



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

December 28, 2020

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Affected IRM: 1.4.50

MEMORANDUM FOR DIRECTOR, FIELD COLLECTION

FROM: Alan Gilds, Acting Director, Collection Policy

SUBJECT: Telephonic Observations

This memorandum issues guidance on telephonic observations of revenue officer (RO) contacts with the public until Collection Policy revises IRM 1.4.50. Please distribute this information to all affected employees within your organization.

Purpose: The purpose of this memorandum is to expand the processes available to Group Managers (GMs) to observe RO contacts with taxpayers or the taxpayer's authorized representative for evaluative purposes.

Background: Observations of interactions between an employee and a taxpayer or the taxpayer's authorized representative are a vital component of the evaluative process. ROs primarily interact with members of the public in face-to-face meetings in the field (e.g. the taxpayer's location or the office of the taxpayer's authorized representative) or at the RO's post of duty. Occasionally, these contacts occur telephonically. The existing guidance on RO observations focuses on face-to-face contacts and limited use of telephonic observations related to the operation's disaster response.

Sources of Authority: 5 U.S.C. §4302(c)(1) requires an agency to implement a performance appraisal system which "permit(s) the accurate evaluation of job performance on the basis of objective criteria (which may include the extent of courtesy demonstrated to the public) related to the job in question for each employee or position under the system." Additionally, Article 12, Section 9 of the National Agreement currently provides for the monitoring of telephone contacts as an approved method of observing employee contacts with taxpayers or the taxpayer's authorized representative for evaluative purposes.

Procedural Change: See the attachment to this memorandum for guidance and procedures for conducting telephonic observations of employee contacts with the public. Collection Policy will incorporate this change in the next revision of IRM 1.4.50.5.2.3.1, *Telephonic Observations*.

Effective Date: This guidance is effective the date of issuance of this memorandum.

Effect on Other Documents: This guidance will be incorporated into IRM 1.4.50, *Resource Guide for Managers - Collection Group Manager, Territory Manager and Area Director Operational Aid* within two years of the date of this memo.

Contact: You may direct any questions to Jana McDaniel, Program Manager, Global Strategic Compliance, or a member of your staff may contact Scott Pryde, Senior Program Analyst, Global Strategic Compliance.

Attachment: *Telephonic Observations*

Distribution:
Director, Headquarters Collection
[IRS.gov](https://www.irs.gov)

Attachment to Interim Guidance SBSE 01-1220-0095**The following changes are effective 12-28-2020 for IRM 1.4.50**

1.4.50.5.2.3.1

(12-28-2020)

**Telephonic
Observations**

- (1) In certain situations, it may be necessary for a group manager (GM) to conduct observations of revenue officer contacts with taxpayers or the taxpayer's authorized representative telephonically. Telephonic observations are an appropriate method to evaluate a revenue officer's contact with taxpayers when a face-to-face observation is not possible due to the location of the taxpayer/representative or in situations where the IRS has suspended face-to-face contacts in the interest of the health or safety of the employee or the public.
- (2) When necessary, telephonic observations are an acceptable alternative to the mandatory field visitation or office observation review requirement set forth in IRM 1.4.50.5.2(4)(a). Common situations where it may be necessary to conduct an observation of a telephonic contact between a revenue officer and member of the public include:
 - a. *Replacement Inventory*. In cases of federally declared disasters, the Disaster Program Office authorizes input of a -O Freeze on cases in areas most seriously impacted by the disaster by ZIP Code. Most compliance activities, including face-to-face contacts are suspended on accounts containing a -O Freeze. In situations, where all of the inventory assigned to a RO contain a -O Freeze and the inventory available for assignment to the RO based on the parameter table contain -O Freeze indicators, you may assign *Replacement Inventory* to maintain continuity of operations.

Note: *Replacement Inventory* is defined as inventory meeting criteria established by headquarters, to be assigned to field collection groups in areas affected by a declared national disaster in order to maintain continuity of Field Collection operations. These cases are located outside of the covered disaster area and are generally worked remotely without travel to the taxpayer's location. It is appropriate for you to conduct an observation of a telephonic contact between the RO and the taxpayer/representative on *Replacement Inventory* accounts.
 - b. *Remote Assignments*. In situations where management has assigned inventory beyond the RO's assignment area with the expectation the inventory will be worked remotely without travel to the taxpayer's location, it is appropriate to observe telephonic contacts on those cases.

- c. *Temporary suspensions of face-to-face contacts.* In exceptional circumstances, the IRS may temporarily suspend in-person interviews in the interest of the health or safety of the employee or the public. It is appropriate for you to perform observations of telephonic contacts in this situation.

Example: Face to face contacts were suspended during the COVID-19 pandemic.

- (3) GMs will coordinate their attendance of the telephonic contact with the RO in same manner used to attend an office or field observation. GMs will be required to advise the taxpayer, or the taxpayer's authorized representative, of their attendance and the purpose of their attendance at the beginning of the call.
- (4) Provide feedback based on your observations. IRM 5.13.1 *Embedded Quality Collection Field Organizations Administrative Guidelines* provides for documenting feedback using the EQRS system.