



THE OFFICE OF THE TAXPAYER ADVOCATE OPERATES INDEPENDENTLY OF ANY OTHER IRS OFFICE AND REPORTS DIRECTLY TO CONGRESS THROUGH THE NATIONAL TAXPAYER ADVOCATE.

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MEMORANDUM FOR TAXPAYER ADVOCATE SERVICE EMPLOYEES

FROM: /s/ Nina E. Olson
National Taxpayer Advocate

SUBJECT: Interim Guidance on Systemic Advocacy Process
Improvements

This memorandum issues interim guidance updating information contained in various TAS IRMs, effective March 25, 2014.

On March 22, 2011, I issued a memorandum to senior TAS leadership outlining my vision for systemic advocacy and how we can best measure the effectiveness of all TAS employees' efforts in this realm of our work (see attachment 1). Although the Office of Systemic Advocacy (SA) is responsible for coordinating TAS's systemic advocacy efforts, systemic advocacy is everyone's responsibility.

This memorandum contains improvements to systemic advocacy processes designed to reflect the focus on systemic advocacy efforts within all of TAS. It addresses new management positions established in SA as well as other procedural updates. Please share this information with all employees within your organization.

Systemic Advocacy Management System (SAMS) Changes

In order to ensure that TAS is selecting the right systemic issue submissions to work and using the full extent of its resources, we have been using a three-tiered SAMS review process. The process, outlined below, replaces the information contained in IRM 13.2.2.3 – 13.2.2.3.5(3).

Once an issue is submitted through SAMS, it generally follows a three stage review process to determine how best to address the issue. The steps involved in reviewing submissions include:

1. Level 1 – Issue Perfection and Development
2. Level 2 – Cross-Functional Team Review and Analysis
3. Level 3 – Cross-Functional Director Review and Disposition

Level 1 – Issue Perfection and Development

The Level 1 review process includes members of the Systemic Advocacy staff and the Chief, Level 1 Review and Chief, Systemic Issue Review and Evaluation (SIRE) who ensures the assignment of all SAMS submissions for review. The Level 1 review includes a detailed case building process to gather data on the underlying issue when warranted. The attached Case Build Guide (attachment 2) outlines the resources for reviewers to use during the case building process, including reaching out to subject matter experts (SME) and the IRS Operating Divisions and functions where appropriate. Contact with a TAS SME may be warranted, e.g., where the SME is assigned a project, leading a Most Serious Problem team, or involved with a task force on a related issue. Contact with a TAS SME may also be warranted when seeking clarification on an issue and the potential systemic problem. TAS SMEs include (but are not limited to) Systemic Advocacy analysts, technical advisors, and attorney advisors..

Level 1 reviewers generally must contact the issue submitter on all submissions. In instances where the Level 1 reviewers believe contact with the submitter is not warranted, they must obtain an exception from the Chief, SIRE and the exception must be documented in the “Notes” tab on SAMS. The Level 1 reviewer generally completes the case building process on all submissions. In instances where the full case build is not warranted, the Level 1 reviewer will document that exception in the “Notes” tab on SAMS.

Previously, the Level 1 reviewer was required to rank submissions based on a set of criteria, and input the ranking information on the “Score” tab in SAMS. The updated SAMS review process includes a revised ranking process by the Level 2 team using a SharePoint template that will be attached to the SAMS submission. Therefore, the “Score” tab on SAMS is now obsolete. However, in order to move a submission to Level 2, the Level 1 reviewer should enter a “N/A” in each scoring box.

The final step is for the Level 1 reviewer to verify that all actions are complete, indicate whether the submission was a referral from the National Taxpayer Advocate (NTA), and analyze and summarize the relevant findings. Using the information gathered, the Level 1 reviewer must make a recommendation for disposition of the issue.

If, at any point during the review process, the reviewers believe a submission may require immediate action to prevent further harm or hardship, the issue may be marked for consideration as an Immediate Intervention.

Once the Level 1 steps are complete, submissions are promoted to Level 2, Level 3, or directly to Finalize on SAMS. Submissions are to be promoted to the next level immediately after the review is complete. A submission may be promoted even though a SME has not provided comments or observations. Upon receipt of information from the SME, the Level 1 reviewer will update the submission with the information from the SME.

When appropriate, management may set special criteria that if met allows an issue to bypass Level 2 and go directly to Level 3 or a direct assignment [all issues are still reviewed by Level 3 even if bypass criteria are met].

Level 2 – Cross-Functional Team Review and Analysis

Once an issue is promoted to Level 2, a rotational, cross-functional team reviews the submission. Each team member individually analyzes the available information, summarizes their decision and rationale, and inputs this information on SharePoint. SharePoint is used to facilitate the workflow and review process, however, all documentation resides on SAMS. When appropriate, team members add additional information on SAMS to that gathered at Level 1. Each team member allocates points for each submission based on the following criteria:

- Impact on Taxpayer Rights
- Number of Taxpayers Affected
- Interest/Visibility/Sensitivity
- Taxpayer Burden
- Ability to Effect Change
- TAS Data

For a more detailed explanation of the criteria, see attachment 3. Each Level 2 reviewer will also make a recommendation for disposition. If, during the Level 2 review, a team member feels an issue should be referred to another part of TAS (*i.e.*, TAG, EDCA, ITAP), the issue can be referred to the appropriate group using current processes (however the issue will still move forward to Level 3 for final concurrence). After verifying that all Level 2 actions are complete, the Level 2 coordinator will promote the submission to Level 3 and upload the consolidated Level 2 comments, ranking, and recommendations to SAMS. (Details on the process for consolidating Level 2 reviews will be provided in job aids.) Submissions are generally to be promoted to Level 3 within ten business days of receipt from Level 1.

Level 3 – Cross-Functional Director Review and Disposition

Once an issue is promoted to Level 3, a cross-functional team of executives, directors, managers, and SMEs review each submission. The Level 3 team meets on a regular basis, reviews the Level 1 and Level 2 scoring and recommendations, and summarizes the final disposition on SAMS. Submissions are generally to be acted upon within ten business days of receipt from Level 2.

Issue Finalize

Once a final decision is made at Level 3, the issue is promoted on SAMS for closure and a SAMS Program Manager provides a response to the submitter unless already provided by the Level 1 reviewer. A response to the submitter is generally provided within ten business days of receipt from Level 3. The issue is then closed to one of the following levels:

- Creation of:
 - Immediate Intervention
 - Advocacy Project
 - Information Gathering Project
 - Task Force
- Related to Ongoing Advocacy Effort:
 - Advocacy Project
 - Information Gathering Project

- Executive Steering Committee
 - Task Force
 - TAS Working Group
 - Collaborative Effort
- Annual Report to Congress/Most Serious Problem (ARC/MSP)
 - Potential Legislative Recommendation
 - Transferred
 - Already Resolved
 - Resolved by SAMS Program Manager
 - Duplicate Issue
 - Not a Systemic Issue
 - Systemic Problem not Validated
 - Systemic Issue Elevated
 - Individual Issue

The SAMS staff summarizes and documents their telephone conversations with submitters on SAMS utilizing the Notes tab. Closing e-mail responses are then attached to the issue as either a file document or an electronic notification.

SAMS Personally Identifiable Information (PII) Restrictions

SAMS cannot contain Personally Identifiable Information (PII). The National Taxpayer Advocate has signed the Certification and Accreditation process indicating there will be no PII on SAMS. PII is defined by the Internal Revenue Manual (IRM) 10.5.1.3(2) as any sensitive information, either alone or in combination with any other information, that can be used to uniquely identify, locate or contact an individual. Examples of taxpayer and employee PII included but are not limited to:

- Individual's name and address
- Telephone number
- Social security number
- Birth date

All individual taxpayer information (e.g., names, phone numbers, TINs, email addresses) must be redacted from SAMS. This includes any PII contained in the submitter's description as well as advocacy project notes and attachments. Taxpayer Advocate Management Inventory System (TAMIS) case file numbers are appropriate for SAMS inclusion.

Systemic Advocacy does have a business need to have limited submitter contact information in order to evaluate issues and work advocacy projects. PII must be redacted from issue descriptions that involve an individual tax issue or which contain a specific individual case example. Names, TINs, phone numbers, email addresses, etc., must be redacted from the issue description, and cannot be placed in notes or included in an attachment.

Tax professionals, attorneys and Low Income Tax Clinics (LITCs) can include their contact information (e.g., name, telephone, firm name) in the issue description of their submissions. In these instances, their contact information can also remain in the

description, notes, or in an attachment, (because there is a business need for the information) when the submission does not involve their personal tax situation. There is no PII concern in this instance because their professional contact information would commonly be available to the public via an internet search, directory assistance, etc.

IRM 10.5.1.3(2) also explains that federal employee names, badge numbers, business phone numbers and business addresses are considered publically available information. However, as a courtesy to employees, we encourage redacting that information from the description field. This includes positive as well as negative references. All Internal Revenue Service (IRS) employees have access to SAMS without an online 5081, Automated Information System (AIS) User Registration / Change Request. As a result, the issue description field is visible to all internal users. Permission to view other tabs is granted on an individual basis, based upon the employee's business need.

There may be a business case to have employee information in notes and attachments. Internal users cannot view Notes or Attachments without authorized access permissions, so any employee information is shielded from view. SAMS users must adhere to PII guidance and ensure there is no prohibited information present on the system. If you have questions, or need further information please contact a SAMS Program *Manager*.

Disclosure of Information to the IRS

Current IRM guidance provides that if it is necessary to share taxpayer information with the IRS in the course of working systemic issues, Systemic Advocacy (SA) must consult with Counsel to the National Taxpayer Advocate and request disclosure approval from the National Taxpayer Advocate. IRM 13.1.5.10 *Handling a Nonstandard Disclosure Case*, instructs SA employees to complete a Systemic Advocacy Confidentiality Questionnaire and a proposed National Taxpayer Advocate Confidentiality Determination with input from the TAS Attorney-Advisor assigned to the confidentiality issue and Counsel to the National Taxpayer Advocate.

Under the revised disclosure guidelines, if we have secured the examples as a result of research or receipt on information from non-TAS cases, we can disclose that information to the IRS in order to resolve the systemic issue. If, however, the information to be disclosed is a TAS case, the SA employee is to complete the disclosure request form and submit it to the EDSA for approval by the NTA.

Expectations for Analysts

Systemic Advocacy employees are generally co-located in offices with other TAS and IRS employees. Employees have been chosen, in part, in order to report back on what is happening in their office. This is not limited to what other TAS employees are seeing in their cases or other work – this includes what is happening throughout the IRS. This is specifically tied to the work of the Systemic Advocacy organization. Systemic Advocacy is a diverse organization with employees located throughout the country. Where our employees are located is vitally important to their job responsibilities. Regular interaction with other TAS and IRS employees plays a critical role in helping the NTA and the EDSA get a complete picture of what is going on throughout the IRS. It also helps the NTA fulfill her statutory mission of identifying potential systemic issues and working to resolve those issues, particularly in light of the reduction in stakeholder engagement from the IRS.

Organizational Changes

IRM 13.2.2 contains various references to the Director Immediate Interventions and Director Advocacy Projects. Organizational changes within Systemic Advocacy have resulted in new positions and titles. Attachment 4 contains an updated organizational chart for Systemic Advocacy. Prior references to the Director Immediate Interventions, the Director Advocacy Projects, or the Director Field Systemic Advocacy now refer to the Director Advocacy Initiatives (DAI).

In addition to the DAI, Systemic Advocacy has three other directorships, the Director Advocacy Implementation and Evaluation (AIE), the Director Systemic Advocacy Systems (SAS) and the Director Taxpayer Advocacy Panel (TAP).

Systemic Advocacy created new management positions and realigned others. The DAI now has subordinate managers referred to as the Chief, Advocacy Initiatives Group 1, and Chief, Advocacy Initiatives Group 2. The Director Advocacy Implementation and Evaluation (AIE) oversees the Chief, IMD/SPOC, the Chief, Systemic Issue Review & Evaluation (SIRE), and the Chief, Level 1 Review.

The Director of Systemic Advocacy Systems oversees the various Systemic Advocacy IT systems and plans and implements future IT enhancements.

The Director of the Taxpayer Advocacy Panel oversees the administration of the TAP program.

13.2.2.6.3 Closing Projects

IRM 13.2.2.6.3, *Closing an Advocacy Project*, contains information on actions for closing a project. The updated procedures provide that the SA Files Coordinator located at the TAS HQ office is included on the e-mail notification sent to applicable stakeholders confirming closure of the project. The SA Files Coordinator prints out the executive summary and closing letter (found under the "Files" tab on SAMS), places these documents in a folder, and uses the filing system currently used for project files to satisfy the records retention requirement.

In the event the analyst has additional project information that cannot be uploaded to SAMS (e.g., hard copy prints), he or she will send such information directly to the SA Files Coordinator on a Form 3210, *Document Transmittal*, to the address below:

Office of Systemic Advocacy
1111 Constitution Ave NW, Room 3219
Washington, DC 20224
Attention: SA Files Coordinator
202-622-9369 Telephone
855-813-7410 Fax

The SA Files Coordinator associates any additional information with the appropriate closed file. The SA Files Coordinator maintains a copy of the Form 3210 and sends the acknowledgement copy back to the originator. IRM 13.2.2.6.3, *Closing an Advocacy Project*, contains information on actions for closing a project.

IRM 13.2.2.7.1, *Project Closing Letters*, contains information about issuing project closing letters. Section (4) and (5) are now combined. The DAI may sign all project closing letters. The approval path for project closing letters in section (6) is simplified.

Project Closing Categories

The Director Advocacy Initiatives will select a Closed Reason when closing a project on SAMS. Attachment 5 to this memo contains a job aid listing the possible categories along with a definition.

13.2.2.14 Systemic Advocacy Time Reporting

The following information updates the information contained in IRM 13.2.2.14(4).

(4) Appropriate SA Project Codes include:

- 36760 - Advocacy Projects;
- 36761 - Immediate Interventions;
- 36762 - Proactive Advocacy: includes Collaborative Efforts, Task Force Participation, SME reviews in support of the IMD/SPOC program;
- 36763 - Activities in support of the TAP program (non-TAP staff);
- 36764 - Annual Report to Congress; Objectives Report to Congress;
- 36765 - Activities in support of Advocacy Issue Teams;
- 36766 - IMD/SPOC program (IMD/SPOC staff);

- 36767 - SAMS program, SME reviews of SAMS issues;
- 36768 - Technical Maintenance: Reading Bulldog, Wednesday Weekly, and other technical communications, Reading/researching IRS updates and communications, Customer Satisfaction team, Communications Strategy team, Business Performance Review (BPR);
- 36769 - Information Gathering Projects (Type I & Type II);
- 36790 - TAP Activities (TAP staff);
- 36791 - Outreach (TAP staff);
- 36792 - Recruitment (TAP staff);
- 36793 - Research (TAP staff).

Effect on Other Documents: This guidance will be incorporated into IRM 13.2.2, *Inventory Control and Working an Assignment*.

Contact: Please contact Rena Girinakis, Executive Director, Systemic Advocacy at (202) 674-3034 for further information.

Expiration Date: This guidance will expire May 23, 2016.
Attachments (5)

cc: www.irs.gov

Attachment 1



YOUR VOICE AT THE IRS



THE OFFICE OF THE TAXPAYER ADVOCATE OPERATES INDEPENDENTLY OF ANY OTHER IRS OFFICE AND REPORTS DIRECTLY TO CONGRESS THROUGH THE NATIONAL TAXPAYER ADVOCATE.

March 22, 2011

MEMORANDUM FOR DEPUTY NATIONAL TAXPAYER ADVOCATE,
EXECUTIVE DIRECTOR SYSTEMIC
ADVOCACY, EXECUTIVE DIRECTOR CASE
ADVOCACY, SENIOR ADVISOR TO NTA, AND
SENIOR ADVISOR TO NTA - RESEARCH

FROM: Nina E. Olson
National Taxpayer Advocate

SUBJECT: Systemic Advocacy Measures

Measuring the effectiveness of the Taxpayer Advocate Service's (TAS) is a significant challenge, not least because systemic problems do not lend themselves to "unit" measurement and TAS usually has no direct control over whether any of our recommendations are actually implemented. Moreover, by design and by statute, systemic advocacy is the responsibility of *all* TAS employees. Although the Office of Systemic Advocacy (SA) is responsible for coordination of various aspects of TAS's systemic advocacy efforts, and Field Systemic Advocacy (FSA) works many of TAS's systemic advocacy projects, other TAS personnel have a responsibility to identify and work on systemic issues. Therefore, any measures of TAS systemic advocacy initiatives cannot be designed to solely measure the performance of a particular TAS office (*e.g.*, the Office of Systemic Advocacy). Instead, the suite of measures should be designed to reflect the performance of TAS as a whole with respect to advocating for systemic improvements and change.

In developing these measures, there are several key stages of activity that, when properly measured, will let the National Taxpayer Advocate and other TAS executives know whether TAS is doing a good job in systemic advocacy and help us identify areas for performance improvement. Although each of these are discussed in greater detail below, they are:

- Issue Identification: Are we identifying the correct issues? Is TAS conducting the appropriate outreach to employees, taxpayers, and other stakeholders, as well as self-directed research? Do we have an appropriate tracking and ranking system once issues are identified, and are we using the correct factors to select the most significant issues (however defined) for review? What is the review process for issue selection, and does it include a diversity of skills and perspectives? Finally, do we have an adequate method of tracking issues so that we are able to manipulate and perform research on the issue database itself? That is, are our systems and work processes designed to enable us to recognize patterns that indicate a systemic problem?
- Issue Analysis: Once we have identified an issue and are satisfied that it is of sufficient significance to warrant additional investigation and analysis, are we ensuring that the issue is assigned to the correct TAS function and that the appropriate personnel are conducting the analysis? Are we utilizing all of the internal and external resources TAS has available to it? Do our investigations have sufficient levels of analysis and review, so that there are various points in the process for management and others to determine whether the issue is, in fact, as significant as we first thought? In our projects and teams, have we articulated the outcome we want to achieve? Do we have a system for tracking, recording, and archiving *all* of the activity on an issue, by all levels of TAS personnel?
- Issue Recommendations and Advocacy: After conducting a thorough analysis of the issue and identifying desired outcomes, has TAS made specific, actionable, administrable, and reasonable recommendations of actions necessary to mitigate or resolve the issue? Have we identified ways of measuring – on an issue by issue and even recommendation by recommendation basis – whether the recommendation, if implemented, actually achieves the outcome we desire? What behavior or procedure do we want to change? What must TAS do to effect those changes? Systemic advocacy does not stop once we have made our recommendations. TAS must do more than merely “monitor” or “track” our recommendations – we must advocate for them! So: what must we do to get and sustain the attention necessary to effect change? If we are not getting attention to this issue, do we have a process for re-evaluating the issue, to determine whether it is still a problem, or whether our analysis or recommendations are still valid or need to be revised? Are the issue and recommendations so significant and substantial that TAS needs a multi-year strategy for advocating for attention and change?

There are three concerns that are common to each of the three general stages of systemic advocacy. First, each stage requires a robust data and document

tracking system that is based on rigorous and consistent application of keywords and other typological classifications. This system must be available for use by all TAS personnel, and the classification system must be consistent throughout all TAS functions (*i.e.*, the same keywords should be used for systemic and case advocacy). These capabilities can be developed now, for further systemization in the new Taxpayer Advocate Service Integrated System (TASIS).

Second, each stage requires that TAS utilize all the resources that are available to it. That is, TAS is composed of many different parts, each possessing different knowledge, skills, and perspective. TAS will only be successful in advocating for systemic change if it involves those different entities throughout the systemic advocacy process. Thus, it is imperative that not only SA and FSA are involved in this process, but other TAS functions, including TAS attorney advisors, TAS Research, the Executive Director of Systemic Advocacy (EDCA), Local Taxpayer Advocates (LTAs), TAS Technical Advisors, Taxpayer Accounts and Guidance (TAG), Vision and Strategy (V&S), Communications and Liaison (C&L), the Low Income Taxpayer Clinic Program Office, the Taxpayer Advocacy Panel.

Finally, each stage requires TAS personnel to recognize the appropriate points when an issue should be elevated not only to immediate supervisors but also the National Taxpayer Advocate or other TAS executives. There are times when issues get bogged down at lower levels. TAS will only work effectively if its employees can raise significant areas of concerns with TAS leadership, for their information and action. On a daily basis, TAS leadership meets with other IRS officials and each such meeting presents an opportunity to discuss, educate, and reach agreement about systemic problems. Thus, an educated and informed TAS leadership furthers TAS's efforts at systemic advocacy.

The following discussion elaborates on some of the points identified above.

Issue Identification: Outreach and SAMS submissions

Analysis of TAS's effectiveness at issue identification raises several questions. Are we making ourselves available to getting information about issues and problems experienced by taxpayers? Once we are out there, are we actually seeing the issues? And once we see the issues, are we actually elevating them? Each of these questions lends itself to specific performance measures or diagnostic measures.

TAS achieves issue identification in several ways, including:

- (i) *SAMS (and promotion of SAMS)*: SAMS submissions are an important source of potential issues, thus it is important to measure the SAMS participation or usage rate. This rate, however, must be multi-faceted:

for example, how many LITCs or TAP members submit issues? how many LTA offices submit issues? how many TAS employees submit issues? Do we get issues from the public in every state?

- (ii) *LTA Outreach*: We have a requirement that LTAs conduct significant grassroots outreach -- it is in our program plan for each fiscal year, and each LTA must submit an outreach plan, C&L tracks that plan and maintains an outreach database of the reports each LTA provides about his or her actual outreach activities. We have already decided to include a specific requirement that LTAs promote SAMS, and Systemic Advocacy created a "talking point" handout for the LTAs that will be in the Advocate Toolkit.
- (iii) *Systemic Advocacy Outreach*: This year Systemic Advocacy had a booth at our CPE on SAMS, and case advocates and other TAS employees could come up and actually input issues on SAMS as a walk-through. We can test awareness of Case Advocates of SAMS before and after the CPE or see if we get more issues after such outreach. Moreover, SA could seek out opportunities to set up booths at trainings or events involving other IRS Operating Divisions and Functions, and monitor submissions after those events for any uptick attributable to them.
- (iv) *Tax Forums*: We not only have a SAMS booth at IRS Tax Forums but also hold focus groups and TAS plenary programs -- we can track what issues we get from the focus groups and forums -- perhaps we can program SAMS to identify the source of the submission so that we know it is being submitted at the Tax Forum.
- (v) *Low Income Taxpayer Clinics*: LITCs now have systemic advocacy in their mission statement. We have developed performance measures for the program, one of which is whether they are putting issues on SAMS. We can track this. We can take the same approach with the Taxpayer Advocacy Panel (TAP).
- (vi) *Attorney-advisors/Technical Advice and Guidance (TAG)/Vision & Strategy (V&S)/Internal Technical Advisory Program (ITAP)*: These folks are in the position to identify and submit very significant items on SAMS. Are they utilizing it appropriately?
- (vii) *NTA/DNTA/EDSA/EDCA outreach*: TAS executives receive a significant number of issues when they speak to audiences both external and internal to the IRS. In TAS executives' travel/meeting folders, they should have a paper form that they can fill out with

information about the issue, which they can bring back to SA with the information for input on SAMS. This information can include contact information for the audience member who raised the issue. Area Directors also should utilize this for their speaking engagements and their employee town halls. This should just be part of the travel folder. In this way we can begin to track some of the invisible issues we generate, plus the source.

- (viii) *Case Advocates/TAMIS*: Last but certainly not least! Currently in TAMIS, before a case advocate closes a case, he or she is asked if there are any systemic issues arising in the case. There is a text screen for this question. Unfortunately, it does not link directly to SAMS. This change will occur in TESIS – the Case Advocate will input the information and the entry will automatically be sent to SAMS with the related case number and case advocate information, related issue codes, etc. Moreover, in TESIS, we will have interim case closings for each issue in the case, so we can prompt the case advocate each time he or she closes out an issue in the case to identify whether there was a systemic problem with respect to that issue. This gives us real time data, but also makes it seamless for the case advocate and removes some current burdens to their submitting issues on SAMS. TESIS, I note, is only two years away!

However, even in today's clunky TAMIS environment, we can do better with case advocate issue identification – by creating performance commitments for LTAs and managers, and charging the Lead Case Advocates to help the Case Advocates identify systemic issues and submit them on SAMS. This can occur at the early intervention reviews, at the closed case review stage, etc. Just get the managers or Lead Case Advocates to ask the question: was there a systemic issue? If so, let's put it on SAMS.

Issue Ranking and Data Build

Once we have the issues coming in, we need to ensure that we are selecting the right ones to work. This requires a two-part analysis: first, are we using the appropriate criteria to analyze the urgency and importance of the issue; and second, do we have the right personnel, with the right skills, making that analysis? There is also a third consideration: when does that analysis occur -- at the beginning intake, or when assigned to an analyst, or a combination of the two?

- (i) With respect to criteria, we currently have five stated criteria. Frankly, I do not see why the stated criteria should differ from the criteria used in ranking the Most Serious Problems (MSPs), which seems more in-depth. The more in-depth criteria include elements of Congressional interest, general public awareness, National Taxpayer Advocate interest. We also have a high-level measure of "numbers of taxpayers impacted" -- high/medium/low. I believe we should expand our ranking criteria to include the MSP criteria, and even consider other factors. Moreover, we should consider the weighting of criteria – in certain instances, the violation of a taxpayer right weighs more heavily than the number of taxpayers impacted.
- (ii) Having said that we should use the full MSP or expanded ranking criteria, not all of the information necessary to identify a good issue will be available to the frontline "SAMS intake reviewers" -- even if they do some research themselves. Moreover, as now configured, the SAMS intake reviewers may not have the background or perspective to know what is an issue of interest to the NTA, or of key importance to collection or exam. (This observation is not a slight to the reviewers -- it really does take multiple perspectives to do comprehensive issue identification.)
- (iii) The SA intake reviewers can continue to do a "first read" and identify the issues that clearly are associated with an existing project, or that need to be referrals to C&L or TAG or elsewhere. They should also have a lookout for the ones that are truly emergencies, which I think we are already forwarding immediately to the Advocacy Program Director for review. We can formalize this review by keeping the current five criteria for the first level review. I'm not suggesting that we change that approach.

But I am suggesting that the next step in the process includes a broader team that takes a closer look at the remaining issues, and analyses them from the broader MSP criteria and conducts an initial "data build." I have suggested that we create an intake review team that includes a rotating attorney advisor and technical advisor, representatives from FSA, EDCA, LITC, V&S, and maybe even a research representative so we can get some basic "scoping". Considerations would include Congressional/NTA interest, and the attorney advisors should be able to bring that perspective (or at least, if questions arise, they can easily check in with the NTA).

After this second level review, recommendations for advocacy issues should be forwarded to a manager/director team, composed of the EDSA, SA and FSA directors, and the Supervisory Attorney Advisor. This group will decide whether the issue should be classified as an information gathering project, a potential project, an immediate intervention, or an actual advocacy project, or be elevated to the NTA for consideration as a legislative recommendation or a most serious problem, or transferred to TAG for internal TAS guidance on how to deal with the issue on a case-by-case basis.

Once the issue is assigned to the analyst, there should be an interim review – this is where the analyst actually gets better impact numbers if possible. I think we already have built in a managerial review of projects within a certain number of days to make sure the analyst is on track – so it makes sense that this is the time when the analyst would present his or her own analysis of the ranking. Do we have better impact numbers? Do we have a better understanding of the taxpayer rights impacted? Is the impact more severe (not just numbers of taxpayers affected but the nature and severity of harm per taxpayer) than we originally anticipated? The analyst would discuss this with the manager at this early intervention review. It is possible the project would not be made a project. Perhaps projects should be “tentative” projects until the analyst has done his or her preliminary work and had the discussion with the manager. (We will need to modify these procedures slightly for immediate interventions.)

This analysis is not unlike what happens in case advocacy: we get a taxpayer issue code at the outset which is just what the taxpayer is presenting us; we (TAS) identify a primary issue code at the start of the case, but as we work the case we identify other issues in the case, and before we close the case we have to revisit the primary issue code to identify what we really think was the primary problem, after working through all the case. (We are changing this a little with the development of TESIS, but the tiered approach is the same.)

- (iv) I think this approach answers the third consideration: when and by whom should the analysis be conducted? My answer: at both the intake and the analyst levels.

Issue Resolution or Mitigation: Outcomes and Recommendations

Once we have sought out issues, identified them, elevated them, reviewed them, and analyzed them, we need to measure our resolution of the issue. This measure has several components – including accuracy. But the main components here are, what are the outcomes we want to achieve and how will our recommendations help achieve those outcomes? Thus, we need an outcome measure. *However, that outcome measure must be specific to each project.*

What I am proposing is that we require each analyst, working with his or her manager, to identify the desired outcome of any project established on SAMS (or an immediate intervention). We can develop a few standard outcomes, but I emphasize that outcomes should be specific to the project and not cookie-cutter. For example, if the problem is that there are too many accidental forest fires, and the recommendation is to conduct a public information campaign to increase awareness of the problem and thus change campers' behavior (*i.e.*, being more careful), the outcome measure must in some way measure whether accidental forest fires have decreased.

This can be similar to the way case advocates work specific cases: in a levy case they want several outcomes: to release the levy and perhaps return levy proceeds, but also to achieve full compliance for the taxpayer (put them in an IA or OIC or even CNC), and finally to educate the taxpayer so the situation doesn't happen again. We are tracking these components in case advocacy in various ways. For example, with TASIS we should be able to see a box checked "Levy released" or "OIC accepted" or something like that. We also have a more global "relief/partial relief/law prevents relief etc" measure. Finally, we have case quality attributes addressing whether the case advocate educated the taxpayer about how to avoid the problem in the future. How would we do this on the systemic advocacy side?

I don't know how we roll this up into an overall effectiveness measure – except to say that in "x" percent of our projects, once implemented, our recommendations achieved their desired outcomes. Note the language, "once implemented." If the IRS refuses to make the changes, or Congress doesn't pass recommended legislation, then we can't measure whether our recommendations achieved their outcomes.

As an intermediate step to achieving final outcome, we should also keep our existing measure of whether the IRS or Congress took action on our recommendations. That at least shows, in a rough sort of way, that we have hit on something that is of some import, that resonates with folks. The same rationale exists for tracking the level and nature of media coverage – if our

analysis resonates with the public, then that is an affirmation that we have identified an issue that the taxpaying public perceives as a problem. I get emails and letters about our ARC all the time. I could forward them to systemic advocacy and they could be associated with the project (in TASIS, we can digitize paper documents and make them part of the electronic project file!).

If you think about it, between the outreach, identification, elevation, analysis, “acted on” and the “outcome” measures, we have made visible – and are measuring – our effectiveness with each step of advocacy. There are certainly subsidiary attributes we can develop for each of these stages. And each of these stages have components of shared responsibility. For example, if we are looking at the “acted on” measure, we should be aligning the outreach that LTAs do with their congressional offices at the CAP conference with the related projects or MSPs. Thus, when they give us the information on which issue is of interest to which congressional office, we can align that information with the underlying issue. We also need to capture at a high level the work that the NTA and the Senior Advisor to the NTA do with congressional offices and the Department of Treasury. And SAMS should have a check box where the issue has been highlighted in congressional testimony, or if there has been legislation introduced. If the checkbox is marked, a drop down text box appears, so the analyst can link to the testimony or legislation. (This approach requires that we have a consistent keyword and typology system in place.)

This latter approach, of course, implies that we are actively advocating for and tracking what is happening with these issues. Right now, I doubt that SAMS (or the related analysts) picks up all the activity that occurs on these projects or even MSPs. Do we have the ability to track whether a Taxpayer Advocate Directive was issued on the subject, or a Taxpayer Rights Impact Statement? Did we submit changes to an IRM? That would be an outcome measure – we want the IRM changed. If it is changed, has the problem been mitigated? Did we establish a team in which we collaborated with the Operating Divisions to develop a resolution to an issue? Is that the outcome or is it the recommendations of the team? That is, were the recommendations implemented, and if so, did they have the desired effect on mitigating the issue. We clearly need to track these activities (and related records) on TASIS, if not SAMS.

Conclusion

As noted earlier, the development of performance measures of TAS’s effectiveness at systemic advocacy is inherently difficult. However, the approach outlined above provides a basis for establishing meaningful measures. Some of these measures are not technologically feasible now and will be built into TASIS – but we can identify them now and develop the business requirements for

TASIS. Still others can be implemented immediately (the tiers of review, the incorporation of “impact analysis” into early intervention reviews, the identification of outcomes, and the development of a consistent set of keywords and classification.)

In closing, I note that no matter how precise we try to be in developing factors for ranking the impact of issues or measuring the impact of our recommendations, any evaluation will ultimately be very subjective. It is possible that the National Taxpayer Advocate will determine that a particular issue is a violation of taxpayer rights of such magnitude that it warrants immediate and sustained attention despite the fact that it impacts relatively few taxpayers. It is also possible that TAS will make recommendations that require a paradigm shift for the IRS (*e.g.*, revising the IRS mission statement to explicitly acknowledge the IRS role in delivering social benefits or developing a system for regulation and testing of unenrolled return preparers). Progress on such recommendations could take years if not a decade. Our measures must be flexible enough to recognize and in some way account for the value of these important advocacy issues and recommendations.

Attachment 2 – Case Build Guide – Level 1 Checklist

Resources	yes	no	Identification Or Reference	Key Contact [Team Lead]	Summary
1) Submitter provided examples or examples were obtained by contacting the submitter <i>[Enter no if the submitter cannot provide examples]</i>					
2) Related Advocacy Portfolio					
3) Related Collaborative Efforts Team					
4) Related current year in-process MSP [Check Crosswalk]					
5) Related MSP [Reference ARC Year, Vol. and MSP Name and Number]					
6) Related Legislative Recommendation [From Crosswalk Legislative Change Recommendations]					
7) Related Open Advocacy Project, Information Gathering Project or II					
8) Related Closed Advocacy Project, Information Gathering Project or II					
9) Related non-project issues (SAMS-identical match]					
10) IMRS Activity					

Level One Checklist	Completed	N/A	Identification Or Reference	Key Contact [Team Lead]	Summary
11) Review applicable IRM (s)					
12) Check for relevant SERP Alerts					
13) Check IMD/SPOC for current/recent reviews					
14) Analyze applicable forms / publications/ instructions					
15) Review applicable IRC section (s) and Treasury Regulations					
16) Check for and analyze relevant Revenue Procedures, Revenue Rulings, etc.					
17) When OD contacts available, contact is made to clarify issue or gain knowledge on procedure/process/policy					
18) Initiate TAS SME contact					

Attachment 3 – SAMS Ranking Criteria

The following are the criteria SAMS Level 2 and 3 reviewers are to use in evaluating SAMS submissions. For each factor (or subfactor), assign points on a scale of 1 – 3, with 1 indicating little or no impact and 3 indicating high impact.

Impact on Taxpayer Rights – Two factors help determine how the problem affects taxpayers' rights:

- (1) Denial of Taxpayer Rights – Did the taxpayer have the opportunity to exercise a right or was the taxpayer denied something (privacy, collection, appeal, etc.) that the taxpayer had the right to? If taxpayers' rights are violated, award points; otherwise do not award points.
- (2) Enhancement of Taxpayer Rights - Does this issue enhance taxpayers' rights? If so, award criteria points; otherwise do not award points.

Number of Taxpayers Affected

- (1) Extent of Impact – Of the taxpaying population within the identified segment (individuals, small business, etc.) how many could be impacted by the issue?
- (2) Geographic Scope – Does the issue impact taxpayers nationally, locally, or only in clustered areas?
- (3) Issue Frequency – Does the issue happen on a recurring or cyclical basis, on a limited basis, or only one time?

Interest/Visibility/Sensitivity

- (1) National Taxpayer Advocate – Has the National Taxpayer Advocate expressed interest in the issue?
- (2) Congress – How much support or interest has Congress expressed concerning this issue? Did the support or interest come from one member's office or is it widespread in the House or Senate?
- (3) External Stakeholders – How much support or interest have external stakeholders expressed concerning this issue? Was the support from one specific group (American Bar Association, American Association of Retired Persons, etc?) Or is it spread across various sectors such as accountants, lawyers, and other special interest groups? How much interest has the media shown in this issue? What level of coverage does this issue rate?
- (4) Media – How much interest has the media shown in the issue? What level of media coverage has the issue received?

Taxpayer Burden – Four factors help determine the level of burden places on the taxpayer trying to resolve the issue. Always consider burden from the taxpayer or stakeholder’s point of view.

- (1) How Long to Resolve – How long does it take to resolve this issue (from the taxpayer's perspective)? The longer it takes, the more points are awarded.
- (2) Effort - How much effort is required to resolve this issue (again, from the taxpayer's or other stakeholder’s perspective)? The more effort it makes to resolve the issue, the more points are awarded.
- (3) Financial - What is the financial impact on the taxpayer (excluding tax, penalties and interest)? Factors include issues such as the cost of representation and the taxpayer's ability to pay for this representation, and the cost of repeated photocopies or express mail for documentation, etc.
- (4) Fairness - Is this taxpayer treated disparately compared to other taxpayers? If the taxpayer is treated fairly, the issue is not awarded criteria points; if not treated fairly the issue is awarded points.

Ability to Effect Change – Two factors help identify issues that may not be resolved without TAS intervention:

- (1) Likelihood of Independent IRS Action – How likely is it that the OD or function will fix the problem without TAS intervention? The higher the likelihood of independent action, the fewer points are awarded.
- (2) TAS Ability to Influence Change – How likely is it that TAS will be able to influence the OD or function to address the issue? The higher the likelihood of TAS influencing change, the more points are awarded.

TAS Data

- (1) TAMIS – Does TAMIS data indicate that TAS has received cases related to this issue? Is the number of cases significant?
- (2) SAMS – Does SAMS (or other management system) data indicate other similar issues?

Attachment 4

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Attachment 5 – Closed Reason Code Definitions for SAMS

- **Already Resolved** – The problem reported is systemic in nature, or has a systemic component, but was already addressed or resolved by the IRS/TAS (usually via a SERP Alert, IRM update, Wed Weekly, etc.).
- **ARC/MSP** – Specific issue is related to or has been addressed via a published MSP, LR, MLI, etc. in previous or current ARC's and JRC's.
- **Created IGP** – The determination is to create an IGP on SAMS to perform further research of the potential problem and determine the scope.
- **Created Task Force/Working Group** – The determination is to create a Task Force or Working Group on SAMS to perform further research, determine the scope, and make possible recommendations.
- **Duplicate** – The issue is an exact duplicate (usually by the same submitter).
- **Individual Issue** – The submitter needs assistance with an individual tax problem or is asking a tax question. IRS and TAS assistance information will be provided via email.
- **Not a Systemic Issue** – The issue usually does not pertain to an IRS procedure, policy, or process problem. Could be a suggestion, related to an outside agency (state, company, bank, etc.), a complaint that is not specific or systemic in nature, etc.
- **Potential Legislative Recommendation** – Problem described can only be resolved thru tax law/legislative change, even if it is unlikely to be addressed.
- **Related - Advocacy Project** – Issue is related to an open or closed Advocacy Project or Immediate Intervention.
- **Related - Collaborative Effort** – The issue is related to or being addressed by TAS/SA via efforts not tracked on SAMS (such as Technical Liaison dealings with the Operating Divisions, teams and task forces, conference calls, emails, committees, etc.). This also applies to ARC/MSP topics being developed that have not been addressed in prior ARC/JRC's.
- **Related - Exec. Steering Committee** – Issue is being addressed thru TAS efforts on an Executive Steering Committee.
- **Related - IGP** - Issue is related to or being addressed by an open Information Gathering Project (on SAMS).
- **Related – Portfolio** – Issue is being addressed by the Portfolio Advisor.
- **Related - TAS Working Group** – Issue is related to or being addressed by a TAS Working Group (on SAMS).
- **Related - Task Force** - Issue is related to or being addressed by a Task Force (on SAMS)
- **Resolved by SAMS Program Manager** – During the research stage of the Level 1 process, the systemic problem, or problem with a systemic component, was resolved because of TAS/SA intervention with the IRS.
- **Systemic Issue Elevated** – A known systemic issue exists and the IRS has long-term plans in place to correct it. Alternatively, the barriers are not being immediately addressed due to programming, funding, resources, etc. Therefore, TAS/SA is aware of the systemic problem, but not actively working it for various reasons. The

recommendation should include what plans are in place to address the root issue, if known.

- **Systemic Problem Not Validated** – A potential systemic problem could exist, but there is not enough evidence or data to identify a wide spread trend. This would also apply if the submitter did not respond to help clarify/define the issue.
 - **Transferred** – Issue is not systemic in nature but rather related to another TAS function. It can be transferred to that area for them to address the submission. Case Processing, OAR, and SLA issues are transferred to TAG who then contacts the submitter to address their concern. Other common transfer areas are IMD/SPOC and C&L.
 - **Promoted** – Issue needs to be promoted to create an Advocacy Project or Immediate Intervention.
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