

e. Pursuant to Executive Order No. 12863, September 13, 1993, and No. 12333, December 4, 1981, the TIGTA, together with the General Counsel, to the extent permitted by law, shall report to the President's Intelligence Oversight Board concerning intelligence activities of the IRS and Related Entities where there is reason to believe the activities may be unlawful or contrary to Executive Order or Presidential Directive.

5. Responsibilities of Department of Treasury Personnel

a. All employees of the Department of the Treasury, including IRS and Office of Chief Counsel personnel, and members and staff of the Board, shall promptly and directly report to the OTIGTA, on matters under TIGTA authority:

(1) Complaints or information concerning the possible existence of any activity related to the IRS or Related Entities that constitutes a violation of law, including bribery overtures, or any other corrupt or threatening action to the extent it is within the TIGTA's jurisdiction;

(2) Complaints or information related to programs and operations of IRS or Related Entities concerning mismanagement; gross waste of funds; abuse of authority or violation of a taxpayer's rights; violations of regulations, including ethics regulations; or a substantial and specific danger to the public health and safety;

(3) Any unauthorized request from, or unauthorized disclosure of return or return information to, Board members, employees or detailees, which is prohibited by 26 U.S.C. § 6103(h)(5)(A);

(4) Any unlawful request by the President, Vice President, employees of the executive offices of either the President or Vice President, or any individual (except the Attorney General) serving in a position specified in 5 U.S.C. § 5312 (generally Cabinet level positions), that any IRS employee conduct or terminate an audit or other investigation of any particular taxpayer with respect to the tax liability of such taxpayer, which is prohibited by 26 U.S.C. § 7217; and,

(5) Any matters that raise questions of propriety or legality under Executive Orders 12863 and 12333 regarding the conduct of United States intelligence activities with respect to IRS and Related Entities programs and operations.

b. Any employee of the Department of the Treasury, who has authority to take, direct others to take, recommend, or approve any personnel action, shall not, with respect to such authority, take or

threaten to take any action against any employee as a reprisal for making a complaint or disclosing information to the TIGTA, unless the complaint was made or the information disclosed with the knowledge that it was false or with willful disregard for its truth or falsity.

c. No employee of the Department of the Treasury shall prevent or prohibit the TIGTA from initiating, carrying out, or completing any audit or investigation of a matter within the jurisdiction of the TIGTA, or from issuing any subpoena during the course of any such audit or investigation.

d. In carrying out their official duties, OTIGTA personnel shall have the full cooperation of employees of the Department of the Treasury and shall have full and prompt access to facilities, property, electronic or paper records, documents, correspondence, data, and computer systems, as such access is defined in paragraph 2.a.(2) of this Order.

e. Employees of the Department of the Treasury shall maintain in confidence all communications with OTIGTA employees when requested to do so, unless required or permitted by law to disclose, and shall not discuss any pending OTIGTA investigation with the subject(s) of the investigation or the subject's representatives unless required or permitted by law.

6. Responsibilities of OTIGTA Personnel

a. Whenever information or assistance requested under paragraphs 2.a.(1), 2.a.(2) or 2.a.(4) of this Treasury Order is, in the judgment of the TIGTA, unreasonably refused or not provided, the TIGTA shall report the circumstances to the Secretary or Deputy Secretary without delay.

b. Employees of the OTIGTA shall not, after receipt of a complaint or information from an employee, disclose the identity of the employee without the consent of the employee, unless the TIGTA determines such disclosure is unavoidable during the course of an investigation.

c. Employees of the OTIGTA shall safeguard information in accordance with 26 U.S.C. § 6103(p)(4) and other applicable laws.

7. Conforming Amendments

a. Any authority or responsibility currently delegated to the Inspector General of the Department of the Treasury in Treasury Order 101-19, dated October 24, 1994; Treasury Order 101-21, dated July 7, 1997; Treasury Order 102-13, dated January 19, 1993; Treasury Order 102-19, dated March 19, 1998; Treasury Order 105-13, dated

February 19, 1997; Treasury Order 107-05, dated March 2, 1995; and Treasury Order 150-29, dated November 23, 1982, is also delegated to the TIGTA until the listed Treasury Order is canceled or a successor Treasury Order is issued.

b. The TIGTA is designated a "Head of Bureau" and is authorized, with respect to the operations of the TIGTA, to exercise the functions delegated from the Secretary to the "Head of Bureau" in Treasury Order 101-06, dated July 7, 1980; Treasury Order 101-12, dated December 19, 1955; and Treasury Order 101-14, dated October 24, 1960, until the listed Treasury Order is canceled or a successor Treasury Order is issued.

c. The TIGTA may issue additional directives, delegations or regulations regarding the operations of the OTIGTA as the TIGTA deems appropriate.

8. Sunset Review

This Order shall be reviewed five years from the date of issuance unless superseded or canceled prior to that date.

Robert E. Rubin,

Secretary of the Treasury.

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DEPARTMENT OF THE TREASURY

[Treasury Directive Number 27-14]

Organization and Functions of the Office of Treasury Inspector General for Tax Administration

January 15, 1999.

1. *Purpose.* This directive describes the organization and functions of the Office of Treasury Inspector General for Tax Administration (OTIGTA).

2. *The Treasury Inspector General for Tax Administration.* The Treasury Inspector General for Tax Administration (TIGTA) is appointed by the President, by and with the advice and consent of the Senate, and reports to the Secretary of the Treasury and the Deputy Secretary. The Office of the Treasury Inspector General for Tax Administration (OTIGTA) is organizationally placed within the Departmental Offices, but is independent of the Departmental Offices and all other offices and bureaus within the Department.

a. Pursuant to the Inspector General Act of 1978, as amended, the TIGTA carries out a comprehensive audit and investigative program to assess the operations and programs of the Internal Revenue Service (IRS), the IRS Oversight Board, and the Office of Chief

Counsel of the IRS. (Hereafter, the IRS Oversight Board and the Office of the Chief Counsel of the IRS are referred to as the "Related Entities").

b. The TIGTA carries out the duties and responsibilities described in Treasury Order 115-01 "Office of the Inspector General for Tax Administration" or successor documents.

c. The TIGTA provides executive leadership to the OTIGTA and exercises supervision over the personnel and functions of its major components. The TIGTA determines the budget needs of the OTIGTA, sets organizational policies and priorities, oversees organizational operations and provides reports to the Secretary and members of Congress.

d. The TIGTA is a member of the President's Council on Integrity and Efficiency (PCI&E).

e. Under the supervision of the TIGTA are a Deputy Inspector General for Tax Administration; a Counsel to the Treasury Inspector General for Tax Administration; an Assistant Inspector General for Audit; an Assistant Inspector General for Investigations; four Regional Inspectors General for Tax Administration; the Director, Office of Resources, Management and Support; the Director, Office of Systems Development and Integration; the Director, Central Case Development Center; the National Director for Communication, Education and Quality; and such support staff as the TIGTA deems necessary. (See Attachment I for chart of OTIGTA organization.)

3. *The Deputy Inspector General for Tax Administration.* The Deputy Inspector General for Tax Administration serves as the TIGTA's principal assistant and is designated as the first assistant to the TIGTA for the purposes of 5 U.S.C. 3345.

a. The Deputy Inspector General for Tax Administration directs and oversees the national proactive and coordinated activities of auditors and investigators to detect and deter fraud and abuse involving the IRS or the Related Entities;

b. The Deputy Inspector General for Tax Administration manages the strategic management process of the OTIGTA, which consists of formulating the TIGTA's Strategic Plan and Annual Business Plan; evaluating the programs and operations of the Assistant Inspectors General and Regional Inspectors General; and preparing the semiannual report for the Secretary and Congress.

c. The Deputy Inspector General for Tax Administration coordinates legislative activities for the OTIGTA.

d. The Deputy Inspector General for Tax Administration supervises the following officials:

(1) The Director, Office of Management, Resources and Support, who advises and assists the TIGTA on administrative, financial, personnel, and management matters; develops, directs and oversees OTIGTA administrative policy, planning and resource activities nationally; and furnishes administrative services for OTIGTA headquarters operations.

(2) The Director, Office of Systems Development and Integration, who is responsible for developing the OTIGTA's information system architecture and budget requirements; establishing information technology policies and procedures; acquiring, developing, and maintaining computer hardware, data telecommunications, and software applications; and providing information technology services in support of audits, investigations and administrative activities at OTIGTA locations nationwide.

(3) The Director, Central Case Development Center, who is responsible for detecting unauthorized access to taxpayer records by employees of the IRS and Related Entities, and detecting fraud and abuse by employees through analysis of audit trails and other records maintained on IRS computer systems.

(4) The National Director of Communications, Education, and Quality, who originates, plans, implements and directs the OTIGTA's system management program, leadership and management education programs, and internal and external communications programs.

4. *The Counsel to the Treasury Inspector General for Tax Administration.* The Counsel to the Treasury Inspector General for Tax Administration performs the following functions.

a. Provides legal advice to the various components of the OTIGTA on issues that arise in the exercise of their audit and investigative responsibilities. Such issues include the scope and exercise of the TIGTA's authorities and responsibilities; audit and investigative techniques and procedures; the impact of proposed and existing legislation and regulations on IRS and OTIGTA programs and operations; and legal issues that arise in the conduct and resolution of audits and investigations.

b. Provides legal advice on OTIGTA internal administration and operations, including appropriations, ethics, personnel matters, and the disclosure of tax and other information.

c. Conducts and supervises the litigation on personnel and Equal Employment Opportunity matters involving OTIGTA employees and, as applicable, coordinates with the Department of Justice and others on these matters.

d. Reviews and coordinates with the Department of Justice the enforcement of subpoenas issued by the OTIGTA, and representation of OTIGTA in litigation.

5. *The Assistant Inspector General for Audit.* The Assistant Inspector General for Audit (AIGA) performs the following functions.

a. Plans and oversees an audit program that provides for independent reviews and appraisals of the operations of the IRS and Related Entities. These reviews provide information on the condition of all functional activities of the IRS and Related Entities, and are sufficient in scope to provide a basis for constructive management action by responsible officials.

b. Provides overall leadership and direction for evaluating the vulnerability of IRS and Related Entities operating activities to problems, and recommends action to pursue in planning audit coverage that provides for:

(1) Systematic verifications and analyses of financial transactions;

(2) Assessments of the design and development of new and existing information systems;

(3) Appraisals of the effectiveness and efficiency of IRS and Related Entities programs and operations; and

(4) Execution of the responsibilities mandated under the Chief Financial Officers Act relating to audits of IRS financial statements.

c. Plans and executes continuous quality assurance of audit activities by conducting visitations to independently assess the execution of regional and headquarters audit operations and their adherence to the GAO's Government Auditing Standards; identifying operational concerns in audit activities and preparing reports that recommend appropriate management actions; monitoring and evaluating regional audit activities using qualitative and quantitative methods of analysis; and recommending new procedures and techniques for improving the overall quality of audit operations.

d. Formulates and maintains audit policies, procedures, and program guidelines; develops and maintains the audit management information system; and produces management information reports for use by OTIGTA managers.

e. Develops and maintains the professional skills of audit personnel by

providing professional training course development, design and instruction. The AIGA determines, in conjunction with the National Director for Communications, Education and Quality, training priorities and goals of the audit training programs, identifies training needs, and defines and articulates training objectives.

f. Supervises the Deputy Assistant Inspector General for Audit; the Directors of the Office of Strategic Planning; the Director, Office of Policy and Management; and the Director, Office of Audit Projects.

6. *Assistant Inspector General for Investigations.* The Assistant Inspector General for Investigations (AIGI) performs the following functions.

a. Plans and oversees a program to investigate activities related to fraud, waste, abuse, and mismanagement concerning the activities and operations of IRS and Related Entities. This includes investigating allegations against employees, applicants, grantees, and contractors (including those performing tax administration functions for the IRS) of criminal acts and other misconduct such as bribery; embezzlement; abuse of authority; unauthorized disclosure or use of tax information; false claims; conflict of interest; violations of the Federal ethics standards; and abuse of taxpayer rights.

b. Protects the IRS and Related Entities against external attempts to corrupt or threaten their employees such as attempts by non-IRS employees and tax practitioners to unlawfully interfere with the programs and operations of the IRS through bribery, impersonation, intimidation, harassment, threats, assaults or other unlawful actions that may impact IRS personnel and impede Federal tax administration.

c. Formulates investigative policies and procedures; performs quality assurance and oversight reviews to assure that the investigative program is in compliance with guidelines and investigative standards; prepares reports on investigative trends; and processes requests for release of information in compliance with the Freedom of Information Act, the Privacy Act and

Internal Revenue Code disclosure provisions.

d. Provides support nationwide in the forensic examination of documentary evidence; furnishes expertise in the use of technical and electronic investigative equipment; assists in the enhancement of video and audio evidentiary material; provides expertise and assistance during the search and seizure of computers and computer data; performs tests of the security of IRS and Related Entities information systems; and, in conjunction with the National Director for Communications, Education and Quality, assesses investigative training needs and sets training objectives.

e. Operates a nationwide complaint center, including a hotline, to receive and process allegations of fraud, waste or abuse; supervises investigations of allegations against the IRS Executive Resources Board, members of the IRS Oversight Board, and officials who are appointed by the TIGTA; administers the Potentially Dangerous Taxpayer System; and gathers information regarding individuals or groups who advocate violence against the IRS.

f. Supervises the Deputy Assistant Inspector General for Investigations; the Director, Office of Investigations; the Director, Office of Policy and Oversight; the Director, Office of Training and Investigative Support; and an Executive Assistant.

7. *The Regional Inspectors General for Tax Administration.* The Regional Inspectors General for Tax Administration perform the following functions:

a. Provide executive level direction over regional audit and investigative staffs;

b. Supervise the regional information technology and administrative staffs; and

c. Direct local proactive activities of auditors and investigators to detect and deter fraud and abuse involving IRS personnel and activities.

d. There are four Regional Inspectors General for Tax Administration. The regional offices are located in the metropolitan areas of New York, NY; Atlanta, GA; Dallas, TX; and San Francisco, CA. These regional offices

have the same geographical boundaries as the four IRS regions; OTIGTA personnel who are assigned to a Regional Inspectors General for Tax Administration are located at various locations within the region. (See Attachment II for chart of the OTIGTA field structure.)

(1) *The Regional Inspector General for Audit* is responsible for the execution of the audit program throughout the region. The audit program, which includes verification of financial transactions and analyses of IRS operating programs, policy and procedures, serves as the basis for informing appropriate officials of the manner in which operations are being carried out and responsibilities are being discharged, and recommending necessary changes in policies, practices and procedures.

(2) *The Regional Inspector General for Investigations* is responsible for the execution of the investigative program throughout the region. This program investigates allegations of fraud, abuse or misconduct by employees of the IRS and the Related Entities, and actions by individuals who attempt to threaten or corrupt these employees or impede tax administration. The investigative results are given to the Department of Justice, IRS management, or other authorities for appropriate criminal and administrative action.

8. *Authority.* Treasury Order 115-01, "Office of the Inspector General for Tax Administration".

9. *Expiration Date.* This Directive will expire three years from the date of issuance unless superseded or canceled prior to that date.

10. *Office of Primary Interest.* Office of Treasury Inspector General for Tax Administration.

Lawrence W. Rogers,

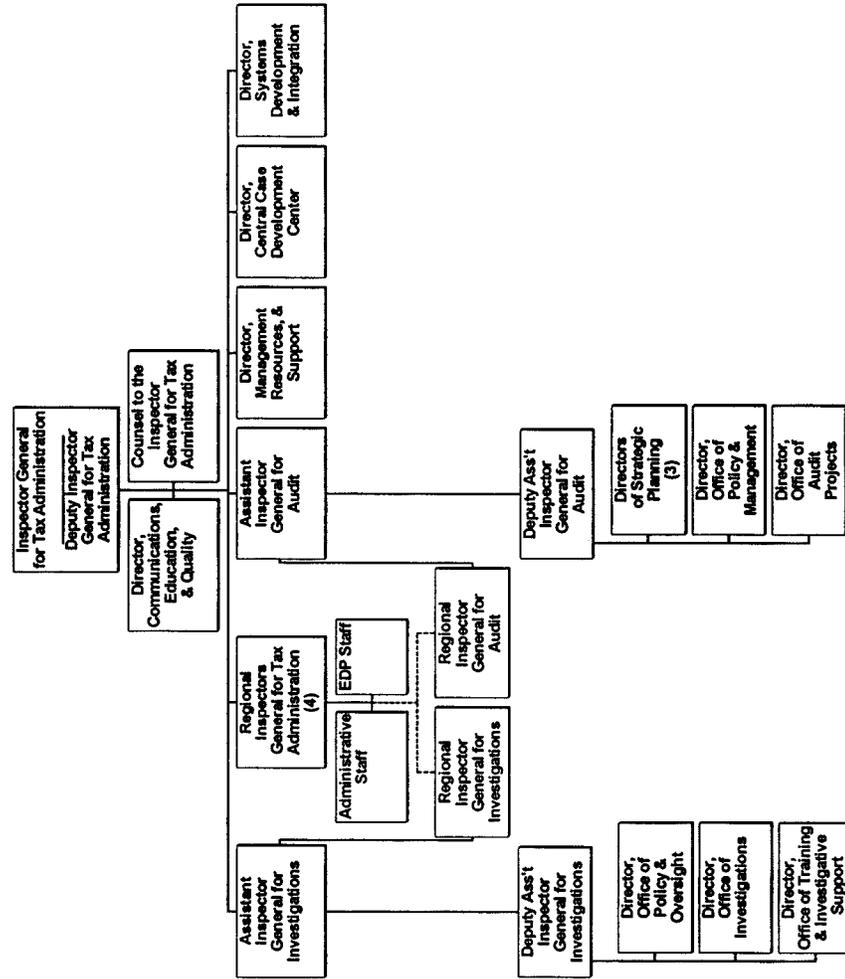
Acting Treasury Inspector General for Tax Administration.

Attachments:

1. OTIGTA Organization Chart
2. Map—OTIGTA National and Regional Office

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Treasury Inspector General for Tax Administration



Treasury Directive 27-12, dated 01-18-99

Attachment II

Treasury Inspector General for Tax Administration
Map - National and Field Office Locations

