



NATIONAL LABOR RELATIONS BOARD

Fiscal Year (FY) 2026

JUSTIFICATION OF PERFORMANCE BUDGET FOR THE COMMITTEE ON APPROPRIATIONS

May 23, 2025



Contents

I. Foreword	4
II. Mission Statement.....	5
III. Agency Role and Functions	5
IV. Appropriation Language	9
V. Legislative Proposal	9
VI. Use of Evidence and Evaluation.....	9
VII. Overview of the FY 2026 Budget Request	10
<i>Funding Level</i>	<i>13</i>
<i>Program Activities</i>	<i>14</i>
VIII. Information Technology Investment Strategy	20
IX. Attachments	22
Attachment 1 - Amounts Available for Obligation.....	22
Attachment 2 - Budget Authority by Object Class	23
Attachment 3 - Major Workload and Output Data.....	24
Attachment 4 – Status of Open Audit Recommendation	25

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FY 2026 Congressional Budget Justification

I. Foreword

The National Labor Relations Board (NLRB, Board, or Agency) is a mid-sized independent federal agency that was established by Congress in 1935 to administer and enforce the National Labor Relations Act (NLRA or Act). The NLRB promotes and protects workers' rights by investigating, prosecuting, and adjudicating alleged labor law violations involving private sector employees, labor organizations, and employers throughout the United States. The NLRB also investigates and resolves questions concerning representation among employees to determine whether the employees wish to be represented by a labor organization.

The NLRB fiscal year (FY) 2026 Budget Request is \$285.2 million, which is 4.7 percent or \$14 million below the FY 2025 Enacted Budget of \$299.2 million. The request accounts for anticipated savings associated with staff attrition that aligns to the Agency's RIF and Reorganization Plans as requested by Executive Order 14210, *Implementing the President's "Department of Government Efficiency" Workforce Optimization Initiative*. The FY 2026 request reflects the reforms necessary to enable the Agency to fulfill its roles and responsibilities in the most cost-effective manner possible. The request will fund the Agency's functions that are directly related to its statutory mission, including resolving labor disputes through investigation, settlement, litigation, adjudication, education, and compliance, as well as conducting representation elections to determine if employees wish to be represented for the purposes of collective bargaining. In fulfilling its statutory mission, the Agency relies primarily on skilled and experienced professionals and administrative employees. The annual staff compensation (salaries and benefits) accounts for approximately 81.1 percent of the requested funding or \$231 million; 7.9 percent or \$23 million is required information technology, security, and other facility and property expenses for the NLRB offices in Headquarters and across the country; 7.5 percent or \$21 million is required for rent; and the remaining 3.5 percent or \$10 million is allocated to costs and activities that include, but are not limited to: court reporting, case-related travel, witness fees, interpreters, training, mission support offices, and the second repayment to the Technology Modernization Fund (TMF).

II. 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.

III. Agency Role and Functions

The NLRB administers and enforces the NLRA, the primary federal statute governing labor relations in the private sector. The purposes of the NLRA are to promote collective bargaining among employers, labor organizations, and employees, and to protect employees' rights to freely express their wishes regarding collective-bargaining representation and to take other concerted action for their mutual aid or protection. The statute incorporates these policy goals by expressly providing employees the rights to self-organization; to form, join, or assist labor organizations; to bargain collectively through representatives of their own choosing; and to engage in other concerted activities for their mutual aid or protection. It also establishes that employees have the right to refrain from those activities. The NLRB in turn protects these rights through the administration, interpretation, and enforcement of the Act, both in prosecuting unfair labor practices (ULPs) and in conducting representation elections to determine employees' desires regarding union representation. Significantly, there is no private right of action under the NLRA; thus, the Agency is the only recourse for an employee, employer, or labor organization to seek redress of a violation of the NLRA or to obtain a certification whether a labor organization is the representative of a group of employees. Consequently, the Agency is essential for the enforcement of rights under the NLRA. Its processing of cases also assists in easing the burden on the court systems across the United States and promotes industrial stability nationwide.

The NLRB's authority is divided by law and by delegation. The Board has five members, when at full strength, and primarily acts as a quasi-judicial body in deciding cases based on formal records in administrative proceedings. The NLRA also grants the Board rulemaking authority. One Board member is designated as the Chairman. Independent from the Board, the General Counsel is responsible for investigating and prosecuting ULP charges, and for overseeing the NLRB's Regional Offices, which process representation petitions on behalf of the Board. The General Counsel also is responsible for managing many of the day-to-day administrative, financial, personnel, human capital, and operational responsibilities of the Agency by delegation from the Board. The Board members and the General Counsel are appointed by the President and confirmed by the Senate.

The Board and the General Counsel are located in the Agency's Headquarters in Washington, D.C. The Agency also has a nationwide network of Administrative Law Judges who are administratively assigned to one of two offices located in Washington, D.C. and San Francisco. There are 26 Regional Offices located in major cities across the United States, and an additional 22 offices within those Regions, giving the Agency a network of 48 field offices nationwide.

To fulfill the Agency's first primary function, prosecuting and remedying ULPs, the General Counsel has responsibility for: investigating charges alleging ULPs; approving withdrawals of or dismissing non-meritorious charges; facilitating or obtaining settlements or issuing and prosecuting complaints in meritorious cases; and obtaining court enforcement of Board remedial orders in ULP cases.

In connection with its second primary function, investigating and resolving questions concerning representation, the Agency enforces the right of employees to choose whether to be represented by a labor organization. Representation cases are initiated by the filing of a petition by employees, labor organizations, or employers. The Agency evaluates the petition and, if appropriate, conducts an election to determine if employees wish to have, or continue to have, a labor organization as their collective-bargaining representative. Thereafter, the Agency addresses challenges and/or objections to the election, if filed, and ultimately certifies whether the participating labor organization is the exclusive collective-bargaining representative of the employees in the bargaining unit.

Strategic Plan FY 2022 – 2026

The NLRB's FY 2022-2026 Strategic Plan ¹(Strategic Plan), which guides the agency's program and budget decisions, contains four (4) goals designed to objectively measure the Agency's success in achieving its mission. The Strategic Plan guides the Agency to timely and effectively enforce the NLRA for employees, unions, and employers; to build, support, and retain a talented workforce; to effectively manage its budgetary resources; and to ensure public awareness of the Agency's services. The Strategic Plan includes objectively measurable time targets for both ULP and representation cases to ensure a high level of responsiveness to the public as well as efficiencies within the organization.

¹ The upcoming FY 2026-FY 2030 Strategic Plan is currently under review. The Agency plans to include the new Strategic Plan during the FY 2027 budget cycle.

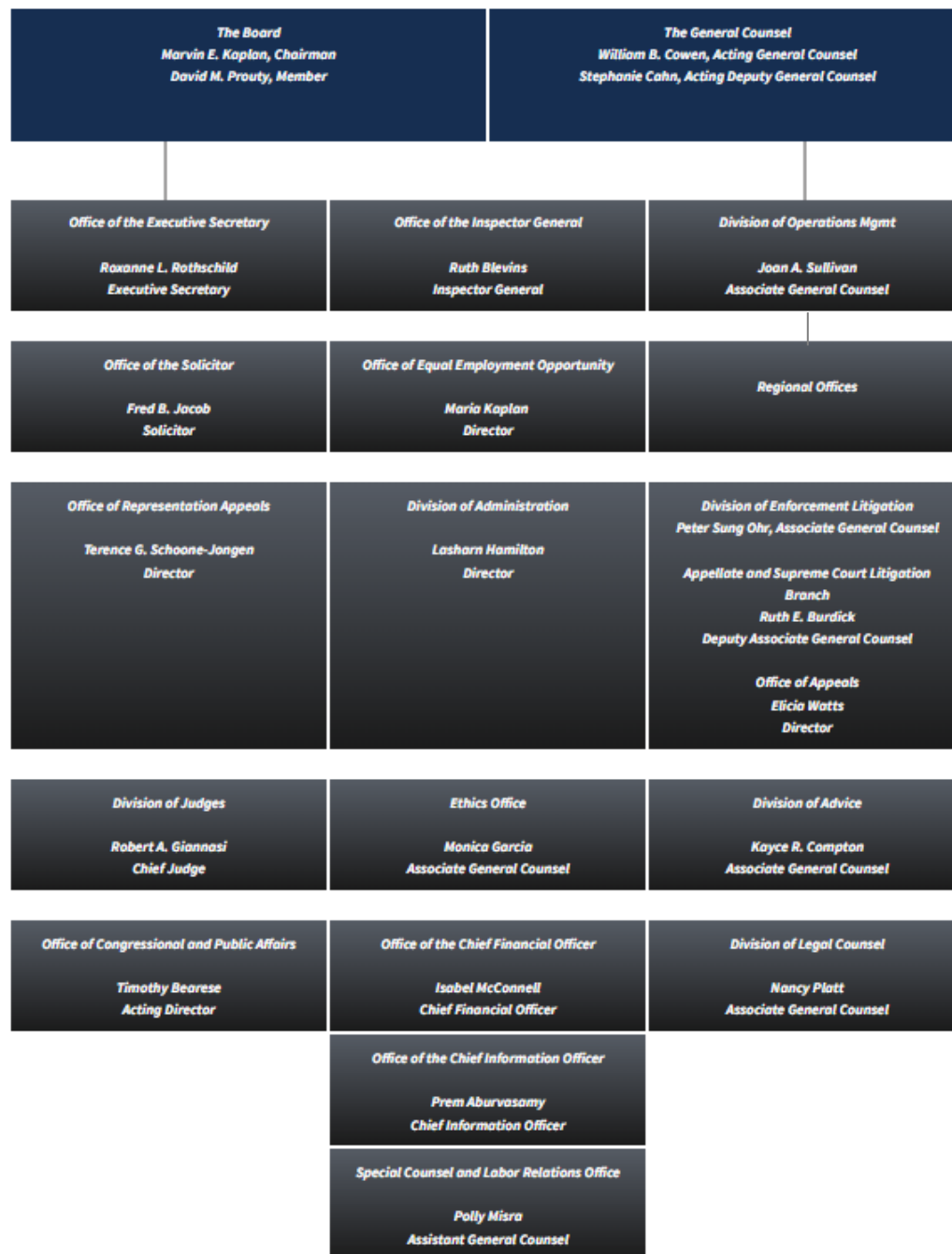
NLRB MISSION

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.

Achieving our mission by broadening public awareness and understanding of the NLRA, effectively allocating resources, and ensuring productivity among the Agency's highly talented current and future workforce.

1. Ensure effective enforcement of the NLRA through timely and quality consideration and resolution of ULPs with appropriate remedies.
2. Protect employee free choice with timely and effective mechanisms to resolve questions concerning representation.
3. Achieve organization excellence and serve as a model employer.
4. Manage Agency resources efficiently and in a manner that instills public trust.

Organizational Structure²



² Of the five-Member Board, the NLRB currently has two sitting Board Members and three vacancies.

IV. Appropriation Language

Appropriation Language	Explanation of Changes
<p style="text-align: center;">NATIONAL LABOR RELATIONS BOARD SALARIES AND EXPENSES</p> <p><i>For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, and other laws, [\$299,224,000] \$285,224,000, of which \$2,240,389 shall be for the Office of the Inspector General: Provided, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935, and as amended by the Labor-Management Relations Act, 1947, and as defined in section 3(f) of the Act of June 25, 1938, and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 percent of the water stored or supplied thereby is used for farming purposes.</i></p> <p style="text-align: center;">ADMINISTRATIVE PROVISION</p> <p><i>Sec. 408. None of the funds provided by this Act or previous Acts making appropriations for the National Labor Relations Board may be used to issue any new administrative directive or regulation that would provide employees any means of voting through any electronic means in an election to determine a representative for the purposes of collective bargaining.</i></p> <p><i>Note. -This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119-4).</i></p>	<p>The FY 2026 Budget Request includes a proposal to add language identifying how much appropriation is available to support the Office of the Inspector General.</p>

V. Legislative Proposal

The NLRB is not making any legislative proposals.

VI. Use of Evidence and Evaluation

The NLRB continues to improve program performance by using data and analytics to evaluate and develop methods and processes that promote innovation and improve program delivery.

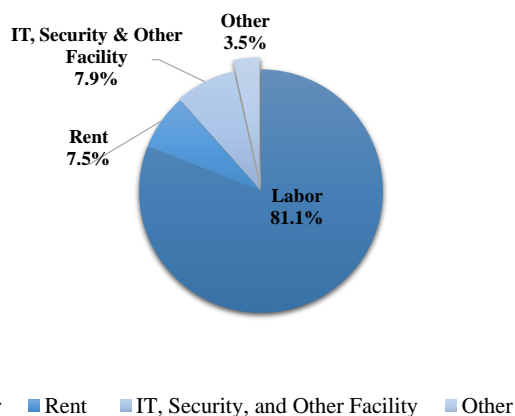
VII. Overview of the FY 2026 Budget Request

The NLRB's FY 2026 Budget Request of \$285.2 million is 4.7 percent (\$14 million) below the FY 2025 Enacted Budget of \$299.2 million.

The NLRB's FY 2026 Budget Request should allow the Agency to address inflationary costs and fund the TMF second repayment. The annual staff compensation (salaries and benefits) accounts for approximately 81.1 percent (\$231 million) of the Agency's overall fiscal year budget; 7.9 percent (\$23 million) for

information technology, security, and other facility and property expenses; 7.5 percent (\$21 million) for rent for the NLRB Headquarters and other offices across the country; and the remaining 3.5 percent (\$10 million) is allocated to a host of core operational costs and activities that include, but are not limited to: court reporting, outreach and inter-agency activities, case-related travel, witness fees, interpreters, legal research systems, case management systems, training, compliance with government-wide statutory and regulatory mandates, and mission support offices. Approximately \$3.5 million (including \$1.5 million for the annualization of the 2025 2.2 percent pay raise) in labor-related adjustments have been absorbed through strategic personnel reductions and the decision to forgo backfilling critical positions.

FY 2026 Expenses by Category
At Guidance



FY 2026 Program Changes.....-\$14,000,000 / -99 FTE

Base Adjustments +\$3,516,342 / 0 FTE

Non-Pay Inflation +\$1,014,762 / 0 FTE

Funds are requested to support the increase in prices of non-labor goods and services that are not directly related to personnel compensation and benefits.

Promotions and Within Grade Increases +\$950,000 / 0 FTE

Funds are requested to support internal promotions and contractual within-grade increases for personnel who have met the performance requirement.

Reduce Operations & Maintenance (O&M) Contracts -\$1,246,000 / 0 FTE

The NLRB will generate savings by improving the effectiveness of legacy case management system through investment from the TMF account.

Reinvest Funding to Support the TMF Second Repayment Schedule +\$2,797,580 / 0 FTE

Pursuant to Section 1078(b)(5)(A)(iii) of the National Defense Authorization Act (NDAA) of FY 2018, at the end of FY 2024 the NLRB entered into an agreement with the U.S. General Services Administration (GSA) to replace the NLRB's 17-year-old electronic case management system. Of the total investment of \$23.2 million, the agreement requires the NLRB to repay from its annual appropriation \$11.6 million over 5 years. The reduced O&M costs along with other budgetary savings will help to offset the 5-year repayment schedule. In FY 2025, the Agency will make its first repayment of \$1.5 million to GSA. In FY 2026, the Agency plans to make its second planned repayment of \$2.8 million due in the 4th quarter of FY 2026.

Payment Number	Repayment Due Date	Planned Repayment Amount
1	FY 2025 4 th Quarter	\$1,551,580
2	FY 2026 4 th Quarter	\$2,797,580
3	FY 2027 4 th Quarter	\$2,479,580
4	FY 2028 4 th Quarter	\$2,437,580
5	FY 2029 4 th Quarter	\$2,332,580
	Total	\$11,598,900

Program Decreases -\$17,516,342 / -99 FTE

Reduce Staffing to Absorb Budget Funding Level -\$17,516,342 / -99 FTE

The NLRB is committed to supporting and implementing the Administration’s priorities and plans. Pursuant to the Executive Order 14210, *Implementing the President’s “Department of Government Efficiency” Workforce Optimization Initiative*, the NLRB has employed the tools available to effectuate the directive. In FY 2025, the Agency participated in the Deferred Resignation Program and secured approval from OPM to offer Voluntary Early Retirement Authority (VERA) to all eligible employees. These initiatives are part of the Agency’s broader efforts to address staffing imbalances and strategically reposition the Agency to effectively and efficiently fulfill its mission. As a result of these efforts, the Agency will reduce staffing by 99 FTE, generating an estimated savings of approximately \$17.5 million in FY 2026.

Funding Level

National Labor Relations Board

(Dollars in Thousands)

Detail	FY 2024 Actual	FY 2025 Enacted	FY 2026 Budget Request
Appropriation	\$299,224	\$299,224	\$285,224
FTE	1,199	1,251	1,152

Program Activities

The NLRB has five (5) Program Activities that can be thought of as major mission functions for reporting. The Program Activities are Casehandling, Administrative Law Judge Hearings, Board Adjudication, Mission Support, and the Inspector General.

Program Activity	FY 2024 Actual	FY 2024 FTE	FY 2025 Enacted	FY 2025 FTE	FY 2025 Budget Request	FY 2026 FTE	\$ Change from FY 2025 Enacted Budget	FTE	% Change from FY 2025 Enacted Budget	FTE
Casehandling	\$164.0	853	\$172.6	900	\$163.7	839	-\$8.9	-61	-5.2%	-6.8%
Administrative Law Judges	\$10.7	42	\$10.2	38	\$9.7	36	-\$0.5	-2	-4.9%	-5.3%
Board Adjudication	\$24.0	101	\$24.3	104	\$23.5	95	-\$0.8	-9	-3.3%	-8.7%
Mission Support	\$99.0	198	\$90.6	203	\$86.1	174	-\$4.5	-29	-5.0%	-14.3%
Inspector General	\$1.5	5	\$1.5	6	\$2.2	8	\$0.7	2	46.7%	33.3%
Total Budgetary Resources	\$299.2	1,199	\$299.2	1,251	\$285.2	1,152	-\$14.0	-99	-4.7%	-7.9%

Casehandling

+\$163.7 million / +839 FTE

Net Change -\$8.9 million / -61 FTE

The casehandling program activity is the processing of ULP and representation cases. The Agency employees who work in the offices/branches/divisions involved in these processes include: The Office of the General Counsel, Division of Advice (including the Regional Advice Branch and Injunction Litigation Branch), Division of Operations-Management that includes the Regional Offices, Division of Enforcement Litigation (including Appellate and Supreme Court Litigation Branch and Office of Appeals), and Division of Legal Counsel (including Contempt, Compliance, and Special Litigation Branch, FOIA Branch, E-Litigation Branch, and Privacy Counsel).

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.

The NLRB encourages parties to resolve cases by settlement rather than litigation whenever possible. In fact, more than 90 percent of meritorious ULP cases are settled by agreement of the parties either during the investigation or prior to the hearing before an ALJ.

As of April 22, 2025, the Agency's settlement program was very successful, and a total of 3,040 meritorious ULP cases were settled, and the Agency expects to settle over 6,100 meritorious ULP cases this fiscal year. For the same period, the Agency issued 378 complaints, and it is estimated that the Agency is on pace to issue 696 complaints for this fiscal year. Overall, the Agency's settlement rate is 95.1 percent this fiscal year.

Representation Proceedings

In contrast to ULP proceedings, representation proceedings conducted pursuant to the Act are not adversarial. Representation cases are 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. 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 issue.

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 representation petitions and conduct elections on behalf of the Board based on a delegation of authority made in 1961. As a result, although the Board holds the authority to determine the rules governing representation proceedings, the Board and the General Counsel have historically worked together in developing such procedures. 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 Law Judges (ALJs)

+\$9.7 million / +36 FTE

Net Change -\$0.5 million / -2 FTE

Meritorious charges are litigated before the Agency's ALJs, who travel around the country to conduct hearings and render decisions and recommended orders. The parties may accept and comply with a judge's decision. Alternatively, any party may appeal those decisions and recommend orders to the Board, which then reviews the case and issues a final Board Decision and Order. In FY 2024, the Division of Judges closed 153 hearings, issued 139 decisions, and achieved 310 settlements. Based on the most recent disposition and inventory projections, the Division of Judges will set a target of 150 closed hearings and 130 decisions for FY 2025 and 140 closed hearings and 120 decisions for FY 2026. The Division will strive to achieve these projected numbers even as it adjusts staffing levels by focusing on its core mission activities and taking any available opportunities to avoid or minimize potential delays in scheduling, hearing, and deciding cases.

Board Adjudication

+\$23.5 million / +95 FTE

Net Change -\$0.8 million / -9 FTE

Board Adjudication encompasses the activities of the Board, Board Member staff offices, the Office of the Executive Secretary, the Office of the Solicitor, and the Office of Representation Appeals. In an ULP case, the Board adopts an ALJ's decision if no exceptions to the decision are filed. Historically, approximately 35.0 percent of ALJ decisions are not excepted to by the parties and are complied with voluntarily. The remaining cases, where exceptions are filed, require review and issuance of a Board decision. The Board's review and writing process proceeds most efficiently when there are five Senate-confirmed Board Members, and each Member office is staffed with a full complement of attorneys. In representation cases, the Board has delegated the initial processing of these cases to the Regional Offices. Any party may request Board review of matters arising from the Regional Offices' handling of representation cases, including decisions issued by Regional Directors in such cases.

The Board-side attorneys are primarily responsible for assisting the Members in reviewing both ULP and representation cases and play an integral role in the drafting of decisions. In addition, Board-side staff handle the Board's rulemaking activities, including drafting notices of proposed rulemaking, reviewing comments, and drafting final rules. In short, the staff attorneys are integral to all of this work, and it could not get done without them. In FY 2024, the Board's intake of ULP cases was 218 cases, which was a 20 percent increase over FY 2023. The Board's intake of representation cases in FY 2024 was 175 cases, which was a 26 percent increase over FY 2023. These are significant increases in case intake for the Board, but the case intake could be even higher in future years given the downstream effects of continuing increases in both ULP

and representation case intake in the Agency’s field offices. As of May 22, 2025, the Board’s intake of ULP cases for FY 2025 was 169, which represents a faster pace of ULP case intake than FY 2024 (at the FY 2024 rate of intake, we would be at approximately 145 ULP cases at this point in the fiscal year). The Board will carefully manage all available resources to meet these demands as efficiently as possible, while at the same time handling other, competing priorities. For example, the Board may engage in future rulemaking, whether on the Board’s own initiative or in response to a petition for rulemaking, which may be filed by any member of the public. That would add significantly to the Board-side attorneys’ overall workload duties. Even so, the Board is committed to meeting all of its core mission responsibilities.

The Executive Secretary is the chief administrative and judicial management officer of the Board. The functions and responsibilities of the Office of the Executive Secretary (“ES Office”) are similar to those of a Clerk of the Court — to receive and docket all formal documents filed with the Board and issue and serve on all parties the Board’s decisions, orders, rulings, and other case documents. The ES Office is the exclusive point of contact for communications by the parties to cases pending before the Board and, particularly regarding questions about Board procedure and case status inquiries, is the principal point of contact for employers, unions, employees, other Federal agencies, and the public. In its role of facilitating case management, the ES Office relies upon the Board’s electronic case management system to ensure that documents filed and those issued are included in the case record, and to monitor case progress and overall Board case production.

The Solicitor serves as the chief legal adviser and consultant to the Board on all questions of law arising in connection with the Board’s general operations and on major questions of law and policy relating to enforcing, defending, and achieving compliance with Board orders in the Courts of Appeals and the U.S. Supreme Court. The Office of the Solicitor processes, reviews, researches, provides written recommendations to the Board, and drafts appropriate orders with respect to various ULP case matters that require expedited consideration, including motions for summary and default judgment, special appeals, formal settlement agreements, and petitions to revoke investigative subpoenas. The Office of the Solicitor serves as the Board’s legal representative and liaison to the General Counsel’s office, other offices within the Board’s organization, and to other government agencies as needed. The Solicitor’s Office reviews and researches relevant case law, precedent, Board policy, and provides written recommendations for action to the Board with respect to requests from the General Counsel to institute various types of litigation requiring authorization by the Board, such as seeking injunctions, intervention, contempt, and petitioning for certiorari with the Supreme Court.

Mission Support

+\$86.1 million / +174 FTE

Net Change -\$4.5 million / -29 FTE

Mission Support encompasses activities from the following offices: The Division of Administration, the Office of the Chief Financial Officer, the Office of the Chief Information Officer, the Office of Ethics, the Office of Congressional and Public Affairs, the Office of Equal Employment Opportunity, the Freedom of Information Act (FOIA) Branch, and the Office of Special Counsel and Labor Relations. Mission Support resources fund multiple functions that have a direct tie to Agency-wide activities. For example, while compensation for field attorneys is funded in the casehandling account, the facilities (and the resulting rent and physical security) and the computer and research systems they use to conduct their work are funded by Mission Support. Without commensurate funding in Mission Support, casehandling and other critical personnel would not be able to execute their mission critical work of administering and enforcing the NLRA.

Mission Support includes administrative, personnel, human capital, operational, and financial management functions, including Enterprise Risk Management, conducted mainly at the NLRB Headquarters. The various supportive offices, branches, and divisions develop standard operating procedures and protocols consistent with regulatory and legal guidance and promulgate necessary operating directives. Specifically, these organizational units assess and assist all business operations for the Regional Offices and Headquarters through guidance and support activities related to: administration, human resource management, government and legal ethics, training, recruitment, on/off-boarding, equal employment opportunity principles, labor and employee relations, budget, acquisition, accounting, financial management, internal control, enterprise risk management, facilities, property, security, technology infrastructure, congressional and public affairs, and privacy.

In addition, the Agency will continue to support access to Health Units to help ensure a healthy and safe in-person workforce. These efforts will in turn benefit the Agency with respect to employee productivity and retention.

Inspector General

+\$2.2 million / 8 FTE

Net Change \$0.7 million / 2 FTE

The amount of \$2.2 million represents the FY 2026 Budget Request estimate for the Office of Inspector General (OIG). The estimated amount includes payroll salaries and benefits, \$42,000 for travel, \$50,000 for training of OIG personnel, \$12,000 for audit software, \$270,300 for the Agency's Financial Statement Audit contract, and \$8,435 for support of the Council of the Inspectors General on Integrity and Efficiency.

VIII. Information Technology Investment Strategy

The NLRB is committed to building a dynamic Information Technology (IT) organization that not only underpins Agency operations but also strategically shapes solutions to maximize value and advance the Agency's core mission. This includes a strong emphasis on enhancing productivity, bolstering security, and fostering greater transparency across all Agency functions.

A significant undertaking in this effort was the deployment of the NxGen Case Management System, which consolidated 11 disparate systems. While this migration to a hybrid cloud environment in 2009 yielded considerable benefits such as reduced paperwork, more efficient casehandling, and faster issuance of NLRB decisions, NxGen is now a legacy system nearing the end of its lifecycle. Despite subsequent enhancements to leverage newer cloud technologies and support a scalable data warehouse for real-time analytics, its original on-premises architecture means the core software and tools are now outdated and unsupported. Furthermore, the system does not fully meet current end-to-end cybersecurity requirements and incurs substantial operations and maintenance costs. Recognizing these challenges, the NLRB is prioritizing the replacement of the NxGen system, building upon the FY 2024 "proof of concept" efforts, with the goal of a full implementation and deployment by September FY 2026, supported by the GSA Technology Modernization Fund's August 2024 approval of upfront no-year funding for the Case Management System Modernization (CMSM) project. This modernization is crucial to significantly expand the Agency's capacity to fulfill its congressional mandates. In the interim, the Agency must continue to maintain its existing legacy IT infrastructure.

To further enhance the Agency's operational efficiency and effectiveness, the NLRB plans to strategically integrate Artificial Intelligence (AI) capabilities, aligning with Executive Order 14158 (Optimizing Government Efficiency and Service Delivery) and Executive Order 14179 (Responsible Advancement of Artificial Intelligence). This effort aims to automate routine tasks such as content analysis and the standardization of financial data, thereby freeing up staff to concentrate on more complex case processing and enforcement activities. The implementation of generative AI as a drafting assistant will also streamline document creation, improving

turnaround times and reducing administrative burdens. Furthermore, ensuring the secure and responsible use of AI is paramount. To this end, the Agency is investing in advanced data classification, labeling, and access controls to safeguard sensitive information and maintain compliance with relevant regulations. These AI-driven enhancements are expected to yield improved data analysis and insights for better resource allocation and strategic decision-making, ultimately contributing to faster case processing, increased transparency, and greater public trust in the NLRB's ability to effectively carry out its mission.

Simultaneously, the NLRB is committed to significantly increasing its cybersecurity posture to protect sensitive data and systems. As a participant in the Department of Justice Security Operations Center's 'Zero Trust Architecture (ZTA)' pilot program, directed by the Cybersecurity Infrastructure Security Agency, the OCIO has already begun implementing aspects of Executive Order 14028 (Improving the Nation's Cybersecurity). The Agency is actively working towards fulfilling the complete requirements of Executive Order 14028 and other Cybersecurity Executive Orders, including M-23-18. This includes leveraging AI services for intelligent content identification and labeling to enhance Data Loss Prevention efforts. Moreover, the Agency is establishing robust governance and program service indicators to proactively identify and address risky user system activity. To bolster its defenses, the NLRB is implementing advanced cyber defense tools to monitor and respond to cyber threats in real time, ensuring compliance with Federal Information Security Management Act (FISMA) Cybersecurity requirements. This includes maintaining a critical zero-trust tool as mandated by M-22-09.

Building upon these efforts, the Agency plans to implement a Security Information and Event Management (SIEM) solution to meet relevant FISMA logging retention requirements across all IT services and infrastructure. This effort will also support compliance with Binding Operational Directive (BOD) 23-01 (Improving Asset Visibility and Vulnerability Detection on Federal Networks), enhancing asset visibility and vulnerability detection. Furthermore, this effort will significantly improve the Agency's capabilities in detecting and responding to insider threats and advancing overall threat hunting effectiveness. These strategic cybersecurity enhancements are crucial for ensuring the confidentiality, integrity, and availability of the NLRB's sensitive data and systems, thereby strengthening the Agency's ability to safeguard its operations and the information entrusted to it.

This integrated approach to IT investment, encompassing the modernization of the core case management system alongside strategic advancements in AI and cybersecurity, will empower the NLRB to more effectively and efficiently fulfill its mission in service of the public.

IX. Attachments

Attachment 1 - Amounts Available for Obligation

(Dollars in Thousands)

Description	FY 2024 Actual	FY 2025 Enacted	FY 2026 Budget Request
Annual Appropriation	\$299,224	\$299,224	\$285,224

Attachment 2 - Budget Authority by Object Class

(Dollars in Millions)

Object Class Categories:	FY 2024 Actual	FY 2025 Enacted	FY 2026 Budget Request
Personnel Compensation	\$173.6	\$180.7	\$170.9
Personnel Benefits	\$62.9	\$65.6	\$60.3
<i>Sub Total Personnel Compensation</i>	\$236.5	\$246.3	\$231.2
Travel and Transportation of Persons	\$1.3	\$1.2	\$1.2
Transportation of Things	\$0.0	\$0.1	\$0.1
Rental Payments to GSA	\$23.4	\$21.5	\$21.4
Communication, Utilities, and Miscellaneous Charges	\$2.7	\$2.2	\$2.2
Printing and Publications	\$0.1	\$0.2	\$0.2
Other Services	\$33.8	\$26.3	\$27.5
Supplies and Materials	\$0.2	\$0.2	\$0.2
Equipment and Furniture	\$1.0	\$1.0	\$1.0
Insurance Claims & Indemnities	\$0.2	\$0.2	\$0.2
<i>Sub-total Direct Budget Authority</i>	\$62.7	\$52.9	\$54.0
Total	\$299.2	\$299.2	\$285.2

Attachment 3 - Major Workload and Output Data

Major Activities	FY 2024 Actual	FY 2025 Estimate	FY 2026 Estimate
1. Regional Offices			
Unfair Labor Practices (ULP) Cases	21,300	21,000	22,000
Representation Cases	3,287	3,000	3,100
Regional Director Decisions	257	250	300
2. Administrative Law Judges			
Hearings Closed	153	150	140
Decisions Issued	139	130	120
3. Board Adjudication			
Contested Board Decisions Issued	259	150	300
4. Board Decisions Requirement			
Court Enforcement	51	68	58

Attachment 4 – Status of Open Audit Recommendation

Audit No.	Audit Title	Report Date	Agreement Date	Rec #	Recommendation	Status
FY 2022						
OIG-AMR-94-22-02	NxGen Data Accuracy	11/16/2021	11/16/2021	1	Develop and implement a quality review process at the local Regional Office level that includes review of the data at key points during the case life cycle.	Open – Waiting for action to be implemented.
OIG-AMR-94-22-02	NxGen Data Accuracy	11/16/2021	11/16/2021	3	Develop and implement a standard methodology for documenting data in the NxGen case file.	Open – Waiting for action to be implemented.
Total FY 2022	2					
FY 2024						
OIG-AMR-102-24-02	Performance Based Staffing	3/22/2024	3/22/2024	1	Coordinate with the Office of the Chief Financial Officer to ensure its methodology to develop Field Office staffing requirements meets OMB requirements.	Open – Waiting for action to be implemented.
OIG-AMR-102-24-02	Performance Based Staffing	3/22/2024	Pending	2	Evaluate its method of determining Regional staffing levels and consider whether a method that evaluates the level of work associated with the cases in addition to the case intake is more appropriate and what, if any, impact the ratios of R cases to C cases may affect the level of work.	Open – Waiting for action to be implemented.

Audit No.	Audit Title	Report Date	Agreement Date	Rec #	Recommendation	Status
OIG-AMR-102-24-02	Performance Based Staffing	3/22/2024	3/22/2024	4	Develop an internal control process to address the findings at Appendix A and related NxGen data issues.	Open – Waiting for action to be implemented.
OIG-AMR-101-24-03	Mail Ballot Elections	6/6/2024	6/6/2024	1	We recommend that the Division of Operations-Management establish a system of internal controls exclusive to the mail ballot process.	Open – Waiting for action to be implemented.
OIG-AMR-106-24-04	FY 2024 FISMA	8/16/2024	8/16/2024	1	We recommend that the designated personnel complete training in detecting counterfeit system components (including hardware, software, and firmware) and best practices for counterfeit component.	Open – Waiting for action to be implemented.
Total FY 2024	5					
Total Open Recommendations	7					