

**The Internal Revenue Service Needs to
Strengthen Guidelines for Measuring the
Quality and Timeliness of the Walk-In
Assistance Program**

April 2000

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This report has cleared the Treasury Inspector General for Tax Administration disclosure review process and information determined to be restricted from public release has been redacted from this document.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

INSPECTOR GENERAL
for TAX
ADMINISTRATION

April 25, 2000

MEMORANDUM FOR COMMISSIONER ROSSOTTI

A handwritten signature in black ink that reads "Pamela J. Gardiner".

FROM: Pamela J. Gardiner
Deputy Inspector General for Audit

SUBJECT: Final Audit Report – The Internal Revenue Service Needs to Strengthen Guidelines for Measuring the Quality and Timeliness of the Walk-In Assistance Program

This report presents the results of our review of the Internal Revenue Service's (IRS) readiness efforts to prepare the Walk-In Assistance Program for the 2000 filing season. The overall objective of this review was to determine whether the readiness process for the 2000 filing season will ensure that taxpayers who walk into an IRS office receive quality customer service and accurate, timely responses to their tax-related questions. To accomplish this overall objective, we evaluated the processes for: anticipating the number of taxpayers who will visit IRS offices and the services they will need, staffing walk-in assistance with trained personnel, setting up enough offices with the proper facilities to service taxpayers, and measuring the quality and timeliness of services provided by the Walk-In Assistance Program.

In summary, we found that the IRS has an effective process for planning the Walk-In Assistance Program. If properly implemented, taxpayers who visit IRS offices for assistance during the 2000 filing season should receive quality customer service that is timely and accurate. Our concern is that current guidelines do not provide comprehensive instructions for measuring the quality and timeliness of service and evaluating program results. Accordingly, we recommended that the IRS:

- Establish a wait-time performance expectation and request that field offices report results monthly.

- Clarify guidance for recording wait-time measurements to help ensure that wait-time is consistently reported.
- Require that the results of regional office reviews of walk-in sites be furnished to the National Office.
- Develop procedures to measure the accuracy of walk-in assistance tax return preparation that comply with the new balanced measurement regulation.

IRS management agreed with our recommendations and has initiated corrective actions. Management's comments have been incorporated into the report where appropriate, and the full text of their comments is included as an appendix.

Copies of this report are also being sent to the IRS managers who are affected by the report recommendations. Please contact me at (202) 622-6510 if you have questions, or your staff may call Walter E. Arrison, Associate Inspector General for Audit (Wage and Investment Income Programs), at (770) 455-2475.

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Measuring the Quality and Timeliness of the Walk-In Assistance Program**

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Executive Summary

The overall mission of the Internal Revenue Service (IRS) is to provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all. As part of this overall mission, the IRS wants to provide world-class customer service to taxpayers who visit IRS offices during the upcoming filing season. During the 1999 filing season, IRS employees assisted over six million taxpayers who came in to ask a question, get a tax form, or have their tax return prepared. In addition, numerous other taxpayers came in to get tax forms off the self-service racks.

This audit report presents our evaluation of the IRS' readiness efforts to prepare the Walk-In Assistance Program for the 2000 filing season. The overall objective of this review was to determine whether the readiness process for the 2000 filing season will ensure that taxpayers who walk into an IRS office receive quality customer service and accurate, timely responses to their tax-related questions. To accomplish this overall objective, we evaluated the processes for: anticipating the number of taxpayers who will visit IRS offices and the services they will need, staffing walk-in assistance with trained personnel, setting up enough offices with the proper facilities to service taxpayers, and measuring the quality and timeliness of services provided by the Walk-In Assistance Program.

Results

The IRS has a fundamentally sound approach to planning walk-in assistance for the 2000 filing season. The process covers: anticipating the number of taxpayers who will visit IRS offices and the services that they will need, staffing walk-in assistance with trained personnel, and setting up enough offices with the proper facilities to service taxpayers. However, the IRS needs to strengthen current guidelines for measuring the quality and timeliness of services provided by the Walk-In Assistance Program.

The Internal Revenue Service Has Not Established Acceptability Standards to Evaluate the Time Taxpayers Wait for Walk-In Assistance

Operating Guidelines for Fiscal Year 2000 have established wait-time goals for assisting individual taxpayers: 15 minutes for taxpayers who come into the office to ask a tax question or get a tax form and 30 minutes for taxpayers who need a return prepared. However, acceptability standards (the percentage of taxpayers to be serviced within the 15-minute and 30-minute goals) have not been set to identify offices that are not

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providing timely service or to measure the overall success of the Walk-In Assistance Program.

Internal Revenue Service Walk-In Assistance Offices Do Not Compute Wait-Time Consistently

All taxpayers who visit IRS offices and need assistance getting forms should be included in the computation of wait-time. Some offices correctly include these taxpayers in their wait-time computations. However, numerous offices do not record the actual length of time these taxpayers wait in line. Instead, all taxpayers are counted as being served timely in the wait-time computation regardless of how long the taxpayers were in line.

The National Office Does Not Adequately Monitor the Walk-In Assistance Program

Because of limited resources, the IRS National Office does not adequately monitor the implementation of the Walk-In Assistance Program. However, regional offices conduct independent reviews of Walk-In Assistance Programs in district offices, both during the readiness process and the filing season. We believe it would be beneficial for the regional offices to furnish the National Office the results of their reviews to help identify and correct trends or potential problems.

The Internal Revenue Service Has Not Developed Quality Measurements for the Tax Return Preparation Program to Comply With the New Balanced Measurements

The IRS has adopted a system of balanced measures that includes three general types of measurements: customer satisfaction, employee satisfaction, and business results (quality and quantity). However, the current quality reviews of tax returns prepared by walk-in assistors are done on an ad hoc basis and do not meet the requirements of the recently issued balanced measurement regulation.

Summary of Recommendations

To improve the Walk-In Assistance Program readiness process for the 2000 filing season, we recommended that the IRS:

- Establish a wait-time performance expectation and request that field offices report results monthly.
- Clarify guidance for recording wait-time measurements to help ensure that wait-time is consistently reported.

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- Require that the results of regional office reviews of walk-in sites be furnished to the National Office.
- Develop procedures to measure the accuracy of walk-in assistance tax return preparation that comply with the new balanced measurement regulation.

Management's Response: IRS management agreed with our recommendations and has initiated corrective actions. Management's complete response to the draft report is included as Appendix IV.

The Internal Revenue Service Needs to Strengthen Guidelines for Measuring the Quality and Timeliness of the Walk-In Assistance Program

Objective and Scope

This report presents our evaluation of the Internal Revenue Service's (IRS) efforts to prepare the Walk-In Assistance Program for the 2000 filing season. The overall objective of the audit was to determine whether the readiness process for the 2000 filing season will help ensure that taxpayers who come into an IRS office for assistance receive quality customer service and accurate, timely responses to their tax-related questions.

We evaluated the processes used to plan the Walk-In Assistance Program for the 2000 filing season.

To accomplish this overall objective, we evaluated the processes for: anticipating the number of taxpayers who will visit IRS offices and the services they will need, staffing walk-in assistance with trained personnel, setting up enough offices with the proper facilities to service taxpayers, and measuring the quality and timeliness of services provided by the Walk-In Assistance Program.

The audit was conducted in the IRS National Office during August and September 1999, in accordance with *Government Auditing Standards*. We also contacted regional offices to secure information.

Details of our audit objective, scope, and methodology are presented in Appendix I. Major contributors to this report are listed in Appendix II.

Background

The overall mission of the IRS is to provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all. As part of this overall mission, the IRS wants to provide world-class customer service to taxpayers who use walk-in assistance during the upcoming filing season.

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The IRS set up over 400 offices nationwide to provide walk-in assistance to 6 million taxpayers during the last filing season.

The IRS has recognized that some taxpayers prefer to visit IRS offices rather than take advantage of assistance provided over the internet or telephone. Over 400 offices are available nationwide for taxpayers to visit during the filing season. During the 1999 filing season, IRS employees assisted over six million taxpayers who came in to ask a question, get a tax form, or have their tax return prepared. In addition, numerous other taxpayers came in to get tax forms off the self-service racks.

The following key elements provide the foundation of the readiness planning process:

Internal Revenue Service Executive Steering Committee

The IRS Executive Steering Committee (ESC) is responsible for overseeing the implementation of service improvement projects, setting priorities, and ensuring consistency with the IRS business strategy. Senior IRS executives meet bimonthly to raise and resolve multifunctional issues impacting the filing season. For example, the ESC ensured that the IRS is preparing for the 2000 filing season by developing readiness check plans, addressing troublesome areas, and reporting on the IRS' state of readiness. The last filing season was evaluated to identify pertinent issues for the upcoming year. These issues were incorporated into a Servicewide Action Plan used to monitor the readiness process.

Fiscal Year 2000 Walk-In Assistance Program Expectations

Yearly, the Assistant Commissioner (Customer Service) issues a program letter that contains guidance for the implementation of the Walk-In Assistance Program. The expectations for 2000 and beyond focus on delivering consistent, expeditious, accurate, and professional service. World-class customer service is the goal. The program letter contains several key initiatives which, if properly put in place, should result in an effective, customer-driven 2000 Walk-In Assistance Program.

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Compliance and Customer Service Managers' Handbook

The Internal Revenue Manual contains a formal readiness checklist for field offices to use to prepare the walk-in area for the filing season. The readiness checklist is comprehensive and covers: staffing, training, review of office procedures, cross-functional coordination, space and equipment needs, and the availability of reference materials.

Certification of Readiness Process

All functions and field offices were required to perform readiness reviews and certify, by December 15, 1999, that sites are prepared for the filing season.

Results

The IRS has sound processes for planning the Walk-In Assistance Program for the 2000 filing season, but needs to improve the guidelines for measuring the quality and timeliness of program delivery.

The IRS has a fundamentally sound approach to planning walk-in assistance for the 2000 filing season that covers: anticipating the number of taxpayers who will visit IRS offices and the services that they will need, staffing walk-in assistance with trained personnel, and setting up enough offices with the proper facilities to service taxpayers. However, the IRS needs to strengthen current guidelines for measuring the quality and timeliness of services provided by the Walk-In Assistance Program.

The Internal Revenue Service Has Not Established Acceptability Standards to Evaluate the Time Taxpayers Wait for Walk-In Assistance

Providing timely service to taxpayers who visit IRS offices for assistance is critical to a successful Walk-In Assistance Program. The IRS has established wait-time goals for assisting individual taxpayers: 15 minutes for taxpayers who come into the office to ask a tax question or get a tax form and 30 minutes for taxpayers who need

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Guidelines need to be expanded to include specific timeliness performance standards for IRS offices that offer walk-in assistance.

a return prepared. However, acceptability standards (the percentage of taxpayers to be serviced within the 15-minute and 30-minute goals) have not been set to identify offices that are not providing timely service or to measure the overall success of the Walk-In Assistance Program.

The need for additional standards is shown in the statistics maintained for last year's filing season. The IRS National Office requested that field offices gather information and compute the percentage of taxpayers who were not waited on within the 15-minute and 30-minute goals. Regions were to report monthly when goals were not being met. Our limited review of wait-time statistics showed that a high percentage of all taxpayers received timely service. However, the statistics also showed that taxpayers in some locations did not. Because there was no standard specifically stated for an acceptable level of service, the National Office did not receive any exception reports from the regions.

We believe that the lack of acceptable performance standards prevented the field from reporting actual wait-time results. Field offices need predetermined wait-time performance standards to ensure that problems are reported to the National Office. Without acceptability standards, the National Office may not identify or correct problems with field offices providing timely service to taxpayers.

Recommendation

1. We recommend that the IRS expand current timeliness standards to include specific wait-time performance expectations and request field offices to report wait-time monthly.

Management's Response: IRS management is requiring field offices to send monthly wait-time reports to the National Office, and an analyst has been assigned to monitor wait-times.

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Internal Revenue Service Walk-In Assistance Offices Do Not Compute Wait-Time Consistently

The timeliness of assistance is an important factor in the success of the Walk-In Assistance Program. Some offices are equipped with an automated Q-matic system to measure the length of time taxpayers have to wait for service. In other offices, employees have to manually record the wait-time on forms when taxpayers come into the office. Unfortunately, there are differences in the way offices compute wait-time for taxpayers who need assistance in getting a tax form.

When taxpayers cannot find the form they are looking for in the self-service forms racks, they have to wait in a line to ask an IRS employee for assistance. In some offices, taxpayers who only need a form are sent to a separate line. In other offices, taxpayers who need forms get in the same line as taxpayers who have a question to be answered. In either case, the contact should be used to calculate the time a taxpayer has to wait for service.

Some offices assume that all taxpayers getting forms receive timely assistance.

Our review of regional evaluations of walk-in assistance, and discussions with analysts who made the evaluations, showed inconsistencies in computing wait-time. Some offices correctly included taxpayers getting forms in their wait-time computations. However, numerous offices incorrectly applied the guidelines and did not record the actual length of time these taxpayers waited in line. Instead, all taxpayers were counted as being served timely in the wait-time computation, regardless of how long they were in line.

It is important that all offices consistently report data because it is used for funding, resourcing, and program analysis purposes. That same information is also used to compute wait-time and evaluate whether offices are providing service to taxpayers within the 15-minute goal.

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Recommendation

2. We recommend that the IRS clarify instructions for counting taxpayers who visit IRS offices for assistance with forms and for calculating the length of time they had to wait for service.

Management's Response: The requirement to accurately record wait-times has been reiterated by IRS management with field offices.

The National Office Does Not Adequately Monitor the Walk-In Assistance Program

The IRS National Office is primarily responsible for planning the Walk-In Assistance Program based on input from the field and new initiatives suggested by various sources such as the Congress and the IRS Commissioner. However, because of limited resources, the National Office does not adequately monitor the implementation of the Walk-In Assistance Program. We believe that there is a process currently in place that could provide the National Office with valuable information on the implementation of the Program with little or no additional expense.

The results of regional office reviews of the Walk-In Assistance Program are not forwarded to the National Office.

Every fall, district offices undertake a Certification of Readiness Process. District Directors are responsible for preparing their walk-in office sites to ensure that taxpayers receive quality, timely customer service during the filing season. The readiness process involves evaluating all aspects of what is needed to provide an effective Walk-In Assistance Program to the public. Considerations such as staffing levels, training, office space, equipment needs, and availability of reference materials should be addressed. At the conclusion of this readiness process, District Directors certify that district offices are prepared to offer quality customer service to taxpayers during the filing season.

In addition to the districts' efforts to prepare for the filing season, regional analysts from the four regional

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offices conduct independent reviews of districts around the country. These analysts, using the national operating guidelines, evaluate the effectiveness of the districts' preparation efforts and submit a report presenting their findings to each District Director. We believe it would be beneficial for the four regional offices to also provide the review results to the National Office to identify possible trends that need corrective action.

Regional offices also conduct independent reviews of the effectiveness of the Walk-In Assistance Program in district offices during the filing season. We believe that the National Office needs the results of these reviews, too. For example, the regional reviews identified the previously mentioned inconsistencies in compiling wait-time measurements.

Recommendation

3. We recommend that regional offices provide the National Office the results of their independent district office reviews, during both the readiness process to prepare for the filing season and the filing season.

Management's Response: Regions have been asked by IRS management to forward the results of district office reviews to the National Office. An analyst will be assigned the responsibility of reviewing the findings to identify national trends that need corrective action.

The Internal Revenue Service Has Not Developed Quality Measurements for the Tax Return Preparation Program to Comply With the New Balanced Measurements

The Balanced Measurement Program is a new way of evaluating performance in the IRS.

During August 1999, the IRS issued the final regulation covering its adoption of a balanced system to measure organization and employee performance servicewide. The balanced measurement system the IRS has adopted

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includes the following three general types of measurement:

- Customer Satisfaction
- Employee Satisfaction
- Business Results (quality and quantity)

Customer Satisfaction - The IRS plans to survey a statistically valid sample of taxpayers and develop indices to measure progress in meeting satisfaction goals.

Employee Satisfaction - The IRS plans to anonymously survey employees to assess a wide variety of factors such as quality of supervision, adequacy of training, and support services that affect the work environment.

Business Results - The IRS plans to measure business results in two distinct categories of quality and quantity.

- Quality Measurement - The quality measure will be based on the review of a statistically valid sample of work. A specially dedicated staff will evaluate the quality of service provided to taxpayers who visit IRS offices.
- Quantity Measurement - The quantity measure will be based on data such as the number of taxpayers served.

During last year's filing season, the Walk-In Assistance Program prepared approximately 700,000 returns for taxpayers who visited IRS offices.

The IRS plans to implement most of the requirements of the new balanced measurements for the Walk-In Assistance Program. However, a formal quality review program to measure the accuracy of tax return preparation has not been developed. Although some districts review return preparation, the reviews are not done by a dedicated unit and the results are not statistically valid. As a result, the IRS does not get statistically valid feedback on the quality of return preparation and does not comply with the requirements of the balanced measurement regulation.

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Recommendation

4. We recommend that the IRS develop a statistically valid quality review program that will measure the accuracy of tax returns prepared by the Walk-In Assistance Program and will meet the requirements of the new balanced measurement regulation.

Management's Response: Statistically valid quality reviews of tax returns prepared in Walk-In offices will be added to the set of balanced measures that have been developed for the Walk-In Assistance Program.

Conclusion

Overall, the IRS has an effective process for planning the services to be provided through the Walk-In Assistance Program. If properly implemented, taxpayers who visit IRS offices for assistance should receive quality customer service that is timely and accurate. Our concern is that current guidelines do not provide comprehensive instructions for measuring program results. Unless the recommendations in this report are implemented prior to the start of the 2000 filing season, the time that taxpayers have to wait for service may not be computed consistently, and delays in providing service may not be reported to the national level so that corrective actions can be taken. Also, the IRS will not meet the requirements of the Balanced Measurement Program unless a formal, statistically valid quality review of the return preparation program is developed and implemented.

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Appendix I

Detailed Objective, Scope, and Methodology

Our overall objective was to determine whether the readiness process for the 2000 filing season will help ensure that taxpayers who walk into an Internal Revenue Service (IRS) office receive quality customer service and accurate, timely responses to their tax-related questions. To accomplish our objective, we performed the following audit tests:

- I. Determined what procedures were in place to identify the needs of walk-in taxpayers and to anticipate the workload for the walk-in sites.
 - A. Identified the concerns of taxpayers who visit walk-in sites and determined what steps were being taken to address those concerns by reviewing the results of the Fiscal Year (FY) 1999 Customer Service satisfaction exit surveys and interviewing Customer Service management.
 - B. Determined how prior year experiences had been incorporated into planning for the FY 2000 filing season (Q-Matic results, the Walk-In Contact Card (Form 6148) and the Taxpayer Service Activity Report analyses (Form 5311), etc.). Evaluated how the 1999 filing season deficiencies were being addressed in the planning process.
 - C. Determined whether studies that address providing assistance to non-English speaking walk-in taxpayers were considered in the FY 2000 planning process.
 - D. Identified studies that addressed providing unique services to walk-in taxpayers (for example, assistors proficient in sign language for hearing impaired taxpayers, special services for elderly, etc.) and any other demographic studies that help profile the walk-in customer in order to provide the most appropriate service.
 - E. Reviewed the FY 2000 Walk-In Assistance Program Letter to identify any additional initiatives relating to walk-in workload. Evaluated the IRS' procedures for ensuring these goals were met. Determined whether the readiness process addressed workload needs.
- II. Determined what processes were in place to ensure walk-in areas will be adequately staffed, and that assistors will have been adequately trained for the FY 2000 filing season.
 - A. Evaluated procedures for deciding how walk-in sites will be staffed for FY 2000.

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1. Determined how the IRS identified the number of employees needed for each site and how the allocation between permanent, seasonal, and detailed-in walk-in assistors was handled.
 2. Identified the procedures for determining how back-up assistors will be detailed into the walk-in area and whether staffing commitments had been obtained from the compliance areas.
 - B. Evaluated the IRS' procedures for ensuring all employees who will work as assistors during the filing season receive timely, relevant training.
 1. Determined procedures for ensuring all employees, including those who might be detailed into the walk-in area, have had training prior to the start of the filing season.
 2. Reviewed the Learning and Education Organization's plans to ensure timely and complete training.
 3. Reviewed the procedures for making certain all employees working the walk-in area were aware of any changes to the tax laws for the filing season. Determined the process to ensure all resource/reference material was available to assistors.
 - C. Reviewed the FY 2000 Walk-In Operating Guidelines to identify any other initiatives relating to walk-in staffing and training. Evaluated the IRS' procedures for ensuring these goals were met. Determined whether the readiness process addressed staffing and training needs.
- III. Determined whether Customer Service had taken steps to ensure that adequate facilities will be available for walk-in taxpayers during the year 2000 filing season.
- A. Interviewed appropriate officials in Customer Service to determine the current status of the IRS' readiness process (facilities) for the year 2000 filing season. Verified that basic facility requirements of a customer-driven Walk-In Assistance Program were being addressed in the readiness process—adequate space, signs, number of office locations and hours, availability of forms (including CD ROM), sufficient publicity, taxpayer privacy concerns, etc.
 - B. Determined what procedures were used to identify the optimal office hours for weekday and weekend walk-in assistance during the filing season by interviewing management and obtaining copies of any studies done around this area.
 - C. Reviewed the Year 2000 Filing Season Readiness Executive Steering Committee Action Plan and determined the current status of initiatives related to the availability of walk-in facilities.

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- D. Assessed whether the readiness process will ensure that walk-in initiatives in the action plan will be implemented during the 2000 filing season.
 - E. Analyzed the FY 2000 Walk-In Operating Guidelines and determined the current status of walk-in initiatives.
 - F. Assessed whether the readiness process will ensure that walk-in initiatives in the Program Letter will be implemented during the 2000 filing season.
 - G. Determined whether the readiness process will ensure that adequate electronic filing (E-File) software and equipment will be delivered to walk-in sites timely to enable assistors to be trained prior to the beginning of the filing season.
- IV. Determined whether Customer Service has taken sufficient actions to implement an effective measurement system for the Walk-In Assistance Program during the 2000 filing season.
- A. Interviewed appropriate officials in Customer Service to learn the current status of the development of a measurement system for the Walk-In Assistance Program.
 - B. Verified that Customer Service had designed performance indicators in the Walk-In Assistance Program that will measure the three major areas of the new balanced measurement system—business results (including quantity and quality), customer satisfaction, and employee satisfaction.

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Measuring the Quality and Timeliness of the Walk-In Assistance Program**

Appendix II

Major Contributors to This Report

Walter E. Arrison, Associate Inspector General for Audit (Wage and Investment Income Programs)

Gary E. Lewis, Director

Stephen S. Root, Audit Manager

Linda L. Bryant, Senior Auditor

Tom J. Cypert, Senior Auditor

Susan A. Price, Senior Auditor

Charles O. Ekunwe, Auditor

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Appendix III

Report Distribution List

Deputy Commissioner Operations C:DO
Chief Operations Officer OP
Assistant Commissioner (Customer Service) OP:C
Director, Office of Program Evaluation and Risk Analysis M:O
National Director, Education, Walk-In, and Correspondence Improvement OP:C:E
National Director for Legislative Affairs CL:LA
Office of Management Controls M:CFO:A:M
Audit Liaison for Assistant Commissioner (Customer Service) OP:C
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Appendix IV

Management's Response to the Draft Report



COMMISSIONER

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

April 3, 2000



MEMORANDUM FOR TREASURY INSPECTOR GENERAL FOR
TAX ADMINISTRATION

FROM: *for* Charles O. Rossotti *Rob Wenzel*
Commissioner of Internal Revenue

SUBJECT: Treasury Inspector General for Tax Administration (TIGTA) Draft
Audit Report – The Internal Revenue Service (IRS) Needs to
Strengthen Guidelines for Measuring the Quality and Timeliness
of the Walk-In Assistance Program (Audit No. 199940103)

I am writing to give you our comments on your report for improving service at our walk-in sites. I appreciate that your review recognized the actions we have taken to improve customer service at our walk-in sites.

The Assistant Commissioner (Customer Service) issued the Fiscal Year (FY) 1999 Walk-In Program Letter which focused our efforts on delivering accurate, consistent, quick, and professional service to those taxpayers who seek face-to-face assistance. The Letter of Understanding signed by the Assistant Commissioners (Collection), (Customer Service), and (Examination), in partnership with the National Treasury Employees Union (NTEU), outlined the Internal Revenue Service's (IRS) commitment to increasing the level of walk-in access to taxpayers.

The Assistant Commissioner (Customer Service) required each walk-in site to implement several key initiatives including: standardizing distribution of tax forms and publications, providing tax return preparation, ensuring proper training for walk-in employees, and encouraging the use of shopping malls and community centers as alternative sites to assist taxpayers. In addition, we expanded our Saturday service from 6 to 13 Saturdays. The first six Saturdays of the 1999 filing season were designated as Earned Income Tax Credit (EITC) Awareness Days. These actions improved our customer service to the 7.4 million taxpayers we served at our walk-in sites during the 1999 filing season. In fact, walk-in customers were the most satisfied IRS customers among the four Customer Service programs surveyed. Also, the FY 2000 Program Letter expanded the hours and days that many walk-in offices are open and standardized the services that are offered.

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IDENTITY OF RECOMMENDATION/FINDING

We recommend that the IRS expand current timeliness standards to include specific wait-time performance expectations and request field offices report wait-time monthly.

ASSESSMENT OF CAUSE

National Office Customer Service established wait-time standards in FY 1997. Field offices were told to self-monitor to determine compliance with the standards. The FY 1999 Program Letter required regional offices to submit a monthly report when wait-time goals were not met. However, the program letter did not specify how often wait-time goals could be exceeded before a report had to be submitted. In addition, due to a lack of staffing at the national level, the walk-in staff did not ask the regions for reports when they were not received.

CORRECTIVE ACTIONS

Rather than establish an arbitrary "pass-fail" number for meeting wait-times, the FY 2000 Walk-In Program Guidance memorandum requires the field offices to send a monthly wait-time report to the National Office. During a conference call with the regional analysts, we reminded them of this requirement. Staffing levels in the National Office have increased, and an analyst has been assigned to monitor the districts' wait-times, and whether the regions have sent in their reports. Each region will submit their wait-time reports in their current format. A standard national report will be developed for use in the next filing season.

IMPLEMENTATION DATE:

PROPOSED: June 30, 2000

RESPONSIBLE OFFICIAL

National Director, Education, Walk-In, and Correspondence Improvement Division

CORRECTIVE ACTION(S) MONITORING PLAN

The Walk-in Operation Section will review the monthly wait-time reports received from the regions. The reports will be analyzed to determine why the office has not met the wait-time goals, and make recommendations for improvement if possible. The section will also make sure the regions submit their reports.

IDENTITY OF RECOMMENDATION/FINDING

We recommend that the IRS clarify instructions for counting taxpayers who visit IRS offices for assistance with forms and for calculating the length of time they had to wait for service.

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ASSESSMENT OF CAUSE

In some offices, taxpayers needing forms are sent to a separate express window. In other offices, taxpayers needing to have questions answered must get in the same line as those picking up forms. Some offices correctly included taxpayers getting forms in their wait-time computation while others incorrectly applied the guidelines and did not record the actual length of time these taxpayers waited in line assuming that all taxpayers getting forms receive timely assistance.

CORRECTIVE ACTIONS

The FY 2000 Walk-In Program Guidance memorandum requires all offices that do not have a Q-MATIC™ system to use Form 6148 to record wait-times. Each taxpayer that comes to the counter for assistance should be given a Form 6148. The taxpayer's wait-time begins on receipt of the Form 6148, and ends when the individual gets to an assistor for service. During a conference call with the regional analysts, this requirement was reiterated.

IMPLEMENTATION DATE:

PROPOSED: March 31, 2000

RESPONSIBLE OFFICIAL

National Director, Education, Walk-In, and Correspondence Improvement Division

CORRECTIVE ACTION(S) MONITORING PLAN

The National Office will continue to monitor the schedule for roll out of the Q-MATIC™ queuing system.

IDENTITY OF RECOMMENDATION/FINDING

We recommend the Regional Offices provide the National Office with the results of their independent District Office reviews, during both the readiness process to prepare for the filing season and the filing season.

ASSESSMENT OF CAUSE

Customer Service developed and implemented a system of peer reviews in 1998 to ensure that walk-in offices followed the key initiatives in the yearly program letter. During these reviews, offices were evaluated on compliance with the initiatives and strategies of the program letter. Copies of all reviews performed for a district by the region were provided to the analyst on the peer review teams but never to the National Office. Due to the development and implementation of Balanced Measures in 1999, all review processes were suspended until the agency developed new review processes that would reflect balanced measures.

The Internal Revenue Service Needs to Strengthen Guidelines for Measuring the Quality and Timeliness of the Walk-In Assistance Program

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Staffing at the National Office has been insufficient to review all of the District Office reviews performed by the regions. Therefore, we have had to rely on the regions to alert us of any problems they find which occur in more than one district.

CORRECTIVE ACTIONS

The Walk-In Operations Section will request copies of all review findings completed by the regional analysts. An analyst will be assigned the responsibility of reviewing the findings to identify national trends that need corrective action. This issue will be addressed in our next regularly scheduled conference call.

IMPLEMENTATION DATE:
PROPOSED: March 30, 2000

RESPONSIBLE OFFICIAL
National Director, Education, Walk-In, and Correspondence Improvement Division

CORRECTIVE ACTION(S) MONITORING PLAN

The Walk-In Operations Section will compare the planned schedule of visits by the regions to the number of review findings received. A request will be made if a review has been conducted, and the findings have not been submitted to the National Office.

IDENTITY OF RECOMMENDATION/FINDING

We recommend that the IRS develop a statistically valid quality review program that will measure the accuracy of tax returns prepared by the Walk-In Assistance Program and will meet the requirements of the new balanced measurement regulation.

ASSESSMENT OF CAUSE

At the time of the review, the Walk-In Program did not have all of the components required by the balanced measures initiative.

CORRECTIVE ACTIONS

A Suite of Balanced Measures for Walk-In was developed and accepted for implementation in December 1999. As part of this suite, the Assistant Commissioner (Customer Service) has implemented a quality review process for the walk-in offices. The Data Collection Instrument (DCI) was designed to measure professionalism, tax law accuracy, and return preparation at walk-in sites.

The Internal Revenue Service Needs to Strengthen Guidelines for Measuring the Quality and Timeliness of the Walk-In Assistance Program

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Currently, DCI is the source of data on program delivery in the walk-in offices. An initial sample has been collected, and data is being analyzed. The second collection of data will begin in March to cover activities during the filing season. We worked with Statistics of Income to determine the quality review visitation sample size and site selection. Construction and refinement of the DCI is an ongoing process between the Customer Service Quality Section and Customer Service Walk-In Section. It will parallel as closely as possible the quality measurement of other Customer Service programs/product lines.

We plan to include quality review of returns prepared in future samples. However, we need to work with Chief Counsel, Statistics of Income, NTEU, and other areas of the IRS to determine how to create and control simulated tax return information as well as evaluate the cost effectiveness and necessity of this process. Since the balanced measures for walk-in were just established, no further action is expected until we receive the results of the current cycle.

IMPLEMENTATION DATE:
PROPOSED: March 30, 2001

RESPONSIBLE OFFICIAL
National Director, Education, Walk-In, and Correspondence Improvement Division

CORRECTIVE ACTION(S) MONITORING PLAN
Results of current cycle will be analyzed and reported to the National Director to ensure that all components are included.

If you have any questions, please contact Rob Wilkerson, Assistant Commissioner (Customer Service) at (202)-622-5044.