



# Alert!

# Chapter 25



## St. Valentine's Day...the real story.

Mid-February was traditionally the time of the Lupercian festival in 5<sup>th</sup> Century Rome, an ode to the God of Fertility and a celebration of sensual pleasure...a time to meet and court a prospective mate.

In 496 A.D., Pope Gelasius outlawed the pagan festival. But he was clever to replace it with a similar celebration, although one deemed morally suitable.

He needed a "lovers" saint to replace the pagan deity Lupercius. The martyred Bishop Valentine was chosen as the patron saint of the new festival.

Saint Valentine had been beheaded for helping young lovers marry against the wishes of the mad emperor Claudius. Before execution, Valentine himself had fallen in love with his jailer's daughter. He signed his final note to her, "From Your Valentine", a phrase that has lasted through the centuries.

Pope Gelasius didn't get everything he wanted. The pagan festival died out, it is true, but he had further hoped people would emulate the lives of saints. Instead they latched onto the more romantic aspect of Saint Valentine's religious life.

While not immediately as popular as the more passionate pagan festival, eventually the concept of celebrating true love became known as Valentine's Day.



## LONG TERM CARE INSURANCE PROGRAM (LTCIP)



The Office of Personnel Management (OPM) has announced the dates for LTCIP early enrollment and open season. The early enrollment will run from March 25 - May 15, 2002. OPM cautions, however, that early enrollment is designed only for those who are already very familiar with long term care and long term care insurance.

For most people, OPM says, early enrollment is not a good idea. They need the benefits of the extensive educational campaign that OPM is preparing with John Hancock and MetLife insurance companies. For those not participating in the early enrollment period, open season will run from July 1 through December 31, 2002. OPM says that details on early enrollment and the open season will be available shortly. We'll keep you informed!



### A memo from NTEU's President

President Bush has submitted his Fiscal Year 2003 budget to Congress. Congress will now begin the process of reviewing the President's recommendations. It will be critically important in the coming weeks that all NTEU members let their two United States Senators and member of the House of Representatives know of their disappointment with the President's proposals.

**Federal Pay.** President Bush has proposed that federal employees receive only a 2.6% pay raise in January of 2003. This is a full percentage and a half below the 4.1% pay raise he has recommended for the military. His recommendation not only fails to recognize the important role of federal workers in protecting our homeland and providing services to the public, it ignores the government's human capital crisis, a crisis that will not improve until federal pay/benefits reflect private sector compensation.



In addition, President Bush's recommendation is a further departure from the 1990 Federal Pay Law that has been used at least as a guidepost for setting federal pay. The formula set out by the law recommends a minimum 3.1% federal pay raise for next year. President Bush has chosen to set a federal pay number even below the minimum we might have expected.

**Contracting Out As candidate Bush promised.** President Bush seeks to make contracting out more federal jobs a centerpiece of his Presidency. His FY 2003 budget makes clear that, in his opinion, taxpayers are better served by having the private sector perform most of the work of the federal government. Although there is no evidence to support taxpayer savings from contracting out, there is ample evidence of cost overruns and questionable work quality by contractors. There are currently more than three times as many contractors doing work for the federal government as there are federal employees.

President Bush's budget states, "The Administration is aggressively encouraging market-based competition throughout the government..." NTEU must equally aggressively let our elected

representatives know the facts about contracting out. It is critical that we undertake this effort without delay.

**Charging Agencies for Retiree Pension and Health Costs.** The Bush budget includes a controversial new proposal to begin charging agencies directly for the full cost of their future retirees' health and retirement benefits. One of the reasons the Federal Employees Retirement System (FERS) was adopted was because the older Civil Service Retirement System (CSRS) was not fully funded. Under FERS, agencies pay the full expected cost of future pensions for their employees. The Bush proposal would require agencies to pay the full cost of their CSRS employees' retirement, as well as health benefit costs for all of their future retirees, and pay both from their salary and expense accounts.

Although the FY 2003 budget appears to include funding for agencies for this purpose, the budget makes no funding recommendations for future years. As we already know too well, agency salary and expense accounts are strapped and unable to fund many of the priorities they currently have. NTEU is greatly concerned that shifting these added costs to agency salary and expense accounts will lead to even greater funding problems in the future. We will aggressively oppose this proposal.

Colleen M. Kelley



### **IRS A POOR LOSER...WHO'S SURPRISED?**

As many of you know, NTEU won an arbitration case last year which established that employees on a 4/10 schedule were entitled to a third break each day.



When IRS challenged that decision and lost before the federal Labor Relations Authority, the IRS then asserted that it would not comply with the decision anywhere other than in Atlanta, the office with the original grievance. In effect, the IRS said that the decision did not establish a precedent that could be used nationally despite the requirements of our contract.



The IRS then sent NTEU President Colleen Kelly a letter announcing that if NTEU insisted the decision be applied throughout the country, then IRS would argue that under these circumstances, 4/10 created an adverse impact on the agency and therefore was nonnegotiable.

Their case would have been built around the fact that there are approximately 7,700 employees throughout the country on 4/10 and giving them another 15 minute break a day would result in a loss of 115,500 productive minutes a day.

Kelley's response was quick and direct. "Frankly", said Kelly, "I found the IRS response quite disturbing. Not only were they refusing to comply with the law and contract even after they lost the appeals, but they were threatening us. In an era when everyone in the Service is being schooled on the importance of ethics and employee satisfaction, I found this behavior to be outrageous and one that will be remembered for quite a while."

NTEU's reply was the only one we could choose under the circumstances. We filed a national grievance and took it on an expedited path to arbitration. The hearing was held on January 3, 2002 and the arbitrator promised a decision by January 21, 2002.

Realizing a decision was only days away and that it could do even more harm to the Service's goal of sticking it to those on 4/10 by denying them a third break, the IRS decided they better strike the best deal they could.

The agreement that was negotiated provides that everyone on a 4/10 schedule will get a third break. This third break will be of a ten-minute duration. The reason for choosing a ten minute period is that those employees who work a normal eight hour day, five days a week schedule get a total of 150 minutes of break time. NTEU insisted that those on 4/10 get no less.



They now get only 120 minutes. With a ten minute break added to the two 15 minute breaks they already get, those on 4/10 will get a total of 160 minutes of break a week.

"For thousands of the 7,700 employees on 4/10 schedules, this will be the first time that they have had a third break and I am delighted NTEU can provide this benefit for them in the face of such severe opposition for management" said Kelley.



### 1203 (B) TERMINATION OVERTURNED AT ARBITRATION A Nightmare

*The following is a reprint from the NTEU Bulletin. It highlights the horrendous effects that Section 1203 can have on your career and your life:*

Mary Rose Tablerion is a very determined woman, and that's good because the veteran Internal Revenue Service revenue agent needed both her own strength and that of NTEU in a long fight for vindication after the agency removed her for an alleged violation of one of the so-called "Ten Deadly Sins."

Those are the acts by IRS employees enumerated in section 1203(b) of the 1998 IRS Restructuring and Reform Act (RRA), a law that caused much anxiety in the workplace and has been linked to reduced tax collections. The agency said Tablerion threatened her ex-husband with an audit for her personal gain or benefit.

"This case takes aim at a badly-written, poorly thought out section of law running wild," said NTEU President Colleen M. Kelley, "and it is clear evidence that this section of RRA needs to be repealed or substantially modified."

Not only that, Kelley said, by taking this case to arbitration, both NTEU and the IRS have for the first time language guiding them on the meaning of key aspects of section 1203(b).

The NTEU president said the decision "defines the phrase 'performance of official duties' to mean a stronger connection to your job, and it tells employees clearly that they have to use their position with the IRS to extract some benefit from a taxpayer" before the section applies.

Neither of which was the case with Mary Rose Tablerion. Last March, the IRS — her work home for 18 years — fired her for conduct that occurred two years earlier and which sprang from a domestic dispute with her ex-husband, but which the IRS claimed violated RRA.

Eight months later, arbitrator Samuel A. Vitano ruled that the **agency was wrong**, and said that Tablerion, a member of NTEU Chapter 33, (IRS Arizona) was **entitled to reinstatement with back pay and benefits**.

The nearly three years this continued "was the biggest nightmare of my life," Tablerion said. "But the union helped me out with everything along the way."

In January 1998, Mary Rose Tablerion and her husband ended what arbitrator Vitano described in his decision as an "emotionally abusive" marriage, with the relationship continuing to be "difficult" in the post-divorce period. A year later, the parties got into a dispute over necessary signatures on forms relating to tax deductions for their two children. Tablerion supplied the signed forms, which her ex-husband refused to either sign or return to her.

In a phone message left for her husband, Tablerion said unless the forms were returned to her, she would write to the IRS and inform the agency that his tax return might contain something not agreed to in the parties' divorce decree. In that call, she used the word "audit."

In a return phone message, her ex-husband said that if he were audited, he would turn the matter over to the Treasury Inspector General for Tax Administration (TIGTA), which investigates allegations of Section 1203(b) violations.

Tablerion, who along with others in her unit had undergone available training on Section 1203(b), raised the matter both with TIGTA agents and her manager to explain what had happened; both TIGTA and her manager described the situation as one involving domestic relations, and encouraged her not to be concerned about it.



That turned out to be not very good advice from TIGTA, which after an investigation, concluded that she had threatened to have her ex-husband audited in violation of Section 1203(b). And after an extended period during which steps provided for in the law were taken, she was fired.

In his decision, arbitrator Vitano ruled that Tablerion lacked the control to use her position for personal gain. "Except for her status as an IRS employee," he wrote, "there is nothing in her (telephone) statement that suggests the use of influence or her position, and is no different than what might be expected of someone who is not employed by the IRS."

And, he added, even if her conduct could be construed as having been in the performance of official duties," the agency failed to prove that it was threatening in nature.

"I'm angry at the whole process," she said, "and even now, just like virtually everyone who has looked at this, I'm amazed (the agency) took it this far."

Employees should not have to live with this kind of uncertainty, Kelley said, adding that this case is just further proof that section 1203 does more harm than good and needs to be modified or repealed.



## **IRS Employees Union Praises Administration's Proposed Modification Of Employee Termination Guidelines Of 1998 Restructuring Act**



**Washington, DC** – The Bush Administration's proposed 2003 budget includes a request for Congress to modify a 1998 law requiring the termination of Internal Revenue Service (IRS) employees for certain violations in the performance of their official duties. National Treasury Employees Union (NTEU) National President Colleen M. Kelley applauded the administration's request, saying the harshness of the law has negatively impacted employee morale and performance.

"NTEU has held all along that it is unfair to hold IRS employees to a higher standard than the general population, a higher standard than other federal employees, and a higher standard than those who wrote these provisions into law in the first place. The administration's recommendation is a sound one and should be acted on by Congress as soon as possible," said Kelley.



Section 1203(b) of the IRS Restructuring and Reform Act of 1998 (RRA) requires the termination of employees for specific violations. Known among employees as the "10 deadly sins," the list of violations includes the failure to timely file tax returns even when a refund is expected.

In its budget request, the administration noted that an IRS employee who fails to file a refund return (a tax return due a refund) "is subject to termination even though a taxpayer who files a refund return late is not subject to any penalty."

The administration also said it supports a Treasury Inspector General for Tax Administration (TIGTA) request to remove from the list of Section 1203(B) violations the allegations of wrongful conduct by IRS employees against other IRS employees. The administration said these types of allegations "can be addressed by existing administrative and statutory procedures."

The administration is recommending the addition of unauthorized inspection of returns or return information to the list of violations, but the proposal would require the IRS Commissioner to "establish guidelines outlining specific penalties up to and including termination." The Commissioner would have the authority to determine "whether mitigating factors support a personnel action other than that specified in the guidelines for a covered violation."

The administration said the change “would improve IRS employee morale and enhance the fundamental fairness of the statute.”

“Fundamental fairness is what we have sought since enactment of the overly harsh 1203(b) provisions,” said Kelley. “NTEU members have worked hard to educate and encourage elected officials to address this situation. I am hopeful that Congress will act quickly in support of the administration’s proposal and in support of IRS employees and American taxpayers.”



## **NTEU Loses Battle Over Credit Hours for Travel**



Over the past several months guidance from the national office has been provided to the labor relations community informing you that union officials are not to be granted credit hours for travel associated with labor-management activities.

The IRS has consistently taken the position that the granting of credit hours under this circumstance is contrary to Federal law. As a result of the IRS position and a subsequent denial of credit hours for travel for a union steward in Las Cruces, New Mexico, an institutional grievance was filed over this issue.

An arbitration decision was eventually rendered, with a ruling in favor of the IRS. Thereafter, NTEU appealed the decision to the Federal Labor Relations Authority (FLRA).

The FLRA decided this issue in favor of the IRS. NTEU, Chapter 41 and U.S. Department of the Treasury, Internal Revenue Service, Southwest District, 57 FLRA No. 123 (December 14, 2001). The FLRA determined that the Federal Employees Flexible and Compressed Work Schedules Act of 1982, 5 U.S.C. §§ 6120-6133, and the OPM regulations, which flow from that Act, do not permit compensation (this includes credit hours) for travel outside an employee’s regularly scheduled administrative workweek.

By definition, credit hours are in excess of an employee’s basic workweek. In rendering its decision, the FLRA accorded deference to OPM’s interpretation of the Act, which supported the IRS’ position.



## **IMPORTANT INFORMATION from the National Finance Center (NFC) W-2 Adjustments (2001)**

YOUR WAGES IN BLOCK 16. (STATE WAGES, TIPS, ETC.) MAY BE DIFFERENT FROM WAGES REPORTED IN BLOCK 1.

Our payroll office, the National Finance Center (NFC), has identified a problem with programming for this field. Adjustments and award payments may not be reported correctly in this block. NFC has agreed to issue corrected W-2's for all employees affected by this error.

The W-2C's will be mailed by January 31, 2002. Please be aware that the W-2C will only reflect the block that is in error (Block 16). The original W-2 received must be retained for use in filing federal and state taxes.

In most taxing states, the requirement is to report the same wages reported on the federal tax form. Employees affected by the discrepancy in Block 16 may still file their state taxes prior to receiving the W-2C if they are in one of these states. The W-2C should be retained for documentation



Please be aware that this error has no bearing on filing of federal taxes. NFC apologizes for the inconvenience this error has caused our employees.

### **YOUR WAGES IN BLOCK 1. MAY BE DIFFERENT THAN YTD WAGES ON PP 24 LEAVE AND EARNINGS STATEMENT (LES).**

The following adjustments are made to the W-2 prior to issuance:

- FEHB Premium – For employees who participate in the FEHB Premium Conversion tax benefit, Health Insurance Premiums were deducted from gross wages prior to computing taxes. This amount is reported in Block 14B – NT (Nontaxable) Health Benefit. It has also been deducted from Medicare wages reported in Block 5 and from Social Security wages reported in block 3 (if applicable).
- Thrift Savings Plan - If you were contributing to the TSP, this money is not taxable so it is not reported in Block 1. The amount is reported in Block 12D. It is also included in Blocks 3 and 5 of the W-2. Maximum allowable TSP withholding for the year 2001 is \$10,500.
- Interest on Backpay - If you received interest on backpay, this is not reported on the W-2. You will receive a 1099 (if more than \$600.00) or a letter stating the interest which should be reported for taxes.
- Outstanding Debt - If you had a payroll debt (for overpayment of salary) established in 2001, the outstanding amount of the debt will be added to your W-2.

If after reviewing your W-2 for the above adjustments you believe your W-2 may contain an error, please contact the Employee Resource Center (ERC) at 1-866-743-5748 or via the web:

<http://erc.web.irs.gov/>

### **TOM's shorthand for instructions above: Example**

PP 24 YTD	-	\$20,000
(minus) TSP	-	- 85
(minus) FEHB	-	- 465
= W2, Block 1	-	<u>\$19,450</u>



## FED'S PAY BEING SCRUTINIZED AGAIN

The annual maneuvering over federal pay has begun. Once again the Administration is offering a dog biscuit size increase. But seven Washington area members of Congress urged President Bush to ensure that the government's civilian and military personnel receive the same across-the-board pay increase next year.



According to many reports, the president's budget will recommend that civil service employees receive an average 2.6 percent pay raise in 2003 and 4.1 percent for the military.

"We urge you, therefore, not to overlook the contributions of the federal workforce, many of whom work side by side with uniformed military personnel and for the same employer," the lawmakers wrote. "As members of the Washington-area delegation, we request that you adjust the rate of compensation for civilian employees at the same time and in the same proportion as rates of compensation for members of the uniformed services."

Standing tall for federal employees were: Rep. **James P. Moran Jr.** (D-Va.) who took the lead in organizing the letter to Bush, congressional aides said. Joining him in signing the letter were **Eleanor Holmes Norton** (D-D.C.) and Reps. **Thomas M. Davis III** (R-Va.), **Steny H. Hoyer** (D-Md.), **Constance A. Morella** (R-Md.), **Frank R. Wolf** (R-Va.) and **Albert R. Wynn** (D-Md.).



## MASTER LABOR AGREEMENT

*As of press time, the Chapter was notified that agreement has been reached. The draft will be forwarded to us within 10 days or so, but we should be getting some updates by VMS before the draft arrives. We will let you know the specifics as we get them. Stay tuned!*

First, it won't be called NORD VI. The new NORD is called the "Master Labor Agreement". Catchy, huh?

The idea is that each side, labor and management, sets forth proposals, which are discussed at the bargaining table. There is some give and take and agreements are reached. Not this year. The IRS position was "TAKE" — "TAKE" — and "TAKE BACK" some more.

Under the rules this year each article of the current contract, NORD V, would be renegotiated, as well as any new articles that were proposed. As of the most recent news (*before we learned that agreement was reached last night*), only 2 of 52 "articles" had been agreed to. The following list is what IRS management would take away from you if they got it their way.

### **Article 9 Official Time:**

Reduce the number of stewards a chapter may have so that there is only one per one hundred employees. This in effect would cripple NTEU's ability to represent and protect you from abuses.

### **Article 12 Performance Appraisal System:**

1. Remove the requirement to write a narrative.

*(In other words allow management to place any number as a rating and not have to make any explanation.)*

2. Instead of having evaluations due based on the last digit of your SSN over the course of the year, have all evaluations be due September 30<sup>th</sup>.

*(Last contract they begged to stagger them over the year and can't get that done. How in the world are they going to get them all done in a one-month period? Many suspect this could be a prelude to a manipulation of the awards system.)*

3. Reduce the amount of time allowed to prepare a rebuttal to an evaluation from 4 hours to 1 and limit it to a maximum of 2 pages.

*(Read this as, since employees have nothing we want to read in a rebuttal anyway, lets make sure they don't have the time or space to try to.)*

### **Article 13 Promotions:**

Remove the requirement to provide first consideration to current employees for bargaining unit positions.

*(What, in effect, they are saying is that they could care less about all your time and effort, all your years of service, we want kids off the street to get the jobs.)*

### **Article 16 Details:**

Take away rights to awards or temporary promotions for working higher-graded cases.

### **Article 18 Awards:**

Remove the parity between the bargaining unit pool of money and the non-bargaining unit pool.

*(We understand that more funds for bargaining unit was agreed to, details will follow.)*

### **Article 19 RIFS:**

Change the system so that you could only bump back into your own operating division.

*(For example if MITS has to RIF, even though someone might be eligible for a job in LMSB or SBSE, forget it. You are "out the door" or reduced in grade. No job saving like we had with the reorganization. Downgrade or out-the-door.)*

### **Article 20 Priority Placements:**

A trailing spouse would receive priority placement in the bargaining unit.

*(Forget the fact that there are 30 people awaiting a promotion from GS-11 to GS-12. When Mary gets a job as a GS-13 manager, her GS-12 husband gets the next GS-12 slot that opens.)*

### **Article 23 AWS:**

Change the language so that **only employees rated superior or exceeds fully successful** would be able to work AWS.

*(We suspect management is pushing to have everyone back in the office. They may be afraid that someone will figure that with all the employees fully capable of supervising themselves, maybe a span of control of 36 or 40 might be more realistic.)*

**Article 30 Training:**

Change the requirement for reimbursement of training expenses to ***if job required*** instead of the current ***job related***.

*(No more payment for CPA review courses since you don't have to be a CPA to work here.)*

**Article 37 Probationary Employees:**

Extend the probationary period from 1 year to 3 years.

*(Taking away basic rights and appeal procedures for our newer members.)*

**Article 41 Grievance Procedure:**

Streamline (*management's words*) the procedure and make certain grievances subject to 2 steps instead of the current 3. Some grievances would not be open to arbitration.

**Article 47 Mid-term Bargaining:**

Only at the national and divisional level.

*(This could just about put an end to dealing with local issues.)*

**Article 50 Flexiplace:**

Change the language so that only employees ***rated superior or exceeds fully successful*** would be able to work flexiplace. Right now fully successful, a 3 rating, (average) qualifies for flexiplace.

*This is yet another grab to bring average employees under the watchful thumb of a manager.*

*Lets be clear, this is an attempt to make "average" a dirty word. There is absolutely nothing wrong with "average". But then management has to support all those first line management jobs, it does not look good when they are supervising empty desks)*

NTEU and IRS went to mediation to try to resolve the differences. Although a decision was not due until the end of February, the mediator was also the arbitrator, and as such issued a pretty quick decision in the case.

We are told that management didn't get their entire wish list, and that NTEU prevailed on several of the Articles. The proof is in the pudding. When we know...you will know.



# Tom's Humor Page - featuring - Totally Useless Trivia

- Our eyes are always the same size from birth, but our nose and ears never stop growing.
- The electric chair was invented by a dentist.
- All polar bears are left-handed.
- In ancient Egypt, priests plucked EVERY hair from their bodies, including their eyebrows and eyelashes.
- An ostrich's eye is bigger than its brain. (Hmmm...I think I know a few ostriches!)
- TYPEWRITER is the longest word that can be made using the letters only on one row of the keyboard.
- "Go." Is the shortest complete sentence in the English language.
- A crocodile cannot stick its tongue out.
- The cigarette lighter was invented before the match.
- Americans, on average, eat 18 acres of pizza every day.
- Butterflies taste with their feet.
- A duck's quack doesn't echo, and no one knows why.
- In 10 minutes, a hurricane releases more energy than all the world's nuclear weapons combined.
- On average, 100 people choke to death on ballpoint pens every year.
- On average, people fear spiders more that they do death!
- Ninety percent of New York City cabbies are recently arrived immigrants.
- Thirty-five percent of the people who use personal ads for dating are already married!
- Elephants are the only animals that can't jump.
- Only one person in two billion will live to be 116 or older.
- It's possible to lead a cow upstairs...but not downstairs.
- Women blink twice as much as men.
- A snail can sleep for three years.
- No word in the English language rhymes with "MONTH".
- The average life span of a major league baseball is 7 pitches.
- The Main Library at Indiana University sinks over an inch every year because when it was built, engineers failed to take into account the weight of all the books that would occupy the building.



The **Chapter 52 Alert!** can also be found on our Chapter Web Page at <http://nteu52.hypermart.net>. You can e-mail any Chapter officer, staff member or steward from the page.

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