

June 14, 2006

MEMORANDUM

TO: IRS Chapter Presidents

RE: Virtual Office Pilot Briefing – Service-wide

SUMMARY: NTEU was officially briefed on the Service's Virtual Office Pilot initiative, which is intended to help determine whether future utilization of this work design will meet the Service's needs. Ultimately, the IRS' hope is that it will assist in recruiting and retaining the best and brightest, reducing infrastructure and costs and better meet the needs of employees. Instead of employees going to the work, the work would go to the employee. Geographic location would ultimately be irrelevant to how the work is accomplished.

NTEU was briefed recently regarding the Services' April Quarterly initiative, Virtual Office Pilot. At the outset, I made it clear that it was my understanding this was *not* intended to simply be expanded flexiplace, a point I continued to make throughout the lengthy briefing. It is important to keep this fact in mind because *flexiplace is available at the employee's "choice," whereas, use of the Virtual Office in the future would likely be mandatory.* As it relates to the upcoming "pilots," however, all participation in these pilots is purely voluntary.

The IRS is currently proposing pilots in SB/SE, AWSS, TEGE and next year in a W&I Call Site. The first three are scheduled to occur over a six month period beginning in July 2006 with AWSS/REFM, AWSS/ESS-TS and SBSE/Research. More specifically, they will be soliciting volunteers in AWSS/REFM for 60 people in 35 POD's, in ESS, 30 employee volunteers in 20 PODS and SB/SE Research, 30 technical staff located at various PODs. The other areas are to be determined, and will begin near the end of '06 or the beginning of '07.

They have suggested a master agreement on these pilots which would then be supplemented by individual and specific agreements for each of the business units involved. A separate briefing would accompany each. I will provide you with information as each briefing occurs.

They will be providing us with a number of items including a list of names of bargaining unit employees in each of the areas to be affected. Other highlights of our discussion include:

- There will be no space reductions during the pilots.
- Criteria for volunteers will include access to the internet.
- A volunteer will be permitted to withdraw from the pilot with two weeks notice.
- Performance evaluations and CJE's will not change for volunteers.
- Volunteers will receive either a desktop or laptop computer and, if needed for their job, cell phones, file cabinets, printers and a fax, if it is determined essential.

Finally, NTEU discussed at length the obviously huge impediment we perceive exists on the part of management to accept any arrangement where they cannot actually “see” employees as they perform their work. In recognition of that fact, we were assured that fully two-thirds of the training complement to this initiative will be focused on managers. Training for employees will be provided through ELMS.

I will keep you informed as we progress. We will be closely monitoring this, each step of the way. I will be appointing bargaining teams to negotiate an MOU for the pilots. Questions can be directed to Katherine Tijerina, National Negotiator on this issue at katherine.tijerina@nteu.org

Colleen M. Kelley
National President

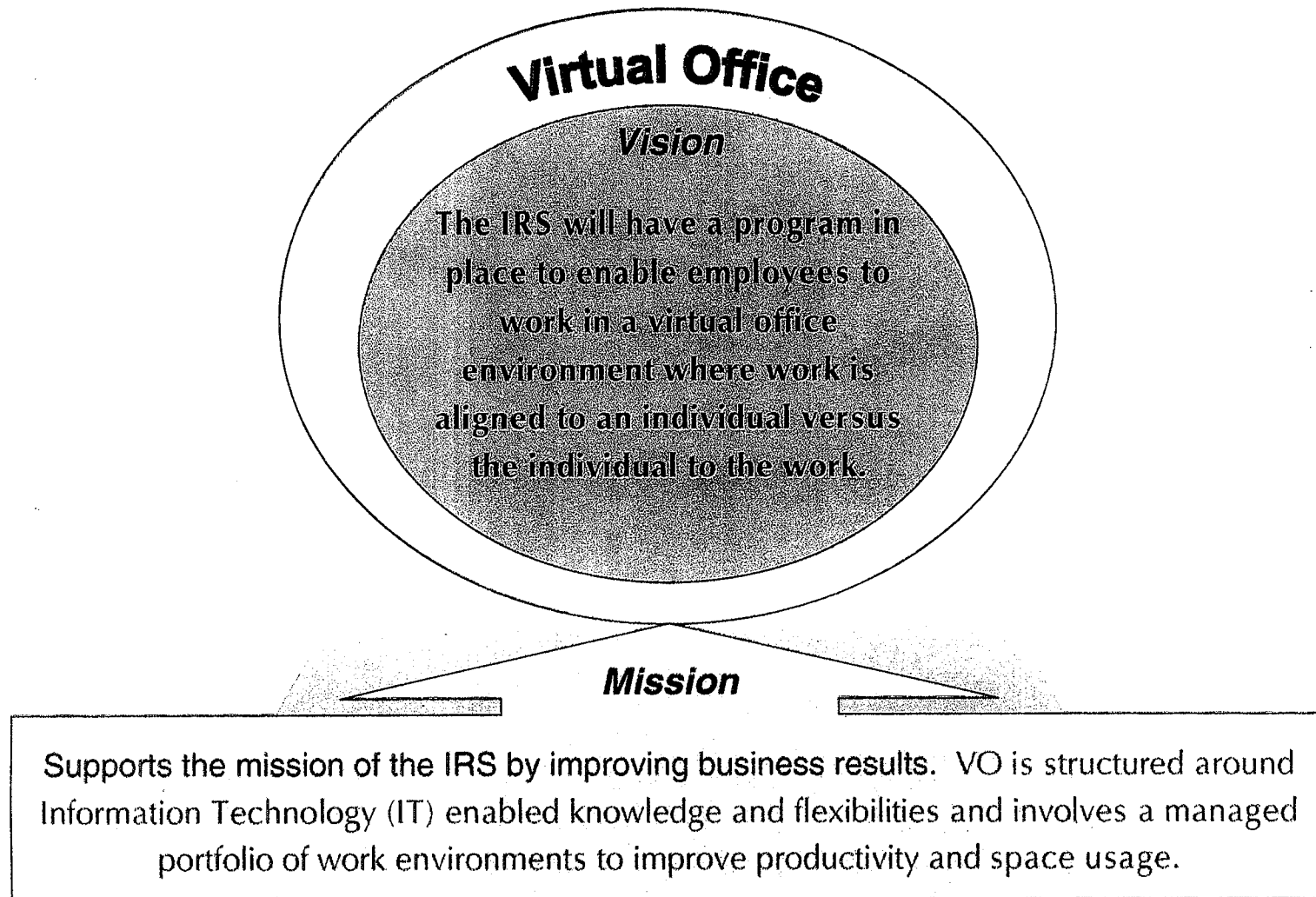
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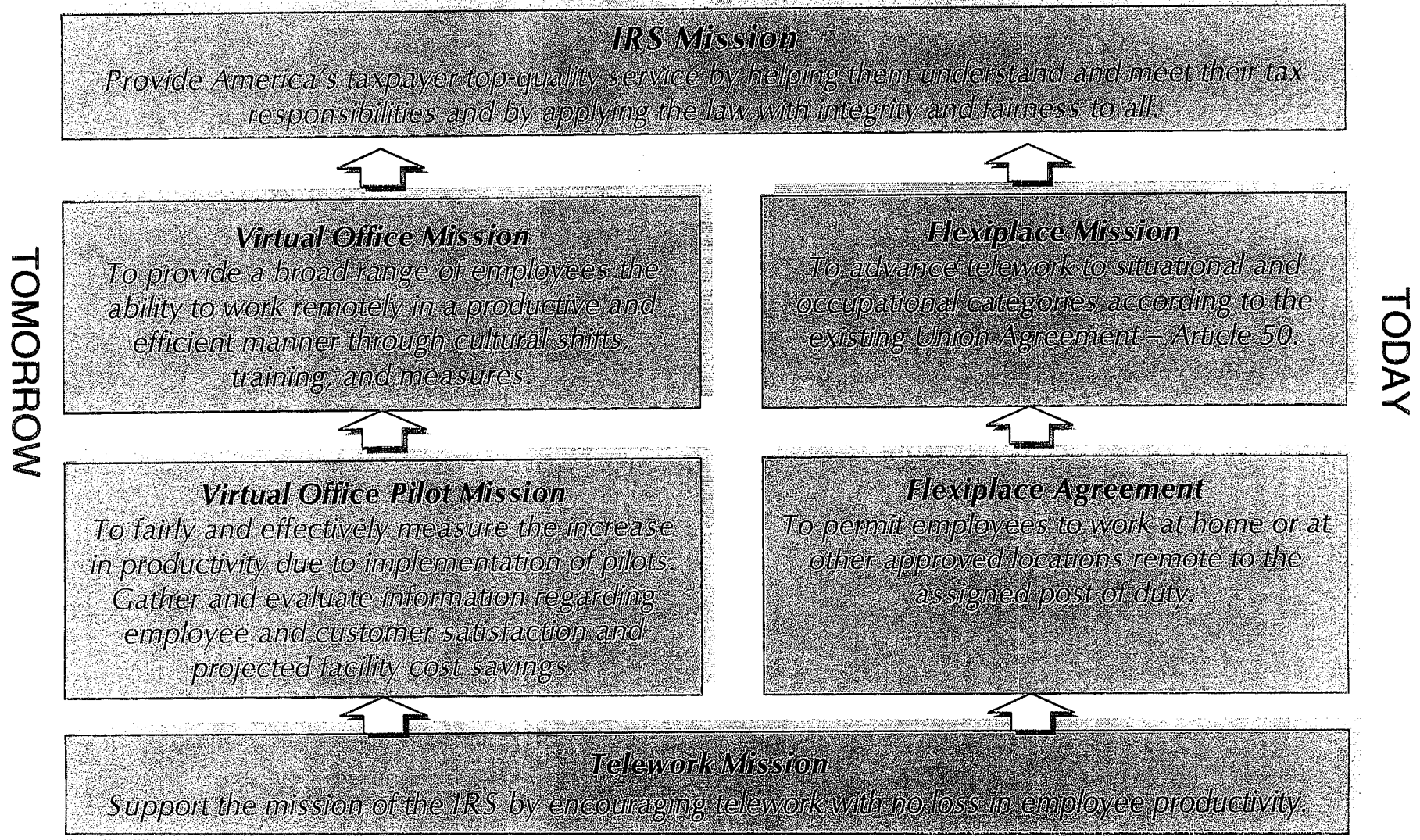
NTEU Briefing
Virtual Office

June 1, 2006

Virtual Office Mission and Vision



Alignment with IRS Mission



The Virtual Office Vision



TOMORROW

TODAY

IRS Vision
In 2009, the IRS is a 21st century agency with the human capital and technology capabilities to effectively and efficiently collect the taxes owed with the least disruption and burden to taxpayers.



Virtual Office Vision
Create an environment that encourages maximum participation in Virtual Office in a fair, effective and cost effective way.

Flexiplace Vision
Provide a work environment that ensures quality and professionalism to all situational and occupational participating employees.



Telework Vision
Improve compliance through automated, integrated and accessible tools and business processes that dynamically respond to environmental changes with a highly skilled, satisfied and collaborative workforce that enhances timely, efficient and quality services to the taxpayer using the latest technology and workforce concepts.

Virtual Office - Advantages



- Models private and public sector success
- Attractive recruitment and retention incentive
- Tool to flatten “retirement cliff”
- Flexible work group sizes and workload migration
- Improves ability to resume business if IRS space becomes incapacitated
- Impacts spiraling commuting and energy costs
- Improved ability to manage space

Virtual Office Pilot Goals



- **Feasibility Demonstrations** – *“We don’t know what we don’t know”*
- **Obtain Data** for gap analysis and business cases - a measured approach to determine possible broader implementation – risk mitigation
- **Achieve Business Unit and Employee Buy-In**, generating customer demand to drive the initiative

Virtual Office Pilot Criteria



- Work can be effectively accomplished outside of the traditional office/team setting
- Frequent and/or regularly recurring visits to client and/or stakeholder locations
- Employees can work independently or virtually in tandem with other coworkers, support staff and manager without any adverse impact on individual, team or office productivity, or customer service

Virtual Office Pilots



- SB/SE Research: 30 technical staff located at various PODs scheduled for June 06
- AWSS:
 - Real Estate & Facilities Management HQ: 60 in 35 POD's
 - ESS - Travel Services in ESS: (30) in 20 POD's
- TEGE: TBD
- W&I Call Site: Number and location(s) of employees TBD – target schedule is June 07

Virtual Office Pilot Agreement



Virtual Office Pilot agreement to outline the structure of the pilots and include separate addendums for each pilot that address

- Implementation
- Pilot Schedule
- Equipment
- Measures

Pilot - Employee Eligibility



- Work in units identified for pilots
- A suitable home work environment
- Internet access available and if require by job, high speed internet access or DSL with an Ethernet connection
- Access to a personal land line telephone or a government issued cell phone
- Length of service, conduct, performance standards
- Sign Virtual Office agreement

Pilot - Employee Participation



- Voluntary participation
- Employees will receive training
- Current work schedule, time & attendance, travel, conduct, and work rules apply
- Pilot or individual employee participation can be terminated
- Home office subject to joint inspection
- Participants will not lose workstations during pilot

Virtual Office Pilots - Equipment



All VO Pilot employees will receive -

- Computers (desktop or laptop)
- Most will use ERAP to access the IRS intranet

As needed (and agreed in the addendums) employees may also receive

- Cell Phones
- File Cabinets
- Printers
- Other equipment determined to be essential to performing duties

VO Pilot Products Completed or in Process



- **Charter** - Goals, Structure, Roles and Responsibilities
- **Training** - for managers and participants
- **IT Infrastructure** - Business requirements, affect on infrastructure, data security
- **Communications** - VO messages; working on surveys for mgrs/ee's/customers
- **Measures** – for participants and business results

Virtual Office Pilot Timeline

