conducting internal control reviews, issuing reports of findings, and making recommendations to improve internal controls and risk management.

Based on the internal controls program, reviews, and consideration of other information, senior management’s assessment of the NLRB’s internal controls is that controls are adequate to provide reasonable assurance in support of effective and efficient operations, reliable financial reporting, and compliance with applicable laws and regulations.

The Statement of Assurance provided on [page 52](#) is required by the FMFIA and OMB Circular No. A-123, *Management’s Responsibility for Internal Control*.

FMFIA Section 2, Management Control

Section 2 of the FMFIA requires federal agencies to report, based on annual assessments, any material weaknesses that have been identified in connection with their internal and administrative controls. The reviews that took place in FY 2025 provide reasonable assurance that NLRB systems and internal controls comply with the requirements of FMFIA.

FMFIA Section 4, Financial Management Systems

Section 4 of the FMFIA requires that agencies' financial management systems controls be evaluated annually. The NLRB evaluated its financial management systems for the year ending September 30, 2024, in accordance with the FMFIA and OMB Circular No. A-123 Appendix D, *Management of Financial Management Systems-Risk and Compliance*. The NLRB's financial systems, taken as a whole, conform to the principles and standards developed by the Comptroller General, OMB, and the Treasury. The Agency also reviewed the Statement on Standards for Attestation Engagements No. 18 (SSAE-18) for financial systems operated by IBC to ensure that any internal control deficiencies identified by their independent auditors did not affect the NLRB's internal controls. The NLRB noted that despite the access control deficiencies noted by IBC's auditors, there are compensating controls in place to reduce the risk to the Agency.

ANNUAL STATEMENT OF ASSURANCE



UNITED STATES GOVERNMENT
NATIONAL LABOR RELATIONS BOARD
WASHINGTON, DC

December 8, 2025

ANNUAL STATEMENT OF ASSURANCE

Management is responsible for establishing and maintaining effective internal controls and financial management systems that meet the objectives of the Federal Managers' Financial Integrity Act of 1982 (FMFIA). The National Labor Relations Board (NLRB) evaluated the effectiveness of internal controls over reporting, the efficiency of operations, and compliance with applicable laws and regulations. This evaluation was performed in accordance with Office of Management and Budget (OMB) Circular No. A-123, Management's Responsibility for Enterprise Risk Management and Internal Control. Based on the preliminary results of the evaluation, the NLRB can provide reasonable assurance over the effectiveness and efficiency of its internal controls over its operations. Additionally, the NLRB has complied with the applicable laws and regulations as of September 30, 2025. Based on the internal controls testing, the NLRB can provide reasonable assurance that the related control objectives were met for the specified period, and no material weaknesses and/or significant deficiencies were identified in the design or operating effectiveness of the internal controls.

In accordance with the requirements of OMB Circular No. A-123, Appendix A, Management of Reporting and Data Integrity Risk, the NLRB evaluated the effectiveness of internal control over financial reporting. This evaluation includes internal controls related to the preparation of the annual financial statements, and safeguarding of assets. The result of this evaluation provides reasonable assurance that the NLRB's internal control over financial reporting was operating effectively as of September 30, 2025.

The NLRB has submitted all monthly Fiscal Year 2025 Digital Accountability and Transparency Act (DATA Act) submissions to the U.S. Department of the Treasury as required by the Act.

A handwritten signature in blue ink, appearing to read "William B. Cowen".

William B. Cowen
Acting General Counsel



PERFORMANCE SECTION

Protecting Democracy in the Workplace Since 1935

PROGRAM PERFORMANCE

Performance Goals and Objectives

This section of the PAR details the NLRB's efforts to meet its strategic and performance goals. The two mission-related goals of the NLRB's current Strategic Plan represent the core functions of the Agency in enforcing the Act as efficiently as possible and in a manner that gives full effect to the rights afforded to employees under the Act. The two support goals further enable the Agency to accomplish its mission.

The Board and the General Counsel share a common goal of ensuring that the Act is fully and fairly enforced. Although they have separate statutory functions, representatives of the Board and the General Counsel worked together in developing one comprehensive Strategic Plan and PAR.

MEASURING PERFORMANCE

One of the NLRB's human capital goals is to create a results-oriented performance culture that clearly links employee performance and pay to the attainment of the NLRB's strategic goals. The Agency has two mission-related goals that emphasize individual segments of case processing to promote timely, efficient, and well-managed casehandling and two support goals that give a broader picture of how the Agency achieves its mission.

As to the Agency's success in bringing effective resolution to labor disputes in a timely manner, it should be noted that it is difficult for an agency, such as the NLRB, to measure "outcomes" in the sense intended by the authors of the Government Performance and Results Act of 1993 (GPRA) and the Government Performance and Results Modernization Act of 2010 (GPRAMA). In the representation case area, for instance, the Agency does not control or seek to influence the results of elections but strives instead to ensure the rights of employees to freely and democratically determine, through a secret ballot election, whether they wish to be represented by a labor organization. If the Agency concludes that all the necessary requirements for conducting an election have been met, it will either direct an election or approve the parties' agreement to have an election. The performance measure that the Agency has established for conducting elections is objective and is not dependent on the results of the election. The true outcome of properly conducted elections is employees freely exercising their statutory rights as set out in the Act.

The aim of the Agency is to fully effectuate employees' rights under the Act, which also works to prevent industrial strife and unrest that burdens the free flow of commerce. An indicator of success in the achievement of this aim is labor peace. While it is difficult to quantify by the number of ULPs, the Agency can quantify commitment to resolve all disputes that are brought before us, and to provide a remedy and ensure that labor peace is maintained or restored. Noting that the Agency cannot *sua sponte*³ investigate the actions of an employer or labor union without a charge being filed, the NLRB established two

³ A Latin phrase describing an act of authority taken without formal prompting from another party.

performance measures. The timeliness and quality of case processing, from the filing of an ULP charge to the closing of a case, are the focus of those performance measures.

The tables and narratives in this section show the proposed annual targets for performance measures covering the five-year period of the current Strategic Plan.

Goal 1 - Unfair Labor Practices

GOAL 1 (MISSION):

ENSURE EFFECTIVE ENFORCEMENT OF THE NATIONAL LABOR RELATIONS ACT THROUGH TIMELY AND QUALITY CONSIDERATION AND RESOLUTION OF UNFAIR LABOR PRACTICES WITH APPROPRIATE REMEDIES

Objectives:

1. Achieve timely consideration and appropriate resolution of unfair labor practice charges at every stage of processing.
2. Demonstrate high quality performance in the prosecution and adjudication of meritorious unfair labor practice charges.
3. Promptly pursue remedies for statutory violations.

Performance Measures for Goal 1, Objective 1

Objective 1: Achieve timely consideration and appropriate resolution of unfair labor practice charges at every stage of processing.

Goal 1, Objective 1, Measure 1

Measure 1: Office operations reach determinations on all unfair labor practice charges within 90.0 percent of the Agency’s timeliness goal.

YEAR	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
TARGET	100.1 days	100.1 days	100.1 days	100.1 days	100.1 days
ACTUAL	84.8 days	266.0 days	168.0 days	258.1 days	N/A

For FY 2025, Field Offices took an average of 258.1 days to reach a determination, which exceeds the goal of 100.1 days. Although the target was not met, the Agency’s performance partly reflects progress in reducing the backlog, as Field Offices closed out of a number of older cases. For example, determinations or dispositions were made in 189 cases that were more than three years old in FY 2025, and 124 of those cases were closed. The Agency continues to face a significant backlog that has grown over the last three fiscal years. The Agency continues to work to reduce the backlog, and this year implemented revised casehandling procedures to help Field Offices conduct investigations within established time targets.

Goal 1, Objective 1, Measure 2

Measure 2: Issue 90.0 percent of pending unfair labor practice cases that, by the end of the fiscal year, will have been pending before the Board for more than 18 months.

YEAR	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
TARGET	90.0%	90.0%	90.0%	90.0%	90.0%
ACTUAL	81.0%	76.0%	47.0%	29.0%	N/A

The Board lost its quorum in January 2025, leaving it unable to issue decisions in pending cases for nearly three-quarters of the fiscal year. This was an insurmountable obstacle to the Board meeting its case processing goals for FY 2025. Consequently, by the end of FY 2025, the Board had closed only 29.0 percent of the pending unfair labor practice cases that, by the end of the fiscal year, would have been pending before the Board for more than 18 months. Nevertheless, Board staff worked diligently throughout this period to review and prepare cases for voting once the Board regains a quorum, ensuring that every effort was made to maintain productivity despite the quorum lapse.

Goal 1, Objective 1, Measure 3

Measure 3: Ensure that the median age of all cases pending before the Board at the end of each fiscal year is 180 days or less.

YEAR	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
TARGET	180 days or less	180 days or less	180 days or less	180 days or less	180 days or less
ACTUAL	108 days	106 days	154 days	245 days	N/A

The Board lost its quorum in January 2025, leaving it unable to issue decisions in pending cases for nearly three-quarters of the fiscal year. This was an insurmountable obstacle to the Board meeting its case processing goals for FY 2025. Consequently, by the end of FY 2025, the median age of all cases pending before the Board was 245 days, which does not meet the goal of 180 days or less. Nevertheless, Board staff worked diligently throughout this period to review and prepare cases for voting once the Board regains a quorum, ensuring that every effort was made to maintain productivity despite the quorum lapse.

Performance Measures for Goal 1, Objective 2

Objective 2: Demonstrate high quality performance in the prosecution and adjudication of meritorious unfair labor practice charges.

Goal 1, Objective 2, Measure 1

Measure 1: Conduct annual quality reviews and provide ratings in a majority of unfair labor practice and representation case files in all Field Offices.

YEAR	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
TARGET	100.0%	100.0%	100.0%	100.0%	100.0%
ACTUAL	100.0%	100.0%	100.0%	100.0%	N/A

The Agency quality reviewed representative samples of the case work produced by Field Offices and provided both real-time oral and written feedback and guidance. The quality review encompassed not only an examination of the substantive work but also of the Agency systems and processes related thereto.

Performance Measures for Goal 1, Objective 3

Objective 3: Promptly pursue remedies for statutory violations.

Goal 1, Objective 3, Measure 1

Measure 1: Ensure that at least 85.0 percent of Board Orders are closed or advanced to the next stage in fewer than 300 days.

YEAR	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
TARGET	85.0%	85.0%	85.0%	85.0%	85.0%
ACTUAL	89.2%	88.2%	77.3%	58.3%	N/A

For FY 2025, the Agency closed cases or advanced cases to the next stage in fewer than 300 days in 21 of 36 cases or 58.3 percent of qualifying cases, missing the 85.0 percent strategic goal target. This reflects staffing shortages within the Agency’s compliance ranks, as well as the impact of transferring formal cases, which has prompted the closure of many older compliance cases.

Goal 1, Objective 3, Measure 2

Measure 2: Ensure that at least 85.0 percent of Federal Circuit Court Orders are closed or advanced to the next stage in fewer than 300 days.

YEAR	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
TARGET	85.0%	85.0%	85.0%	85.0%	85.0%
ACTUAL	82.9%	67.5%	76.3%	74.6%	N/A

For FY 2025, the Agency closed cases or advanced cases to the next stage in fewer than 300 days in 44 of 60 cases or 74.6 percent of qualifying cases, missing the 85.0 percent strategic goal target. As noted above, this reflects staffing shortages in the Agency’s compliance ranks, as well as the impact of transferring formal cases, which has prompted the closure of many older compliance cases.

Goal 2 – Representation Cases

GOAL 2 (MISSION):

PROTECT EMPLOYEE FREE CHOICE WITH TIMELY AND EFFECTIVE MECHANISMS TO RESOLVE QUESTIONS CONCERNING REPRESENTATION

Objectives:

- Achieve timely resolution of all questions concerning representation of employees.

Performance Measures for Goal 2, Objective 1

Objective 1: Achieve timely resolution of all questions concerning representation of employees.

Goal 2, Objective 1, Measure 1

Measure 1: Reach 85.0 percent rate in obtaining pre-election agreements in representation cases.

YEAR	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
TARGET	85.0%	85.0%	85.0%	85.0%	85.0%
ACTUAL	95.0%	96.0%	93.5%	91.1%	N/A

In FY 2025, the Regions met this measurement, with a pre-election agreement rate of 91.1 percent.

Goal 2, Objective 1, Measure 2

Measure 2: Issue 90.0 percent of pending representation cases that, by the end of the fiscal year, will have been pending before the Board for more than 12 months.

YEAR	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
TARGET	90.0%	90.0%	90.0%	90.0%	90.0%
ACTUAL	89.0%	96.0%	94.0%	43.0%	N/A

The Board lost its quorum in January 2025, leaving it unable to issue decisions in pending cases for nearly three-quarters of the fiscal year. This was an insurmountable obstacle to the Board meeting its case processing goals for FY 2025. Consequently, by the end of FY 2025, the Board had closed only 43.0 percent of the pending representation cases that, by the end of the fiscal year, would have been pending before the Board for more than 12 months. Nevertheless, Board staff worked diligently throughout this period to review and prepare cases for voting once the Board regains a quorum, ensuring that every effort was made to maintain productivity despite the quorum lapse.

Goal 2, Objective 1, Measure 3

Measure 3: Ensure that the median age of all cases pending before the Board at the end of each fiscal year is 180 days or less.

YEAR	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
TARGET	180 days or less	180 days or less	180 days or less	180 days or less	180 days or less
ACTUAL	108 days	106 days	154 days	245 days	N/A

The Board lost its quorum in January 2025, leaving it unable to issue decisions in pending cases for nearly three-quarters of the fiscal year. This was an insurmountable obstacle to the Board meeting its case processing goals for FY 2025. Consequently, by the end of FY 2025, the median age of all cases pending before the Board was 245 days, which does not meet the goal of 180 days or less. Nevertheless, Board staff worked diligently throughout this period to review and prepare cases for voting once the Board regains a quorum, ensuring that every effort was made to maintain productivity despite the quorum lapse.

Goal 3 – Human Capital

GOAL 3 (SUPPORT):

ACHIEVE ORGANIZATION EXCELLENCE AND SERVE AS A MODEL EMPLOYER

Objectives:

1. Increase opportunities for career enhancement.
2. Recruit and retain a talented workforce

Performance Measures for Goal 3, Objective 1

Objective 1: Increase opportunities for career enhancement.

Goal 3, Objective 1, Measure 1

Measure 1: Satisfaction percentage rating (65.0 percent or above) of the “Talent Management Index” using the annual FEVS results.

YEAR	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
TARGET	67.0%	67.0%	67.0%	65.0%	65.0%
ACTUAL	75.0%	78.0%	72.0%	N/A	N/A

Recruitment, retention, and developmental activities have been ongoing throughout the year with various initiatives designed to attract, motivate, and retain talent. The Agency continued to leverage its recruitment and developmental opportunities by using the Presidential Management Council, Interagency Rotation Program, and the Strategic Recruitment Program to partner with employees in Headquarters and the Field Offices on recruitment outreach initiatives and other development opportunities. In the area of retention, the NLRB continued to carefully monitor its monthly turnover rates, which generally have been well below the Governmentwide attrition rates. The Talent Management Index is an annual measure compiled from the results of the annual Federal Employee Viewpoint Survey (FEVS). In August 2025, the Office of Personnel Management (OPM) canceled the annual FEVS. As a result, data is not available to calculate the Talent Management Index for 2025.

Performance Measures for Goal 3, Objective 2

Objective 2: Recruit and retain a talented workforce.

Goal 3, Objective 2, Measure 1

Measure 1: Satisfaction percentage rating (65.0 percent or above) for the “Job Satisfaction Index” using the annual FEVS results.

YEAR	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
TARGET	67.0%	67.0%	67.0%	65.0%	65.0%
ACTUAL	75.0%	78.0%	72.0%	N/A	N/A

The Job Satisfaction Index is an annual measure compiled from the results of the annual FEVS. In August 2025, the OPM canceled the annual FEVS. As a result, data is not available to calculate the Job Satisfaction Index for 2025. The Agency is monitoring other data sources, however, such as stay and exit surveys, which can help provide insights into key drivers of job satisfaction.

Goal 4 – Resource Management

GOAL 4 (SUPPORT):

MANAGE AGENCY RESOURCES EFFICIENTLY AND IN A MANNER THAT INSTILLS PUBLIC TRUST

Objectives:

1. Make effective use of Agency’s resources by proactively planning how best to deploy those resources and continually monitor and reevaluate the execution of such plans to ensure that the NLRB has strong processes and internal controls in place to identify and prevent any misuse or inefficiencies in the allocation of Agency resources.
2. Develop a culture of ERM and Internal Controls to support the Agency’s decision-making process.
3. Serve and honor the public trust by demonstrating ethical leadership and providing employees with ethics support and resources to resolve conflicts of interest.

Performance Measures for Goal 4, Objective 1

Objective 1: Make effective use of the Agency’s resources by proactively planning how best to deploy those resources and continually monitor and reevaluate the execution of such plans to ensure that the NLRB has strong processes and internal controls in place to identify and prevent any misuse or inefficiencies in the allocation of Agency resources.

Goal 4, Objective 1, Measure 1

Measure 1: Achieving a clean audit opinion by ensuring that OCFO’s operations are guided by appropriate processes and internal controls.

OCFO – Acquisition Management Branch

- Submitted the NLRB monthly Digital Accountability and Transparency Act (DATA Act) information timely to OMB by its respective FY 2025 reporting dates.
- Continued to support minority business enterprises for contract awards.

Socio-economic Category	SBA Government-Wide Small Business Goals	NLRB Statistics Q1 FY 2025	NLRB Statistics Q2 FY 2025	NLRB Statistics Q3 FY 2025	NLRB Statistics Q4 FY 2025	NLRB Statistics Overall FY 2025
Small Business	23.0%	79.1%	79.1%	61.2%	75.4%	72.7%
SBA Certified Small Disadvantaged Business	15.0%	13.8%	-18.3%	53.4%	64.6%	58.4%
Service Disabled Veteran Owned Small Business**	5.0%	0.0%	-14.5%	7.3%	1.7%	2.1%
Women Owned Small Business	5.0%	10.0%	12.3%	46.1%	11.5%	15.6%
HUBZone**	3.0%	00.0%	0.0%	0.0%	0.4%	0.4%
8(a) *	0.0%	0.8%	-4.1%	38.2%	38.4%	35.1%

*8(a) is not designated as a separate category by the Small Business Administration (SBA) when establishing Goals. The NLRB defines small business goals by further separating this category.

**In FY 2025, the NLRB percentage rating was below the target in two out of the five Government-wide goals due to de-obligations and spending being put in areas that were either for an existing contract, or the requirement exceeded small business capabilities.

OCFO – Budget Branch

- Partnered with the Division of Administration on multiple data call requirements including the E.O. 14210, *Implementing the President's "Department of Government Efficiency" Workforce Optimization Initiative* – The White House, the Federal Hiring Freeze, and the OMB and the OPM evaluation of the benefits of personnel functions.
- Developed and managed the Agency’s three FY 2025 Continuing Resolutions.

-
- Formulated the Agency’s FY 2025 Operating Plan and received Board approval.
 - Submitted the FY 2026 Congressional Justification on time.
 - Developed Status of Funds Reports and provided budget briefings to the Agency’s leadership.
 - Maintained an Agency Unfunded Requirements List and allocated approved funding to designated program offices.
 - Uploaded all four FY 2025 Quarterly Apportionments and the 30-Day Apportionment in the OFF system in a timely manner.
 - Conducted mid-year budget reviews with program offices.
 - Completed the FY 2025 budget execution for the year-end closing process by September 30, 2025.
 - Submitted the FY 2027 Budget Request to OMB on time.

OCFO – Finance Branch

- Submitted timely GTAS reports to Treasury’s BFS, on a monthly basis, by its respective FY 2025 reporting window closing dates of December 18, January 21, and February 20, March 20, April 17, May 19, June 18, July 18 and October 20.
- Submitted timely quarterly Intragovernmental Material Difference Reports (MDR) to the BFS by the FY 2025 reporting window closing dates of February 3, April 29, July 30 and November 24.
- Submitted timely the Treasury Report on Receivables to BFS on a quarterly basis by the FY 2025 reporting window closing dates - January 31, April 30, and July 31 and December 12.

OCFO - Internal Control, Risk, and Performance Branch

- Executed quantitative and qualitative risk assessments for OCFO operations, including an Agency-level fraud risk assessment.
- Reviewed and updated FY 2025 OCFO Process Narratives to ensure key financial internal control documentation was current and accurate.
- Completed the OMB Circular No. A-123 required assessment of Internal Controls and ELCs and delivered a GAP Analysis Summary Report.
- Implemented first-ever, mandatory ERM training for all NLRB employees; completion was required by September 30, 2025.
- Conducted the FMFIA Survey and briefed results and recommendations to the Internal Control Committee (ICC).
- Facilitated the completion of the FY 2026 Agency Performance Plan and the FY 2026-2030 Strategic Plan and met OMB submission deadlines.

Performance Measures for Goal 4, Objective 2

Objective 2: Develop a culture of ERM and Internal Controls to support the Agency's decision-making process.

Goal 4, Objective 2, Measure 1

Measure 1: Reach an ERM maturity level 3 by FY 2026.

- Facilitated the Agency's quarterly RMC meetings and the ERM Working Group sessions with ERM stakeholders from various divisions to enhance collaboration and effectiveness in risk management.
- Released mandatory ERM training for all NLRB employees, with annual completion required for Risk Champions and Risk Owners, and biennial for all others; initial training was completed by September 30, 2025.
- Finalized and launched a pilot OCFO Risk Culture Survey to identify gaps in risk awareness and support maturation of the ERM Program.
- Developed a draft of the Agency risk profile based on the Top 10 rated enterprise risks; briefed leadership on all 20 enterprise risks. Updated and approved RMC Charter and ERM Policy.

Performance Measures for Goal 4, Objective 3

Objective 3: Serve and honor the public trust by demonstrating ethical leadership and providing employees with ethics support and resources to resolve conflicts of interest.

Goal 4, Objective 3, Measure 1

Measure 1: Meet or exceed 85.0 percent compliance for ethics training, financial disclosure, and advice.

Ethics Office

- Partnered with OHR to advise new hires and newly appointed supervisors about their government ethics responsibilities.
- Developed and distributed Initial Ethics Training and Annual Ethics Training which included reminders about the ethical use of official time and government furnished resources.
- Responded to OCFO requests for information related to ERM tasks.
- Partnered with OCFO to develop a web-based form to track travel reimbursement from non-federal sources involving activities such as meetings, training, conferences, and other events where the NLRB employees participate in their official capacity.

- Provided guidance addressing topics such as conflicts of interest, post-employment limitations, and other ethics limitations (misuse of position regulations and Hatch Act restrictions, including ethics issues for employees who accepted the Deferred Resignation Program).

Compliance Item	Actual	Goal
Initial Ethics Training (Employee completed within 90 days of employment)	97.0%	85.0%
Annual Ethics Training (Employees completed by 12/31/2024)	100.0%	85.0%
Financial Disclosure Reports OGE Form 278e and OGE Form 450 (Certified within 60 days)	100.0%	85.0%
Ethics Advice (Closed within 30 days)	96.0%	85.0%

FACTORS AFFECTING AGENCY PERFORMANCE

Various factors can affect the Agency's performance as a whole, in addition to each goal, objective, and performance measure contained in the NLRB's strategic and annual performance plans. These factors include case intake, budgetary constraints, settlements, Board Member vacancies, the potential effect of case precedent and statutory changes, nationwide work-related activities by external entities, technological advances, and economic fluctuations, and other externalities.

Case Intake

The Agency's FY 2025 case intake totals 22,497 and includes 19,754 unfair labor practice cases and 2,743 representation cases. The NLRB Board agents effectively and efficiently process all cases that are brought to the Agency by the general public. Comprehensive and complex matters that come before the Agency are often attributable to external factors, such as: lasting economic and workplace changes resulting from the COVID-19 pandemic; ongoing nationwide efforts to improve the wages and working conditions of workers in the retail, technology and fast food industries; the increased prevalence and evolving tools and usage by employees of technology and social media in and outside of the workplace to discuss terms and conditions of employment with one another, and the related handbook provisions and workplace rules generated therefrom; bankruptcies; challenging questions regarding jurisdiction over certain enterprises; increased understanding of statutory application in non-union workplaces; and difficult questions concerning single, joint, and successor employer relationships, and supervisory status, as well as defining employees covered under the Act.

Settlements

The initial processing and disposition of new case filings in the Regional Offices drives the intake for other stages of the casehandling pipeline. Over the past few years, more than 90.0 percent of those cases in which merit is found are settled. While the Agency has experienced outstanding success in achieving the voluntary resolution of ULP and representation cases, the settlement rate is, of course, not entirely subject to the Agency's control. When the process becomes formal and litigation takes over, the Agency's costs increase.

Board Member Terms

The staggering of Board Members terms and the filling of a vacant seat by an individual who will not be a Board Member for a full term has the potential to impair Board productivity, as extended vacancies that occur under this system can delay the issuance of cases because the Board's overall capacity is reduced and successive Board Members often have to get up to speed on the same case matters.

Potential Effect of Statutory Changes

Delays in confirming the President's nomination of the General Counsel impair the NLRB's ability to fully effectuate important policies and initiatives to enforce the Act.

RELIABILITY OF PERFORMANCE DATA

Program Evaluation

The NLRB uses various governance mechanisms to evaluate whether programs are achieving their GPRA goals and other performance targets. Both the Board and General Counsel regularly track the status of all of their respective cases to determine performance against yearly targets that support the Agency's strategic goals and measures.

On the Board-side of the Agency, a group of senior management officials, including, among others, the Deputy Chief Counsels of each of the Board Members, the Director of the Office of Representation Appeals, and the Executive Secretary, periodically review the status of cases, prioritize cases, and develop lists of cases that the Board Members jointly focus on in order to facilitate the issuance of decisions in those cases. These representatives also report back to the Board Members on performance data and staff workload, among other issues. The Board has an electronic case management system that captures all case events and milestones in a database from which case production reports are generated. The Board Members also regularly meet and communicate with each other to discuss case priorities and the overall processing of cases.

In FY 2025, the Division of Judges closed 120 hearings, issued 148 decisions and achieved 362 settlements. The NLRB also tracks how the various circuit courts have treated the Board's cases on appeal. In FY 2025, the U.S. Courts of Appeals ruled on Board decisions in 23 enforcement and review cases. Of those cases, 78.3 percent were enforced or affirmed in whole or in part.

The Office of the General Counsel has long had an evaluation program in place to assess the performance of its Headquarters and Regional operations. The Division of Operations-Management regularly reviews case decisions to determine the quality of litigation. Other NLRB offices, such as the Office of Appeals, Division of Advice, and Division of Legal Counsel, provide valuable insight and constructive feedback on the performance and contributions of the Field Offices. The Agency's top management also meets regularly with relevant committees of the ABA to obtain feedback on their members' experiences practicing before the NLRB.

With respect to the Regional Offices, the Quality Review Program of the General Counsel's Division of Operations-Management reviews ULP, representation, and compliance case files throughout the year to ensure that they are processed in accordance with substantive and procedural requirements, and that the General Counsel's policies are implemented appropriately. Those reviews assess, among other things, the quality and completeness of the investigative file, the implementation of the General Counsel's initiatives and priorities, and compliance with the Agency's decisions. Due to the budgetary constraints as a result of the Agency being flat level funded for nine straight years, personnel from the Division of Operations-Management have not conducted site visits of the Field Offices; however, through the use of technology, interactions have taken place throughout FY 2025, such as conducting "town hall" meetings with the

different offices. In addition, to assess the quality of litigation, Operations-Management reviews all ALJ and Board decisions that constitute a significant prosecutorial loss in evaluating the Field Offices' performance. The Regional Offices' performance with regard to quality, timeliness, and effectiveness in implementing the General Counsel's priorities is also incorporated into the Regional Directors' annual performance appraisals.

The Office of the General Counsel is regularly informed of Regional Office activities, including the settlement and litigation success rates of ULP cases. In FY 2025, Regional Offices found merit in 32.8 percent of ULP cases filed of which over 96.8 percent settled. The Regional Office won 93.1 percent of ULP and Compliance matters in whole or in part. A total of over \$64.0 million was recovered in backpay, fines, dues and fees and 854 employees were offered reinstatement. In FY 2025, the Regions obtained pre-election agreements in 91.1 percent of representation cases.

In addition to the evaluation of Regional Office activities, the Office of the General Counsel monitors the litigation success rate before district courts with regard to injunction litigation. In FY 2025, the Injunction Litigation Branch (ILB) received 134 cases from Regional Offices to consider whether to seek discretionary injunctive relief under Section 10(j) of the Act. The General Counsel, through the ILB, submitted 12 cases for authorization.

The Board or Acting General Counsel authorized ILB to seek injunctive relief under Section 10(j) of the Act in 12 of the cases submitted. The Regions filed 10(j) petitions for temporary injunctions in ten cases. One petition was withdrawn; three were settled; two were granted full relief after litigation; one was granted partial relief after litigation; one was denied relief after litigation; and two were pending in the courts at the end of FY 2025. The "success rate," i.e., the percentage of authorized Section 10(j) cases in which the Agency achieved either a satisfactory settlement or substantial victory in litigation was 87.5 percent. The Office of the General Counsel continues to focus its attention on "nip-in-the-bud cases," where a nascent organizing campaign is being unlawfully squelched, and on first contract bargaining and successor cases, where the relationship between the employer and the union is most fragile.

As previously mentioned, while there are a few outcome-based performance measures associated with the two support goals, the majority of them are management-strategy driven. The Agency collects quarterly performance metrics and strategies on the two Agency support goals, as well as utilizing NxGen reports for the mission-related goals. The metrics and strategies are tracked and monitored throughout the fiscal year. The compiled data is then presented in this document.

The data reported by OCIO comes from NxGen. The Freedom of Information Act (FOIA) branch maintains their case data in FOIAonline, which is a FOIA tracking and processing web tool. FOIAonline also generates annual, quarterly, and other workload reports to effectively monitor all aspects of FOIA casehandling⁴. The FOIA branch logs the request and collects several pieces of data about the request, including the date that

⁴ As of the end of FY 2023, FOIAonline was decommissioned by the Environmental Protection Agency, the agency that created and maintained FOIAonline for agency partners, including the NLRB. Beginning on October 1, 2023, the FOIA Branch has been processing requests and maintaining the same case data through SecureRelease, a FOIA tracking and processing system run by Deloitte.

the request was made and the date that response was provided. The spreadsheet calculates the number of days between the two dates in order to track response times. The Ethics Office uses an electronic spreadsheet to track when an employee reaches out to the Office with an ethics inquiry.



FINANCIAL SECTION

Protecting Democracy in the Workplace Since 1935

MESSAGE FROM THE CHIEF FINANCIAL OFFICER



December 5, 2025

I am pleased to present the NLRB's consolidated financial statements for the FY 2025 PAR. For the twenty second consecutive year an independent auditor has rendered an unmodified or "clean" audit opinion on the NLRB's financial statements.

The OCFO is responsible for improving efficiency and effectiveness in financial operations. The OCFO ensures reliability of financial reporting, transparency of financial data, and compliance with applicable laws and regulations. In FY 2025, the NLRB's year-end closing was executed smoothly, leaving only approximately \$458,352 in unobligated funds, which is 0.2 percent of the total annual appropriated funds of \$299.2 million. In the fourth quarter of FY 2025, the OCFO continued its collaboration with the GSA and the OCIO in the implementation of the TMF. The NLRB received \$8.4 million from GSA to modernize the NLRB's Case Management System leaving unobligated \$6.4 million in no-year funds. These outstanding results were the outcomes of a concerted effort by the program areas and the OCFO Branches (Budget, Finance, Acquisitions Management, and Internal Control/Risk Management/Performance). To all of them, thank you for a job well done.

During FY 2025, the OCFO focus was the implementation of the President's Executive Orders, including the review of the FAR overhaul. The OCFO has collaborated and provided prompt responses to the OMB and the GSA on the contract review mandates and various executive orders led by the OMB and the U.S. Department of the Treasury. In addition, the OCFO led the Agency's efforts to advance the ERM program and conducted internal control reviews in accordance with OMB Circular No. 123. The results of these reviews were summarized in a Gap Analysis report that supports the NLRB's annual SOA. For FY 2025, the internal control reviews reported no significant deficiencies or material weaknesses in the NLRB's internal controls.

I would like to acknowledge and thank the OCFO staff for their dedication to the NLRB's mission and their diligent efforts in the implementation of the new mandates, maintaining an unmodified opinion on our financial statements, and working through the OMB Circular No. A-123 reviews. Their demonstrated knowledge of the NLRB programs and processes and their constant effort to provide excellent customer service were outstanding.

A handwritten signature in black ink, appearing to read 'Isabel Luengo McConnell'.

Isabel Luengo McConnell
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT



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Independent Auditor's Report

Inspector General
National Labor Relations Board

Report on the Audit of the Financial Statements

Opinion

In accordance with the Accountability of Tax Dollars Act of 2002, we have audited the National Labor Relations Board (NLRB) financial statements, which comprise of the balance sheet as of September 30, 2025, and the related statements of net cost, changes in net position, and budgetary resources for the fiscal year then ended, and the related notes to the financial statements.

In our opinion, NLRB's financial statements present fairly, in all material respects, NLRB's financial position as of September 30, 2025, and its net cost of operations, changes in net position, and budgetary resources for the fiscal year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with U.S. generally accepted government auditing standards and guidance contained in the Office of Management and Budget (OMB) Bulletin 24-02, *Audit Requirements for Federal Financial Statements*. Our responsibilities under those standards and OMB Bulletin 24-02 are further described in the Auditor's Responsibilities for the Audit of the Financial Statements subsection of our report. We are required to be independent of the NLRB and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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

NLRB Management is responsible for the (1) preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles; (2) preparation, measurement, and presentation of the Required Supplementary Information (RSI) in accordance with U.S. generally accepted accounting principles; (3) preparation and presentation of other information included in NLRB's Performance and Accountability Report (PAR), and ensuring the consistency of that information with the audited financial statements and RSI; and (4) design, implementation, and maintenance of 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 Responsibility 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) 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 U.S. generally accepted government auditing standards and OMB guidance will always detect a material misstatement or a material weakness when it exists. The risk of not detecting

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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 of financial statements in accordance with U.S. generally accepted government auditing standards and OMB guidance, 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 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 our 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 NLRB'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 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

U.S. generally accepted accounting principles issued by the Federal Accounting Standards Advisory Board (FASAB) require that the RSI be presented to supplement the financial statements. Such information is the responsibility of management and, although not part of the financial statements, is required under standards issued 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, which consisted of (1) inquiries 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.

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Other Information

NLRB'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 RSI. Management is responsible for the other information included in the NLRB's PAR. The other information comprises of the Messages from the Board, General Counsel, Chief Financial Officer, Other Accompanying Information, and Appendices. Other information 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 exists 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.

Other Reporting Required by Government Auditing Standards

Report on Internal Control over Financial Reporting

In connection with our audit of NLRB's financial statements, we considered NLRB's internal control over financial reporting, consistent with our 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 or to express an opinion on the effectiveness of NLRB's internal control over financial reporting. Given these limitations, during our Fiscal Year 2025 audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weakness or significant deficiencies may exist that have not been identified.

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

We performed our procedures related to NLRB'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

NLRB 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.

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Auditor's Responsibilities for the Consideration of Internal Control over Financial Reporting

In planning and performing our audit of NLRB's financial statements as of and for the fiscal year ended September 30, 2025, in accordance with U.S. generally accepted government auditing standards, we considered NLRB's internal control relevant to the financial statement audit in order to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NLRB's internal control over financial reporting. Accordingly, we do not express an opinion on NLRB'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 internal control over financial reporting are to provide reasonable assurance that (1) 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 (2) transactions are executed in accordance with provisions of applicable laws, including those governing the use of budget authority, regulations, and contracts, 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 NLRB's internal control over financial reporting and the results of our procedures, and not to provide an opinion on the effectiveness of NLRB'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 and Other Matters

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

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

Our tests for compliance with selected provisions of applicable laws, regulations, and contracts disclosed no instances of noncompliance for Fiscal Year 2025 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, and contracts applicable to NLRB. Accordingly, we do not express such an opinion.

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

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

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

NLRB management is responsible for complying with laws, regulations, and contracts applicable to the NLRB.

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

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

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

The purpose of this report is solely to describe the scope of our testing of compliance with selected provisions of applicable laws, regulations, and contracts, 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, and contracts is not suitable for any other purpose.

Castro & Company, LLC

Alexandria, VA

December 16, 2025

NLRB RESPONSE TO AUDIT REPORT



United States Government

NATIONAL LABOR RELATIONS BOARD

1015 Half Street, SE
WASHINGTON DC 20570

www.nlr.gov

To: Ruth Blevins, Inspector General

From: Isabel Luengo McConnell, Chief Financial Officer

Date: December 16, 2025

Subject: Response to the Audit of the National Labor Relations Board Fiscal Year (FY)
2025 Financial Statements

During the FY 2025 Financial Statements audit, the National Labor Relations Board (NLRB) received an unmodified audit opinion on its financial statements. This opinion indicates that the auditors determined that the NLRB's financial statements present fairly, in all material respects, the financial position of the NLRB as of September 30, 2025. The Office of the Chief Financial Officer's (OCFO) focus has been to continue strengthening the Agency's internal controls processes.

The OCFO will continue to support and guide NLRB's programs and initiatives to ensure that the Agency delivers on its mission effectively and efficiently and provides the best value to the American people.



Isabel Luengo McConnell

PRINCIPAL FINANCIAL STATEMENTS

Balance Sheet

National Labor Relations Board

As of September 30, 2025

(In Dollars)

	2025
Assets	
Intragovernmental Assets	
Fund Balance with Treasury (Note 3)	\$ 53,442,527
Advances and Prepayments	420,326
Total Intragovernmental Assets	53,862,853
Other than Intragovernmental Assets	
Accounts Receivable, Net (Note 4)	490,394
Property, Plant, and Equipment, Net (Note 5)	16,057,316
Advances and Prepayments	44,211
Total Other than Intragovernmental Assets	16,591,921
Total Assets (Note 2)	\$ 70,454,774
Liabilities	
Intragovernmental Liabilities	
Accounts Payable	\$ 3,161,407
Liability to the General Fund	420,514
Benefit Program Contributions Payable	1,454,806
FECA Unfunded Liability (Note 6)	11,187
Other Liabilities - Technology Modernization Fund (Note 7)	6,264,070
Total Intragovernmental Liabilities	\$ 11,311,984
Other than Intragovernmental Liabilities	
Accounts Payable	\$ 3,830,090
Accrued Funded Payroll & Leave and Payroll Taxes Payable	5,274,085
Federal Employee Salary, Leave and Benefits Payable	209,631
Unfunded Annual Leave (Note 6)	15,429,304
FECA Actuarial Liability (Note 6)	155,127
Total Other than Intragovernmental Liabilities	24,898,237
Total Liabilities	\$ 36,210,221
Commitments and Contingencies (Note 15)	
Net Position	
Unexpended Appropriations	
Funds from Other than Dedicated Collections	\$ 32,065,466
Total Unexpended Appropriations (Consolidated)	32,065,466
Cumulative Results of Operations	
Funds from Other than Dedicated Collections	2,179,087
Total Cumulative Results of Operations (Consolidated)	2,179,087
Total Net Position	\$ 34,244,553
Total Liabilities and Net Position	\$ 70,454,774

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

Statement of Net Cost

National Labor Relations Board

For the Fiscal Year Ended September 30, 2025

(In Dollars)

	2025
Program Costs (Note 8)	
Resolve Unfair Labor Practices Cases	
Net Program Cost	\$ 287,421,905
Resolve Representation Cases	
Net Program Cost	40,049,788
Net Program Costs	\$ 327,471,693
Less: Earned Revenue	0
Net Cost of Operations	<u>\$ 327,471,693</u>

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

Statement of Changes in Net Position

National Labor Relations Board

For the Fiscal Year Ended September 30, 2025

(In Dollars)

	2025
Unexpended Appropriations	
Beginning Balance	\$ 39,052,991
Appropriations Received	\$ 299,224,000
Appropriations Transferred-In/Out	4,202,500
Other Adjustments	(401,094)
Appropriations Used	(310,012,931)
Net Change in Unexpended Appropriations	<u>\$ (6,987,525)</u>
Total Unexpended Appropriations	\$ 32,065,466
Cumulative Results of Operations	
Beginning Balances	\$ (4,184,328)
Appropriations Used	\$ 310,012,931
Imputed Financing (Note 10)	23,822,177
Net Cost of Operations	(327,471,693)
Net Change in Cumulative Results of Operations	<u>\$ 6,363,415</u>
Total Cumulative Results of Operations	\$ 2,179,087
Net Position	\$ 34,244,553

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

Statement of Budgetary Resources

National Labor Relations Board

For the Fiscal Year Ended September 30, 2025

(In Dollars)

	2025
Budgetary Resources	
Unobligated Balance from Prior Year Budget Authority, Net (Discretionary and Mandatory)	\$ 16,200,867
Appropriations (Discretionary and Mandatory)	299,224,000
Total Budgetary Resources (Note 11)	\$ 315,424,867
Status of Budgetary Resources	
New Obligations and Upward Adjustments (Total)	\$ 306,857,241
Unobligated Balance, End of Year:	
Apportioned, Unexpired Accounts	6,883,949
Unexpired Unobligated Balance, End of Year	6,883,949
Expired Unobligated Balance, End of Year	1,683,677
Unobligated Balance, End of Year (Total)	8,567,626
Total Budgetary Resources	\$ 315,424,867
Outlays, Net	
Outlays, Net (Total) (Discretionary and Mandatory)	\$ 309,091,722
Agency Outlays, Net (Discretionary and Mandatory)	\$ 309,091,722

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

NOTES TO PRINCIPAL STATEMENTS

Note 1. Reporting Entity and Summary of Significant Accounting Policies

A. Reporting Entity

The NLRB is an independent federal agency established in 1935 to administer the Act. The Act is the principal labor relations law of the United States, and its provisions generally apply to private sector enterprises engaged in, or to activities affecting, interstate commerce. The NLRB's jurisdiction includes the U.S. Postal Service; but other government entities, railroads, and airlines are not within the NLRB's jurisdiction. The NLRB seeks to serve the public interest by reducing interruptions in commerce caused by industrial strife. The NLRB does this by providing orderly processes for protecting and implementing the respective rights of employees, employers, and unions in their relations with one another. The NLRB has two principal functions: (1) to determine and implement, through secret ballot elections, free democratic choice by employees as to whether they wish to be represented by a union in dealing with their employers and, if so, by which union; and (2) to prevent and remedy unlawful acts by either an employer, a union, or both. The NLRB's authority is divided both by law and delegation. The five-member Board primarily acts as a quasi-judicial body in deciding cases on formal records. The General Counsel investigates and prosecutes ULPs before ALJs, whose decisions may be appealed to the Board; and, on behalf of the Board, conducts secret ballot elections to determine whether employees wish to be represented by a union.

The NLRB is a component of the U.S Government. For this reason, some of the assets and liabilities reported by the NLRB may be eliminated for Government-wide reporting because they are offset by assets and liabilities of another U.S. Government entity. These financial statements should be read with the realization that they are for a component of the U.S. Government.

B. Accounting Policies

The accompanying financial statements have been prepared to report the financial position, net cost, changes in net position, and budgetary resources of the NLRB as required by the Accountability of Tax Dollars Act of 2002. These financial statements have been prepared from the books and records of the NLRB in accordance with the GAAP and the accounting standards issued by the Federal Accounting Standards Advisory Board (FASAB) in the format prescribed by the OMB Circular A-136, *Financial Reporting Requirements*. The U.S. GAAP for federal entities are the standards prescribed by the FASAB, which is the official standard-setting body for the federal government.

The NLRB is required to be in substantial compliance with all applicable accounting principles and standards established, issued, and implemented by the FASAB, which is recognized by the American Institute of Certified Public Accountants (AICPA) as the entity to establish the U.S. GAAP for the federal government. The FFMIA requires the Agency to comply substantially with (1) federal financial management systems requirements, (2) applicable federal accounting standards, and (3) the United States Standard

General Ledger (USSGL) at the transaction level. The NLRB uses the Department of Interior's financial management system, and that system is FFMIA compliant. Thus, the NLRB's financial management system complied with the requirements of FFMIA and produced records in accordance with the USSGL at the transaction level.

The NLRB's financial statements reflect both the accrual and budgetary basis of accounting. Under the accrual method of accounting, revenues are recognized when earned and expenses are recognized as incurred, without regard to receipt or payment of cash. Budgetary accounting is essential for compliance with legal constraints and controls over the use of federal funds. Budgetary accounting principles are designed to recognize the obligation of funds according to legal requirements.

The Balance Sheet presents the Agency's assets and liabilities, and the difference between the two is the Agency's net position. The Agency's assets include both entity assets; those which are available for use by the Agency and non-entity assets; which are managed by the Agency but not available for use in its operations. The Agency's liabilities include both those covered by budgetary resources (funded) and those not covered by budgetary resources (unfunded). A note disclosure is required to provide information about the Agency's fiduciary activities. Fiduciary cash and other assets are not assets of the federal government.

The Statement of Net Cost (SNC) shows the net cost of operations, as well as presents the gross costs of programs, reported by the programs and for the Agency.

The information presented on the SNC is based on the programs below:

ULP Cases are initiated by individuals or organizations through the filing of a charge with the NLRB. Unless a settlement is reached, the NLRB Regional Office will issue and prosecute a complaint against the party being charged if it believes that the charge has merit. A complaint that is not settled or withdrawn is tried before an ALJ, who issues a decision, which may be appealed by any party to the Board. The Board acts in such matters as a quasi-judicial body, deciding cases based on the formal trial record according to the law and the body of case law that has been developed by the Board and the federal courts.

Representation cases are initiated by the filing of a petition by an employee, a group of employees, an individual or labor organization acting on their behalf, or in some cases by an employer. The petitioner requests an election to determine whether a union represents, or in some cases continues to represent, a majority of the employees in an appropriate bargaining unit and therefore should be certified as the employees' bargaining representative. The role of the Agency is to investigate the petition and, if necessary, conduct a hearing to determine whether the employees constitute an appropriate bargaining unit under the Act. All cases are assigned unique tracking numbers, with the letter "C" designating ULP cases, and the letter "R" designating representation cases. The percentage of new cases filed for each type of case drives the program breakout for financial reporting purposes. See the chart below with the calculations for FY 2025 through September 30th.

	2025 Percentage
C Cases (Unfair Labor Practices) Filed	88.0%
R Cases (Representation Cases) Filed	12.0%
	100.0%

The Statement of Changes in Net Position (SCNP) reports the change in net position during the reporting period, which results from changes to Unexpended Appropriations and Cumulative Results of Operations. The SCNP includes beginning balances, budgetary and other financing sources, and net cost of operations, to arrive at ending balances.

The Statement of Budgetary Resources provides information about how budgetary resources were made available during the period and their status at the end of the period. Recognition and measurement of budgetary information reported on this statement is based on budget terminology, definitions, and guidance in OMB Circular A-11, *Preparation, Submission, and Execution of the Budget*.

C. Budgetary Basis of Accounting

The NLRB's programs and activities are funded through annual appropriations. Congress annually adopts a budget appropriation that provides the NLRB with the authority to use funds from the U.S. Treasury to meet operating expense requirements. The NLRB operates under single-year budget authority for salaries and expenses, in which all unobligated balances expire at year-end. The NLRB also has no-year budget authority for the TMF, which is available until expended and does not expire at the end of the fiscal year. At the end of the fifth year following the year of execution, all amounts not expended are canceled and returned to the U.S. Treasury. Additionally, all revenue received from other sources must be returned to the U.S. Treasury.

Budgetary accounting measures appropriation and consumption of budget/spending authority and facilitates compliance with legal constraints and controls over the use of federal funds. Under budgetary reporting principles, budgetary resources are consumed at the time an obligation is incurred. Only those liabilities for which valid obligations have been established are considered to consume budgetary resources.

D. Fund Balance with the Treasury

FBWT is an asset of the NLRB and a liability of the General Fund. The amounts represent commitments by the Government to provide resources for particular programs, but they do not represent assets to the Government as a whole. When the NLRB seeks to use FBWT to liquidate budgetary obligations, the U.S. Treasury will finance the disbursements in the same way it finances all other disbursements, using some combination of receipts, other inflows, and borrowing from the public (if there is a budget deficit).

The NLRB does not maintain cash in commercial bank accounts. U.S. Treasury processes cash receipts and disbursements. Funds with the U.S. Treasury consist of appropriated and deposited funds that are available to pay current liabilities and finance authorized purchase commitments. In addition, funds held with the U.S. Treasury also include escrow funds that are not appropriated but are fiduciary in nature. The

fiduciary funds are not assets of the federal government; therefore, they are not recognized on the Balance Sheet.

E. Revenue and Other Financing Sources

As a component of the Government-wide reporting entity, the NLRB is subject to the Federal budget process, which involves appropriations that are provided annually and appropriations that are provided on a permanent basis. The financial transactions that are supported by budgetary resources, which include appropriations, are generally the same transactions reflected in the NLRB and the Government-wide financial reports.

The NLRB's budgetary resources reflect past congressional action and enable the NLRB to incur budgetary obligations, but they do not reflect assets to the Government as a whole. Budgetary obligations are legal obligations for goods, services, or amounts to be paid based on statutory provisions (e.g., Social Security benefits).

F. 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.

G. Accounts Receivable, Net

Accounts Receivable typically consist of payroll related debts due to the NLRB from the Agency employees and debts due to the NLRB from third party (non-federal sources) for invitational travel. Accounts Receivable is stated net of allowance for doubtful accounts. The allowance is estimated based on an aging of account balances, past collection experience, and an analysis of outstanding accounts at year-end.

H. Property, Plant and Equipment, Net

Property, plant and equipment consist of bulk purchases, computer hardware and software, and leasehold improvements.

Personal Property

Personal property costing \$15,000 or more per unit is capitalized at cost and depreciated using the straight-line method over the useful life. Bulk purchases of large quantities of property that would otherwise fall under the individual capitalization threshold are capitalized if the total purchase is \$100,000 or more. Other property items are expensed when purchased. Expenditures for repairs and maintenance are charged to operating expenses as incurred. The useful life for this category is three to twelve years. There are no restrictions on the use or convertibility of property, plant, and equipment.

Real Property

Real property consists of leasehold improvements on GSA leased space which cost \$100,000 or more. Leasehold improvements are recorded as construction in progress until the Agency has beneficial occupancy of the space, and then the costs are moved to the Leasehold Improvements account for amortization over the remaining life of the lease.

Internal Use Software

Internal Use Software (IUS) includes purchased Commercial Off-The-Shelf software (COTS), contractor-developed software, and software that was internally developed by the Agency employees. IUS is capitalized at cost if the development cost is \$100,000 or more. For COTS software, the capitalized costs include the amount paid to the vendor for the software; for contractor-developed software it includes the amount paid to a contractor to design, program, install, and implement the software. Capitalized costs for internally developed software include the full cost (direct and indirect) incurred during the software development stage. The standard useful life for IUS has been established as three years, to accurately match expenses with the period in which the benefits are received from the software. The NLRB uses the straight-line method of amortization.

Internal Use Software in Development

Internal use software in development is software that is being developed but not yet put into production. At the time the software is moved into production, the costs will be moved into the IUS account and amortized accordingly.

I. Non-entity Assets

Assets held by the NLRB that are not available to the NLRB for obligation are considered non-entity assets. Non-entity assets, restricted by nature, consist of miscellaneous receipt accounts. The miscellaneous receipts represent court fines and fees collected for the FOIA requests, collection of receivables from canceled accounts, and all other recoveries and refunds that must be transferred to the U.S. Treasury at the end of each fiscal year.

J. Liabilities

Liabilities represent amounts that are likely to be paid by the NLRB as the result of transactions or events that have already occurred; however, no liabilities are paid by the NLRB without an appropriation. Liabilities must be recognized when they are incurred regardless of whether they are covered by available budgetary resources, including liabilities related to canceled appropriations. Liabilities of the NLRB arising from other than contracts can be abrogated by the government, acting in its sovereign capacity. Intragovernmental liabilities arise from transactions with other federal entities.

Accounts Payable

Accounts payable represent amounts due to federal and non-federal entities for goods and services received by the NLRB that have not been paid at the end of the accounting period. Intragovernmental accounts payable represent payable transactions with other federal entities. The non-federal accounts payable represent transactions with non-federal entities.

Accrued Payroll

Accrued payroll consists of salaries, wages, and other compensation earned by employees but not disbursed as of September 30, 2025. The liability is estimated for reporting purposes based on historical pay information.

K. Liabilities Not Covered by Budgetary Resources

Liabilities not covered by budgetary resources result from the receipts of goods or services in the current or prior periods, or the occurrence of eligible events in the current or prior periods for which appropriations, revenues, or other financing sources of funds necessary to pay the liabilities have not been made available through Congressional appropriations or current earnings of the reporting entity. These liabilities will require budgetary resources in the future. Liabilities not covered by budgetary resources include unfunded leave, Federal Employees' Compensation Act (FECA) and unemployment compensation and other liabilities. The other liabilities are related to future TMF repayments for the Case Management System Modernization Project.

Unfunded Leave

A liability for annual and other vested compensatory leave is accrued as earned and reduced when taken. The value of employees' unused annual leave at the end of each fiscal quarter is accrued as a liability. At the end of each fiscal quarter, the balance in the accrued annual leave account is adjusted to reflect the current pay rate and leave balances. To the extent the current or prior-year appropriations are not available to fund the annual leave earned but not taken, funding will be obtained from future financing sources. Sick leave and other types of non-vested leave are expensed when used, and in accordance with federal requirements, no accruals are recorded for unused sick leave.

Unfunded Federal Employees' Compensation Act

The FECA was established by Public Law 103-3 which provides income and medical cost protection to covered federal civilian employees injured on the job, to employees who have incurred work-related occupational diseases, and to beneficiaries of employees whose deaths are attributable to job-related injuries or occupational diseases. The FECA program is administered by the DOL, which pays valid claims and subsequently seeks reimbursement from the NLRB for these paid claims.

The FECA liability consists of two components. The first component is based on actual claims paid by the DOL but not yet reimbursed by the NLRB. The NLRB reimburses the DOL for the actual claim amount as funds are appropriated for this purpose. There is generally a two to three-year period between payment by

the DOL and reimbursement by the NLRB. As a result, the NLRB recognizes a liability for the actual claims paid by the DOL and to be reimbursed by the NLRB.

The second component is the estimated liability for future benefit payments as a result of past events. This liability includes death, disability, medical, and miscellaneous costs. The NLRB determines this component annually, as of September 30th, using a method that considers historical benefit payment patterns.

The NLRB uses a methodology provided by the DOL to calculate the estimated FECA liability. The estimated FECA liability calculation is based on an extrapolation from the actual charges experienced by the Agency. For both compensation and medical, the calculation takes the amount of benefit payments from the last 12 quarters and calculates the average annual payments. The two average payments are then multiplied by compensation and medical liability to benefits paid ratios from the whole FECA program for the past three years to determine the estimated FECA liability.

Unfunded Unemployment

The NLRB's unemployment programs provide unemployment benefits to eligible workers who become unemployed through no fault of their own and meet certain other eligibility requirements. The Unemployment Compensation for Federal Employees program provides benefits for eligible, unemployed, former civilian Federal employees. The NLRB's liability for unemployment includes costs incurred but unbilled as of the quarter end, as calculated by DOL, and not funded by current appropriations.

L. Commitments and Contingencies

Commitments reflect binding agreements that may result in the future expenditure of financial resources that are not recognized on the Balance Sheet.

A loss contingency is an existing condition, situation, or set of circumstances involving uncertainty as to possible loss to an entity. The uncertainty should ultimately be resolved when a future event occurs or fails to occur. A contingent liability should be recorded when a past event or exchange transaction has occurred, a future outflow or other sacrifice of resources is probable, and the future outflow or sacrifice of resources is measurable.

The NLRB recognizes material contingent liabilities in the form of claims, legal action, administrative proceedings, and suits that have been brought to the attention of legal counsel, some of which will be paid by the U.S. Treasury's Judgment Fund. It is the opinion of management and legal counsel that the ultimate resolution of these proceedings, actions, and claims, will not materially affect the financial position or results of operations.

M. Life Insurance and Retirement Plans

Federal Employees' Group Life Insurance (FEGLI) Program

The NLRB employees are entitled to participate in the FEGLI program. Participating employees can obtain basic life term life insurance, with the employee paying two-thirds of the cost and the NLRB paying one-third. Additional coverage is optional, and to be paid fully by the employee. The basic life coverage may be continued into retirement if certain requirements are met. The OPM administers this program and is responsible for the reporting of liabilities. For each fiscal year, OPM calculates the U.S. Government's service cost for the post-retirement portion of the basic life coverage. Because the NLRB's contributions to the basic life coverage are fully allocated by OPM to the pre-retirement portion of coverage, the NLRB has recognized the service cost of the post-retirement portion of basic life coverage as an imputed cost and imputed financing source.

Retirement Programs

The NLRB employees participate in either the Civil Service Retirement System (CSRS), a defined benefit plan, or the Federal Employees' Retirement System (FERS), a defined benefit and contribution plan. Congress created the FERS in 1986, and it became effective on January 1, 1987, pursuant to Public Law 99-335. Since that time, new Federal civilian employees who have retirement coverage have been covered by FERS. Employees hired prior to January 1, 1984, could elect to either join FERS and Social Security or remain in CSRS. Employees covered by CSRS are not subject to Social Security taxes, nor are they entitled to accrue Social Security benefits for wages subject to CSRS. The NLRB contributes a matching contribution equal to 7.0 percent of pay for CSRS employees.

FERS is a retirement plan that provides benefits from three different sources: a Basic Benefit Plan, Social Security, and the Thrift Savings Plan (TSP). Two of the three parts of FERS (Social Security and TSP) can go with the employee to their next job if they leave the federal government before retirement. The Basic Benefit and Social Security parts of FERS require an employee to pay their share each pay period. The NLRB withholds the cost of the Basic Benefit and Social Security from the employee's pay as payroll deductions. After an employee retires, the federal government pays the monthly annuitant payments for the rest of their life.

The TSP is a long-term retirement savings and investment plan that is administered by the Federal Retirement Thrift Investment Board. The TSP is an account that the NLRB automatically sets up for the employee. Each pay period the NLRB deposits into the employee's account an amount equal to 1.0 percent of the basic pay earned for the pay period. FERS or CSRS employees who began or rejoined federal service after October 1, 2020, the NLRB will automatically enroll the employee in the TSP, and 5.0 percent of the basic salary is deducted from the employee's paycheck every pay period and deposited into the TSP account. FERS or CSRS employees who began or rejoined federal service between August 1, 2010, and September 30, 2020, were automatically enrolled at 3.0 percent of FERS employees hired before August 1, 2010, and are not contributing their own money, and still have a TSP account with accruing Agency/Service automatic (1.0 percent) contributions. An employee can also make their own contributions to their TSP

account, and the NLRB will make a matching contribution. Traditional (pre-tax) contributions allow employees to delay paying taxes on their contributions and their earnings until they withdraw them. For Roth (after-tax) contributions, employees pay taxes on their contributions as they make them.

The maximum amount of base pay that an employee participating in FERS may contribute to the plan is \$23,500 per the 2025 IRS annual limit. Employees belonging to CSRS may also contribute up to \$23,500 of their salary in CY 2025 and receive no matching contribution from the NLRB. The maximum for catch-up contributions for CY 2025 is \$7,500. For CY 2025, the regular and catch-up contributions may not exceed \$31,000 for employees aged 50-59, 64 and older. For employees aged 60-63, the regular and catch-up contributions may not exceed \$34,750. The sum of the employees and the NLRB's contributions are transferred to the Federal Retirement Thrift Investment Board. For FERS employees, the Agency also contributes to the employer's share of Medicare.

The OPM is responsible for reporting assets, accumulated plan benefits, and unfunded liabilities, if any, applicable to CSRS and FERS employees, Government-wide, including the NLRB employees. The NLRB has recognized an imputed cost and imputed financing source for the difference between the estimated service cost and the contributions made by the NLRB and covered CSRS employees.

The NLRB does not report FERS and CSRS assets, accumulated plan benefits, or unfunded liabilities applicable to its employees on its financial statements. Reporting such amounts is the responsibility of the administrative agency, OPM. The portion of the current and estimated future outlays for CSRS not paid by the NLRB is, in accordance with SFFAS 4, Managerial Cost Accounting Concepts and Standards for the federal government, included in the NLRB's financial statements as an imputed financing source.

Liabilities for future pension payments and other future payments for retired employees who participate in the Federal Employees Health Benefits (FEHB) and the FEGLI programs are reported by OPM rather than the NLRB.

SFFAS 4, Managerial Cost Accounting Concepts and Standards for the federal government, requires employing agencies to recognize the cost of pensions and other retirement benefits during their 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 provide these factors to the Agency for current period expense reporting. Information is also provided by OPM regarding the full cost of health and life insurance benefits.

N. Leases

The Statement of Federal Financial Accounting Standards (SFFAS 54): Leases, revised the financial reporting standards for federal lease accounting. The NLRB's leases consist of intragovernmental and short-term leases, in which the NLRB is the lessee. The NLRB recognizes these lease payments as an expense based on the payment provisions of the contract or agreement and standards regarding the recognition of accounts payable and other related amounts. The NLRB leases consist of real and personal property leases including agreements with the GSA and commercial vendors. The NLRB leases all buildings through the GSA, who is the lessor, and pays GSA a standard level user charge rate for the annual leases,

which approximates the commercial rental rates for similar properties. The NLRB is not legally a party to any building lease agreements, and it does not record GSA-owned properties as assets. The real property leases are for the NLRB's Headquarters and Regional Offices, and the personal property leases are for copiers, digital mailing systems, fleet vehicles, and security screening machines. For additional information on leases refer to Note 9.

O. Net Position

Net position is composed of unexpended appropriations and cumulative results of operations.

Unexpended Appropriations include the portion of the NLRB's appropriations represented by undelivered orders and unobligated balances. Unexpended appropriations on the Balance Sheet must equal unexpended appropriations on the SCNP. The NLRB does not have unexpended appropriations attributable to funds from dedicated collections.

Cumulative Results of Operations represent the net results of operations since inception plus the cumulative amount of prior-period adjustments. The cumulative results of operations on the Balance Sheet should equal the cumulative results of operations on the SCNP. The NLRB does not have cumulative results of operations attributable to funds from dedicated collections.

P. Use of Management Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions, and exercise judgement that affects the reported amount of assets, liabilities, net position, and disclosure of contingent assets and liabilities as of the date of the financial statements, as well as reported amounts of financing sources, expenses, and obligations incurred during the reporting period. The assumptions made and estimates used by the NLRB to prepare the financial statements are based upon the facts that exist when the financial statements are prepared and on various other assumptions that are believed to be reasonable under the circumstances. Changes in estimates are reflected in the period in which they become known. Actual results may differ from those estimates. The notes to the financial statements include information to assist the reader in understanding the effect of changes in assumptions on the related information.

Q. Tax Status

The NLRB, as an independent Board of the Executive Branch, is a federal agency, and is not subject to federal, state, or local income taxes, and accordingly, no provision for income tax is recorded.

R. Subsequent Events

Subsequent events and transactions occurring after fiscal year-end through the date of the auditor's opinion have been evaluated for potential recognition of disclosure in the financial statements. The date of the auditor's opinion also represents the date that the financial statements were available to be issued.

Note 2. Non-entity Assets

Non-entity Assets are assets held by an entity that are not available to the entity. Non-entity Assets represent miscellaneous receipts collected and related accounts receivable (net of allowance for doubtful accounts).

Entity Assets are assets that the reporting entity has the authority to use in its operations. Management may have the authority to decide how funds are used, or it may be legally obligated to use the funds in a certain way.

The composition of non-entity assets as of September 30, 2025, is as follows:

2025 (In Dollars)		
Intragovernmental Assets		
Fund Balance with Treasury	\$	0
Total Intragovernmental Assets		0
Other than Intragovernmental Assets		
Accounts Receivable Net		420,514
Total Other than Intragovernmental Assets		420,514
Total Non-Entity Assets		420,514
Total Entity Assets		70,034,260
Total Assets	\$	70,454,774

Note 3. Fund Balance with Treasury

The U.S. Treasury performs cash management activities for all federal agencies. The NLRB's FBWT represents the right of the NLRB to draw down funds from the U.S. Treasury for authorized expenses and liability payments. The status of FBWT as of September 30, 2025, consists of the following:

2025 (In Dollars)		
Status of Fund Balance with Treasury		
Unobligated Balance	\$	8,567,626
Obligated Balance not yet Disbursed		44,874,901
Non-Budgetary Fund Balance with Treasury		0
Total Fund Balance with Treasury	\$	53,442,527

The status of FBWT may be classified as unobligated or obligated. Unobligated funds, depending on budget authority, are generally available for new obligations in the current year of operations. Unavailable unobligated balances are not available to fund new obligations because they are expired. The obligated but

not yet disbursed balance represents amounts designated for payment of goods and services ordered but not yet received or goods and services received but for which payment has not yet been made.

Obligated and unobligated balances reported for the status of FBWT do not agree with obligated and unobligated balances reported on the Statement of Budgetary Resources because the FBWT includes items for which budgetary resources are not recorded, such as deposit funds and miscellaneous receipts (non-entity).

The TMF was established to improve information technology and to enhance cybersecurity across the Federal Government. In FY 2025, the NLRB received a \$8.4 million transfer from GSA TMF.

Note 4. Accounts Receivable, Net

As of September 30, 2025, the NLRB reported accounts receivable, net totaling \$490,394.

2025 (In Dollars)	
Intragovernmental	
Accounts Receivable	\$ 0
Other than Intragovernmental	
Accounts Receivable	498,158
Total Accounts Receivable	498,158
Allowance for Doubtful Accounts	(7,764)
Accounts Receivable, Net	\$ 490,394

Note 5. Property, Plant, and Equipment, Net

Property, plant, and equipment consist of property that is used in operations and consumed over time. The table below summarizes the cost and accumulated depreciation for general property, plant, and equipment as of September 30, 2025.

2025 (In Dollars)			
	Asset Cost	Accumulated Depreciation / Amortization	Net Asset Value
Construction in Progress	\$ 5,837,764	\$ 0	\$ 5,837,764
Equipment	3,712,339	3,658,246	54,093
Leasehold Improvements	17,643,749	7,478,290	10,165,459
Internal Use Software	45,060,728	45,060,728	0
Total Property, Plant and Equipment	\$ 72,254,580	\$ 56,197,264	\$ 16,057,316

Note 6. Liabilities Not Covered by Budgetary Resources

Liabilities are classified as liabilities covered by budgetary resources, liabilities not covered by budgetary resources, and liabilities not requiring budgetary resources. Liabilities not covered by budgetary resources require future congressional action whereas liabilities covered by budgetary resources reflect prior congressional action. The NLRB's liabilities not covered by budgetary resources represent amounts owed in excess of available congressionally appropriated funds or other amounts.

The composition of liabilities not covered by budgetary resources as of September 30, 2025 is as follows:

2025 (In Dollars)	
Intragovernmental Liabilities	
FECA Unfunded Liability	\$ 11,187
Other Liabilities - Technology Modernization Fund	6,264,070
Total Intragovernmental Liabilities	6,275,257
Other than Intragovernmental Liabilities	
FECA Actuarial Liability	155,127
Unfunded Annual Leave	15,429,304
Total Other than Intragovernmental Liabilities	15,584,431
Total Liabilities Not Covered by Budgetary Resources	21,859,688
Total Liabilities Covered by Budgetary Resources	14,350,533
Total Liabilities Not Requiring Budgetary Resources	0
Total Liabilities	\$ 36,210,221

Note 7. Other Liabilities - Technology Modernization Fund

The TMF was established to improve information technology and to enhance cybersecurity across the Federal Government. The GSA transferred funds from the TMF to the NLRB's no year fund. As legislation requires, the NLRB recorded a portion of the transferred funds as a liability which will be repaid to GSA's TMF over a five-year period. The NLRB recorded \$6.3 million as other liabilities. In FY 2025, the NLRB made the first repayment of \$1.6 million to GSA.

Note 8. Intragovernmental Costs and Exchange Revenue

For the intragovernmental costs, the buyer and seller are both federal entities. The earned revenue is the reimbursable costs from other federal entities. The NLRB has the authority to provide Administrative Law Judges' services to other federal entities. There is no exchange revenue with the public.

2025 (In Dollars)		
Resolve Unfair Labor Practices Cases		
Intragovernmental Costs	\$	102,167,867
Costs with the Public		185,254,038
Total Net Cost – Resolve Unfair Labor Practices Cases		287,421,905
Resolve Representation Cases		
Intragovernmental Costs		14,236,220
Costs with the Public		25,813,568
Total Net Cost – Resolve Representation Cases		40,049,788
Less: Earned Revenue		0
Net Cost of Operations		\$ 327,471,693

Note 9. Leases

GSA Real Property. The NLRB’s facilities are rented from the GSA, which charges rent that is intended to approximate commercial rental rates. The terms of the NLRB’s occupancy agreements with GSA will vary according to whether the underlying assets are owned by GSA or rented by GSA from the private sector. The NLRB has occupancy agreements with GSA, which set forth terms and conditions for the space the Agency will occupy for an extended period. Included within the occupancy agreements are 120 to 180-day notification requirements for the Agency to release space. For purposes of disclosing future operating lease payments in the table below, federally owned leases are included in the years FY 2026 through FY 2030.

Rental expenses for leases for the period ending September 30, 2025, were \$20,979,055 for Agency leased space and \$2,746,404 for the Agency’s building security.

Future Space Lease Payments

Fiscal Year	GSA Real Property Cost (In Dollars)	
2026	\$	15,126,665
2027		16,178,597
2028		19,820,688
2029		20,811,722
2030		21,852,309
After 5 Years		22,944,924
Total	\$	116,734,905

GSA Fleet. The future fleet payments reflect the expense for 11 vehicles used for official NLRB business throughout the United States. Expenses for the fleet vehicles for the period ending September 30, 2025, were \$44,484.

Future Fleet Lease Payments

Fiscal Year	GSA Fleet Cost (In Dollars)
2026	\$ 47,250
2027	49,612
2028	52,093
2029	54,698
2030	57,433
After 5 Years	60,304
Total	\$ 321,390

Commercial Copiers. The commercial copier rental expense reflects lease contracts for copy machines located at the NLRB Headquarters and Field Offices. For the period ending September 30, 2025, the commercial copier cost was \$125,629.

Future Copier Lease Payments

Fiscal Year	Copier Lease Cost (In Dollars)
2026	\$ 132,960
2027	132,960
2028	132,960
2029	132,960
2030	0
After 5 Years	0
Total	\$ 531,840

Digital Mailing System. The digital mailing system expense reflects lease contracts for mailing systems and postage meters located at the NLRB Headquarters and Field Offices. For the period ending September 30, 2025, the digital mailing system cost was \$280,245.

Future Digital Mailing Lease Payments

Fiscal Year	Digital Mailing Lease Cost (In Dollars)	
2026	\$	115,317
2027		121,083
2028		127,137
2029		133,493
2030		140,168
After 5 Years		147,176
Total	\$	784,374

Security Screening Machines. The security screening machines expense reflects lease contracts for x-ray machines located at the NLRB Headquarters and Field Offices. For the period ending September 30, 2025, the security screening machines cost was \$14,051.

Future Security Screening Machine Payments

Fiscal Year	Security Screening Machine Lease Cost (In Dollars)	
2026	\$	21,494
2027		21,494
2028		21,493
2029		21,493
2030		21,493
After 5 Years		0
Total	\$	107,467

Note 10. Inter-Entity Costs

Goods and services are received from other federal entities at no cost or at a cost less than the full cost to the providing federal entity. Consistent with accounting standards, certain costs of the providing entity that are not fully reimbursed are recognized as imputed cost in the Statement of Net Cost and are offset by imputed revenue in the Statement of Changes in Net Position. Such imputed costs and revenues relate to employee benefits. However, unreimbursed costs of goods and services other than those identified above are not included in the financial statements.

The OPM pays pension and other future retirement benefits on behalf of federal agencies for federal employees. OPM provides rates for recording the estimated cost of pension and other future retirement benefits paid by the OPM on behalf of federal agencies. The costs of these benefits are reflected as imputed financing in the consolidated financial statements. Expenses of the NLRB paid or to be paid by other federal agencies on September 30, 2025, consisted of:

2025 (In Dollars)

Office of Personnel Management:

Pension Expenses	\$	10,410,365
Federal Employees Health Benefits		13,385,235
Federal Employees Group Life Insurance Program		26,577
Total Imputed Financing Costs	\$	23,822,177

Note 11. Statement of Budgetary Resources

The purpose of Federal budgetary accounting is to control, monitor, and report on funds made available to Federal agencies by law and help ensure compliance with the law. The Statement of Budgetary Resources provides information about how budgetary resources were made available as well as their status at the end of the period. It is the only financial statement exclusively derived from the entity's budgetary general ledger in accordance with budgetary accounting rules that are incorporated into GAAP for the federal government.

The following budget terms are commonly used from OMB Circular A-11, *Preparation, Submission and Execution of the Budget* (Section 20.3):

<https://www.whitehouse.gov/omb/information-resources/>

Appropriation - a provision of law (not necessarily in an appropriations act) authorizing the expenditure of funds for a given purpose. Usually, but not always, an appropriation provides budget authority.

- *Budgetary resources* - amounts available to incur obligations in a given year. Budgetary resources consist of new budget authority and unobligated balances of budget authority provided in previous years.
- *Offsetting collections* - payments to the Government that, by law, are credited directly to expenditure accounts and deducted from gross budget authority and outlays of the expenditure account, rather than added to receipts. Usually, offsetting collections are authorized to be spent for the purposes of the account without further action by Congress. They usually result from business-like transactions with the public, including payments from the public in exchange for goods and services, reimbursements for damages, and gifts or donations of money to the Government and from intragovernmental transactions with other Government accounts. The authority to spend offsetting collections is a form of budget authority.

- *Offsetting receipts* - payments to the Government that are credited to offsetting receipt accounts and deducted from gross budget authority and outlays, rather than added to receipts. Usually, they are deducted at the level of the agency and subfunction, but in some cases they are deducted at the level of the Government as a whole. They are not authorized to be credited to expenditure accounts. The legislation that authorizes the offsetting receipts may earmark them for a specific purpose and either appropriate them for expenditure for that purpose or require them to be appropriated in annual appropriations acts before they can be spent. Like offsetting collections, they usually result from business-like transactions with the public, including payments from the public in exchange for goods and services, reimbursements for damages, and gifts or donations of money to the Government, and from intragovernmental transactions with other Government accounts.
- *Obligation* - a binding agreement that will result in outlays, immediately or in the future. Budgetary resources must be available before obligations can be incurred legally.
- *Outlay* - a payment to liquidate an obligation (other than the repayment of debt principal or other disbursements that are “means of financing” transactions). Outlays generally are equal to cash disbursements but also are recorded for cash-equivalent transactions, such as the issuance of debentures to pay insurance claims, and in a few cases are recorded on an accrual basis such as interest on public issues of the public debt. Outlays are the measure of Government spending.

For further information about the budget terms and concepts, see the “Budget Concepts” chapter of the *Analytical Perspectives* volume of the President’s Budget: <https://www.whitehouse.gov/omb/information-resources/budget/>.

The NLRB’s total budgetary resources are \$315,424,867 as of September 30, 2025; it includes new budget authority and unobligated balances at the beginning of the year. The NLRB received \$299,224,000 in appropriations as of September 30, 2025. The NLRB’s unobligated balance on September 30, 2025, was \$8,567,626.

Note 12. Undelivered Orders at the End of the Period

Undelivered orders are purchase orders issued by the NLRB during the FY 2025 and the five expiring fiscal years, which have not had delivery of the required product or service as of September 30, 2025. It is anticipated that these undelivered orders will be provided in future periods and will require resources obligated during the respective fiscal years.

2025 (In Dollars)		
Intragovernmental		
Paid		0
Unpaid		13,137,335
Total Intragovernmental		13,137,335
Public		
Paid		464,538
Unpaid		17,807,549
Total Public		18,272,087
Total	\$	31,409,422

Note 13. Fiduciary Activities

The fiduciary cash and other assets are not assets of the federal government, are not recognized on the Balance Sheet, and are assets of a non-federal party for which the Federal Government is responsible.

The NLRB Escrow Accounts are fiduciary deposit funds presented in accordance with SFFAS 31, Accounting for Fiduciary Activities, and OMB Circular A-136, *Financial Reporting Requirements*. The Escrow Accounts, Temporary Restraining Order Cases (420X6152) and Backpay Cases (402X6154) are authorized by Title 31 United States Code, Section 3513 and Title 29 United States Code, Section 151-169. The Escrow Account, Temporary Restraining Order Cases (420X6152) was established to separate cases related to protective restraining orders.

The NLRB investigates and adjudicates disputes between private sector employees, employers, and unions. Part of the NLRB's mission is to determine if the employer (or sometimes the union), herein referred to as respondent, engaged in unfair labor practices, which resulted in a loss of employment or wages for the affected employees (discriminatees). In some cases, the respondent is ordered to pay monetary amounts to the discriminatees. These payments can be paid by respondents directly to the discriminatees or they can pay the NLRB, which disburses the funds to the discriminatees. The NLRB is authorized to collect funds on behalf of discriminatees.

The fiduciary funds collected by the NLRB are held in escrow and represent funds that were collected as part of the standard Board remedy whenever a violation of the Act has resulted in a loss of employment or earnings. The NLRB collects the funds, and then distributes them to employees, unions, pension funds, or other discriminatees in the settlement. The NLRB has the option to invest funds in federal government securities if the funds remain in escrow for a lengthy period. The NLRB's fiduciary funds are not invested.

The NLRB executed an MOU with the U.S. Treasury that established agreed upon policies and procedures for investing monies in, and redeeming investments held by, the fiduciary fund account in the U.S. Treasury. The NLRB manages these funds in a fiduciary capacity and does not have ownership rights against its contributions and investments; the assets and activities summarized in the schedule below are not

presented in the financial statements. The NLRB's fiduciary activities as of September 30th, 2025, and 2024 are disclosed in this note.

Additionally, the NLRB holds a warranty leasehold estate interest in real property located in Florida, which was obtained as a part of a settlement agreement in an ULP case finalized in 2011. The leasehold interest was transferred to the NLRB pursuant to the terms of the settlement and is held in a fiduciary capacity. As of September 30th, 2025, the fair market value of the leasehold interest is approximately \$192,508, based on the most recent valuation reported by the Marion County property appraiser.

Schedule of Fiduciary Activity

(In Dollars)	2025			2024		
	Fund 420X6152	Fund 420X6154	Total Fiduciary Funds	Fund 420X6152	Fund 420X6154	Total Fiduciary Funds
Fiduciary Net Assets, Beginning of Year	\$ 0	\$4,623,724	\$4,623,724	\$ 0	\$ 10,620,348	\$10,620,348
Fiduciary Revenues						
Contributions	0	431,354	431,354	0	217,850	217,850
Administrative and Other Expenses						
Disbursements to and on Behalf of Beneficiaries	0	(1,201,360)	(1,201,360)	0	(6,214,474)	(6,214,474)
Increase/(Decrease) in Fiduciary Net Assets	0	(770,005)	(770,005)	0	(5,996,624)	(5,996,624)
Fiduciary Net Assets, End of Year	\$ 0	\$3,853,719	\$3,853,719	\$ 0	\$ 4,623,724	\$ 4,623,724

Fiduciary Net Assets

(In Dollars)	2025			2024		
	Fund 420X6152	Fund 420X6154	Total Fiduciary Funds	Fund 420X6152	Fund 420X6154	Total Fiduciary Funds
Fund Balance with Treasury	\$ 0	\$3,853,719	\$3,853,719	\$ 0	\$4,623,724	\$ 4,623,724
Less: Liabilities		(18,924)	(18,924)		(18,924)	(18,924)
Total Fiduciary Net Assets	\$ 0	\$3,834,795	\$3,834,795	\$ 0	\$4,604,800	\$ 4,604,800

Note 14. Reconciliation of Net Cost to Net Outlays

SFFAS 53, Budget and Accrual Reconciliation (BAR), amended SFFAS 7, Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting and 24, Selected Standards for the Consolidated Financial Report of the United States Government, and rescinded SFFAS 22, Change in Certain Requirements for Reconciling Obligations and Net Cost of Operations. SFFAS 53 provided for the BAR to replace the statement of financing. The BAR explains the relationship between the NLRB's net outlays on a budgetary basis and the net cost of operations during the reporting period. The reconciliation starts with the net cost of operations as reported on the Statement of Net Cost and will be adjusted by components of net cost that are not part of net outlays. Common components include depreciation and gains and losses on disposition of assets and changes in assets and liabilities (e.g., accounts receivable, accounts payable and salaries and benefits) not affecting budget outlays. The net cost of operations is also adjusted by budget outlays that are not part of net operating cost. Components of budget outlays that are not part of net operating cost include the acquisition of capital assets, inventory, and other assets. Other reconciling differences, when applicable, include timing differences.

Reconciliation of Net Cost to Net Outlays

As of September 30, 2025

(In Dollars)	Intra- governmental	With the Public	Total 2025
Net Cost of Operations	\$ 116,404,087	\$ 211,067,606	\$ 327,471,693
Components of Net Cost that are not part of Net Outlays			
Gains/Losses on all other investments		106	106
Increase/(Decrease) in Assets not affecting Budgetary Outlays			
Accounts receivable, net		69,880	69,880
Other Assets	420,326	44,212	464,538
(Increase)/Decrease in Liabilities not affecting Budgetary Outlays			
Accounts Payable	(68,831)	(161,559)	(230,390)
Federal employee salary, leave, and benefits payable		(16,793,067)	(16,793,067)
Other liabilities	(1,890,001)	0	(1,890,001)
Total Components of Net Operating Cost not part of the Budgetary Outlays	(1,538,506)	(16,840,428)	(18,378,934)
Financing Sources			
Total Components of Net Outlays that are not part of Net Cost	0	0	0
Misc Items			
Total Other Reconciling Items	0	0	0
Other Temporary Timing Differences		(1,037)	(1,037)
Total Net Outlays	\$ 114,865,581	\$ 194,226,141	\$ 309,091,722
Budgetary Agency Outlays, net			
Budgetary Agency Outlays, net			\$ 309,091,722

Note 15. Commitments and Contingencies

In addition to future commitments discussed in Note 9 (Leases), the NLRB is committed under obligations at year-end for goods and services which have been received and not yet paid, or for goods and services which have been ordered but not yet received. These are unpaid delivered orders and unpaid undelivered orders.

The NLRB was not party to any legal actions that were likely to result in a material liability. Accordingly, no provision for loss is included in the financial statements.



OTHER INFORMATION

Protecting Democracy in the Workplace Since 1935

INSPECTOR GENERAL'S TOP PERFORMANCE AND MANAGEMENT CHALLENGES

UNITED STATES GOVERNMENT
National Labor Relations Board
Office of Inspector General



Memorandum

December 15, 2025

To: Board and General Counsel

From: Ruth C. Blevins *Ruth C. Blevins*
Inspector General

Subject: Top Management and Performance Challenges

As part of the Performance and Accountability Report, the Office of Inspector General (OIG) is mandated by section 3516 of title 31 to outline what the Inspector General identifies as the most significant management and performance challenges facing the National Labor Relations Board (NLRB or Agency). Additionally, the OIG must provide a brief assessment of the Agency's progress in addressing these challenges. The information included in this report is derived from our reviews, investigations, and general observations of the NLRB's operations. For Fiscal Year (FY) 2025, we have four top management and performance challenges:

- Leadership
- Operational Management
- Human Capital Management and Maintaining the Agency's Institutional Knowledge
- Information Technology Security

For the purposes of this report, an issue may be classified as a management or performance challenge even if it is not a deficiency or beyond the Agency's control. The challenges outlined here do not necessarily indicate OIG findings or imply mismanagement or failures on the part of NLRB leadership. We view a challenge as a task or endeavor complicated by existing circumstances.

Leadership

During FY 2025, the Board experienced significant changes including operating without a quorum. With the departure of Chairman John F. Ring in December 2022, and the subsequent departure of Chairman Lauren McFerran in December 2024, the number of Board Members fell from five to three. In January 2025, President Donald J. Trump

designated existing Board Member Marvin E. Kaplan as the Chairman and dismissed Board Member Gwynne A. Wilcox from the Board, eliminating the quorum required to decide cases. In August 2025, Chairman Kaplan's term expired, leaving only Board Member David M. Prouty. As a result, in FY 2025, the Board issued only 86 decisions in contested cases—a 67 percent decrease compared to FY 2024. Likewise, during FY 2025, pending cases increased by 92 percent from 288 to 552. Additionally, the backlog of Unfair Labor Practices (ULP) and Representation cases awaiting Board decision totaled 129 cases, with an average age of 689 days.

During FY 2025, Regional Offices under the General Counsel settled more than 96 percent of meritorious cases and much of the Agency work continued despite the absence of a quorum of the Board. However, with the exception of a brief period when Member Wilcox was reinstated, parties who have appealed Administrative Law Judges' decisions must wait until the quorum is restored before a decision is rendered on their cases. Further, absent a quorum, the Board cannot issue cease-and-desist or remedial bargaining orders. Despite not having a quorum, attorneys from all the vacant Board Members' offices, working under the direction of Board Member David Prouty, continue to process cases to the furthest extent possible, including drafting legal memorandums and, when possible, proposed draft opinions. Using the recommendations and supporting case documents, the goal is for the new Board, when a quorum is established, to expeditiously decide cases and reduce the backlog.

President Donald J. Trump has nominated two individuals for the Board, and we expect them to be confirmed soon. Still, the prolonged delay in Board Member placement, not only to reestablish a quorum, but also to reconstitute a full five-Member Board, has created challenges for Agency leadership. Maintaining a five Member Board allows for the use of multiple three-person panels, including a Panel of the Month that handles matters requiring expedited consideration. With only three Members, every Member must participate in every case, creating a heavier workload than with a full Board. A full Board not only increases the capacity to issue opinions, but it also helps the Agency more efficiently enforce the National Labor Relations Act through mechanisms such as rulemaking.

Operational Management

During FY 2025, the NLRB faced many changes. Specifically, a significantly reduced workforce, a level-funded budget, consistently high caseloads, and a growing backlog challenged the Agency to find more efficient ways to accomplish its mission. The Regional Offices lost more than 100 professional and administrative staff. The FY 2025 budget, while funded at the FY 2024 level, did not provide for the same level of services when considering inflationary factors. It is questionable that improved efficiencies alone can make up for the difference in rising costs and increased service demand. Further, future budget cuts are anticipated. Concurrently, case intake remains high at 22,497 cases while the backlog continues to grow. For instance, in FY 2025, the average time to reach a determination on ULP cases grew from 168 days to 258 days.

The Agency took several steps to address the challenges. As noted in our last Major Management Challenges, headquarters staff continues to assist with the casework. Additionally, Regional Offices redistribute ULP cases, trials, and compliance work through an inter-regional assistance process. Further, the Agency has implemented a deferral program regarding cases involved in grievance or arbitration and placed responsibility for status checks on the Charging Parties, with reporting failures potentially resulting in dismissal of charges. The Acting General Counsel also implemented a new docketing initiative that requires consistency across the Agency. Moreover, in an effort to address the case backlog, the Division of Operations-Management established a team of interns that conducts basic investigations under the supervision of Agency attorneys.

While these measures address immediate case processing needs, they do not resolve the long-term staffing and budgetary challenges across the Agency. Given its budgetary limitations, the NLRB will be unable to hire to previous levels anytime soon. With permanent staff reductions, the Agency needs to reassess its organizational structure and current operational field model. In addition to creating technology efficiencies with the on-going modernization of its case management system, the NLRB needs to take a Whole-of-Agency approach that focuses on better collaboration and coordination across the Regional Offices and Headquarters. The need to continue optimizing limited resources and streamlining and consolidating processes is critical to improving the efficient enforcement of the National Labor Relations Act.

Human Capital Management and Maintaining the Agency's Institutional Knowledge

Maintaining a stable and productive workforce is essential for the NLRB to maintain its institutional knowledge and effectively carry out its statutory mission. As noted in previous Management Challenge reports, our audits over time have revealed a loss of institutional knowledge in management practices as new personnel assume key roles. In some cases, even when historical practices are documented, the context behind their development is often lost due to staff turnover.

As noted in the Operational Management section, *supra*, in FY 2025, the Agency faced significant challenges with the departure of human capital, especially at senior and leadership levels. The loss of Agency employees, both in the Regional Offices and Headquarters, during this past fiscal year has exacerbated this issue.

To address workforce departures, in FY 2025, the Division of Administration's Human Capital Planning Office (HCPO) launched a Succession Planning and Management Program Toolkit to provide guidance to Agency offices that elect to pursue succession planning efforts. The stated goal of the toolkit is to "help prepare internal talent for key leadership positions" by "selecting the right people with potential and aspiration to serve as leaders and senior executives." Further, in FY 2026, the HCPO anticipates updating the Agency's Succession Planning and Management Program guidance that was issued in July 2023, with a focus on knowledge management.

Information Technology Security

The FY 2016 Federal Information Security Modernization Act (FISMA) review marked a shift from simply evaluating the Agency's actions to assessing the maturity of its information technology (IT) security processes. After several years of significant progress by the Office of the Chief Information Officer (OCIO) in strengthening the Agency's IT security posture and maturity levels, independent auditors concluded in FY 2025 that the NLRB's overall maturity level was "managed and measurable." Among the six security functions assessed, two were rated "optimized" and four were rated "managed and measurable." Based on this overall maturity, the OCIO received an "effective" rating for the FY 2025 FISMA audit.

Although this is a good rating, this year's results reflect a reduction in the Agency's overall maturity rating compared to previous years. Auditors identified three areas for improvement: (1) the Agency needs to finalize the Enterprise Data Management Plan and define the process it uses for developing and maintaining a data inventory and metadata; (2) the Agency had not completed the annual privileged accounts review; and, (3) the Agency logging maturity levels were not achieved by the Office of Management and Budget deadlines.

We anticipate that the OCIO will continue to face challenges in operating and securing the NLRB network. Addressing these issues will require adequate funding to maintain and modernize Agency systems, as well as sufficient staffing levels of skilled personnel capable of effectively managing and maturing the NLRB's IT security processes.

SUMMARY OF AUDIT AND MANAGEMENT ASSURANCES

Summary of Financial Statement Audit

Audit Opinion: Unmodified

Restatement: No

Material Weaknesses	Beginning Balance	New	Resolved	Consolidated
	0	0	0	0

Summary of Management Assurances

Effectiveness of Internal Control Over Operations (FMFIA §2)

Statement of Assurance: Unmodified

Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Ending Balance
	0	0	0	0	0

Compliance with Financial Systems Requirements (FMFIA §4)

Statement of Assurance: Unmodified

Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Ending Balance
	0	0	0	0	0

PAYMENT INTEGRITY INFORMATION ACT REPORTING

Over the years, laws and regulations governing the identification and recovery of improper payments have evolved to strengthen improvements in payment accuracy and raise public confidence in Federal programs. These laws collectively required agencies to periodically review all programs and activities to identify those susceptible to significant improper payments, to conduct payment recapture audits, and to leverage the Government-wide DNP initiative. The OMB transformed the improper payment compliance framework to create a more unified, comprehensive, and less burdensome set of requirements. The PIAA was passed on March 2, 2020, repealed and replaced prior improper payment-related laws. The PIAA modified and restructured existing improper payments laws to help agencies better identify and reduce any money wasted as a result of improper government payments. Not all improper payments are fraud, and not all improper payments represent a loss to the government. Generally, an improper payment is any payment that should not have been made or that was made in an incorrect amount under a statutory, contractual, and administrative or other legally applicable requirement.

The NLRB is required by the PIAA to assess the disbursement process and estimate the approximate amount of improper payments every three years. In FY 2025, the NLRB PIAA assessment and review was performed by an independent consultant. The NLRB's independent review evaluated the procedures in the Agency's payment and disbursement processes and concluded that the NLRB's programs were at a low risk for improper payments. Thus, improper payments for the NLRB's programs did not exceed \$10.0 million and 1.5 percent of the program total expenditures or \$100.0 million of the total program expenditures. The Agency estimates the improper payments rate to be at most 1.5 percent and the improper payment amount to be no more than \$3,811,222. In addition, the testing confirmed that Phase 2 testing for commercial vendor payments did not exceed the statutory thresholds, further supporting the low-risk designation for all the NLRB programs. Based on these results, the NLRB programs do not require additional Phase 2 testing for the purpose of producing an annual improper payment or unknown payment estimate, and no programs are subject to reporting as "susceptible to significant improper payments" in the FY 2025 submission. Therefore, the NLRB has effective procedures and controls in place for its payment and disbursement processes.

The NLRB annually submits data to OMB that is collected and presented on <https://www.paymentaccuracy.gov>. This website contains current and historical information about improper payments made under Federal programs, as well as extensive information about how improper payments are defined and tracked.

Do Not Pay Initiative

The Department of the Treasury's DNP Portal includes multiple resources across the Federal Government designed to help agencies determine eligibility to confirm that the right recipient obtains the right payment amount. Under PIIA, each agency is directed to thoroughly review prepayment and pre-award procedures, as well as ensure available databases with relevant information are checked to determine proper eligibility prior to the release of federal funds for payment. The NLRB echoes that sentiment and has made improper payments one of the Agency's financial management priorities. The NLRB continues to collaborate with its Shared Service Provider and the Department of Treasury's Bureau of Fiscal Service to strengthen payment monitoring efforts to ensure that vendors and beneficiaries are qualified to receive federal payments.

REAL PROPERTY

The GSA, the nation's largest public real estate organization, provides workspace for more than 1.2 million federal workers through its Public Buildings Service. Approximately half of federal employees are housed in buildings owned by the federal government and half are located in separate leased properties, including buildings, land, antenna sites, etc. across the country. The GSA charges rent to over 100 federal agencies, which is deposited into the federal buildings fund and used to operate the government's buildings and pay rent to private companies for leased space.

The GSA serves as the real estate agent for the NLRB by providing offices in federal and leased space. The GSA is the organization that makes the appropriate and final determination for the NLRB's office locations.

Federal building occupancy is the preferred choice. The GSA determines which space is the most cost effective for the government. The GSA lease actions start +/- 18 months prior to lease expiration. The lease is signed between the lessor and the GSA. The Agency signs an occupancy agreement (OA) with the GSA.

NLRB Location	Address	Current Building Type	GSA Location Code	GSA OA Number	Current Rentable Square Footage	OA Term Start Date	OA Term Expiration Date
Headquarters	1015 Half Street, SE Washington, DC 20570-0001	Leased	DC0719	ADC20047	92,453	6/30/2025	6/29/2040
R-1 Boston	Thomas P. O'Neill Federal Building 10 Causeway Street, Suite 1001 Boston, MA 02222-1072	Federal	MA0153	AMA00119	8,813	8/5/2022	1/1/2100
SR-34 Hartford	A. A. Ribicoff Federal Building & Courthouse 450 Main St, 4th Floor Hartford, CT 06103-3503	Federal	CT0054	ACT01875	14,602	4/1/2023	1/1/2100
R-2 New York	Jacob K. Javits Federal Building 26 Federal Plaza, Room 41-120 New York, NY 10278-0104	Federal	NY0282	ANY02166 & ANY09511	3,974 & 4,160	1/2/2022	1/1/2100
R-3 Buffalo	Niagara Center Building 130 S. Elmwood Avenue, Suite 630 Buffalo, NY 14202-2387	Leased	NY7340	ANY07196	10,296	4/16/2023	11/30/2025
RO-3 Albany	Leo W. O'Brien Federal Building 11A Clinton Ave, Room 342 Albany, NY 12207-2366	Federal	NY0300	ANY02196	3,993	1/12/2023	1/1/2100
R-4 Philadelphia	100 Penn Square East, Suite 403 Philadelphia, PA 19107- 3323	Leased	PA0549	APA04935	12,525	10/16/2018	10/15/2028

NLRB Location	Address	Current Building Type	GSA Location Code	GSA OA Number	Current Rentable Square Footage	OA Term Start Date	OA Term Expiration Date
R-5 Baltimore	101 W. Lombard St. Baltimore, MD 21201	Federal	MD1440	AMD06274	9,771	5/31/2024	5/12/2100
RO-5 Washington, DC	1015 Half Street, SE, Suite 6020 Washington, DC 20570- 0001	Leased	DC0719	ADC20047	Incl. w/ Headquar ters	6/30/2015	6/29/2025
R-6 Pittsburgh	William S. Moorhead Federal Building 1000 Liberty Avenue, Room 904 Pittsburgh, PA 15222-4	Federal	PA0233	APA01602	18,365	12/15/2018	12/14/2028
R-7 Detroit	P. V. McNamara Federal Building 477 Michigan Avenue, Room 05-200 Detroit, MI 48226-2569	Federal	MI0131MC	AMI05260	12,173	2/1/2019	1/1/2100
RO-7 Grand Rapids	Gerald Ford Federal Building 110 Michigan St NW, Rm 299 Grand Rapids, MI 49503-23	Federal	MI0137	AMI04500	6,465	10/2/2022	1/1/2100
R-8 Cleveland	Anthony J. Celebrezze Federal Building 1240 East 9th Street, Room 1695 Cleveland, OH 44199-2086	Federal	OH0192	AOH00148	19,286	10/2/2022	10/31/2027
R-9 Cincinnati	John Weld Peck Federal Building 550 Main Street, Room 3003 Cincinnati, OH 45202-3	Federal	OH0189C N	AOH05409	22,971	10/2/2022	1/1/2100
R-10 Atlanta	Peachtree Summit Federal Building 401 W. Peachtree St. NW Suite 472 Atlanta, GA 30308-3525	Federal	GA0087	AGA04525	2,691	5/1/2024	2/28/2031
SR-11 Winston- Salem	One West 4th Street Suite 710 Winston- Salem, NC 27101	Leased	NC2711	ANC03510	5,949	11/2/2022	12/18/2036
RO-10 Birmingham	Ridge Park Place, Suite 3400 1130 South 22nd Street Birmingham, AL 35205-2871	Leased	AL2154	AAL02336	3,853	8/16/2022	8/13/2027
RO-26 Nashville	810 Broadway, Suite 302 Nashville, TN 37203-3859	Leased	TN2038	ATN02958	3,605	4/15/2023	4/14/2026
R-12 Tampa	South Trust Plaza Suite 530 201 East Kennedy Blvd Tampa, FL 33602- 5824	Leased	FL2155	AFL06267	7,443	5/30/2023	3/31/2038

NLRB Location	Address	Current Building Type	GSA Location Code	GSA OA Number	Current Rentable Square Footage	OA Term Start Date	OA Term Expiration Date
RO-12 Miami	Claude Pepper Federal Building Federal Building, Room 1320 51 SW 1st Avenue Miami, FL 33130-1608	Federal	FL0061	AFL00498	5,769	5/1/2023	1/1/2100
SR-24 San Juan	La Torre de Plaza Suite 1002 525 F. D. Roosevelt Avenue San Juan, PR 00918-1002	Federal	PR3928	APR02840	9,343	7/16/2022	6/30/2027
R-13 Chicago	Dirksen Federal Building and Courthouse 219 South Dearborn Street, Suite 808 Chicago, IL 60604	Federal	IL0205	AIL06640	23,860	1/1/2016	12/31/2031
R-14 St. Louis	Robert A. Young Federal Building 1222 Spruce Street, Room 8.302 St. Louis, MO 63103-2829	Federal	MO0106	AMO00055	13,487	5/1/2023	1/1/2100
SR-17 Overland Park	8600 Farley Street, Suite 100 Overland Park, KS 66212	Leased	KS1492	AKS01959	11,057	1/16/2023	1/12/2026
RO-14 Tulsa	Tulsa Federal Building 224 South Boulder Avenue, Room 322 Tulsa, OK 74103-3027	Federal	OK0063	AOK00169	2,233	10/2/2022	1/1/2100
R-15 New Orleans	F. Edward Hebert Federal Building 600 South Maestri Place, 7th Floor New Orleans, LA 70130-3413	Federal	LA0034	ALA01186	18,296	10/2/2022	1/1/2100
SR-26 Memphis	The Brinkley Plaza Building 80 Monroe Avenue, Suite 350 Memphis, TN 38103-2481	Leased	TN2220	ATN03204	2,962	7/01/2023	5/19/2032
RO-15 Little Rock	Metropolitan National Bank Building 425 West Capitol Ave., Suite 1615 Little Rock, AR 72201-3401	Federal	AR0063	AAR02922	2,501	10/2/2022	1/1/2100
R-16 Fort Worth	Fritz G. Lanham Federal Building 819 Taylor Street, Room 8A24 Ft. Worth, TX 76102-6178	Federal	TX0224	ATX00305	12,112	10/2/2022	1/1/2100

NLRB Location	Address	Current Building Type	GSA Location Code	GSA OA Number	Current Rentable Square Footage	OA Term Start Date	OA Term Expiration Date
RO-16 Houston	Mickey Leland Federal Building 1919 Smith Street, Suite 1545 Houston, TX 77002	Federal	TX0298	ATX02117	5,352	5/2/2023	1/1/2100
RO-16 San Antonio	Garcia Federal Building 615 East Houston Street, Suite 559 San Antonio, TX 78205-1	Federal	TX0164	ATX07520	2,517	10/2/2022	1/1/2100
R-18 Minneapolis	212 3rd Avenue South Minneapolis, MN 55401-2221	Federal	MN0036	AMN03832	14,152	10/1/2022	1/1/2100
SR-30 Milwaukee	310 West Wisconsin Avenue, Suite #700 Milwaukee, WI 53203- 2211	Leased	WI1542RP	AWI02887	10,226	3/16/2023	8/31/2026
R-19 Seattle	Jackson Federal Building 915 2nd Avenue, Room 2948 Seattle, WA 98174-1078	Federal	WA0101	AWA00901	16,307	3/22/2023	1/1/2100
SR-36 Portland	Edith Green -Wendell Wyatt Federal Building 1220 SW 3rd Avenue Portland, OR 97204- 2825	Federal	OR0043	APR04200	5,478	2/14/2022	1/1/2100
R-20 San Francisco	Phillip Burton Federal Building 450 Golden Gate Avenue 3rd Fl Suite 3112 San Francisco, CA 94102	Federal	CA0154	ACA12090	10,510	9/16/2022	1/1/2100
SR-37 Honolulu	Prince Kuhio Federal Building 300 Ala Moana Boulevard, Room 7-245 Honolulu, HI 96850- 4980	Federal	HI0011	AHI00093	3,661	10/2/2022	9/30/2027
R-21 Los Angeles	U.S. Courthouse 312 N Spring Street, 10th floor Los Angeles, CA 90017-5449	Federal	CA0041	ACA11399	17,945	10/1/2018	9/30/2028
RO-21 San Diego	555 West Beech Street, Suite 418 San Diego, CA 92101-2939	Leased	CA6770	ACA12515	1,667	3/22/2024	3/21/2034
R-22 Newark	Federal Building 20 Washington Place, 5th Floor Newark, NJ 07102-3	Federal	NJ0056	ANJ00031	17,633	10/2/2022	1/1/2100

NLRB Location	Address	Current Building Type	GSA Location Code	GSA OA Number	Current Rentable Square Footage	OA Term Start Date	OA Term Expiration Date
R-25 Indianapolis	Minton-Capehart Federal Building 575 N. Pennsylvania Street, Room 238 Indianapolis, IN 46204-1577	Federal	IN0133	AIN00258	12,930	10/2/2022	1/1/2100
SR-33 Peoria	101 SW Adams Street, 4th Floor Peoria, IL 61602	Leased	IL2637	AIL06665	5,599	5/29/2015	5/28/2028
R-27 Denver	Byron G. Rogers Federal Building 1961 Stout Street, 13th Floor Denver, CO 80202-5433	Federal	CO0039	ACO05930	12,743	10/2/2022	1/1/2100
R-28 Phoenix	2600 North Central Avenue, Suite 1400 Phoenix, AZ 85004-3099	Leased	AZ7319	AAZ04330	13,253	12/16/2022	11/30/2026
RO-28 Albuquerque	The Federal Building and U.S. Courthouse 421 Gold Avenue SW, Suite 310 P.O. Box 567 Albuquerque, NM 87103-2181	Federal	NM0502	ANM01766	5,081	12/1/2024	1/1/2100
RO-28 Las Vegas	Foley Federal Building and Courthouse 300 S Las Vegas Blvd, Suite 2-901 Las Vegas, NV 89101	Federal	NV0013	ANV02878	7,952	10/2/2022	1/1/2100
R-29 Brooklyn	One Metrotech Center 351 Jay Street, Suite 2000, Brooklyn, NY 11201-3948	Leased	NY7695	ANY10178	15,294	6/27/2024	6/26/2039
R-31 West Los Angeles	11150 West Olympic Blvd, Suite 700 Los Angeles, CA 90064-1824	Leased	CA7365	ACA10028	18,774	4/16/2023	2/18/2026
R-32 Oakland	Oakland Federal Building 1301 Clay Street, Room 300-N Oakland, CA 94612-5211	Federal	CA0281	ACA00440	8,494	10/2/2022	1/1/2100
DOJ- Washington, DC	1015 Half Street, SE - Suite 6034 Washington, DC 20570-0001	Leased	DC0719	ADC20047	Incl. w/ Headquarters	6/30/2025	6/29/2040
DOJ-San Francisco	Ronald Dellums Oakland Federal Building 1301 Clay Street, Suite 1550S Oakland, CA 94612	Federal	CA0281	ACA12244	2,022	11/1/2022	1/1/2100



APPENDICES

Protecting Democracy in the Workplace Since 1935

APPENDIX A - ACRONYMS

AANHPI	Asian Americans, Native Hawaiians, and Pacific Islanders
ABA	American Bar Association
ADA	Antideficiency Act
ADR	Alternative Dispute Resolution
AI	Artificial Intelligence
ALJ	Administrative Law Judge
AMB	Acquisitions Management Branch
API	Application Programming Interface
BFS	Bureau of the Fiscal Service
BMS	Backpay Management System
CCSLB	Contempt, Compliance and Special Litigation Branch
CDO	Chief Diversity Officer
CDM	Continuous Diagnostic Monitoring
CFO	Chief Financial Officer
CISA	Cybersecurity and Infrastructure Security Agency
COR	Contracting Officer Representative
CWTSato	(Carlson Wagonlit) NLRB's travel Management Service
CY	Calendar Year
Data Act	Digital Accountability and Transparency Act of 2014
DCIA	Debt Collection Improvement Act of 1996
DEIA	Diversity, Equity, Inclusion, and Accessibility
DHS	Department of Homeland Security
DMF	Death Master File
DNP	"Do Not Pay" List
DOJ	Department of Justice
DOL	Department of Labor
EEO	Equal Employment Opportunity
EEOC	Equal Employment Opportunity Commission
E-File	Electronic Filing
ELC	Entity Level Controls

E.O.	Executive Order
ERG	Employee Resource Group
ERM	Enterprise Risk Management
FAR	Federal Acquisition Regulation
FASAB	Federal Accounting Standards Advisory Board
FEVS	Federal Employee Viewpoint Survey
FFATA	Federal Funding Accountability and Transparency Act of 2006
FFMIA	Federal Financial Management Improvement Act of 1996
FISMA	Federal Information Security Management Act of 2002
FMFIA	Federal Managers' Financial Integrity Act
FOIA	Freedom of Information Act
FPB	Facilities and Property Branch
FPDS-NG	Federal Procurement Data System – Next Generation
FRDAA	Fraud Reduction and Data Analytics Act of 2015
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GC	General Counsel
GPO	Government Publishing Office
GPRA	Government Performance and Results Act of 1993
GPRAMA	Government Performance and Results Modernization Act of 2010
GSA	U.S. General Services Administration
GTAS	Governmentwide Treasury Account Symbol Adjusted Trial Balance System
HCPO	Human Capital Planning Officer
IBC	Interior Business Center
ILAB	Bureau of International Labor Affairs
ILB	Injunction Litigation Branch
IPERA	Improper Payments Elimination and Recovery Act of 2010
IPERIA	Improper Payments Elimination and Recovery Improvement Act of 2012
IPIA	Improper Payments Information Act of 2002
IRP	Internal Control, Risk, and Performance
IT	Information Technology
ITSM	Information Technology Services Management

IUS	Internal Use Software
JCMS	Judicial Case Management System
LOA	Letters of Agreement
MD&A	Management's Discussion and Analysis
MOU	Memorandum of Understanding
NLRA	National Labor Relations Act
NLRB	National Labor Relations Board
NxGen	Next Generation Case Management System
OA	Occupancy Agreement
OAS	Oracle Analytics Server
OBIA	Oracle Business Intelligence Application
OBIEE	Oracle Business Intelligence Enterprise Edition
OCFO	Office of the Chief Financial Officer
OCIO	Office of the Chief Information Officer
OCPA	Office of Congressional and Public Affairs
OED	Office of Employee Development
OEEEO	Office of Equal Employment Opportunity
OFCCCP	Office of Federal Contract Compliance Programs
OGC	Office of the General Counsel
OGE	Office of Government Ethics
OHR	Office of Human Resources
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPM	Office of Personnel Management
OSC	Office of Special Counsel
OSHA	Occupational Safety and Health Administration
PACER	Payments, Claims and Enhanced Reconciliation
PAM	Payment Automation Manager
PAR	Performance and Accountability Report
PAS	Presidential Appointees with Senate Confirmation
PIAA	Payment Integrity Information Act of 2019
PP&E	Property, Plant, and Equipment

RA	Reasonable Accommodation
RLA	Railway Labor Act
RMC	Risk Management Council
SAM	System for Award Management
SBA	Small Business Administration
SES	Senior Executive Service
SOA	Statement of Assurance
SCNP	Statement of Changes in Net Position
SNC	Statement of Net Cost
SPR	Standard Payment Request
TMF	Technology Modernization Fund
ULP	Unfair Labor Practice
USPS	United States Postal Service
VPC	Veterans Program Coordinator
WAN	Wide-Area Network
WHD	Wage and Hour Division

APPENDIX B - GLOSSARY

Adjudicate: Formal judgment or decision about a disputed matter.

Adversarial: Of a trial or legal procedure in which the parties in a dispute have the responsibility for finding and presenting evidence.

Amicus Curiae: Friend of the court.

Arbitrator: An independent person of body officially appointed to settle a dispute.

Backpay: Payment for work done in the past that was withheld at the time, or for work that could have been done had the worker not been prevented from doing so.

Case: The general term used in referring to a charge or petition filed with the Board. Each case is numbered and carries a letter designation indicating the type of case.

Certiorari: A writ or order by which a higher court reviews a decision of a lower court.

Charge: A document filed by an employee, an employer, a union, or an individual alleging that a ULP has been committed by a union or employer.

Collective Bargaining: Negotiation between organized workers and their employer or employers to determine wages, hours, rules, and working conditions.

Complaint: A document that initiates “formal” proceedings in a ULP case. It is issued by the Regional Director when he or she concludes on the basis of a completed investigation that any of the allegations contained in the charge have merit and the parties have not achieved settlement. The complaint sets forth all allegations and information necessary to bring a case to hearing before an ALJ pursuant to due process of law. The complaint contains a notice of hearing, specifying the time and place of the hearing.

Compliance: The carrying out of remedial action as agreed upon by the parties in writing; as recommended by the Administrative Law Judge in the decision; as ordered by the Board in its decision and order; or as decreed by the court.

Consent Election: A Regional Director will hold a prehearing conference to attempt to resolve bargaining unit issues and questions of voter eligibility without having to resort to a full hearing. This type of election eliminates the need for a formal hearing if all parties voluntarily reach an agreement.

Decisions: Decisions by the Board and the NLRB Administrative Law Judges.

Deferral: Under certain circumstances, it may be appropriate for a Regional Director to hold up making a determination on the merits of a charge pending the outcome of proceedings on related matters. Such matters may be pending in the parties’ contractual grievance procedure or before the Agency or other federal, state, or local agencies or courts.

Dismissed Cases: Cases may be dismissed at any stage. For example, following an investigation, the Regional Director may dismiss a case when he or she concludes that there has been no violation of the law, that there is insufficient evidence to support further action, or for other legitimate reasons. Before the charge is dismissed, the charging party is given the opportunity to withdraw the charge by the Regional Director. A dismissal may be appealed to the Office of the General Counsel.

Directed Election: An election which the Regional Director directs after evidence is presented at a hearing regarding the existence of questions concerning representation and the appropriateness of the bargaining unit sought by the petitioning party.

Expungement: When a first-time offender of a prior criminal conviction seeks that the records of that earlier process be sealed, making the records unavailable through the state or federal repositories.

Formal Action: Formal actions may be documents issued or proceedings conducted when the voluntary agreement of all parties regarding the disposition of all issues in a case cannot be obtained, and where dismissal of the charge or petition is not warranted. “Formal actions” are those in which the Board exercises its decision-making authority in order to dispose of a case or issues raised in a case. “Formal action” also describes a Board decision and consent order issued pursuant to a stipulation, even though a stipulation constitutes a voluntary agreement.

Gissel Bargaining Order: *Gissel* bargaining orders are orders to bargain with a union that may no longer have majority support because of serious employer ULPs that have poisoned the possibility of a fair election.

Impact Analysis: Provides an analytical framework for classifying cases so as to differentiate among them in deciding both the resources and urgency to be assigned each case. All cases are assessed in terms of their impact on the public and their significance to the achievement of the Agency’s mission. The cases of highest priority, those that impact the greatest number of people, are placed in Category III. Depending on their relative priority, other cases are placed in Category II or I.

Injunctive Relief: A temporary remedy sought in case of egregious violations of the Act pending final action by the Board in which Counsel for the General Counsel asks a district court judge to issue an order requiring the charged party to cease and desist from engaging in violations of the Act and may also seek certain affirmative actions in order to return to status quo.

Injunctive Proceedings: The adjudicatory process by which Counsel for the General Counsel seeks injunctive relief, as described directly above, from a district court judge.

Interstate Commerce: In the U.S., any commercial transaction or traffic that crosses state boundaries or that involves more than one state. Government regulation of interstate commerce is founded on the commerce clause of the Constitution (Article I, section 8), which authorizes Congress “To regulate Commerce with foreign Nations, and among the several States, and with Indian Tribes.”

Investigative Subpoena: Use of a subpoena during a case investigation to ascertain facts on which to base an initial administrative decision regarding the merits of charge allegations in jurisdictional issues.

Litigation: Litigation by Board attorneys in federal court, including petitions for temporary injunctions, defending Board decisions in court, and pursuing enforcement, contempt and compliance actions.

“Make-Whole” Remedy: A remedy that provides a victim of an unfair labor practice with full restoration of his or her status prior to the unfair labor practice, which includes backpay, consequential damages, and other remedial relief.

Meritorious Unfair Labor Practice Charge: Charge allegations evidencing statutory violations.

“Mixed-Guard” Union: A union that has both security guards and non-guards as members.

“Nip-in-the Bud” Cases: Cases arising from allegations of unfair labor practices committed during union organizing campaigns.

Overage Case: A case is reported “overage” when it is still pending disposition after its time target was exceeded.

P&P Committee: Practice and Procedure Under the NLRA Committee.

Petition: A petition is the official NLRB form filed by a labor organization, employee, or employer. Petitions are filed primarily for the purpose of having the Board conduct an election among certain employees of an employer to determine whether they wish to be represented by a particular labor organization for the purposes of collective bargaining with the employer concerning wages, hours, and other terms and conditions of employment.

The NLRB currently has the following types of petitions:

- Form NLRB-502 (RC) - RC Petition – Certification of Representative
- Form NLRB-502 (RD) - RD Petition – Decertification (Removal of Representative)
- Form NLRB-502 (RM) - RM Petition – Certification of Representative (To be filed by Employer/Petitioner)
- Form NLRB-502 (UD) - UD Petition – Deauthorization of Union Shop Authority (Removal of Obligation to Pay Dues)

Petitioner: The party who presents a petition to the court or a person or entity who files a representation case petition with the Agency.

Prosecutorial: Acts related to the process of litigating against a charged party when meritorious charge allegations are found.

Protected Concerted Activity: The NLRA protects employees’ rights to engage in protected concerted activities with or without a union, which are activities to improve working conditions, such as wages and benefits.

Remedies: Remedies obtained to resolve unfair labor practices, including backpay and offers of reinstatement.

Reinstatement: To put a victim of an unfair labor practice back to his or her job.

Representation Cases: Initiated by the filing of a petition—by an employee, a group of employees, a labor organization acting on their behalf, or in some cases by an employer.

Secret-ballot Elections: A voting method in which voter's choices in an election or referendum are anonymous, forestalling attempts to influence the voter by intimidation and potential vote buying.

Settlements: A resolution between disputing parties about a legal case, reached either before or after litigation begins.

Sua Sponte: A Latin phrase describing an act of authority taken without formal prompting from another party.

Social Media: Various online technology tools that enable people to communicate easily via the Internet to share information and resources. These tools can encompass text, audio, video, images, podcasts, and other multimedia communications.

Status Quo: A Latin phrase meaning the existing state of affairs, particularly with regards to social or political issues.

Statutory: Required, permitted, or enacted by statute.

Stipulated Election: The parties agree on an appropriate unit and the method, date, time, and place of a secret ballot election that will be conducted by an NLRB agent.

Taft-Hartley Act: The Labor Management Relations Act, better known as the Taft-Hartley Act (enacted June 23, 1947) is a U.S. federal law that restricts the activities and power of labor unions. The Taft-Hartley Act amended the NLRA, informally the Wagner Act, which Congress passed in 1935.

Temporary Injunction: A court order prohibiting an action by a party to a lawsuit until there has been a trial or other court action, the purpose of which is to maintain the status quo and preserve the subject matter of the litigation until the trial is over.

Unfair Labor Practice: An unfair labor practice is unlawful conduct by either a labor organization or an employer that violates the Act.

Union: An organized association of workers formed to protect and further their rights and interests.

Withdrawals: Case resolution resulting from a charging party or petitioner deciding to withdraw the filing of an ULP charge or representation case petition.