



NTEU Chapter 49

Representing most employees of the Internal Revenue Service in
the state of Indiana

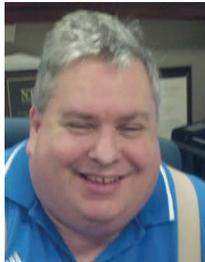
July 2015

CHAPTER PRESIDENT'S CORNER

By

Duncan Giles

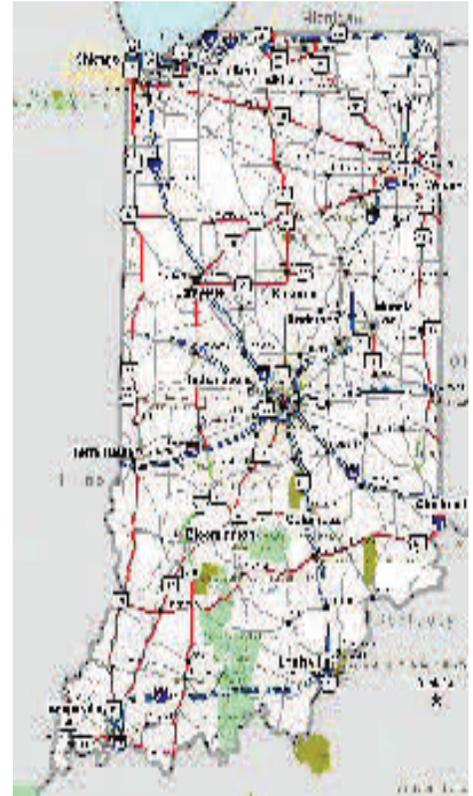
President NTEU Chapter 49



On this and that....

Are we having fun yet? The hits just seem to keep coming. If it's not a hack of OPM's records that is impacting millions of federal employees, retirees and even job applicants, to a Congressional Subcommittee telling us that we are overfunded & wanting to CUT our Appropriations for next fiscal year (obviously they haven't tried to get a printer fixed or even a new pen). We don't have enough money to replace printers much less employees who retire or just get fed up and leave. It seems like it's only bad news out there. It makes you wonder if there is anything good. There is if you are grading on a curve.

NTEU worked with the IRS to prevent any shutdown days this year. That was a very real possibility. So far it looks like we will get a raise of just over 1% next year. Is that enough? No, but it's better than a freeze. So there are small rays of hope out there. (continued Pg 2)



PRESIDENT

DUNCAN GILES

VICE PRESIDENT

SUSAN WRIGHT

TREASURER

SCOTT CARDER

SECRETARY

GAIL GROVES

CHAPTER PRESIDENT'S CORNER

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What is working? From where I'm sitting 2 things. The first is you. I can't tell you how incredibly proud I am to be working with such a great group of people. You bust your butt day in & day out churning out all the work you can, because you have pride in wanting to do the right thing, even with all sorts of obstacles in your path. Think about it. Whatever you do for the Service you do with equipment that is lacking, if you have what you need to begin with. You have more & more tasks you need to do before you can do your core job. We are regularly bashed by those in the press & the folks who set our funding. Yet even with all that you produce more than anyone has a right to expect. You don't hear it enough so I want to tell you right now. THANK YOU for the great work you are doing for the country and you ARE appreciated.

What is the second thing I see working? NTEU. Am I biased? A case could be made for that but before you jump to that conclusion let me tell you what I see. NTEU National's Legislative Department works tirelessly to educate & persuade members of Congress not to vote for bills that harm employees. Does it work all the time? Of course not. But they help beat back a huge number of very bad bills. The negotiations department at NTEU National works every day on getting agreements that help the impact on employees when management changes something. The Field offices of NTEU directly assist the Chapters when management (or management's Labor Relations) doesn't want to listen, by invoking Arbitration where warranted. The NTEU public relations department sends out press releases & releases public service announcements with factual information so the American people have more to go on than a sound bite.

Some of you might be saying -that's great but what does Chapter 49 do? Our ever growing legislative committee works to let elected officials in Indiana know our issues & concerns that impact you. Our stewards & Officers are solving problems large & small in the workplace every day, sometimes formally but many times not. We just want to do whatever is going to help our members the fastest way possible. We give advice to employees, managers & executives on how to make a tough budget situation more bearable for those who are doing the work.

So, yes, it is tough right now, but as long as you are doing the great work & NTEU is watching your back, it's at least bearable & we are continually trying to make your work life better in a "no money" environment. It will get better. It may take a while but it will get better.

That's it for now.

SETR Settlement

Trying to report your time as an IRS employee can be tough. NTEU has reached an agreement with IRS to limit how many places you need to report your time.

NTEU argued that the agency improperly required employees to input their time into SETR, in addition to submitting other source documents, such as Form 3081.

The settlement of the grievance filed by the union contains the following provisions:

- That employees are only required to input their time into SETR once per pay period, unless a local past practice for submission of time existed prior to the SETR MOU, 7/18/12;
- That Form 3081 features in other time reporting programs, such as ATTS, must be discontinued;
- That the deadline for SETR submission does not change when the Supervisor is out of the office; and,
- That unintentional errors when estimating time and attendance should not adversely impact bargaining unit employees.

If you have any questions on the details of this settlement, contact any Chapter 49 officer or steward.



NTEU National President Colleen Kelley speaks to the crowd at the union's national training session

CHAPTER 49 STEWARDS GET THE LATEST UPDATES AT NATIONAL TRAINING

Each year, NTEU offers stewards from chapters around the nation a training session to keep everyone up to date on the latest representational issues. Chapter 49 sends stewards to this annual training session on a rotating basis.

There are several tracks of training, from the basic track for the newest stewards all the way up to the most advanced track for chapter leaders.

Those attending national training this year from Chapter 49 included Susan Wright, Scott Carder, Pam Clayton, Tyler Helbert, Linda Clark, Lillie Fleming, Kathy Corban, Ricki Wenger and Duncan Giles.

The sessions were held in Las Vegas, with one Chapter 49 steward attending the New Orleans class. Before you start thinking this is a glorified vacation, be aware that all stewards attending training are there for a full work day in their classes. The Chapter looked at all training locations, and we found the Las Vegas (and for one steward, New Orleans) to be the least expensive destinations to attend the NTEU training.

PAY RAISE NEXT YEAR LOOKS LIKE IT WILL BE 1.3%, BUT WE DESERVE MORE

As Duncan Giles mentioned in his column, President Obama has proposed a 1.3% pay raise for federal employees in 2016. NTEU continues to argue for a 3.8% hike in salaries next year. Federal workers withstood years of pay freezes and only in recent budget cycles have we seen small pay increases.

Because the budget bills in congress up to this point have been silent on the pay raise issue, if congress does nothing to change it, the president's proposal will become law.

NTEU's lobbyists on Capitol Hill are working for the 3.8% raise. Chapter 49 argued for a 3.8% raise during our Legislative Conference meetings with Indiana Senators and House members earlier this year. We as a union will continue that work.

HOUSE SUBCOMMITTEE VOTES FOR AN IRS BUDGET BILL CONTAINING "DEVASTATING" CUTS

Our Chapter 49 President Duncan Giles mentioned our budget situation in his commentary, but here are some specifics to mull over.

The House Appropriations Subcommittee on Financial Services and General Government approved an IRS budget bill for Fiscal Year 2016 on a voice vote (meaning no committee members went on the record as to how they voted). This measure would provide IRS a total of \$10.1 billion for FY '16. That seems like a lot of money at first glance, until you realize the proposal is \$838 million less than the current year spending level and \$2.8 billion less than the budget proposed by the President. This includes major reductions to enforcement and operations support.

In addition to drastically cutting the IRS budget, the bill also includes a prohibition on funds for bonuses, awards, or to rehire former employees unless their conduct and tax compliance is given consideration.

We have all experienced the pain of trying to do our jobs with less resources than the previous year. If this plan becomes law, the NTEU National President Colleen Kelley has described these cuts as "devastating" to those trying to fulfill the mission of the agency.

The full House Appropriations Committee will now vote on this bill. If there is any good news, it is the fact that this is the beginning of the appropriations process. The measure must go through the full committee, the House floor, then on the Senate budget-writers. At every step of this process, NTEU will be there arguing for enough money to staff and perform the important work in administration of our nation's tax laws.

National President Colleen Kelley said it best in her letter to members of the House subcommittee — "IRS employees around the country are committed to continue to work diligently despite seeing their workloads increase and the resources to do their jobs shrink dramatically. These additional proposed cuts simply cannot be absorbed without further impairing IRS' ability to provide critical taxpayer services and enforce the nation's tax laws."

THE OPM HACK

NTEU FILES A LAWSUIT

NTEU at the national level has filed a lawsuit against the Office of Personnel Management over the huge hacking incident putting millions of individuals at risk.

NTEU's lawsuit asks the court to:

- Declare that OPM's failure to improve cybersecurity was an unconstitutional act;
- Order OPM to provide lifetime credit and ID protection for its NTEU members;
- Order the agency to take all necessary steps to strengthen its IT security program and protect NTEU members' data from falling into the hands of hackers in the future; and
- Prevent OPM from collecting personal information from NTEU members electronically or requiring them to submit such data in an electronic form until the court is satisfied with the agency's cybersecurity upgrades.

We will keep you posted on how this sorts itself out. The story continues to change day by day, hour by hour, and sometimes minute by minute.

The huge hack has cost OPM Director Katherine Archuleta her job. She submitted her resignation July 10th. It's going to take a long time to fix these OPM problems that have been around for a very long time. NTEU will continue to push hard that federal employees and retirees not suffer because of the problems at OPM.

TSP G FUND IS UNDER ATTACK

Whenever some elected officials in Washington are looking for money to fund a program, it seems federal employees and retirees are a prime target. The latest proposal is to take money from the earnings of the Thrift Savings Plan (TSP) G Fund (very safe government bonds) to fund the latest version of the Highway Bill. There is no doubt our highways are in need of money, but the TSP Board has gone on record as saying enactment of this proposal would render the G Fund useless. We at Chapter 49 do not believe taking away retirement money from government employees is a way to fund the Highway Bill. We will keep you posted on this issue here, on Facebook, Twitter and at www.nteu49.org.

CHAPTER 49

RECRUITMENT CAMPAIGN CAN PUT MONEY IN YOUR POCKET

Summer season is always a good time to have a little extra money. NTEU Chapter 49 is providing a way for you to garner some additional cash.

Now through September 15th, we are offering an incentive payment for anyone to join us if not already a member. If you are a member and recruit a new member, you get money as well.

Here's how it works. If you are a nonmember and sign up as a member, you get a \$25 check from Chapter 49. If you are a member and recruit the new member, you get a \$25 check from us. So, if you are a member and recruit a new member, you and the new member each get a \$25 check.

Here's an added bonus. Any current member that recruits 4 new members by the September 15th deadline will receive an additional payment of \$100.

We believe there are plenty of good reasons to join NTEU. You are helping to support the only organization with the sole aim of supporting you, the IRS employee.

Without NTEU, who would have filed the lawsuit against OPM over the massive hack?

Without NTEU, who would be fighting against Congressional proposals to gut the Thrift Savings Plan G Fund?

Without NTEU, what organization would be working for you day in and day out throughout Indiana to support you and the work you do?

We think there are a lot more reasons to be a member of NTEU. We've decided to add the financial incentive in this recruitment campaign.

If you have questions on any of this, contact a Chapter 49 officer or steward.

Doing Less with Nothing

We're sure that everyone is sick and tired of hearing the mantra of doing more with less. Rarely does a day go by when you don't hear about another person retiring or moving onto greener pastures. The cold hard truth is that our coworkers are leaving in droves, and there is no one waiting in the wings to replace them. There seem to be almost as many acting managers as permanent managers because of the never ending attrition. It doesn't take Sherlock Holmes to figure out that the agency is being deliberately starved to death to satisfy a political agenda. At least, that's how it appears to those in the know. Unfortunately, those that do not care to know see it much differently. According to them, the problem isn't the lack of IRS funding. It's that the agency doesn't know how to properly allocate the table scraps that they give them. That's the opinion that appears in the U.S. House of Representatives Committee on Ways and Means Majority Staff Report entitled "Doing Less with Less: IRS's Spending Decisions Harm Taxpayers" (April 22, 2015).

The report claims that "while the IRS has been cutting services, it has continued to hand out bonuses, allow staff to conduct union activities on the taxpayer's dime, and failed to collect delinquent debt owed by federal employees. The agency has also refused to use its existing authority to use third-party debt collectors to increase revenue, even though it would recover billions of dollars for the agency."

Let's examine each of these assertions in greater detail. According to the report, "the decision (to pay performance bonuses) still cost taxpayers another \$60 million, at a time when the IRS did not yet know what its budget would be for fiscal year 2015". In other words, the report says that high performers do not deserve awards. What message does that send, especially in light of the fact that it comes from a group of people who demonize IRS employees at every turn? Work hard enough not to get fired, because there is no incentive to go the extra mile. In essence, you're encouraging everyone to be mediocre. Imagine a private employer telling its employees, "we offer no perks or potential for promotion. You are not going to be rewarded for your efforts. We just won't fire you." During his address at the NTEU Legislative Conference, Jason Chaffetz (R-Utah) asked NTEU leaders for their assistance in helping agency management address the "bad apples" within the federal workforce. What about the "good apples"? Apparently, they get nothing but scorn and derision from those who allege that they appreciate their efforts.

Union activity is a personal favorite for some of our distinguished representatives. The report states, in fiscal year 2014, the IRS spent \$23.5 million in salary and benefits expenses for employees to engage in union activities, instead of official duties. The report then claims that "eliminating discretionary time could save the IRS \$20.7 million per year, and free up employees to offer assistance to taxpayers...the amount of resources spent on discretionary union activity could have assisted nearly 2.5 million taxpayers." A closer look at this time demonstrates the numerous flaws in this argument. Firstly, the report says about "88 percent of union time is spent on 'general labor management relations'", which it claims falls under the umbrella of "discretionary time". However, the report never specifies what it classifies as discretionary time. There is no doubt that a union presence at 7114 meetings is a considerable portion of this so-called discretionary time. NTEU has pressed the agency to consolidate 7114 meet-ings for several years to reduce time spent on meetings. Even now, some managers still resist efforts to hold simultaneous 7114 meetings for multiple groups to reduce time. In addition, the report makes the giant supposition that every employee engaged in union activities answers telephone inquiries during filing season. Our stewards are revenue agents, appeals officers, secretaries and revenue officers. None of them answer taxpayer inquiries during filing season. Even if every steward in New Jersey spent

no more than a nanosecond on union activities, it would not result in any additional taxpayers receiving assistance during filing season. We're sure that the same holds true for many chapters with field offices rather than campuses. (NOTE: Chapter 49 does have stewards at the IRS Indianapolis call center).

The report then revisits another one of Congress' pet projects — the use of private debt collectors. It states "if the IRS used its existing authority to contract with private debt collectors it would increase its own enforcement budget by more than \$100 million every year." Does anyone think it's a good idea to put confidential tax information in the hands of low paid private debt collectors who have one motive in mind — to squeeze out payments so that the company makes a profit and they get a bigger bonus? Could anyone imagine the outcry if the agency proposed to give revenue agents, TCOs and revenue officers commissions on the amount of money that they assess and/or collect? Congress would scream bloody murder, but it's okay to give commissions to private collectors browbeating taxpayers into paying. IRS has gone down that road before, and every trip turned into a multi-car pileup. It's about as bright as emptying the prisons of convicted criminals in exchange for their military service to save money on prison space and military benefits. But some politicians love the idea because these companies may be located in their districts, and unlike the agency, the corporate owners can fill their campaign war chests with generous donations and the support of PACs lobbying on their behalf.

Let's put the blame for IRS' funding woes on those that hold the purse strings. The report unabashedly says "since its funding peak in 2010, the IRS's budget has been cut by \$1.2 billion. The intent of these cuts was to force the IRS to manage its resources more effectively, and immediately stop inappropriate activities." The plain talk translation is that we want to score some political points and punish IRS. Even if you add up all of the alleged potential savings, the bot-tom line is that IRS's budget has been cut by more than \$1 billion dollars since 2010 in spite of the fact that there are more taxpayers, more complex taxpayer entities and more loopholes in the tax code than all the Swiss cheese in the world. This is especially true when you look at Congress' lack of interest in reining in spending in other areas.

The best example is the F-35 Joint Strike Fighter. This next generation fighter jet already cost \$400 billion and is still "riddled with problems...and remains years away from combat readiness. According to the GAO, the F-35 program—already plagued by cost overruns and delays — added an additional \$4.3 billion to its overall price tag last year...The F-35 is years away from being the unparalleled next-gen fighter promised by the Pentagon." (**Fortune, March 18, 2015**). Have you heard any outcry to skewer the CEO of Lockheed-Martin, the plane's builder, for cost overruns and wasteful spending? How about demands that he and Lockheed-Martin's other corporate officers repay their lavish bonuses?

Where's the committee hearing blasting the Pentagon for throwing away nearly half a trillion dollars? Nope, that sound you hear is silence. Instead some lawmakers want to give the Pentagon an additional \$38 billion of funding in fiscal 2016, while slashing domestic agencies' spending to the bone. So Congress' demands for spending accountability are veiled excuses for political theater. If IRS officials had spent a fraction of this money, everyone involved would be wearing orange jump suits and leg irons as they were hauled in front of Congress.

(We thank John Kelshaw, President of NTEU Chapter 60 in Newark, for giving us permission to reprint this piece from his award-winning newsletter *Watchdog*)

MOVED LATELY? LET NTEU KNOW!

Here's something most NTEU members do not know. When you move, the IRS does not notify the union. We need your most current address to send materials to you. NTEU National sends regular updates through the mail. Chapter 49 conducts its elections via the U.S. Postal Service. If you do not update your address with NTEU, we cannot mail you any information or election ballots. To ensure your address is up-to-date, contact any Chapter 49 officer or steward. Another way of checking the address we have on record for you, and to change the address yourself, is by setting up a member account at www.nteu.org — if you need help on how, check with any Chapter 49 steward or officer.

CHAPTER 49 NEEDS YOU

Are you interested in getting involved with Chapter 49 to help yourself and your fellow IRS workers? If so, we have an idea for you.

We are looking for volunteers to serve on Chapter 49's Legislative Committee. Many of you have often complained (with good reason) about what some of our elected officials have been doing to us in Washington. This is a chance for you to do something about it.

You are required to do this activity outside of work hours. But the rewards are many. You get the chance to work with fellow members of Chapter 49 with the same interest in shaping our arguments before our elected officials. You will be meeting members of congress and their staff.

If you have any interest in getting involved with our Chapter 49 Legislative Committee, contact Chapter President Duncan Giles at 317-685-7635

Need Help? Have Questions?

NTEU Chapter 49 is here to help you. If you have questions about the work place or the contracts NTEU has negotiated for you, contact any steward. A list of stewards, their PODs and phone numbers is available at our Chapter 49 Web site, www.nteu49.org

If you are not certain which steward to contact, get in touch with Chapter 49's Chief Steward Pam Clayton. Feel free to contact any of the local elected chapter officials listed on page one of this newsletter. We will do our best to answer any questions and address any concerns you may have. We are here to help you.

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Web Site: www.nteu49.org