
TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

Office of Inspections and Evaluations



*Review of the Implementation of the
Telework Enhancement Act of 2010*

July 11, 2013

Reference Number: 2013-IE-R006

This report has cleared the Treasury Inspector General for Tax Administration (TIGTA) disclosure review process and information determined to be restricted from public release has been redacted from this document.

Phone Number | 202-622-6500

E-mail Address | TIGTACommunications@tigta.treas.gov

Website | <http://www.treasury.gov/tigta>



TREASURY INSPECTOR GENERAL
FOR TAX ADMINISTRATION

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 11, 2013

MEMORANDUM FOR HUMAN CAPITAL OFFICER

FROM: R. David Holmgren *R. David Holmgren*
Deputy Inspector General for Inspections and Evaluations

SUBJECT: Final Inspection Report – Review of the Implementation of the
Telework Enhancement Act of 2010 (# IE-13-004)

This report presents the results of our inspection to determine whether the Internal Revenue Service (IRS) has taken appropriate actions for compliance with the *Telework Enhancement Act of 2010* (hereafter referred to as the Act).¹ We did not evaluate the effectiveness of the IRS Telework Program in this review.

Synopsis

The President and Congress encourage increased participation in telework by Federal agencies in order to ensure continuity of operations during an emergency, reduce overhead, and improve employees' ability to manage their work life obligations. The IRS implemented most of the requirements of the Act, establishing a telework policy that includes requirements for eligibility, as well as employee and manager requirements for issues, such as performance, training, and completing a written telework agreement. The IRS's Headquarters Continuity of Operations Plan recommends telework in appropriate situations.

One purpose of telework is to ensure that Federal agencies can continue to provide services when offices are closed due to inclement weather, a pandemic, or an emergency; however, IRS teleworkers are required to telework in an emergency only on their scheduled telework day(s). Management anticipates negotiating with the National Treasury Employees Union to require teleworkers to work from alternative locations on an unscheduled telework day(s) when the office is closed due to an emergency. However, the IRS could implement this policy for non-bargaining unit employees without negotiations.

¹ Pub. L. No. 111-292, 124 Stat. 3165 (2010).



Review of the Implementation of the Telework Enhancement Act of 2010

Also, while the IRS captures and reports some telework data, it cannot provide the level of detail required by the Act due to some systems limitations. The time and attendance system captures hours worked under the Telework Program, but not in days. Also, it captures employees whose telework type code is selected in the time and attendance system, but not the number of eligible employees. According to the Telework Program Manager,² the IRS is considering how to best meet the reporting requirements but changes to the existing time reporting system may be cost prohibitive and must also be negotiated with the National Treasury Employees Union.

Recommendations

We recommend that the IRS Human Capital Officer revise the IRS's telework policy to indicate that a non-bargaining unit employee with an approved telework agreement can be expected to telework outside his or her normal telework schedule in the case of an emergency situation. Additionally, the Human Capital Officer should require that telework agreements include specific language indicating whether or not the employee is expected to telework when the office is closed due to an emergency.

Response

Management partially agreed with our recommendations to require non-bargaining unit teleworkers to telework when the office is closed due to emergency, and include emergency expectations for teleworkers in telework agreements. To ensure that all IRS employees are treated consistently, changes to telework requirements for bargaining unit employees will be addressed with the National Treasury Employees Union in upcoming term negotiations. Implementation for both bargaining and non-bargaining unit employees will be contingent on the outcome of these negotiations.

Please contact me at (202) 927-7048 if you have questions, or Kevin P. Riley, Director, Office of Inspections and Evaluations, at (972) 249-8355.

² The Telework Program is included in a division of the Human Capital Office.



*Review of the Implementation of the
Telework Enhancement Act of 2010*

Table of Contents

BackgroundPage 1

Results of ReviewPage 2

 Areas Where the Internal Revenue Service
 Met Requirements of the ActPage 2

 Areas Where the Internal Revenue Service
 Is Working to Fully Meet RequirementsPage 7

Recommendations 1 and 2:Page 8

Appendices

 Appendix I – Detailed Objective, Scope, and MethodologyPage 11

 Appendix II – Major Contributors to This ReportPage 12

 Appendix III – Report Distribution ListPage 13

 Appendix IV – Completed Telework Requirement ChecklistPage 14

 Appendix V – Management’s Response to the Draft ReportPage 17



*Review of the Implementation of the
Telework Enhancement Act of 2010*

Abbreviations

COOP	Continuity of Operations Plan
IRS	Internal Revenue Service
NTEU	National Treasury Employees Union
OPM	Office of Personnel Management



Review of the Implementation of the Telework Enhancement Act of 2010

Background

Telework is a work flexibility arrangement under which an employee performs the duties and responsibilities of his or her position from an approved worksite other than the location from which the employee would otherwise work. Telework does not include work in other Government offices, taxpayer or customer sites, or training sites. Telework provides a number of benefits including reduced energy consumption and traffic congestion, competitive hiring and retention, cost savings such as real estate, and support for emergency preparedness and continuity of operations. Telework also improves employee job satisfaction and the ability to manage work life obligations.

Telework provides a number of benefits including reduced energy consumption and traffic congestion, competitive hiring and retention, cost savings, and support for emergency preparedness and continuity of operations.

The Telework Enhancement Act of 2010¹ (hereafter referred to as the Act) expanded on telework legislation of 2000,² which first required executive agencies to establish a policy under which eligible employees may telework to the maximum extent possible without diminished employee performance. The Act was designed to ensure a more systematic implementation of telework in Federal agencies. According to the Office of Personnel Management (OPM), satisfying the requirements of the Act has meant a fundamental shift in how agency stakeholders view and implement telework—from a strictly individual benefit to a strategic organizational change program. In September 2012, 24 percent of all Internal Revenue Service (IRS) employees were teleworking.

This inspection was performed at the IRS Headquarters in Washington, D.C., in the Office of the Human Capital Officer, during the period January through February 2013. We conducted this inspection in accordance with the Council of the Inspectors General for Integrity and Efficiency Quality Standards for Inspections. The inspection does not attempt to assess the effectiveness of the IRS's Telework Program; it is limited to determining the IRS's compliance with the applicable requirements of the Act. Detailed information on our objective, scope, and methodology is presented in Appendix I. Major contributors to the report are listed in Appendix II.

¹ Pub. L. No. 111-292, 124 Stat. 3165 (2010).

² Pub. L. No. 106-346–Appendix, § 359, 114 Stat. 1356A-36 (2000).



Review of the Implementation of the Telework Enhancement Act of 2010

Results of Review

The IRS complied with the requirements included in the Act except for a few areas due to financial or systemic limitations or requiring additional negotiations with the National Treasury Employees Union (NTEU). We have included a checklist of completed requirements in Appendix IV.

Areas Where the Internal Revenue Service Met Requirements

The IRS established a telework policy and notified employees about eligibility to telework

Eligibility

The Act required agencies to:

- Establish a policy under which eligible employees may be authorized to telework;
- Determine the eligibility for all employees to participate in telework; and
- Notify employees of their eligibility no later than June 8, 2011.

The IRS formalized its telework policy into the Internal Revenue Manual³ 6.800.2, *Employee Benefits, IRS Telework (Flexiplace) Program*. The policy is also included in Article 50 of the 2012 National Agreement II negotiated with the NTEU. The policy requires that three categories of eligibility requirements must be met to enter into a telework arrangement:

- Position;
- Worksite; and
- Employee.

Position – generally, all positions may be eligible for some type of telework unless the employee is in a trainee or entry-level position, or Privacy Act, security, or health safety concerns cannot be adequately addressed. Additionally, employees cannot telework if they are in positions that require:

³ The Internal Revenue Manual is the IRS's primary source of instructions to its employees relating to the administration and operation of the IRS. The manual contains the directions employees need to carry out their operational responsibilities.



Review of the Implementation of the Telework Enhancement Act of 2010

- Daily access to Personally Identifiable Information and sensitive materials are needed and may not be removed from the official worksite (duty station) or are not accessible by computer;
- Regular face-to-face contact or other on-site activities are needed to fill requirements of the position and cannot be adequately achieved at a telework site;
- Special facilities or equipment necessary to perform the job cannot be made available; or
- Duplication of security at an alternate site is too costly.

Worksite – it must be within a 125 mile radius of the employee’s assigned IRS post of duty, unless an exception is approved, and include the following provided by the employee:

- A telephone;
- High-speed internet or an air-card from an IRS-approved provider if the work requires IRS network connectivity;
 - Note: Except where the IRS provides an air-card consistent with the information technology profile of the employee, the cost of these will not be paid by the IRS.⁴
- Workspace suitable to perform work;
- Utilities adequate for installing equipment; and
- An environment that is free from interruptions and provides reasonable security and protection for Government property and information.

Employee – in order to telework, an employee must:

- Work in a position with job duties and responsibilities that can be effectively accomplished outside of the traditional office/team setting;
- For frequent telework,⁵ occupy a position outlined in Article 50 of the National Agreement II or request consideration;
- Have been employed by the IRS for at least 12 months;⁶
- Have a current performance rating of at least “Fully Successful” (or equivalent);

⁴ In June 2010, the IRS and NTEU signed a Memorandum of Understanding that created standard information technology equipment profiles for each occupation in the IRS. The intent was so that employees in the same jobs received the same equipment.

⁵ Frequent telework includes regular and recurring duties that may be performed at the approved telework site for more than 80 hours each month.

⁶ The manager may shorten the one-year service requirement on a case-by-case basis. A decision not to shorten the time frame is not grievable except for alleged discrimination.



Review of the Implementation of the Telework Enhancement Act of 2010

- Perform at the journey level or full working level of the position, or have worked in the position for more than two years,⁷ whichever is less;
- Complete telework training;
- Have an approved telework agreement;
- Have not received any disciplinary/adverse actions in the last 12 months that would impact the integrity of the Telework Program;
- Have not been disciplined for being absent without permission for more than five days (41 hours or more) in any one calendar year and the record of discipline remains in the official personnel folder; and
- Never have been officially disciplined for viewing, downloading, or exchanging pornography or child pornography on a Federal Government computer or while performing official Federal Government duties.

The IRS issued the notice of eligibility in a Service-wide announcement via e-mail on June 2, 2011. The notice advised employees that eligibility and program requirements were covered in National Agreement II, Article 50, and in the Internal Revenue Manual 6.800.2, *Employee Benefits, IRS Telework (Flexiplace) Program*. Managers were not required to meet with employees to discuss eligibility, but were provided with telework guidance prior to the announcement so they could answer questions from employees on eligibility. An individual determination is made when an employee requests to telework.

According to OPM's 2012 report,⁸ the law did not specify the form that eligibility notification should take. A "general, mass, or agency-wide e-mail" was the most frequently used method by agencies.

Participation

The Act requires the telework policy to:

- Ensure that telework does not diminish employee performance or agency operations;
- Require a written agreement that is mandatory in order for any employee to participate in telework, and is between the manager and an employee authorized to telework that outlines the specific agreed work arrangement;
- Provide that an employee may not be authorized to telework if his or her performance does not comply with the terms of the written agreement; and

⁷ The manager may shorten the two-year time frame on a case-by-case basis. A decision not to shorten the time frame is not grievable except for alleged discrimination.

⁸ *2012 Status of Telework in the Federal Government, Report to Congress* (June 2012).



Review of the Implementation of the Telework Enhancement Act of 2010

- Be incorporated as part of the Continuity of Operations Plan (COOP)⁹ of the agency in the event of an emergency.

According to the Act, the policy does not apply to employees whose official duties require (on a daily basis) the direct handling of secure materials determined to be inappropriate for telework by the agency head or on-site activity that cannot be handled remotely or at an alternative worksite.

The IRS's telework policy requires that everyone who participates in the IRS Telework Program must have a signed telework agreement. Each employee and his or her manager must sign the telework agreement that specifies the terms and conditions of the employee's telework arrangement, such as work location and days, timekeeping responsibilities, and safeguarding of Government property and records, as well as performance requirements.

According to the IRS's telework policy and telework agreement, managers may temporarily suspend, modify, or terminate a telework agreement any time an employee falls below minimum eligibility standards; is issued a performance improvement plan, leave restriction letter, or intent to deny a within-grade-increase; received any disciplinary action in the last 12 months that would impact the integrity of the Telework Program; or the employee's performance declines and the decline may be reasonably attributable to telework.

The use of telework was incorporated in the IRS Headquarters COOP, which, according to the Office of Continuity Operations, applies to all business units and functions. The COOPs for the business units and functions provide the details to implement the Headquarters Plan. The Office of Continuity Operations will include references to the IRS telework policy in the Headquarters Plan by May 2013. By adding references rather than specific wording from the policy, the COOP will not become outdated when changes are made to the policy.

Managers certify employee telework training and must treat teleworkers the same as non-teleworkers

Training

The Act requires agencies to provide interactive telework training for employees and their managers. Employees must complete the training before they enter into a telework agreement. The Treasury Telework Program policy, issued in April 2012,¹⁰ further required that the telework agreement include a certification of completion of the training for the employee and employee's supervisor. The IRS requires employees and their managers to complete the interactive training provided for each in the IRS's Enterprise Learning Management System (training system) before entering into a written telework agreement. IRS guidance originally encouraged employees already teleworking to complete the training to familiarize themselves with Telework Program

⁹ A COOP establishes procedures to ensure the continued operation of functions in the event of an emergency.

¹⁰ Chapter 301, Transmittal Number TN-12-004, *Treasury Telework Program policy* (April 19, 2012).



Review of the Implementation of the Telework Enhancement Act of 2010

changes; however, the requirement was subsequently changed to require that all employees complete the training.

Managers verify that the employee completed training using records maintained by the training system. The IRS revised the telework agreement in November 2012 to include a certification by the employee and the employee's manager that the employee completed the telework training.

Consistent treatment of teleworkers and non-teleworkers

The Act requires that agencies ensure that teleworkers and non-teleworkers are treated the same for:

- Job performance appraisals;
- Training, rewarding, reassigning, promoting, reducing in grade, retaining, and removing employees;
- Work requirements; and
- Other acts involving managerial discretion.

The IRS telework policy requires that performance expectations and standards for teleworkers are the same as expectations of work which apply in the official worksite. Employees participating in telework should have no higher performance expectations than those who are not participating. The employees on telework are still held accountable for the rules of conduct, performance standards, time and attendance, ethics, and all other regulations applicable to their position. In accordance with OPM guidelines, the IRS processes for managing the performance of all employees recommend:

- Planning work and setting expectations;
- Monitoring performance;
- Developing employee skills;
- Appraising performance; and
- Recognizing employees for their accomplishments.

The IRS telework policy complies with guidance developed under requirements of the Act

The Act required the OPM and Office of Management and Budget to develop guidance in areas affected under telework. The IRS incorporated OPM's guidance into its policy in the areas of:

- Pay and leave;
- Performance management;



Review of the Implementation of the Telework Enhancement Act of 2010

- Official worksite;
- Recruitment and retention; and
- Accommodations for employees with disabilities.

The IRS followed Office of Management and Budget guidance in the areas of:

- Security; and
- Policy on purchasing computer equipment.

By signing the IRS telework agreement, the employee agrees to comply with IRS policies and directives on security, privacy, and recordkeeping measures. The telework policy outlines the responsibilities of the managers and employees to comply with security and disclosure requirements, and to work with the IRS Information Technology staff to ensure that equipment complies with IRS policy on information systems and computer security.¹¹

According to the National Agreement II, negotiated with the NTEU, employees on frequent telework¹² are eligible for the computer that was provided to them before being approved for frequent telework, equipped with remote access software. Employees on recurring¹³ or ad hoc¹⁴ telework are eligible for a loaner laptop to the extent available if not already issued a laptop as part of their normal job duties.

Areas Where the Internal Revenue Service Is Working to Fully Meet Requirements

The IRS does not require teleworkers to work when the office is closed for an emergency on unscheduled telework days

The IRS is working to incorporate OPM's guidance on agency closures. OPM emphasized that Federal offices will be closed when it is unsafe for employees to commute; however, employees who can telework in the safety of their homes generally should no longer be granted excused absence. In its guide,¹⁵ the OPM explains that once an employee has an approved telework agreement, he or she may be required to telework outside his or her normal telework schedule in

¹¹ We did not include a review of information and information systems in this inspection. The Treasury Inspector General for Tax Administration's Security and Information Technology Services audit group reviews IRS information systems' security.

¹² Frequent telework includes regular and recurring duties that may be performed at the approved telework site for more than 80 hours each month.

¹³ Recurring telework includes recurring work assignments performed at the approved telework site for 80 hours or less per month.

¹⁴ Ad hoc telework involves non-recurring projects or occasional work assignments that may be performed at the approved telework site.

¹⁵ *Guide to Telework in the Federal Government* (April 2011).



Review of the Implementation of the Telework Enhancement Act of 2010

the case of a temporary emergency situation, if that understanding has been clearly communicated by the agency in the written telework agreement. OPM noted that appropriate collective bargaining obligations must be satisfied with employee representatives on telework policies.

Additionally, the Treasury Telework Policy requires that telework agreements include a statement that a teleworking employee is required to telework from home or take unscheduled leave on days when the employee normally would work on-site but is prevented from doing so by unforeseen conditions, which include inclement weather or other declared emergencies. However, the applicability of the Treasury Telework Policy is also subject to collective bargaining.

At the time of this inspection, IRS employees under a telework agreement have the option to telework in the case of inclement weather or an emergency; however, teleworkers are only *required* to work if the office is closed on their scheduled telework day(s). IRS management advised us that they are currently negotiating with the NTEU to require teleworkers to telework outside normal telework schedules in emergencies. However, the IRS could require non-bargaining unit employees to work, if this requirement is documented in their telework agreements. Successfully implementing this requirement will enhance the IRS's ability to complete its mission in the event that Government offices must be closed due to emergency.

Recommendations

The IRS Human Capital Officer should:

Recommendation 1:

Revise the IRS's telework policy to indicate that a non-bargaining unit employee with an approved telework agreement can be expected to telework outside his or her normal telework schedule in the case of an emergency situation.

Management's Response: Management partially agreed with our recommendation. The IRS will not implement any changes until telework requirements for bargaining unit employees are addressed with the NTEU in upcoming term negotiations. To ensure that all IRS employees are treated consistently, implementation for both bargaining and non-bargaining unit employees will be contingent on the outcome of those negotiations.

Recommendation 2:

Require that telework agreements include specific language on whether the employee is expected to telework when the office is closed due to an emergency.

Management's Response: Management partially agreed with our recommendation. The IRS will not implement any changes until telework requirements for bargaining unit employees are addressed with the NTEU in upcoming term negotiations. To ensure that



Review of the Implementation of the Telework Enhancement Act of 2010

all IRS employees are treated consistently, implementation for both bargaining and non-bargaining unit employees will be contingent on the outcome of those negotiations.

The IRS cannot meet all the Act's reporting requirements due to some system limitations

The Act requires the OPM, in conjunction with the Chief Human Capital Officers Council, to report annually on the Telework Program of executive agencies. In addition to other reporting requirements, the IRS must report to the Department of the Treasury:

- The total number of employees;
- The number of employees eligible to telework;
- The number of employees teleworking
 - three or more days per pay period,
 - one or two days per pay period,
 - once per month, and
 - on an occasional, episodic, or short-term basis;
- If the total number of employees teleworking is 10 percent higher or lower than the previous year, the reasons; and
- The goals for the percentage of eligible employees to telework next year.

The IRS uses its time and attendance system to capture telework data reported to the Department of the Treasury for inclusion in the OPM report. The system includes a field for employees with an approved telework agreement to indicate whether they are approved for frequent, recurring, or ad-hoc telework. The IRS cannot readily report the degree of telework participation in accordance with OPM requirements because the system does not capture eligibility and does not capture telework in days.

The IRS reports the number of employees eligible to telework based on the number of employees whose telework type is selected in the time and attendance system. However, this method does not count the employees who are eligible to telework but do not have telework agreements.

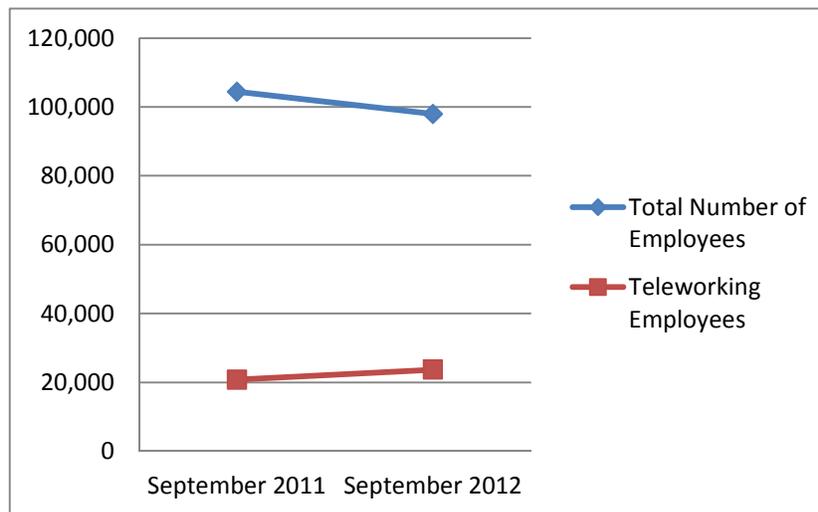
In order to report the number of employees who worked one, two, or three or more days per pay period, the IRS must convert the hours reported under telework to days by counting eight hours as one day. The system cannot capture the number of employees who worked once per month or occasionally, episodic, or on a short-term basis. According to the Telework Program Manager, the IRS is exploring options to comply with reporting requirements, but the cost may be prohibitive. Changes must also be negotiated with the NTEU.



Review of the Implementation of the Telework Enhancement Act of 2010

The percentage of all IRS employees teleworking increased from 20 percent (almost 21,000) of all employees in September 2011 to 24 percent (almost 24,000) of all employees in September 2012, an increase of 20 percent. IRS management attributes the increase to increased marketing and acceptability. Those responsible for the IRS Telework Program worked with the business units to educate them on how telework is advantageous to the Government.

Figure 1: Number of IRS Employees Teleworking



Source: Telework Program Manager, IRS Human Capital Office.

Although participation goals are required for each frequency category—one, two, or three or more days per pay period—the IRS cannot report goals in this detail because the time and attendance system does not provide the ability to capture this information accurately. Instead, Program management set a Fiscal Year 2013 goal for 24 percent of all IRS employees to participate in the Telework Program, up from the goal of 22 percent in Fiscal Year 2012.

The Act requires agencies to report participation goals based on the percentage of eligible employees. However, the IRS's 24 percent participation goal for Fiscal Year 2013 is based on the percentage of total employees who are teleworking. Nevertheless, the numbers from year to year provide a valid comparison from which to measure improvement.



*Review of the Implementation of the
Telework Enhancement Act of 2010*

Appendix I

Detailed Objective, Scope, and Methodology

The objective of this review was to determine whether the IRS has taken appropriate action for compliance with Pub. L. No. 111-292, *Telework Enhancement Act of 2010*. We did not evaluate the effectiveness of the IRS Telework Program in this review.

We did not include a review of the information and security protections over information and information systems required by the Act. The Treasury Inspector General for Tax Administration's Security and Information Technology Services audit group reviews the IRS's Information Systems Security.

To accomplish the objective, we:

- I. Reviewed guidance recently issued regarding telework.
 - A. Reviewed Pub. L. No. 111-292, *Telework Enhancement Act of 2010*.
 - B. Reviewed OPM guidance.
 - C. Reviewed the *Treasury Telework Policy*¹ and any other telework guidance and policies of the Department of the Treasury.
- II. Determined what actions the IRS has taken regarding telework, and what remains to be addressed.
 - A. Determined whether the IRS implemented telework requirements regarding eligibility and participation.
 - B. Determined whether the IRS implemented requirements for training and monitoring.
 - C. Determined whether the IRS implemented requirements for policy and support.
 - D. Determined whether the IRS implemented participation requirements for reporting to the Department of the Treasury for the OPM.

¹ Chapter 301, Transmittal Number TN-12-004, *Treasury Telework Policy* (April 19, 2012).



*Review of the Implementation of the
Telework Enhancement Act of 2010*

Appendix II

Major Contributors to This Report

Kevin P. Riley, Director, Inspections & Evaluations
James A. Douglas, Supervisory Evaluator
Dolores Castoro, Lead Auditor



*Review of the Implementation of the
Telework Enhancement Act of 2010*

Appendix III

Report Distribution List

Principal Deputy Commissioner C
Office of the Commissioner – Attn: Chief of Staff C
Deputy Commissioner for Operations Support OS
Chief Technology Officer OS:CTO
Director, Employee Support Services OS:A:ESS
Director, Work-life Benefit and Engagement OS:HC:WBE
Chief Counsel CC
National Taxpayer Advocate TA
Director, Office of Legislative Affairs CL:LA
Director, Office of Program Evaluation and Risk Analysis RAS:O
Office of Internal Control OS:CFO:CPIC:IC
Audit Liaisons:
 Deputy Commissioner for Operations Support OS
 Chief Technology Officer OS:CTO
 Human Capital Officer OS:HC



*Review of the Implementation of the
Telework Enhancement Act of 2010*

Appendix IV

Completed Telework Requirement Checklist

Telework Requirement		
1. Eligibility: The head of each agency must:		
<ul style="list-style-type: none"> • Establish a policy under which eligible employees are authorized to telework; 	Y	
<ul style="list-style-type: none"> • Determine eligibility for all employees; and 	Y ¹	
<ul style="list-style-type: none"> • Notify all employees of their eligibility to telework. 	Y ²	
2. Participation: The telework policy must:		
<ul style="list-style-type: none"> • Ensure that participation does not diminish employee performance; 	Y	
<ul style="list-style-type: none"> • Require a written agreement between the employee and manager outlining the employee's specific work agreement; and 	Y	
<ul style="list-style-type: none"> • Be incorporated as part of the agency's COOP in the event of an emergency. 		N ³
Training and Monitoring		
3. Training: The head of each agency must ensure that:		
<ul style="list-style-type: none"> • An interactive training program is provided to employees eligible to telework and managers of teleworkers; and 	Y	
<ul style="list-style-type: none"> • The employee must successfully complete the training before entering into a written telework agreement. 	Y	

¹ Determinations were not made on an individual basis regarding notices of eligibility. However, broad determinations were made for occupations as to eligibility for telework types. Final determinations are made on an individual basis.

² An e-mail was issued notifying employees that the policy for eligibility was in the Internal Revenue Manual and National Agreement II. However, some employees have limited access to e-mail (must go to a business center or kiosk), and managers were not required to discuss eligibility with employees. Managers were provided with guidance so they could answer questions on eligibility.

³ The Office of Continuity Operations plans to add references to the telework policy in the COOP by May 2013.



*Review of the Implementation of the
Telework Enhancement Act of 2010*

4. Monitoring: The head of each agency must ensure that teleworkers and non-teleworkers are treated the same for:		
• Job Performance Appraisals;	Y	
• Training, rewarding, reassigning, promoting, reducing in-grade, retaining, and removing employees;	Y	
• Work requirements; and	Y	
• Other acts requiring managerial discretion.	Y	
Policy and Support		
5. Policy: Provide policy and guidance consistent with OPM on:		
• Pay and leave;	Y	
• Agency closure;		N ⁴
• Performance management;	Y	
• Official worksite;	Y	
• Recruitment and retention; and	Y	
• Accommodations for employees with disabilities.	Y	
6. COOP: Incorporate telework into the continuity of operations plan.	Y	
7. Security Guidelines: Provide applicable security guidelines.	Y ⁵	
8. Policy on Purchasing Computer Systems: Establish a policy when purchasing computer systems regarding enabling and supporting telework.	Y ⁶	

⁴ The OPM and the Department of the Treasury guidance recognize that further changes in this area require negotiation with NTEU for bargaining unit employees, which the IRS has already begun. However, the IRS could implement guidance issued by the OPM and the Department of the Treasury for non-bargaining unit employees.

⁵ The IRS policy outlines the responsibilities of the managers and employees to comply with security and disclosure requirements; however, we did not include a review of information and information systems in this inspection. The Treasury Inspector General for Tax Administration’s Security and Information Technology Services audit group reviews IRS information system’s security.

⁶ The IRS established a policy for creating standard technology equipment portfolios for each occupation prior to passage of the Act; however, the National Agreement II describes equipment to be provided for telework.



*Review of the Implementation of the
Telework Enhancement Act of 2010*

Reports		
9. Capture and report:		
The degree of participation by employees in telework including:		
<ul style="list-style-type: none"> • The number of employees in the agency; 	Y	
<ul style="list-style-type: none"> • The number and percentage of employees in the agency who are eligible to telework; 		N ⁷
<ul style="list-style-type: none"> • The number and percentage of eligible employees in the agency that are teleworking <ul style="list-style-type: none"> ○ three or more days per pay period; ○ one or two days per pay period; ○ once per month; and ○ on an occasional, episodic, or short-term basis. 	Y ⁸	
	Y	
	Y	
		N
		N
The method for gathering telework data;	Y	
If the number of employees teleworking is 10 percent higher or lower than the previous year, the reasons for the variation;	Y	
The agency goal for increasing participation to the extent practicable or necessary for the next reporting period, as indicated by the percentage of eligible employees teleworking in each frequency category; and	Y ⁹	
Explain whether or not the agency met the goal for the last reporting period.	Y	

⁷ The number of employees eligible to telework is represented by the number of employees whose telework type is selected in the time and attendance system.

⁸ The IRS's time and attendance system does not capture telework by days. This is computed by assuming that every eight hours teleworked was one day. Also, the IRS uses an estimate of the number eligible because the percentage of eligible employees cannot be accurately determined.

⁹ The IRS set a participation rate goal for Fiscal Year 2013 but not by frequency category and not as a percentage of eligible employees. Instead, the goal is that 24 percent of all employees telework. The time and attendance system does not allow them to track more precise details.



*Review of the Implementation of the
Telework Enhancement Act of 2010*

Appendix V

Management's Response to the Draft Report



HUMAN CAPITAL OFFICE

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

May 10, 2013

MEMORANDUM FOR R. DAVID HOLMGREN
DEPUTY INSPECTOR GENERAL FOR INSPECTIONS AND
EVALUATIONS

FROM:

David A. Krieg *David A. Krieg*
IRS Human Capital Officer

SUBJECT:

Draft Inspection Report – Review of the Implementation of the
Telework Enhancement Act of 2010 (#IE-13-004)

Thank you for the opportunity to review the draft report entitled "Review of the Implementation of the Telework Enhancement Act of 2010." We appreciate your recognition of our long term commitment to telework and of the steps we have taken in the last few years to improve the program. As you noted, we have developed and implemented a number of policies, procedures, and techniques to help ensure our telework program is effective and that managers have clear and specific information on the use of telework at the IRS. We are also grateful for your input and support for future program enhancements and adjustments.

The IRS is committed to continuing improvement of its telework program. We recognize the positive impact a thriving program has on employee engagement, without compromising effective business practices and delivery of service. Our efforts to fully comply with the Telework Enhancement Act of 2010, the Treasury Telework Program policy, and guidance provided in the Office of Personnel Management's Guide to Telework in the Federal Government include:

- Establishing a telework policy, which conveys employee eligibility and training requirements;
- Requiring telework agreements for all teleworkers;
- Establishing a telework website to convey information about the IRS telework program;
- Ensuring that telework is an integral part of the IRS Continuity of Operations policy; and
- Tracking teleworkers through the time and attendance system.



*Review of the Implementation of the
Telework Enhancement Act of 2010*

2

While we understand your recommendations concerning non-bargaining unit employees, we believe that it is important to treat all IRS employees consistently, particularly at a time when all employees are being asked to do more with less. To implement mandatory telework during emergency situations for bargaining-unit employees – who make up 80% of the current IRS workforce – requires negotiation with the National Treasury Employees Union, and we intend to move forward with this negotiation in the near future.

Attached is our response to your recommendations. If you have any questions, please contact me at (202) 622-7676, or a member of your staff may contact Karen Becton-Johnson, Director, WorkLife Benefits & Engagement at 202-622-4350.

Attachment



*Review of the Implementation of the
Telework Enhancement Act of 2010*

TIGTA Audit #IE-13-004

Attachment

Draft Inspection Report of April 16, 2013, titled *Review of the Implementation of the Telework Enhancement Act of 2010*. The following is a response to each recommendation.

Recommendation 1:

Revise the IRS's telework policy to indicate that a non-bargaining unit employee with an approved telework agreement can be expected to telework outside his or her normal telework schedule in the case of an emergency situation.

CORRECTIVE ACTION:

We believe that it is important to treat all IRS employees consistently, particularly in these very challenging times when employees are being asked to do more with less. To implement mandatory telework during emergency situations for bargaining-unit employees – who make up 80% of the current IRS workforce – requires negotiation with the National Treasury Employees Union (NTEU).

Changes to telework requirements for bargaining-unit employees will be addressed with NTEU in upcoming term negotiations, which begin in the fall of 2013. Implementation of this recommendation for all employees, both bargaining and non-bargaining unit, will be contingent upon the outcome of these negotiations so that all employees may be treated equally. If successful, we will revise telework policies and agreements accordingly upon completion of negotiations.

IMPLEMENTATION DATE: October 1, 2014

RESPONSIBLE OFFICIAL(S): IRS Human Capital Officer

CORRECTIVE ACTION MONITORING PLAN:

IRS will monitor this corrective action as part of our internal management system of controls.

Recommendation 2:

Require that telework agreements include specific language on whether the employee is expected to telework when the office is closed due to an emergency.



*Review of the Implementation of the
Telework Enhancement Act of 2010*

CORRECTIVE ACTION:

We believe that it is important to treat all IRS employees consistently, particularly in these very challenging times when employees are being asked to do more with less. To implement mandatory telework during emergency situations for bargaining-unit employees – who make up 80% of the current IRS workforce – requires negotiation with the National Treasury Employees Union (NTEU).

Changes to telework requirements for bargaining-unit employees will be addressed with NTEU in upcoming term negotiations, which begin in the fall of 2013. Implementation of this recommendation for all employees, both bargaining and non-bargaining unit, will be contingent upon the outcome of these negotiations so that all employees may be treated equally. If successful, we will revise telework policies and agreements accordingly upon completion of negotiations.

IMPLEMENTATION DATE: October 1, 2014

RESPONSIBLE OFFICIAL: IRS Human Capital Officer

CORRECTIVE ACTION MONITORING PLAN:

IRS will monitor this corrective action as part of our internal management system of controls.