Chief FOIA Officer Report 2011
Department of the Treasury

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Chief FOIA Officer Report

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Message from the Chief FOIA Officer

The Department of the Treasury has made significant progress in fulfilling the President's commitment to open and transparent government, providing access to as much information as possible while ensuring the protection of personal privacy, confidential, privileged, or proprietary information. With the Department's activities in support of the economic recovery efforts, we have increased the proactive disclosure of information of wide interest, including, for example, the calendars of key officials and information on meetings related to the financial reform efforts. Leveraging technologies across bureaus and exploring efficiencies in cloud solution are two ways in which Treasury seeks to take FOIA technology to a new level. In 2011, we have implemented a Citizen Web portal and made our cloud tracking solution scaleable across bureaus to improve our reporting and transparency. We assisted the new Consumer Financial Protection Bureau with standing up its FOIA process. In 2012, we are implementing a shared document technology, as well as offering a cloud solution as a federal shared service solution for other agencies in support of the federal CIO's federal shared services, federal first inititiative.

We continue to work to reduce our agency backlog, which has decreased 82% since 2006.
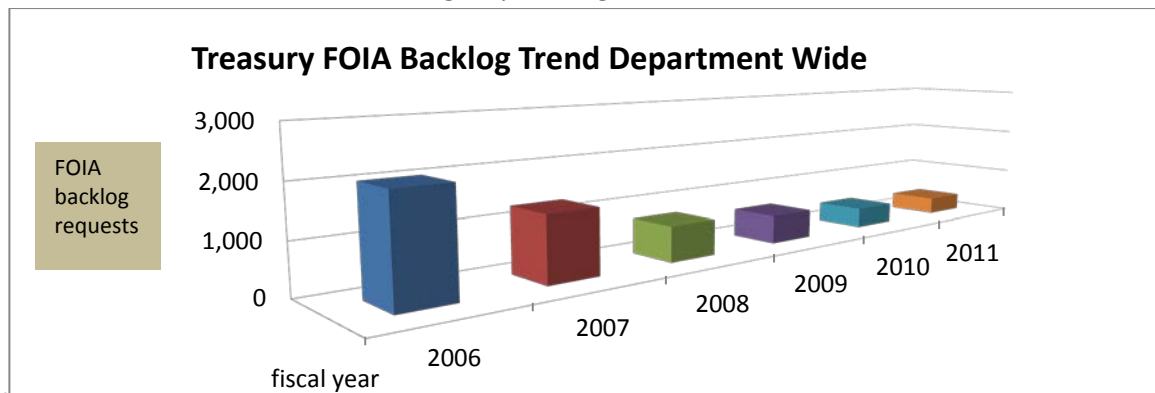
I look forward to continuing to work with the Treasury bureaus and offices to improve processes, to enhance the citizen FOIA experience, and to further advance the principles of open and transparent government in the Treasury Department.

Dan Tangherlini
Assistant Secretary for Management,
Chief Financial Officer
and Chief Performance Officer

DEPARTMENT OF THE TREASURY: LEGEND OF ABBREVIATIONS

The Departmental Offices (DO)

Alcohol and Tobacco Tax and Trade Bureau (TTB)

Office of the Comptroller of the Currency (OCC)

Bureau of Engraving and Printing (BEP)

Financial Management Service (FMS)

Internal Revenue Service (IRS)

United States Mint (MINT)

Bureau of the Public Debt (BPD)

Office of Thrift Supervision (OTS)

Treasury Inspector General for Tax Administration (TIGTA)

Financial Crimes Enforcement Network (FinCEN)

Section I: Steps Taken to Apply the Presumption of Openness

The Department of the Treasury has taken steps, and continues to look for opportunities, to enhance the quality and amount of information provided to the public. The Department creates a vast amount of information in the course of performing mission critical duties, and has focused this past year on providing the most relevant information to the public on activities supporting the nation's economy, through practices including proactive disclosure of information on FinancialStability.gov and via Treasury.gov for Wall Street reform activities.

1. Did your agency hold an agency FOIA conference, or otherwise conduct training during this reporting period?

In FY11, the Department conducted a number of training sessions on the new FOIA guidelines as well as transparency and open government principles. During the Department's activities for Records and Information Management Month (RIMM), which occurs every April, the Office of Privacy, Transparency, and Records (OPTR) hosted multiple training sessions and panel discussions highlighting the many aspects, challenges, and impact of transparency and open government principles on FOIA, records, and information management activities across the Department. The training sessions throughout the month were available to other government agencies for purposes of sharing of best practices. Treasury hosted an Enterprise Content Management (ECM) panel discussion on leveraging technologies across agency departments. Treasury also hosted a series of 'hands-on" online activities for the *goFOIA* technology- a shared system of data storage and retrieval designed to further increase collaboration, transparency, and processing developed for use at Treasury on our Electronic Content Management (ECM) platform.

Treasury employees are encouraged to register for two online training tools that include information on the President's Memorandum and the Attorney General's Guidelines, FOIA, privacy, records principles and practices, and how these principles interrelate and support transparency and open government. These courses are conveniently available to all Treasury employees on Treasury's online learning management system.

The IRS Disclosure Office conducted several virtual training sessions for Disclosure employees entitled "Disclosure Technical Updates" covering a variety of FOIA topics. In addition, the Disclosure Office holds periodic "Techno Talks" that provide Disclosure employees with training on specific topics related to FOIA. In addition, 20+ employees attended the Phase II Disclosure Specialist class to complete their basic FOIA training.

IRS held a nationwide Webinar for tax practitioners to educate them about alternatives to FOIA for obtaining information from the IRS. This was a measure for proactive disclosures from Revenue Agents in addition to 'routine agency procedures' to obtain transcripts and returns.

TIGTA staff attended the American Society Of Access Professionals (ASAP) Annual FOIA Symposium and completed *FOIA Essentials*, a Treasury online training course.

2. Did your FOIA professionals attend any FOIA training, such as that provided by the Department of Justice?

Many of Treasury's FOIA professionals opt for online FOIA training on the online learning management system. However, the Department of Justice training is regularly advertised in FOIA Council Meetings as a free, valuable adjunct to Treasury for training those that are new to the FOIA process.   Others elect to attend symposiums offered by organizations which offer a mix of public and private sector speakers and presentations. In addition, Treasury employees attended Department of Justice hosted roundtable discussions and working groups.

IRS and TIGTA sent employees to the (ASAP) Annual Symposium in December 2011; two employees attended the Annual FOIA Report and Annual Chief FOIA Officer Report Refresher training offered by Department of Justice; and one employee attended FOIA Dispute Resolution Skills Training offered by the Office of Government Information Services (OGIS).

3. Did your agency make any discretionary releases of otherwise exempt information?

Yes. Treasury regularly makes discretionary releases of internal, deliberative information that would otherwise be exempt from release under FOIA exemption (b)(5), as well as information that would be exempt from release under exemption (b)(2). In some cases, Treasury has made discretionary releases of information that would otherwise be exemp from release under exemption (b)(7).

Discretionary releases have not been specifically tracked but are considered in the analysis across Treasury operating bureaus. An example of the Department's discretionary release activities was the release of the contingency plans for agency operations, thus waiving the internal deliberations exemption. Another example is IRS document 6209, "IRS Processing Codes and Information," which underwent an extensive review to eliminate unnecessary redactions prior to its release. Notably, the OCC had only 300 cases of over 2000 requests in which exemptions were applied, which exemplifies transparency and openness.

IRS has tightened review standards for its procedural guidelines (the Internal Revenue Manual), to ensure that information that should be released to the public is available on the IRS website.

4. What exemptions would have covered the information that was released as a matter of discretion?

Exemptions (b)(2), (b)(5), and (b)(7).

5. Describe your agency's process to review records to determine whether discretionary releases are possible.

> Treasury applies the foreseeable harm standard across the Department as FOIA requests are processed and exemptions considered.
>
> Some components use a systemic approach such as:
>
> - IRS management reviews and monitors requests in the IRS Disclosure Quality Management System (DQMS). DQMS is an independent process that reviews a sample of cases each month and validates them against standards for procedural and technical accuracy, monitors trends, and identifies policy and procedural discrepancies for remediation.
> - OCC analyzes each response on a case-by-case basis to determine if anything can be produced as a discretionary release. If so, the program office is engaged in a negotiation process to achieve discretionary release.

6. Describe any other initiatives undertaken by your agency to ensure that the presumption of openness is being applied.

The Department of the Treasury strongly supports increased transparency in government and has made significant strides in advancing transparency and open government principles. Examples include the proactive publication of senior officials' calendars, and activities of Consumer Financial Protection Bureau (CFPB.)[1]

In particular, Treasury is committed to implementing the historic Dodd-Frank Wall Street Reform and Consumer Protection Act in an open and transparent manner. Treasury proactively discloses meetings with private sector individuals or entities and nongovernmental organizations, with the exception of members of the media, that are held for the purpose of discussing policy implementations of the Dodd-Frank Act.   This disclosure policy applies to in-person meetings participated in by Treasury Departmental Offices employees who are at the rank of Deputy Assistant Secretary or higher, including Counselors to the Secretary and Special Advisors to the Secretary. Meeting disclosures are posted in the Department's FOIA library and include information such as: the date of the meeting, names of all covered Treasury participants, names and affiliations of all non-Treasury participants, and a list of the primary topics of conversation related to Dodd-Frank implementation.

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[1] Treasury was charged with assisting the establishment of the Consumer Financial Protection Bureau by the Dodd- Frank Wall Street Reform and Consumer Protection Act. [P.L. 111-203, July 21, 2010]

In the interest of furthering these efforts, the Department is working on amending its FOIA regulations to include provisions of the OPEN Government Act and policy memoranda; incorporating systemic process reviews of the business submitter process before the FOIA request arrive; and ensuring that all new employees working on FOIA take online training to fully understand their vital roles and responsibilities for FOIA processing.

In Section V.B.(1) of your agency's Annual FOIA Report, entitled "Disposition of FOIA Requests – All Processed Requests" the first two columns list the "Number of Full Grants" and the "Number of Partial Grants/Partial Denials." Compare your agency's 2011 Annual FOIA Report with last year's Annual FOIA Report, and answer the following questions:

7. Did your agency have an increase in the number of responses where records were released in full?

Department-Wide Comparison of Releases (as a percentage)

Fiscal Year	Full Grants	Partial Grants	Full Denials
FY 11	36%	18%	3%
FY 10	35%	16%	3%

Department-wide full grants increased by 1% from the previous fiscal year.

8. Did your agency have an increase in the number of responses where records were released in part?

Department-wide partial grants increased by 2% from previous fiscal year.

SECTION II: Steps Taken to Ensure that Your Agency has an Effective System for Responding to Requests

As the Attorney General emphasized in his FOIA Guidelines, "[a]pplication of the proper disclosure standard is only one part of ensuring transparency. Open government requires not just a presumption of disclosure, but also an effective system for responding to FOIA requests."

This section should include a discussion of how your agency has addressed the key roles played by the broad spectrum of agency personnel who work with FOIA professionals in responding to requests, including, in particular, steps taken to ensure that FOIA professionals have sufficient IT support.

Describe here the steps your agency has taken to ensure that its system for responding to requests is effective and efficient. To do so, answer the questions below and then include any additional information that you would like to describe how your agency ensures that your FOIA system is efficient and effective.

1. Do FOIA professionals within your agency have sufficient IT support?

   The ability to have IT support for electronic searches to assist with gathering and collecting information is provided in DO through our CIO with additional contract support assistance. The Treasury Web team also assists with providing information access through the Treasury Web site by organizing the site, and making it user-friendly. All of the Treasury components have claimed sufficient IT support with downloading to the Web and obtaining assistance to conduct electronic searches.

   Treasury has made significant progress on improving our FOIA processing systems, as discussed in the Department's 2010 Chief FOIA Officer Report. DO completed its Lean Six Sigma (LSS) process review and has implemented many of the findings from that review. IRS, which receives about 85% of Treasury's incoming requests, has also begun a LSS process on its FOIA administration. In conjunction with the Department's Enterprise Content Management (ECM) effort, the assignment and tracking system has been replaced with a new cloud-based solution that can be easily shared by other offices so that request lifecycles and reporting can be dispersed in a decentralized system. TTB and the MINT have already started using this tracking system. The solution includes the ability for the public to submit FOIA requests on-line and check the status of those requests. The requester imperfection rate is compared for various intake methods comparing the online Citizen Web portal below.

FOIA INTAKE Comparison May-October 2011 in Departmental Offices

- 35%
- 55%
- 10%

■ WEB ■ FAX ■ LTR
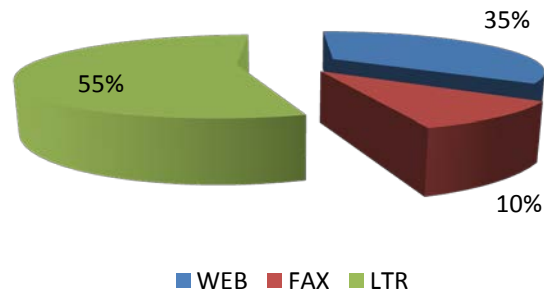
FOIA Imperfections May-October 2011 in Departmental Offices

- 69%
- 22%

■ **FAX**
■ WEB
■ LTR

(y-axis: 0.00%, 10.00%, 20.00%, 30.00%, 40.00%, 50.00%, 60.00%, 70.00%, 80.00%)
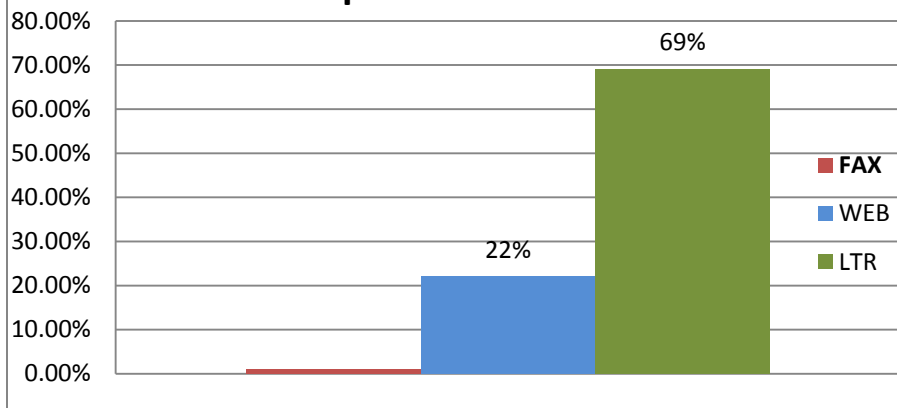
The tracking and assignment solution is the first step in this major redesign effort. The ECM initiative is being leveraged to develop and implement an electronic collaborative processing workflow based on streamlined process re-engineering. These workflow findings integrate with the tracking system to facilitate more timely processing and reporting. Additional monitoring of the intake of online submissions produces added benefits of reduced paper, decreased mail processing, and a streamlined FOIA intake. Leveraging this tool across components would also provide larger scale cost savings.

October 2011 to February 2012 Intake
Departmental Offices

Fax/Email; 7%

Ltr ; 38%

Web ; 55%

Incoming Requests: Letter (Ltr)/ Fax-Email/Web
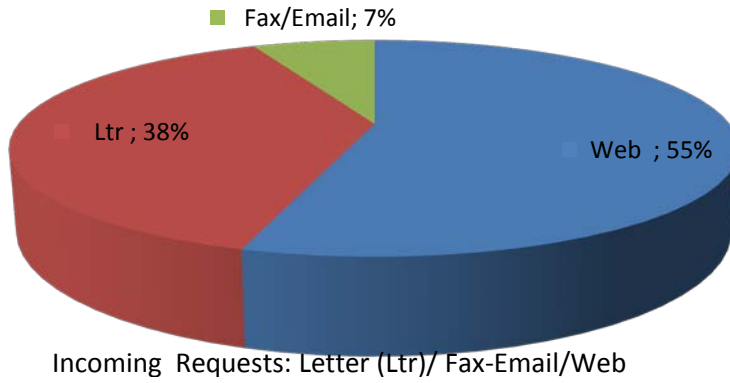
FOIA Imperfections

October 2011 to February 2012

Fax/Email, 10%

Web, 20%

Letter, 70%
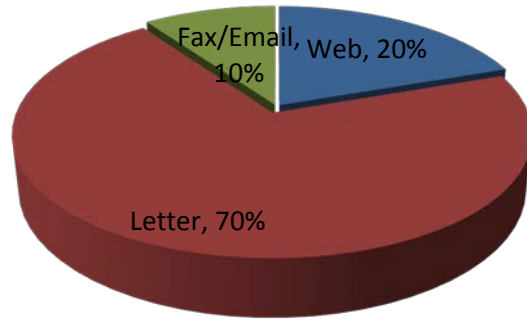
Departmental Offices

2. Is there regular interaction between agency FOIA professionals and the Chief FOIA Officer?

   Interaction with the Chief FOIA Officer at Treasury takes place through weekly and monthly reporting. Bureau heads meetings are held regularly, where FOIA and other topics are addressed.

   The opportunities for other communication are usually distributed through the FOIA Council, where goals and strategies are passed down the chain of command to the points of contact who actually process FOIA requests, and to various council members.

3. Do your FOIA professionals work with your agency's Open Government Team?

   The Deputy Assistant Secretary for Privacy, Transparency, and Records presides over the OPEN Government team and also coordinates the FOIA operations at Treasury for the Chief FOIA Officer. This facilitates embedding transparency and openness principles into the disclosure process.

4. Describe the steps your agency has taken to assess whether adequate staffing is being devoted to FOIA administration.

   Frequently, performing FOIA responsibilities in the Departmental Offices is an additional duty added to a core of other employee responsibilities. Educating the new personnel in these duties as added roles is frequently challenging, necessitating periodic training. Contract support is chosen by offices which opt to select personnel with experience in FOIA matters as an option to supplement their FOIA administration obligations. DO conducted a Lean Six Sigma review of its FOIA administration process throughout the phases of the workflow including receipt, scope, search, review, and reply. The elimination of redundancies and shared technology solutions for tracking (licensed to the points of contact) help streamline the response process, which decreases the hours needed, based upon the number of cases received. In this way cycle time of the process will increase response time within the statutory requirements. If the number of cases received increases, a correlating increase in staffing would be necessary to meet that demand.

   Some components have a more centralized FOIA process; although the volume of requests may not be as large. The regional approach to FOIA processing with the IRS has led to developments in their technologies to broadcast tracking solutions so that efficiencies may be gained regionally.

5. Describe any other steps your agency has undertaken to ensure that your FOIA system operates efficiently and effectively.

A forensic software tool is being piloted through our Enterprise Content Management Committee and leveraged with the IRS to provide tools which may also be used to conduct searches for the FOIA process. Researching the appropriate tool on an enterprise basis will provide not only discovery possibilities, but new FOIA search possibilities—all of which has been an ongoing effort.

IRS completed implementation of the new AFOIA inventory management systerm in 2011. This includes centralized electronic case log-in and assignment, electronic maintenance of records, and electronic archiving of case records and histories. IRS continues to build on its extensive electronic library of FOIA pattern response letters and specific paragraphs used for unique FOIA requests. This enables IRS to easily edit letters and update text when required by legal or procedural changes. IRS actively manages an inventory balancing program nationwide which evaluates caseload and balances work among Disclosure offices. IRS has received a favorable report for the past three years from the Treasury Inspector General for Tax Administration, which conducts a statutorily-mandated annual review of the IRS FOIA program. As a result of these actions, IRS has responded to 86% of its annual average of 12,000 FOIA requests within the statutory period, and has a backlog (as of the end of FY2011) of less than 1% of total receipts.

Section III: Steps Taken to Increase Proactive Disclosure

Both the President and Attorney General focused on the need for agencies to work proactively to post information online without waiting for individual requests to be received.

Describe here the steps your agency has taken both to increase the amount of material that is available on your agency website, and the usability of such information, including providing examples of proactive disclosures that have been made during this past reporting period (i.e., from March 2011 to March 2012). In doing so, answer the questions listed below and describe any additional steps taken by your agency to make and improve proactive disclosures of information.

1. Has your agency added new material to your website since last year?

    DO: Calendars of senior officials have been posted. Contract information has been posted, particularly from the Office of Financial Stability. The Web site for Treasury (DO) has been redesigned in an effort to make the site more user-friendly. Public meetings held under the Dodd-Frank Act and the Register of the Dodd-Frank Act are new also. Most of the components have added new information--the most common being contracts awarded.

    IRS: The new information on the Web site is calendar information which has been previously disclosed. However, an additional IRS official has been added this year.   IRS procurement solicitations, including Requests for Proposal (RFPs), Requests for Information (RFIs) and Requests for Agreement (RFAs), and procurement contracts have also been added. Links to hot news and information that partners need is available at the Partner and Volunteer Resource Center on IRS.gov.

2. Provide examples of the records, datasets, videos, etc., that have been posted this past year.

    DO: The above calendar information is being made available proactively. The Senior Advisor for the CFPB also made calendar and meeting information available through the FOIA Web page.

    IRS: IRS features information on YouTube and Twitter on its primary programs. On YouTube, the Tax Tips videos are posted in English, Spanish and American Sign Language. Various audio podcasts are posted on both IRS.gov and on iTunes. A listing of media contacts is also posted. IRS also provides information such as news and events for the tax professional community and information on new initiatives. The IRS maintains an updated Commissioner's section, mission, history, organizational structure of IRS, and strategic plan section.

    The Tax Exempt and Government Entities (TE/GE) Division is scheduled to launch a new on-line tool in January 2012 that will help the public, media, and regulators verify the status of exempt organizations. The application will allow users to determine whether an organization is eligible

to receive tax-deductible charitable contributions (Publication 78), has filed an e-Postcard, or had its exempt status automatically revoked. TE/GE will work to provide a central resource page for exempt organizations on IRS.gov. IRS also posted content that will help organizations understand what they can expect during a compliance check or an examination by clarifying the various steps in the process and providing direct links to related resources that are available elsewhere on the website.

The National Public Liaison Division manages the "TaxPros" site on IRS.gov and posts information pertaining to:

- o Internal Revenue Service Advisory Committee and Information Reporting Advisory Committee advisory groups
- o Information from monthly liaison meetings with tax professionals
- o Marketing materials for the Nationwide Tax Forums
- o Foreign Account Tax Compliance Act (FATCA)
- o Third Party Reporting legislation

IRS.gov enables the Office of Procurement to transmit procurement-related information such as Requests for Proposal (RFP), Requests for Information (RFI) and Requests for Agreement (RFA) to the public and current or prospective contractors.

Small Business Program Office information stored on the website includes: At-A-Glance Listings of 8(a); HUBZone and Service Disabled Veteran Owned concerns; Purchase Card Newsletters; information about upcoming outreach events sponsored or attended by the IRS Small Business Specialist; Bidders List information and How-To- Do Business with the IRS presentations.
In addition, selected contracts are posted to the website to provide easy access to interested parties, thus eliminating the need for requests under the Freedom of Information Act (FOIA).

3. Describe the system your agency uses to routinely identify records that are appropriate for posting.

The IRS has built a culture that encourages routine posting of information on IRS.gov as part of every day work. The IRS mission focuses on service to taxpayers, and IRS believes that the more information it can provide to taxpayers about IRS operations and tools, the easier it will be for taxpayers to navigate the U.S tax system. The IRS also take great care to vet information, to ensure no tax information is improperly disclosed. Examples are:

- o All Communications and Liaison items posted to IRS.gov are vetted though the Division Director and/or senior manager in charge of the program before posting. Translated materials contain previously approved language and final approval of these translations are made by the Spanish Media Relations office before posting. The "Around the Nation Updates" are handled by a limited group of Field Media Relations Specialists and are

primarily in response to the granting of disaster relief, generally by the President, and as requested by the coordinator in National Media Relations.

o The process to determine what information is appropriate to post on the TE/GE pages of IRS.gov is a collaborative effort. Generally, the Customer Education & Outreach (CE&O) offices work with the program managers and technical staff to develop the messages and materials. It is then reviewed/approved by Rulings and Agreements or Examination and, if appropriate Counsel, for technical and legal accuracy and consistency with program objectives. Before posting, all materials are reviewed by the appropriate manager.

All Taxpayer Advocate Service (TAS) content on IRS.gov is vetted through both the TAS Office of Technical Analysis and Guidance and the content owners prior to posting. The information is then provided in a content request and submitted to Communications and Liaison Division for consideration, content clarification and plain language review, and finally, posting.

4. Beyond posting new material, is your agency taking steps to make the information more useful to the public, especially to the community of individuals who regularly access your agency's website, such as soliciting feedback on the content and presentation of the posted material, improving search capabilities, providing explanatory material, etc.?

o The IRS Communications and Liaison office is promoting IRS2Go. IRS2Go is a smartphone application that lets people interact with the IRS using their mobile devices. This mobile application gives users a convenient way of checking their federal refund status and getting easy-to-understand tax tips. IRS2Go reflects IRS' commitment to help taxpayers get the information they need —whenever they need it, wherever they may be.

o The IRS Tax Exempt and Government Entities (TE/GE) Division took several steps to make information provided on IRS.gov easier to find and more useful to the public. In FY11, TE/GE conducted a research project on the information and education needs of small tax-exempt organizations and also conducted surveys and interviews at National Tax Forums to learn what people want to see on the IRS.gov web pages. In response to feedback, IRS created resource pages on the Form 990- Return of Organization Exempt from income Tax for different audiences including organizations, tax professionals, general public, and researchers. IRS also started a project to reorganize FAQs by subject area.

o To help meet information needs, TE/GE delivered content in multiple formats including a news widget, email, PDF, web pages, Twitter, e-newsletters, webinars, phone forums, and videos. Information is now being provided with a news widget allowing top headlines and links to IRS.gov to be delivered through non-government websites. Short messages are sent via Twitter, standardized news articles developed for distribution through media outlets, and webinars were produced as an alternative to print media. PDF documents were converted to

html format for viewing on alternate browsing devices. IRS also used GovDelivery.com to send individual announcements and updates for the specialized communities with links to their Web pages on IRS.gov to request comments on proposed IRS guidance, announcements, and procedures, and to solicit participation in webinars and telephone forums.

o   IRS continually revised Web pages to reduce the use of technical language and reformatted them to include more headers, tables, and bulleted lists to help people quickly scan them. Many Web page layouts are now sorted by topic with appropriate links and topics that are specific to the individual customer segments, and some are available in multiple languages. IRS also revised Web pages including FAQs, using plain language guidelines to improve clarity and reduce burden and tagged new published guidance with subject matter descriptions.

o   The IRS National Public Liaison office updated web content in the Basic Tools for TaxPros section, based on feedback from stakeholder organizations. The IRS Director of Online Services spoke at a Liaison meeting to discuss the use of the website with the tax professional community and obtain suggestions from the community on future use and expectations. National Public Liaison receives periodic comments and feedback from the public that are submitted through IRS.gov. The TaxPros content manager monitors this information to improve the site.

o   The Taxpayer Advocate Service has taken steps to actually *decrease* the amount of web content and make it more focused and easier to locate. A significant amountof content has become outdated, and has been removed after vetting with the content owner. The Taxpayer Advocate Service received feedback regarding IRS.gov during its outreach and focus groups at the National Tax Forums, and made adjustments to the website based on that feedback. All .pdf content uploaded by TAS has valid metadata and keywords associated with the content to enhance search capabilities. It is also 508 compliant.

o   TIGTA has added audit reports, press releases, semi-annual reports, and congressional testimony.

o   DO developed an exterior facing portal for updating the Public FOIA library features to include a search tool on a cloud to allow citizens to search for available records by keyword rather than having to search to find where the records are located on the Treasury Web site. This will provide more functionality and search capability to the FOIA library.

5.   Describe any other steps taken to increase proactive disclosures at your agency.

o   The IRS Media Relations office has increased the amount of material available for the Spanish speaking community. In addition, IRS worked to add new materials including tax tips

and some news releases in Chinese, Korean, Russian, and Vietnamese though the multi-lingual gateway on IRS.gov.

o   The IRS Tax Exempt and Government Entities Division (TE/GE) created resource pages to support related provisions in recent legislation and continually posts new articles, published guidance, forms, publications, and plain language explanations.

o   TE/GE focused on the need to work proactively to post information online without waiting for individual requests to be received. IRS actively promoted links to hot topics on IRS.gov via social media using the IRS's Facebook and Twitter accounts.   IRS also linked to a YouTube video to increase disclosures of information on the reinstatement process to its respective page on IRS.gov. All information on IRS Web pages is prepared and posted for the public as soon as it is available.

o   During 2011, TE/GE's three major business units, Exempt Organizations (EO), Employee Plans (EP), and Government Entities (GE) posted new information and updates to policy and compliance-related items, articles and other documents related to recent legislation, and work plans. Of note, EP posted a Form 8955-SSA Resources page that included FAQs, guidance, a software vendor list, forms and instructions concurrent with the rollout of the new form. GE continuously posted new or updated guidance or links to other parts of IRS.gov on current or proposed legislation such as the Affordable Care Act (ACA) or health care benefits for Indian Tribal Governments (ITG).

o   The Taxpayer Advocate Service (TAS) posts all instruction to staff and Interim Guidance Memos on IRS.gov. In addition, TAS posts Service Level Agreements (SLAs) and Memorandums Of Understanding (MOUs) for the public. They can all be found at: http://www.irs.gov/advocate/article/0,,id=171162,00.html

o   TAS has posted items including a memorandum from the National Taxpayer Advocate outlining temporary changes in TAS case acceptance criteria, as well as another National Taxpayer Advocate memo describing significant changes in TAS Systemic Advocacy. TAS also posted an outreach document on the IRS.gov/taxtoolkit.

o   The IRS Office of Procurement continually reviews IRS.gov to ensure that the information is current, accurate and complete. Information is updated as needed and new information is added when the Office of Management and Budget's Office of Procurement Policy issues changes, directives, and statutes. Recent changes to the website include: the Small Business Program now posts all small business outreach events to the FedBizOpps website. When notices are posted, the Small Business Program internet site at IRS.gov is also updated to include the notification about the posting. Vendor presentations that are presented at Small Business Showcases are made available on the internet site as well.

o   Additionally, the Small Business Program Office maintains and updates several At-A-Glance Listings of 8(a), HUBZone and Service Disabled small businesses that have either done business with the IRS or actively marketed themselves to the IRS, as a source for future award/subcontracting opportunities.

o   The TIGTA Office of Communications posts information when it involves historical significance, public interest, public involvement, or current TIGTA activity.

Section IV: Steps Take to Greater Utilize Technology

A key component of the President's FOIA Memorandum was the direction to "use modern technology to inform citizens about what is known and done by their Government." In addition to using the internet to make proactive disclosures, agencies should also be exploring ways to utilize technology in responding to requests. In 2010 and 2011, agencies reported widespread use of technology in handling FOIA requests. For 2012, the questions have been further refined and now also address different, more innovative aspects of technology use.

Electronic receipt of FOIA requests:

1. Can FOIA requests be made electronically to your agency?

   The Office of the Comptroller of the Currency was the first to pioneer online FOIA submissions at Treasury. From the web page, requesters have the ability to submit FOIA requests and check the status of a request and receive online help through FAQ's designed to make the requester system self-reliant. DO has created a FOIA Citizen Web portal similar to that of OCC except that it is a cloud hosted solution. The advantage of the hosted solution, from an ECM standpoint, is to leverage the host through licensing so that components may opt into the host solution. The Department is still looking at the most effective solutions for enabling the remaining bureaus to also receive on-line submissions, if possible, including TTB, BPD, BEP, MINT, TIGTA, IRS, and FinCEN where requests can currently only be received by mail, fax, or as a scanned document with signature via email.   At the close of FY11, the vendor testing the selection capability of the requester to indicate which bureau should receive the request; the default indicator would be to direct the request to DO. In early FY12, this capability was placed on-line.

2. If your agency processes requests on a decentralized basis, do all components of your agency receive requests electronically?

   The features of the the Citizen Web portal woud allow those bureaus participating on the cloud database to have the submission request populated to the database within their designate inventory. DO has a cloud solution from a FOIA specific cloud-Citizen Web portal. The advantages of a cloud hosted solution allows license access to meet DO's decentralized needs, Web access, less server space on Treasury sites, and robust reporting features.
   Bureau-specific tracking solutions include:

      i.   DO- cloud solution
      ii.   TTB- cloud solution
      iii.   BPD- non-FOIA Specific
      iv.   FMS- non-FOIA specific/began cloud solution in May 2011
      v.   MINT- cloud solution

      vi.   IRS- AFOIA (Automated Freedom of Information Act): currently in implementation

     vii.   OCC-FOIA specific tracking software

    viii.   BEP- non-FOIA specific

     ix.   OTS- non-FOIA specific

      x.   TIGTA: FOIA specific tracking software

     xi.   FinCEN- Data Map for Electronically Stored Information (ESI) to assist in maintaining and locating electronic records and contacting employees responsible for databases.

Online tracking of FOIA requests:

3. Can a FOIA requester track the status of his/her request electronically?

> DO has created a cloud solution on the Citizen Web portal which provides an opportunity for the requester to register, create a PIN, and electronically enter in the database the status of his or her case using a PIN and case number access restrictions.

4. If not, is your agency taking steps to establish this capability?

> This feature is being made available to components wishing to join in the cloud tracking system. (See paragraph 2 of this section)

Use of technology to facilitate processing of requests:

5. Beyond using technology to redact documents, is your agency taking steps to utilize more advanced technology to facilitate overall FOIA efficiency, such as improving record search capabilities, utilizing document sharing platforms for consultations and referrals, or employing software that can sort and de-duplicate documents?

> The Treasury components each have a method of electronic tracking of the requests. Electronic solutions vary--from non-FOIA designed tracking software solutions--to tailored FOIA specific solutions-- to commercial off -the-shelf solutions--to a cloud FOIA specific Web–hosted solution.

> The Department of the Treasury replaced its previous proprietary, internally-hosted system for assigning, tracking, and reporting Freedom of Information Act (FOIA) requests for the Departmental Offices (DO) with a cloud-based tracking solution. The vendor created a private cloud to host Treasury's data. This solution offers many advantages, compared to the previous system. The previous system was accessible only by the headquarters (DO) disclosure services staff,which resulted in time lags for program offices to receive status reports of their caseloads, return paper copies of updated tracking sheets for data entry, and required a number of employees that had to do all of the data entry. This approach provides the following advantages for the Department:

Accessibility. This solution can be accessed by any computer through Internet web browser including through remote access. Users need a license to log in but no software installation or special hardware is required.   All users have access to real time data and are able to directly input the case information, status changes, backup documentation and statistics for individual cases, run reports, and data queries at any time.

Scalability. This solution can service a variety of office sizes. It is functional within a program office, an individual component/bureau, or an entire agency. Time to live deployment is very fast. The original deployment for headquarters (DO) was only 60 days from date of contract award to live system. Adding individual users is very fast as it only requires procuring additional user licenses.

Automation. This solution can automatically run customized reports (weekly, monthly, annually. These reports can be run by any user at any time. It also decreases the paper circulation method of the former siloed system.

Flexibility.   This solution has the ability to query any data field that is collected through a robust advanced find function. This allows users to create and save their own customized reports. These reports can be run by any user at any time.

Usability. This solution is built on a platform and is compatible with a suite of other office products commonly available to make integration seamless.

The IRS Disclosure Office has begun a partnership with the IRS E-Discovery Program Management Office to use technological means to identify, preserve and produce Electronically Stored Information (ESI) responsive to FOIA requests. Disclosure has used E-Discovery Program Management Office software solutions in working several FOIA requests, thereby improving search accuracy and comprehensiveness. In addition to search efficiency improvements, IRS is also investigating software approaches for sorting documents, identifying and removing duplications, and locating keywords within documents that might warrant redaction, to speed and improve the accuracy of the redaction process.

6. If so, describe the technological improvements being made.

Treasury's first phase of the cloud solution improvement involves tracking the requests and facilitating communication through the shared cloud database so that the administrative record of each case can be shared among various offices responding to the same request. This decreases mail room time and decreases email traffic through the use of shared data spaces.

On line submission tools empower requesters to send requests online which decrease data entry, mail services, and duplication of effort of the same data. The Ability of requesters to fill in require fields educates the requester on what elements are necessary to fill a valid (perfected) request and gives them control on where it is to be sent. The agency meanwhile is monitoring the imperfection rate of online submission vis-à-vis U.S. Mail and fax.

The IRS Disclosure Office plans to continue its partnership with the E-Discovery Program Management Office (PMO). Once a request for Electronically Stored Information is received, IRS Modernization & Information Technology (MITS) employees at the direction of the E-Discovery PMO throw out a "big net" to capture any data that might be relevant. This data might be the entire electronic mailbox, a user work station, network shares on the home directory, a shared server, or external hard drives. MITS retrieves a copy of that data, stores the data in a secure folder, and prompts MITS Cybersecurity to initiate a search function for relevant data.

o   The MITS Cybersecurityteam filters the data using the search criteria provided by the request and Disclosure Office personnel. After the large data set is pared down to a smaller subset, those search results are turned over to Disclosure personnel for further filtering and review to determine what is relevant and responsive.

o   IRS is in the beginning stages of investigating software solutions for sorting documents, identifying and removing duplications, and improving redaction accuracy and efficiency and has scheduled meetings to review some of the options.

Section V: Steps Taken to Improve Timeliness in Responding to Requests and Reduce Backlogs

The President and the Attorney General have emphasized the importance of improving timeliness in responding to requests. This section addresses both time limits and backlog reduction. Backlog reduction is measured both in terms of numbers of backlogged requests orappeals and by looking at whether agencies closed their ten oldest requests and appeals. For the figures required in this Section, please use those contained in the specified sections of your agency's 2011 Annual FOIA Report.

1. Section VII.A of your agency's Annual FOIA Report, entitled "FOIA Requests – Response Time for All Processed Requests," includes figures that show your agency's average response times for processed requests. For agencies utilizing a multi-track system to process requests, there is a category for "simple" requests, which are those requests that are placed in the agency's fastest (non-expedited) track, based on the low volume and/or simplicity of the records requested. If your agency does not utilize a separate track for processing simple requests, answer the question below using the figure provided in your report for your non-expedited requests.

    a. Does your agency utilize a separate track for simple requests?

        Treasury uses a multi-track format which includes a separarate simple track. IRS does not.

    b. If so, for your agency overall, for Fiscal Year 2011, was the average number of days to process simple requests twenty working days or fewer?

   The average number of days to process simple requests agency averall was less than 20 days.

    c. If your agency does not track simple requests separately, was the average number of days to process non-expedited requests twenty working days or fewer?

        IRS average number of days was nineteen.

2. Sections XII.D.(2) and XII.E.(2) of your agency's Annual FOIA Report, entitled "Comparison of Numbers of Requests/Appeals from Previous and Current Annual Report – Backlogged Requests/Appeals," show the numbers of any backlog of pending requests or pending appeals from Fiscal Year 2011 as compared to Fiscal Year 2010. You should refer to those numbers when completing this section of your Chief FOIA Officer Report. In addition, Section VII.E, entitled "Pending Requests – Ten Oldest Pending Requests," and Section VI.C.(5), entitled "Ten Oldest Pending Administrative Appeals," from both Fiscal Year 2010 and Fiscal Year 2011 should be used for this section.

a. If your agency had a backlog of requests at the close of Fiscal Year 2011, did that backlog decrease as compared with Fiscal Year 2010?

Treasury FOIA backlog did decrease compared to prior year-end backlog.
However, IRS did experience an increase from the previous year from 118 to 146.

FOIA Backlog Department-wide
a historical view
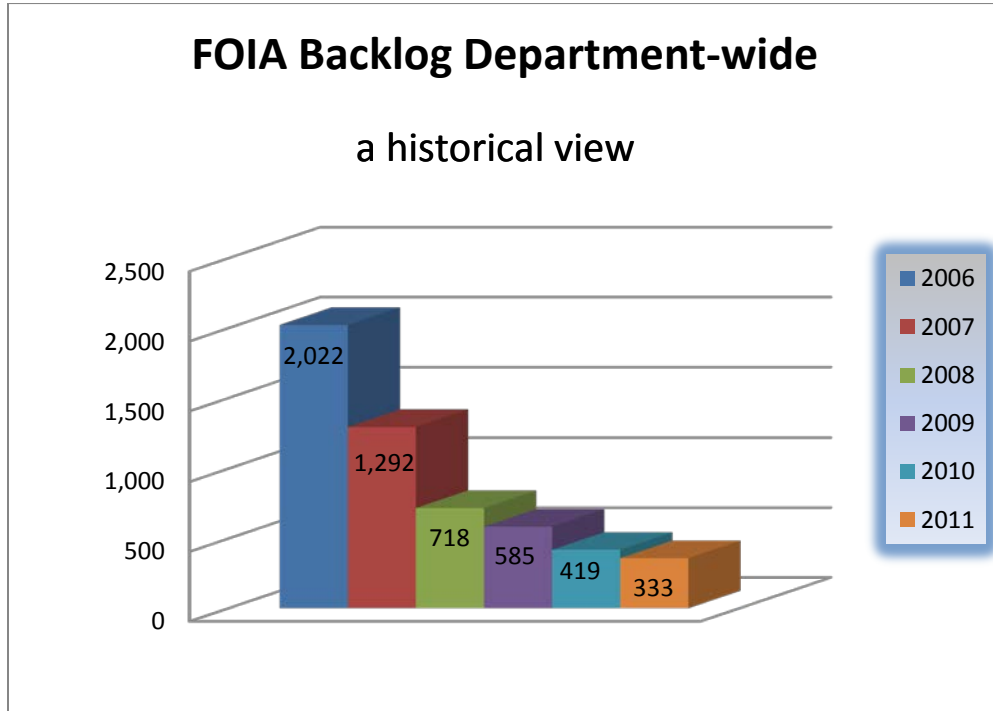
b. If your agency had a backlog of administrative appeals in Fiscal Year 2011, did that backlog decrease as compared to Fiscal Year 2010?

Treasury's adjusted figures show a slight decrease in FOIA appeals from prior year end.
IRS decreased from 35 to 4.

c. In Fiscal Year 2011, did your agency close the ten oldest requests that were pending as of the end of Fiscal Year 2010?

Yes, all ten requests were closed that were the oldest at the end of FY2010.

d. In Fiscal Year 2011, did your agency close the ten oldest administrative appeals that were pending as of the end of Fiscal Year 2010?

Yes, all ten requests were responded to in the FOIA appeals of FY2010 end.

3. If you answered "no" to any of the above questions, describe why that has occurred. In doing so, answer the following questions then include any additional explanation:

Request Backlog: N/A

a. Was the lack of a reduction in the request backlog a result of an increase in the number of incoming requests?

N/A

b. Was the lack of a reduction in the request backlog caused by a loss of staff?

IRS did have an understaffing issue which was backfilled by as many as 12 positions.

c. Was the lack of a reduction in the request backlog caused by an increase in the complexity of the requests received?

o Yes, the IRS has seen an increase in the complexity of requests received. For example, we are processing multiple requests requiring a review of over *eight million* pages of responsive documents that involve international tax issues. IRS has another case with four related requests with the potential of millions of responsive pages. In addition, we have seen an increase in requests for documents pertaining to tax treaty information and requests involving pending tax litigation.

d. What other causes, if any, contributed to the lack of a decrease in the request backlog?

o The IRS used extraordinary efforts in FY2010 and FY2011 to reduce its FOIA request backlog. We expended over 1,400 hours of overtime in FY2010, and over 2,500 overtime hours in FY2011. In FY2011, the continuing implementation of the new AFOIA system, and the concomitant system challenges such as system response time and maintenance issues, made the decrease in FOIA backlog less dramatic than in FY2010. In addition, in FY2011, the hiring of new staff resulted in an increased need for training with the recognition that specific technical skills must be mastered before a new employee can accurately process FOIA requests.

Administrative Appeal Backlog: N/A

a. Was the lack of a reduction in the backlog of administrative appeals a result of an increase in the number of incoming appeals?

N/A

b. Was the lack of a reduction in the appeal backlog caused by a loss of staff?

N/A

c. Was the lack of a reduction in the appeal backlog caused by in increase in the complexity of the appeals received?

N/A

d. What other causes, if any, contributed to the lack of a decrease in the appeal backlog?

N/A

All agencies should strive to both reduce any existing backlogs or requests and appeals and to improve their timeliness in responding to requests and appeals. Describe the steps your agency is taking to make improvements in those areas. In doing so, answer the following questions and then also include any other steps being taken to reduce backlogs and to improve timeliness.

1. Does your agency routinely set goals and monitor the progress of your FOIA caseload?

Yes, the Chief FOIA Officer sets goals every fiscal year. Monthly and weekly reporting mechanisms are used to monitor progress. Progress meetings are held with the Chief FOIA Officer if sufficient progress towards desired reductions is not being reached.

2. Has your agency increased its FOIA staffing?

Treasury has had more staff receive FOIA as "duties as assigned."
IRS has backfilled at least half of its vacant positions.

3. Has your agency made IT improvements to increase timeliness?

Treasury has expended significant efforts at improving the tools to do business and leveraging the tools across components. (see Section II above)
IRS developed a broadband tracking solution called AFOIA.

4. If your agency receives consultations from other agencies, has your agency taken steps to improve the efficiency of the handling of such consultations, such as utilizing IT to share the documents, or establishing guidelines or agreements with other agencies on the handling of particular information to speed up or eliminate the need for consultations?

The most common challenges with consultations are not receiving a copy of the associated request along with the referred documents or the consultation is with an entity no longer a component of Treasury.

IRS maintains an up-to-date contact list of key staff in other agencies which are frequent consultation partners on FOIA requests. Internal Revenue Code Section 6103 prevents some uses of IT for sharing documents electronically, due to cybersecurity rules and special handling for protection of tax information.

Use of FOIA's Law Enforcement "Exclusions"

In order to increase transparency regarding the use of the FOIA's statutory law enforcement exclusions, which authorize agencies under certain exceptional circumstances to "treat the records as not subject to the requirements of [the FOIA]," 5 U.S.C. § 552(c)(1), (2), (3), please answer the following questions:

1. Did your agency invoke a statutory exclusion during Fiscal Year 2011?

   It does not appear that the Treasury invoked the exclusion in FY 11.

2. If so, what is the total number of times exclusions were invoked?

   N/A

Spotlight on Success

Out of all the activities undertaken by your agency since March 2011 to increase transparency and improve FOIA administration, describe here one success story that you would like to highlight as emblematic of your agency's efforts.

DO: Of those requests received via online submission 22% were imperfect compared to 69% imperfections received by U.S. Mail during Fall 2011. Leveraging this Citizen Web portal through a federal cloud has now made this solution possible for other agencies too.

IRS completed implementation of the new AFOIA inventory management systerm in 2011. This includes centralized electronic case log-in and assignment, electronic maintenance of records, and electronic archiving of case records and histories. IRS continues to build on its extensive electronic library of FOIA pattern response letters and specific paragraphs used for unique FOIA requests; we easily edit letters and update text when required by legal or procedural changes. IRS actively manages an inventory balancing program nationwide to evaluate caseload and balance work among Disclosure offices.

Our social media efforts have also been helpful in increasing transparency. IRS features information on YouTube and Twitter on primary programs. On YouTube, the Tax Tips videos are posted in English, Spanish and American Sign Language. Various audio podcasts are posted on both IRS.gov and on iTunes. A listing of media contacts is also posted. We also provide information such as news and events for the tax professional community and information on new initiatives. We maintain an updated Commissioner's section, mission, history, organizational structure of IRS and the strategic plan.

Updated: March 2012

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