

Internal Revenue Service Memorandum

date: June 6, 1997

to: All Employees
North Texas District

from: District Director 1520 DAL
North Texas District
President, NTEU Chapter 46 1700 DAL

subject: North Texas District/NTEU Awards Agreement and Related Issues

This memorandum transmits the IRS/NTEU Performance Awards Program agreement between North Texas District and NTEU, Chapter 46. The Awards Agreement supplements Article 18 of NORD IV and represents a significant departure from the prior awards agreement, specifically:

1. All awards earned within a fiscal year will be paid from the same fiscal year budget no later than October 31 of each calendar year.
2. The previous tier system no longer exists. Instead, employees will compete within their occupational categories on an annual basis, beginning this fiscal year. Attachment 2 includes additional categories resulting from organizational changes that occurred after the signing of the Agreement. Awards will be calculated based on employees' annual ratings of record which will be issued pursuant to the Constant Annual Rating Date (CARD) Implementation Procedures agreement. Employees will be ranked in descending order according to their annual rating of record, and the top 40 percent in each occupational category will be recommended for performance awards as defined in Section III of the accompanying Awards Agreement. Eligible employees will be recommended for performance awards based on a percentage of their adjusted salary (salary less locality pay) at a Step 5 of their grade at the time of issuance of their annual ratings of record.

This Agreement has been reached in order to benefit both parties and, specifically, to recognize the greatest number of employees possible. If you have any questions or concerns, please contact either your manager or your steward.



Bobby E. Scott
District Director



President, NTEU Chapter 46

Attachments

**IRS/NTEU
PERFORMANCE AWARDS PROGRAM
NORTH TEXAS DISTRICT AND NTEU CHAPTERS 46 AND 10**

Section I

- A. This agreement serves as a supplement to Article 18 of NORD IV and together with appropriate laws and regulations establishes the award criteria for performance awards under the IRS/NTEU Performance Awards Program for the North Texas District bargaining unit employees.
- B. All North Texas District employees who are covered by the current NORD agreement are also covered by this agreement.
- C. Pursuant to Article 18, Section 2(D) of NORD IV, 80% of the total bargaining unit awards amount will be paid out for IRS/NTEU Performance Awards. This will constitute the total District Performance Award Pool.

Section II

- A. The current annual rating of record as prepared on Form 6850, Job Element Appraisal, will be used to determine the eligibility for an IRS/NTEU performance award under this agreement.
- B. The average rating on all critical elements will be computed for each bargaining unit member at the time of preparation of the annual rating of record.
- C. The computation of the average rating on all critical elements will be made as follows:
 - 1. Add the rating on all critical elements on Form 6850.
 - 2. Divide the sum by the number of rated critical elements on Form 6850, rounding to the nearest hundredth (i.e., 4.126 equals 4.13)
 - 3. Do not consider noncritical elements or elements rated "N/A".
 - 4. Enter the average rating on the Form 6850 in the section entitled "Reason for Appraisal", using the following format:

Annual Rating Average Score Equals: _____

Section III

Occupational categories will be used to group employees and to facilitate the distribution of IRS/NTEU awards. The categories are:

EXAM, DORA, OFFICE OF DISTRICT DIRECTOR

1. Revenue Agents and Revenue Officer Examiners GS-12 through GS-14, DORA Analyst GS-13.
2. Revenue Agents, Dyed Diesel Compliance Officers, and Revenue Officer, Examiners GS-11 and below
3. Tax Auditors, Compliance Officers
4. Technical - GS-8 and GS-9, Problem Resolution Specialist GS-9.
5. Technical - GS-7 and below non-clerical
6. Clerical

COLLECTION

1. Revenue Officers - Special Procedures Advisors, Computer Specialists GS-11 and GS- 12.
2. All other Revenue Officers and Technical GS-8 and GS-9
3. Technical - GS-7 and below non-clerical
4. Clerical

TAXPAYER SERVICE

1. Office Collection and Taxpayer Service Representatives
2. Taxpayer Service Specialists/Problem Resolution employees
3. Clerical

EMPLOYEE PLANS/EXEMPT ORGANIZATIONS

1. Revenue Agents and Tax Law Specialists GS-12 and GS-13
2. Revenue Agents and Tax Law Specialists GS-11 and below
3. Tax Auditors
4. Technical - GS-7 and below non-clerical
5. Clerical

Section IV

- A. Employees will compete within their occupational categories on an annual basis, beginning fiscal year 1997. Awards will be calculated based on employees annual rating of record due to be issued in accordance with the CARD agreement.
- B. Employees will be ranked in descending order according to their annual rating of record. The top 40 % in each occupational category as defined in Section III of this agreement will receive performance awards.
- C. The employees specified in B above will receive an award based on a percentage of their adjusted salary (salary less locality pay) at a step 5 of their grade at the time of the annual rating of record.

The award amount will be computed as follows:

1. Pursuant to Article 18, Section 2 (B) of NORD IV, employees with an annual rating of record of 5.0 will receive 2 % of their adjusted salary (salary less locality pay)
2. The remaining recipients will receive an award based on a percentage share of the total District Performance Award Pool, computed according to the following formula:
 - a. All 2% awards for employees with 5.0 ratings will be paid out of the award pool first.
 - b. The sum of all remaining award recipients' adjusted salaries will then be divided into the remaining award pool to determine the "award calculation percentage" (ACP). The result of the ACP multiplied by the recipients' adjusted salary at their grade level, step 5 is the amount of the award for those recipients.

- D. Employees will compete for awards based on their job position at the time they received their annual rating of record. In the event they have been in their current position for less than 90 days, they will be categorized based on their prior position.
- E. Employees who received a rating lower than "3" on any critical element will not be eligible for an IRS/NTEU performance award.

Section V

- A. Award payments will be made in accordance with current statutory and regulatory procedures.
- B. All awards earned within a fiscal year will be paid from the same fiscal year budget no later than October 31st of each calendar year.
- C. If an IRS/NTEU award is granted as a remedy during the processing of a grievance under Article 41 of NORD IV, the award will be paid as expeditiously as possible.
- D. Award payment will be made to all current qualifying employees and retirees, and will become part of the unpaid compensation of a deceased employee.

Section VI

The parties will meet annually no later than September implementation of this agreement.

Section VII

A copy of this agreement will be distributed to all union stewards and first line managers by the 30th calendar day following approval of the agreement by the U. S. Department of Treasury.

Section VIII

Any employee eligible for an award under this agreement who is part of the bargaining unit of North Texas District for less than the full evaluative period as prescribed in the CARD agreement including part-time employees will receive a pro rated award based upon the number of hours worked during the evaluative period divided by 2088.

Section IX

- A. Both parties recognize benefits in the concept of "leave in lieu of a cash award". Therefore, upon the implementation of such an alternate awards procedure by the Internal Revenue Service, it is agreed that this local agreement will be re-opened for the specific purpose of implementing the procedure within North Texas District.
- B. This agreement may be reopened upon request by any of the parties in accordance with Article 47, Section 4 of NORD IV.
- C. If any section or subsection of this agreement is disapproved by the Agency Head of Office pursuant to 5 U.S.C. 7114(c) or found by competent legal authority not to be legal, all other provisions will remain in effect and operable. The disapproved or illegal provision(s) will be subject to renegotiation immediately in accordance with Article 47 of NORD IV.
- D. This agreement will become effective 31 days from the date of execution or upon receipt of Agency head approval, whichever occurs first, and no sooner than October 1, 1995. It will remain in effect until the expiration of NORD IV.

Bobby E. Scott 9/4/96
Bobby E. Scott Date
District Director
North Texas District

Cal Newsom 9-5-96
Cal Newsom Date
President, NTEU, Chapter 46

Gregory Mock 9-3-96
Gregory Mock Date
President, NTEU, Chapter 10

Due to the recent nationwide reorganization, the categories included in Section III of the IRS/NTEU Performance Awards Agreement require modification to include affected employees in proper occupational categories. The categories will change as follows:

EXAM, DORA, OFFICE OF DISTRICT DIRECTOR

| <u>Category</u> | <u>Description</u> |
|-----------------|---|
| 1 | Revenue Agents and Revenue Officer Examiners GS-12 through GS-14, DORA Analysts GS-13, and Financial Analyst GS-12. |
| 2 | Revenue Agents, Dyed Diesel Compliance Officers, Financial Analysts, and Revenue Officer Examiners GS-11 and below. |
| 3 | Tax Auditors, Compliance Officers, Taxpayer Service Specialists |
| 4 | Technical GS-8 and GS-9, Problem Resolution Specialists GS-9 |
| 5 | Technical GS-7 and below non-clerical. |
| 6 | Clerical. |

COLLECTION

| <u>Category</u> | <u>Description</u> |
|-----------------|--|
| 1 | Revenue Officers -Special Procedures Advisors, Computer Specialist GS-11 and GS-12. |
| 2 | All other Revenue Officers and Technical GS-8 and GS-9, Taxpayer Service Specialist -GS-9. |
| 3 | Technical GS-7 and below non-clerical, Taxpayer Service Representative- GS-7. |
| 4 | Clerical. |

EMPLOYEE PLANS/EXEMPT ORGANIZATIONS

| <u>Category</u> | <u>Description</u> |
|-----------------|---|
| 1 | Revenue Agents and Tax Law Specialists GS-12 and GS-13. |
| 2 | Revenue Agents and Tax Law Specialists GS-11 and below. |
| 3 | Tax Auditors. |
| 4 | Technical GS-7 and below non-clerical. |
| 5 | Clerical. |