

MEMORANDUM OF UNDERSTANDING

BETWEEN

INTERNAL REVENUE SERVICE

AND

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

PURPOSE:

This Memorandum of Understanding (MOU) is to arrange for personnel support and services to be provided by the Internal Revenue Service (IRS) to the Treasury Inspector General for Tax Administration (TIGTA) from January 17, 1999, through September 30, 1999. It is the intent of this document to outline services and systems that will be required to sustain TIGTA through the remainder of the fiscal year. Any support and services, although not specifically covered within this document, but provided to Inspection prior to the effective date of this MOU, should be considered as covered by the undersigned, their successors or designees.

GENERAL:

The IRS Restructuring and Reform Act of 1998 established the Office of the Treasury Inspector General for Tax Administration. This new organization will be operational on January 18, 1999.

To accomplish the mission of this new organization it is necessary to have a supporting Personnel Office in place on the date of inception. Due to time constraints, it is not feasible to establish an independent personnel structure and have it operational in the remaining timeframe. The current Inspection organization does not have a centrally located Personnel Office, but is being serviced by Service-wide Personnel, the Metro Penn Personnel site, Philadelphia Transaction Processing Center (TPC), Consolidated Position Classification/Position Management (PC/PM) Site in Atlanta, and the Andover BeST site. In addition, the Office of Executive Support supports Inspection executives, with the HQ Ops BeST site supporting the Inspection executives as well. Therefore it is the intent of this document to outline the continued support to be provided by these organizations through the remainder of FY1999.

All service providers included in this document are operating on behalf of the TIGTA, and include that official's statutory personnel authorities granted under 5USC, 18, 41 and Appendix 3, Treasury Personnel Management Manual and Treasury Human Resources Directorate, as applicable.

SERVICES:

Office of Executive Support (OES)- The IRS OES functions as an advisor to the TIGTA in executive personnel planning, utilization of executive resources, executive development, and evaluation of executive personnel programs. It is the responsibility of TIGTA to ensure compliance with law and regulation and through cooperation with IRS OES, effect the recruitment, training and selection of SES employees, and management of SES resources. However, it is understood that TIGTA SES positions are separate and distinct from the IRS allocation from OPM.

BeST support of SES positions is performed by the HQ Ops BeST site, which acts as the focal point for all executives in submission of required forms and in response to questions concerning benefit support. However, Philadelphia TPC will do the processing of the paperwork submitted from the HQ Ops BeST site.

Position Classification for SES positions will be handled by OES.

Staffing and Recruitment- Metro Penn will be the Personnel Office authorized to appoint and separate employees. It is delegated the authority to prepare personnel actions, maintain official personnel records (including SES), make qualification determinations, verify awards, document eligibility determinations, prepare vacancy announcements and other related tasks. The functional experts within TIGTA will determine specific areas of consideration.

Upon notification of a need to fill a vacancy from external sources Metro Penn will coordinate recruitment efforts with TIGTA to ensure all applicable sources are identified. Metro Penn will then initiate recruitment activities and prepare vacancy announcements for posting. TIGTA has the responsibility to effectively communicate the position requirements and provide any support as deemed necessary. Should paid advertisement be necessary to satisfy the vacancy in question, a separate agreement will be developed for funding purposes.

Classification/Position Management - Position Classification requests will continue to be handled by the Consolidated PC/PM Site in Atlanta, and/or IRS Service-wide Personnel. In order to provide continuity of operation the individual designated to classify TIGTA positions will be officially delegated the Classification Authority from the TIGTA. Therefore that individual will be representing TIGTA in all classification issues.

The Consolidated PC/PM Site's role is to provide advice and guidance for non-executive position classification and position management issues. It will be responsible for determining the title, series, grade and pay plan for each position prior to establishment. Desk Audits and Classification Appeals will also be included in the responsibilities of the consolidated PC/PM site.

It is the responsibility of TIGTA to ensure that organization and assignment of work will result in economy, efficiency, effectiveness and productivity through optimum use of financial and human resources. The Consolidated PC/PM Site will be available to TIGTA to aid in this endeavor by: analyzing impact of PC/PM decisions on authorized positions, assignment criteria and incumbent employees; confirming consistency of staffing and structure with the stated mission and function of the organizational segment; advising on position description and classification issues; and conducting position reviews upon request. Additionally, TIGTA shall attempt to resolve any classification issues without the necessity of a formal classification appeal whenever possible.

Corporate Education - The Corporate Education Office within IRS is responsible for providing the training leadership and advocacy to its customers in the areas of training design, development and delivery. It is the intent of this agreement for IRS, to provide this service for the life of this MOU. This does not preclude TIGTA from establishing, or offering any other training it deems necessary.

Employee/Management Relations - During the period covered by the MOU, TIGTA will follow IRS Agency Grievance procedures to resolve TIGTA complaints, however, TIGTA will be responsible for making final agency determinations. The Metro Penn Host Site will continue responsibility for providing advice on the resolution of all Employee/Management issues. It is their responsibility to provide assistance to TIGTA managers in the procedural process of management's relationship with its employees.

Worker's Compensation - The Office of Worker's Compensation Program (OWCP) within the IRS processes applications for entitlement to benefits and compensation under the Federal Employee's Compensation Act (FECA). It is the intent of this MOU for IRS to continue processing and obtaining adjudication of OWCP claims for TIGTA employees, or designated beneficiaries, throughout FY 1999. As the principle agent for processing FECA claims, IRS has the responsibility for properly completing and submitting appropriate injury forms, monitoring the status of pending claims, and notifying appropriate parties. It is the responsibility of

TIGTA to ensure compliance with any pertinent laws or regulations concerning compensation claims.

Transactional Processing - It is the intent of this document that all transactional processing activities, to include payroll, pay related SF-52 actions, Designated Agent duties and other actions currently being performed by Philadelphia TPC will continue to be performed by the Philadelphia TPC. Additionally, if Designated Agent duties are being performed locally by non-Inspection, IRS employees in field offices, then these activities/arrangements are to continue under the provisions of this MOU.

SYSTEMS:

National Finance Center (NFC) - Currently the payroll processing function is handled by NFC through IRS and the Time and Attendance Remote Entry System (PC-Tare). It is the intent of this MOU to maintain this process, as defined in the Requirements Package concerning reprogramming needs in support of the establishment of the TIGTA organization. These requirements are in support of both the establishment and maintenance of the TIGTA organization throughout fiscal year 1999.

Treasury Integrated Management Information System (TIMIS) - This system is used in conjunction with PC-TARE and NFC, and is also a means for management to verify FTE usage during the fiscal year. It is the intent of this document to allow TIGTA to continue to have use of TIMIS for management information reports, and for all current uses. This provision is to include any software maintenance as well as system enhancements that are performed during the life of the MOU.

Totally Automated Personnel System (TAPS) - This automated personnel system is used by management for processing SF-52 actions, as well as employee information report generation. Although Inspection does not use the full range of TAPS options, TIGTA will continue to utilize those functions currently employed by Inspection management throughout the life of this MOU. This includes both maintenance and enhancements to this system.

Automated Financial System (AFS) - For purposes of interoperability and completeness of information the AFS system is included in this document. Specific functional requirements will be dealt with under separate agreement for budgetary purposes.

Travel Reimbursement Accounting System (TRAS) - This automated system is used for both requesting travel advances and filing travel vouchers. In compliance with NPR, it is not feasible to expect employees to return to a non-automated process for travel reimbursement. Therefore, it is the intent of this document to provide for the automated travel reimbursement system that is currently available to IRS employees to be available to TIGTA employees for the life of this MOU.

PERIOD COVERED:

This Memorandum of Understanding is for the period of time from January 17, 1999, through September 30, 1999. Included in this MOU is the option to extend, in whole or in part, for the period of one additional fiscal year, (or partial fiscal year), by joint agreement of the undersigned, their successors or their designees. The TIGTA may, at any time during the period covered by the MOU, assume performance of any function included in this document, with appropriate coordination and advance notice to the servicing organization.

Funding for these systems and services is covered under a separate MOU which outlines budgetary transfers and FTE dollars. Should the option for FY 2000 be exercised, then a transfer of the dollars representing the FTE cost of the administrative services performed by IRS for TIGTA will be effective in the beginning of FY 2000.

For IRS:

For TIGTA:

/s/Charles O. Rossotti

/s/ Lawrence W. Rogers

Charles O. Rossotti
Commissioner,
Internal Revenue Service

Lawrence W. Rogers
Acting Treasury Inspector
General for Tax Administration

1/7/99

1/4/99

Date

Date