



**Treasury
Inspector
General for
Tax
Administration**

Inspections and Evaluations

Highlights

Highlights of Report Number: 2013-IE-R005 to the Internal Revenue Service Commissioner for Operations Support.

WHY TIGTA DID THIS STUDY

This project was initiated to determine the effectiveness of the controls established over the IRS Gainsharing Travel Savings Program (hereafter referred to as the gainsharing program). The IRS established the gainsharing program to allow IRS employees, who save the Government money while traveling, to receive one-half of the amount of those savings as an award.

WHAT TIGTA RECOMMENDED

TIGTA recommended that the Chief Financial Officer amend the Internal Revenue Manual to better define document retention standards for gainsharing program awards and supporting documentation. Additionally, the Chief Financial Officer should either require that each business unit establish a centralized repository for gainsharing program award documentation or establish a centralized repository within the Office of the Chief Financial Officer for all gainsharing program award documentation generated Service-wide. TIGTA also recommended that the Chief Financial Officer revise Form 13631-A, *IRS Travel Savings*, to include a space for the first-level manager's initials, and that the Chief Financial Officer clarify in the Internal Revenue Manual that an employee can only receive one gainsharing program award per fiscal year.

In their response to the report, IRS officials stated that the Chief Financial Officer plans to better define document retention standards, require each business unit to establish a centralized repository for such documentation, revise Form 13631-A, and clarify the number of gainsharing program awards an employee may receive in a fiscal year.

Issued on May 6, 2013

INSPECTION OF THE INTERNAL REVENUE SERVICE'S TRAVEL GAINSHARING PROGRAM

WHAT TIGTA FOUND

In Fiscal Years 2008 through 2011, 2,122 IRS employees participated in the gainsharing program and received approximately \$1.9 million in awards. The IRS generally has adequate controls in place to ensure adherence with gainsharing program requirements. However, TIGTA could not verify the accuracy of most awards in our sample because the IRS could not locate adequate supporting documentation. Additionally, IRS employees did not follow some of the gainsharing program requirements when applying for gainsharing program awards, which resulted in inaccurate award amounts. Better managerial oversight may have prevented many of these errors.

READ THE FULL REPORT

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

<http://www.treas.gov/tigta/iereports/2013reports/2013ier005fr.pdf>