
TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION
Inspections and Evaluations



*Inspection of Taxpayer Assistance Centers
Finds Most Centers Generally Complied With
Established Procedures - Although Security
Measures Varied Among the Centers*

September 28, 2009

Reference Number: 2009-IE-R003

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.



TREASURY INSPECTOR GENERAL
FOR TAX ADMINISTRATION

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

September 28, 2009

MEMORANDUM FOR COMMISSIONER, INTERNAL REVENUE SERVICE

FROM: R. David Holmgren *Holmgren*
Deputy Inspector General for Inspections and Evaluations

SUBJECT: Final Report – Inspection of Taxpayer Assistance Centers Finds Most Centers Generally Complied with Established Procedures –Although Security Measures Varied Among the Centers (Inspection IE-09-004)

This report presents the results of our inspection to determine whether Taxpayer Assistance Centers (TACs) have adequate physical security and provide professional and courteous service to taxpayers.

Synopsis

The Internal Revenue Service's (IRS) Wage and Investment - Field Assistance Office staffs 401 TACs in order to provide taxpayers face-to-face assistance. About 2,100 employees staff the TACs and work with taxpayers to resolve tax issues, answer tax law questions, make adjustments to tax accounts, accept completed tax returns and payments, establish payment agreement for qualified individuals who cannot pay in full, prepare basic individual income tax returns, and provide various tax forms and publications. In Fiscal Year 2008, TAC employees assisted approximately 6.9 million taxpayers.

Our on-site inspections of 59 TACs revealed they generally complied with the policies prescribed by Field Assistance senior staff. The offices had the required signs listing the services offered, provided adequate space, and the required forms and publications. We noted the TACs were clean, well organized, and appeared to run efficiently during our visits.

We found most TAC internal security procedures were effectively implemented. We found two managers who were not aware of the full passive security measures in their office. In these cases, the offices were equipped with closed circuit television systems but the managers did not know where the monitors for the cameras were located, if they were active, or if they were



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actively monitored. At both locations, the systems were not actively monitored but could provide valuable information after an incident.

While on-site and in subsequent discussion with Field Assistance managers, we learned the level of uniformed guard service provided varied from location to location. At the time of our inspection, only 181 locations had some type of on-site uniformed guard service. This ranged from perimeter security, which requires all visitors be screened upon entering the building, to having a guard stationed in the actual TAC or in some cases both. Of the 401 TACs, 220 (55 percent) have no on-site guard service unlike the Social Security Administration which has a policy of providing on-site guard service at its walk-in sites. Instead, the 220 TACs have a duress alarm system monitored by local police or the Federal Protective Services. Responses to an alarm within 15 minutes are deemed acceptable.

Wage and Investment and Physical Security and Emergency Preparedness executives acknowledge the current model for determining which offices qualify for guard services is not easily or consistently applied. Both groups of executive have been working on a task force to determine how best to improve the security at the 220 unguarded TACs.

For Fiscal Year 2009, the IRS expects to spend approximately \$6 million for guard service¹ at TACs currently provided guard service. Physical Security and Emergency Preparedness staff estimates it would cost \$36.2 million to place one guard in each TAC for a full year² and up to \$104.1 million to provide full screening at each location.³ We recognize that on-site guard service does not guarantee there will be no reportable incidents at the TACs; however, we believe their presence may provide a significant deterrent effect and result in a reduction in the number of incidents reported.

Recommendations

We recommend (1) the Director of Field Assistance reemphasize the need for each TAC manager to fully understand the security measures in place in each office, and (2) the Commissioner determine what security policy should be applied to the walk-in offices and whether that should include a commitment to provide uniformed guard service at each walk-in location either through general building security measures or placing a guard in the actual TAC office.

¹ These are costs over and above those that are built into the rent costs paid by the IRS. The Physical Security and Emergency Preparedness staff is currently updating this figure to reflect actual costs versus projected costs.

² The estimated cost of one guard is \$90,360 (401 guards x \$90,360 = \$36.2 million).

³ See page 7 of the report.



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Response

IRS management agreed with our recommendations, and has completed actions to address the items identified during our inspection. The Director, Field Assistance issued a reminder to all TAC managers to reemphasize existing security measures. Additionally, Field Assistance has determined the security policy to be applied to all TACs. The security policy includes controlled access, duress alarms, locks with key pads, and closed circuit television monitors. Field Assistance plans to assess the feasibility of providing guard service at each TAC; however, they acknowledge this solution could be cost prohibitive. We are concerned that as planned it will take the IRS another year to make this assessment. Management's complete response to the draft report is included in Appendix VI.

If you have any questions related to this report, please contact me at (202) 927-7048 or Kevin Riley, Director, Inspections and Evaluations, 972-308-1229.



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Abbreviations

| | |
|------|--|
| IRM | Internal Revenue Manual |
| IRS | Internal Revenue Service |
| PSEP | Physical Security and Emergency Preparedness |
| TAC | Taxpayer Assistance Center |



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Background

The Internal Revenue Service's (IRS) Wage and Investment - Field Assistance Office staffs 401 Taxpayer Assistance Centers (TACs) in order to provide taxpayers face-to-face assistance. There are about 2,100 employees in the TACs who work with taxpayers to resolve tax issues, answer tax law questions, make adjustments to tax accounts, accept completed tax returns and payments, establish payment agreement for qualified individuals who cannot pay in full, prepare basic individual income tax returns, and provide various tax forms and publications. In Fiscal Year 2008, TAC employees assisted approximately 6.9 million taxpayers.

In some cases, taxpayers may have significant tax issues and the resulting stress associated with the issue may cause the taxpayer to act in an inappropriate manner. Each year, taxpayers make verbal threats or physically assault TAC employees; in some instances threaten to harm themselves; enter a TAC with prohibited items; or engage in other disruptive behavior. The IRS refers to these as incidents and according to records provided by Field Assistance, TAC employees reported 122 incidents between October 2008 and May 2009. Additionally, IRS officials have reported an increase in incidents with the current downturn in the economy.

Because of this close contact with taxpayers and the threat of violence, it is critical that TACs have adequate security measures to protect employees, taxpayer information, equipment, and taxpayers. The Physical Security and Emergency Preparedness (PSEP) staff, located within the IRS's Agency-Wide Shared Services, is responsible for developing security policies and contracting for security services.

Our inspection was conducted to determine whether TACs provide professional and courteous service to taxpayers and have adequate physical security. This inspection was performed from February 2009 through July 2009 at the Field Assistance Office in the Wage and Investment Division in Atlanta, Georgia, 59 TACs located in 17 states, and PSEP in the IRS National Headquarters in Washington, D.C. This review was performed in accordance with the President's Council on Integrity and Efficiency Quality Standards for Inspections. Detailed information on our inspection objective, scope, and methodology is presented in Appendix I. Major contributors to the report are listed in Appendix II. TAC locations inspected are listed in Appendix IV. The inspection checklist we developed based on the Internal Revenue Manual (IRM) is in Appendix V.



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Results of Review

We determined that while the physical set up of the TACs varied from location to location, those we visited generally complied with the policies prescribed in the IRM and guidance from Field Assistance senior staff. The details of our inspection are described in the next section of this report. During our on-site inspections, discussions with managers and Field Assistance staff identified concerns with the level of security at each TAC. On-site security provided to the TACs varies significantly among the sites. Some sites have guards stationed at public entrances to the building, some have guards in the actual TAC space, some a combination of both, some have guards in other offices in the building that are provided by another agency, and 220 (55 percent) TACs have no on-site guard service. Arrangements have been made to have some type of police response to these sites if a duress alarm is activated. Help arriving within 15 minutes of the alarm is considered an appropriate response per the guidelines PSEP follows.

Providing physical security for TAC employees and taxpayer customers has been a concern to the Field Assistance and the PSEP staff. While they have been studying how best to address this concern, we believe the current economic downturn could cause some taxpayers seeking assistance to feel more stress about their financial situation, which may in turn cause an increase in the number of incidents at the TACs. Therefore, to the extent practical, the feasibility of placing a uniformed guard at every TAC should be seriously considered.

Taxpayer Assistance Centers Generally Complied with Established Policies

TACs are expected to be clean, uncluttered, and well organized to reduce congestion in the TACs and to reduce wait time for taxpayers. If possible employees should place tax forms and publications in a location to allow easy access and self-service for taxpayers. Employees should also post signs that list the hours of operation, services provided and other information to help manage the flow of taxpayers seeking assistance. Additionally, the TACs should be organized to provide the taxpayers with the maximum privacy possible. Appendix V provides specific requirements for each TAC.

We visited 59 TACs during the filing season,¹ and found that the TACs were clean and well organized. Additionally, the TACs had signs posted to provide taxpayers with information related to services provided and procedures to be followed in the TAC. Where the TACs had adequate space, forms and publications needed by taxpayers were stored in a separate location

¹ The period from January through mid-April when most individual income tax returns are filed.



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that taxpayers could access without causing congestion in the TAC. We did not observe any long lines of taxpayers waiting to be served.

Although the TACs were organized to minimize wait times, one taxpayer with a cane complained about being forced to wait outside until the TAC office opened. At another location, customers for the Social Security Administration are allowed to enter the building at 8:15 a.m., whereas TAC customers are forced to wait until 8:30 a.m. to enter the building. The different hours of operation caused some confusion and irritated some TAC customers.

Several TACs had self-service areas for tax forms and publications that were not fully stocked. Particularly, we found that at least 7 percent of the bins for tax forms and publications were empty at 19 of 59 TACs (approximately 32 percent of the TACs inspected). The percentage of empty bins in 3 of the 19 TACs exceeded 20 percent. Overall, the TACs we inspected met the standards defined by the Field Assistance senior management staff.

Security Measures Varied Among the Taxpayer Assistant Centers

Basic security measures were normally in place

The IRS has established basic security measures to protect IRS employees, computer equipment, tax returns, records, monies, and property in its TACs. These basic security measures include locked perimeter doors and intrusion detectors for first floor offices. Basic security measures also include duress alarms in public contact areas, which are used by TAC employees to alert local police and security guards of potentially dangerous situations. TAC managers are required to periodically test duress alarms, and conduct quarterly and annual security reviews to ensure minimum security standards are in place.

We reviewed the security measures at 59 TACs and found that all TACs did have basic security measures in place. However, we noted a few cases where the benefits of the security measures were diminished because employees did not use the security measures as intended. At one TAC, we found an unlocked perimeter door which an unauthorized person could have used to gain access to the restricted area in the TAC. The manager indicated the door did not automatically lock when closed and an employee inadvertently failed to lock the door after entering.

At another TAC, we found that IRS employees failed to arm the security intrusion alarm system during non-business hours for over 12 months. During that time period, intruders could have gained access to the TAC without detection. The security system provides support to the TAC and other IRS business units located in the same building. The control panel for the system was located in an office separate from the TAC. TAC employees were not aware the security system had not been armed in over 12 months because employees in another business unit were responsible for arming and disarming the system. Those employees were relocated to another building and the responsibility for the alarm system was not reassigned.



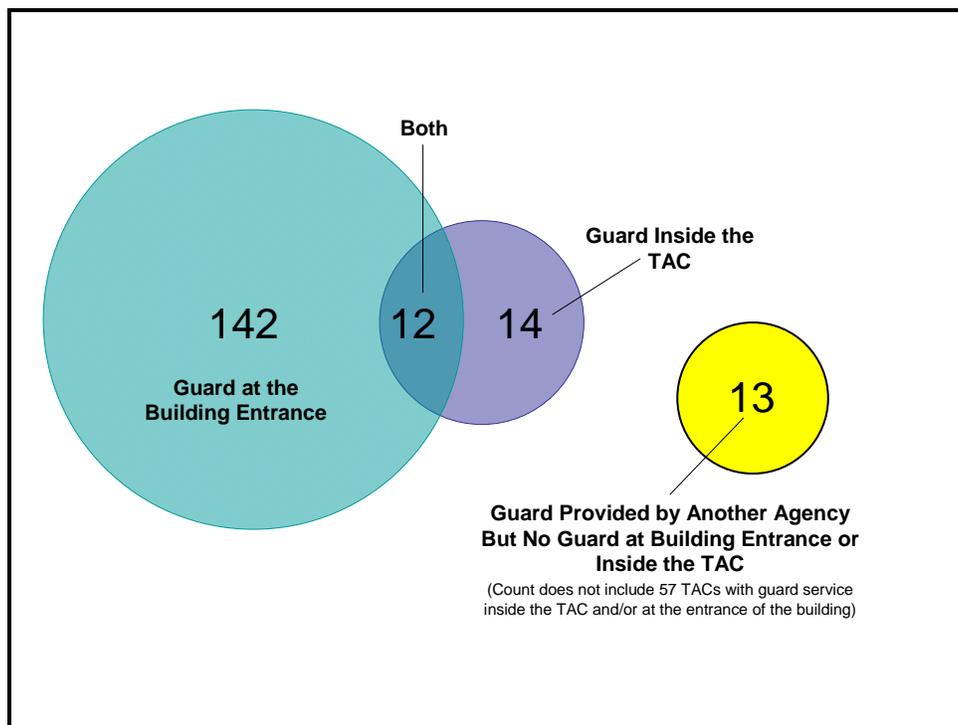
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We also found that two managers were not aware of the full passive security measures in their office. In these cases, the offices were equipped with closed circuit television systems. The managers did not know where the monitors for the cameras were located, if they were active, and if they were actively monitored. In both cases, the systems were not actively monitored but could provide valuable information after an incident.

Most TACs do not have on-site guard service

TACs are classified as small (1-4 staff), medium (5-9 staff), large (10 – 19), or extra large (19 or more staff). Staff size is just one of several components used to determine whether a site should have on-site guard service. Of the 401 TACs in operation, only 181 had on-site guard service.

Figure 1: Location of Guard Service at TACs



Source: Treasury Inspector General for Tax Administration analysis of records provided by Field Assistance.

Security guards at different locations in the building where the TAC is located provided different levels of protection. For example, security guards at the entrance of the building can prevent individuals from entering the building with weapons and harmful materials and also restrict access.² Security guards located inside the TAC may prevent incidents from occurring, may

² Costs for this type of security are usually built into the rent charges the IRS pays.



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prevent verbal assaults from escalating to violence and they can immediately respond to irate taxpayers. Security guards located in other parts of the building also provide protection; however, in these cases they would most likely be responding to an incident after a duress alarm has been activated.

PSEP senior staff informed us that determining which offices guards are assigned is not a simple issue. The model used by the IRS to determine which locations should have on-site guard service is based on the Department of Justice Vulnerability Assessment of Federal Facilities. This tool takes into consider a number of criteria and is used to assign a Level designation to each facility.

The figure below lists the security levels, the criteria for each security level, and whether guard service is required.

Figure 2: Requirement for Guard Service Based on Building Security Level

| Building Security Level | Criteria for Security Level | Requirement for Guard Service |
|--------------------------------|---|--------------------------------------|
| Level I | 10 or fewer federal employees; 2,500 or fewer rentable square footage; low public contact | No |
| Level II | 11-150 federal employees; 2,500-80,000 rentable square footage; moderate public contact; routine activities | No |
| Level III | 151-450 federal employees; 80,000-150,000 rentable square footage; moderate to high public contact; law enforcement or court/related activities, government records and archives functions | No |
| Level IV | More than 450 federal employees; more than 150,000 rentable square footage; high public contact; high-risk law enforcement/intelligence agencies, courts, judicial offices, and highly sensitive government records | Yes |
| Level V | Reserved for and assigned to those facilities identified and prioritized as national security critical infrastructure. IRS buildings classified as Level V are the computing centers located at Memphis, Tennessee; Detroit, Michigan; and, Martinsburg, West Virginia. | Yes |

Source: Department of Justice Vulnerability Assessment Standards and IRS information.

One of the criteria in the model is the amount of public contact, and by their very nature, TACs routinely have a high level. The other factors considered, like the number of employees, the



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square footage of the office, and the lack of court-related, law enforcement, or national security data, make it very unlikely that TACs would receive guard service using this model.

Also, PSEP officials have acknowledged several TACs that currently have guard services should not have them based on the established standards (about 80 percent would not qualify using the model). It is particularly difficult, however, to take away such a service once employees and taxpayers have become accustomed to it. The figure below lists the number of TACs with guard service for each building security level designation.

Figure 3: TACs with Guard Service by Security Level

| Security Level | Number of TACs | TAC with Guard Service | Percentage of TACs with Guard Service |
|----------------|----------------|------------------------|---------------------------------------|
| I | 36 | 5 | 14 percent |
| II | 235 | 68 | 29 percent |
| III | 51 | 33 | 65 percent |
| IV | 79 | 75 | 95 percent |
| Total | 401 | 181 | |

Source: Treasury Inspector General for Tax Administration analysis of records provided by Field Assistance.

While the likelihood of guard service increases with the security level of the building, a high security level does not guarantee guard service. For example, 5 percent of TACs located in buildings with security Level IV do not have guard service as required by the criteria listed in Figure 2.

As of our inspection, 220 TACs had no guard service and Field Assistance and PSEP staffs were proactively addressing this issue. In September 2008, a task force was formed to develop a consistent methodology to determine the need for guard service. Included in the criteria are the volume of public access to the building, the use of other security measures (such as, closed circuit television monitors and magnetometers), and the presence of guard service provided by the building or other agency collocated within the building. The task force also documented a standardized process to be used to request guard services and determined which of the 220 TACs without guard service should receive guard service first by producing a prioritized list of all 220 TACs.

We recognize that on-site guard service does not guarantee there will be no reportable incidents at the TACs; however, we believe their presence may provide a significant deterrent effect and result in a reduction in the number of incidents reported. Having some form of guard service



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screening individuals as they enter the building housing the TAC is also a good measure assuming the guards are able to respond to any incidents in the TAC.

Ideally, senior officials in the Wage and Investment Division and PSEP would prefer to have guard service in all TACs. They cite the Social Security Administration as a Federal agency with a security model that largely requires on-site uniformed guard service at the majority of its offices that provide walk-in face-to-face services. However, they believe current funding limitations make this option unfeasible.

For Fiscal Year 2009, the IRS expects to spend approximately \$6 million for guard service at TAC sites already provided on-site guard service.³ PSEP estimates it would cost \$36.2 million⁴ to place one guard in each TAC for a full year. To physically screen persons entering each TAC, each site would need two guards and related screening equipment. The estimated cost for the guards is \$72.4 million (802 guards @ \$90,360) and \$31.7 million (\$79,100 x 401)⁵ for the equipment. Therefore the cost to the IRS is estimated to range from \$36.2 million for a guard in each site up to \$104.1 million to staff and equip each TAC to fully screen its customers (the first year) and then would drop to \$72.4 million over the next 4 years.

PSEP officials noted other IRS business units would have to share the additional cost in cases where other IRS business units occupy the same facilities as the TACs. In cases where the TACs share facilities with other agencies, such as the Social Security Administration, the IRS will need to have agreements to share the cost of added guard service. Because the funding issue for additional guard service includes other IRS business units and could involve other agencies, the Field Assistance and PSEP staffs are not authorized to make this decision at their level.

Recommendations

Recommendation 1: The Director of Field Assistance should reemphasize the requirement that each manager fully understand the security measures in place in each office he or she is responsible for.

Management's Response: IRS management agreed with the recommendation and the Director, Field Assistance issued a reminder to all TAC managers to reemphasize existing security measures and revised its policy for reporting incidents.

³ These are costs over and above those that are built into the rent costs paid by the IRS. PSEP staff is currently updating this figure to reflect actual costs versus projected costs.

⁴ The estimated cost for one guard is \$90,360 (401 guards x \$90,360 = \$36.2 million).

⁵ The estimated cost of a magnetometer (\$73,000), x-ray machine (\$5,600) and hand-held wand (\$500) for each site and on average each will need to be replaced every 5 years.



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Recommendation 2: The IRS Commissioner should determine what security policy should be applied to the walk-in offices and whether that should include a commitment to provide uniformed guard service at each TAC.

Management's Response: IRS management agreed with the recommendation and the Director, Field Assistance:

- a) Has determined the security policy to be applied to all TACs. The security policy includes controlled access, duress alarms, locks with key pads, and closed circuit television monitors; and,
- b) Plans to assess the feasibility of providing guard service at each TAC; however, management acknowledges this solution could be cost prohibitive and this corrective action is not expected to be completed until September 15, 2010.

Office of Inspections and Evaluations Comment: We recognize implementing the suggested corrective action is not a very simple process, but are concerned that if not implemented by January 2010, the IRS will enter a new filing season with largely the same conditions and risks as we observed last year. Additionally, as the Field Assistance and PSEP task force to study security issues was formed in September 2008, it will take the IRS 2 years to upgrade security at its TAC locations and a full year to implement this agreed to corrective action.



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Appendix I

Detailed Objective, Scope, and Methodology

The overall objective of the inspection was to determine whether selected components of the Field Assistance mission and goals are being met. To accomplish this objective we:

- I. Determined whether TACs had adequate physical security and taxpayer privacy.
- II. Determined whether TACs provide professional and courteous service to taxpayers while minimizing wait time.



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Appendix II

Major Contributors to This Report

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Appendix III

Report Distribution List

Office of the Commissioner – Attn: Chief of Staff C
Deputy Commissioner for Operations Support OS
Deputy Commissioner for Services and Enforcement SE
Chief Counsel CC
National Taxpayer Advocate TA
Commissioner, Wage and Investment Division SE:W
Chief, Agency-Wide Shared Services OS:A
Director, Customer Assistance, Relationships and Education SE:W:CAR
Director, Field Assistance SE:W:CAR:FA
Director, Physical Security and Emergency Preparedness OS:A:PSEP
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



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Appendix IV

List of Taxpayer Assistance Centers Inspected

| State | City | State | City |
|---------------|----------------|---------------|------------------|
| California | Los Angeles | Minnesota | St. Cloud |
| California | Oakland | Minnesota | St. Paul |
| California | San Diego | Missouri | Independence |
| California | San Francisco | Missouri | Kansas City |
| California | San Jose | Missouri | St. Joseph |
| California | San Marcos | New Hampshire | Portsmouth |
| California | Santa Barbara | New York | Garden City |
| California | Santa Maria | New York | Hauppauge |
| California | Walnut Creek | New York | New York |
| Florida | Maitland | New York | New York |
| Florida | Sarasota | Oregon | Eugene |
| Florida | St. Petersburg | Oregon | Medford |
| Florida | Tampa | Oregon | Portland |
| Georgia | Athens | Oregon | Salem |
| Georgia | Atlanta 1 | Rhode Island | Providence |
| Georgia | Atlanta 2 | Texas | Dallas |
| Georgia | Gainesville | Texas | Dallas |
| Georgia | Macon | Texas | DeSoto |
| Idaho | Boise | Texas | Ft. Worth |
| Idaho | Idaho Falls | Texas | Houston 1 |
| Idaho | Pocatello | Texas | Houston 2 |
| Kansas | Mission | Texas | Houston 3 |
| Louisiana | Baton Rouge | Texas | Houston 4 |
| Louisiana | Lafayette | Utah | Ogden |
| Louisiana | New Orleans | Utah | Provo |
| Massachusetts | Boston | Utah | Salt Lake City 1 |
| Maryland | Baltimore | Utah | Salt Lake City 2 |
| Maryland | Wheaton | Virginia | Fredericksburg |
| Minnesota | Bloomington | Virginia | Richmond |
| Minnesota | Minneapolis | | |



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Appendix V

On-site Survey Form

Taxpayer Assistance Centers Onsite Inspection Checklist

| | | | |
|---------------------------------|--|--------------------|--|
| TAC Number (ODN) | | Date of Inspection | |
| TAC Size Designation | | Time in | |
| TAC Full Time or PT | | Time out | |
| TAC Street Address | | Reviewer 1 | |
| TAC City, State Address | | Reviewer 2 | |
| TAC Manager First and Last Name | | TAC Manager Phone | |

| | | |
|---------------------------------------|------------------------------|-------------------------|
| Number of Clients present in the TAC: | Number of TAC staff present: | Number of workstations: |
| | | |

| Number | Inspection Item | Reference | Yes | No | Comment |
|-----------|--|--|-----|----|---------|
| | Customer Service - Is the TAC professional, well organized, and clean? | Internal Revenue Manual (IRM) 21.3.4.3 | | | |
| 1a | Are forms in a separate location from the TAC? | IRM 1.4.11.4 (2) | | | |
| 1b | If 1a is “No” - are self-service forms racks in the outer lobby or as near to the TAC entrance as possible? | IRM 1.4.11.4 (3) | | | |
| 1c | If TAC is not on 1 st floor, are forms located on 1 st floor? | IRM 1.4.11.4 (2) | | | |
| 2a | Was there an Initial Assistance Representative/Individual Tax Advisory Specialist to direct taxpayers to the appropriate area? | IRM 21.3.4.3.2(3)a | | | |
| 2b | If “No” to 2a – Did an IRS employee make periodic announcements regarding self-service? | IRM 21.3.4.3.2(3)b | | | |



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| Number | Inspection Item | Reference | Yes | No | Comment |
|---------------|---|-------------------------------------|------------|-----------|----------------|
| 6i | Are all signs displayed where they can be easily seen? | IRM 21.3.4.3.12 | | | |
| 6j | Are any of the signs handwritten? | | | | |
| | Are facilities adequately protected | | | | |
| 7a | Do all perimeter doors and windows have locks? | IRM 1.4.11.4.1 | | | |
| 7b | Are all perimeter doors (excluding the main entrance) and windows locked? | | | | |
| 7c | Do IRS employees wear visible credentials? | IRM 1.4.11.4.1 | | | |
| 7d | Do visitors wear visible visitor's badges? | IRM 1.4.11.4.1 | | | |
| 7e | Are duress alarms in public contact areas? (Ask Manager.) | 1.4.11.4.1 | | | |
| 7f | Are duress alarms tested quarterly as required and recorded on F12149 Functional Security Reviews for Managers? | 1.4.11.4.2 (4) Exhibit 1.4.11-11 | | | |
| 7g | Are intrusion detection devices in place and operational for first floor offices? | 1.4.11.4.1 | | | |
| 7h | Do IRS employees who provide face-to-face assistance to taxpayers wear name tags? | IRM 1.4.11.4.1.2.1 | | | |
| 7i | Do employee name tags include the entire first name, last name, and employee identification number? | IRM 1.4.11.4.1.2.1 | | | |
| 7j | Were physical and fiscal reviews conducted on a quarterly basis? | IRM 1.4.11.4.1.3 (1) c | | | |
| 7k | Were any non-IRS individuals observed in IRS only space? | IRM 10.2.13.2 (3) | | | |
| 7l | Are work areas divided with screens to provide some privacy and limit disclosure? | IRM 21.3.4.5.4 | | | |



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| Number | Inspection Item | Reference | Yes | No | Comment |
|---------------|--|------------------------|------------|-----------|---|
| 7m | Do employees have a space to store their personal items to ensure they don't co-mingle their items with taxpayers' items? (Observe and ask Manager.) | March 2006 Power Point | | | |
| 7n | Does the manager have a copy of the current Occupant Emergency Plan/Guide | IRM 1.16.6 | | | Note the date of the plan. |
| 7o | Are visitors screened through a magnetometer? (If magnetometer not present mark comment box "N/A") | | | | |
| 7p | Are visitor's personal items X-rayed? (If X-ray device not present mark comment box "N/A") | | | | |
| 7q | If "No" to 7p, are personal items physically searched? | | | | |
| | Cash/Sensitive Items | | | | |
| 8 | Are there any payment drop boxes at the site? (Payment drop boxes are not authorized in TACs.) | IRM 21.3.4.3.1 | | | |
| 8a | Determine if a cash box is kept at the site: | IRM 21.3.4.7 (8) | | | A cash box used to store checks, receipt books, and cash. |
| 8b | Is it a metal container with riveted or welded seams? | IRM 21.3.4.7 (8) | | | |
| 8c | Does it have either a key or combination lock? | IRM 21.3.4.7 (8) | | | |
| 8d | Are the keys or combination controlled? | IRM 21.3.4.7 (8) | | | |



Inspection of Taxpayer Assistance Centers Finds Most Centers Generally Complied with Established Procedures - Although Security Measures Varied Among the Centers

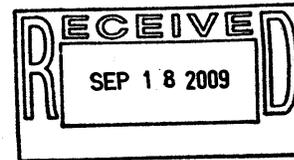
Appendix VI

Management's Response to the Draft Report



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
ATLANTA, GA 30308

SEP 18 2009



MEMORANDUM FOR R. DAVID HOLMGREN
DEPUTY INSPECTOR GENERAL FOR INSPECTIONS
AND EVALUATIONS

FROM: Richard Byrd, Jr. 
Commissioner, Wage and Investment Division

SUBJECT: Draft – Inspection of Taxpayer Assistance Centers Finds
Most Centers Generally Complied with Established Procedures
-Although Security Measures Varied Among the Centers
(Inspection # IE-09-004)

I reviewed the subject draft report and agree with your findings and recommendations. Your report underscores our strong commitment to ensure the Taxpayer Assistance Centers (TACs) provide professional and courteous service to taxpayers and have adequate physical security.

As your report indicates, TAC employees assist taxpayers with resolving tax issues, preparing basic individual tax returns, answering tax law questions, resolving inquiries on taxpayer accounts, accepting completed tax returns and payments, and providing various other services designed to minimize the burden on taxpayers in satisfying their tax obligations. I appreciate your recognition that employees in our 401 TACs assisted approximately 6.9 million taxpayers in Fiscal Year 2008.

I am pleased your on-site inspections of 59 TACs revealed they generally complied with the policies established. Specifically, your report states the TACs had the required signs listing the services offered, provided adequate space, and that the required forms and publications needed by taxpayers were stored in a separate location that taxpayers could access without causing congestion in the TAC. You also noted the TACs were clean, well organized, appeared to run efficiently during your visits, and that most TAC internal security procedures were effectively implemented.

While the overall results of your inspection were favorable, you also identified opportunities for improvement. For example, you found that some managers did not fully understand the security measures in their TACs. To address this issue, we



Inspection of Taxpayer Assistance Centers Finds Most Centers Generally Complied with Established Procedures – Although Security Measures Varied Among the Centers

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provided reminders to all TAC managers regarding the Occupant Emergency Plan, evacuation plans, Shelter in Place, and other precautionary measures. We will continue to provide periodic reminders to managers about the security measures in place at each TAC office.

Your report also states the level of uniformed guard service varied from location to location and, at the time of your inspection, only 181 TAC offices had some type of on-site uniformed guard service. We agree the current model or criteria for determining which offices qualify for guard services was not easily or consistently applied. As such, prior to your inspection, our Field Assistance function, which is responsible for managing the TACs, worked with the Physical Security and Emergency Preparedness (PSEP) function to assess whether the current criteria addressed the needs of TACs. As a result of this collaborative effort, a task force was formed to develop a consistent methodology to determine the need for guard service and how best to improve security at the 220 TACs currently without guard service. In addition, a Governance Board comprised of PSEP and Wage and Investment Division representatives will provide on-going recommendations to improve security through a variety of actions, such as guards, barriers, controlled access, and monitoring.

Attached are our comments to your recommendations. If you have questions, please call me at (404) 338-7060, or a member of your staff may contact Leslye Baronich, Director, Field Assistance, Wage and Investment Division, at (404) 338-7141.

Attachment



Inspection of Taxpayer Assistance Centers Finds Most Centers Generally Complied with Established Procedures – Although Security Measures Varied Among the Centers

Attachment

Recommendation 1

The Director of Field Assistance should reemphasize the requirement that each manager fully understand the security measures in place in each office he or she is responsible for.

Corrective Action

We agree with this recommendation. The Director, Field Assistance issued a reminder on April 30, 2009, to all Taxpayer Assistance Center (TAC) managers about Occupant Emergency Plans to reemphasize the security measures in place at each TAC office. In addition, Field Assistance distributed revised Incident Reporting Policy Guidance and Requirements to all TAC managers to ensure they fully understand TAC security measures.

Implementation Date

Completed April 30, 2009

Responsible Official

Director, Field Assistance, Wage and Investment Division

Corrective Action Monitoring Plan

N/A

Recommendation 2

The IRS Commissioner should determine what security policy should be applied to the walk-in offices and whether that should include a commitment to provide uniformed guard service at each TAC.

Corrective Action

We agree with this recommendation and will continue efforts to improve security through a variety of actions, such as guards, barriers, controlled access, and monitoring.

- (a) Field Assistance staff determined the security policy that will be applied to the walk-in offices. The security policy incorporates the TAC Model and guard service. The TAC Model includes controlled access to protect taxpayers and assistants, duress alarms at each work station and interview room, locks with key pads, and closed circuit television monitors. The new TAC Model is being installed in TACs with priority based on security/health concerns, lease expirations, relocations, and forced moves. In non-TAC Model locations, the IRS will upgrade locks, install barriers as space permits, or temporarily relocate a TAC if needed to address major security concerns.

With respect to the guard service, a task force was formed to develop a consistent methodology to determine the need for guard service. Guard service will be



Inspection of Taxpayer Assistance Centers Finds Most Centers Generally Complied with Established Procedures – Although Security Measures Varied Among the Centers

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provided in TACs based on the needs of the TAC and criteria such as building security level, manager on site, incidents within the last year, volume of public access to the building, and the use of other security measures (such as closed circuit television monitors).

- (b) While we agree providing guard service in all 401 TACs may yield a significant deterrent effect, we recognize this may be cost prohibitive. We will, therefore, explore and determine the feasibility of providing uniformed guard service at each TAC.

Implementation Date(s)

- (a) Completed July 31, 2009
(b) September 15, 2010

Responsible Official

Director, Field Assistance, Wage and Investment Division

Corrective Action Monitoring Plan

We will monitor this corrective action as part of our internal management control system.