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INSIGHT

BY MIKE CAUSEY

Stormy weather

At one point in time, not that long ago, most of the people (who could read) in the U.S.A., read the same magazines—*Life*, *Look*, *Time*, *U.S. News & World Report* or *Newsweek*—and watched one of the three (NBC, ABC, CBS) broadcast television channels on a black and white TV with rabbit ears, test patterns and lots of snowy reception.



If your TV didn't work, you turned it on for about 20 minutes, then took the back off (which you were told not to do) and felt the tubes. If one was cold, you removed it, took it to the corner drug store (at least in big cities) and bought a replacement tube. Then you put it in, replaced the back of the TV, turned it on and boom, the *Dick Van Dyke Show*.

If the *Readers Digest* had it, chances are you had seen it. We were much more homogeneous—at least in that sense—than we are today.

But now, thanks to cable TV, you can watch shows in different languages, that focus on different things—cooking, religion, comedy, shopping, home repair, polka parties—and that may even be targeted exclusively to your particular racial, ethnic or religious group.

Nowadays, with so many niche publications out there—in print and on TV or the Internet—it is rare to find two people who get and read the same things. There are magazines about tat-

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Proponents of labor-management forums cite budget savings

Federal employee unions praised President Obama's revival of federal labor-management councils on Capitol Hill last week—touting the efficiencies the forums produce in hopes of preserving employee pay and benefits.

The White House issued Executive Order 13522 in December 2009, ordering federal managers to re-enter into forums with labor to pursue cooperative discussions to solve problems in the federal workplace—reviving partnerships that largely had been shut down by President Bush early in his presidency.

The union leaders spoke at an Oct. 11 hearing before the Senate federal workforce subcommittee chaired by Sen. Daniel Akaka, D-Hawaii.

While only a few labor-management forums survived the Bush era, in the two years since Obama re-launched them, their number has grown. More than 769 forums across most agencies now discuss issues affecting 800,000 federal employees.

"It's important to understand that unions have an interest in increasing the efficiency in the workplace, because when you get down to it, saving money ends up saving jobs," National Federation of Federal Employees President William Dougan told *FEND*. "In this era of reduced agency budgets, if the unions don't partner with management to find innovative ways to save money while accomplishing each agency's mission, it's a big problem. If we can't do that, then the natural tendency will be for those budget cuts to be translated directly

into workforce cuts which will adversely impact our membership and our ability to represent employees."

Dougan talked up the organizations at the hearing, noting that the forums not only can prevent waste in operations, but also can help agencies avoid "the costs associated with grievances and litigation." By discussing problems in the forums, labor and management can catch problems before they fester and become outright legal disputes, he explained.

And that, in fact, is their stated reason for being. The order states that the groups are to provide "a nonadversarial forum for managers, employees, and employees' union representatives to discuss Government operations."

"Through labor-management forums, employees who actually perform the work have a real voice in offering options, alternatives, and ideas on how to better accomplish the work through changing processes and procedures," Dougan told the subcommittee. "There is no more fertile ground for improved agency performance than listening to the ideas and concerns of workers."

Expiration Looms

Executive Order 13522 expires in December—hence the hearing to discuss the order's pros and cons, and to raise the possibility of legislation to enshrine the forums in law.

The forums' detractors also had a say at the hearing. George Nesterczuk, the

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toos, cigars, guns. There is probably a publication or website for people who collect thimbles or who race pigeons. We are all over the place.

But the best information still comes straight from the source. And one day recently I was hit with a perfect storm of honest-to-gosh feedback from real, live feds.

There were two storm fronts. First, I had lunch with two old friends (one retired, one still working) who also happen to be *FEND* readers. Small world! We talked about the joys and heartaches of working for the federal government. We also wondered what percentage of feds are happy with, and grateful for, their jobs.

What these two perceive are the downsides. They have more than 60 years of combined service at a number of agencies. At one time, both

worked for the National Active and Retired Federal Employees Association. And they have experience on Capitol Hill. Always good to visit with them, especially that particular day.

When I got back to the office, I ran into the second storm front. It came in the form of a lengthy e-mail from another *FEND* reader.

The writer said she's tired of being a target in the media/political campaign against government. She's with the IRS, and is about 15 years from retirement. Here's what she said:

"I enjoy what I do immensely. I derive much satisfaction from knowing I am working to help my fellow Americans. In addition to my work that produces a paycheck, I offer my knowledge of taxes to the VITA (volunteer income tax assistance) program. I give up my personal weekend time to meet with them and help them complete paperwork for both federal and state tax obligations.

"Media and Congress are so busy trying to make our situation look so rosy they don't bother to point out the downside of civilian service. As someone who has worked both sides of the table, I have first-hand experience with

the good and the bad.

"The good:

"Yes, we have a nice retirement package. But we have to make it to retirement to enjoy it. There are many, many people who sacrificed lower pay and slower advancement to build a solid retirement but never made it that far. They died before reaching eligible retirement age.

"Yes, we have a desirable health benefits plan. For those with chronic or acute medical situations, the plan is great. For those who never have to see a doctor, it is really just there. At some point in the future, they are likely to

reap the benefits; for now, they are simply contributing to the premium pool. (This is akin to saying the Earned Income Tax Credit should make the middle class happy. While it is a nice tax credit, not

every middle class taxpayer reaps a benefit from it.)

"The bad:

"Pay. Pay is saddled to grade and step. There are no Christmas bonuses or profit-sharing bonuses or pay increases commensurate with exceptional performance. Private-sector pay increases and bonuses can happen more than once a year.

"Hours. I wonder how many people who complain about us would want some of the restrictions we endure. We are limited to a 30-minute lunch.

How many people out there can leave their desk, travel to their lunchroom or on-site eatery, heat or purchase lunch, eat, and return to their desk within 30 minutes—day after day—without developing digestive problems? Many, many of us work more than the 40 hours for which we are paid. Customer service positions at agencies such as IRS, FEMA, and SSA are glued to their desks. My building—which houses a slew of federal agencies, including SSA and IRS walk-in offices, as well as some federal courts—does not even have a cafeteria. We must ride the

"During the shut-down threat in the spring, I was glued to cable TV all weekend waiting to hear if I needed to set the alarm Sunday night."

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elevator, exit the building, walk anywhere from one to seven blocks (an improvement in recent years; when I first transferred to this building, the nearest eating was four blocks away) to find a meal, stand in line, purchase it, rush back to the building, and ascend the elevator to your desk. If you have not exhausted your 30-minute lunch by this point, you are extremely close. So you end up eating at your desk while you work. Those who are working with the public by appointment or walk-in do not have the option of working while they eat.

“Stress. It is inexplicably stressful to constantly not know if you will be reporting to work on Monday. During the shut-down threat in the spring, I was glued to cable TV all weekend waiting to hear if I needed to set the alarm Sunday night. Maybe it would not be so bad—so stressful—if Congress would not wait until the 13th hour to act or our agencies would actually communicate with us on the situation. But the not knowing results in great stress (which is proven to be extremely detrimental to health) trying to look at a household budget and decide a game plan in the event we are suddenly without a paycheck and ineligible for unemployment. Offering good health benefits is the least they can do to make up for creating the unnecessary stress and resultant adverse effects to our health. Hmm ... maybe a contributing factor to the number of people who never make it to retirement age?”

“Safety. Many of us refrain from telling people where we work beyond stating “federal government.” This is especially true for those who work for high-target agencies such as IRS and SSA. Private citizens fail to accept that we are workers applying rules and regulations set forth by the folks (mostly elected officials) in Washington, D.C. When their frustration boils over, do they take it out on those elected officials (either at the polls or in the same

manner they take it out on the civilian workers)? No. They attack and threaten us, both verbally and in writing. Yet we do not have taxpayer-funded Secret Service to protect us, or any of the other security measures afforded to the policy makers.

“I did not receive a pay increase in January. My medical and dental insurance premiums increased. Along with the rest of the country, I am paying a reduced amount to Social Security this year; but, my federal tax withholding increased in the same paycheck my SS decreased. During long-term care open season, I opted to join the program (Uncle Sam does not pay any portion of this premium). I was not eligible for a step increase this year due to my current step and had to accept the 3 percent monetary award for exceptional performance due to the guideline limits on performance step increase. Add the fact that, in that same period of time, my household expenses have increased approximately 8 percent. To lessen the blow, I decreased my contribution to the Thrift Savings Plan and cut my discretionary savings allotment in half. Despite those two changes, my net take-home pay is still a few percentage points lower than this time last year. And it will be going down again in January, as both my dental and medical insurance premiums will increase while I will not receive an annual pay increase.

“If you conducted a poll, you would find a significant number of civilian workers who not only enjoy their work but also volunteer their knowledge and skills during non-work hours for programs such as VITA. I am extremely grateful to have a job and a steady paycheck and have said as much countless times over the past couple of years. That does not mean I am willing to lie down and take a beating from trust-fund, millionaire, elected officials who are out of touch with the everyday person.”

IRS employee in Atlanta

Just about says it all, doesn't it?

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man who reportedly convinced the last President Bush to do away with them, offered his testimony.

“Although the labor management councils created under the [Obama] E.O. are reminiscent of the partnership councils during the Clinton Administration, they are Clinton partnerships on steroids,” Nesterczuk complained. “One has to wonder what management crisis called for such a radical escalation of the role of federal unions.”

Nesterczuk particularly objects to the “pre-decisional” involvement he said he believes is permitted by the order in various issues that were previously “non-bargainable.” He said this involvement steps on management’s ability to carry out policy—including the “budget preparation and the allocation of resources this entails.” The order’s backers at the hearing denied its reach encroaches on agency power—and instead focused on how top management is likely to encroach on long-safe positions and budgetary items in the growing move toward austerity.

IFPTE and FMA affirm support

“[The International Federation of Professional and Technical Engineers] is not oblivious to the clear reality that lawmakers will address federal spending in ways that will require agencies to make changes to how they do business, and potentially eliminate programs and reorganize operations [in FY 2012 and beyond],” Gregory J. Junemann, president of the IFPTE, said in his testimony before the subcommittee.

“[I]t is likely that these changes will be significant, widespread and will greatly impact the federal workforce,” Junemann said. “IFPTE believes that partnership is even more important, not only for the workforce, but for the services taxpayers depend on during such uncertain times.”

Junemann cited improvements made possible at several agencies with IFPTE employees, especially at NASA. “Both sides are embracing a new approach of working jointly towards the betterment of the agency they love, rather than engaging in wasteful bickering over procedural minutiae or posturing over legal authorities,” Junemann said. He

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added that at the Department of the Navy, forums led to cooperation that saved enormous amounts of time on some projects, such as the changing out of batteries on Navy craft, that produced savings of “millions of dollars.”

Patricia Niehaus, president of the Federal Managers Association, also testified in support of labor-management forums—with the proviso that her organization would like its involvement to grow to “the agency and local level,” expanding from its current restriction to official participation at the national level.

For more, go to <http://tinyurl.com/3syag3q>.

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Hispanics remain under-represented in fed workforce

While the number of Hispanics employed by the federal government increased between fiscal 2009 and fiscal 2010, Hispanics as a percentage of the workforce remained static at 8.0 percent, the Office of Personnel Management reported this month.

OPM presented the findings in its Tenth Annual Report on Hispanic Employment in the Federal Government. The numbers come from OPM’s Central Personnel Data File, and cover the period from July 1, 2009, to Sept. 30, 2010.

According to the report, total permanent federal employment for Hispanics increased from 146,714 at the end of fiscal 2009 to 153,740 at the end of fiscal 2010. The 8.0 percent representation of Hispanics in the federal workforce, unchanged from fiscal 2009, still remains far below their 14.8 percent share of jobs in the nation’s civilian labor force.

DHS tops

More than 60 percent of Hispanic permanent new hires in fiscal 2010 were in four departments, according to the report—the Departments of Homeland Security, Treasury, Veterans Affairs, and Army. Homeland Security continued to employ the largest percentage of Hispanics, with 20.8 percent of its total workforce identified as Hispanic.

Next came the Social Security

Administration, with 14.1 percent; the Equal Employment Opportunity Commission, with 13.7 percent; and the Department of Treasury, with 9.0 percent.

Among the government’s 23 large agencies and departments, 10 posted increases in the percentage of Hispanics in their workforces year over year, seven logged declines, and six recorded no change. Among the seven agencies that posted percentage declines, three nonetheless logged an increase in the total number of Hispanics employed.

While the total number of Hispanic new permanent hires was lower than in the previous year—10,042 in fiscal 2010 versus 11,459 in fiscal 2009—Hispanics’ relatively high retention rates kept their percentage in the permanent federal workforce steady at 8.0 percent, OPM said.

Hispanic hiring decreased in all pay plans except “Other White Collar” occupations. OPM hopes to remedy that, citing its creation in February of the Hispanic Council on Federal Employment, which is charged with advising OPM Director John Berry on recruiting, hiring, retaining and advancing Hispanics.

“OPM is leading an aggressive effort to reform federal hiring to meet the workforce challenges of the 21st Century and recruit a more diverse pool of candidates,” the report said.

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Lawsuit possible in Tricare data breach

A law firm in Florida said it is looking into the possibility of filing a lawsuit on behalf of Tricare patients affected by last month’s theft of computer back-up tapes containing sensitive personal information on 4.9 million soldiers, retirees and family members.

The Pensacola law firm, Levin Papantonio, said the stolen tapes—which contain beneficiaries’ Social Security numbers, dates of birth, addresses, laboratory tests and medical information—could be used to fraudulently obtain or access credit cards, bank accounts or public benefits.

The firm pointed out that the contractor responsible for the tapes at the time of their theft, Science Applications International Corp., “did not inform Tricare patients about the breach for at least two weeks.”

Moreover, Levin Papantonio said, “the company has made patients responsible for monitoring whether their identities have been further compromised.”

According to a release from the firm, the affected patients are from Tricare’s Southern Region, which includes Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee and Texas.

No credit monitoring

Several military associations reportedly are demanding that free credit monitoring services be offered to affected beneficiaries. However, so far neither Tricare nor SAIC has offered to provide such services. In its statement on the incident, Tricare advised beneficiaries that they can “monitor their credit and place a free fraud alert on their credit for a period of 90 days using the Federal Trade Commission (FTC) web site.”

In its statement, Tricare said it was not providing free credit monitoring because “the risk of harm to patients is judged to be low” despite the nature of the information contained on the tapes.

“Retrieving the data on the tapes would require knowledge of and access to specific hardware and software and knowledge of the system and data structure,” Tricare stated.

To see the Tricare statement, go to: <http://tinyurl.com/3nxlsxs>. To see more about the law firm, go to: <http://tinyurl.com/454vyp2>.

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In Brief

Pathways discriminates against older applicants, union says

A labor leader said this month that proposed rules for implementing the Office of Personnel Management’s three new hiring Pathways Programs would allow agencies to circumvent the competitive hiring process.

The three new programs—the Internship Program, the Recent Graduates Program and the Presidential Management Fellows Program—were established by executive order after the administration killed off the Federal Career Intern Program, which labor groups long claimed was used by agencies to bypass merit-based hiring.

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In comments submitted to OPM, National Treasury Employees Union President Colleen Kelley stated that the proposed regulations would need “major revisions” for the programs to be “what OPM has promised: limited and targeted hiring programs, with effective safeguards to prevent further agency circumvention of the competitive process.”

Kelley said that because the Internship Program targets current students, and because the Recent Graduates Program targets candidates who have graduated within the previous two years, or six years, for veterans, the programs discriminate against older workers by design.

Kelley wrote that, with the sole exception of veterans, “applicants for these positions who are more than two years after graduation—statistically, the older applicants—will automatically be disqualified from participation in the program.”

To see more, go to: <http://tinyurl.com/3u6w79x>.

New monthly e-statements for military retirees

Military retirees will be able to access new monthly electronic retiree account statements, or eRAS, on the myPay pay account management system beginning Nov. 1, the Defense Finance and Accounting Service announced this month.

The eRAS provides information about a military retiree’s pay, deductions and benefits, as well as information about allotments, tax withholdings, direct deposit and other items.

Previously, DFAS only issued a retiree account statement annually each December, or when a retiree’s pay, benefits or other account information changed. While DFAS said those statements will continue, it created the new eRAS in response to customer requests for more frequent data.

“We’ve received a lot of feedback from military retirees who wanted to see a monthly breakdown of their pay and benefit information,” said

Col. Ralph Lunt, deputy director of DFAS Retired and Annuitant Pay. “We looked at a number of ways to deliver what our customers want without increasing the DOD’s already strained budget, and we decided an electronic monthly statement was the way to go.”

To see more, go to: <http://tinyurl.com/3ros4yw>.

OSC seeks Hatch Act update

The Office of Special Counsel is looking to revamp the Hatch Act, which limits the political activity of government employees.

Special Counsel Carolyn Lerner on Oct. 6 sent Congress a draft bill containing suggested changes to the 72-year-old act, and said that amending the act has been a “top priority” of hers since she was sworn in earlier this year.

“The Hatch Act injects the federal government into state and local contests thousands of times a year, its penalties are inflexible and sometimes unfair, and it is out of date with the 21st Century workplace,” Lerner said. “There’s bipartisan consensus that this law needs an update.”

Lerner said that as the act stands, a candidate with “even a trivial connection” to federal funding in his or her current position is barred from running in a partisan election. The OSC cited the example of a police officer in a canine unit who was deemed ineligible to run for a seat on a local school board because his dog was tied to Homeland Security Department funding.

Among reforms suggested in the draft bill, Lerner is asking that Congress clarify definitions of “political activity” and “federal workplace.”

To see the bill, go to: <http://tinyurl.com/3gxmo3j>.

Personnel records center dedicated

The National Archives and Records Administration this month dedicated its new National Personnel Records Center in St. Louis.

The center’s holdings include more

than 100 million Official Military Personnel Files and Organizational and Auxiliary files, as well as the Official Personnel Folders of former civilian federal personnel who separated prior to 1973, NARA said.

The NPRC, which has the capacity to store 2.3 million cubic feet of records, is one of the agency’s largest operations, NARA said. More than 600 NPRC staff work at the new facility.

For more details, go to: <http://tinyurl.com/3snztc6>.

NTEU says lower funding will force job cuts at IRS

NTEU, which represents Internal Revenue Service employees, said that 2012 funding levels approved by the House and Senate appropriations committees would trigger 3,000 to 4,000 job cuts at the agency.

In a letter to the 12 members of the deficit reduction super committee, the head of that union—National Treasury Employees Union President Colleen Kelley—called instead for additional tax enforcement resources.

“NTEU believes that at a time when Congress is debating painful choices of program cuts and tax increases to address the federal budget deficit, it makes no sense to eliminate one of the most painless and effective deficit reduction tools: collecting revenue that is owed, but hasn’t yet been paid,” Kelley wrote.

Kelley noted that the House and Senate bills would cut funding below 2011 levels by more than \$600 million and \$450 million, respectively—on top of reductions contained in the fiscal 2011 continuing resolution.

According to the union, the loss of staff would result in “a sharply reduced ability to provide effective taxpayer service,” and would undermine “recent progress made in offshore tax evasion, information reporting and debt collection efforts.” The union leader said that the IRS collected 93 percent of all federal receipts in fiscal 2011—more than \$2.3 trillion.

To see more, go to: <http://tinyurl.com/3qt3rfg>.

Was Army job applicant wrongly rejected?

This week in “You Be the Judge,” an applicant for more than one Department of the Army civilian job slot—whom we shall call Jane Doe*—appeals her non-selection to all of the vacant posts. She argues she was wrongly excluded from selection due to her prior involvement in whistleblower activity, some details of which were shared at an interview with a panel of hiring officials. In addition, Doe argues that Army interviewers were moved to reject her by a belief that she was a whistleblower—meaning that she was removed from the job competition on illegal retaliatory grounds. The prior whistleblowing was the only negative material referenced in her non-selection.

Doe pursued an appeal through the Office of Special Counsel and the Merit Systems Protection Board. The Army responded that it had not improperly discriminated against her, and that several of her additional claims—for instance, her veterans’ preference rights—were not properly presented.

Should the whistleblower issue never have been a factor in the hearing held by the panel considering her job application? Read about the testimony and evidence in this case, and then decide whether the agency or Doe broke agency rules or the law. You be the judge.

FACTS: Doe applied for several Army jobs and, during the process, appeared before a four-person panel tasked to review her application and conduct an interview with her. In the course of the interview, according to official documents in the case, “the conversation turned to the circumstances of her previous separation from federal service with another agency.” Doe—though uncomfortable with the particulars of the queries that followed—ultimately informed the interviewers that she was “fired for whistleblowing” at the other agency. At that point, Doe received a discouraging message about her job prospects. One of the panel members stated that whistleblowers at the office to which she was applying, “were immediately reassigned to the library.” Some time later, the “agency selected other individuals for the vacancies at issue.”

Doe appealed to the MSPB, arguing she had been rejected in direct retaliation for whistleblowing. An administrative judge informed her that she must show, as any appellant in Doe’s spot would be required to do, that she “(1) engaged in whistleblowing by making a protected disclosure, (2) the disclosure was a contributing factor in her non-selection for appointment, and (3) she exhausted her administrative remedies with the Office of Special Counsel.” Doe filed further documentation, but according to the AJ it was not specific enough—she simply did not provide evidence of a “particular disclosure”

that she could show had led to her non-selection. She appealed again, to the full MSPB.

Did Doe suffer wrongful non-selection as retaliation for prior whistleblower activity?

DECISION: The full board first noted its agreement with the AJ’s statement that three conditions must be satisfied in order to successfully pursue a whistleblower retaliation complaint. But, the panel noted, there is one very clear exception to the need to meet all three conditions. “Specifically, an individual who is perceived as a whistleblower [by the agency in question] is still entitled to the protections of the Whistleblower Protection Act (WPA), even if she has not made protected disclosures,” the board wrote. The board cited several clear precedents for this exception—including *Jensen v. Department of Agriculture* (2007) and *Juffer v. U.S. Information Agency* (1998).

In an earlier such precedent, *Special Counsel v. Department of the Navy* (1990), for example, “an employee’s supervisors perceived him as a whistleblower,” thinking he had made a telephone hotline whistleblower complaint although he denied doing it—and he was eligible to pursue a retaliation complaint simply because the perception that he was a whistleblower was there and that perception may have affected his work status. In yet another precedent, an employee was found to have grounds for complaint because, although he never disclosed his list of whistleblower complaints, his employing agency knew of that list and may have acted against him because of it.

“In this case, we find that the appellant raised the issue of her perception as a whistleblower in her complaint to the Office of Special Counsel, thereby satisfying the statutory exhaustion requirement,” the board wrote. “We further find that the cancellations of the vacancy announcements and non-selection for appointment were personnel actions [against her] under the WPA.”

The full board reversed the AJ’s ruling. Although the panel found Doe had “not yet” made an adequate “non-frivolous case” that she had suffered whistleblower retaliation, the panel found she possibly had suffered for the perception of having blown the whistle. And she had not been adequately informed by the AJ of what would be required of her to prevail. The board, therefore, ordered the case remanded to the AJ, who is ordered to instruct Doe on what submissions are needed for her for her case to meet the “nonfrivolous allegations” standard.

(MSPB, Docket No. AT-1221-11-0037-W-1, 9/14/11)

*While names are changed, facts are based on an actual case.

Before long, it'll be her turn.

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


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This is a brief description of the features of Government Employees Health Association, Inc. Before making a final decision, please read the GEHA federal brochure, RI 71-006. All benefits are subject to the definitions, limitations and exclusions set forth in the federal brochure.

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Reviewing your homeowner's insurance: Part II

Recent earthquake and hurricane/tropical storm activity in the eastern part of the United States during August and early September resulted in billions of dollars of damage to homes and businesses located in these areas. Since many federal employees live in these areas—many of whose homes may have been damaged by the earthquake and/or hurricane/tropical storm Irene—this week's column reviews what a typical homeowner's insurance policy covers and does not cover with respect to damages caused by earthquakes and hurricanes.

Earthquake Damage

Earthquake protection is generally excluded from standard homeowner's insurance policies. Those homeowners who purchase earthquake protection insurance do so either as a separate policy or as an endorsement to an existing policy.

According to Chubb Corp., an insurer of commercial property and high-end homes, most homeowners who buy earthquake coverage live in earthquake-prone states such as California and Alaska. But a homeowner who lives on the East Coast—where the first significant earthquake in 114 years occurred on Aug. 23, 2011—would not be wise to purchase earthquake insurance. This is because the extremely infrequent occurrence of earthquakes in this area of the country does not justify paying the rather expensive earthquake insurance premium.

The premium cost of earthquake insurance varies according to the location of the home. Deductibles for earthquake insurance policies vary by state and range in cost from 5 percent to 25 percent of the overall market value of the property.

Individuals who have "floaters" on their homeowner's insurance policies in order to insure valuables such as fine art or furniture will be reimbursed for damage to these items as a result of earthquake damage. But if they want to be reimbursed for damages to their home structure as a result of an earthquake, they must purchase separate earthquake insurance.

Wind Damage

Wind damage to a house as a result of a hurricane or a tropical storm is covered under many standard homeowner's policies. Damage includes broken windows, torn roofs, and interior damage from water falling into a home or wind driven rain. Also covered is damage resulting from strong winds blowing tree limbs or entire trees onto a home, garage or a shed.

But many insurers have added separate "hurricane deductibles" to homeowner's policies for homes situated close to the eastern coast of the United States. For homes that are subject



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to these deductibles, when a hurricane results in wind damage to the home, the damage must exceed a hefty amount—typically equal to 1 percent to 5 percent of the amount that is insured—before the insurance company will reimburse the homeowner for any type of wind damage. For a home that is insured for \$500,000, that would mean a "hurricane deductible" equal to as much as 5 percent of \$500,000, or \$25,000.

In some states, insurance companies are permitted to reimburse homeowners for wind damage resulting from a hurricane only if a formal warning of a Category 1 or higher hurricane was given prior to the actual occurrence of the storm.

Damage to automobiles resulting from high winds, such damage from a falling tree, is covered separately under the comprehensive portion of one's automobile insurance policy.

Flood Damage

Traditional homeowner's insurance policies do not cover water damage resulting from floods. Floods are defined by insurers as water that rises from the ground, and can be caused by numerous events such as heavy rains, storms, melting snow, dam failures or overflowing lakes or rivers.

A homeowner can obtain flood insurance through insurance agents affiliated with the National Flood Insurance Program (NFIP), administered by the Federal Emergency Management Agency. Under NFIP, the federal government stands as an insurer of last resort for flood insurance. In exchange for this guarantee, the federal government requires participating communities to adopt and enforce land use measures that direct future development away from flood-prone areas.

Flood insurance also can be purchased from private insurers. With limited exceptions, there is a 30-day waiting period between the time an insured person applies for coverage and pays the premium before the insurance coverage takes effect.

According to the National Flood Insurance Program, the average annual flood insurance premium is \$600. In some areas of the United States which have the highest probability of floods—such as along the Red River in North Dakota and along the Mississippi River—annual premiums can be as much as \$6,000.

A typical residential flood policy provides coverage for "client physical loss or from flood" for the following:

Dwelling: Covers damage or loss to the building;

Personal property: Refers to the contents of a home such as furniture, appliances or clothing. Certain types of property such as paintings maybe excluded or have a dollar limit; and

Debris removal: Covers debris removal from an insured property following a flood.

Federal Benefits Q&A

Question: “I am a Federal Employees Retirement System employee and intend to retire at the end of December 2011. I have been accumulating leave in anticipation of my retirement. Given that the end of the leave year is Dec. 31, does my date of final separation need to be Dec. 30 to avoid losing accumulated leave in excess of 240 hours, or can it be Dec. 31, which would add one more pay period of leave to my total?”

Answer: You should retire on Dec. 31, 2011, (a Saturday, the end of pay period 26) in order to get paid in a lump-sum payment for the most possible number of hours of unused annual leave and to receive your first FERS annuity check dated Feb. 1, 2012. If you were to retire Dec. 30 (before the end of pay period 26), you would not accrue the eight hours of annual leave for pay period 26.

Readers are encouraged to ask questions related to general employee benefits—such as CSRS, FERS, the Thrift Savings Plan, tax and estate planning, insurance, Social Security and Medicare—at the “Federal Benefits Q&A” at www.FederalSoup.com.

Thrift Savings Plan Share Prices

FUNDS	OCT. 11	MONTH AGO	YEAR AGO
G Fund	13.7665	13.7446	13.4194
F Fund	15.0662	15.2125	14.5038
C Fund	14.6840	14.1497	14.0288
S Fund	19.2091	19.0417	18.7604
I Fund	17.8437	17.2384	19.3672
Lifecycle Funds			
L Income	14.8053	14.6877	14.4149
L 2020	16.5762	16.2691	16.2247
L 2030	16.8074	16.4419	16.4951
L 2040	17.0370	16.6289	16.7692
L 2050	9.2740	9.0273	N/A

Register free to get rates of return and other TSP info at: www.FederalDaily.com/pages/resources/thrift-savings-plan.aspx

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