

July 29, 2006

## **MEMORANDUM**

TO: IRS Chapter Presidents

RE: Fuel Compliance Officers A-76 Competition Update

**SUMMARY: This is an update on the cancellation of the Fuel Compliance Officer A-76 Competition which was due to the inherently governmental nature of the work.**

The Agency has done the right thing and announced today that the A-76 competition involving Fuel Compliance Officers has been canceled due to a determination that FCO work is inherently governmental. The decision comes after almost two years of work, and just one month before the final solicitation for bids was scheduled to be released.

The Agency attributes their change of heart to the American Jobs Creation Act (AJCA) and the Highway Bill of 2005, stating that the legislation added and/or changed FCO duties such that they can no longer be considered appropriate for competition.

NTEU has, of course, long maintained that FCO's perform a wide range of inherently governmental work. As recently as April 25, 2006, we again challenged the FCO's commercial designation on the 2005 IRS FAIR Act inventory. We are heartened that the Agency has finally halted what we believed to be an unlawful competition.

As part of their announcement, the Agency has informed NTEU that they will convene a joint meeting of the FCO Performance Work Statement (PWS) and Most Efficient Organization (MEO) teams to study recommendations and possible improvements within the organization. NTEU will keep track of any such developments, and bargain any proposed changes in due course.

If you have any questions about this competitive sourcing project, please contact Rick Bialczak, Negotiations Assistant, via e-mail at [richard.bialczak@nteu.org](mailto:richard.bialczak@nteu.org) or at (202) 572-5500, ext. 8073.

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