



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

Mr. Howard F. Swinimer  
National Negotiator  
National Treasury Employees Union  
1750 H Street, NW  
Washington, DC 20006

RE: Travel Authorizations – Phase I

Dear Mr. Swinimer:

Travel authorizations enable the Service to obligate (set aside) travel funds in the accounting system. Decisions of the Government Accountability Office (GAO) and GAO's Principles of Federal Appropriation require the Service to obligate travel funds to ensure accurate financial information is recorded in the financial statements. The new IRS Integrated Financial System (IFS) will require the Service to link an obligation to each advance request. The travel authorization process will be implemented in two phases.

Phase I includes two types of travel authorizations, which are local and general (overnight). Manual authorizations and vouchers are required for imprest fund advance requests, foreign travel, supplemental vouchers, invitational travel, relocation travel and by any employees who choose not to use TRAS. The Service has developed a new Travel Authorization and Advance Request Form, which has not yet been assigned a form number, for manual transactions. This form replaces Form 1321, Authorization for Official Travel; Form 6858, Travel Request and Approval; and Standard Form 1038, Advance of Funds Application and Account. TRAS has been modified to include the new Phase I authorization process.

Phase II will enhance Phase I and will be implemented at a later date, following notice and bargaining with NTEU. Phase II will include a procedure for newly hired employees, who need to travel prior to having access to TRAS, to immediately obtain an advance. This LOU addresses only Phase I.

To implement Phase I, the Service will take the following actions:

1. The Employer has determined that managers will hold meetings with affected employees. The purpose of the meeting is to explain the travel authorization requirements, including the approval process, and the rationale for this requirement. In addition, the purpose is to explain the travel procedures in effect during the period of limited availability because

of the conversion from AFS to IFS and during the fiscal year 2005 Continuing Resolution. (These procedures are addressed in a separate LOU issued concurrently with this one.) The meeting will provide an opportunity to have questions answered. Any questions left unanswered during these sessions will be responded to as soon as possible by Agency-Wide Shared Services (AWSS). Answers to questions raised by or of interest to the group will be communicated to the group and to the NTEU representative who was at the meeting. These sessions will be considered formal meetings and all relevant provisions of the collective bargaining agreement will apply. In addition, representatives from AWSS will prepare e-mails and PowerPoint presentations to educate travelers. AWSS will inform travelers to call the Employee Resource Center (ERC) with any questions. Employees will be able to speak to a live person, by return phone call, not to an automated system, during normal business hours.

2. The Employer will provide a computer-based training tool which will be accessible from the TRAS log-on page and will be available 30 days prior to implementation of the requirement to enter authorizations in TRAS. This self-directed training provides an overview of TRAS, detailed instructions on how to fill in the authorization screen and the travel voucher and describes the various administrative roles. It also contains quizzes that are designed only as a learning tool.
3. The Service will expand the TRAS Quick Reference Guide to include a page describing the new authorization procedures. This guide will be handed out at the meetings referenced in paragraph 1 above. It will also be available from the travel web-site and on the intranet at <http://publish.no.irs.gov/catlg.html>.
4. The current Travel Security Administrators (TSAs) will be available for assistance with travel authorization problems during normal business hours. In addition, the ERC is available for assistance on a 24/7 basis.
5. As a general rule, employees should enter travel authorizations before traveling. However, if that is impractical or there is an emergency situation, the employee may enter the authorization after the trip. For example, an employee may travel if the authorization has not been entered or has been entered but not reviewed/and or approved by the approving official. In all cases, the authorization must be completed prior to filing the voucher. The Employer has determined that approving officials, or their designees, will review and approve/disapprove the authorization/advance request within two business days of submission.
6. Employees may amend an authorization at any time. However, the system has built-in tolerances. These tolerances are for each expense

type, for example, airfare, hotel, and rental car. If the difference between the estimated and actual expense is less than \$500 or 10% of the authorized amount, whichever is less, the traveler does not have to amend the authorization. If the difference between the estimated and actual expense is greater than the tolerances, the traveler must modify the authorization. When estimating expenses for small dollar amount items, employees may enter the estimate rounded up to the next \$100.00 dollar amount.

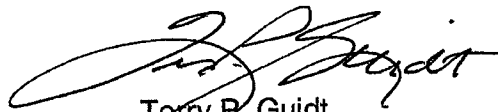
7. The travel advance policy contained in Article 29, Section 2A, will remain in place. To obtain an advance, the traveler must have an approved authorization. The request for an advance may be filed at the same time as the authorization, and the traveler may have up to three (3) advances against a single authorization. Travel advances may be obtained for mandatory deposits, such as for room reservations. The advance will be liquidated each time a travel voucher is filed. An employee may initiate a new advance request after the voucher is filed.
8. All advances, including recurring advances, obtained under the current Automated Financial System (AFS) cannot be converted into authorizations in IFS. Therefore, employees will have to liquidate or repay the advance obtained under AFS and obtain a new advance under IFS. IFS will not permit recurring advances, i.e. each advance is liquidated with the filing of a voucher and a new authorization and advance may be requested.
9. Travel authorization for local travel (may include overnight stays but no airfare) may be obtained annually based on prior years' experience and any anticipated changes. Travel authorizations for general travel, as defined in TRAS, may be obtained for up to a maximum of 90 days. Employees will also be able to obtain an advance of funds for the same period of time as the authorization. Employees may have up to three open advance requests against a single authorization.
10. During the period of the Continuing Resolution (CR) for fiscal year 2005, there is a moratorium on 90-day and one-year travel authorizations during the period of the CR. Employees should request separate authorizations for each city-to-city trip, and local travel authorizations must not be funded in excess of the estimated travel costs to be incurred during the CR period.
11. Employees who file their request through TRAS will receive electronic notification of the status of their authorizations and vouchers, including approval, disapproval, and electronic funds transfer (EFT) notification. Employees who prepare manual authorizations will receive a written notification of any approval/disapproval. If the authorizations/vouchers are

disapproved, the employees will be provided with the reason for disapproval.

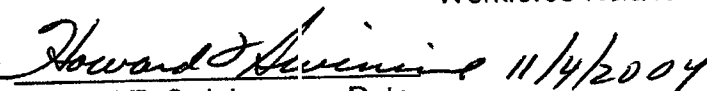
12. These travel authorizations will replace any local policies or procedures concerning authorizations, such as the Form 6858 and any locally developed forms or spreadsheets. The Employer has determined that local officials may not add restrictions or change the national policy. To the extent that local parties have agreements that conflict with these travel authorization procedures, the local parties are authorized to engage in local bargaining to terminate those agreements.
13. Travel authorized by Article 9 of the National Agreement will be used as the basis to approve travel authorizations and vouchers for NTEU officials.
14. NTEU National may select two individuals for the Travel Obligation Task Force.
15. The National parties will address significant problems related to travel authorizations as soon as possible. Meetings will be held upon the request of either party or by mutual agreement.
16. The Employer will brief NTEU National 6 months after the implementation of this policy. In accordance with Article 47, NTEU will have 15 calendar days after the briefing to submit any additional proposals.
17. The Employer will print a copy of this LOU and distribute it to all affected employees at the meetings referenced in paragraph 1 above. The Union and the Employer will determine a date upon which this material will be distributed to AWSS and Chapter Presidents.
18. This LOU may be reopened by either party, or by mutual agreement, not sooner than 90 days from execution.

If you have any questions, please contact Jeanne Morrison either by e-mail or by phone at 202-622-8774.

Sincerely,



Terry R. Guidt  
Acting Director  
Workforce Relations Division

Concurs  11/4/2004  
Howard F. Swinimer Date