



## Treasury Inspector General for Tax Administration Office of Audit

### POTENTIALLY DANGEROUS TAXPAYER AND CAUTION UPON CONTACT CASES ARE ADEQUATELY CONTROLLED, BUT IMPROVEMENTS IN TRAINING AND OUTREACH ARE NEEDED

Issued on January 18, 2013

## Highlights

Highlights of Report Number: 2013-40-014 to the Internal Revenue Service Deputy Commissioner for Services and Enforcement.

### IMPACT ON TAXPAYERS

The IRS has the task of protecting approximately 100,000 employees in more than 700 facilities located throughout the country. The safety of its employees has always been a top priority for the IRS, especially the safety of those employees who have direct contact with the public. The establishment of the Office of Employee Protection (OEP) and the Potentially Dangerous Taxpayer (PDT) and Caution Upon Contact (CAU) Programs was to improve the IRS's ability to identify taxpayers who represent a potential danger to IRS employees.

### WHY TIGTA DID THE AUDIT

This audit was initiated because IRS employees can be exposed to many difficult, threatening, and even extremely dangerous situations. Prior attacks on IRS facilities demonstrate the dangers that IRS employees face in performing their jobs. The objectives of the audit were to determine whether the OEP is effectively administering the PDT and CAU Programs and whether it is proactive in identifying PDTs who might pose a threat to IRS employees.

### WHAT TIGTA FOUND

Tests of the Employee Protection System records showed cases referred to the OEP were controlled and accurately entered into all IRS systems. Tests of 12 cases that underwent a five-year renewal review identified that established procedures were appropriately applied to each case.

However, some IRS employees who have direct contact with taxpayers do not have sufficient knowledge of the PDT and CAU Programs. Training courses and internal guidance for these employees were incomplete or inaccurate.

During interviews with employees, several incidents were described that had not been appropriately reported to the TIGTA Office of Investigations. The failure to report any threat or verbal abuse can put other IRS employees at risk if they later come into contact with the taxpayer face to face.

In addition, the OEP has not proactively ensured that the business units provide adequate training and guidance to these employees because of organizational misalignment and staffing issues. The OEP is not located within the office whose responsibilities include employee safety. The OEP should be realigned in the IRS's organizational structure to help better meet its mission and to elevate its visibility to help bolster employee awareness. It might also allow the OEP access to resources to engage in proactive agency-wide training and security involvement.

### WHAT TIGTA RECOMMENDED

TIGTA recommended that the IRS establish processes to ensure that all front-line employees receive annual PDT and CAU criteria training and ensure that Internal Revenue Manual sections for front-line employees include current, complete, and accurate information on the PDT and CAU Programs. Finally, the IRS should determine where the OEP should be aligned in the organizational structure to enhance its mission of providing an agency-wide service.

In its response to the report, the IRS agreed with the recommendations and plans to develop and distribute PDT and CAU training material to all operating divisions for required sharing with their public contact employees. It also plans to issue a memorandum to all operating divisions on the results of this audit and ask that they review their related Internal Revenue Manuals that reference PDT and CAU procedures to ensure consistency with Internal Revenue Manual Section 25.4. If the operating divisions identify inconsistencies, the IRS plans to ask that they furnish appropriate updated guidance. The IRS also plans to share the results of the specific TIGTA Internal Revenue Manual reviews referenced in the draft report with the appropriate offices for action. Finally, it plans to evaluate the organizational structure to determine the best alignment of the OEP.

### READ THE FULL REPORT

To view the report, including the scope, methodology, and full IRS response, go to:  
<http://www.treas.gov/tigta/auditreports/2013reports/201340014fr.pdf>.