

**DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
300 EAST EIGHTH STREET
AUSTIN, TEXAS 78701
SEP 07, 1999**

DISTRICT DIRECTOR
MEMORANDUM FOR ALL MANAGERS
SOUTH TEXAS DISTRICT

FROM Pam C. Bigelow (signed by Mark E. Clingan)
District Director Stop 1000AUS
South Texas District

Dana L. Brewer //s//
President, NTEU Chapter 52 Stop 1700AUS

SUBJECT: The New IRS/NTEU Awards Agreement

We are pleased to distribute the new IRS/NTEU Awards Agreement recently executed for the South Texas District. This Agreement provides fair and equitable consideration and computation of both performance and bilingual awards. This Agreement was used to compute performance awards for the 1999 Awards Year.

Please take the time to become familiar with this Agreement. Additionally, this Agreement should be distributed to all employees and discussed in your next scheduled group meeting. Questions regarding the Awards Agreement can be addressed to Anita Bouldin at (512) 499-5247, or Rick Schampers at (512) 499-5966.

Attachment

**AGREEMENT
IRS/NTEU CONTRACT AWARDS PROGRAM
SOUTH TEXAS DISTRICT AND NTEU CHAPTER 52
BACKGROUND**

- A. This agreement serves as a supplement to Article 18 of the NORD V National Agreement between IRS and NTEU and, together with appropriate laws and regulations, establishes the recommended award criteria for performance and bilingual awards under the IRS/NTEU Contract Awards Program for South Texas District bargaining unit employees.
- B. All South Texas District employees who are covered by the current NORD agreement are also covered by this agreement.

- C. The initial bargaining unit allocation for awards will be determined for each funding appropriation and activity at the beginning of each fiscal year. Of this amount, 80% will be paid out for IRS/NTEU performance awards. This will constitute the performance award "Pool" for each funding appropriation and activity.

PERFORMANCE AWARDS

Section I

- A. The current annual rating of record as prepared on Form 6850, Job Element Appraisal, will be used to determine the eligibility for recommendation 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 of all critical elements on Form 6850.
 - 2. Divide that sum by the number of rated critical elements on Form 6850, rounding to the nearest (i.e. 4.126 equals 4.13).
 - 3. Do not consider non-critical elements or elements rated "N/A."
 - 4. Enter the average rating in the appropriate block on the Form 6850.

Section II

- A. Performance awards will be recommended by the employer for employees, based on merit as reflected by an employee's average annual rating score of 4.15 to 5.00 for all critical elements.
- B. The dollar amount of each award is computed by multiplying the total award pool in each funding appropriation and activity (e.g. Examination, Collection, DORA, TP Education, TPS, etc.) by a ratio. The ratio is computed by dividing the employee's award points by the total award points for all employees. The award points are computed by adding the following rating points to their grade level, as shown on their annual rating of record:

Outstanding Rating of Record	5 rating points
Exceeds Fully Successful Rating of 4.15 or higher	4 rating points

The formula is computed as follows:

$$\frac{\text{grade points} + \text{rating points}}{\text{total award pool points}} \times \text{total award pool dollars}$$

Example: If the total award pool is \$10,000 and the total award points for all employees is 1000, the amount of each award would be computed as follows:

A GS-5 employee with an Outstanding Rating:

$$\frac{5 + 5}{1000} \times 10,000 = \$100.00$$

A GS-11 employee with an Exceeds Fully Successful Rating of 4.15 or higher:

$$\frac{11 + 4}{1000} \times 10,000 = \$150.00$$

- C. Employees will be eligible 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 60 days and their departure rating is the rating of record, they will be categorized based on their prior position.
- D. Employees must achieve an overall rating of Exceeds Fully Successful or higher to be recommended for an IRS/NTEU performance award. Employees who receive a rating lower than "3" on any critical element will not be recommended for an IRS/NTEU performance award.
- E. Seasonal and part-time employees will be recommended for awards to be prorated based on a percentage of their adjusted annual salary as follows:
 - 1. Seasonal employees awards will be prorated to the number of months actually worked during the fiscal year.
 - 2. Part-time employee awards will be prorated by adjusting for the number of hours in their scheduled tour of duty compared to a full time 80 hour tour.
- F. Award payments will be made to all current qualifying employees and retirees and will become part of the unpaid compensation of a deceased employee.
 - 1. Current qualifying employees are defined as all employees of the South Texas District officially on rolls as of the first workday in August of the fiscal year in which the performance awards are being computed.
 - 2. Retirees or decedents will be recommended for an award if they received an annual rating of record prior to the date of retirement or death during the fiscal year in which performance awards are being computed.

- G. Managers are encouraged to consider recommending a Quality Step Increase for all eligible employees in lieu of a cash award. Employees accepting a Quality Step Increase will not be recommended for an IRS/NTEU performance award.

Section III

A jointly planned IRS/NTEU awards ceremony should be conducted in each office to coincide with Labor Recognition Week, but not later than September 30 of each fiscal year. The ceremony will be conducted by each post of duty having award recipients and will include the distribution of award certificates. Employees who receive an "exceeds fully successful" annual rating of record, but do not receive a performance award, will be recognized at the awards ceremony. The type of recognition received will be determined by the Awards Committee.

Section IV

- A. An IRS/NTEU Award Committee will be established to review the operation of the program; to share views on the goals, accomplishments, and problems of the program; to discuss suggestions for improvements; and to monitor all budgeted awards funds for each fiscal year. Specific areas of consideration for the committee include, but are not limited to:
 - 1. Review of budgeted funds.
 - 2. Systemic problems.
 - 3. Awards ceremonies.
- B. The committee will consist of the NTEU Awards Negotiating Team and an equal number of management appointees.
- C. The committee will meet annually if deemed necessary by either party. Union members will be on official time during all committee activities.
- D. The District will furnish the committee with any requested information and will furnish the information in a mutually acceptable format.
- E. As needed, management will furnish the following to the committee:
 - 1. Total amount of salaries for all bargaining unit employees in the District.
 - 2. Number of bargaining unit employees in the District.
 - 3. Amount of funds allocated for 100% of the bargaining unit awards budget.
 - 4. Any other pertinent information requested by the committee.

BILINGUAL AWARDS

- A. This section will be effective 10-1-99 and thereafter annually for the term of this agreement.
- B. Bilingual award recipients must meet the following two criteria:
 - 1. Certification as described in Section E

2. Requirements listed in NORD V, Article 18, Section 5
- C. Possession of bilingual ability, in and of itself, will not meet eligibility for a bilingual award. Use of the bilingual skill should be based on necessity and not merely the convenience of the employee.
 - D. Use of bilingual skills may include direct communication with the taxpayer and/or representative. Use of bilingual skills may include time translating for another employee, whether direct or indirect.
 - E. Management and NTEU will jointly establish a certification process for certifying employees' proficiency in the use of foreign and sign language skills. Only employees desiring consideration for a bilingual award will be required to complete the certification process.
 - F. Employees will be offered the opportunity to be considered for this certification process at the beginning of each fiscal year. This request should be made through the employees' manager by November 15th of each fiscal year. Once certified proficient in foreign/sign language skills, annual re-certification will not be required.
 - G. Employees are encouraged to document the frequency and time spent utilizing their bilingual skills in the performance of their duties. This documentation may be used by the manager for certification purposes. However, if, by mutual agreement, the employee and manager agree on the utilization of the employee's bilingual skills, no other documentation will be required provided the duties remain substantially the same. This agreement between the manager and employee will be put in writing at the beginning of each award year.
 - H. In accordance with Article 18, management is encouraged to consider giving other recognition to those employees who use their bilingual skills on an occasional, rather than a regular basis.
 - I. Annually, after allocation of the awards budget, Management and NTEU will jointly set a more precise amount for this award, in accordance with Article 18, Section 5.

DISTRIBUTION OF AGREEMENT

- A. A copy of this agreement will be distributed to all employees in group meetings. Management will furnish the necessary copies. Each manager will notify the appropriate NTEU steward of the date, time, and place of the meetings.
- B. The manager and the steward will be allowed a reasonable amount of time to jointly discuss this agreement.

EFFECTIVE DATE AND REOPENING

- A. This agreement will become effective 31 days from the date of the execution or upon receipt of Agency head approval, whichever occurs first. It will remain in effect until the expiration of the NORD V agreement.
- B. Either party may reopen this agreement by serving written notice on the other party on October 1 or anytime thereafter up to and including October 15 of each year. In addition, at any time, upon mutual consent of both parties, the committee may reopen this agreement for modification.

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Pam C. Bigelow, District Director
South Texas District
Date: July 23, 1999

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Dana Brewer, President
NTEU, Chapter 52
Date: July 23, 1999