



*Accounting for the Austin Incident*

**July 10, 2012**

**Reference Number: 2012-10-074**

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.

---

Phone Number | 202-622-6500

E-mail Address | [TIGTACommunications@tigta.treas.gov](mailto:TIGTACommunications@tigta.treas.gov)

Website | <http://www.tigta.gov>



## HIGHLIGHTS

### ACCOUNTING FOR THE AUSTIN INCIDENT

## Highlights

### Final Report issued on July 10, 2012

Highlights of Reference Number: 2012-10-074 to the Internal Revenue Service Deputy Commissioner for Operations Support.

### IMPACT ON TAXPAYERS

On February 18, 2010, a single-engine airplane was intentionally flown into an IRS building in Austin, Texas (hereafter referred to as the Austin incident). The IRS responded by implementing business resumption plans that contain specific procedures for managing such events. While the Austin incident displaced approximately 200 IRS personnel who worked in the building, the costs incurred as a result of the Austin incident caused no adverse budgetary impact on the IRS's ability to provide taxpayer services or enforce tax laws.

### WHY TIGTA DID THE AUDIT

The overall objective of this review was to determine the costs to the IRS resulting from the Austin incident from the date of the incident through September 30, 2011.

### WHAT TIGTA FOUND

The IRS spent more than \$38.6 million from February 18, 2010, through September 30, 2011, as a result of the Austin incident. The costs the IRS incurred included approximately \$6.4 million for immediate local incident response and business resumption activities and approximately \$32.2 million to evaluate and enhance employee safety and physical security at IRS facilities nationwide. The IRS used \$31.7 million in a combination of user fees (fees collected by the IRS to help offset the costs of providing services to specific taxpayers) and carryover funds (appropriation funds not yet obligated for an authorized purpose to pay for unplanned expenses), and \$6.9 million in Fiscal Years 2010 and 2011 appropriated funding to pay for costs related to the Austin incident. The majority of the \$6.9 million in appropriated

funding came from the IRS's Operations Support appropriation. The Operations Support account provides funding for functions such as infrastructure and information services.

The IRS advised us that the costs incurred as a result of the Austin incident caused no direct budgetary impact on the IRS's ability to provide taxpayer services or enforce tax laws. However, the loss of an IRS employee and the injuries sustained by 13 others is immeasurable.

While the IRS timely issued a special accounting code to track the Austin incident expenditures, not all costs resulting from the incident were captured under this code. The miscoding of some costs resulted from the IRS omitting a key individual responsible for coding these costs from the information distribution list.

### WHAT TIGTA RECOMMENDED

TIGTA recommended that the Deputy Commissioner for Operations Support ensure that communications relating to the use of special accounting codes to track costs associated with unforeseen events are distributed to all IRS personnel involved in coding incident-related expenses.

In their response, IRS management agreed with our recommendation and plans to create a form letter to be kept in the Incident Management Planning Toolkit and distributed at the time of an emergency event that gives instructions for use of the internal code. A designated space will be available where the code can be displayed.



TREASURY INSPECTOR GENERAL  
FOR TAX ADMINISTRATION

DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

July 10, 2012

**MEMORANDUM FOR DEPUTY COMMISSIONER FOR OPERATIONS SUPPORT**

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

**SUBJECT:** Final Audit Report – Accounting for the Austin Incident  
(Audit # 201110022)

This report presents the results of our review of accounting for the Austin incident. The overall objective of this review was to identify all expenses incurred by the Internal Revenue Service as a result of the February 18, 2010, airplane crash into the Austin, Texas, Echelon I building. This review is included in our Fiscal Year 2012 Annual Audit Plan and addresses the major management challenge of Fraudulent Claims and Improper Payments.

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

Copies of this report are also being sent to the Internal Revenue Service managers affected by the report recommendations. Please contact me at (202) 622-6510 if you have any questions or Russell P. Martin, Acting Assistant Inspector General for Audit (Management Services and Exempt Organizations), at (202) 622-8500.



## *Table of Contents*

<b>Background</b> .....	Page 1
<b>Results of Review</b> .....	Page 3
The Austin Incident and the Subsequent Enhancement of Internal Revenue Service Security Nationwide Cost More Than \$38 Million.....	Page 3
<u>Recommendation 1</u> :.....	Page 7
<b>Appendices</b>	
Appendix I – Detailed Objective, Scope, and Methodology .....	Page 8
Appendix II – Major Contributors to This Report .....	Page 10
Appendix III – Report Distribution List .....	Page 11
Appendix IV – Outcome Measure .....	Page 12
Appendix V – Management’s Response to the Draft Report .....	Page 13



---

*Accounting for the Austin Incident*

---

*Abbreviations*

IRS

Internal Revenue Service

TIGTA

Treasury Inspector General for Tax Administration



## *Background*

On February 18, 2010, a single-engine airplane was intentionally flown into an Internal Revenue Service (IRS) building in Austin, Texas, killing the pilot and an IRS employee and injuring 13 others (hereafter referred to as the Austin incident or incident). The resulting fire severely damaged the structure of the building and the contents were almost a total loss. In a September 2011 Treasury Inspector General for Tax Administration (TIGTA) report,<sup>1</sup> we reported that the IRS adequately prepared for and took the necessary actions to evacuate and protect approximately 200 IRS employees working in the building, secure taxpayer data and Federal Government property, and timely resume business operations following the incident. In addition, the IRS also provided extensive personnel services to support employee needs, identified temporary office space for the affected employees, awarded several procurements to support the recovery effort in an expedited time period, and provided the furnishings and equipment that facilitated the resumption of work.

The IRS's accounting system<sup>2</sup> has the capability to establish unique tracking codes<sup>3</sup> to capture expenses associated with an unforeseen event. In response to the Austin incident, the IRS established a tracking code to account for the related expenditures. The tracking code for the Austin incident was to include all expenditures that required the IRS to expend funds relating to the incident. Costs did not include the following expenditures:

- \$144,000 in workers' compensation claims paid to IRS employees affected by the Austin incident as of September 30, 2011. These claims were paid out of the Employees' Compensation Fund that is administered by the United States Department of Labor.
- \$473,000 in salary expenses associated with 172 IRS employees placed on administrative leave for almost two weeks following the Austin incident.<sup>4</sup> The administrative leave costs do not represent any additional outlay of funds but represent a productivity cost, as these individuals were unable to perform their duties.

---

<sup>1</sup> TIGTA, Ref. No. 2011-10-098, *The Internal Revenue Service Adequately Prepared for and Responded to the Austin Incident*, p. 1 (Sept. 2011).

<sup>2</sup> The Integrated Financial System contains the IRS's core financial systems, including expenditure controls, accounts payable, accounts receivable, general ledger, and budget formulation.

<sup>3</sup> Internal Order codes are a project tracking subsystem within the IRS Integrated Financial System that collects expenditure data.

<sup>4</sup> Certain authorized IRS officials may dismiss or excuse the absence of employees without loss of pay (commonly referred to as administrative leave) in limited situations, such as when normal operations are interrupted by events beyond the control of management or employees. This cost figure represents 13,545 hours of administrative leave. Not all employees were placed on administrative leave in the weeks following the incident because some employees worked on response and recovery efforts.



## *Accounting for the Austin Incident*

---

This review was performed at the IRS National Headquarters in Washington, D.C., in the offices of Agency-Wide Shared Services and the Chief Financial Officer and in the Real Estate and Facilities Management offices in Austin, Texas, during the period September 2011 through January 2012. This review examined only the IRS costs resulting from the Austin incident from the date of the incident through September 30, 2011. 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. Detailed information on our audit objective, scope, and methodology is presented in Appendix I. Major contributors to the report are listed in Appendix II.



## *Results of Review*

### ***The Austin Incident and the Subsequent Enhancement of Internal Revenue Service Security Nationwide Cost More Than \$38 Million***

The IRS spent more than \$38.6 million from February 18, 2010 (date of the incident) through September 30, 2011, as a result of the Austin incident. The costs associated with the Austin incident were funded through a combination of:

- \$31.7 million in user fees and carryover funds not yet obligated. User fees are collected by the IRS to help offset the costs of providing services to specific taxpayers and are charged when special benefits are provided to taxpayers beyond those that the general public receives; *e.g.*, establishing an installment agreement. Carryover funds are appropriation funds not yet obligated for an authorized purpose. Due to the urgency of the circumstances, the IRS initially paid for all expenses associated with the Austin incident with appropriated funds while requesting permission from the Senate Appropriations Committee and the Office of Management and Budget to spend carryover funds and user fees to cover the unforeseen costs. Subsequently, the IRS received permission to use the user fees and carryover funds.
- \$6.9 million in Fiscal Years 2010 and 2011 appropriated funding. Appropriated funding are those funds that allow the IRS to incur obligations and make payments out of the Department of the Treasury for specified purposes.<sup>5</sup> The majority of the \$6.9 million in appropriated funding came from the IRS's Operations Support appropriation account and represented less than 0.06 percent of the IRS's \$12.5 billion budget.<sup>6</sup> The Operations Support account provides funding for functions such as infrastructure and information services.

The costs the IRS incurred included \$6.4 million resulting from the immediate local response to the Austin incident and resumption of business activities and \$32.2 million to evaluate and enhance IRS employee safety and physical security at IRS facilities nationwide. The IRS advised us that the costs incurred as a result of the Austin incident caused no adverse budgetary impact on the IRS's ability to provide taxpayer services or enforce the tax laws. However, the loss of an IRS employee and the injuries sustained by 13 others is immeasurable. While the IRS

---

<sup>5</sup> Congress annually considers appropriation measures, which provide funding for general Government operations. Under 31 U.S.C. § 1301(a), public funds may only be used for purposes for which Congress appropriated the funds.

<sup>6</sup> The Taxpayer Services and Enforcement budget appropriation funded approximately \$200,000 of the immediate local response and recovery expenses.



## *Accounting for the Austin Incident*

timely issued a special accounting code to track the Austin incident expenditures, not all costs resulting from the incident were captured.

### **Response and business resumption costs**

The fire resulting from the Austin incident rendered the building unfit for occupancy and destroyed most of the contents. Approximately 200 IRS personnel who worked in the building had to be relocated to temporary office space. The IRS spent over \$6.4 million on costs associated with the immediate local response to the Austin incident and business resumption activities. These costs included moving IRS personnel to and from temporary workspace, rent expenses associated with leasing a new office building, replacement of damaged furniture, and other expenses such as overtime pay and travel. The largest expense, totaling approximately \$3.3 million, was for contractor services to retrieve and restore documents and other sensitive materials; *e.g.*, tax returns that were damaged during the incident. Figure 1 provides a breakdown of the costs associated with the immediate response and business resumption.

**Figure 1: Costs Related to Immediate Response and Business Resumption (as of September 30, 2011)**

Description of Costs	Amount
Document Recovery	\$3,258,213
Additional New Building Rent <sup>7</sup>	\$1,039,244
Build-Out Preparation Costs for New Building	\$841,425
Furniture Rental at New Building	\$366,032
Employee Travel Expenses	\$271,191
Overtime Paid to Employees	\$223,876
Contract Labor During the Incident Response	\$145,145
Office Supplies	\$87,535
Miscellaneous Expenses	\$87,140
Old Building Rent During Salvage Operations	\$61,690
Alterations to New Building Prior to Move	\$40,451
<b>Total</b>	<b>\$6,421,942</b>

*Source: TIGTA analysis of IRS real estate and financial management records.*

<sup>7</sup> The additional rent paid by the IRS was calculated by subtracting the old monthly rent (\$90,979) from the new building's monthly rent (\$160,262). As a result of the Austin incident, we determined that the IRS paid an additional \$69,283 per month from the time the IRS occupied the new building in July 2010 through the end of our audit period, September 30, 2011.



**Nationwide evaluation and enhancement of physical security costs**

Immediately following the Austin incident, the IRS obtained the services of an outside consultant to provide an independent review of the IRS’s physical security and emergency preparedness operations and policies. The consultant was also to aid in identifying potential vulnerabilities and/or safety deficiencies and to provide an evaluation of overall IRS security. The costs associated with the evaluation and enhancement of IRS security nationwide totaled approximately \$32.2 million. The largest expenditure included in this total was more than \$30.4 million related to the acquisition of new or additional contract guard services at IRS facilities. Figure 2 provides details on the costs associated with the security initiatives undertaken subsequent to the Austin incident.

**Figure 2: Cost of Security-Related Expenses  
(as of September 30, 2011)**

Description of Cost	Amount
Additional Guard Services at IRS Facilities Nationwide	\$30,496,367
Security Evaluation and Risk Assessment Contract	\$1,236,634
Security Consultant	\$445,501
<b>Total</b>	<b>\$32,178,502</b>

Source: TIGTA analysis of IRS financial management records.

The TIGTA has an audit currently underway to determine whether the IRS administered the \$1.2 million Physical Security Risk Assessment contract in compliance with applicable acquisition regulations and guidance and whether the IRS received the contract deliverables in accordance with the terms and conditions of the contract.

**Not all related costs were coded as an Austin incident cost**

The IRS recognized the importance of timely identifying expenses incurred as a result of the Austin incident. As such, the IRS established a special tracking code within its accounting system the same day the incident occurred (February 18, 2010). The Chief, Budget Execution Operations, distributed the assigned Austin incident code to its Chief Financial Officer Division finance officers on the following day, along with a request that they pass this information on to their staff and program offices. The requirement to use the code for expenditures relating to the Austin incident was also distributed to IRS employees informally through e-mails. However, our review identified approximately \$3.6 million (9.3 percent) of the \$38.6 million in costs associated with the Austin incident that were not properly coded in the IRS’s accounting system. Figure 3 provides details of the expenses that were not properly coded.



**Figure 3: Costs Not Coded to the Austin Incident**

Description of Costs	Amount
Real Estate Expenses <sup>8</sup>	\$2,348,842
Security Evaluation and Risk Assessment Contract	\$1,236,634
Employee Reimbursement for Loss of Personal Items	\$13,493
<b>Total</b>	<b>\$3,598,969</b>

Source: Analysis of IRS financial management records.

Although we identified improperly coded costs, the IRS provided a reasonable business case explanation for not coding the security evaluation and risk assessment contract to the Austin incident. In addition, IRS management explained that the miscoding of the real estate expenses was the result of an accounting system limitation. For example:

- **Security Evaluation and Risk Assessment Contract** – More than \$1.2 million in costs associated with obtaining a contractor to perform risk assessments at IRS facilities nationwide were coded to the IRS Commissioner’s Security Readiness Project initiative. A *Safety and Security* update from the IRS Commissioner, released in May 2011, noted that the first step taken by the IRS to ensure the safety and security of IRS employees after the Austin incident was to perform a comprehensive review of IRS facilities across the country to determine how the IRS might improve its security posture. The IRS advised us that subsequent to the establishment of the Austin incident code, another code was established to document the expenses related to the IRS Commissioner’s Security Readiness Project initiative. This was the code that the risk assessment contract expenses were tracked under.
- **Additional Real Estate Costs** – More than \$2.3 million in real estate costs could not be coded to the Austin incident, including rental expenses at the old office building while salvage operations were underway, additional lease costs for the new office space, alterations to the new office space, and new office furnishings. The additional rent paid by the IRS was calculated by subtracting the old monthly rent from the new building’s monthly rent from the time the IRS occupied the new building in July 2010 through the end of our audit period, September 30, 2011. According to the IRS, the monthly rent bill for all IRS leased space is paid through one lump-sum payment to the General Services Administration. Because of the method in which the rental payments are made and how the other real estate costs are tracked, it was not possible to separately code the increase in rent costs to the Austin incident due to an accounting system limitation.

<sup>8</sup> These costs included rental expenses at the old office building while salvage operations were underway, additional lease costs for the new office space in Austin, alterations to the new office space, and new office furnishings.



---

## *Accounting for the Austin Incident*

---

However, the remaining miscoded expense of \$13,493 in employee claims for personal property losses were processed and paid under the Military Personnel and Civilian Employees' Claims Act<sup>9</sup> and the Department of the Treasury's implementing guidelines for that statute. Although properly processed and paid, the costs were not coded under the Austin incident tracking code. The IRS originally stated that a lack of clarity in the information distributed to IRS employees as to the type of expenses that should be recorded under this code resulted in the miscoding. However, subsequent to being provided a draft of this report, the IRS determined that the miscoding resulted from the omission of a key IRS individual responsible for approving these claims from the original special accounting code distribution list. As a result, this individual was not aware that a specific accounting code was established to track Austin incident costs.

The validity and accuracy of IRS financial reports depends on the correct use of financial accounting codes. The Government Accountability Office *Standards for Internal Control in the Federal Government* requires accurate and timely recording of transactions and events.<sup>10</sup> Transactions should be promptly recorded to maintain their relevance and value to management in controlling operations and making decisions. This applies to the entire process or life cycle of a transaction or event from the initiation and authorization through its final classification in summary records. In addition, control activities help to ensure that all transactions are completely and accurately recorded.

### ***Recommendation***

**Recommendation 1:** The Deputy Commissioner for Operations Support should ensure that communications relating to the use of special accounting codes to track costs associated with unforeseen events are distributed to all IRS personnel involved in coding incident-related expenses.

**Management's Response:** IRS management agreed with our recommendation. A form letter will be created to be kept in the Incident Management Planning Toolkit and distributed at the time of an emergency event that gives instructions for use of the internal code. A designated space will be available where the code can be displayed.

---

<sup>9</sup> 31 U.S.C. § 3721.

<sup>10</sup> Government Accountability Office (formerly known as the General Accounting Office), GAO/AIMD-00-21.3.1, *Internal Control: Standards for Internal Control in the Federal Government* (Nov. 1999).



## **Appendix I**

### *Detailed Objective, Scope, and Methodology*

The overall objective of this audit was to identify all expenses incurred by the IRS as a result of the February 18, 2010, airplane crash into the Austin, Texas, Echelon I building.<sup>1</sup> To accomplish this objective, we:

- I. Determined the total expenses incurred by the IRS as of September 30, 2011, as a result of the Austin incident.
  - A. Obtained IRS Integrated Financial System extracts and interviewed managers in the IRS business units located in the Echelon I building, the Office of Procurement, and the Chief Counsel Office to identify expenses related to the Austin incident.
  - B. Analyzed and grouped all Austin incident expenses by the nature and type of expenditure.
  - C. Evaluated Austin incident expenses to determine whether the Internal Order accounting code "IRREG" was properly used to code expenditures in the IRS accounting system.
  - D. Determined the IRS policy for reimbursing employees for personal items destroyed during the Austin incident.
  - E. Assessed the reliability of the Integrated Financial System computer processed data and determined that the data are sufficiently reliable to use for our audit tests. The IRS Integrated Financial System is an established financial system used by the IRS to account for expenditures. We determined that all transactions in the data extracted were within our audit period. We identified the transactions within the data extract related to the Austin incident and identified the transactions that were coded with the IRREG Internal Order code.
- II. Determined which budget appropriations were used to pay for expenses related to the Austin incident.
  - A. Determined the amount of each budget appropriation used to pay for expenses.
  - B. Determined whether the IRS requested or received any additional funding from Congress to pay for expenses related to the Austin incident.

---

<sup>1</sup> The costs included both the local response and business resumption activities in Austin, Texas, and the additional costs for broader security initiatives undertaken nationwide.



## *Accounting for the Austin Incident*

---

### **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 the following internal controls were relevant to our audit objective: IRS policies and procedures relating to the Austin incident for the accounting and classification of expenditures. We evaluated these controls by: 1) interviewing management and other employees involved in the immediate response and recovery from the Austin incident and the employees involved in the broader security initiatives implemented by the IRS throughout the country, 2) interviewing financial management employees involved in the funding process for Austin incident transactions, and 3) reviewing accounting records and documentation maintained by the IRS.



## **Appendix II**

### *Major Contributors to This Report*

Nancy A. Nakamura, Assistant Inspector General for Audit (Management Services and Exempt Organizations)  
Russell P. Martin, Acting Assistant Inspector General for Audit (Management Services and Exempt Organizations)  
Alicia P. Mrozowski, Director  
John L. Ledford, Audit Manager  
Jonathan T. Meyer, Audit Manager  
Heather M. Hill, Acting Audit Manager  
Tom J. Cypert, Lead Auditor  
Jennifer Clewis, Auditor  
Melvin Lindsey, Auditor  
Don Martineau, Auditor



**Appendix III**

*Report Distribution List*

Deputy Commissioner for Services and Enforcement SE  
Chief, Agency-Wide Shared Services OS:A  
Chief, Criminal Investigation SE:CI  
Chief Financial Officer OS:CFO  
Commissioner, Large Business and International Division SE:LB  
Commissioner, Small Business/Self-Employed Division SE:S  
Commissioner, Tax Exempt and Government Entities Division SE:T  
Commissioner, Wage and Investment Division SE:W  
IRS Human Capital Officer OS:HC  
Director, Employee Support Services OS:A:ESS  
Director, Physical Security and Emergency Preparedness OS:A:PSEP  
Director, Procurement OS:A:P  
Director, Real Estate and Facilities Management OS:A:RE  
Chief Counsel CC  
National Taxpayer Advocate TA  
Director, Office of Legislative Affairs CL:LA  
Director, Office of Program Evaluation and Risk Analysis RAS:O  
Office of Internal Control OS:CFO:CPIC:IC  
Audit Liaisons:  
    Chief, Agency-Wide Shared Services OS:A  
    Chief Financial Officer OS:CFO



## Appendix IV

### *Outcome Measure*

This appendix presents detailed information on the measurable impact that our recommended corrective action will have on tax administration. This benefit will be incorporated into our Semiannual Report to Congress.

#### **Type and Value of Outcome Measure:**

- Reliability of Information – Actual; \$13,493 in expenditures were not properly coded with the special tracking code established by the IRS to classify expenditures related to the Austin incident in its accounting records (see page 3).

#### **Methodology Used to Measure the Reported Benefit:**

To determine the amount of \$13,493 that we consider to be inaccurately recorded in the IRS's accounting records, we evaluated all expenditures as a result of the airplane crash into the Austin, Texas, IRS office building. A total of \$38,600,444 was spent by the IRS related to the Austin incident, and \$3,598,969 was not properly coded with the accounting Internal Order code established by the IRS to classify expenditures related to the incident in its accounting records. Of this, \$2,348,842 in additional real estate expenses were not captured by the code because the IRS pays its monthly rent bill for IRS-leased space through one lump-sum payment to the General Services Administration, and because the IRS's real estate project database determines the Internal Order codes assigned to projects during the planning phase and cannot be overridden. As a result, we removed the real estate expenses from our calculation. We also removed \$1,236,634 spent on the security risk assessment from our calculation because the IRS established another accounting code to classify this expense.



*Accounting for the Austin Incident*

**Appendix V**

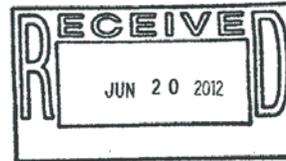
*Management's Response to the Draft Report*



CHIEF  
AGENCY-WIDE  
SHARED SERVICES

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

JUN 20 2012



MEMORANDUM FOR MICHAEL R. PHILLIPS  
DEPUTY INSPECTOR GENERAL FOR AUDIT

FROM: David A. Grant *David A. Grant*  
Chief, Agency-Wide Shared Services

SUBJECT: Draft Audit Report - Accounting for the Austin Incident  
(Audit #201110022)

Thank you for the opportunity to respond to the draft audit report. The overall objective of this review was to determine the costs to the Internal Revenue Service (IRS) resulting from the Austin incident from the date of the incident through September 30, 2011. The audit was conducted to identify all expenses incurred by the IRS as a result of the 2010 plane crash into the Echelon I building in Austin, Texas.

After reviewing the draft report, we concur with the recommendation and will develop the corrective action. Please see our response to the one recommendation attached.

We appreciate the continued support and assistance provided by your office. If you have any questions, please contact me at (202) 622-7500, or a member of your staff may contact Mary Beth Murphy, Director, Employee Support Services, at (202) 283-7784. For matters concerning audit procedural follow-up, please contact Larry Pugh, Office of Strategy and Finance, Agency-Wide Shared Services, at (202) 622-4541.

Attachment



---

## *Accounting for the Austin Incident*

---

Attachment

**RECOMMENDATION #1:** The Deputy Commissioner for Operations Support should ensure that communications relating to the use of special accounting codes to track costs associated with unforeseen events are distributed to all IRS personnel involved in coding incident-related expenses.

**CORRECTIVE ACTION:** A form letter will be created to be kept in the Incident Management Planning Toolkit and distributed at the time of an emergency event that gives instructions for use of the internal code. A designated space will be available where the code can be displayed.

**IMPLEMENTATION DATE:** August 30, 2012

**RESPONSIBLE OFFICIAL:** Director, Employee Support Services, Agency-Wide Shared Services

**Corrective Action Monitoring Plan:** Employee Support Services will enter accepted corrective action into the Joint Audit Management Enterprise System (JAMES). The corrective action is monitored on a monthly basis until completion.