TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

The IRS Did Not Provide Adequate Oversight to Ensure a Drug-Free Workplace

August 10, 2026

Report Number: 2026-100-041

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HIGHLIGHTS: The IRS Did Not Provide Adequate Oversight to Ensure a Drug-Free Workplace

Final Audit Report issued on August 10, 2026 **Report Number 2026-100-041**

Why TIGTA Did This Audit

The Drug-Free Workplace Act of 1988 required federal agencies to develop a plan to achieve a drug-free workforce. Congress passed legislation designed mainly to establish uniformity among drug testing plans for federal agencies and create a centralized oversight of the drug testing program.

The IRS Drug-Free Workplace Plan mandates annual random testing of at least 10 percent of the total Testing Designated Positions population. In addition, applicants who are tentatively selected for IRS Criminal Investigation positions must undergo drug testing before their appointment.

The IRS is required to submit an Annual Summary Report to Congress summarizing its drug testing and prevention activities.

This audit assessed the effectiveness of the IRS Drug-Free Workplace Program (DFWP) in identifying and testing IRS employees for illegal drug use.

Impact on Tax Administration

A DFWP is essential to the IRS in supporting employee health and safety, achieving the agency's mission, and maintaining a productive workforce. The IRS has an obligation to eliminate illegal drug use from its workforce due to its tax administration responsibilities and the sensitive nature of its work.

What TIGTA Found

We reviewed the IRS Annual Summary Report for Fiscal Years 2022 through 2024 and found that the IRS did not conduct reasonable suspicion testing for employees suspected of illegal drug use during this period, even though evidence of suspected drug use existed. For example, IRS Human Capital Office management provided a list of five employees where drug use was suspected in Fiscal Year 2024, however testing was not conducted. In addition, from October 2022 through April 2025, our Office of Investigations (OI) received investigation referrals for 78 employees based on allegations of illegal drug issues. OI opened investigations into 22 of these employees for potential drug issues and referred 11 employees to the Department of Justice for prosecution but the Department of Justice declined. The disciplinary actions for these 11 employees ranged from no discipline to suspension.

Further, the IRS DFWP lacks managerial oversight, which resulted in an inaccurate depiction about whether the workforce is drug-free. Specifically, the IRS did not:

- Meet minimum random testing requirements.
- Consistently notify employees that they were subject to random drug testing, or
- Timely retest and reschedule drug tests.

As a result, the IRS did not always report and depict accurate information/data in its Annual Summary Report.

What TIGTA Recommended

We made seven recommendations to the IRS Chief Human Capital Officer including:

- Revise the DFWP manager training to provide more concrete information about reasonable suspicion testing.
- Require reasonable suspicion testing when suspecting illegal drug use after consulting with OI.
- Issue periodic reminders to all employees regarding reasonable suspicion drug testing.
- Develop an automated process to monitor all drug testing activities.
- Implement controls to ensure compliance with the minimum annual random testing requirement.
- Ensure that notifications are signed and stored in the centralized location or database.
- Conduct a review of drug testing records to identify and reissue any missing or incomplete notifications.

The IRS agreed with all our recommendations and plans to implement corrective actions.

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

U.S. DEPARTMENT OF THE TREASURY

WASHINGTON, D.C. 20024

August 10, 2026

MEMORANDUM FOR: COMMISSIONER OF INTERNAL REVENUE

FROM: Diana M. Tengesdal
Deputy Inspector General for Audit

SUBJECT: Final Audit Report – The IRS Did Not Provide Adequate Oversight to Ensure a Drug-Free Workplace (Audit No.: 2025100015)

This report presents the results of our review to assess the effectiveness of the Drug-Free Workplace Program in identifying and testing Internal Revenue Service employees for illegal drug use. This review is part of our Fiscal Year 2026 Program Plan and addresses the major management and performance challenge of *Improving Operational Efficiencies.*

Management's complete response to the draft report is included as Appendix II. If you have any questions, please contact me or Kasey J. Koontz, Acting Assistant Inspector General for Audit (Taxpayer Services and Operational Support).

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Background

In 1986, Executive Order (EO) 12564 established the goal of a drug-free federal workplace and made it a condition of employment for all federal employees to refrain from using illegal drugs on and off duty.[1] The EO also directs federal agencies to create drug testing programs for employees in sensitive positions (hereafter referred to as Testing Designated Positions (TDP)). The following year, Congress passed legislation to promote consistent and reliable drug testing programs across federal agencies.[2] The Consolidated Appropriations Act of 2018 reiterated that agencies must maintain a written policy to ensure that workplaces are free from the illegal use, possession, or distribution of controlled substances.[3] To comply with these requirements, the Internal Revenue Service (IRS) implemented a Drug-Free Workplace Program (DFWP). This program supports employee health and safety, achieving the agency's mission, and maintaining a productive and secure workforce.

The IRS's Drug-Free Workplace Program

The IRS has an obligation to eliminate illegal drug use from its workforce due to its tax administration responsibilities, as well as the sensitive nature of its work. To accomplish this, the Human Capital Office (HCO) manages the IRS's DFWP, and established the policies, procedures and guidelines included in the Drug-Free Workplace Plan (hereafter referred to as the Plan). The Plan outlines the frequency and type of drug testing for employees subject to testing. The Department of Health and Human Services (HHS) certified the Plan in 1988 and most recently in 2021 when the category of drugs tested was updated.

The IRS conducts the following types of drug testing:

- Applicant testing (used for all Criminal Investigation positions).
- Random testing of employees in a TDP.
- Reasonable suspicion testing.
- Accident or unsafe practice testing.
- Voluntary testing.
- Testing as part of or as a follow-up to counseling or rehabilitation.

Specifically, the IRS tests for the following drugs:

- Marijuana.
- Cocaine.
- Amphetamines.
- Opiates.

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[1] Exec. Order 12564, *Drug-Free Federal Workplace* (1986).

[2] The Supplemental Appropriations Act of 1987, Pub. L. No. 100-71, Stat. 391, 468-471, codified at 5 U.S.C. 7301 note (1987). Subsequently the Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 8101-8106).

[3] Pub. L. No. 115-141 (2018).

- Phencyclidine (PCP).

The DFWP manager (DPM) oversees the testing process and serves as the principal contact with HHS certified testing laboratories.[4] The DPM receives the results of all drug tests, which can include:

- Positive for drug usage - Confirms the presence of one or more drugs at levels that suggest drug use.
- Negative for drug usage - Indicates the specific substances tested were not detected at the time of testing.
- Negative dilute - An excessive amount of water was found, preventing an accurate assessment of potential drug use.
- Rejected for testing - A test is not performed because of a fatal flaw or error.

The DPM manually enters information about positive results into a spreadsheet and forwards test results to the employee's manager. Employees that test positive for drugs are referred to the Employee Assistance Program and may be subject to disciplinary action, including termination. The IRS does not use a standard schedule of offenses and penalties; however, the *IRS Manager's Guide to Penalty Determinations* is available to assist management in determining appropriate penalties.[5]

Random testing

Federal guidance provides criteria for determining which positions require random drug testing as a TDP. The IRS's Plan includes:

- Employees who carry firearms or are authorized to do so.
- Presidential appointees requiring Senate confirmation.
- Employees with Secret or higher security clearances.

The Plan also requires that the IRS randomly test at least 10 percent of the TDPs each year. When an employee is selected for random testing, the DPM notifies the selected employee's manager, who determines the employee's availability and ensures that they complete the test. The manager may defer a selected employee's random drug testing until the employee returns to work if the employee is:

- On approved leave (*e.g.*, sick, annual, military, administrative or leave without pay).
- In official travel status away from the test site or is about to embark on official travel scheduled before testing notification.

Annual reporting

Section 503(f) of the Supplemental Appropriations Act of 1987 also requires the DPM to compile statistical data and submit an Annual Summary Report (ASR) to HHS and Congress. The ASR is

[4] To become certified, a laboratory must submit an application and undergo performance testing and an on-site inspection.

[5] IRS Document 11500, *IRS Manager's Guide to Penalty Determinations* (Rev. 08-2012).

used to track the DFWP's results and guide future program changes. The ASR outlines the DFWP annual activities and includes:

- The number of employees tested.
- The types of tests conducted.
- The number of positive tests and any follow-up actions.
- Any training and education efforts.

Results of Review

The IRS Did Not Test Employees for Suspected Drug Use During Fiscal Years 2022 Through 2024

According to the Plan, when an employee is suspected of illegal drug use, the employee should undergo reasonable suspicion drug testing. However, frontline managers, in consultation with the HCO, did not refer employees for testing when they suspected employees were using drugs. Instead, they contacted our Office of Investigations (OI) to investigate the misconduct. For example, HCO management provided a list of five employees where drug use was suspected in Fiscal Year (FY) 2024; however, testing was not conducted. In addition, from October 2022 through April 2025, OI received investigative referrals for 78 employees based on allegations of illegal drug issues. The fact that these employees were referred to OI suggests management had enough of a concern and should have tested for reasonable suspicion.

Although managers are required to take training on the DFWP, our review of this training determined that it does not provide sufficient information about reasonable suspicion testing. The only information provided during the training is a list of criteria the manager should consider for reasonable suspicion, such as a pattern of abnormal conduct, erratic behavior, or a non-negative test. Further, the training only informs managers of available testing options without providing instructions on how to conduct such testing. The training also provides a conflicting message by advising managers to call the OI when an employee informs them that another employee is using drugs. However, the OI does not have the authority to administer drug tests and their investigations take additional time to complete. For the investigations noted below, it took the IRS, on average, 92 days to adjudicate after receiving OI's report of investigation. Whereas the DPM could require an employee to undergo reasonable suspicion drug testing soon after an allegation arises. Additionally, the HCO could provide regular emphasis on the IRS's drug-free workplace policy instead of only initial training so all employees are familiar with the requirements.

OI's completed investigations often do not result in any type of disciplinary action being taken

Once OI completes its investigation, it provides the results to the employee's manager, who works with HCO management for final disciplinary determinations. From October 2022 through April 2025, OI received investigative referrals for 78 employees based on allegations of illegal drug issues. According to OI, an investigation should only be initiated if additional information indicates the drug issue occurred on government time, on government property, or was accompanied by other criminal activity (*e.g.*, sale, purchase or possession of drugs on government property). Our analysis of OI's case management system data identified that OI opened investigative cases for 22 IRS employees based on the 78 referrals for potential drug issues. After completing these investigations, OI referred 11 employees for prosecution; however, the Department of Justice declined to prosecute them. According to OI, the remaining 11 employees were not referred for prosecution because OI did not develop evidence of criminal activity.

For the 11 employees that were referred and subsequently declined for prosecution, IRS management determined the following actions were warranted:

- 3 employees received disciplinary actions including suspension, reprimand, or written counseling.
- 3 employees resigned or retired.

For the remaining five employees, management did not take action as follows:

- 3 employee cases were closed without action or withdrawn.
- 2 employee cases were closed, but there were no corrective actions documented.

Even after OI identified substantiated drug issues during its investigations, HCO management did not always ensure that the employees were disciplined. [redacted]

The IRS Chief Human Capital Officer should:

Recommendation 1: Revise the DFWP training course to provide managers with more concrete information about reasonable suspicion testing for suspected drug use.

> **Management's Response:** IRS management agreed with this recommendation and will revise training material to provide managers with information about reasonable suspicion testing.

Recommendation 2: Require reasonable suspicion testing to be pursued by IRS management and/or the DPM when suspecting illegal drug use after consulting with OI to determine that it will not interfere with an investigation.

> **Management's Response:** IRS management agreed with this recommendation and will update the DFWP Plan and the Reasonable Suspicion Checklist to instruct IRS management and/or the DFWP to consult with the TIGTA OI to determine that reasonable suspicion testing will not interfere with an investigation prior to pursuing required reasonable suspicion testing.

Recommendation 3: Issue periodic reminders to all employees regarding reasonable suspicion drug testing.

Management's Response: IRS management agreed with this recommendation and will modify the current communication strategy to ensure information regarding reasonable suspicion drug testing is disseminated to employees.

Increased Oversight of the Drug-Free Workplace Program Is Needed

A lack of managerial oversight resulted in an inaccurate depiction about whether the IRS's workforce is drug-free. Specifically, the IRS did not:

- Meet minimum random testing requirements.
- Consistently notify employees that they were subject to random drug testing, or
- Timely retest and reschedule drug tests.

These deficiencies occurred because the IRS's DFWP relied on manually updating drug testing activities and did not have sufficient processes to ensure that the program adhered to the Plan's requirements. As a result, the information the IRS reported in its ASR was not accurate in depicting the status of achieving a drug-free workplace.

The DFWP lacks an automated system to organize, track, and monitor drug testing activities

The DPM manually tracks drug testing activities using spreadsheets, email correspondence, and third-party database records. Although the records are maintained in a centralized location, we determined that this centralized location lacks automated controls and continues to rely on manual processes. According to the Government Accountability Office's Standards for Internal Control in the Federal Government, effective internal controls require management to establish and operate a system that provides reasonable assurance that the organization will achieve its objectives for operations, reporting, and compliance.[6] As it is currently structured, the DFWP does not provide the assurance it is meeting its mission as evidenced by the inaccurate depiction of a drug-free workforce in the ASR and not meeting the minimum requirement to test 10 percent of the TDP employees.

The IRS did not meet the minimum requirement to test 10 percent of TDP employees

The Plan requires that the IRS randomly test at least 10 percent of TDP employees each year. For FYs 2022 through 2024, the IRS failed to meet this requirement. Figure 1 summarizes TDP drug testing activity reported in the FYs 2022 through 2024 ASRs.

[6] Government Accountability Office, GAO-25-107721, *Standards for Internal Control in the Federal Government* (May 2025).

Figure 1: The IRS Tested Less Than Ten Percent of TDP Employees in FY 2022 Through 2024

Fiscal Year	Total TDP Population	TDP Random Tests	Percentage TDP Employees Tested
2022	2,152	87	4.0%
2023	2,366	219	9.3%
2024	2,503	216	8.6%

Source: IRS provided ASR for FYs 2022-2024.

Further, we could not verify that all 216 random tests were completed in FY 2024 because the DPM was only able to provide documentation supporting testing for 206 (8.2 percent) of 2,503 employees in TDPs. The DPM stated that the difference in the 260 employees selected and 206 tested occurred primarily because tests were deferred or not scheduled.

As a result of not satisfying the minimum testing requirements, we requested to review records for the IRS's FY 2025 testing plan. HCO management stated that in November 2024, the system used to identify TDP employees experienced a malfunction. With no alternative process or backup system in place to continue testing, no random testing occurred from November 2024 through March 2025. However, the DPM stated that testing was increased for the remainder of FY 2025. The FY 2025 ASR reported that 13 percent of the TDP employees were tested. Due to the time frames for this review and the DPM's manual process of collecting this data, we could not independently confirm this information.

Employees were not notified they were subject to random drug testing

The IRS did not consistently retain or track notifications to TDP employees that they were subject to random drug testing upon entry to their position. Therefore, we could not determine if employees in the FY 2024 testing pool were notified before FY 2024. We reviewed a statistically valid random sample of 53 employees in the FY 2024 testing pool and found that 47 (88.7 percent) employees' notification records were missing from the IRS centralized location. Specifically:

- 39 employees' notifications were signed and dated between April and June 2025, after our audit started. Thus, they were not in the centralized location before the annual testing cycle began in October 2024.
- 8 employees had no notifications on file.

Based on our sample results, we estimate that 2,220 (88.7 percent) of the 2,503 employees' notification records were missing from the IRS's centralized location.[7]

In a prior review conducted in Calendar Year 2018, we reported that the IRS could not provide notifications for 10 of the 50 employees in our sample. The missing notifications were either purged from the employee's personnel file or the documentation could not be located. We recommended and HCO management agreed to maintain all notifications in a centralized

[7] Our sample was selected using a 95 percent confident interval, 88.7 percent error rate, and ± 8 percent precision factor. When projecting the results of our statistical sample, we are 95 percent confident that the actual total amount is between 1,927 and 2,396 records.

location and confirmed implementation in FY 2019.[8] Although the IRS developed a centralized location to store its records for the DFWP, we found that the centralized location was not populated with notification records.

The Plan requires that employees receive notifications when hired; however, it does not specify a distribution timeline for when the notification should be signed and returned. The random drug testing requirement is also included in TDP job announcements and position descriptions. The notification reinforces an employee's acknowledgement that they are subject to random drug testing. An employee's failure to sign the notice does not preclude the IRS from testing them. However, if the IRS does not provide an employee with this notification, IRS employees could be selected without knowing and may have grounds for a grievance.

Employees were not rescheduled or retested timely

[redacted][9] We found that 11 (5.3 percent) of the 206 records had negative dilute test results. Of these 11 instances, 4 employees were retested 7 days after the initial test. The IRS could not provide any documentation to show they tested the remaining seven employees. When an employee is not timely retested and continues to work without providing a negative test, they present a risk to a safe working environment. For example, [redacted] At a minimum, the negative dilute results warranted further testing by the IRS, such as a reasonable suspicion test, to ensure that the employee was drug-free. The DPM acknowledged retesting was not initiated timely and that scheduling often depended on the availability of the employee or applicant, rather than following policy requirements.

We observed a similar lack of follow-up when an employee's drug test was deferred. Under the Plan, an employee selected for random drug testing may obtain a deferral if the supervisor determines a need exists.[10] However, the Plan requires the DPM to reschedule deferred tests via an unannounced testing process. Contrary to this requirement, the DPM stated that employees with deferred tests were returned to the random testing pool without rescheduling a follow-up test.[11]

We determined that 28 (10.8 percent) of the 260 employees were deferred and none of these tests were rescheduled. The reasons for deferral included:

- 23 listed scheduling conflicts (training or leave).
- 2 had no international facilities available to administer testing.
- 3 did not provide a reason, resigned, or were not notified of testing.

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[8] TIGTA, Report No. 2019-10-003, *The Human Capital Office Administered the Drug Testing of Employees in Testing Designated Positions in Accordance with Established Guidelines*, p. 14 (October 2018).

[9] A negative dilute result indicates an excessively watered down specimen.

[10] An employee selected for random drug testing may obtain deferral of testing with supervisory approval if a compelling need exists. Examples include leave (*e.g.*, annual, military, administrative or leave without pay) or an employee who is or is scheduled to be in official travel status away from the test site.

[11] Employees who undergo counseling or are in a treatment program for illegal drug use are subject to unannounced follow-up testing.

Additionally, the Plan requires two levels of supervisory approval for a test to be deferred. We found that only 5 (21.7 percent) of the 23 employees with scheduling conflicts had the required supervisory approvals.

The ASR inaccurately depicts a nearly drug-free workforce

The lack of managerial oversight resulted in the information reported in the ASR being inaccurate. For example, as noted above, the IRS reported in the FY 2024 ASR that 216 TDP tests were completed, yet could only support 206 TDP tests. Further, because the IRS did not conduct any drug testing for reasonable suspicion, they may be inaccurately depicting that its workforce is nearly drug-free. This incomplete testing approach increases the risk of an unsafe work environment if employees suspected of drug use are not tested and continue working. Figure 2 summarizes drug testing activity reported in the ASRs for FYs 2022 through 2024.

Figure 2: The IRS Conducted No Reasonable Suspicion Tests in FYs 2022 Through 2024[12]

Fiscal Year	Applicant Tests	Reasonable Suspicion Tests	TDP Random Tests	Total Tests Conducted[13]	Verified Positive Tests
2022	245	0	87	341	3
2023	731	0	219	969	5
2024	1,015	0	216	1,258	7

Source: IRS provided ASR for FYs 2022-2024.

The IRS Chief Human Capital Officer should:

Recommendation 4: Develop an automated process to effectively organize, track, and monitor all drug testing activities, including deferred tests, to ensure timely retesting, and appropriate supervisory approvals are obtained.

> **Management's Response:** IRS management agreed with this recommendation and will implement automations, based upon current database capabilities, to organize, track, and monitor drug testing activities.

Recommendation 5: Implement controls to ensure compliance with the minimum annual random testing requirement.

> **Management's Response:** IRS management agreed with this recommendation and will document and implement controls related to ensuring compliance with the minimum annual random testing requirement.

Recommendation 6: Ensure that notifications for employees in TDPs are signed during the onboarding process and stored in the centralized location or database.

> **Management's Response:** IRS management agreed with this recommendation and will update the DFWP Desk Guide to require the IRS Hiring Office to obtain signed notifications for employees in TDPs during the onboarding process and that the Human

[12] This counts the number of tests the IRS administered. An employee may take more than one test.

[13] The total count also includes accident and unsafe practices and follow-up testing.

Resources Operations and Shared Services directorate retains the signed notifications in a centralized repository or database.

Recommendation 7: Conduct a comprehensive review of drug testing records to identify and reissue any missing or incomplete notifications for employees in TDPs.

Management's Response: IRS management agreed with this recommendation and will perform an analysis of employees in TDPs to ensure any missing or incomplete notifications are reissued and stored in the centralized database.

Appendix I

Detailed Objective, Scope, and Methodology

The overall objective of this audit was to assess the effectiveness of the DFWP in identifying and testing IRS employees for illegal drug use. To accomplish our objective, we:

- Reviewed and summarized EO 12564, IRS DFWP and Internal Revenue Manual 6.800.3, IRS Employee Assistance Program and Work Life Referral Services Overview.
- Interviewed the IRS HCO staff including the DPM, Personnel Security, and Labor/Employee Relations and Negotiations officials, and TIGTA's personnel security to gain an understanding of the DFWP.
- Reviewed random and applicant testing records and identified and documented the testing completion status. Conducted analysis for random and applicant testing and documented the status of follow-up testing and/or retested and missing records.
- Reviewed a statistically valid random sample of 53 employees from the 2,503 employees in a TDP during FY 2024 to determine whether IRS employees in TDPs received proper notification that they were subject to random drug testing. We used statistical sampling because we planned to project to the population. We coordinated with TIGTA's in-house statistician to develop the sampling plan and projected to the population. We selected our sample using a 95 percent confidence interval, an ±/- 8 percent precision, and a 10 percent estimated error rate.
- Queried Automated Labor and Employee Relations Tracking System (ALERTS) and identified employees investigated for substance use and determined whether corrective actions were taken.
- Reviewed OI's case management system data and determined the number of complaints filed for drug/substance abuse and determined whether those investigations were appropriate.

Performance of This Review

This review was performed with information obtained from the HCO located in Covington, Kentucky, and Lanham, Maryland during the period April 2025 through January 2026. 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Data Validation Methodology

We obtained data directly from the DFWP management along with related cases posting to the ALERTS, OI case management system, and the Treasury Integrated Management Information System databases from October 1, 2022, through September 30, 2024, and performed tests to assess the reliability of the data. We evaluated the data by running queries on the population to ensure that the data met our criteria and was complete. For example, we determined that date fields contained dates, blank fields are explainable, fields contained only applicable data required for that field, gaps in the sequential order of case numbers are explainable, and data matched other known sources. We also reviewed the data for accuracy by comparing ALERTS issue code counts to IRS and OI identified employees for substance abuse. We determined that the data were sufficiently reliable for the purpose of this report.

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: procedures for identifying employees in TDPs, selecting random samples of TDP employees for drug testing, tracking testing along with needed follow-up testing, employee notifications, and corrective actions taken for those employees who test positive. We evaluated these controls by interviewing HCO personnel, reviewing the TDP universes used to select samples of employees to determine if they met the criteria for the random drug testing program, and the tracking system used by the DPM.

Appendix II

Management's Response to the Draft Report

HUMAN CAPITAL OFFICE

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

July 15, 2026

MEMORANDUM FOR DIANA M. TENGESDAL
DEPUTY INSPECTOR GENERAL FOR AUDIT

FROM: Alex Kweskin
IRS Human Capital Officer

Alexander C. Kweskin

Digitally signed by Alexander C. Kweskin
Date: 2026.07.15 16:26:48 -04'00'

SUBJECT: Draft Audit Report – TIGTA Audit 2025100015, The IRS Did Not Provide Adequate Oversight to Ensure a Drug-Free Workplace

Thank you for the opportunity to review the draft report, *The IRS Did Not Provide Adequate Oversight to Ensure a Drug-Free Workplace, Audit #2025100015*.

We are pleased that the Treasury Inspector General for Tax Administration (TIGTA) recognizes our ongoing commitment to maintaining a drug-free workplace.

The TIGTA identified areas for improvement including clarifying information about reasonable suspicion testing, increasing employee communication, and automating manual processes related to drug testing activities.

To continue supporting compliance with a drug-free workplace, we will revise our managerial training regarding reasonable suspicion testing and modify our communication strategy to ensure information is disseminated with all required audiences at the appropriate time. Further, we will implement automations to more effectively track and organize drug testing activities.

We agree with all recommendations and have begun implementing corrective actions. Our responses to your specific recommendations are enclosed. If you have any questions, please contact me directly at (202) 317-5240, or a member of your staff may contact Mike Radock, Acting Director, Human Resources Operations and Shared Services, at (321) 253-7625.

Attachment

Attachment

The Internal Revenue Service (IRS) Management Response to the Treasury General for Tax Administration (TIGTA) Draft Report
The IRS Did Not Provide Adequate Oversight to Ensure a Drug-Free Workplace
(Audit 202510015**)**

RECOMMENDATION 1
The Internal Revenue Service (IRS) Chief Human Capital Officer should revise the Drug Free Workplace Program (DFWP) training course to provide managers with more concrete information about reasonable suspicion testing for suspected drug use.

CORRECTIVE ACTIONS
Agree. The IRS will revise training material to provide managers with information about reasonable suspicion testing.

IMPLEMENTATION DATE
October 15, 2026

RESPONSIBLE OFFICIAL(S)
Director, Human Resources Operations and Shared Services

CORRECTIVE ACTION(S) MONITORING PLAN
The IRS will monitor this corrective action as part of our internal management control system.

RECOMMENDATION 2
The IRS Chief Human Capital Officer should require reasonable suspicion testing to be pursued by the IRS management and/or the Department Program Manager (DPM) when suspecting illegal drug use after consulting with the TIGTA Office of Investigation (OI) to determine that it will not interfere with an investigation.

CORRECTIVE ACTIONS
Agree. The IRS will update the DFWP Plan and the Reasonable Suspicion Checklist to instruct IRS management and/or the DFWP to consult with the TIGTA Office of Investigations to determine that reasonable suspicion testing will not interfere with an investigation prior to pursuing required reasonable suspicion testing.

IMPLEMENTATION DATE
October 15, 2026

RESPONSIBLE OFFICIAL(S)
Director, Human Resources Operations and Shared Services

CORRECTIVE ACTION(S) MONITORING PLAN
The IRS will monitor this corrective action as part of our internal management control system.

RECOMMENDATION 3
The IRS Chief Human Capital Officer should issue periodic reminders to all employees regarding reasonable suspicion drug testing.

CORRECTIVE ACTIONS
Agree. The IRS will modify the current communication strategy to ensure information regarding reasonable suspicion drug testing is disseminated to employees.

IMPLEMENTATION DATE
October 15, 2026

RESPONSIBLE OFFICIAL(S)
Director, Human Resources Operations and Shared Services

CORRECTIVE ACTION(S) MONITORING PLAN
The IRS will monitor this corrective action as part of our internal management control system.

RECOMMENDATION 4
The IRS Chief Human Capital Officer should develop an automated process to effectively organize, track, and monitor all drug testing activities, including deferred tests, to ensure timely retesting, and appropriate supervisory approvals are obtained.

CORRECTIVE ACTIONS
Agree. The IRS will implement automations, based upon current database capabilities, to organize, track, and monitor drug testing activities.

IMPLEMENTATION DATE
October 15, 2026

RESPONSIBLE OFFICIAL(S)
Director, Human Resources Operations and Shared Services

CORRECTIVE ACTION(S) MONITORING PLAN
The IRS will monitor this corrective action as part of our internal management control system.

RECOMMENDATION 5
The IRS Chief Human Capital Officer should implement controls to ensure compliance with the minimum annual random testing requirement.

CORRECTIVE ACTIONS
Agree. The IRS will document and implement controls related to ensuring compliance with the minimum annual random testing requirement.

IMPLEMENTATION DATE
October 15, 2026

RESPONSIBLE OFFICIAL(S)
Director, Human Resources Operations and Shared Services

CORRECTIVE ACTION(S) MONITORING PLAN
The IRS will monitor this corrective action as part of our internal management control system.

RECOMMENDATION 6
The IRS Chief Human Capital Officer should ensure that notifications for employees in TDPs are signed during the onboarding process and stored in the centralized location or database.

CORRECTIVE ACTIONS
Agree. The IRS will update the DFWP Desk Guide to require the IRS Hiring Office to obtain signed notifications for employees in Testing Designated Positions (TDPs) during the onboarding process and that the Human Resources Operations and Shared Services directorate retains the signed notifications in a centralized repository or database.

IMPLEMENTATION DATE
October 15, 2026

RESPONSIBLE OFFICIAL(S)
Director, Human Resources Operations and Shared Services

CORRECTIVE ACTION(S) MONITORING PLAN
The IRS will monitor this corrective action as part of our internal management control system.

RECOMMENDATION 7
The IRS Chief Human Capital Officer should conduct a comprehensive review of drug testing records to identify and reissue any missing or incomplete notifications for employees in TDPs.

CORRECTIVE ACTIONS
Agree. The IRS will perform an analysis of employees in TDPs to ensure any missing or incomplete notifications are reissued and stored in the centralized database.

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IMPLEMENTATION DATE
October 15, 2026

RESPONSIBLE OFFICIAL(S)
Director, Human Resources Operations and Shared Services

CORRECTIVE ACTION(S) MONITORING PLAN
The IRS will monitor this corrective action as part of our internal management control system.

Appendix III

Abbreviations

ALERTS	Automated Labor and Employee Relations Tracking System
ASR	Annual Summary Report
DFWP	Drug-Free Workplace Program
DPM	Drug-Free Workplace Program Manager
EO	Executive Order
FY	Fiscal Year
HCO	Human Capital Office
HHS	Health and Human Services
IRS	Internal Revenue Service
OI	Office of Investigations
TDP	Testing Designated Position
TIGTA	Treasury Inspector General for Tax Administration

To report fraud, waste, or abuse,
contact our hotline on the web at
https://www.tigta.gov/reportcrime-misconduct.

To make suggestions to improve IRS policies, processes, or systems
affecting taxpayers, contact us at
TIGTACommunications@tigta.treas.gov.

Information you provide is confidential, and you may remain anonymous.