

Office Hours: July 2021

Looking Forward: Hybrid Review

Tuesday, July 13th, 2021 at 1:00PM ET and 3:00PM ET

Thursday, July 15th, 2021 at 1:00PM ET and 3:00PM ET

1. How long will the pilot program last?

- a. The pilot program will begin at the start of the fiscal year (10/01/21) and is expected to conclude by the end of the first quarter (12/31/21).

2. Can you explain the change in closings?

- a. Preliminary Closings will no longer take place. Depending on the scope of the review, the closeout could take place the week following the review and would be conducted remotely through WebEx and/or other collaborative software.

3. Will there be selected agencies considered for a hybrid review?

- a. All agencies will be reviewed under the hybrid process. The hybrid process will be piloted beginning 10/01/21 through 12/31/21. Agencies scheduled for review during the first quarter of fiscal year 2022 will participate in the pilot.

4. Do we know how soon prior to the review will agencies be communicated?

- a. 120 days prior to the start, however, at the very least, an agency would receive communication no later than 60 days.

5. Fiscal year starts October 1st. Does that mean anyone in the first quarter of the fiscal year will be a part of pilot program is that correct?

- a. Yes, that is correct.

6. Would we have to provide Nessus test results in advance?

- a. Yes; Nessus testing will be conducted remotely or on-site if necessary. Any manual tests will be done remotely via WebEx. In the event the technologies cannot be tested remotely, they will be conducted on-site.

7. First quarter of 2022 will everyone be in pilot or will it be a choice?

- a. Those agencies scheduled for review between 10/01/21 through 12/31/21 will fall under our pilot program.

8. Out of four field offices that may receive FTI, we usually have one that is reviewed. Does that mean they all would be reviewed?

- a. All field offices (with FTI) are subject to review and will be determined during the scoping process.

9. What is the biggest difference to the hybrid reviews?

- a. There are several differences under the hybrid review:
- Opening conference and data flow will begin one to two weeks prior to the start of the on-site portion of the review,
 - IT testing will begin following the data flow,
 - Field offices far from agency headquarters may be reviewed by other Disclosure Enforcement Specialists and the agency POC may join remotely,
 - For large agencies, the closing date may be extended to the following week and the closing will be conducted remotely using collaborative software, currently WebEx

10. Previous PPT and questions have not been sent, please advise?

- a. We apologize for the delay and plan to upload past office hour PowerPoint presentations for your reference.

11. Will we be able to get a copy of the PPT slides for those who were unable to join the call?

- a. Yes, we will send out the PPT slides in approximately 2-3 weeks from the date of our last call, held 07/15/21.

12. Can you speak more to Out of Cycle (OOC) reviews? Have you been conducting OOC reviews?

- a. Yes, the Office of Safeguards has been conducting OOC reviews on a routine basis. OOC is based upon a risk model in which we look at your agency risk score which is based on how timely reports are submitted and how timely findings are remediated. If you are high risk, you are a candidate for an OOC review. If you are low risk, you will not be a candidate which is awesome, and we applaud you for that.

13. When will we know our risk rating?

- a. When it comes to a risk score, we do not communicate an actual score. Your rating will be determined by the timeliness of your reports and how timely you remediate findings from your reviews.

14. How will it be determined which reviews will be a part of the pilot?

- a. Those agencies scheduled to have their reviews conducted during the first quarter of the fiscal year will be a part of the pilot program.

15. What are the pilot dates?

- a. The pilot program will run from 10/01/21 through 12/31/21.

16. Will Hybrid Reviews now be the new norm looking forward?

- a. Yes, hybrid reviews will be the new norm going forward.

17. The two field offices that are fairly located near the headquarters, will there remain at two reviews or will it now be four field offices reviewed?

- a. All field offices (with FTI) are subject to review and will be determined during the scoping process.

18. State of Wisconsin, State workforce, is scheduled for an upcoming review, would we be a part of the pilot?

- a. Those agencies scheduled during the first quarter of the fiscal year will be a part of the pilot program.

19. Shifting opening conference to remote, is there going to need to be a thirty-minute conversation as to the things missing or on DAY one, no briefing. Break off in various groups?

- a. When we arrive on-site, interviews and testing will start immediately. If your agency needs a briefing, we can accommodate that for specific agencies.

20. Can you explain the difference between the agencies with data centers?

- a. Systems testing will continue to be conducted remotely and physical security testing will be done on-site

21. In the event of the hybrid reviews, will there be a back-up plan for any technical difficulties?

- a. We start the coordination in advance with the mandatory prep call. If there are difficulties, we have time to work through those prior to sending anyone on-site. Technical difficulties will be worked through on a case by case basis.

22. Please explain the streamlining of SRR and CAPS in the future?

- a. We will be developing a streamlined process for SRR and CAPs. An office hour call will be scheduled at a future date to convey the specifics.

23. Will you be providing the paperwork for the PSE calls?

- a. Yes, the current PSE process will not change, and the initial outreach email will be provided.

24. What is the timeline for the hybrid review?

- a. The pilot program will run from 10/01/21 through 12/31/21

25. Is there a tentative review schedule for FY2022?

- a. Yes, see the attached copy of the FY22 review schedule.

26. Will auditors be privy to connect remotely?

- a. Access is determined by the applicable Internal Revenue Code (IRC) Section 6103 authority.

27. How will agencies know they will be selected for the hybrid reviews?

- a. All agencies scheduled for review between 10/01/21 through 12/31/21 will be included in the hybrid pilot process.

28. Will the IRS be sending us an updated file for scanning?

- a. Yes, we send out a Nessus Prep package which consists of the latest audit files and it is also posted online at our IRS website.

29. Is there a review schedule?

- a. Yes, see attached for the FY22 review schedule.

30. What will be the timeframe for us to send in the Nessus Scan results?

- a. By close of business during the day on which the scans are run. We typically watch the scans run and in the event of an issue, we work with the agency directly.

31. How far in advance are we providing the agencies with temporary licenses?

- a. Temporary licenses are typically available when the Nessus Prep Calls begin.

32. How do you determine to perform a remote or on-site review on a remote field office, PSE call, review?

- a. Systems testing will continue to be conducted remotely and most physical security testing will be done on-site

33. Will these changes be incorporated in the new Publication 1075 Section 2.7.1? When will the new version be published? The IRS office hour call in August is about the Pub 1075 so I think the expectation is IRS will talk about the changes as part of that.

- a. The new publication 1075 is still under review, however, more information will be provided on the next office hour call, scheduled for August 2021.

34. As far as internal inspections, will those be conducted remotely?

- a. No, internal inspections cannot be conducted remotely. Currently, we are allowing self-certification of all noncontractor sites due to the pandemic.