



June 30, 2025

VIA ELECTRONIC MAIL

David Traynor
Acting Chief Human Capital Officer
Internal Revenue Service
OS:HC:IR Room 3513
1111 Constitution Avenue, NW
Washington, DC 20224

Re: National Grievance and Unfair Labor Practice Charge – Unilateral Implementation of the LB&I, Pass Through Entities, Leave Request Tracker System in Violation of the 2022 National Agreement, SETR MOU, and 5 U.S.C. § 7116(a)(1), (5), and (8).

Dear Mr. Traynor:

Pursuant to Article 42, Sections 2 and 3 of the parties' 2022 National Agreement (2022 NA) and the 2025 Addendum to the 2022 NA, the National Treasury Employees Union (NTEU) hereby files this national grievance and unfair labor practice charge against the Internal Revenue Service (IRS or agency). As set forth below, the IRS has violated Article 8, Union Rights, Article 23, Hours of Work, Article 32, Annual Leave, Article 34, Sick Leave, and Article 50, Telework, of the 2022 National Agreement (2022 NA) and the 2025 Addendum; the Single Entry Time Reporting (SETR) Memorandum of Understanding (MOU), and the Federal Service Labor-Management Relations Statute (the Statute) by unilaterally implementing a Leave Tracker Request ("LTR") system for Large Business & International ("LB&I") Pass Through Entities ("PTE") bargaining unit employees. In addition, the IRS is holding or has held formal discussions with bargaining unit employees without notice to NTEU and the presence of a steward as required by Article 8. This grievance is filed on behalf of all impacted bargaining unit employees and on behalf of NTEU's institutional rights.

In mid-June, 2025, NTEU became aware that LB&I was conducting formal discussions with employees that discussed a new written Leave Tracker Request form for employees seeking leave or telework. The form requires employees to set for the type and amount of leave or telework they are seeking, including the following categories:

Leave Type*

- Sick Leave
- Annual/Award/Credit/Comp Leave

- Gliding TOD Change
- Telework-Situational-Annual Leave
- Telework-Situational-Sick Leave
- Telework-Situational- Exigent Home Repairs
- Telework-Situational-School/Daycare closure
- Telework-Situational-Other
- Telework - Episodic
- Admin Leave

Leave requests are currently governed by the aforementioned leave, hours of work and telework articles of the 2022 NA and 2025 Addendum, and the Exhibits appended to such Articles, and the parties' long-established leave and telework requests and approvals. In addition, in July 2012, the parties reached an agreement concerning the implementation of an automated SETR system that passed agency head review in August 2012. In adopting the SETR system, the IRS no longer required employees to submit their time manually on Form 3081 or some other source document. Employees may use other methods of communicating their annual and sick leave requests to their managers.

Further, Article 8, Section 1.A(2) provides:

For non-recurring formal discussions, the Union will be provided with reasonable notice (i.e., generally not less than five (5) workdays notice) unless circumstances preclude such notice. Where a shorter notice period is necessary, the Employer will notify the Union as soon as practicable that a formal discussion will be conducted.

NTEU recently learned that in June 2025, the IRS began scheduling and holding formal discussions and informing PTE bargaining unit employees that they would be required to use an automated annual and sick leave tracking system. The SETR system is in use to this day and has not been opened or renegotiated by the IRS.

Further, the IRS held or will hold formal discussions with bargaining unit employees concerning the rollout of the leave tracker system on June 17, 24, 25, and 30, 2025. The agency's unilateral implementation of the LRT is a breach of the SETR MOU. The agency's failure to provide advance notice to NTEU and the opportunity to attend formal discussions with bargaining unit employees is a breach of Article 8 of the 2022 NA. Further, both violations separately constitute a repudiation of the respective article and MOU, which is a violation of 5 U.S.C. § 7114 which is an unfair labor practice pursuant to 5 U.S.C. § 7116(a)(1), (5), and (8) of the Statute.

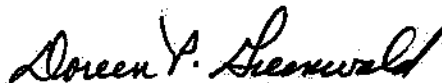
To remedy these violations, NTEU requests that the IRS immediately: (i) cease and desist from violating Articles 8, 23, 32, 34 and 50 of the 2022 NA and the 2025 Addendum, the SETR MOU, and committing an unfair labor practices under the Statute; (ii) return to *status quo ante*; (iii) provide make whole relief to impacted employees; (iv) post a notice in a prominent place at

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each agency facility, signed by the Commissioner or Acting Commissioner of the IRS, stating that the IRS has committed an unfair labor practice and thus violated the Statute by its actions as alleged herein; (vi) pay NTEU reasonable attorney fees in accordance with the Back Pay Act; and (vii) grant to impacted bargaining unit employees and NTEU any other appropriate remedies that are authorized by law, rule and regulation.

NTEU's representative in this matter will be Ryan Soon, Deputy Director of Negotiations. He can be reached at ryan.soon@nteu.org.

Sincerely,


Doreen P. Greenwald
National President

cc: Paul Phillips, IRS Workforce Relations Division
Ken Moffett, NTEU Director of Negotiations
Ryan Soon, NTEU Deputy Director of Negotiations
Rani Rolston, NTEU Deputy Director of Negotiations
Gerald Larkins, IRS Workforce Relations Division