



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

1.1.23

SEPTEMBER 30, 2021

EFFECTIVE DATE

(09-30-2021)

PURPOSE

- (1) This transmits revised IRM 1.1.23, *Organization and Staffing, Tax Exempt and Government Entities Division*.

BACKGROUND

- (1) This IRM contains the functional statements and responsibilities of the offices within Tax Exempt and Government Entities Division.

MATERIAL CHANGES

- (1) This revision includes the following changes:
 - a. IRM 1.1.23.1 - Added Internal Controls section in the IRM.
 - b. IRM 1.1.23.2 - Removed references to the Assistant Deputy Commissioner, due to organizational changes eliminated the position within TE/GE.
 - c. IRM 1.1.23.3 - Added TE/GE Equity, Diversity and Inclusion (EDI) section.
 - d. IRM 1.1.23.4 and 1.1.23.6 - Documented the reorganization of Government Entities and Shared Services (GE/SS). Exempt Organizations and Government Entities (EO/GE) are now under the same directorate. Shared Services is now its own function.
 - e. IRM 1.1.23.3 - Documented that Human Resources Customer Support, HR Resources Development Learning and Education, and Finance, now report to Human and Capital Resources which is under Shared Services.
 - f. IRM 1.1.23.4.3 - Documented the duties in greater detail of the EP Program Management Office.
 - g. IRM 1.1.23.5 - Moved Government Entities IRM content under the new EO/GE section.
 - h. IRM 1.1.23.5.4 - Documented the duties in greater detail of EO/GE Program Management Office.
 - i. IRM 1.1.23.6 - Documented the creation of Compliance Planning and Classification.
 - j. Editorial Changes were made throughout this IRM.

EFFECT ON OTHER DOCUMENTS

This manual supersedes IRM 1.1.23, dated March 7, 2017.

AUDIENCE

Tax Exempt and Government Entities

RELATED RESOURCES

- (1) See the TE/GE organization chart: <https://portal.ds.irsnet.gov/sites/TEGE/pages/lib/gen/org-chart.pdf>.

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Tax Exempt and Government Entities

1.1.23

Tax Exempt and Government Entities Division

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1.1.23.1
(09-30-2021)
**TE/GE Program Scope
and Objectives**

- (1) The Tax Exempt and Government Entities (TE/GE) Division has important responsibilities for both the oversight of regulatory compliance as well as compliance with tax requirements. The Division serves charities, small local community organizations, major universities, large pension funds, small business retirement plans, federal, state and local governments, participants in complex tax-advantaged bond transactions, and Indian tribal governments and tribal entities and associations.
- (2) The TE/GE Division delivers customer service for America's taxpayers by helping them understand and comply with the applicable tax laws and reporting obligations, as well as promotes compliance with TE/GE taxpayers through programs that:
 - Examine organizations and entities using referrals and data analytics to focus on high risk issues.
 - Issue determination letters to qualifying organizations and retirement plans.
 - Offer programs to voluntarily correct mistakes and maintain technical consistency.
 - Educate through compliance contacts, outreach and stakeholder partnerships.
- (3) In addition, TE/GE Support organizations oversee modernization and management of technology, strategic planning and direction, communications, and strategic human capital management, ensuring safety and security and critical infrastructure, formulation and execution of the budget, and advancing equal opportunities for employees. Nationwide, TE/GE has approximately 1,590 employees located across the U.S.
- (4) The Commissioner, TE/GE Division, reports to the Deputy Commissioner for Services and Enforcement. The Commissioner and Deputy Commissioner of TE/GE lead long-term strategies that are consistent with the mission and strategic goals of the Internal Revenue Service and the mission of TE/GE. These strategies involve planning, managing, directing and executing nationwide activities for TE/GE.
- (5) The TE/GE Division consists of the following organizational functions:
 1. Equity, Diversity and Inclusion (EDI)
 2. Shared Services:
 - Business Systems Planning
 - Communications & Liaison
 - Human & Capital Resources
 3. Employee Plans:
 - Employee Plans Examinations
 - Employee Plans Rulings and Agreements
 4. Exempt Organizations:
 - Exempt Organizations Examinations
 - Exempt Organizations Rulings and Agreements
 5. Government Entities:
 - Federal, State and Local Governments Employment Tax
 - Tax Exempt Compliance Unit
 - Indian Tribal Governments
 - Tax Exempt Bonds

6. Compliance, Planning and Classification:

- Issue Identification and Special Review
- Planning and Monitoring
- Classification and Case Assignment

(6) TE/GE Organizational Chart - <https://portal.ds.irsnet.gov/sites/TEGE/pages/lib/gen/org-chart.pdf> (TEGE Connect)

1.1.23.1.1
(09-30-2021)

**The Mission of the Tax
Exempt and Government
Entities Division**

- (1) The mission of the TE/GE Division is to provide TE/GE's customers top quality service by helping them understand and comply with applicable tax laws and to protect the public interest by applying the tax law with integrity and fairness to all.
- (2) The TE/GE Mission is the principle that guides our work and is the foundation of our institutional culture of service. In direct support of TE/GE's mission and the IRS strategic goals, TE/GE focuses on protecting the integrity of the tax system by:
 - Delivering programs and services that educate our taxpayer base, and
 - Ensuring that service and compliance and enforcement coexist through all taxpayer interactions.
- (3) The taxpayer experience is the backbone of the TE/GE mission. We continue this focus through the Taxpayer First Act and the Taxpayer Experience Strategy outlined in the IRS Report to Congress (1/2021) which aims to educate taxpayers by providing clear and timely communications and understanding taxpayer needs. TE/GE continues to provide a seamless experience by simplifying the tax process, increasing access, and promoting transparency.
- (4) The TE/GE Division supports the IRS' Strategic Plan and objectives through initiatives and programs that:
 - Empower and enable all taxpayers
 - Protect the integrity of the tax system
 - Drive increased agility, efficiency, effectiveness and security
 - Foster collaboration with external partners
 - Cultivate a well-equipped, diverse, flexible and engaged workforce
 - Advance data access, usability and analytics.

1.1.23.1.2
(09-30-2021)

**The TE/GE Division
Strategic Goals**

- (1) The strategic goals of the TE/GE Division parallel the IRS strategic goals and the IRS Integrated Modernization Business Plan to provide service to each taxpayer, service to all taxpayers, and increase productivity through a quality work environment. TE/GE aligns with the IRS strategic areas and focuses on Putting Taxpayers First; Improving Compliance and Modernizing TE/GE. TE/GE supports the strategic goals through programs that:
 - Strengthen Compliance Activities.
 - Maintain a Taxpayer-Focused Organization.
 - Ensure Awareness and Collective Understanding - Proactively communicate with the communities we serve to encourage compliance with tax laws through expanded outreach.
 - Leverage Technology and Data Analytics.
 - Improve Operational Efficiencies.
 - Develop Our Workforce.

1.1.23.1.3
(09-30-2021)
TE/GE's Customer Base

- (1) TE/GE's customers include small local community organizations; major universities; large pension funds; small business retirement plans; federal, state and local government; participants in complex tax-advantaged bond transactions; and Indian tribal governments and tribal entities and associations.
- (2) Through the customer base, TE/GE uses input from enforcement workstreams to drive outreach, feedback, and progress:
 - Compliance Strategies
 - Data-driven Approaches
 - Issue Portal Submissions
 - Engagement with entities
 - Referrals
 - Compliance Contacts
- (3) Customer outreach and interactions through evaluations, results and feedback lead to insight into trends, issues and potential abusive schemes.

1.1.23.1.4
(09-30-2021)
Authorities

- (1) The authorities for this IRM include:
 - a. Employee Retirement Income Security Act (ERISA) of 1974 Pub. L. No. 93-406 § 1051, IRC 7802(b) (subsequently amended).
 - b. Reorganization Plan of 1978, Section 105, Enforcement by the Secretary of the Treasury
 - c. Internal Revenue Service Restructuring and Reform Act of 1998, Pub. L. No. 105-206
 - d. CRS Report for Congress, 97-984 E, Updated July 6, 1998
 - e. 26 CFR § 301.7701-9(c), Secretary of his delegate
 - f. 26 U.S.C. § 7804(a), Other Personnel
 - g. IRC 7803(a)(3), Taxpayer Bill of Rights
 - h. IRC 7871 - Indian tribal governments treated as states for certain purposes
 - i. *Memorandum on Tribal Consultation and Strengthening Nation-to-Nation Relationships* - Affirming Executive Order 13175
 - j. *Presidential Executive Order No. 13175, 65 FR 67249, Nov. 6, 2000 - - Consultation and Coordination with Indian Tribal Governments*
 - k. Revenue Ruling 94-16 - Federal Income Taxation of Indian Tribes and Corporations Organized by Indian Tribes
 - l. Revenue Ruling 94-65 - Federal Income Taxation of Corporations Organized by Indian Tribes Under Section 3 of the Oklahoma Welfare Act
 - m. IRC 7602, Examination of books and witnesses, which falls under Chapter 78 – Discovery of Liability and Enforcement of Title I.
 - n. IRC 6201, Assessment authority, which falls under Chapter 63 – Assessment

1.1.23.1.5
(09-30-2021)
Acronyms

- (1) The following table contains definitions for the acronyms used in this IRM.

Acronym	Definition
ACT	Advisory Committee on Tax Exempt and Government Entities
BSP	Business Systems Planning

Acronym	Definition
C&CA	Classification and Case Assignment
C&L	Communications and Liaison
CA	Case Assignment
CP&C	Compliance Planning and Classification
DIO	Division Information Officer
DOJ	Department of Justice
DOL	Department of Labor
EDI	Equity, Diversity and Inclusion
EEO	Equal Employment Opportunity
EO	Exempt Organizations
EO/GE	Exempt Organizations and Government Entities
EP	Employee Plans
EPCRS	Employee Plans Compliance Resolution System
ERISA	Employee Retirement Income Security Act of 1974
FEVS	Federal Employee Viewpoint Survey
FMFIA	Federal Managers' Financial Integrity Act
FOCSE	Fair, Open, Cooperative, Supportive and Empower subset of the Diversity and Inclusion Plan
FSL/ET	Federal, State, Local governments/Employment Tax
GAO	Government Accountability Office
GE	Government Entities
GE/SS	Government Entities and Shared Services
H&CR	Human and Capital Resources
HCO	Human Capital Office
HQ	Headquarters
HR	Human Resources
II&SR	Issue Identification and Special Review
IMD	Internal Management Documents
IRM	Internal Revenue Manual
IRS	Internal Revenue Service
IT	Information Technology
ITG	Indian Tribal Governments
KM	Knowledge Management

Acronym	Definition
L&E	Learning and Education
MD-715	Management Directive 715 Report
NTEU	National Treasury Employees Union
P&M	Planning and Monitoring
PBGC	Pension Benefit Guaranty Corporation
PMO	Program Management Office
R&A	Rulings and Agreements
SPOC	Single Point of Contact
SSA	Social Security Administration
TE/GE	Tax Exempt and Government Entities
TEB	Tax Exempt Bonds
TEQMS	Tax Exempt Quality Measurement System
TIGTA	Treasury Inspector General for Tax Administration
U.S.	United States
W&I	Wage and Investment Division

1.1.23.1.6
(09-30-2021)
Related Resources

- (1) Internal TE/GE Website: TE/GE Connect: <https://portal.ds.irsnet.gov/sites/TEGE/Pages/Home.aspx>, <https://portal.ds.irsnet.gov/sites/TEGE/Pages/About/About.aspx>
- (2) External TE/GE Website: Tax Exempt Government Entities Division At-a-Glance: <https://www.irs.gov/government-entities/tax-exempt-government-entities-compliance-program-and-priorities>

1.1.23.1.7
(09-30-2021)
Contact Information

- (1) **Contact Information:** To recommend changes to this IRM, see IRM 1.11.6.6. Providing Feedback About an IRM Section - Outside of Clearance, and send your suggestions to the TE/GE Internal Management Documents (IMD) Coordinator at tege.imd.spoc@irs.gov.

1.1.23.2
(09-30-2021)
Commissioner, Tax Exempt and Government Entities

- (1) The Commissioner, TE/GE, is the highest ranking executive in the Division and reports to the Deputy Commissioner, Services and Enforcement.
- (2) The Commissioner, TE/GE, together with the Deputy Commissioner, TE/GE is responsible for leading the development and execution of the Division's long-term strategy consistent with the mission of the TE/GE Division and the Internal Revenue Service (IRS). This responsibility involves planning, managing, directing and executing nationwide activities for Employee Plans (EP), Exempt Organizations (EO), and Government Entities (GE).
- (3) The Office of the Commissioner, TE/GE consists of the Commissioner, Deputy Commissioner, the Senior Technical Advisor and their immediate staff.

- (4) The Commissioner directly supervises the:
 - a. Deputy Commissioner, TE/GE
 - b. Senior Technical Advisor
- (5) The Deputy Commissioner directly supervises the:
 - a. Director, Employee Plans (EP)
 - b. Director, Exempt Organizations and Government Entities (EO/GE)
 - c. Director, Equity, Diversity and Inclusion (EDI)
 - d. Director, Shared Services
 - e. Director, Compliance Planning & Classification (CP&C)
- (6) For additional information on the TE/GE Commissioner and Deputy Commissioner, go to: <https://portal.ds.irsnet.gov/sites/TEGE/Pages/Home.aspx>.
- (7) See the TE/GE organization chart:
<https://portal.ds.irsnet.gov/sites/TEGE/pages/lib/gen/org-chart.pdf>.

1.1.23.3

(09-30-2021)

TE/GE Equity, Diversity and Inclusion (EDI)

- (1) The mission of the TE/GE, Office of EDI is to foster a diverse and inclusive workplace culture that is free from discrimination and embraces diverse strategies, which support tax administration with integrity and fairness for all. Our EDI vision is to be a diverse and inclusive IRS that understands and adapts our services to the unique and ever-changing needs of taxpayers.
- (2) In order to accomplish our mission, EDI will:
 - a. Advise the TE/GE Commissioner and other TE/GE executives and senior management officials on TE/GE EDI issues.
 - b. Provide guidance on Equal Employment Opportunity (EEO) policies (harassment-sexual/non-sexual, reasonable accommodation, etc.), procedures, programs, and recruitment strategies for TE/GE in conformance with overall Service guidelines.
 - c. Oversee the TE/GE EEOD Advisory Council.
 - d. Conduct specific TE/GE EDI training for functional divisions (EO, EP, GE/SS, etc.) to ensure managers and employees receive adequate training to fulfill their EEO and Diversity responsibilities.
 - e. Conduct analysis of key workforce-related trends or actions to identify any practices, regulations and procedures that may perpetuate discrimination and prepares reports of findings.
 - f. Partner with HQ, EDI in the implementation, administration and provide oversight of the special emphasis program plans for IRS.
 - g. Develop and monitor the TE/GE MD-715, Treasury One, and FOSCE Reports.
 - h. Ensure EEO input and/or involvement in the TE/GE strategic program planning and assessment process.
 - i. Collaborate, as needed with HQ, EEO Services to assist TE/GE management with the EEO process.
- (3) EDI is comprised of EEO specialists who are supervised by a program manager.
- (4) The Manager, EDI reports to the Commissioner, TE/GE.

1.1.23.4
(09-30-2021)
Shared Services

- (1) 1) The Shared Services mission is to support the TE/GE Commissioner by providing strategic and operational support for the operating units within TE/GE. Shared Services manages TE/GE-wide programs such as TIGTA and GAO audits, TE/GE internal management documents as well as TE/GE programs of IT systems, communication, personnel, learning, and education and budget.
- (2) Shared Services includes analysts and staffs of the following units:
 - Business Systems Planning (BSP)
 - Communications and Liaison (C&L)
 - Human and Capital Resources (H&CR)

1.1.23.4.1
(09-30-2021)
Business Systems Planning

- (1) The Program Manager, BSP, reports to the Director, Shared Services and is responsible to gather and articulate business needs for information technology projects, applications and legacy systems.
- (2) The BSP staff:
 - a. Gathers and analyzes technology requirements for TE/GE in consultation with EP, EO/GE and CP&C.
 - b. Assesses the feasibility and impact of technology solutions on facilities, human resources and organizational structure to address gaps in business processes.
 - c. Develops business cases and unified work requests for TE/GE information services , with the TE/GE Division Information Officer (DIO) and others within the Information Systems organization.
 - d. Formulates IT plans and budgets.
 - e. Manages and monitors funds for business systems projects.
 - f. Develops service level agreements with (IT and Wage & Investment (W&I) for services, procurement and planning.
 - g. Provides program management support and oversight of systems implementation projects to deliver business capabilities.
 - h. Provides oversight of TE/GE campus programs, ensuring TE/GE's submissions are processed timely and accurately.
- (3) BSP is comprised of management and program analysts who are supervised by program managers.
- (4) The Program Manager, BSP, directly supervises the:
 - a. Manager, Operation Program Support
 - b. Manager, Business Customer Support
 - c. Manager, Systems Change Control
 - d. Manager, Submission Processing Programs

1.1.23.4.2
(09-30-2021)
Communications and Liaison

- (1) The Program Manager, Communications and Liaison (C&L) ,reports to the Director, Shared Services and through its Web/Multimedia and Operations groups supports the IRS and TE/GE missions and business objectives using stakeholder partnerships, communication tools and processes, issue resolution and information sharing.
- (2) The Office of C&L:
 - a. Facilitates effective communication with TE/GE employees and all other internal and external stakeholders.

- b. Coordinates the development of TE/GE-wide stakeholder partnership strategy and identifies partnering opportunities.
 - c. Prepares speeches and briefing papers for the TE/GE Commissioner and Deputy Commissioner.
 - d. Serves as a central point of contact for such programs as Fed-State, Disclosure, Legislative Affairs, Public Liaison, Internal Communications, and Media Relations.
 - e. Coordinates meetings of the Advisory Committee on Tax Exempt and Government Entities (ACT).
- (3) C&L is comprised of public affairs specialists, web analysts and revenue agents who are supervised by managers.
- (4) The Program Manager, C&L directly supervises the:
- a. Manager, Web/Multimedia Services
 - b. Manager, Operations

1.1.23.4.3
(09-30-2021)
**Human and Capital
Resources**

- (1) The Program Manager, Human and Capital Resources (H&CR), reports to the Director, Shared Services and is responsible for the TE/GE budget, the execution of its centralized financial plan, TE/GE workforce management.
- (2) The HR staff:
- a. Fosters a good working relationship with the National Treasury Employees Union (NTEU) throughout TE/GE.
 - b. Develops and implements HR policies, guidelines and procedures for the division within parameters set by the Human Capital Office (HCO).
 - c. Designs and develops TE/GE specific training and develops the division-wide training plan.
 - d. Provides workforce planning and strategic recruitment guidance.
 - e. Manages the resource distribution process, including the development of a financial plan that supports the program priorities of TE/GE.
 - f. Manages financial resources for TE/GE, including tracking resource usage against targets, and makes projections of resource needs through yearend.
- (3) H&CR is comprised of specialists, budget and financial management analysts, management and program analysts, and human resource specialists and assistants who are supervised by managers.
- (4) The Program Manager, H&CR directly supervises the:
- a. Manager, Human Resources (HR) Customer Support Manager
 - b. HR Resources Development – Learning and Education Manager (L&E)
 - c. Manager, Finance

1.1.23.5
(09-30-2021)
Employee Plans

- (1) The mission of Employee Plans (EP) is to provide EP's customers top quality service by helping them understand and comply with applicable tax laws, and to protect the public interest by applying the tax law with integrity and fairness to all.
- (2) The Director, EP, reports to the Deputy Commissioner, TE/GE, and is responsible for planning, managing, directing and executing nationwide EP activities.
- (3) EP responsibilities include:

- a. Employee plans (including the qualification of pension, annuity, profit-sharing, and stock bonus plans, simplified employee pensions, saving incentive match plans for employees, and tax-sheltered annuities) and related trusts;
 - b. Tax treatment of participants and their beneficiaries; and deductions for employer contributions; and
 - c. Procedural and administrative provisions with respect to such plans.
- (4) To accomplish the mission, EP:
- a. Processes determination letter requests from employers regarding the qualified status of their pension, annuity, profit sharing, and stock bonus plans.
 - b. Issues opinion and advisory letters to specific requestors regarding pre-approved pension, annuity, and profit-sharing plans, individual retirement accounts, simplified employee pensions and saving incentive match plans for employees, and tax sheltered annuities.
 - c. Develops and operates voluntary correction programs, such as the Employee Plans Compliance Resolution System (EPCRS), and issues compliance statements or enters into closing agreements under these programs.
 - d. Regulates and monitors employee plans through examination of returns and compliance checks, with emphasis on protecting the interests of employee plan participants and beneficiaries.
 - e. Coordinates tax administration and enforcement activities with the Department of Labor (DOL) and the Pension Benefit Guaranty Corporation (PBGC), as provided by Titles I and IV of the Employee Retirement Income Security Act of 1974 (ERISA).
 - f. Coordinates with TE/GE Division Counsel, Associate Chief Counsel and the Department of Justice (DOJ) on litigation issues involving income tax cases, excise tax cases, and declaratory judgment cases under the Internal Revenue Code.
 - g. Provides members for the Joint Board of the Enrollment of Actuaries and oversees actuarial determinations and interpretations.
- (5) The Director, EP, directly supervises and is responsible for the activities of:
- Director, EP Rulings and Agreements (R&A)
 - Director, EP Examinations
 - Manager, EP Program Management
- (6) For more information on the Director, EP, go to <https://portal.ds.irsnet.gov/sites/TEGE/Pages/EP/EP.aspx>.

1.1.23.5.1
(09-30-2021)
EP Examinations

- (1) The Director, EP Examinations, reports to the Director, EP, and is responsible for the examination of qualified retirement plans to verify compliance with qualification, reporting/disclosure, excise and income tax matters.
- (2) The Office of EP Examinations supervises the activities of the EP Examinations Area offices.
- (3) EP Examinations Area Managers directly supervise EP Group Managers who are responsible for their staff.:

- (4) EP examination revenue agents, EP examination reviewers, tax compliance officers, and tax examiners report to group managers who are supervised by a senior manager.
- (5) Field actuaries are supervised by an actuary senior manager.
- (6) The Director, EP Examinations, directly supervises the:
 - a. Area Manager, Pacific Coast
 - b. Area Manager, Northeast
 - c. Area Manager, Mid-Atlantic
 - d. Area Manager, Great Lakes
 - e. Area Manager, Gulf Coast

1.1.23.5.2
(09-30-2021)
**EP Rulings and
Agreements**

- (1) The Director, EP R&A, reports to the Director, EP, and is responsible for three types of services for retirement plans voluntary compliance, determination letters, and technical guidance.
- (2) The EP R&A staff:
 - a. Processes determination letter requests from employers regarding the qualified status of their pension, annuity, profit sharing, and stock bonus plans.
 - b. Issues opinion and advisory letters to specific requestors regarding pre-approved pension, annuity, and profit-sharing plans, individual retirement accounts, simplified employee pensions and saving incentive match plans for employees, and tax sheltered annuities.
 - c. Develops and operates voluntary correction programs, such as the EPCRS, and issues compliance statements or enters into closing agreements under these programs.
 - d. Processes requests for changes in funding method and makes other actuarial determinations and interpretations.
 - e. Coordinates with Chief Counsel on requests for funding waivers.
 - f. Develops and maintains responsibility for actuarial publications and other standards for the valuation of transfers of future interests for income, estate and gift tax purposes.
 - g. Coordinates with TE/GE Division Counsel, Associate Chief Counsel and the DOJ on litigation issues and declaratory judgment cases under the Internal Revenue Code (IRC 7476).
- (3) EP Determinations is comprised of EP determination specialists and supervised by EP group managers who are supervised by senior managers.
- (4) EP Technical is comprised of Actuarial and Knowledge Management functions.
 - a. The actuaries are supervised by an actuary manager who is supervised by a senior manager.
 - b. EP Knowledge Management (KM) consists of groups of EP specialists, revenue agents, and tax law specialists reporting to group managers who are supervised by a senior manager.
 - c. Quality Assurance group members include senior revenue agents, tax examiners, and clerks reporting to a group manager.
- (5) Voluntary Compliance is comprised of Voluntary Compliance and Quality Assurance functions:

- a. Voluntary Compliance consists of groups of EP specialists, revenue agents and tax law specialists reporting to group managers who are supervised by a senior manager.
- b. Quality Assurance group members include senior revenue agents reporting to a group manager who is supervised by a senior manager.

(6) The Director, EP R&A, directly supervises the:

- a. Managers, Determinations Areas 1 & 2
- b. Manager, EP Technical
- c. Manager, Voluntary Compliance

1.1.23.5.3
(09-30-2021)
**EP Program
Management**

- (1) The Manager, EP Program Management, reports to the Director, EP, and coordinates EP programs of staffing, IRM/IMD, and risk.
- (2) The EP Program Management Office:
 - a. Facilitates all aspects of the IRM/IMD process at the EP level.
 - b. Facilitates Risk Management at the EP level.
 - c. Coordinates annual updates to EP Forms 5500, 8955-SSA and 5330, schedules and instructions.
 - d. Manages interagency relations with the Department of Labor (DOL), Pension Benefits Guaranty Corporation (PBGC) and Social Security Administration (SSA).
 - e. Reviews the EP non-labor budget and assists in the resolution on novel budgetary issues.
 - f. Coordinates Federal Employee Viewpoint Survey (FEVS)-related activities for EP.
 - g. Coordinates the Federal Managers' Financial Integrity Act (FMFIA) and Annual Assurance Review process for EP.
- (3) EP Program Management is comprised of management and program analysts who are supervised by a program manager.

1.1.23.6
(09-30-2021)
**Exempt Organizations
and Government Entities**

- (1) The mission of Exempt Organizations and Government Entities (EO/GE) is to provide EO/GE customers top quality service by helping them understand and comply with applicable tax laws and to protect the public interest by applying the tax law with integrity and fairness to all.
- (2) The Director, EO/GE, reports to the Deputy Commissioner, TE/GE, and is responsible for planning, managing, directing and executing nationwide EO/GE activities.
- (3) Exempt Organizations (EO) responsibilities include:
 - a. Organizations exempt from income tax under IRC Section 501 (including private foundations and organizations described in IRC 170(b)(1)(A) (except clause (v)), and
 - b. Political organizations described in IRC 527, and organizations described in IRC 4947(a).
- (4) To accomplish the mission, EO:
 - a. Processes determination letter requests from exempt organizations seeking recognition of tax-exempt status.

- b. Develops and operates voluntary correction programs and issues compliance and correction statements or enters into closing agreements under these programs.
- c. Regulates and monitors exempt organizations through examination of returns and compliance checks, with emphasis on assuring that exempt organizations continue to meet the statutory requirements for exemption and their other federal tax responsibilities, including employment taxes.
- d. Coordinates tax administration and enforcement activities with other federal and state agencies.

(5) Government Entities (GE) responsibilities include:

- a. Ensuring federal tax compliance by federal, quasi-governmental and state agencies: city, county and other units of local government, and American Samoa, Guam, Puerto Rico and the U.S. Virgin Islands.
- b. Maintaining a functional and interactive government-to-government relationship between the IRS and Indian tribal governments as envisioned by the President's Executive Orders, and
- c. Working with stakeholders in the tax-advantaged bond community to encourage and achieve the highest degree of voluntary compliance with the law.

(6) To accomplish the mission, GE:

- a. Develops and operates voluntary correction programs and issues compliance and correction statements or enters into closing agreements under these programs.
- b. Develops the strategic direction of the nationwide education and outreach programs for GE customers in order to promote up-front voluntary compliance.
- c. Coordinates with TE/GE Division Counsel, Associate Chief Counsel and the DOJ on litigation issues.
- d. Coordinates with the Department of Treasury and other federal agencies.

(7) The Director, EO/GE, directly supervises and is responsible for the activities of:

- Director, EO Rulings and Agreements (R&A)
- Director, EO Examinations
- Director, Government Entities (GE)
- Manager, EO/GE Program Management Office (PMO)

(8) For more information on the Director, EO/GE, go to <https://portal.ds.irsnet.gov/sites/TEGE/Pages/EO-FSL/EOFSL-Home.aspx>.

1.1.23.6.1
(09-30-2021)
EO Examinations

(1) The Director, EO Examinations, reports to the Director, EO/GE, and develops and implements the overall EO enforcement strategy; develops goals to enhance compliance consistent with overall TE/GE strategy; and evaluates policies, procedures, and measures for the EO examination program that balance customer satisfaction, employee satisfaction and business results.

(2) The Office of EO Examinations:

- a. Coordinates with EP with respect to examinations of employee plans maintained by EO customers and coordinates with GE with respect to issues that exempt organizations and government entities have in common.

- b. Coordinates with SB/SE and LB&I to develop strategies to address cross-functional issues.
 - c. Monitors and evaluates the quality and effectiveness of the EO Examination programs.
 - d. Supervises the activities of Financial Investigations Unit and the EO Area offices.
 - e. Coordinates with Directors, CP&C and EO Rulings and Agreements, to identify emerging noncompliance areas and identify opportunities for improvement of EO processes.
 - f. Coordinates with TE/GE Division Counsel, Associate Chief Counsel and the DOJ on litigation issues and declaratory judgment cases under IRC Section 7428.
- (3) EO Examinations is comprised of EO Examinations specialists and supervised by EO group managers who are supervised by the EO area manager within a given geographic area.
- (4) The Director, EO Examinations, directly supervises the:
- a. Area Manager, Pacific Coast
 - b. Area Manager, Northeast
 - c. Area Manager, Great Lakes
 - d. Area Manager, Gulf Coast
 - e. Area Manager, Compliance & Review
- (5) For additional information on EO Examinations go to: <https://portal.ds.irsnet.gov/sites/TEGE/Pages/EO-FSL/EOFSL-Landing.aspx>

1.1.23.6.2
(09-30-2021)
EO Rulings and Agreements

- (1) The Director, EO R&A, reports to the Director, EO/GE, and is responsible for up-front, customer-initiated activities such as determination applications, tax-exempt organization inquiries and knowledge management for EO technical issues.
- (2) The Office of EO R&A:
- a. Processes determination letter requests from exempt organizations under the provisions of the IRC governing such organizations, including organizations seeking recognition of tax-exempt status.
 - b. Processes or responds to inquiries from or about tax-exempt organizations.
 - c. Coordinates with TE/GE Division Counsel, Associate Chief Counsel and the DOJ on litigation issues and declaratory judgment cases under IRC Section 7428.
 - d. Develops and maintains EO Knowledge Networks within TE/GE Knowledge Management.
 - e. Supervises the activities of EO Determinations, EO Business Performance, Quality Assurance, and Processing; and EO Knowledge Management.
- (3) EO Determinations is comprised of groups of EO Determinations specialists, and tax examiners reporting to EO group managers, who are supervised by a senior manager (Area 1 and Area 2).
- (4) EO Business Performance, Quality Assurance, and Processing is comprised of the following groups: Quality Assurance, Processing Units, Correspondence Unit, Adjustments Unit and Files & Records Unit. Group members include

senior revenue agents, analysts, tax examiners, and clerks reporting to group managers, who are supervised by a senior manager (Area 3).

- (5) EO Knowledge Management (KM) consists of groups of EO specialists reporting to group managers who are supervised by a senior manager (Area 4).
- (6) The Director, EO R&A, directly supervises the:
 - a. Managers, Determinations (Areas 1 and 2)
 - b. Manager, Business Performance, Quality Assurance, and Processing (Area 3)
 - c. Manager, Knowledge Management (Area 4)
- (7) For additional information on EO R&A, go to: <https://portal.ds.irsnet.gov/sites/TEGE/Pages/EO-FSL/EOFSL-Landing.aspx>

1.1.23.6.3
(09-30-2021)

Government Entities

- (1) The Director, GE, reports to the Director, EO/GE, and is responsible for the tax compliance of government entities.
- (2) The office of GE:
 - a. Develops and operates voluntary correction programs and enters into closing agreements under these programs.
 - b. Coordinates with other TE/GE functions with respect to examinations on issues that exempt organizations and government entities have in common and compliance checks in support of all GE, EO and EP programs.
 - c. Coordinates with SB/SE and LB&I to develop strategies to address cross-functional issues.
 - d. Coordinates with W&I to address cross-functional issues impacting GE programs.
 - e. Develops the strategic direction of the nationwide education and outreach programs for GE customers in order to promote up-front voluntary compliance.
 - f. Coordinates with TE/GE Division Counsel, Associate Chief Counsel and the DOJ on litigation issues.
 - g. Coordinates with the Department of Treasury and other federal agencies.
- (3) GE includes Federal, State, Local/Employment Tax (FSL/ET), Indian Tribal Governments (ITG), Tax Exempt Bonds (TEB), the Tax-Exempt Compliance Unit (TECU), and the Government Entities Compliance Unit (GECU).

1.1.23.6.3.1
(09-30-2021)

Federal, State, Local Governments/Employment Tax

- (1) The Manager, Federal, State, Local Governments/Employment Tax (FSL/ET), reports to the Director, GE and is responsible for ensuring federal employment tax compliance by federal, quasi-governmental and state agencies; city, county and other units of local government; and American Samoa, Guam, Puerto Rico and the U.S. Virgin Islands.
- (2) The Office of FSL/ET:
 - a. Provides government entities top quality service by helping them understand and comply with their tax responsibilities while applying the law with integrity and fairness to all.

- b. Develops the overall FSL/ET compliance strategy and goals to enhance compliance consistent with overall TE/GE strategy, and implements and evaluates FSL/ET examination policies and procedures.
 - c. Develops and operates voluntary correction programs and enters into closing agreements under these programs.
 - d. Provides Servicewide technical support and subject matter expertise with respect to FSL/ET related matters.
 - e. Develops the strategic direction of the nationwide education and outreach programs for FSL/ET customers in order to promote up-front voluntary compliance.
 - f. Coordinates with TE/GE Division Counsel, Associate Chief Counsel and the DOJ on litigation issues.
 - g. Works with and maintains effective communications with the governmental community and key stakeholder groups including those listed, to deliver service and to improve voluntary compliance:
- Social Security Administration (SSA)
 - National Conference of State Social Security Administrators (NCSSSA)

- (3) FSL/ET field groups are comprised of FSL/ET specialists, supervised by FSL/ET group managers.
- (4) The Program Manager, FSL/ET directly supervises Managers, Field Groups.
- (5) For additional information on FSL, go to: <https://portal.ds.irsnet.gov/sites/TEGE/Pages/EO-FSL/EOFSL-Landing.aspx#FSL>

1.1.23.6.3.2
(09-30-2021)
**Tax Exempt Compliance
Unit (TECU)**

- (1) The Manager, TECU, reports directly to the Director, GE. The TECU addresses potential noncompliance, by educating taxpayers, primarily using correspondence contacts known as “compliance checks” and “soft letters” to improve return filings and filing accuracy on issues of noncompliance.
- (2) The TECU includes Compliance Units comprised of Tax Examiners (TEs) and support staff supervised by group managers who are supervised by a program manager.

1.1.23.6.3.3
(09-30-2021)
**Government Entities
Compliance Unit (GECU)**

- (1) The GECU addresses potential noncompliance, by conducting correspondence audits and compliance checks, reviewing specified claims, and resolving filing inadequacies (for example, late -filed returns).
- (2) The GECU is comprised of Tax Compliance Officers (TCOs), including a Lead TCO and is supervised by the group manager who is supervised by the TEB Program Manager.

1.1.23.6.3.4
(09-30-2021)
**Indian Tribal
Governments**

- (1) The Program Manager, ITG, reports to the Director, GE and is responsible for maintaining a functional and interactive government-to-government relationship between the IRS and Indian tribal governments as envisioned by the President’s Executive Orders.
- (2) ITG uses partnership opportunities with Indian tribal governments, tribal associations, and other federal agencies to respectfully and cooperatively meet the needs of both governments and to simplify the tax administration process.

- (3) ITG provides a single point of contact for services and federal tax information to assist tribes in understanding and meeting their federal tax responsibilities. Specialists address unique Indian tribal issues, including:
- Employment Tax
 - Wagering Excise Tax
 - Occupational Tax on Wagering
 - Information Reporting
 - Voluntary Tip Agreements and Annual Tip Reporting
 - Bank Secrecy Act (BSA) (Title 31)
- (4) The Office of ITG:
- a. Serves as coordinating office on Indian tribal government matters to ensure that the IRS operates within a government-to-government relationship with federally recognized tribal governments and is in compliance with relevant Presidential Executive Orders.
 - b. Develops and operates voluntary correction programs and issues compliance and correction statements or enters into closing agreements under these programs.
 - c. Develops the strategic direction of the nationwide education and outreach programs for ITG customers in order to promote up-front voluntary compliance.
 - d. Within TE/GE Knowledge Management, coordinates with CP&C to develop and implement compliance strategies.
 - e. Coordinates with other divisions on matters related to tribal members, benefits, and entities.
 - f. Coordinates with TE/GE Division Counsel, Associate Chief Counsel and the DOJ on litigation issues, regulations, revenue procedures, notices and announcements.
 - g. Coordinates with the Department of Treasury and other federal agencies.
- (5) The ITG field groups and a technical group are comprised of Revenue Agents and Senior Tax Analyst, each supervised by an ITG Group manager. ITG employees are specially trained in the unique areas of tax law and protocols applicable to Indian tribes.
- (6) The Director, GE, supervises the ITG Program Manager.
- (7) For additional information on ITG, go to: <https://portal.ds.irsnet.gov/sites/TEGE/Pages/EO-FSL/EOFSL-Landing.aspx#ITG>

1.1.23.6.3.5
(09-30-2021)
Tax Exempt Bonds

- (1) The Program Manager, Tax Exempt Bonds (TEB), reports directly to the Director, GE, and is responsible to work with stakeholders in the tax-advantaged bond community to encourage and achieve the highest degree of voluntary compliance with the law.
- (2) The Office of TEB:
- a. Develops the overall TEB examination strategy and goals to enhance compliance consistent with overall TE/GE strategy, and implements and evaluates TEB examination policies and procedures.
 - b. Develops and operates voluntary correction programs and enters into closing agreements under these programs.

- c. Develops the strategic direction of the nationwide education and outreach programs for TEB customers in order to promote up-front voluntary compliance.
 - d. Develops and implements case review and closing processes.
 - e. Coordinates with TE/GE Division Counsel, Associate Chief Counsel and the DOJ on litigation issues.
 - f. Coordinates with the Securities and Exchange Commission and other federal and state agencies.
- (3) TEB Field Operations is comprised of TEB specialists and is supervised by group managers who are supervised by a Program Manager. TEB Technical function is comprised of TEB Tax Law Specialists and is supervised by a group manager who is supervised by the TEB Program Manager.
- (4) The Director, GE, supervises the TEB Program Manager.
- (5) For additional information on TEB, go to: <https://portal.ds.irsnet.gov/sites/TEGE/Pages/EO-FSL/EOFSL-Landing.aspx#TEB>

1.1.23.6.4
(09-30-2021)
**EO/GE Program
Management**

- (1) The EO/GE Program Management Office:
- a. Assists in the development of functional reviews in consultation with Directors, EO Examinations, EO Rulings and Agreements and GE, and monitors workplan accomplishments and conducts annual operational reviews of EO/GE's functional areas.
 - b. Facilitates all aspects of the IRM/IMD process at the EO/GE level.
 - c. Facilitates the processing of Treasury Inspector General for Tax Administration (TIGTA) and the Government Accountability Office (GAO) audits, and Risk Management at the EO/GE level.
 - d. Coordinates the development, update or revision to EO/GE forms, instructions, publications, letters; assists in the development and publication of EO/GE newsletters, information on IRS.gov, and social media posts; develops updates, and reviews EO/GE workshops, seminars, and presentations; including those on *StayExempt.IRS.gov* and at the IRS Nationwide Tax Forum.
 - e. Reviews the EO/GE non-labor budget and supply purchasing process and assists in the resolution on novel budgetary issues.
 - f. Conducts FEVS focus groups and prepares an annual report on the findings for the Director, EO/GE.
 - g. Monitors and coordinates the response to all EO/GE Freedom of Information Act (FOIA) requests.
- (2) EO/GE Program Management Office is comprised of revenue agents, and management and program analysts, who are supervised by the program manager.

1.1.23.7
(09-30-2021)
**Compliance Planning
and Classification**

- (1) The mission of Compliance Planning and Classification (CP&C) is to develop and deliver the TE/GE Work Plan and associated case work to TE/GE.
- a. The Compliance Work Plan includes the appropriate balance of exams and compliance checks selected using various methodologies, such as, Compliance Strategies, data- driven selections, referrals and claims. CP&C recommends Compliance Strategies and other case selection criteria to the TE/GE Compliance Governance Board and delivers this

work to the relevant areas of TE/GE. CP&C also provides updates and feedback on results from the compliance actions taken by the functional areas to the Governance Board.

- b. The Rulings and Agreements workplan consists of Determination work for Employee Plans Rulings and Agreements (including the EP Voluntary Compliance function) and Exempt Organizations Rulings and Agreements. These workstreams are driven by customers seeking rulings on the qualified status of retirement plans, organizations seeking tax exemption, and retirement plans that seek rulings or to correct operational and form defects with their plans.
- (2) The Director, CP&C, reports to the Deputy Commissioner, TE/GE, and is responsible for the classification and case assignment, issue identification and special review, and compliance planning and monitoring programs.
- (3) CP&C responsibilities include:
- a. Create and update the workplan which includes workbook outlining workstreams.
 - b. Stock the Virtual Shelf.
 - c. Monitor and analyze workplan performance for all TE/GE case work.
 - d. Develop workload selection algorithms and Compliance Strategies for the Compliance Governance Board (Board) consideration.
 - e. Classify and assign case work.
 - f. Measure quality.
- (4) The Director, CP&C directly supervises and is responsible for the activities of:
- a. Manager, Issue Identification and Special Review (II&SR)
 - b. Manager, Planning and Monitoring (P&M)
 - c. Manager, Classification and Case Assignment (C&CA)
- (5) For more information on the Director, CP&C, go to: <https://portal.ds.irsnet.gov/sites/TEGE/Pages/Support/CPC/what-is-cpc.aspx>.

1.1.23.7.1
(09-30-2021)

Classification and Case Assignment

- (1) The Manager, Classification and Case Assignment (C&CA), reports to the Director, CP&C and is the program manager for the classification and case assignment program.
- (2) The Office of C&CA:
 - a. Reviews and classifies returns, referrals, and Whistleblower claims.
 - b. Conducts 501(r) reviews.
 - c. Establishes cases and processes claims.
 - d. Fills case orders for Exam managers.
- (3) C&CA is comprised of revenue agents, tax examining technicians, and tax and system analysts supervised by group managers who report to a program manager.
- (4) C&CA is comprised of the following functions:
 - a. Classification groups, which consist of revenue agents and tax examining technicians that report to a group manager.
 - b. Case assignment group, which consists of tax examining technicians and tax and system analysts that report to a group manager.

(5) The Manager, C&CA directly supervises the following groups:

- a. Classification Group 1 (CL1)
- b. Classification Group 2 (CL2)
- c. Classification Group 3 (CL3)
- d. Classification Group 4 (CL4)
- e. Case Assignment (CA)

1.1.23.7.2
(09-30-2021)

**Issue Identification and
Special Review**

(1) The Manager, Issue Identification and Special Review (II&SR) reports to the Director, CP&C. The manager is responsible for a variety of priorities impacting TE/GE ranging from supervising the development and presentation of compliance strategies to the TEGE Governance Board on a monthly basis, overseeing data driven exam workload selection, and coordination and oversight of quality reviews of TEGE's five exam functions known as the Tax Exempt Quality Measurement System (TEQMS). The manager regularly oversees the completion of TEGE-related TIGTA and GAO audit responses and completion of post-audit recommendations where matters involve compliance activities and related issues.

(2) The Office of II&SR:

- a. Reviews all submissions to the TE/GE Issue Submission Portal.
- b. Develops potential compliance treatment streams.
- c. Presents strategy proposals to the TE/GE Governance Board for consideration.
- d. Reviews, measures, and reports on the quality of TE/GE exam issue resolution, taxpayer communication, and timeliness through administration of the TE/GE TEQMS program.

(3) II&SR is comprised of revenue agents, tax analysts, economists, statisticians, supervised by group managers who report to a program manager.

(4) II&SR is comprised of:

- a. Issue ID and Research Groups (Group 1 & 2) which consist of revenue agents, tax analysts, economists and statisticians that report to a group manager.
- b. EO Special Review Group which consists of revenue agents and tax analysts that report to a group manager.
- c. EP Special Review Group which consists of revenue agents and tax analysts that report to a group manager.

(5) The Program Manager, II&SR directly supervises the:

- a. Managers, Issue ID & Research Groups (Group 1 and Group 2)
- b. Managers, EO Special Review and EP Special Review Groups

1.1.23.7.3
(09-30-2021)

Planning and Monitoring

(1) The Manager, Planning and Monitoring (P&M) reports to the Director, CP&C and is responsible for monitoring and reporting TE/GE activities for management and external stakeholders.

(2) The Office of P&M:

- a. Monitors TE/GE's Examination, Determination Letter, and Voluntary Compliance programs.
- b. Creates and maintains the workplan.

- c. Stocks the Virtual Shelf for TE/GE's Examination programs
 - d. Develops automated, standardized management reports and provides analysis for all TE/GE's programs: Examination, Determination Letter, and Voluntary Compliance programs.
 - e. Performs closing procedures for TE/GE's examination cases.
- (3) P&M is comprised of tax examining technicians, revenue agents, tax analysts and program analysts supervised by group managers who report to a program manager.
- (4) P&M is comprised of the following functions
 - a. Rulings and Agreements Development and Monitoring, which consists of tax analysts and revenue agents that report to a group manager.
 - b. Exam Development and Monitoring Teams 1 and 2, which consist of tax analysts and revenue agents that report to a group manager.
 - c. EO Closing Unit, EP Closing Unit, and Misc. Closing Units, which consist of tax examining technicians and program analysts that report to a group manager.
- (5) The Manager, P&M directly supervises the:
 - a. Managers, Exam Development and Monitoring Teams 1 & 2
 - b. Manager, R&A, Development & Monitoring
 - c. Managers, EO Closing Unit, EP Closing Unit and Misc. Closing Unit