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INSIGHT

BY MIKE CAUSEY

Love-Hate Relationship

It is fashionable for some Brits, Canadians, Pakistanis, Greeks—actually just about everybody—to knock the American



way of life, the American health care system, the American legal system, our moral values and even the size of our feet. And waistlines. In some fashionable circles, Americans knock America for being the louts that we are.

Yet while much of the rest of the world is dumping on the U.S. of A., we have to spend a lot of money patrolling our borders because so many have (and continue to) come in illegally. This is an awful place and all that, but they risk their lives to get here and take extraordinary chances to insure that their children will be born here.

The fact that we are such a terrible place, yet need armed guards, radar, infrared and other high- and low-tech methods to keep people out doesn't make sense. Don't these people—from all over the world—know how crass, fat, dumb and unhappy we are? Who would want to be one of us?

Something doesn't add up.

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Report Says IGs Not Attuned To Whistleblowers

The Inspector General (IG) system needs to do a better job of listening to government whistleblowers' claims of fraud, waste and abuse—and acting on those complaints, according to a new report by the Project on Government Oversight (POGO).

The report, "Inspectors General: Accountability is a Balancing Act," was issued on March 20. The report is the second in a series of POGO reports on the federal IG system, now comprised of 67 IGs.

"There are two sides to the coin that make the IG system special," Danielle Brian, executive director of POGO, told *FEND*. "The first side is the IGs' independence, which we covered in the first report. But it also struck me that, since we were huge advocates of increasing their independence, later we have to also deal with how to hold them accountable. And that's what we tackled in this second report."

The most troubling finding, according to the new POGO report, is that IGs seem to take whistleblower allegations too lightly.

For example, the report cited the case of Michael German—a 14-year FBI special agent who complained about irregularities in a counterterrorism investigation and stonewalling by his supervisors. Only after German informed members of the Senate Judiciary Committee did the IG issue a report confirming his complaints, POGO said.

"The most troubling finding was that IGs, the very offices charged by Congress

with receiving complaints about agency problems, all too often treat those complainants or whistleblowers as mere afterthoughts," the report said.

The new POGO report's top recommendations call for improving IG hotlines—and treating tips from whistleblowers with consistent care.

"[We] strongly urge all OIGs to treat the information from genuine whistleblowers with the significance it merits, and to treat the complainants with the dignity and protection they deserve," the report said.

The report also emphasized that IGs need to focus their semi-annual reports (SARs) to highlight "the most significant issues" facing agencies. To date, the most pressing problems in SARs are lost among pages of less important ones.

Meanwhile, with IGs frequently failing to empower whistleblowers—and employers continuing to punish them—Brian said frustrated whistleblowers always can take the alternative approach, and reveal their concerns to a trusted journalist or appropriate organization, such as POGO.

"We will do everything we can to help—but it is important to recognize we are only 17 people, and we look into the entire federal government," Brian

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INSIGHT by Mike Causey

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Two years ago, on a trip to Ireland (which was wonderful in all other aspects), my sons and I encountered a lawyer, a “lady” who—once she heard our American East Coast accents, laid into us. She was English (not Irish) and she was loaded. Not in the financial sense.

After enduring her rant for a few minutes, we made way for her very embarrassed husband, who poured her into a cab.

I had the same experience some years back when a Canadian couple we met at a party proceeded to tell me what was wrong with America and how much they hated it and missed Moose Jaw, or wherever they were from. They were particularly critical of our political system, our newspapers and, of course, our health care system. When the woman I was with—who could sense my blood pressure rising—asked how long they had been in this disgusting country, they said 19 years. Hmmm ...

But I digress.

Then I saw an item in D.C.’s *City Paper* that caught my eye. It was in the excellent “News of the Weird” column written by Chuck Shepard. He’s good, and he’s got a good nose for, well, news of the weird.

The item in question concerned the legal system of India. It is the world’s largest democracy and a place where a lot of people are very critical of the United States, except when we talk about whacking Pakistan.

Because they inherited their legal system from the British, you would think going to court in India would be a piece of cake. A model of both justice and efficiency. One to make our silly system look even sillier.

Perhaps not.

Mr. Shepard’s item concerned the backlog in the national courts of India.

Seems they are, according to the Chief Justice of the High Court in Delhi, somewhat behind: Like they have a backlog which he said could take up to 466 YEARS to clear up. That seems like a long time.

On the other hand, they appear to be making real headway. The Chief Justice, according to the story, said that great progress had been made in 2007 when 56,600 cases had been cleared. The average time for each case: FIVE MINUTES.

That would do it.

Now, if the ETA (estimated time of arrival) is 466 years hence, I wonder if the time it will take to clear

up current dockets assumes that each of the mound of pending cases will take only five minutes. I think the trials held by Judge Roy Bean (the Law West of the Pecos) lasted longer than that.

Surely there must be more complicated petitions and cases that could take as long

as 10 minutes. And what about complaints like the property cases which the story said were filed in 1950 and finally adjudicated in 1995? When a simple case takes 45 years, imagine if the case were complicated!

I thought about what a terrible place America is (according to much of the rest of the world that is also trying to get here) after reading an excellent piece in *The Washington Post* (www.washingtonpost.com/wp-dyn/content/article/2009/03/20/AR2009032001779_pf.html).

The headline, if you want to look it up, is “Thank God America Isn’t Like Europe—Yet”, and it ran Sunday, March 22.

The author clearly knows and loves Europe. But he’s also glad there is a big space—as in the Atlantic Ocean—between us.

The person who called my atten-

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said. "So we have to do a lot of triage to figure out which ones are the cases we should take.

"We also try to find other ways for people to channel their concerns," Brian continued. "That's why I spend a lot of my time trying to improve circumstances for federal employees, so that they do get protection.

"Of course the perfect way would be for whistleblowers to be able—within their agency—to talk about their problems, and try to fix them, and be protected for doing that. That is the way it should be. That's the system I would want—so you don't have to go through a lawyer and go through a lot of ridiculousness that [often] only fails."

Ultimately, Brian said, in addition to improving IG performance, the key to reviving meaningful federal whistleblower protection is found in the pending legislation to update the Whistleblower Protection Act.

The new law would restore the right of employees to disclose waste, fraud and abuse discovered in the course of



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carrying out on-the-job duties—rights effectively lost in the 2007 Supreme Court decision, *Garcetti v. Ceballos*.

"I do believe this is going to be the year when things are going to change for whistleblowers," Brian said. "We do need feds' voices. They need to pay attention when this is coming up on the Hill and when the White House puts out a statement on it. They need to be letting their members of Congress know that they support this."

Brian suggested feds could also write letters to the editor. "They can write, for example, 'I am not now a whistleblower, but I need to be able to disclose waste and fraud without worrying about it,'" she offered. "Understandably, most feds are not talking about this publicly, but it would really help for policymakers to see that this is a real need.

"I hope the legislation will pass," Brian said, citing "a lot of support in the House and in the Senate" for renewed whistleblower protection, especially from Sens. Chuck Grassley, R-Iowa, and Claire McCaskill, D-Mo. "We just need to push it over the finish line."

From March 8 to March 11, the National Whistleblower Assembly brought advocates and whistleblowers together in Washington to show solidarity behind the proposal. Yet, also in March, foes of the measure in the Senate managed to strip comprehensive whistleblower protection from stimulus legislation—causing disappointment among advocates.

For more, go to www.pogo.org and <http://makeitsafecampaign.org>. 

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USPS Announces Cutbacks, Will Offer New VER

As part of a service-wide belt-tightening, the U.S. Postal Service (USPS) on March 20 announced it

will close six of its 80 district offices, eliminate positions across the country, and initiate another Voluntary Early Retirement (VER) to 150,000 employees nationwide. The agency said it expects the moves to save more than \$100 million a year.

USPS said it will cut management staff nationwide by 15 percent, eliminating more than 1,400 processing, supervisor and management posts at 400 facilities.

The six district offices targeted for closure include those in Lake Mary, Fla, North Reading, Mass., Manchester, N.H.; Edison, N.J.; Erie, Pa., and Spokane, Wash. USPS said the closures of the offices—which serve administrative functions—will not affect customer service or mail delivery. Ten nearby district offices will absorb the functions of the closed facilities.

American Postal Workers Union (APWU) President William Burrus said that although the union is never happy to see anyone lose their jobs, he was pleased to see that the cutbacks weren't balanced on the backs of craft workers.

"I have repeatedly warned management that the effect of declining mail volume cannot be focused exclusively on craft employees," Burrus said. "Over recent years, tens of thousands of craft jobs have been abolished, while the number of management positions has remained unchanged."

For example, in the Clerk Craft, part-time employees have suffered significant work-hour reductions, and through "route evaluations," many Rural Letter Carriers have suffered salary reductions of up to \$8,000 over the past two years, Burrus said.

USPS also said it will offer a VER option to about 150,000 employees. Application deadlines, effective dates and the categories of affected employees are to be announced in the near future, Burrus said.

The agency also made early retirement offers last year, but APWU

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tion to the article lived in Europe and Asia for most of his life. He said one thing that always struck him when he came home—to Paducah, Ky.—was the quality of government services. And civil servants.

Over here, he pointed out, it is Page 1 news if an IRS employee is caught taking an unauthorized peek into taxpayer files, or disclosing information. Over here, he said, it is front page news when a civilian Air Force contracting officer is caught with his/her hand in the till.

By contrast, he said, over there—in many parts of Europe, Africa and Asia—government graft, corruption or incompetence isn't reported because it isn't news. The news, he said, would be in finding an honest bureaucrat or senior official was NOT on the take.


I wonder what we are doing wrong?

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at the time discouraged members from accepting the offers and they were not widely used. APWU seemed to take a slightly more accommodating tone in reaction to the new VER plan.

“Retirement is a personal matter, and the union defers to the decisions of employees who meet the qualifications,” Burrus said. “However, the APWU continues to challenge the Postal Service’s authority to offer VER without including severance pay.”

The cutbacks are being driven by massive deficits recorded by USPS as mail volume drops steeply in the sour national economy. The Postal Service lost \$2.8 billion last year and could experience even larger losses this year, despite a rate increase (to 44 cents for first-class mail) set to go into effect May 11. Postmaster General John Potter also recently asked Congress to consider allowing the agency to cut mail delivery back from six to five days a week.

To see more, go to: www.usps.com/communications/newsroom/2009/pr09_028.htm or www.apwu.org/news/burrus/2009/update04-2009-090320.htm. 

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Bill Offers New Rules on Rehiring Federal Annuitants

Senators this month introduced legislation that would—if passed into law—authorize federal agencies to reemploy retired federal employees on a limited basis, without forcing them to take a reduction in salary corresponding to their retirement payments.

The bill, introduced March 18, would enhance the federal government’s ability to respond to the potential loss of the nearly 1.8 million federal employees who are eligible for retirement in the next decade, said Sen. Susan Collins, R-Maine, ranking Member of the Senate Committee on Homeland Security and Governmental Affairs. Other key supporters of the bill include Sens. George Voinovich, R-Ohio, and Herb Kohl, D-Wis.

Thrift Savings Plan Share Prices (As of FEND’s deadline)

FUNDS	MARCH 24	MONTH AGO	YEAR AGO
G Fund	12.8148	12.7868	12.3800
F Fund	12.5671	12.4933	12.1400
C Fund	9.3849	8.9765	15.3000
S Fund	10.8965	10.4849	18.0600
I Fund	12.3615	11.5388	22.0300
Lifecycle Funds			
L Income	12.5848	12.4174	13.3500
L 2010	13.4769	13.2328	15.0800
L 2020	12.0674	11.6670	15.8300
L 2030	11.6691	11.2337	16.3600
L 2040	11.3899	10.9060	16.9600

For rates of return and other TSP info, go to: www.FederalDaily.com/financial/TSP.htm

Under current law, if federal retirees return to work on a part-time basis, they must take a pay reduction to offset their federal retirement annuity.

The bill also would augment the government’s efforts to hire personnel to oversee \$787 billion in federal stimulus package spending, Collins said. This legislation would allow offices of Inspectors General (IG) to bring experienced employees back into the federal government to ensure aggressive oversight of spending authorized by the American Recovery and Reinvestment Act, Collins said. At a committee hearing earlier this month, Government Accountability Office officials testified that the reemployment of annuitants is an essential authority, Collins said.

“This legislation would prove vital as the federal government loses many of its skilled, experienced, senior employees,” said Collins. “This legislation would provide agencies with needed flexibility to bring retirees’ experience back into the federal workforce” for a limited time, she said.

Under the legislation, reemployment would be limited to a maximum of 520 hours (65 days) in the first six months following retirement, 1,040 hours (130 days) in any 12-month period, and a total of 3,120 hours (390 days) for any one employee. While the returning

annuitants would receive both salary and annuity payments, they would not be considered employees for the purposes of retirement and would receive no additional retirement benefits based on their service, Collins said.

The legislation also was endorsed by the National Active and Retired Federal Employees Association and the Partnership for Public Service, Collins said.

The federal government loses about 50,000 employees each year to retirement. In percentage terms, the Office of Personnel Management estimates that 60 percent of the current federal workforce of 3 million will be eligible to retire in the next 10 years.

“Giving the government the flexibility to call on retired federal workers will help slow the government’s impending brain drain,” said Kohl. “This bill will ensure that our most experienced federal employees will be paid fairly for their continued contributions.”

To see more, go to: http://hsgac.senate.gov/public/index.cfm?Fuseaction=PressReleases.Detail&PressRelease_id=095930d5-e098-4e25-bc17-db80b2baa1f2&Month=3&Year=2009&Affiliation=R.

Understanding Sale of Residence Tax Rules

Depending on their filing status and other conditions, individuals can exclude from their income up to \$250,000 or \$500,000 of capital gain income resulting from the sale of a principal residence if the following tests are met:

- **Ownership and use.** The individual homeowner must have owned and used the home as a principal residence for at least two out of the five years prior to the sale. The two years need not be consecutive.

- **Frequency limitation.** The exclusion applies to only one sale every two years.

Married couples filing a joint return qualify to exclude up to \$500,000 under the following conditions:

- **Ownership.** Either or both spouses must have owned the residence for at least two out of the five years prior to the sale.

- **Use.** Both spouses must have used the residence as their principal residence for at least two out of the five years preceding the sale.

- **Frequency limitation.** Neither spouse may have sold a residence more than once every two years.

The rules regarding the sale of a principal residence are contained in Internal Revenue Code (IRC) Section 121. Interestingly, IRC Section 121 does not define a principal residence. Legislative history implicitly adopts the definition under former IRC Section 1034, subject to the special requirements of IRC Section 121. To qualify as a personal residence, the dwelling must have eating, sleeping and bathroom facilities. The definition of a principal residence can cover a: (1) house; (2) mobile home; (3) condominium; (4) stock held by a tenant-stockholder in a cooperative housing corporation, provided the individual lives in the cooperative; and (5) houseboat, provided it has facilities for cooking, sleeping and sanitation.

There are a number of situations that may allow for modifications of the ownership and use test period requirements:

- The \$250,000 exclusion applies on a joint return where one or both spouses meet the ownership test, but only one spouse meets the use test or the one sale every two years test. The “one sale every two years test” does not prevent a married couple from filing a joint return or each spouse excluding up to \$250,000 of capital gain resulting from the sale or exchange of each spouse’s principal residence. This is provided that each spouse would be permitted to exclude up to \$250,000 of capital gain if they filed separately. Consider the following example.



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Tom and Terry each owned separate residences for more than two years before they were married on Oct. 1, 2008. After their honeymoon, they bought a new residence and sold their old residences in November 2008. Tom realized a \$145,000 gain and Terry realized a \$200,000 gain. Both spouses can use the maximum \$250,000 capital gain exclusion from the resulting capital gains from the sale of their principal residences on their 2008 joint federal tax return.

- Short temporary absences, such as vacation or other seasonal absences, do not count as non-use.

- The maximum capital gain exclusion is \$500,000 for a qualified residence by a surviving spouse—the same as for a qualifying married couple. The \$500,000 maximum exclusion applies if the sale occurs within two years after the date of death of the spouse, and the other use, ownership and frequency limitation requirements were met prior to the spouse’s death. This rule is effective for sales after Dec. 31, 2007. Consider the following example.

Norm, a federal employee, is married to Alice. Norm and Alice bought their home in 1995 for \$150,000. Norm died on July 22, 2008. Alice has until July 22, 2010, to sell their home to use the \$500,000 maximum capital gain exclusion. If she does not sell the home before July 22, 2010, then her maximum exclusion will be limited to \$250,000.

- **Exception to the use test:** If an individual becomes physically or mentally incapable of self-care and has owned and used a property as a principal residence for at least one year during a five-year period, then the individual is treated as using the property as a residence during any time in which the taxpayer owns the property and resides in a state-licensed health care facility.

- Another exception to the timing rule applies to certain members of the military or the foreign service. These individuals are allowed to suspend the five-year testing period during any period the individual or spouse serves on “qualified official extended duty.” The suspension is only allowed for one property at a time, with a maximum suspension of 10 years. Qualified official extended duty is any period of active duty pursuant to a call or order to duty for a period in excess of 90 days, or for an indefinite period while serving at a duty station that is at least 50 miles from the property for which the election is being made.

Additional information about the tax consequences of selling a principal residence may be obtained in IRS Publication 523, “Selling Your Home,” available from the IRS Web site at www.irs.gov. Individuals with additional questions should consult their tax advisors.

The Golden Ticket

By Rebecca Schreiber

New federal employees launch their careers with a myriad of tools and services to help them get their jobs done. For example, take the standard-issue government identification badge—a photo ID that does not have your home address or credit card number on it. Not only does it protect your identity, but flashing your grainy mug will get you into any government building without having to empty the contents of your day into a plastic bin.

While your government ID helps you move around the federal space, the benefits package will encourage you to stay there. The federal benefits package is like Red Bull for your financial future. The super-low-cost Thrift Savings Plan (TSP), life insurance programs and tax-saving flexible spending accounts (FSAs) will put each of your hard-earned pennies to good use. Whether your first day was last week or 10 years ago, take a closer look at your benefits package to make the most of your total compensation:

1. **Federal Employees' Group Life Insurance (FEGLI).**

Everyone needs some life insurance. Even if it's just you and your iPod, it will cost your loved ones time and money to put your affairs in order some day. One multiple of your salary should be more than enough to cover final expenses, time off for loved ones to pack up your stuff, and possibly probate costs if you own property. Carefully fill out the beneficiary designation form on your FEGLI policy. This form determines to whom the insurance company will pay the benefit. Once you have selected a beneficiary, *tell them about the policy so they can collect the benefit if necessary*. Unless you're worried about getting whacked for the insurance money, it's critical to let the right people know how to proceed. If you're not worried about final expenses, FEGLI gives you the opportunity to leave a tidy sum to your favorite charity.

2. **Flexible Spending Accounts.** FSAs are especially helpful to young feds who don't own a home and don't itemize tax deductions. The program enables feds to put their own pretax money into an account, use the funds to pay for qualified expenses and receive the money back tax-free. Normally one would only be able to save taxes on medical expenses totaling over 7.5 percent of their adjusted gross income. And the dependent care FSA is extremely helpful in shifting some of the weight of child-care costs on to the IRS (if only it covered diapers!). Not only does the federal government offer these tax-saving programs, but Uncle Sam gives you longer to avoid the "use or lose" boogeyman. Non-feds have 12 months to use the money in their FSA accounts, while feds get over

14 months to incur qualified medical expenses. You also can be reimbursed by direct deposit. In this scenario, you can charge a medical expense one day, submit the claim, and have the money back before the credit card bill is due. If you're not sure how much to elect, start with the \$250 minimum. If you spend more than \$18 per month on anything from medicated lip balm to contact lenses to prescription co-payments, you'll save enough taxes to cover a nice birthday dinner. Even better, if you can afford to pay the expenses out of your current monthly cash flow, you can have the reimbursements directly deposited into a savings account for an instant emergency fund.

3. **Thrift Savings Plan.** If you only take 10 minutes to prepare for retirement, contribute as much as you can afford to an L Fund in the TSP. There, you're finished. Then every year increase your contribution by 1 percent to make sure retirement plans don't fall by the wayside while you plug your way through work, school, home ownership and major life events. Once you are putting just as much into the TSP every month as you spend at happy hour, consider opening a Roth IRA. Roth IRAs are funded with after-tax money, and enable you to earn hundreds of thousands of dollars for retirement tax-free. The main difference between the TSP and a Roth IRA is that the TSP is funded with pretax dollars (before your paycheck hits your checking account), and the Roth IRA is funded with after-tax dollars (funded with direct transfers from your checking account). Roth IRAs offer thousands of investment options, so use your TSP portfolio as a template for the Roth IRA account, then expand the Roth IRA portfolio with index mutual funds. Beware investing in individual companies, since it only takes one accounting scandal to lose your investment.

Through these benefits programs, young feds can launch their financial goals in tandem with their federal careers. The FSA requires you to re-enroll annually, while FEGLI and the TSP programs don't require any new paperwork from year to year. While you focus on building a name for yourself in the federal space, let these programs build the financial momentum you need. Starting up with the federal government is no easy feat. Knowing your benefits package will help boost your compensation today, and in the future will help you through the rough spots.

Rebecca Schreiber is a Certified Financial Planner, and the founder of Solid Ground Financial Planning, which specializes in providing financial advice to Gen X and Gen Y professionals. For more information on the firm, go to www.SolidGroundFP.com.

Was DOE Engineer Wrongly Reprimanded?

Argument—sometimes heated argument—in the workplace is not antithetical to doing good work,” asserted Munir Singh,* a scientist with the Department of Energy (DOE). “Most scientists and creative people engage in it when producing their best work.

“Yet the agency reprimanded me for engaging in an altercation on the work premises—and even for doing so in the lunch cafeteria,” he continued. “I am appealing.”

“Mr. Singh has disclosed that he was reprimanded on charges related to a heated exchange of words in the workplace, that much is correct,” said Sean Price, a lawyer for the agency. “But, like any other employer, DOE has to set limits on conflict among employees. Here, the evidence shows Singh effectively threatened a coworker—a serious offense under agency rules. We are confident the charges will withstand appeal.”

FACTS: Dr. Munir Singh worked as a nuclear engineer and senior employee at a Department of Energy facility in Maryland.

On Oct. 26, 2006, according to official documents in the case, Singh “was involved in an altercation in that office’s cafeteria.” The disturbance was very public and he was immediately charged.

The deputy director of nuclear operations at the facility “removed [Singh] from the premises and issued him a letter of reprimand for inappropriate behavior.”

The agency further investigated the circumstances leading to Singh’s temporary removal and reprimand. The appellant then was specifically charged with “approaching another individual in a manner that caused the individual to perceive a physical threat.”

On March 20, 2007, Singh filed an equal employment opportunity (EEO) complaint with the agency, alleging that both the reprimand and the removal from office on the day of the incident were prompted by “discrimination on the basis of national origin as well as retaliation for whistleblowing activities”—activities that took place years earlier, in 2004 and 2005.

Singh followed up in August with an appeal to the Merit Systems Protection Board (MSPB)—alleging, again, that both the removal and reprimand were due to “retaliation for ... prior whistleblowing activities.” An MSPB administrative judge (AJ) held a hearing on the matter, and in November determined that Singh had filed a tenable, “nonfrivolous” complaint—that “his protected disclosures were a contributing factor in the agency’s disciplinary action.”

Unfortunately for the appellant, in a final ruling the AJ determined that despite Singh’s “reasonable belief that his whistleblowing activity had been a contributing factor in his having been disciplined,” DOE had shown “by clear and convincing evidence” that the agency would have “taken the

same disciplinary actions” even if Singh had never engaged in whistleblower activity. On Dec. 20, 2007, the full board denied Singh’s next appeal, and the ruling became final.

On Feb. 8, 2008, Singh appealed his case again—to the U.S. Court of Appeals for the Federal Circuit.

Was Singh unfairly removed and reprimanded?

DECISION: The agency’s EEO office made the next move, deciding on April 8, 2008, that Singh had failed to prove, by a standard “preponderance of evidence,” that he had suffered discrimination. The U.S. Court of Appeals then took up its consideration of the case.

The appeals court noted that the agency’s charges against Singh were supported by “five written statements by agency employees and contractors who observed the ... incident in the cafeteria.” The court called these statements “strong evidence” of the charges, and further noted, in reply to Singh’s retaliation charge, that the appellant’s supervisor had “little or no motive to retaliate” against him.

The agency, for its part, had argued that Singh had no right or standing to file his appeal to MSPB, because as soon as he filed the EEO claim, Singh “began the EEO process with the agency, [and] he immediately became barred from filing an appeal to the Board,” under 29 C.F.R. § 1614.302. Specifically, under that law, a complainant cannot *simultaneously* pursue a discrimination claim (or “mixed” discrimination/whistleblower retaliation claim) with the EEO office and MSPB.

But the court found to the contrary. Although the DOE’s claim could be compelling and the court would have to defer to the EEO office under those specific circumstances—here, in this case, “nothing in section 1614.302(b) barred [Singh] from filing an appeal with the Board, even though he had previously filed a claim with the EEO.” That’s because the court found that although Singh had pursued complaints with both panels, he did not even mention the *discrimination* aspect in his MSPB complaint—instead limiting his MSPB filing to a *retaliation* complaint alone. The court found that the board, therefore, did have jurisdiction over the case.

As for Singh’s overall argument—that DOE had handed him unfair punishment—the appeals court ruled for the agency. “Substantial evidence supports the Board’s conclusion that the agency would have taken disciplinary action against [Singh],” the court ruled, “*even if he had never engaged in any whistleblowing activity.*”

Therefore, the court ruled, Singh’s physical removal from his office on the day of the incident—and his reprimand—must stand.

(U.S. Court of Appeals for the Federal Circuit, Docket No. 2008-3167, 2/17/09)

* Names and dialogue are fictitious, but details are based on a real case.

Lawmakers Offer Troop Tax Cut Bill

Active-duty servicemembers would get a tax break under a bipartisan bill that—if passed into law—is designed to lower their federal income taxes. The bill, the Military Personnel Income Tax Exclusion Act (H.R. 1624), was introduced March 19 by Reps. Gus M. Bilirakis, R-Fla., and Chris Carney, D-Pa., chairman of the Homeland Security Subcommittee for Management, Investigations and Oversight. The bill would exempt all active-duty military personnel from paying federal income tax on his or her annual pay up to a \$16,800 ceiling, Bilirakis said in a statement. If enacted, it would result in a 100 percent tax cut for 66,000 of the military's lowest paid troops, Bilirakis said. "While the debt we owe our troops for their sacrifices can never be fully repaid," said Bilirakis, "this tax cut would be a step in the right direction to show our appreciation for their enduring valor." To see more, go to: http://bilirakis.house.gov/index.php?option=com_content&task=view&id=430&Itemid=115.

VA to Build New Hospital in Denver

The Department of Veterans Affairs (VA) announced this month that it planned to build a stand-alone replacement hospital for its existing facility in Denver. The new facility will be located on the grounds of the Army's closed Fitzsimons Army Medical Center in Aurora, Colo., VA said. The new medical center will provide Denver-area vets with a full range of medical, laboratory, research and counseling services, including services for veterans with spinal cord injuries (SCI) and other disabilities. The new medical center in Denver will include a 30-bed SCI center providing services to veterans throughout VA's Rocky Mountain network, which includes Montana, Wyoming, Utah and Colorado, plus parts of five other states. VA will also create new health care centers to provide ambulatory care and same-day surgical services in Colorado Springs, Colo., and Billings, Mont. VA also plans to add eight new health care facilities in rural areas throughout the region. To see more, go to: <http://www1.va.gov/opa/pressrel/pressrelease.cfm?id=1659>.

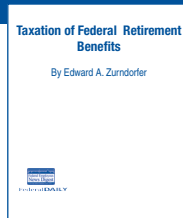
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