

# TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION



## **Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results**

September 14, 2020

Reference Number: 2020-30-059

[TIGTACommunications@tigta.treas.gov](mailto:TIGTACommunications@tigta.treas.gov) | [www.treasury.gov/tigta](http://www.treasury.gov/tigta) | 202-622-6500

This report has cleared the Treasury Inspector General for Tax Administration disclosure review process and information determined to be restricted from public release has been redacted from this document.

To report fraud, waste, or abuse, please call us at 1-800-366-4484

# HIGHLIGHTS: Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results



Final Audit Report issued on September 14, 2020  
Reference Number 2020-30-059

## Why TIGTA Did This Audit

TIGTA is required under Internal Revenue Code Section 7803(d)(1) to annually determine whether the IRS complied with restrictions on the use of enforcement statistics to evaluate employees as set forth in Section 1204 of the IRS Restructuring and Reform Act of 1998 (RRA 98).

## Impact on Taxpayers

RRA 98 requires the IRS to ensure that managers do not evaluate enforcement employees using any record of tax enforcement results (ROTTER) or base employee successes on meeting ROTTER goals or quotas. Use of ROTTERs to manage IRS employees is unlawful and may create the misperception that safeguarding taxpayer rights is secondary to IRS enforcement results.

## What TIGTA Found

TIGTA found instances of noncompliance with RRA 98 Section 1204 requirements. TIGTA identified instances of noncompliance with each of the following subsections of the law:

- Section 1204(a) – TIGTA did not identify any violations as part of our review of sampled employees and managers. However, the Small Business/Self-Employed Division identified and reported one ROTTER violation as part of its first quarter FY 2019 Section 1204 certification process.
- Section 1204(b) – 86 instances in which IRS managers failed to either maintain the retention standard documentation or ensure that it was appropriately signed and dated. Forty-one of the files reviewed were also associated with Code of Federal Regulations Section 430.206 policy violations because the documents were not signed and dated timely.
- Section 1204(c) – One instance in which one IRS manager did not properly certify in writing to the IRS Commissioner whether ROTTERs and/or production quotas or goals were used in a prohibited manner.

In addition, 477 managers were missing from the Fiscal Year 2019 Section 1204 employee and manager list. Although the managers and employees interviewed had a good understanding of ROTTERs, corrupted training records affected our ability to verify that employees completed mandatory Section 1204 training.

## What TIGTA Recommended

TIGTA recommended that the IRS ensure that RRA 98 Sections 1204(b) and (c) instances of noncompliance identified in this report are discussed with the responsible employees and managers, and that systemic controls such as electronic certifications and automated reminders are implemented to ensure that discussion and acknowledgement of retention standards is completed in accordance with applicable policies.

The IRS partially agreed with both recommendations. The IRS corrected five of the 86 reported instances on RRA 98 Section 1204(b) noncompliance and is taking additional actions to ensure awareness and compliance with the statutory requirements of RRA 98.



TREASURY INSPECTOR GENERAL  
FOR TAX ADMINISTRATION

## U.S. DEPARTMENT OF THE TREASURY

WASHINGTON, D.C. 20220

September 14, 2020

**MEMORANDUM FOR:** COMMISSIONER OF INTERNAL REVENUE

**FROM:** Michael E. McKenney  
Deputy Inspector General for Audit

**SUBJECT:** Final Audit Report – Fiscal Year 2020 Statutory Audit of Compliance  
With Legal Guidelines Restricting the Use of Records of Tax  
Enforcement Results (Audit # 202030019)

This report presents the results of our review to determine whether the Internal Revenue Service (IRS) complied with restrictions on the use of enforcement statistics to evaluate employees as set forth in the IRS Restructuring and Reform Act of 1998 (RRA 98) Section (§) 1204.<sup>1</sup> The Treasury Inspector General for Tax Administration is required under Internal Revenue Code § 7803(d)(1) to annually evaluate the IRS's compliance with the provisions of RRA 98 § 1204. The RRA 98 requires the IRS to ensure that managers do not evaluate enforcement employees using any record of tax enforcement results or base employee successes on meeting goals or quotas for record of tax enforcement results.<sup>2</sup> This review is included in our Fiscal Year 2020 Annual Audit Plan and addresses the major management and performance challenge of *Protecting Taxpayer Rights*.

Management's complete response to the draft report is included as Appendix III.

Copies of this report are also being sent to the IRS managers affected by the report recommendations. If you have any questions, please contact me or Matthew A. Weir, Assistant Inspector General for Audit (Compliance and Enforcement Operations).

---

<sup>1</sup> Pub. L. No. 105-206, 112 Stat. 685.

<sup>2</sup> An enforcement (Section 1204) employee is an employee or any manager of an employee who exercises judgment in recommending or determining whether or how the IRS should pursue enforcement of the tax laws or who provides direction/guidance for RRA 98 § 1204 program activities.



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

---

# Table of Contents

<b><u>Background</u></b> .....	Page 1
<b><u>Results of Review</u></b> .....	Page 2
<u>The Internal Revenue Service Did Not Fully Comply With Sections 1204(a), (b), and (c) of the Internal Revenue Service Restructuring and Reform Act of 1998</u> .....	Page 2
<u>Recommendations 1 and 2:</u> .....	Page 8
<u>The Section 1204 List Did Not Include Previously Identified Section 1204 Management Personnel</u> .....	Page 9
<u>Records Were Not Sufficient to Support That Section 1204 Employees Completed Mandatory Training</u> .....	Page 10
<u>Most Employees Have a Good Understanding of Record of Tax Enforcement Results Statistics</u> .....	Page 11
<b><u>Appendices</u></b>	
<u>Appendix I – Detailed Objective, Scope, and Methodology</u> .....	Page 13
<u>Appendix II – Recent Audit Reports Related to This Statutory Review</u> .....	Page 15
<u>Appendix III – Management’s Response to the Draft Report</u> .....	Page 16
<u>Appendix IV – Glossary of Terms</u> .....	Page 20
<u>Appendix V – Abbreviations</u> .....	Page.21



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

---

### Background

On July 22, 1998, the President signed the Internal Revenue Service (IRS) Restructuring and Reform Act of 1998 (RRA 98) into law.<sup>1</sup> RRA 98 Section (§) 1204 restricts the use of enforcement statistics to evaluate employees or to impose or suggest production quotas or goals. Specifically, RRA 98 § 1204(a) restricts the use of enforcement statistics and prohibits the IRS from using any record of tax enforcement results (ROTTER) to evaluate employees or to impose or suggest production quotas or goals, or base employee successes on meeting ROTER goals or quotas.

The IRS defines ROTERs as data, statistics, compilations of information, or other numerical or quantitative recording of the tax enforcement results reached in one or more cases. Examples of ROTERs include the amount of dollars collected or assessed, the number of fraud referrals made, the number of seizures conducted, *etc.* A ROTER does not include evaluating an individual case to determine if an employee exercised appropriate judgment in pursuing enforcement of the tax laws based on a review of the employee's work on that individual case.

RRA 98 § 1204(b) requires employees to be evaluated using the fair and equitable treatment of taxpayers as a performance standard. The IRS refers to this standard as the retention standard. The retention standard requires employees to administer the tax laws fairly and equitably, protect all taxpayers' rights, and treat each taxpayer ethically with honesty, integrity, and respect. This provision of the law was enacted to provide assurance that employee performance is focused on providing quality service to taxpayers instead of achieving enforcement results.

RRA 98 § 1204(c) requires each appropriate supervisor to perform a quarterly self-certification. In the self-certification, the appropriate supervisor attests to whether ROTERs or production quotas or goals were used in a prohibited manner. The IRS defines an appropriate supervisor as the Section 1204 executive in an operating/functional division who directly or indirectly supervises one or more Section 1204 enforcement employees.<sup>2</sup> Current IRS procedures require each level of management, beginning with first-line managers of Section 1204 employees, to self-certify that they have not used ROTERs in a manner prohibited by RRA 98 § 1204(a). The appropriate supervisor then prepares a consolidated office certification covering the entire organizational unit.

IRS functional offices and operating divisions, including Appeals; Criminal Investigation; the Large Business and International, the Small Business/Self Employed, the Tax Exempt and Government Entities, and the Wage and Investment Divisions; and the National Taxpayer Advocate are responsible for implementing the Section 1204 program within their respective organizations. Section 1204 program managers and program coordinators in each business organization are available to provide guidance to managers regarding Section 1204 issues, including the self-certification process.

Internal Revenue Code § 7803(d)(1) requires the Treasury Inspector General for Tax Administration (TIGTA) to determine annually whether the IRS is in compliance with restrictions

---

<sup>1</sup> Pub. L. No. 105-206, 112 Stat. 685.

<sup>2</sup> An enforcement (Section 1204) employee is an employee or any first-line manager of an employee who exercises judgment in recommending or determining whether or how the IRS should pursue enforcement of the tax laws or whose duties involve providing direction/guidance for programs involving Section 1204 work activities.



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

---

on the use of enforcement statistics under RRA 98 § 1204. TIGTA has previously performed 21 annual reviews to meet this requirement. Appendix II lists the six most recent audit reports related to this statutory review.

### Results of Review

#### The Internal Revenue Service Did Not Fully Comply With Sections 1204(a), (b), and (c) of the Internal Revenue Service Restructuring and Reform Act of 1998

The IRS is not permitted to use ROTERs or production goals or quotas to evaluate employees. However, the IRS was not in full compliance with RRA 98 § 1204 during Fiscal Year (FY) 2019.<sup>3</sup> We identified the following issues during our review:

- **Section 1204(a)** – One instance of noncompliance in which one IRS manager self-certified, as part of the IRS’s internal control process, the use of a ROTER during one employee’s workload review.
- **Section 1204(b)** – 86 instances of noncompliance in which IRS managers failed to either maintain the retention standard documentation or ensure that it was appropriately signed and dated.
- **Section 1204(c)** – One instance of noncompliance in which one manager did not properly certify in writing to the IRS Commissioner whether ROTERs and/or production quotas or goals were used in a prohibited manner.

To evaluate the IRS’s compliance with the Section 1204 provisions, we selected a stratified random sample of 14 managers and 128 employees from the population of 29,984 Section 1204 employees and managers.<sup>4</sup> In all, we selected 142 employees/managers to determine the IRS’s compliance with RRA 98 § 1204 provisions.

#### **The IRS violated Section 1204(a) of the RRA 1998**

The IRS did not fully comply with RRA 98 § 1204(a) in FY 2019. Although we did not identify any violations as part of our review of sampled employees and managers, we found that the Small Business/Self-Employed Division identified and reported one ROTER violation as part of its first quarter FY 2019 Section 1204 certification process because one manager identified use of a ROTER in an employee’s completed work review narratives.

To evaluate the IRS’s compliance with RRA 98 § 1204(a), we reviewed FY 2019 performance documents, including available midyear and annual performance reviews, employee self-assessments, workload reviews, case reviews, and award documentation for the 142 employees and managers selected, as well as group meeting minutes. We reviewed these

---

<sup>3</sup> See Appendix IV for a glossary of terms.

<sup>4</sup> Stratified random samples mean dividing the population into two or more segments (strata) and taking a simple random sample from each stratum.



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

---

documents to determine whether ROTERs were used when evaluating the employees' performance or to impose or suggest quotas or goals for such employees.

### **Performance appraisals were incomplete**

During our review, we found that performance appraisals did not always have the required information. Specifically, we found that employees' annual appraisals did not always have a narrative included. The Internal Revenue Manual (IRM) requires a narrative in an employee's performance appraisal when any critical job element is rated at the "Fully Successful" level or below *or* when any critical job element is rated lower than the previous year's rating.<sup>5</sup> Our review of 142 performance appraisals identified eight performance appraisals that did not have a narrative included. Further review of the eight performance appraisals found that:

- Three of the eight performance appraisals should have included a narrative because the employee's rating either was rated as "Fully Successful" or lower than the previous year's rating.
- Three of the eight performance appraisals did not have a narrative in the annual performance appraisal; however, the narrative was provided to employees on separate documents, which we were provided.
- Two of the eight performance appraisals met IRM criteria for not requiring a narrative.

### **Self-assessments did not include ROTERS**

In our sample of 142 Section 1204 employees and managers, we identified 20 employees and managers who prepared self-assessments. Our review of the 20 did not identify any instances in which a Section 1204 manager or employee self-assessment contained a ROTER. Although a self-assessment is not required, it should be encouraged. However, if a self-assessment is completed, bargaining unit and non-bargaining unit employees should not use ROTERs in their self-assessments.<sup>6</sup>

While including ROTERs in self-assessments does not violate RRA 98 § 1204, it is a Section 1204(a) violation if a ranking official or panel uses the information in the ranking process or if a supervisor uses the information when evaluating employees' performance. If a self-assessment is submitted with a ROTER, it is incumbent upon the manager to return it to the employee for removal of the ROTER.<sup>7</sup>

We contacted TIGTA's Office of Investigations and it had not received any complaints from employees regarding the use of ROTERs during FY 2019.

### **Documentation that IRS managers are meeting the requirements of the retention standard needs improvement**

The IRS was not fully compliant with the documentation requirements for the retention standard as related to RRA 98 § 1204(b) in FY 2019 for Criminal Investigation, the Large Business and International Division, the National Taxpayer Advocate, the Small Business/Self-Employed Division, the Tax Exempt and Government Entities Division, and the Wage and Investment

---

<sup>5</sup> IRM 6.430.2.4.6.1 (Oct. 5, 2017).

<sup>6</sup> IRM 1.5.2.11.2 (3) and (5) (May 10, 2012).

<sup>7</sup> IRM 1.5.2.11.2 (4) (May 10, 2012).



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

Division. As previously noted, RRA 98 § 1204(b) requires employees to be evaluated using the fair and equitable treatment of taxpayers as a performance standard. The standard applies to all IRS Section 1204 executives, managers, and employees. Compliance with RRA 98 § 1204(b) is twofold:

- The receipt and acknowledgment of the retention standard. Within the first 30 days of each performance period, managers must provide the appropriate receipt of the retention standard form to their employees.<sup>8</sup> The manager must sign and date the appropriate form indicating the sharing of the retention standard with his or her employee and, in turn, the employee must acknowledge receipt of the retention standard by signing and dating the form.
- The annual performance rating related to the retention standard. At the end of the performance period, the employee must be evaluated on the retention standard using the appropriate appraisal form.

The IRS's internal guidelines require both the documentation of the receipt and acknowledgment of the retention standard or the annual performance rating to be completed, signed, dated, and retained in the Employee Performance Files. In addition, the IRM requires both the receipt and acknowledgment of the retention standard and the performance ratings to be filed in the Employee Performance File and retained for four years.<sup>9</sup>

### Retention standard documents are not fully completed

Our review of performance files, associated with the 128 selected employees and 14 selected managers, found that the performance files for 69 (49 percent) of 142 selected individuals did not fully meet the retention standard requirements outlined in RRA 98 § 1204(b) because the receipt and acknowledgment requirement of the retention standard was not met. Specifically, our review of the 128 employee performance files identified:<sup>10</sup>

- 25 employee performance files included Form 6850-BU, *Bargaining Unit Performance Appraisal and Recognition Election*, in which the certification of rating section (including the Fair and Equitable Treatment of Taxpayers Retention Standard Rating) was not appropriately signed and dated by all parties.
- 23 employee performance files were missing Form 6774, *Receipt of Critical Job Elements and Fair and Equitable Treatment of Taxpayers Retention Standard*.<sup>11</sup>
- 28 employee performance files included Form 6774, in which the acknowledgement section (receipt of the Critical Job Elements, including the Fair and Equitable Treatment of Taxpayers Retention Standard) was not appropriately signed and dated by all parties.

Our review of the 14 manager performance files identified:

---

<sup>8</sup> The appropriate documents for the receipt of the retention standard are Form 6774, *Receipt of Critical Job Elements and Fair and Equitable Treatment of Taxpayers Retention Standard*, Form 12450-A, *Manager Performance Agreement*, Form 12450-B, *Management Official Performance Agreement*, Form 12450-D, *Management/Program Analyst Performance Agreement (For Positions Designated as Confidential Only)*, or Form TDF 35-07, *Executive Performance Agreement*.

<sup>9</sup> IRM 1.5.3.8(1) (Feb. 5, 2015).

<sup>10</sup> We identified multiple issues in the performance files reviewed. Therefore, the total number of issues outlined below are greater than the number of individuals noted.

<sup>11</sup> The IRS stated that the COVID 19 pandemic affected its ability to provide several of these documents.



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

- Eight performance files included Form 12450-A, *Manager Performance Agreement*, in which the acknowledgement section (receipt of the Critical Job Elements, including the Fair and Equitable Treatment of Taxpayers Retention Standard) was not appropriately signed and dated by all parties.
- Two manager performance files included Form 12450-A in which the certification of rating section (including the Fair and Equitable Treatment of Taxpayers Retention Standard Rating) was not appropriately signed and dated by all parties.

### **Weaknesses in performance management processes increase the risk that employees may not understand their Section 1204 requirements**

Although timeliness and documentation noncompliance are not specifically addressed in Section 1204(b), the law requires the IRS to use the fair and equitable treatment of taxpayers as one of the standards for evaluating employee performance. In order for the IRS to evaluate its employees, 5 Code of Federal Regulations § 430.206 requires that an appraisal program be established that designates “an official appraisal period for which a performance plan shall be prepared, during which performance shall be monitored, and for which a rating of record shall be prepared.” The Code of Federal Regulations also requires that performance plans be provided to employees at the beginning of each appraisal period, and that each performance plan includes all elements that are to be used in developing a summary rating, *i.e.*, an evaluation. In addition, the IRS’s own IRM states that at the beginning of the rating period, employees must acknowledge receipt of the retention standard each year even if their performance standards have not changed from the prior year.<sup>12</sup>

Further review of the 69 employee files that did not fully meet the retention standard requirements previously noted identified 41 employee files with Code of Federal Regulations § 430.206 policy violations regarding Section 1204(b). Specifically, we found:

- 28 employee performance files included Form 6774; however, the acknowledgement section (receipt of the Critical Job Elements, including the Fair and Equitable Treatment of Taxpayers Retention Standard) within the form was signed more than 30 days after the rating period began.
- Eight manager performance files included Form 12450-A; however, the acknowledgement section (receipt of the Critical Job Elements, including the Fair and Equitable Treatment of Taxpayers Retention Standard) within the form was signed more than 60 days after the rating period began.
- One manager performance file included Form 12450-A; however, the certification of rating section (including the Fair and Equitable Treatment of Taxpayers Retention Standard Rating) was not signed until more than 60 days after the rating period ended.
- Four employee performance files included Form 6850-BU; however, the certification of rating section (including the Fair and Equitable Treatment of Taxpayers Retention Standard Rating) was signed more than 31 days after the rating period ended.

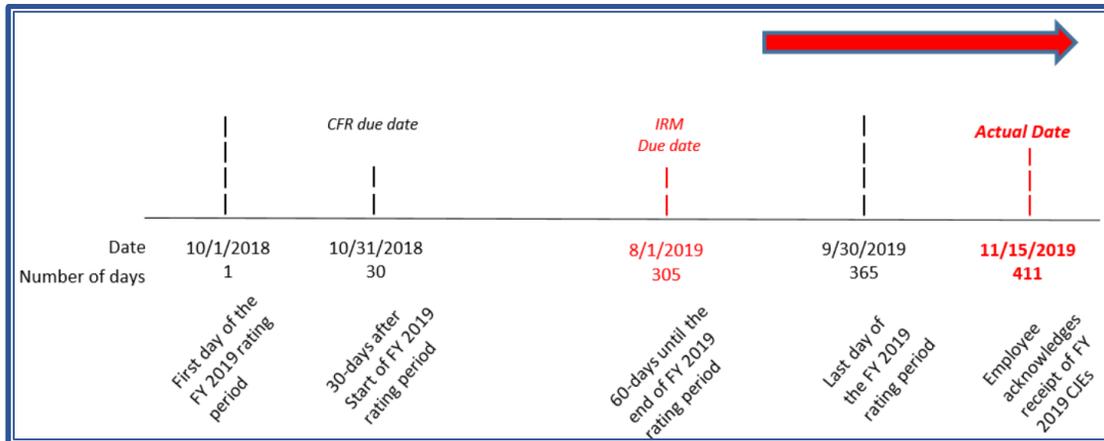
Figure 1 is a hypothetical example of a Section 1204 employee acknowledging and signing Form 6774 after the end of his or her rating period in relation to the previously referenced timeliness policies.

<sup>12</sup> IRM 1.5.3.3(5) (May 19, 2017).



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

**Figure 1: Form 6774 Acknowledged and Signed After the Rating Period Ended**



Source: TIGTA analysis of Code of Federal Regulations and IRS IRM procedures. CFR = Code of Federal Regulations, CJE = Critical Job Elements.

As illustrated in Figure 1, Form 6774 was not signed or acknowledged within 30 days after the beginning of the rating period, nor 60 days before the rating period ended. In this illustration, the Section 1204 employee signed Form 6774 46 days after the rating period it pertained to ended. If employees are not informed of this performance requirement at the beginning of their performance rating period (or for at least a 60-calendar-day period during which they are being evaluated), IRS management would be unable to evaluate these Section 1204 employees on the Fair and Equitable Treatment of Taxpayers Retention Standard and potentially would be in noncompliance with the law. The IRS uses the discussion and acknowledgement of the retention standard and subsequent performance evaluations to ensure that all Section 1204 employees meet the provisions of the standard and provide fair and equitable treatment to taxpayers. Without complete and proper documentation, we were unable to determine if some IRS employees were informed at the beginning of their performance rating period that the fair and equitable treatment of taxpayers was a performance requirement.

### **Implementation of the Performance Management module in the Integrated Talent Management system has not been completed**

In FY 2019, we reported that IRS management has taken action to reduce errors related to the standard for the Fair and Equitable Treatment of Taxpayers.<sup>13</sup> Specifically, we noted that the IRS planned to implement a Performance Management module within the Integrated Talent Management system for the Form 6850-BU. These corrective actions have the potential to reduce the number of errors and improve documentation around these standards; however, the IRS stated that due to several reasons, including competing priorities and the COVID-19 pandemic, it has not implemented these improvements as of the end of our fieldwork.

Our review found a significant increase in the lack of timely discussion and acknowledgement of the retention standards. If managers are not adequately documenting these discussions with their employees, it is difficult to determine whether employees are aware of and/or actually received information on the retention standard. If managers fail to timely and properly share

<sup>13</sup> TIGTA, Ref. No. 2019-30-056, *Fiscal Year 2019 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results* (Sept. 2019).



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

the retention standard information with their employees, it can affect their employees' interactions with taxpayers as well as their understanding of the importance of safeguarding taxpayer rights.

According to IRS management, the IRS still intends to incorporate the language contained in Form 6774 for the Retention Standards for the Fair and Equitable Treatment of Taxpayers into the Form 6850-BU performance appraisal template built into updated systemic processing of the Form 6850-BU within the Integrated Talent Management system Performance Management module. The IRS's efforts are to make the paper Form 6774 obsolete, and when employees' sign their performance plans at the beginning of the rating period, they will also be acknowledging receipt of the Retention Standards for the Fair and Equitable Treatment of Taxpayers.

### **The IRS's retention of first-line manager quarterly self-certifications improved**

RRA 98 § 1204(c) requires Section 1204 supervisors to quarterly certify in writing to the IRS Commissioner whether ROTERs and/or production quotas or goals were used in a prohibited manner. Through the quarterly self-certification process, managers are reminded of their responsibilities under RRA 98 § 1204 to not evaluate their employees on ROTERs or production quotas or goals, which helps to ensure that managers are aware of the IRS's commitment to administer the tax laws fairly and to protect the rights of taxpayers.

Managers who evaluate Section 1204 employees are required to certify each quarter in writing that they did not:

- Use ROTERs in any written performance evaluations prepared or reviewed, including appraisals, awards, or promotion justifications.
- Use ROTERs to impose or suggest production quotas or goals with respect to field activities, *e.g.*, through program guidance or business and program reviews.
- Communicate to employees, either verbally or in writing, that ROTERs affected their evaluations or were used to set individual/group production goals or quotas.

Per the IRM, the business organization and function Section 1204 program managers and their respective Section 1204 program coordinators are available to provide guidance to managers regarding Section 1204 issues, including the certification process.<sup>14</sup>

To evaluate the IRS's compliance with Section 1204(c), we requested all four quarterly self-certifications for the 14 sampled managers. Out of the 14 managers we reviewed, there was one instance in which the quarterly certification was not signed and dated by the second-line manager. In our review of the self-certifications which were provided, there were no self-reported ROTER violations and 1204(b) retention standard instances of noncompliance. This is an improvement over FY 2018, when we identified 32 certifications that were incorrectly signed by the manager and/or next-level manager before the end of the quarter, or the form was not located and provided by the IRS.<sup>15</sup>

As part of our review of the self-certification process, we also requested the quarterly consolidated certifications for each business operating division for FY 2019. We were provided

<sup>14</sup> IRM 1.5.3.2.2(2) (May 19, 2017).

<sup>15</sup> TIGTA, Ref. No. 2019-30-056, *Fiscal Year 2019 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results* p. 9 (Sept. 2019). The 32 self-certifications in FY 2018 were associated with a statistically valid sample that included 30 managers.



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

all quarterly consolidated certifications with the exception of the certifications for the second through fourth quarters from the Taxpayer Advocate Service.

As we noted previously, our review of these quarterly certifications found that one manager within the Small Business/Self-Employed Division found that a ROTER had been used in one employee's work review narrative. As a corrective action, the manager was reminded of Section 1204 requirements and provided specific IRM references relating to ROTERs in order to improve his or her understanding and adherence in the future. In addition, there were 73 instances of Section 1204(b) noncompliance reported during FY 2019 on the quarterly certifications. This is an increase over the 61 Section 1204(b) noncompliance instances which we noted in FY 2018.

The self-reporting of these instances of noncompliance, as well as corrective action, indicates that the self-certification control process is working. The IRS should continue to improve identification of Section 1204 employees and continue to take action when managers acknowledge noncompliance with the standards.

**Recommendation 1:** The Chiefs, Criminal Investigation, and Appeals; the Commissioners, Large Business and International, Small Business/Self-Employed, Tax Exempt and Government Entities, and Wage and Investment Divisions; and the National Taxpayer Advocate should ensure that the RRA 98 §§ 1204(b) and 1204(c) instances of noncompliance are discussed with the responsible employees and managers to ensure that they understand the retention standard and quarterly certification requirements.

**Management's Response:** The IRS partially agreed with this recommendation. In its response, IRS management stated that they corrected five of the 86 reported instances of RRA 98 § 1204(b) noncompliance in which the performance appraisal was not signed by the Rating or Reviewing official.

**Office of Audit Comment:** In its response, the IRS stated that it does not believe that the failure to meet its own internally established process goals affects the IRS's ability to meet the statutory requirements of Section 1204. RRA 98 § 1204 requires the IRS to use the fair and equitable treatment of taxpayers as one of the standards for evaluating employee performance. However, the language in Section 1204 does not lay out the specific criteria that needs to be completed in order to meet the statutory requirements. As noted in our report, the IRS relies on 5 Code of Federal Regulations § 430.206 and its internal processes to ensure that it is compliant with Section 1204 requirements. If the IRS does not follow its own internal processes, it negatively affects the IRS's ability to fulfill the requirements in Section 1204.

**Recommendation 2:** The Deputy Commissioner for Operations Support should implement systemic controls such as an electronic Section 1204 certification process that includes automated reminders to both employees and their managers to ensure that the discussion and acknowledgement of the retention standards is completed within the time frames established under the Code of Federal Regulations § 430.206 policy.

**Management's Response:** The IRS partially agreed with this recommendation. In its response, the IRS stated that it is taking several actions this year to improve awareness and ensure compliance with the statutory requirements of RRA 98. For example, the IRS is replacing the current paper certification process with an electronic process to increase



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

confidence in compliance with the quarterly certification required by RRA 98 § 1204(c). The IRS noted that this new process will include systemic controls to ensure that all Section 1204 managers timely complete the certification with an alert function that notifies IRS leadership of possible instances of noncompliance.

**Office of Audit Comment:** While the IRS only partially agreed with this recommendation, the additional actions that the IRS outlined in its response to improve awareness and ensure compliance with the statutory requirements of RRA 98 meet the intent of our recommendation.

### The Section 1204 List Did Not Include Previously Identified Section 1204 Management Personnel

The IRS's list of Section 1204 managers and employees for FY 2019 did not include 477 managers who were identified in FY 2018. Beginning in January 2013, all Section 1204 managers were required to use a new HR Connect indicator to designate their employees and themselves as Section 1204 employees. Managers were to validate the accuracy of this indicator at the end of each quarter. The HR Connect indicator was set up to:

- Manage the Section 1204 population more efficiently.
- Reduce managerial burden in the Section 1204 self-certification process.
- Improve the accuracy of reporting, which also helps support the annual TIGTA audit and independent reviews completed by the IRS.<sup>16</sup>

We determined that some managers may not have properly designated themselves as Section 1204 employees within HR Connect, which could affect the accuracy of the FY 2019 Section 1204 employee and manager list created by the IRS.

The Section 1204 employee and manager list is used to identify managers who are required to comply with RRA 98 § 1204. We first compared the FY 2019 list to the FY 2018 list obtained during last year's review. We used the Treasury Integrated Management Information System to identify 477 managers still actively working for the IRS as of the end of FY 2019 who were not included in the Section 1204 list. Without analysis of their individual responsibilities, we are unable to determine whether these managers were or were not performing duties that would fall within Section 1204. The IRS did not provide individual analysis of these employees, but did indicate that its current process involves a multistep approach to assist managers as designating themselves as Section 1204. They also indicated that a manager's responsibilities may change from year to year, or even during the year.

The IRS sends quarterly reminders to managers to properly designate themselves within HR Connect.<sup>17</sup> This is also part of the quarterly self-certification process in which the Section 1204 program managers issue reminders to perfect the Section 1204 indicator on HR Connect. During our FY 2018 review, further analysis of our initial results found that only 14 Section 1204

<sup>16</sup> In FY 2018, ownership of the Section 1204 program was transferred from the Office of the Chief Financial Officer to the IRS Human Capital Officer.

<sup>17</sup> TIGTA, Ref. No. 2015-30-083, *Fiscal Year 2015 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results* (Sept. 2015).



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

managers had not properly designated themselves as of the end of FY 2018.<sup>18</sup> While improvements have been made to the identification of Section 1204 managers, it is important that the IRS continue to ensure that managers properly designate themselves within HR Connect.

### **Records Were Not Sufficient to Support That Section 1204 Employees Completed Mandatory Training**

All Section 1204 personnel are required to complete a Section 1204 self-study training briefing annually. We reviewed a training status report containing the training status of employees who were assigned the Section 1204 mandatory training to determine whether it was completed by the end of FY 2019. We found that the large majority of employees completed the training in July, August, or September 2019.<sup>19</sup> We reconciled the training status report against the FY 2019 Section 1204 manager and employee list provided to us to identify personnel who may not have been assigned the required training. We found that there was no completion date for 723 Section 1204 employees and managers, suggesting that the training may not have been completed timely, and there were 1,918 Section 1204 employees and managers who did not appear on the aforementioned training report.

According to IRS management, the training was originally part of the IRS's Enterprise Learning Management System. However, during FY 2020, the training data were migrated to the IRS's new Integrated Talent Management System, at which point some of the data within the training system were corrupted or lost. In addition, the assignment date showing the exact date the training was assigned to each Section 1204 employee incorrectly migrated to the new Integrated Talent Management System. As such, it is not possible to determine whether the trainings were completed timely for all employees.

The IRS assigns training in July of each year for employees continuing under the Section 1204 umbrella, and the training is required to be completed within 90 days, or by September 30, to be considered timely. For new Section 1204 employees, the training can be assigned any time during the year and is considered completed timely when it is completed within 90 days after the assignment date. We identified 2,161 Section 1204 employees and managers, according to the training status report, who may have completed the training late. We were unable to determine whether it was actually completed late due to corrupted and incorrect training data.

IRS mandatory self-study training briefing takes approximately 30 minutes to complete and:

- Defines a Section 1204 employee or manager.
- Identifies key components of Section 1204.
- Provides instructions and examples on designating Section 1204 employees and managers within HR Connect as part of the Section 1204 quarterly certification process.
- Discusses tax enforcement results, ROTERs, imposing/suggesting production quotas or goals, quantity measures, quality measures, receipt and acknowledgement of the Fair

<sup>18</sup> TIGTA, Ref. No. 2019-30-056, *Fiscal Year 2019 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results* p. 14 (Sept. 2019).

<sup>19</sup> The training is generally assigned in June of each year. Then assigned as needed as employees fill Section 1204 positions.



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

---

and Equitable Treatment of Taxpayers Retention Standard, and evaluating retention standard performance.

- Describes the process for management's quarterly self-certification of compliance with Section 1204, including processes involving Section 1204 new hires and new Section 1204 managers.
- Explains that annual reviews are conducted by the IRS and TIGTA to assess Section 1204 compliance and provided a list of Section 1204 documents that are reviewed.

Although corrupted training records were not sufficient to evaluate the attendance of IRS employees and managers, our past reviews have generally found that the majority of employees take the mandatory training timely. For this reason, we are not making a recommendation. However, in order to support program oversight, the IRS needs to ensure that records are retained when data are migrated from one system to another.

### **Most Employees Have a Good Understanding of Record of Tax Enforcement Results Statistics**

We found that 90 percent of the managers and employees we interviewed exhibited a good understanding of ROTERs. We interviewed a judgmental sample of 10 Section 1204 managers and 10 Section 1204 employees from the stratified sample of 142 managers and employees to determine if they had: 1) a clear understanding of a ROTER statistic and 2) any knowledge of the Fair and Equitable Treatment of Taxpayers Retention Standard as it relates to Section 1204.<sup>20</sup>

Specifically, we found that:

- Nine managers stated that they had a clear understanding of ROTERs and were able to provide two accurate examples of ROTER statistics. However, one manager acknowledged not knowing the meaning of a ROTER and was unable to provide examples.
- Nine employees stated that they had a clear understanding of ROTERs; although four employees could not provide two examples of a ROTER statistic. One employee did not have a clear understanding of ROTERs and also could not provide an example of a ROTER statistic.
- All 10 managers stated that they understood the retention standard; however, four of the managers were unable to accurately describe what it meant to be evaluated using the retention standard.
- Eight employees stated that they understood the retention standard; however, three could not accurately define the retention standard or what it meant to be evaluated on the retention standard. Also, three of the employees stated that their managers did not discuss the retention standard with them.
- Although nine of the managers stated that they discussed the retention standard with their employees, only three managers told their employees to treat the taxpayer fairly and emphasized taxpayer rights.

---

<sup>20</sup> A judgmental sample is a nonprobability sample, the results of which cannot be used to project to the population.



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

---

If a manager misunderstands a ROTER statistic, it limits the manager's ability to fully evaluate employees or to set meaningful expectations. A clear understanding of ROTERs is critical for managers to ensure that they are not violating RRA 98 § 1204(a), are able to accurately document their own compliance through the self-certification process, and are able to assist their employees in understanding the requirements of the law.

The IRM states that the retention standard is used to make certain that all employees make a good-faith effort in the fair and equitable treatment of taxpayers. The manager must coach an employee on how to prevent an occurrence of unacceptable customer treatment and the importance of adhering to the Fair and Equitable Treatment of Taxpayers Retention Standard.<sup>21</sup>

Further, the IRM states that an employee's receipt and acknowledgement of the Fair and Equitable Treatment of Taxpayers Retention Standard means that the manager has discussed the retention standard, including the:

- Behaviors that allow the employee to meet the retention standard.
- Circumstances that may result in a determination that the employee does not meet the retention standard.
- Potential effect of not meeting the retention standard.<sup>22</sup>

If managers fail to properly share the retention standard information with their employees, it can affect their employees' interactions with taxpayers as well as their understanding of the importance of safeguarding taxpayer rights. We are not making a recommendation as 90 percent of managers and employees we interviewed exhibited a good understanding of ROTERs. Notwithstanding, there may be individual instances in which managers and employees would benefit from an increased knowledge of ROTERs, and including more information about the nature of ROTERs may be beneficial to those employees. We were unable to determine how many Section 1204 employees and managers took the mandatory training timely; however, continued emphasis would allow managers and employees to be more knowledgeable on RRA 98 § 1204.

---

<sup>21</sup> IRM 1.5.3.3.2(1) (Feb. 5, 2015).

<sup>22</sup> IRM 1.5.3.3.2(2) (Feb. 5, 2015).



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

# Appendix I

## Detailed Objective, Scope, and Methodology

The overall objective of this review was to determine whether the IRS complied with restrictions on the use of enforcement statistics to evaluate employees as set forth in RRA 98 § 1204. To accomplish our objective, we:

- Determined if the IRS complied with the provisions of RRA 98 §§ 1204(a) and (b) when evaluating Section 1204 employees' performance.<sup>1</sup>
- Determined if Section 1204 managers complied with RRA 98 § 1204(c) by certifying by letter whether or not ROTERs were used in a manner prohibited by subsection (a).
- Determined whether the mandatory RRA 98 § 1204 training for managers and employees adequately addresses the use of ROTERs and/or the retention standards, whether all Section 1204 managers and employees completed the training for FY 2019, and whether the employees had a general understanding of these requirements.

### Performance of This Review

This review was performed with information obtained from the Office of the Chief, Appeals; the Office of the IRS Human Capital Officer; the Office of the Chief, Criminal Investigation; the Office of the National Taxpayer Advocate; the Large Business and International Division; the Small Business/Self-Employed Division; the Tax Exempt and Government Entities Division; and the Wage and Investment Division from December 2019 through July 2020.<sup>2</sup> Telephone interviews were also performed across many IRS field offices based on a stratified sample of employees and managers. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Major contributors to the report were Matthew A. Weir, Assistant Inspector General for Audit (Compliance and Enforcement Operations); Glen Rhoades, Director; Linna Hung, Director; Curtis Kirschner, Audit Manager; Nancy VanHouten, Acting Audit Manager; Dmitri Medvedev, Lead Auditor; Michele Strong, Lead Auditor; Charles Gambino, Auditor; Kelly Loeffler, Auditor; and Johnathan Elder, Applied Research and Technology Data Analyst.

### Validity and Reliability of Data From Computer-Based Systems

We obtained the FY 2019 Section 1204 employee and manager list from the IRS Human Capital Officer. We used this list to develop our stratified sampling plan. Our sampling plan was developed in consultation with our statistician. To determine the reliability of the data, we

<sup>1</sup> TIGTA's contract statistician was consulted in developing the sampling plan. Our sample was selected by dividing the population into six stratum, using a 90 percent confidence interval, 5 percent error rate, and  $\pm 2.5$  percent precision factor.

<sup>2</sup> The Wage and Investment Division and Small Business/Self-Employed Division Headquarters are located in Atlanta, Georgia, and Lanham, Maryland, respectively. All other division Headquarters are located in Washington, D.C.



## **Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results**

---

reviewed the data for duplicates and identified any missing information. We then compared the data to the Discovery Directory. These tests determined that the data were sufficiently reliable and could be used to meet the objective of this audit.

### **Internal Controls Methodology**

Internal controls relate to management's plans, methods, and procedures used to meet their mission, goals, and objectives. Internal controls include the processes and procedures for planning, organizing, directing, and controlling program operations. They include the systems for measuring, reporting, and monitoring program performance. We determined that the following internal controls were relevant to our audit objective: the guidelines and rules related to using ROTERs in a way as to improperly influence the handling of taxpayer cases and retention standard guidance. We evaluated these controls by reviewing stratified samples of performance documents, including available midyear and annual performance reviews, employee self-assessments, workload reviews, case reviews, award documentation, and signed quarterly self-certifications, to determine whether the IRS complied with restrictions on the use of enforcement statistics when evaluating its employees.



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

---

### Appendix II

#### Recent Audit Reports Related to This Statutory Review<sup>1</sup>

TIGTA, Ref No. 2019-30-056, *Fiscal Year 2019 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcements Results* (Sept. 2019).

TIGTA, Ref No. 2018-30-055, *Fiscal Year 2018 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcements Results* (Aug. 2018).

TIGTA, Ref. No. 2017-30-071, *Fiscal Year 2017 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results* (Sept. 2017).

TIGTA, Ref. No. 2016-30-088, *Fiscal Year 2016 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results* (Sept. 2016).

TIGTA, Ref. No. 2015-30-083, *Fiscal Year 2015 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results* (Sept. 2015).

TIGTA, Ref. No. 2014-30-055, *Fiscal Year 2014 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results* (Sept. 2014).

---

<sup>1</sup> This list provides the six most recent reports issued by TIGTA.



**Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines  
Restricting the Use of Records of Tax Enforcement Results**

**Appendix III**

**Management's Response to the Draft Report**



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

Human Capital Office

August 26, 2020

MEMORANDUM FOR Michael E. McKenney  
Deputy Inspector General for Audit

FROM: Robin D. Bailey Jr.  
IRS Human Capital Officer

Robin D. Bailey  
Digitally signed by Robin D. Bailey Jr.  
Date: 2020.08.26 14:31:19 -04'00'

SUBJECT: Draft Audit Report – Fiscal Year 2020 Statutory Review of  
Compliance with Legal Guidelines Restricting the Use of Tax  
Enforcement Results (Audit #202030019)

Thank you for the opportunity to review and comment on the draft report entitled, *Fiscal Year 2020 Statutory Audit of Compliance with Legal Guidelines Restricting the Use of Tax Enforcement Results* (Audit# 202030019).

The IRS is serious about ensuring that managers do not use Tax Enforcement Results to evaluate employees and reinforcing positive employee behaviors about alignment with Fair and Equitable Treatment of Taxpayers. The IRS has a robust system of internal controls for compliance with the statutory requirements of IRS Restructuring and Reform Act of 1998 (RRA 98) Section 1204, to include training requirements, documented notices to employees of the standards, and oversight and review by managers.

We are concerned about the draft audit report improperly equating the IRS' ability to meet its own internally established process goals with its ability to meet the statutory requirements of Section 1204 of RRA 98. We acknowledge that it is critical that both the policy and statutory requirements pertaining to performance management are accomplished to ensure the best performance management process for all IRS employees. However, the IRS has a different viewpoint from TIGTA of what constitutes an error under Section 1204. While we strive to have all performance plans and agreements signed timely, the IRS does not believe that the failure to do so constitutes a statutory violation under Section 1204. We agree that five of the instances cited by TIGTA are related to noncompliance with the statute, which IRS is addressing. The other exceptions noted by TIGTA relate to improvements needed in our internal performance management processes but do not impact our compliance with the Section 1204 statute.



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

---

2

Consequently, the IRS agrees with five of the 86 instances of non-compliance with RRA 98 Section 1204(b) cited by TIGTA in this report. To address these issues, the IRS is taking several actions this year to improve awareness of Section 1204. To increase confidence in compliance with the quarterly certification required by RRA 98 Section 1204(c), the IRS is replacing the current paper certification process with an electronic process. This process includes systemic controls to ensure all Section 1204 managers timely complete the certification with an alert function that notifies IRS leadership of possible instances of non-compliance. Additionally, the IRS revamped the mandatory training required for all RRA 98 Section 1204 employees to focus on the core concepts and Fair and Equitable Treatment of Taxpayers and Tax Enforcement Results.

Attached is a detailed response outlining the corrective actions that the Human Capital Office will take to address your recommendations. If you have any questions, please contact me at (202) 317-3174, or a member of your staff may contact Pablo Meléndez, Director, Plans and Operations, at (202) 317-4397.

Attachment



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

---

3

Attachment

### RECOMMENDATION 1:

The Chiefs, Criminal Investigation, and Appeals; the Commissioners, Large Business and International, Small Business/Self-Employed, Tax Exempt and Government Entities, and Wage and Investment Divisions; and the National Taxpayer Advocate should ensure that the RRA 98 Section 1204(b) and 1204(c) instances of noncompliance are discussed with the responsible employees and managers to ensure that they understand the retention standard and quarterly certification requirements.

### CORRECTIVE ACTION:

The IRS agrees in part with this recommendation. The Chief, Criminal Investigation and the Commissioner, Small Business/Self-Employed, corrected five of the 86 reported instances of RRA 98 Section 1204(b) non-compliance where the performance appraisal was not signed by the Rating or Reviewing official.

### IMPLEMENTATION DATE:

COMPLETED: July 15, 2020

### RESPONSIBLE OFFICIAL:

IRS Human Capital Officer

### CORRECTIVE ACTION MONITORING PLAN:

We will enter accepted Corrective Actions into the Joint Audit Management Enterprise System (JAMES), monitor progress towards completion on a monthly basis, and upload supporting documentation into JAMES with Form 13872 Planned Corrective Action (PCA) Status Update for TIGTA/GAO/MW/SD/TAS/REM.

### RECOMMENDATION 2:

The Deputy Commissioner Operations Support should implement systemic controls such as an electronic Section 1204 certification process that includes automated reminders to both employees and their managers to ensure that the discussion and acknowledgement of the retention standards is completed within the time frames established under their Code of Federal Regulations § 430.206 policy.



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

---

4

### CORRECTIVE ACTIONS:

The IRS agrees in part with his recommendation and is taking several actions this year to improve awareness and ensure compliance with the statutory requirements of RRA'98. To increase confidence in compliance with the quarterly certification required by RRA 98 Section 1204(c), the IRS is replacing the current paper certification process with an electronic process. This process includes systemic controls to ensure all Section 1204 managers timely complete the certification with an alert function that notifies IRS leadership of possible instances of non-compliance.

### IMPLEMENTATION DATE:

PROPOSED: October 15, 2021

### RESPONSIBLE OFFICIAL:

IRS Human Capital Officer

### CORRECTIVE ACTION MONITORING PLAN:

We will enter accepted Corrective Actions into the Joint Audit Management Enterprise System (JAMES), monitor progress towards completion on a monthly basis, and upload supporting documentation into JAMES with Form 13872 Planned Corrective Action (PCA) Status Update for TIGTA/GAO/MW/SD/TAS/REM.



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

### Appendix IV

#### Glossary of Terms

<b>Term</b>	<b>Definition</b>
Discovery Directory	A computer system available to IRS personnel that provides information on IRS employees including their name, job title, job location, and management level.
Employee Performance File	A system consisting of all performance ratings and other performance records maintained on an employee.
Enterprise Learning Management System	An IRS automated training system that allows the employee and manager to be directly engaged in planning, communicating, and coordinating training and development activities online.
Fiscal Year	Any yearly accounting period, regardless of its relationship to a calendar year. The Federal Government's fiscal year begins on October 1 and ends on September 30.
HR Connect	A human resource system owned and operated by the U.S. Department of the Treasury.
Integrated Talent Management System	One system which consolidates several human resource systems and includes four primary human resource management modules: Learning, Performance Management, Succession Planning, and Workforce Planning.
Internal Revenue Manual	The primary official source of instructions to staff related to the organization, administration, and operation of the IRS.



## Fiscal Year 2020 Statutory Audit of Compliance With Legal Guidelines Restricting the Use of Records of Tax Enforcement Results

---

### Appendix V

#### Abbreviations

FY	Fiscal Year
IRM	Internal Revenue Manual
IRS	Internal Revenue Service
ROTER	Record of Tax Enforcement Results
RRA 98	Restructuring and Reform Act of 1998
TIGTA	Treasury Inspector General for Tax Administration