



*(October 23, 2015)*

In order to further improve the lines of communication and to respond to the concerns between the National VA Council and you our members, I have established a National VA Council Briefing. This NVAC Briefing will bring you the latest news and developments within DVA and provide you with the current status of issues this Council is currently addressing. I believe that this NVAC Briefing will greatly enhance the way in which we communicate and the way in which we share new information, keeping you better informed.

**Alma L. Lee**  
National VA Council, President

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**In This Briefing: Phoenix VHA fiscal Officer wins Whistleblower case**  
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When Tonja Laney’s superiors at the Department of Veterans Affairs suspended her, searched her office, and investigated her based on an anonymous accusation of sexual misconduct, they were engaging in whistleblower retaliation. That was the ruling this week by a U.S. Merit Systems Protection Board judge who found that Laney, as chief fiscal officer for the Phoenix VA medical center, became a target of harassment as she tried to expose financial wrongdoing and mismanagement.

The 35-page decision issued by Judge David Brooks says Laney may now apply for monetary damages and corrective actions in the Phoenix VA Health Care System.

Laney, a disabled veteran who served in the Air Force, said she represented herself in a three-day hearing and feels vindicated after more than two years of fighting against rumors, reprisal and stress.

“I couldn’t have asked for a better decision from the judge,” she said. “This was a huge win. ... They try to wear you down. Regular rank-and-file employees could not defend themselves because it would take a ton of legal fees.”

Brooks found that former Phoenix VA Human Resources Director Maria Schloendorn orchestrated a reprisal campaign against Laney, then refused service of a subpoena to testify under oath about the controversy. Schloendorn retired last year amid a local and national furor over delayed care for veterans and a corrupt VA culture. She could not be reached for comment.

The Laney case is one of many involving Phoenix employees who, after raising red flags about unethical conduct, got suspended, investigated and bullied.

According to Brooks, Laney advised supervisors in late 2013 that human resources employees were taking all or most of the Phoenix VA's student loan money allocated for recruitment incentives. Months later, Laney warned superiors of "timekeeping irregularities" that also involved human resources staff.

In May 2014, as the Office of Inspector General stepped up investigations at the Carl T. Hayden VA Medical Center, Schloendorn allegedly commented to Laney, "They're going to get us all." According to the Merit Board ruling, Laney answered, "They're not going to get me," then noted that she intended to provide a statement and documents from her office to investigators.

A couple days later, Laney was removed from her office and a search was conducted by a VA police detective along with other employees. She was assigned to another department for five days, then put on leave.

The suspension notice said Laney was suspected of wrongdoing of a "very serious nature." That suspicion purportedly stemmed from anonymous letters that claimed Laney engaged in office threesomes and was predatory toward Black men. According to VA records, Schloendorn already had investigated the same charges twice previously, when identical letters were sent to VA officials, members of Congress and the media. She found no substantiating evidence.

According to the Merit Systems ruling, a human resources staffer testified that Schloendorn acknowledged persuading a colleague to author at least one of the letters. Nevertheless, Brooks wrote, Schloendorn resurrected the smear correspondence and duped Phoenix VA administrators into putting Laney on leave. Brooks found that Schloendorn "introduced baseless allegations against the appellant in reprisal for her whistleblowing activity."

During the office search, Detective Robert Mueller seized a travel document that had originated at the VA medical center in Texas where Laney previously worked. Based on that item, the report says, Mueller convinced the U.S. Attorney's Office to charge Laney in federal court with unlawful removal of government property.

The criminal charge was dismissed by prosecutors within days. Internal investigations exonerated Laney. She was returned to work in June 2014.

Meanwhile, auditors verified that hoarding of incentive loans within the human resources department constituted an abuse of authority with policy violations. And the Office of Inspector General produced a series of reports documenting broader mismanagement, patient care failures and retaliation at the Phoenix hospital.

Brooks' decision notes that Schloendorn was named in multiple discrimination complaints, and found culpable in at least one Equal Employment Opportunity case. He also stressed that testimony from Mueller, the VA police detective, was not believable. Mueller did not respond to an interview request submitted through a hospital spokeswoman.

The VA has a right to appeal the judge's findings. The department also could initiate settlement talks before the decision becomes final Nov. 18.

Most of the VA administrators involved in the case have retired, resigned or are on administrative leave. Laney, who was reinstated as chief fiscal officer a year ago, said replacement leaders have treated her fairly since then.

Laney sued Schloendorn, Mueller and other VA employees in federal court, alleging an unlawful search of her office. That case is listed as pending but scheduled for dismissal.

Laney also is pursuing an EEO complaint alleging that Brad Curry, the director of Health Administration Services, referred to her as a "mudshark," a racial and sexual slur. Curry has been on paid leave for 16 months amid investigations of misconduct. He has not responded to Republic interview requests.

According to a VA report, Curry denied using the term, but Assistant Director Lance Robinson testified that Curry previously admitted making the offensive comment and was given a reprimand.

Internal VA fact finders concluded that Curry "used the term to intentionally express discriminatory bias against complainant because he believed her to be a White woman who preferred the company of Black men." However, the investigators denied Laney's discrimination complaint because they said Curry's statements were "not sufficiently severe or pervasive, alone, to create an objectively intimidating, hostile or offensive work environment." They also ruled that, even if that finding was wrong, VA has no liability because Curry was disciplined.

Laney is contesting that decision.