

# National Treasury Employees Union



## WATCHDOG



### Chapter 60

Protecting the rights of federal employees in NJ

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#### EDITORIAL

In past issues of the **WatchDog**, we discussed various issues that we think are important to you. We highlighted areas of perceived management abuse and hypocrisy, especially in the arena of seemingly endless management travel excursions that took place while the agency cried poverty about its travel budget and proposed to slash all NTEU travel. We also spotlighted the agency's unilateral decision to cancel employee performance awards and take other shortsighted actions that were not in its employees' best interests.

I originally intended to use this editorial to discuss the large volume of punitive, anti-federal employee legislation that Congress has proposed to score a few, cheap political points. No doubt, that's nothing new to you.

But then we stumbled onto something that we found even more egregious. In case you haven't heard, LB&I began a new initiative known as "ConOps". LB&I launched it in response to its employees' requests for better management communication. Employees attending town hall meetings specifically stated that managers needed to "communicate more frequently and more effectively." (Source: **ConOps Powerpoint Deck**). At first glance it sounds like a good idea, but IRS excels at messing up a good thing. So, we now lovingly refer to this project as "**Con-Oops**."

The agency's bright idea was to meet with its employees every two weeks to discuss work topics. So once a pay period, everyone gets together to discuss important topics of the day. Again, it sounds reasonable. It certainly satisfies the employees' requests to receive more frequent communication from management. Yet, they forgot one important detail. They did not bother to negotiate these ConOps meetings with NTEU. No one had any idea what they wanted to talk about during these meetings. Sure they invited NTEU to attend many of these ConOps meetings, but many frontline managers had minimal guidance about how to conduct these gatherings. In addition, the agency is always complaining that there is too much union time. Of course, they forgot that an NTEU steward has to attend these biweekly meetings, thus driving up official time that they claim they are always trying to reduce. NTEU did not come up with this idea. They did, and it isn't a good one.

But those are not the biggest issues we have with this "**Con-Oops**" project. We have been informed that Chris Wagner has returned as a contractor with Deloitte to head the "**ConOps**" redesign. You remember him don't you? He was the former SBSE Executive whose actions started the Congressional investigation of the IRS for his approval of the ill-advised all-manager's conference in Anaheim several years ago. He was also Captain Kirk in that ridiculous Star-Trek video which caused the beginning of the downfall of the IRS before being dumped in Appeals and then pushed out the door. How could the agency possibly find the millions to pay Deloitte and then allow this individual who individually brought the agency to its knees to be put in charge of this massive boondoggle? We changed our minds, it should really be called "**ConJob**." Something smells here and someone needs to look into it. (See: **TIPSS -4 Competitive Actions Status Report, 2/25/15 for ConOps**).

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# A SEVERE DOUBLE WHAMMY

"It is an honor and a privilege to serve in the federal workforce.." (Source: Cong. Jason Chaffetz, March 24, 2015). Reading that you would think that our elected leaders hold federal employees in high esteem. To quote Charlie Murphy, "wrong"!

One glaring example of unfairness and double speak is when the House of Representatives and the Senate both approved bills that drastically increase the federal employee contributions to their pension plans. If enacted, your retirement contributions will increase by almost six percent with no corresponding increase in pension benefits. In reality, it would result in a huge pay cut to all federal employees. Both the House and Senate agree that such punitive measures are needed to close the huge budget holes we face.

Another area they want to pursue for Federal Employees Retirement System (FERS) employees is to eliminate the supplemental pension payment that employees receive when they retire after reaching their minimum retirement age, but before they are eligible to receive social security. It appears, based upon published reports, that the end game is to completely eliminate defined benefit pensions for federal employees and instead require federal retirees to rely upon their Thrift Savings Plan (TSP) as their primary source of retirement income.

As if that isn't bad enough, the House budget package contained another trick. This provision wants to make the most popular employee investment fund in the Thrift Savings Plan (TSP) worthless. To save \$32 billion over 10 years, the House proposes changing the fund's interest-rate calculation, because the resolution says, "those who participate in the G Fund are rewarded with a long-term rate on what is essentially a short-term security." In essence, they want to gut the G Fund by reducing its payable interest to practically nothing.

While it is always good to save money, those in charge don't seem to know or care that federal employees have already contributed almost \$160 billion to the deficit reduction over the past few years. They see us a giant pig feeding at the public trough, so in their minds their proposal to trash the G Fund won't hurt too much.

Kim Weaver, a TSP spokesperson stated that such a proposal has never been seen before. "Going after the TSP is a new one." The savings for Uncle Sam would come at a great cost to his staff. The fund's current annualized interest rate is 1.88 percent. Adopting the House plan would result in a precipitous interest-rate drop to an annualized 0.01 percent, according to the TSP. About 4.3 million people, including current and former federal civilians and members of the military are invested in the G Fund. If the House gets its way, "it would mean their investment is virtually worthless," Weaver said. (Source: FedSmith, March 24, 2015).

Yes, the spokesperson for the fund in question indicated that if this provision is included in the final budget bill, the employees who have invested in the G Fund would be better off stuffing their money into a mattress.

We hope you see the severity of this innocuous provision. It is a double slashing of employee retirement benefits. First, if passed, you would not receive a defined benefit when you retire. Second, since they want to go to a TSP/401(k) type of retirement system, they would make it so that your retirement investment is "worthless."

That is unconscionable and outlandish. It is worse than bait and switch. Currently, employees who are hired under FERS receive a defined pension benefit of one (1) percent of their salary per year of employment. If this proposal to reduced this pension benefit is enacted as law, FERS employees would get nothing.

So, in an effort to increase their retirement savings, those who could afford it would have to dramatically increase their thrift benefits only to have to wager that the stock market continues its upward trajectory, since there is no safety net without a competitive G Fund. What they basically would be entitled to would be their contributions plus miniscule interest payments. Some way to treat those who you think are great employees, huh?

The anti-federal employee legislation coming out of Washington, DC, has never been this heated or as constant. Everyday someone proposes another bill to target federal employee pay, benefits, pensions and workplace rights

Please pay attention to what is going on in Washington concerning your job. This is not just "noise in the machine" or political theater. Many of these individuals won't bat an eyelash if their proposals bring you to financial ruin. As long as their fat cat donors keep writing campaign contribution checks and buy TV air time, they don't need you. One potential presidential candidate says that he will abolish IRS and relocate the entire workforce to the American Southwest to patrol the southern border with Mexico. Your voice is more important than ever.



# How House of Reps. Budget Would Affect You

When the House budget committee released its 2016 budget proposal last month, it provided no specifics as to how it would require federal employees to contribute more towards their retirement programs. Rather, it alluded to the recommendations from the National Commission on Fiscal Responsibility and Reform (Simpson-Bowles).

A recent article listed specifics on what the House budget is proposing with respect to the federal workforce thanks to a new report (*Concurrent Resolution On The Budget— Fiscal Year 2016*), that recently came out and indeed, there are comparisons to the Simpson-Bowles recommendations.

One proposal would lower the interest rate that investors in the TSP's G Fund would earn. Tucked into the 265-page Budget Committee report accompanying their fiscal 2016 budget proposal is a sharp, but poignant, criticism of the G Fund. Payment of principal and interest is guaranteed by the U.S. government. Yet the interest rate paid is equivalent to a long-term bond. As a result, those who participate in the G Fund are rewarded with a long-term rate on what is essentially a short-term security," the report said. Even though the language is a mere suggestion, it worries the Federal Retirement Thrift Investment Board, which operates the TSP. "It would drop the interest to virtually zero, which would make the G Fund worthless to our participants. It wouldn't even begin to keep pace with inflation," said Kim Weaver, the board's director of external affairs.

Here are some of the specifics relevant to federal employees taken from this new report:

## **Limit Federal Employee Health Benefit Growth for Retired Members of Congress and Their Staffs and Base Retirement Benefits on Length of Service**

Currently, Federal contributions to the Federal Employees Health Benefits Program grow by the average weighted rate of change in these programs. This budget supports restricting the growth in these plans to inflation for retirees. This proposal assumes direct spending savings of \$21.7 billion for adopting a policy like this. The budget also proposes basing Federal employee retirees' health benefits on length of service. (emphasis added) This option would reduce premium subsidies for retirees who had relatively short Federal careers and result in \$1.2 billion in savings.

## **Federal Employee Attrition**

The budget includes discretionary savings by assuming a 10-percent reduction in certain agencies of the Federal civilian workforce through attrition, whereby the administration would be permitted to hire one employee for every three who leave government service. National security positions would be subject to exemption. This could save up to \$59 billion over 10 years.

## **Reform Civil Service Pensions**

The policy described in the Income Security section of this report would increase the share of Federal retirement benefits funded by the employee. This policy has the effect of reducing the personnel costs for the employing agency. The budget assumes savings from a reduction in agency appropriations associated with the reduction in payments that agencies make into the Civil Service Retirement and Disability Fund for Federal employee retirement.

**(Source: Fedsmith, March 24, 2015).**

There were also some provisions included that related to the United States Postal Service, which we did not include here.

It is important to note that these are in addition to the bills that propose to increase your pension computation from the high-3 to the high-5, (H. R. 1230), the bill to ban awards from employees who may owe taxes (S. 742), the bill to cut the salaries of those federal employees making over \$100,000 a year by 8.7 percent (H. R. 1137), legislation to fire tax delinquent Federal employees (H. R. 1563) and a myriad of other bills intentionally designed to punish federal employees. It seems as if the list is never ending.

If the prior paragraph didn't cause concern and pique your interest, I implore you to pay attention to what those in Congress want to do to you. It is not pretty. If any of these bills get enacted, in whole or in part, it will result in considerable harm to you and your wallet.

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# **Policy Statement Supports Federal Employees**

**Note:** The *Watchdog* offers no opinion or support of any political party or candidate. We just report the facts. That said, we are a big supporter of IRS and all federal employees.

Recently, the Democrats in the House of Representatives released their version of a FY 2016 budget in response to the House GOP budget proposal that was recently released. This budget touts features such as higher taxes on the wealthy, removing sequestration, blocking cuts to Social Security, and matching the president's 2016 budget request. Those issues aside, they also included the following policy statement regarding the federal workforce included in the budget legislation:

## **SEC. 507. POLICY OF THE HOUSE ON THE FEDERAL WORKFORCE.**

(a) FINDINGS. The House finds the following:

1. The Federal workforce provides vital services to our nation on a daily basis. It includes those who patrol and secure our borders, take care of our veterans, help run our airports, counter cyber-attacks, find cures to deadly diseases, and keep our food supply safe.
2. Last year alone, Federal employees addressed a wide range of national priorities, from responding to the Ebola outbreak to helping reduce veterans' homelessness to helping millions obtain affordable health care.
3. Veterans make up 30 percent of the Federal workforce.
4. Many Federal workers are paid at a rate that is far below their private sector counterparts.
5. The Federal workforce is older than in past decades and older than the private sector workforce. It is estimated that twenty-five percent of the Federal workforce intends to retire over the next five years.
6. Over the last five years, the Federal work-force has contributed more than \$150 billion toward reducing the country's deficits in the form of pay freezes, pay raises insufficient to keep pace with inflation, and increased retirement contributions.
7. The Federal workforce endured furloughs from sequestration and the 16-day Government shutdown.
8. Since 1975, the security and non-security parts of the Federal workforce have declined 33 and 38 percent, respectively, relative to the population.
9. Nearly all of the increase in the Federal civilian workforce from 2001 and 2014 is due to increases at security-related agencies, including the Department of Defense, Department of Homeland Security, Department of Veterans Affairs, and the Department of Justice.
10. Proposals to reduce the size of the workforce at non-security agencies by 10 percent have excluded an assessment of their impact on Government services.

(b) POLICY. It is the policy of the House that Fed employees should not be targeted to achieve further reductions in the deficit as they have already contributed more than their fair share, that Federal workers should be compensated with pay and benefits at a level that enables the Government to attract high quality people — which is especially important during this period when more workers will be retiring — and that no proposal to reduce the size of the workforce should be considered without an assessment of its impact on Government services. **(Source: Fedsmith: March 24, 2015).**

While this is not law and has no legal standing, it is nice to finally receive some support out of Washington, DC, for a change instead of constantly being attacked and raided in the name of budget savings. Even though it is only moral support, a pat on the back is much better than a knife in the back.

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# Unnecessary Legislation and More Hypocrisy

Senators Kelly Ayotte (R-NH), Deb Fischer (R-NE) and Claire McCaskill (D-MO) recently reintroduced legislation that would prohibit paying bonuses to federal workers who are not in good standing with their agencies or who are in violation of the law.

The senators' bill comes after a recent Inspector General report, which revealed that agencies paid \$2.8 million in bonuses between 2010 and 2012 to 2,800 employees with conduct violations – including more than \$1 million for over 1,100 IRS employees who were delinquent on their taxes. Some agencies, including the IRS, don't consider conduct problems, including tax compliance, when determining bonuses, which is why the lawmakers said there is a need for the legislation.

Known as the "Stop Wasteful Federal Bonuses Act" (S. 742), the legislation would prohibit the head of an agency from awarding a bonus to an employee if the agency Inspector General, a senior ethics official of the agency, or the Government Accountability Office makes a determination that the employee's conduct either violated agency policy for which the employee may be fired or suspended, or violated a law for which the employee may be imprisoned for more than 1 year.

The bill would maintain the prohibition on bonus pay for 5 years. The bill also includes a mandatory clawback provision so that the employee – after notice and an opportunity for a hearing – must repay the amount of any bonus made during the year in which such an adverse determination was made.

"Taxpayers in New Hampshire and across the nation are alarmed by recent reports of IRS employees being awarded bonuses that they shouldn't have received. Federal employees who haven't paid their taxes or who face disciplinary problems should not be getting bonuses. This bipartisan legislation takes commonsense steps to prevent workers with serious conduct infractions from receiving bonus pay," said Senator Ayotte. The legislation was introduced last year but ultimately failed to pass. **(Source: FedSmith, March 18, 2015).**

We believe that there are two major flaws with this unnecessary legislation.

First, many federal employee contracts, and specifically the IRS/NTEU contract, already contain provisions similar to the one being proposed that would not allow employees who have serious conduct infractions to receive any type of bonus/award. This bill is nothing but overkill and piling on because the Senators involved want to score easy political points.

Second, and even more egregious is the fact that one of the Senators who is a sponsor of this legislation has had her own serious conduct infractions relating to unpaid federal taxes in the recent past.

Missouri Democratic Sen. Claire McCaskill admitted several years ago that she failed to pay about \$287,000 in back taxes and agreed to sell a private plane that had created considerable controversy as she prepared to run for a second term in the Senate back in 2012. This is in addition to the \$88,000 that she had to repay taxpayers for the cost of political trips, plus pilot fees. According to many published news reports, McCaskill and her husband, co-owned the eight-seat, two-engine plane with other investors. They bought it in July of 2006 through Sunset Cove Associates, an LLC her husband incorporated in 2002. **(Source: Daily Caller, March 21, 2011).**

These expensive fiascos clashed with her self-made image as a reformer and good-government advocate during her first term in the Senate. According to published reports, Sen. McCaskill has shelled out more than \$375,000 in payments to cover the cost of the plane flights and back taxes, a series of events the senator herself has called "embarrassing." **(Source: Hot Air: March 21, 2011).**

Back in 2011, McCaskill, Missouri's former state auditor from 1999 to 2007, stated to the press that "There are people I could blame for this, but I know better. As an auditor, I know I should have checked for myself. I take full responsibility for the mistake. I should have checked the documentation. I should have been asking the questions. I shouldn't have assumed that somebody was doing it."

We are glad that she finally took personal responsibility for her actions. Unfortunately, it appears she only did that after she got caught. So, while we don't make up stories about the hypocrisy that goes on in Washington, DC, we do want to let you know that those who want to take away your bonuses if you run into some trouble paying your taxes don't hold themselves to the same high standards.

As your representative, we just thought you should know.



## “SCHOCK”- ING HYPOCRISY

“The Internal Revenue Service is too incompetent to stop its own illegal behavior .....” That was just part of a quote by the now disgraced former Congressman from Illinois, Aaron Schock. He made that comment a while back when talking about the IRS and its handling of the alleged TEGE scandal. (Source: **NEWSMAX, August, 2013**).

During his six years in Congress, Mr. Schock was no friend of federal employees. He voted for the pay freezes and was also in favor of increased employee pension contributions. You know, fiscal responsibility.

Fast forward to a few weeks ago when the once rising star had his flame extinguished in a scandal involving lavish spending and alleged outright stealing from the government. After voting to freeze salaries for federal workers all the way through 2015 and opposing any minimum wage increases, Congressman Schock quietly gave huge pay raises and/or bonuses to most of the staff members in his taxpayer-funded office during the last three months of 2014, according to Congressional expenditure reports. This included a jaw-dropping \$18,000 payment to an intern, and a 40 percent pay raise to his full-time in-house photographer after just one month on the job. Yes, we said photographer. See the details below:

- Anthony DeThomas was a paid intern who started on August 7, 2014, earning approximately \$1,000 a month. Then he became a “temporary employee” and was paid \$18,000 from October through December. The former intern’s paycheck exceeded most of the members of Schock’s staff – even accounting for the big bonuses and pay raises they collected. Oddly, DeThomas was also paid or reimbursed \$50 and \$100 for “Utilities”.
- Jonathon Link, Schock’s full-time personal photographer, started September 1 and was paid \$4,166 for that month, which translates to an annual salary of about \$50,000. In the final three months of the year, he was paid \$17,500, which translates to an annual salary of about \$70,000. In addition to his congressional salary, Link’s photography studio was paid more than \$29,000 during the final three months of the year for “Web Dev Hst, Email and Rltd Serv.” Schock’s office also paid “Web Dev Hst, Email and Rltd Serv” through Fireside21—a company that charges just a few hundred dollars per month and actually specializes in web development, hosting, email, and related services for Congressional offices.

There are more examples of this hypocrisy, but we think those two make the point. Then three weeks later, after paying all these outrageous increases, Schock went on television to decry a proposed minimum wage increase as “artificially raising the cost of labor.” (Source: **Blue Nation Review March 3, 2015**). Except for interns and photographers evidently. Yes, it is despicable behavior.

But beside the above, which is bad enough, the beginning of his downfall was when he had a donor’s wife repaint his office free of charge as a replica of the hit TV show, *Downton Abbey*. In Congressional offices furniture and computers are often handed down by other offices. New members are also entitled to a new paint job, although the House only provides a limited number of available colors — beige, eggshell, light blue, light gray or light yellow. Additional decorations must come out of the lawmaker’s pocket. (Source: **Washington Post, February 2, 2015**). In this case, evidently, nothing came out of his pocket. Another alleged violation of the rules. This issue caused interest in Mr. Schock’s spending habits and eventually led to the situation that forced him to resign from Congress.

Although he touted himself as being totally transparent and having integrity, the press found out that he billed the government and was reimbursed for 170,000 miles he stated were used to travel for his job on a vehicle used by him and his staff. That was not a problem until it was uncovered that when the vehicle was traded-in, it only had 80,000 total miles on it. He was reimbursed by taxpayer dollars for 90,000 miles he never drove-let alone that were not business miles. He was accused of lying on a travel voucher. That is something, which can get a federal employee fired. Even more ironic is that he sat on the Committee overseeing such payments (Source: **Fox9.com, March 24, 2015**). Talk about the fox in charge of the hen house.

Mr. Schock to this day has never admitted any wrongdoing. He stated in his resignation announcement that “with a heavy heart,” having given his constituents “my all over the last six years.” “But the constant questions over the last six weeks have proven a great distraction that has made it too difficult for me to serve the people of the 18th District with the high standards that they deserve and which I have set for myself.” Funny. When he was talking about the alleged IRS scandal all he did was ask questions and expect answers. More irony at its finest.

While no one likes to see anyone fall on hard times, what we do not like is hypocrisy. Do as I say, and the rules don’t apply to me. Cut federal agency spending, then I’ll get my cut from what’s left. Stealing is unacceptable anywhere. The allegations must have had some merit, as Schock said he “paid the government back for all mileage.” Closer to home, NJ Senator Menendez (D-NJ) was indicted on corruption charges, so greed crosses party lines. Evidently, no one is above it. (Note: **We recognize that all parties are innocent until proven guilty**).

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# They Don't All Refuse To Pay

"It is an honor and a privilege to serve in the federal workforce. It is disconcerting that federal civilian employees owe more than one billion dollars in back taxes. These employees are not exempt from their civic responsibility to fulfill tax obligations and those who refuse to pay what they owe should be held accountable." That quote was recently made by Congressman Jason Chaffetz in a Congressional meeting and was the precursor to a bill proposed that would result in federal employees who owe federal taxes being fired. Nice, huh.

Statistics were provided for the past decade that confirmed federal employees (including civilian military employees) tax delinquencies have increased considerably over the past decade. The total outstanding debt totals \$3,539,203,480 in unpaid taxes as of the end of FY 2014. Out of this total number, \$1,141,622,621 is owed by civilian employees, \$602,698,872 by retired civilian employees, and the remainder by active and retired military members. (Source: FedSmith, March 24, 2015).

These figures also include employees of the members of Congress who are considering this bill. In the House of Representatives, more than 500 employees, about 5 percent, owed \$6.7 million in back taxes. In the Senate, 220 workers, or 3.5 percent, owed the IRS about \$2 million. What is the expression about people in glass houses?

In an effort to show what has transpired in the past four years, we have included a section of the chart that was released in the report of Congress. Yes, the number is large. As reported, the delinquency rate for federal employees runs from a low for IRS employees of 3.1% to a high of employees at HUD of 4.74%. If a fair comparison is undertaken, then these rates should be juxtaposed against the delinquency rate for the general public which, according to the Associated Press, is between 8 and 9%. (Sources: HNGN, March 24, 2015 and (Source for chart: Ways and Means Committee, March 2015).

Year	Number of Delinquent Civilian Federal Employees	Dollar Amount of Delinquency
2011	107,658	\$1.013 billion
2012	112,582	\$1.084 billion
2013	116,169	\$1.077 billion
2014	113,805	\$1,141 billion

So, now that we produced the evidence to make the case that federal employees are evil and intentionally do not pay the federal income taxes they owe, we thought we may provide some evidence that explains why some federal employees owe these amounts.

First, to the best of my knowledge, I have never met anyone who intentionally did not file or pay their federal income taxes at the IRS. We are held to a higher standard than even the members of Congress. Almost two decades ago, as a result of Congressional investigations based upon considerable false testimony, Congress wrote a law that required IRS to terminate employees who willingly understate their income or fail to file their tax return in a timely manner. Who would willingly put their job at risk?

Second, IRS employee are like everyone else. We suffer when the economy lags. We were not exempt from the economic implosion nor did we cause it.

Third, I guess the esteemed Congressman and some of his colleagues forgot that federal employees had to absorb a three-year pay freeze with no increase in pay. Our expenses did not go down, so it was harder to make ends meet. Just like most other hard-working people.

Fourth, we guess they don't remember the three-day furlough IRS employees had to endure in 2013. These furlough days were unpaid. That was hard to absorb for everyone, but especially lower-graded employees who have still not recovered from that financial hit. If it wasn't for NTEU, employees would have had more unpaid time off as IRS was planning seven unpaid furlough days.

Fifth, they want to stop employees with such tax delinquencies from getting awards? They don't need a law for that. Many federal contracts have provisions preventing that from happening. But wouldn't it make more sense to let them receive the awards and pay their taxes? No, that would make too much sense.

And finally, to show what a minor issue this is, the IRS estimates that the "tax gap," the taxes that aren't collected, came to about \$385 billion in 2006, the last year the agency calculated it. That's the equivalent of about \$448 billion in 2015 dollars. The federal employee delinquency amount is 0.002546875%. (Source: AC Press, April 6, 2015). So, we need a law to deal with an amount that is one quarter of one percent? Talk about wrong priorities.



# LIEN ON ME

As the nation's federal tax collection agency, you would think that we would give our employees all of the tools needed to do their jobs. That is especially true for revenue officers who have to collect taxes from delinquent or non-filing "taxpayers." Again, as Charlie Murphy would say, "wrong"! At least in one county in the great state of New Jersey.

We recently learned of a strange situation that has occurred in the Essex County Courthouse involving federal tax liens. Evidently, there is a problem between the IRS and Essex County. According to a manager in the agency's Centralized Lien Unit, the problem is 23 years old.

The problem? It appears that the County believes there is an unpaid invoice from around 1992, so it has been applying recent lien filing fees paid by IRS towards the old bill. Essex County refers to this accounting term as "top offsets". In other words it applies payments on a first in, first out basis. As a result, Essex County has not been filing federal tax liens while it alleges that an old bill still remains unpaid. Isn't that just great? Of course, even the IRS has a 10 year statute of limitations for collection. The county apparently has none.

The Centralized Lien Unit is aware of this, and they have people working on it. We can only presume they have been working on this for the past 23 years. We understand that Beckley is involved and has researched several years of bills and payments going back 10 years. We guess good food takes time to prepare.

While the Centralized Lien Unit Manager believes that there is light at the end of tunnel, it may still take some considerable time to conclude the matter with Essex County. Even Counsel is now involved in this fiasco. When asked how this manager defined considerable time, a reference was made to a similar problem in another part of the country. That problem took "several months and even years" to ultimately correct. In other words, any day now.

The sad part is that is the good news. The bad news is that if we have an immediate filing that must take place, the CLU manager suggested that the employee hand deliver the lien to the Essex County Courthouse and pay the \$50 fee out of his own pocket and then claim the expense on his travel voucher for reimbursement. The Centralized Lien Unit is keeping track of the federal tax liens that are not currently being recorded. They then plan to record them when this matter is finally settled. Yes. In order for the county to file the lien, the IRS employee has to pay \$50 (fifty) out of pocket on the spot, and then put the expense on his/her voucher in order to be reimbursed. Ugh.

So, in order for the largest tax organization in the world to be able to file a lien in NJ's third largest county, the employees who have endured a three year pay freeze and unpaid furloughs are expected to dig into their pockets and then wait up to a month to get their money back. No problem, right. With all the respect and accolades we get from Congress about doing a good job on a daily basis, who wouldn't want to do that for good Ole' Uncle Sam? Shucks, why not send our troops down to the local gun shop and tell them to buy their own guns and ammunition and then put it on their expense vouchers for reimbursement.

When we inquired as to whether the employees could put the \$50 cost on their government credit card, the answer was a resounding NO! The reasoning is that only official business related travel expenses can be put on the credit card. The agency also noted that no employees are being required to pay the cost out of pocket. That was the first good answer we heard relative to this mess. While an employee can pay the large fee and seek reimbursement if they so choose, that is up to them. But, there is no requirement to force one to do so. If this has been an issue and you feel that you have been required or forced to pay the lien fee up front, we suggest that you contact the chapter office and let us know about it. We understand that this is not the problem that was caused by the current management in New Jersey. We also understand that they are trying to do their best to get the matter resolved.

The agency notes the importance and urgency of having the liens timely filed and recorded. Talk about overstating the obvious. We just can't seem to get past the issue of how an organization who needs the lien process to work timely and efficiently has had a roadblock put down and instead of trying to remove the road block just continues to drive around it.

The potential losers in this game are the agency and the employees who cannot properly do their jobs and collect the proper amount of tax due by not having liens properly filed with the County. The potential winners are those who have received lien notices from the agency but never have a lien filed or filed timely.

We also find it ironic or maybe confusing that last month, the agency was bragging about how they found a collection file from the 1920's. Perhaps they found an unpaid bill from Essex County in that stack of paperwork.

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# DO I JUST GET ALL 3's?

Have you ever been promoted to a new position only to be told your appraisal must be lowered to all 3's because of that promotion? We are confident that this issue has affected most readers of this publication on at least one occasion during their career at the IRS.

If your manager told you this, it is **not** correct. NTEU has listened to our membership that this was an issue. We get many inquiries and calls every year from employees asking if they can only get all 3's on their first evaluation after getting promoted.

The fact that you receive a new opportunity does not erase the skills you bring to that new job or diminish your ability to perform the same or similar tasks you performed in your prior position. To address this concern, NTEU negotiated language with the agency to ensure this practice stops.

The National Agreement states in Article 12 Section 4 "The fact that an employee assumes new tasks, receives new critical job elements, changes position, is a trainee and/or gets promoted to a new position does not create a presumption that his or her performance is only 'fully successful'. Rather, an employee's performance rating will be based strictly on his or her performance against those critical job elements that apply during the appropriate performance rating cycle." If you ever receive this guidance, you should push back. The language above was agreed to by the Agency with NTEU. Managers are required to follow this language. If you need assistance, contact a Steward or the NTEU office. This must be addressed within 15 work-days of when you receive your appraisal. Failure to push back will result in your appraisal staying at a lower overall rating longer so that you do not receive an award and are less competitive for future opportunities.

So, just because your manager may tell you "that is how it is," that is not the absolute truth. You should be evaluated on the work you do during the time you are rated. Nothing more nothing less.

## Managerial Approval Versus Contractual Rights

It appears lately that Counsel has no interest in assisting their employees. The actions taken in a few instances show that they actually are taking away employees' contractual rights under the guise of managerial discretion.

The case in point deals with credit hours.

There are two issues involving the clerical staff at Counsel. The first is denying an employee 5-4/9, citing insufficient coverage and diminished level of service. While there is an excess of work, there are no specific deadlines involved with the work, and there are no duties requiring coverage. Although we pointed out that 5-4/9 employees work 80 hours per pay, just like everyone else, so it does not affect a backlog of work in any way, they insist upon the change. They acknowledge that this backlog has been created by severe understaffing.

The second issue involves credit hours. Although employees are contractually allowed to work credit hours, management is using the phrase "...subject to managerial approval.." to deny requests without cause. The manager requires the employees to specify the work to be done, with the advanced request for credit hours, for the manager's stated intention to reassign that work to another employee, and thus, deny the request. The manager told the employees, in writing, that credit hours are for special projects, not for catching up on work that should have been done earlier. Huh?

This office has lost two clerical employees this year. Both went to work at other agencies. Their loss forces the remaining employees to pick up the slack.

Additionally, Counsel used to have about ten secretaries and three CATS operators. They are now are down to three secretaries and two CATS operators. So, what they have is five people being managed by a head secretary and an office manager, who is then supervised by another level of management. Can anyone say "span of control?"

We can only wonder why instead of twisting the arms of the secretaries to move off of 5-4-9, or some other contractually allowed work schedule, why the managers don't roll up their sleeves and help or hire some people? We are certain they could make a business case for it. They always seem to make that case when they need more managers or analysts.

We have seen an increase in the number of times Counsel management has attempted to violate the contract using the simple "Managerial Approval" dictum. We refuse to idly sit by and allow that to happen.

ANY NEWSLETTER IDEAS, LET US KNOW. SEND AN E-MAIL TO: [John.Kelshaw@irs.gov](mailto:John.Kelshaw@irs.gov)



## JOKE OF THE MONTH

A male driver is pulled over by a cop and the following conversation takes place:

**Man:** What's the problem officer?

**Cop:** You were going at least 75 in a 55 zone.

**Man:** No sir, I was going 65.

**Wife:** Oh Harry. You were going 80. (Man gives his wife a dirty look.)

**Cop:** I'm also going to give you a ticket for your broken tail light.

**Man:** Broken tail light? I didn't know about a broken tail light!

**Wife:** Oh Harry, you've known about that tail light for weeks. (Man gives his wife a dirty look.)

**Cop:** I'm also going to give you a citation for not wearing your seat belt.

**Man:** Oh, I just took it off when you were walking up to the car.

**Wife:** Oh Harry, you never wear your seat belt.

**Man:** Shut your mouth, woman!

**Cop:** Ma'am, does your husband always talk to you this way?

**Wife:** No, only when he's drunk!!!!!!



## PARDON ME...I HAVE GAS

The Administration recently ordered the federal government to cut its greenhouse gas emissions by nearly half over the next decade.

Under this executive order signed by the President, the government must cut its emissions of the heat-trapping gases blamed for global warming by 40 percent, compared to 2008 levels — a move the White House said could save taxpayers up to \$18 billion in electricity costs. It also directed agencies to ramp up use of renewable energy so that within a decade, roughly one-third of the government's power consumption will come from sources like solar, wind and hydropower. (Source: White House Press Release, March 19, 2015).

Now, if he could only reduce the number of gas bags and hot air problems in Congress. If we reduced that by 40 percent the place would be empty.

### CHAPTER 60 EXECUTIVE BOARD MEMBERS

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# NTEU CHAPTER 60

## **18<sup>th</sup> Annual Barry Brett Memorial Golf Tournament A Charity Event**

**(To raise funds for the American Cancer Society)**

**Apple Mountain Golf Club  
Belvidere, New Jersey  
May 21, 2015 (Thursday)**

Golfer #1: \_\_\_\_\_

Contact #: \_\_\_\_\_

Full package (\$100.00) \_\_\_\_\_

Partial package (\$85.00) \_\_\_\_\_

Golfer #2: \_\_\_\_\_

Full Package (\$100.00) \_\_\_\_\_

Partial Package (\$85.00) \_\_\_\_\_

Golfer #3: \_\_\_\_\_

Full Package (\$100.00) \_\_\_\_\_

Partial Package (\$85.00) \_\_\_\_\_

Golfer #4: \_\_\_\_\_

Full Package (\$100.00) \_\_\_\_\_

Partial Package (\$85.00) \_\_\_\_\_



**Full Package includes: Breakfast buffet, hot dog/drink @ the turn, golf, cart and dinner.**

**Partial Package includes: Breakfast, hot dog/drink @ the turn, golf and cart.**

**(Breakfast buffet @ 8:30am. Golf @ 9:30am) Money Due NLT May 7<sup>th</sup>.**

**Questions/Contact the Union Office @ 973-921-4040/4039**

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# A MOMENT OF SILENCE

Most of the people I know can't remember what they did last week, let alone what happened 20 years ago. But there are some events that are burned into our memories. The deadly bombing of the federal building in Oklahoma City is one of those events.

"On April 19, 1995, 168 people—federal workers, members of the public, and children—were killed in an act of rage against our government and against those who proudly serve it." Those are the words of National President Colleen M. Kelley of the National Treasury Employees Union (NTEU). "As we remember those who lost their lives, we also remember those who carry on their work. The federal workforce is made up of employees in communities across the United States who have chosen to work for this country."

"In the aftermath of the tragedy, federal employees in Oklahoma City banded together with a renewed sense of community and purpose", said Lauri Goff, president of NTEU Chapter 45 (IRS Oklahoma). At the time of the explosion, she was in a nearby branch of the IRS when she felt her elevator shake. When Goff stepped outside, "the whole downtown area looked like a war zone." She added, "Despite what a horrible day it was, we were all one family. It was all about helping one another."

Today, the site of the Alfred P. Murrah federal building is hallowed ground where a memorial and museum stand to honor the victims and educate the public. "The Oklahoma City bombing was not a random act," President Kelley said. "It was a deliberate attack on federal employees and serves as a reminder of the need to foster respect for government service and federal workers."

While the federal community still feels a great sense of loss for those who perished, employees are strengthened in their resolve to honor their sacrifice. "After 20 years, federal employees continue to persevere. But we never forget," said Kelley.

They say time heals all wounds, but that is not true. It may deaden or dull the pain a bit, but for those who lost loved ones in this tragedy, they are not healed. They are no longer complete. They will suffer and grieve for the rest of their lives. They may move on with their lives because they have to, but they will never laugh as loud as they once did. A part of them has been taken away.

While I may never remember the exact day, I always know that when April comes around every year, it is another anniversary I would rather not have to concern myself with. While I do not celebrate this anniversary in the way I would others, I do celebrate those who perished at the hands of the evildoers who caused such massive destruction. They gave the ultimate sacrifice just for doing their jobs. We are all lucky we are safe and sound.

So, now, 20 years later, we honor those who died on that fatal day and still pray for them and those who were injured in that attack. It was a senseless act of cowardice.

I would also hope that those in power who continually denigrate the government and the employees who work for it stop doing so now. Because there are people out there who despise the government and wish harm upon anyone associated with it. Such heated rhetoric does nothing but inflame those who wish to do harm.

May all of those who perished that fateful day rest in peace, and may every other federal employee be safe at work for the rest of their careers.



View of the Oklahoma City National Memorial and Museum with 168 empty chairs symbolizing those killed in the attack.

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