

**Development and Implementation of  
an Enterprise Business System**

**January 2004**

**Reference Number: 2004-1C-031**

**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.**



INSPECTOR GENERAL  
for TAX  
ADMINISTRATION

DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

January 5, 2004

MEMORANDUM FOR DAVID A. GRANT  
DIRECTOR OF PROCUREMENT  
INTERNAL REVENUE SERVICE

FROM: Daniel R. Devlin  
Assistant Inspector General for Audit (Headquarters Operations  
and Exempt Organizations Programs)

SUBJECT: Development and Implementation of an Enterprise Business  
System (Audit # 20041C0215)

The Defense Contract Audit Agency (DCAA) provided auditor involvement concerning the contractor's development and implementation of an Enterprise Business System (EBS) in accordance with DCAA audit guidance. The purpose of the assignment was to determine whether the contractor instituted appropriate controls during the development of the EBS prior to relying on the system to accumulate, report, and bill costs on Federal Government contracts.

The DCAA indicated that the contractor has completed the system preparation, design, and configuration processes of the implementation process. According to the DCAA, test results and the contractor's accomplishment of several action items will significantly affect the contractor's "Go/No Go" decision concerning whether the implementation date of January 1, 2004, is attainable. The DCAA's involvement to date has not disclosed any system design and configuration issues that would adversely affect the Federal Government.

The information in this report should not be used for purposes other than those intended without prior consultation with the Treasury Inspector General for Tax Administration regarding their applicability.

If you have any questions, please contact me at (202) 622-8500 or John R. Wright, Director, at (202) 927-7077.

Attachment

# NOTICE:

The Office of Inspector General for Tax Administration has no objection to the release of this report, at the discretion of the contracting officer, to duly authorized representatives of the contractor.

The contractor information contained in this report is proprietary information. The restrictions of 18 U.S.C. § 1905 must be followed in releasing any information to the public.

This report may not be released without the approval of this office, except to an agency requesting the report for use in negotiating or administering a contract with the contractor.

*The TIGTA seal was removed due to its size.*