

Bill White and the Veterans Administration¹

An unhappy Bill White walked out of the Administrator's office. Advice from the White House is part of the job, he thought, but never before had he felt this kind of pressure. "And when Goldman leaves, this will be my problem," he said to himself.

Bill White was Deputy Administrator of the Veterans Administration, responsible for administrative services and agency operations. The Administrator, Jack Goldman, was planning to resign within the next six months, at which time White would become the Acting Administrator until the new administrator was appointed. The problem that was irritating Goldman and troubling White was a series of actions by the White House Presidential Personnel Office pressuring Goldman to hire a man – Bob Smith – who had recently retired after thirty years in the state veterans organization in Illiana.²

A political appointee, Smith had served four consecutive governors and had won many friends in the state. An outgoing and amiable man and an effective advocate for veterans' interests, Smith was on good terms with state legislators of both political parties and with the Illiana Congressional delegation in Washington. Though he did not know him well, Goldman had met Smith on several occasions and felt he was a competent representative of veterans' interests.

After voluntarily retiring from his state job six months earlier on his 55th birthday, Smith soon found that he wanted to keep working. He called an old friend at the White House and indicated a desire to work for the Veterans Administration. His friend agreed to help him. According to White, Smith's friend was "very high in the White House, someone who would not normally get involved in the day-to-day operation of a particular agency and certainly not in filling one particular job. It was most unusual."

Smith's friend spoke to the head of the White House Presidential Personnel Office, instructing him to find a job for Smith at the VA. This was then delegated to a member of his staff who covered the Veteran Administration and several other agencies and who became the contact between the White House and the VA. Goldman received the first phone call from him shortly after the announcement of his own resignation plans. The caller explained Smith's situation, suggesting that Goldman hire Smith as Executive Assistant to the Chief Medical Director in the Bureau of Medicine and Surgery. The caller thought that Smith's knowledge of veterans' needs would be helpful in shaping the agency's approach to veterans' health issues.

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² The state veterans organization helps local veterans prepare claims for service-connected disabilities and represents them before the Federal Board of Veterans Appeals.

(The Bureau of Medicine and Surgery oversees all VA medical centers and includes one third of the VA budget and nearly 80% of all agency personnel.) Goldman explained, however, that this position was being abolished because of a reduction in the personnel ceiling, and was, furthermore, not essential to the efficient administration of the Bureau. The caller offered no protest, and Goldman believed his response had settled the matter.

A week later, however, Goldman received from the Office of Personnel Management, a memorandum that approved an increase of one Senior Executive Service position in VA's allocation, identifying the job as Executive Assistant to the Chief Medical Director.

Normally, at the beginning of the year we get allocation documents from OPM that give us our Senior Executive Service ceilings, and if things change during the year, they can issue a modification. But it is quite unusual to get a document saying here's a new SES ceiling to add just one position.

Goldman was furious. This was an unprecedented intrusion on the Administrator's autonomy. Goldman was also angry that, instead of talking with him personally, Smith had gone directly to the White House. "I will not be responsible for hiring Smith," Goldman told White. "If they have given us this position, it will be filled by someone off the civil service register. Have the Chief of Personnel contact Smith about filling out a 171 form if he really wants this job. I won't have anything to do with it." He even mentioned blowing the whistle on the whole matter once he retired. "I won't allow this agency's fine reputation to be destroyed by such politically-motivated shenanigans"

As White, who had never met Smith, left the Administrator's office, he realized that this problem would soon be his. And unlike Goldman, who was in his final months with the VA, White was looking toward a constructive relationship with the White House. White knew, too, that with the VA administrator resigning, he would have a shot at the top job. With these thoughts in mind, he called his personnel office and asked them to see that Smith completed the proper forms. The job was a general schedule position in the Senior Executive Service. It could be filled by a political appointee but the candidate must first be certified as qualified by the Office of Personnel Management. Perhaps, White thought, Smith would tire of the red tape and back off. White never explicitly discussed the circumstances surrounding the Smith case with the director of personnel, who nevertheless realized that "it was a little unusual."

Not long thereafter, even before Goldman resigned, White began receiving calls from the White House asking about the delay in hiring Smith. When White replied that the Office of Personnel Management (OPM) had not yet processed Smith's forms, the caller suggested that White prod OPM. White had the personnel director call OPM, but the response was, as expected, a polite version of "don't call us, we'll call you." White did not press further. The inquiries from the White House to White continued on a weekly basis, and after four weeks OPM still had not acted on the Smith case. At the close of the fifth conversation, the exasperated

caller, a 29-year-old special assistant in the White House personnel office, said to White, “Goldman was dragging his feet on this position, and it doesn’t seem to be moving any faster now. You have a long career ahead of you . . . I suggest that you expedite this matter.”

White had mixed feelings about this conversation. He did not want to anger a member of the White House staff, but, “I felt a loyalty to my boss, who was strongly opposed to hiring Smith under these circumstances. I was also concerned about how it would look in the agency if Smith were hired. The bureau takes great pride in their professional reputation and it was common knowledge that Smith’s political friends in high places were pushing for him.” The agency’s professional organizations and union, which were still smarting from staff cutbacks made earlier that year, were showing a lively interest in the Smith affair. While the position did not require congressional approval White had learned that a member of the House Post Office and Civil Service Committee staff was making calls about Smith and possible “political influence” in filling civil service jobs. Goldman had also received a couple of letters from veterans organizations urging that Smith be hired. White was still weighing these considerations when OPM finally acted, declaring Smith ineligible for the position because he lacked experience working in a health or medical capacity. With relief mixed with some apprehension, White called the special assistant in the White House informing him of the decision; the response “could not appear in print.” Shortly after this exchange, Goldman resigned and White was designated the Acting Administrator. His first call was from White House Personnel:

We’d like you to come over for a meeting about some of the staffing decisions that have to be made in the VA. We’d also like to solve the problem of hiring Bob Smith. You would find him a valuable member of the agency’s staff.