



For immediate release
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**IRS OVERSIGHT BOARD WELCOMES NEW COMMISSIONER;
NEW PRIVATE LIFE MEMBER IS SWORN IN**

(Washington, DC) The IRS Oversight Board welcomed IRS Commissioner Mark W. Everson, who participated in the Board's June 23-24 meeting. Everson was confirmed last month by the United States Senate as the 46th IRS Commissioner. Under the Internal Revenue Restructuring and Reform Act of 1998, the commissioner also serves as a Board member.

"We are very excited to work with Commissioner Everson," said Board Chair Nancy Killefer. "One of the Board's responsibilities is to provide continuity to ensure that the IRS stays the course set by the IRS Restructuring and Reform Act. At this critical juncture, the Board welcomes Commissioner Everson's leadership, his energy, and his continuing interaction with the Board."

The Board also greeted a new "private life" member, Raymond T. Wagner, Jr. Mr. Wagner, Legal and Legislative Vice-President of Enterprise Rent-A-Car, headquartered in St. Louis, Missouri, was confirmed as a Board member by the Senate in April. He was sworn in on June 23rd by Secretary of Treasury John W. Snow. U.S. Attorney General John Ashcroft, former Governor of Missouri while Mr. Wagner served as that state's Director of Department of Revenue, also participated in the ceremony. He praised Mr. Wagner for his dedication to public service.

Improvements in the EITC Program

The Board lauded changes in the administration of the Earned Income Tax Credit (EITC) program. The IRS announced an initiative led by new IRS Wage and Investment Commissioner Henry Lamar to ensure improved service to eligible EITC participants, while reducing erroneous claims. Concerns were raised last month surrounding a proposal to address abuse by requiring advanced registration. In response to these concerns, the IRS refocused the program so that EITC taxpayers will not have to establish their relationship with their qualified child. Instead, the program will require EITC claimants to substantiate child residency eligibility. In addition to seeking public comment on the program, a pilot program affecting a limited number of EITC claimants will begin later this summer. The Board earlier urged the IRS to enlist public input into any initiative, and plans to meet with local low-income tax assistance groups to discuss the EITC program at its meeting in Des Moines, Iowa next month.

Gallup Results Show Boosts in IRS Employee Satisfaction

The Board was pleased to see significant improvements in the IRS' annual employee satisfaction survey, conducted by The Gallup Organization. According to Gallup, the IRS has made "steady progress increasing employee engagement" from 2001 to the present. Approximately 75 percent of the IRS workforce participated in the survey, which tracks workplace attitudes. The Board has encouraged the IRS to put greater focus on its human capital. "An engaged workforce is very good news for any organization. For the IRS, this translates into better customer service. And better customer service is a key ingredient to better compliance." said Chair Killefer. "While there is still room for improvement in the IRS' approach to human capital, the agency is to be commended."

Progress in Next Few Months Critical to Modernization Progress

The Board will continue to follow closely the progress of the IRS Business Systems Modernization program. In the next few months, five key components, including the first release of CADE, the Customer Account Data Engine, are scheduled for delivery. "The Board is hopeful that we will see tangible results in the IRS' modernization program in the near future," said Larry Levitan, Chairman of the Board's Business Transformation Committee.

Focus Needed on Long-term Objectives

The Board impressed upon the IRS the importance of setting long-term strategic goals and objectives, particularly involving IRS customer service and enforcement, and encouraged the IRS to begin work on this initiative. At the Board's recommendation last year, the IRS Executive Steering Committee agreed to propose and seek consensus among the Administration, Congress, stakeholders and the public to determine appropriate levels and strategic goals for IRS long-term improvement.

The Board's next meeting will be held July 29-30, 2003 in Des Moines, Iowa.

For additional information regarding the IRS Oversight Board, please visit www.irsoversightboard.treas.gov.
