



Treasury Inspector General for Tax Administration Office of Audit

INCREASED SUPPORT IS NEEDED TO ENSURE THE EFFECTIVENESS OF THE FINAL INTEGRATION TEST

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Highlights

Highlights of Report Number: 2014-20-085 to the Internal Revenue Service Chief Technology Officer.

IMPACT ON TAXPAYERS

The Final Integration Test (FIT) is a critical part of the IRS's preparation for each filing season. If tax processing systems are not properly integrated to deliver filing season functionality, taxpayers may be unable to timely file returns, receive refunds, or obtain timely, accurate customer service.

WHY TIGTA DID THE AUDIT

The IRS will be making significant changes to its tax processing system to implement legislative changes, including provisions of the Affordable Care Act. These changes will result in increased workload and challenges for the FIT program. TIGTA conducted this audit to help ensure the effectiveness of the FIT program in testing the integration of an increasingly complex tax processing system.

WHAT TIGTA FOUND

The Applications Development organization delivered programming changes in mid-December 2013, one month after the planned start of FIT execution. There were numerous programming errors identified which required FIT program resources to report and resolve. However, support from the Enterprise Operations organization and the Wage and Investment Division was withdrawn from the FIT program prior to the completion of the test execution process to support the filing season. The early loss of support resulted in unplanned deviations from the FIT Test Plan, as not all tests could be completed as planned.

TIGTA also found that the IRS does not have a formal process to evaluate, compare, and synchronize the FIT and filing season environments, and that the Integrated Customer Communications Environment was not available for testing. In addition, the FIT program has not established performance metrics to compare actual performance with expected performance.

Finally, TIGTA found that there were problems with test analysts accessing the Employee User Portal and the Integrated Enterprise Portal, which caused interruptions in the performance of the Processing Year 2014 FIT.

WHAT TIGTA RECOMMENDED

TIGTA recommended that the Chief Technology Officer: 1) ensure that an analysis of the problem tickets is performed to identify root causes that can be addressed to reduce the burden on the FIT program and Information Technology organization resources; 2) provide the necessary level of business unit support to the FIT; 3) ensure that the Integrated Customer Communications Environment is included in the FIT; 4) establish performance goals and metrics for the annual FIT program; 5) establish a process to determine the reason FIT test tax returns go to the Error Resolution System and use those results to identify training opportunities or operational improvements; and 6) implement the environment comparison and synchronization process between the FIT program's environment and the filing season environment.

IRS management agreed with all of the recommendations. The IRS plans to analyze FIT problem tickets; obtain additional support; develop costing plans to implement the Integrated Customer Communications Environment application in the FIT; identify goals, measures, and a reporting process; conduct training and report Error Resolution System fallout results; and complete a gap analysis and synchronize the FIT environment.

However, the IRS also commented that implementation of most of the recommendations is contingent upon overall budget constraints and prioritization of essential taxpaying operations.

READ THE FULL REPORT

To view the report, including the scope, methodology, and full IRS response, go to:

<http://www.treas.gov/tigta/auditreports/2014reports/201420085fr.pdf>.