

# Chief FOIA Officer Report

## Department of the Treasury



March 15, 2010

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# Chief FOIA Officer Report

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## Introduction



On his first day in office the President issued two pivotal memoranda<sup>1</sup> that affect how the government makes information available to the public it serves. The first memorandum on Transparency and Open Government discussed the three cornerstones of open government: transparency, participation, and collaboration. The memorandum emphasized that transparency promotes accountability of government operations, public engagement enhances the Government's effectiveness and quality of its decisions, and collaboration actively engages Americans in the work of their Government. The second memorandum on the Freedom of Information Act (FOIA) directed agencies to administer the FOIA with a clear presumption in favor of disclosure, to resolve doubts in favor of openness, and to not withhold information based on "speculative or abstract fears." The President also directed the Attorney General to issue new guidelines governing FOIA to reaffirm a commitment to transparency and accountability, and the Office of Management and Budget (OMB) to update guidance to agencies to increase and improve information dissemination to the public, including the use of new technologies. The Attorney General's guidance, issued on March 19, 2010<sup>2</sup>, stated that FOIA is everyone's responsibility, with each agency fully accountable for its administration of FOIA, and that FOIA should be administered with the presumption of openness. When in doubt, openness prevails, and agencies must work proactively and promptly to respond to FOIA requests. On December 8, 2009, OMB released its Open Government Directive<sup>3</sup> which reiterated that openness is the Federal Government's default position for FOIA issues, and established deadlines for agency actions to achieve transparency, participation, and collaboration, including publishing government information on-line, improving the quality of government information, creating and institutionalizing a culture of open government, and creating an enabling policy framework for open government.

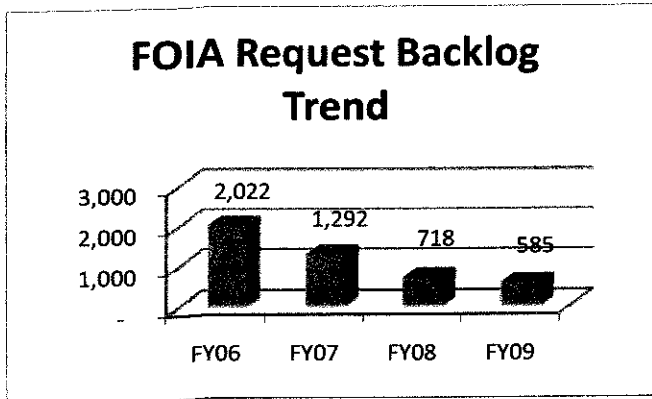
The Department of the Treasury is committed to open and transparent government, to ensure the American public has access to as much information as possible while ensuring the protection of personal privacy, as well as confidential, privileged, or proprietary information. We are pursuing opportunities to engage our most frequent requesters to determine categories of information most appropriate for proactive disclosure. We are ensuring that FOIA activities are fully integrated in the Department's Open

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1. <sup>1</sup> President's Memorandum on Transparency and Open Government, 1/21/09, [http://www.whitehouse.gov/the\\_press\\_office/Transparency\\_and\\_Open\\_Government](http://www.whitehouse.gov/the_press_office/Transparency_and_Open_Government)
  2. President's Memorandum on Freedom of Information Act, 1/21/09, [http://www.whitehouse.gov/the\\_press\\_office/Freedom\\_of\\_Information\\_Act/](http://www.whitehouse.gov/the_press_office/Freedom_of_Information_Act/)
  3. [http://www.whitehouse.gov/omb/assets/memoranda\\_2010/m10-06.pdf](http://www.whitehouse.gov/omb/assets/memoranda_2010/m10-06.pdf)
  4. <sup>2</sup> Attorney General's guidelines for Freedom of Information Act (FOIA), 3/19/09, <http://www.usdoj.gov/ag/foia-memo-march2009.pdf>.
  5. <sup>3</sup> OMB Memorandum M-10-06, "Open Government Directive", [http://www.whitehouse.gov/omb/assets/memoranda\\_2010/m10-06.pdf](http://www.whitehouse.gov/omb/assets/memoranda_2010/m10-06.pdf)

Government Plan and implementation efforts. These activities will be discussed in further detail in the sections that follow.

We are also committed to continuing process improvements to eliminate the backlog of FOIA requests. Since FY06 we have reduced our FOIA backlog by over 71% (see **Table 1**). The Department is completing a Lean Six Sigma<sup>4</sup> review of our entire FOIA process from end to end to identify how we can continue to improve our response time for FOIA processing.

**Table 1**



The Department employs a decentralized FOIA approach with each bureau having responsibility to implement appropriate FOIA processes within the bureau, with Departmental oversight and guidance. This report includes input from each Treasury bureau.

**Daniel Tangherlini**  
**Assistant Secretary for Management and Chief Financial Officer**  
**Chief FOIA Officer**

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<sup>4</sup> The main objective of Lean Six Sigma is to improve the quality of process outputs by identifying and removing the causes of defects (errors) and minimizing variability in business processes, utilizing a set of quality management and statistical methods to identify areas of continuous process improvement.

**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)

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**Part I: Steps Taken to Apply the Presumption of Openness**

Treasury has taken steps to ensure the direction outlined by the President and the Attorney General has been communicated and discussed across the various bureaus, which supports openness in all FOIA activities. Discussions at the monthly FOIA Council meetings which include representatives from each Treasury bureau have focused on openness, and the guiding documents will be incorporated into a forthcoming edition of the Department's FOIA Handbook. The Director of OIP, DOJ, Melanie Pustay provided a presentation on guidance on Attorney General Holder's memorandum in April 2009 during the Treasury Records and Information Management Month. We are also developing a training module on Transparency and Open Government that discusses how every employee can contribute. The module will be available in early spring 2010 to every employee across the Department of the Treasury on our learning management system.

Overall, Treasury did not significantly increase the percentage of partial and full disclosures (see **Table 2**). While 72% of incoming requests are for IRS, the IRS routinely provides full or partial release of information on over 98% of those requests. Also impacting this statistic is the increase in requests for Departmental Offices pertaining to the new activities in support of the economic recovery efforts. A large number of these responses involve business submitter information which must be withheld, increasing the number of partial grants for DO while concurrently decreasing the number of full grants for DO. Treasury has made some gains in partial releases in some of the bureaus with a smaller percentage of the overall Treasury requests (see **Table 3**). Although difficult to measure the extent to which the President and Attorney General's memoranda have had an impact, Treasury has received a slight increase in the amount of requests.

**Table 2**

Fiscal Year	Full Grants	Partial Grants	Full Denials
<b>FY 08</b>	<b>74%</b>	<b>23%</b>	<b>3%</b>
<b>FY 09</b>	<b>71%</b>	<b>25%</b>	<b>4%</b>

**Table 3 Breakout by Bureau**

Bureau	FY 2008			FY 2009		
	Number of Full Grants	Number of Partial Grants/Partial Denials	Number of Full Denials	Number of Full Grants	Number of Partial Grants/Partial Denials	Number of Full Denials
DO	165	97	20	111	162	21
TTB	30	29	18	21	35	12
OCC	2824	217	32	2295	87	65

**Table 3 Breakout by Bureau**

Bureau	FY 2008			FY 2009		
	Number of Full Grants	Number of Partial Grants/Partial Denials	Number of Full Denials	Number of Full Grants	Number of Partial Grants/Partial Denials	Number of Full Denials
BEP	39	16	4	25	16	4
FMS	66	45	42	45	63	52
IRS	5331	2254	122	4914	2191	133
MIINT	39	16	5	33	8	2
BPD	67	8	0	38	10	0
OTS	462	186	35	460	180	54
TIGTA	18	117	11	15	76	7
FinCEN	12	49	74	11	25	101
TOTAL	9053	3034	363	7968	2853	451

Following are the specific actions taken and/or planned by the individual Treasury components.

**DO:**

**ACTIONS TAKEN**

- Distributed and discussed the memoranda at monthly Treasury-wide FOIA Council meetings;
- Melanie Pustay, Director, OIP, DOJ provided a presentation and guidance on the Attorney General Memorandum of March 2009;
- Educated FOIA contacts about the foreseeable harm standard;
- Invited the Director of DOJ's Office of Information Policy (OIP) to provide a presentation on Attorney General Holder's memorandum during our Records Information Management Month (RIMM) activities in April 2010;
- Distributed Secretary Geithner's Press Release on the publication of contracts to all FOIA contacts;
- Proactively disclosed Secretary's calendar;
- Proactively disclosed contracts from the Office of Financial Stability;
- Proactively released FOIA request logs for Departmental Offices.

**ACTIONS PLANNED**

- Incorporate President Obama's memorandum and Attorney General Holder's memorandum into the FOIA Handbook (March 2010);

- Amend FOIA regulations to include provisions of the OPEN Government Act (July 2010);
- Incorporate systemic process reviews of the business submitter process before the request arrives (July 2010);
- Disseminate revised edition of Handbook and replace web version (March 2010);
- Invited Miriam Nisbet of the OGIS and Melanie Pustay of OIP, DOJ, to present at Records Management and Information Month (RIMM). RIMM activities provide educational opportunities for employees and include speaker events, training, and discussion on FOIA, Open Government, transparency, and the Federal Records Act. (April 2010);
- Complete and deploy an electronic FOIA training module for all Treasury employees which incorporates provisions of President Obama's Memorandum and Attorney General Holder's Memorandum . This training will be available on Treasury's learning management system and will be added to employee development plans. (March 2010).

## **TTB**

### **ACTIONS TAKEN**

- Reviewed and discussed the Administration's policies regarding the presumption of openness across the bureau;
- Updated bureau FOIA/Disclosure website to include contact information and phone numbers to allow requesters to check the status of their requests.

### **ACTIONS PLANNED**

- Continue to respond to requests under FOIA in a manner that is consistent with the policies.

## **OCC**

### **ACTIONS TAKEN**

- Acquired a new online tracking/processing tool, FOIAXpress, to bring OCC closer to a paperless environment and make it easier to provide access to bureau information collections 24/7, including electronic receipt, tracking, and processing of FOIA requests;
- Posted all documents related to Congressional contacts with the bureau pertaining to the TARP/CCP program;
- Posted online other helpful collections including lists of national banks, foreign branches and agencies, credit card banks and trust banks. These lists are updated on a monthly basis.
- Published online the list of OCC Purchase Card Holders;
- Regularly published online general statistics regarding consumer complaints against national banks. Published helpful links for consumers through HELP WITH MY BANK;
- Published online Filings made pursuant to the Securities and Exchange Act of 1934 (quarterly).

### **ACTIONS PLANNED**

- Proactively identify and post records of public interest online.

## **BEP**

### **ACTIONS TAKEN**

- Posted Annual Reports on the FOIA webpage under [www.moneyfactory.gov](http://www.moneyfactory.gov);
- Outlined FOIA process on webpage;
- Posted current telephone numbers of FOIA staff;
- Posted a discussion of the FOIA process on The Office of the Chief Counsel webpage.

#### ACTIONS PLANNED

- None at this time.

#### FMS

##### ACTIONS TAKEN

- Installed a new FOIA telephone line for FOIA requesters which is posted on the FMS website and included on FOIA correspondence;
- Trained all FMS FOIA employees on the presumption of openness to make discretionary disclosures;
- Shared the President's FOIA Memorandum and Attorney General's FOIA Guidelines with FMS FOIA employees.

#### ACTIONS PLANNED

- None at this time.

#### IRS

##### ACTIONS TAKEN

- Provided the Administration's Transparency and FOIA memos to all IRS staff;
- Added language to search memorandum that reinforces the presumption of openness and cites the Attorney General;
- Published the Administration's Transparency and FOIA memos to all IRS staff on January 30, 2009;
- Updated and published additional guidance, in the form of "Hot Topic" articles, to all staff on July 29, 2009. These included "What Every IRS Employee Needs to Know About FOIA", "IRS Routine Use vs. FOIA", and other memos advising staff of the need to respond timely to FOIA requests and to provide documents outside the FOIA process when appropriate;
- Produced "Disclosure On Demand" videos available to all staff on the IRWeb, some of which dealt specifically with FOIA openness topics.

#### ACTIONS PLANNED

- None at this time.

#### MINT

##### ACTIONS TAKEN

- Briefed United States Mint senior staff on the President's Transparency and Open Government Memorandum and the Administration's FOIA policies;
- Issued memorandum on the requirements mandated by the Open Government Act of 2007;
- Provided one-on-one training for each Associate Director on FOIA requirements;
- Increased percentage of full grants in FY09 (see **Table 3.**)

#### ACTIONS PLANNED

- None at this time.

#### BPD

##### ACTIONS TAKEN

- Required the bureau FOIA Officer and FOIA Attorney to evaluate all decisions of openness for applying discretionary disclosure as appropriate.

#### **ACTIONS PLANNED**

- None at this time

#### **OTS**

##### **ACTIONS TAKEN**

- Released correspondence between the agency and congressional officials regarding bank regulation;
- Held staff meetings to discuss the presumption of openness, as well as individual follow-up meetings between supervisory staff and individual employees regarding presumption of openness.

##### **ACTIONS PLANNED**

- Periodically hold staff meetings to discuss the presumption of openness, as well as individual follow-up meetings between supervisory staff and individual employees regarding presumption of openness (September 2010).

#### **TIGTA**

##### **ACTIONS TAKEN**

- Collaborated with Counsel to strengthen the application of the harm analysis to information found in certain types of records requested under the FOIA. Provided refresher guidance on applying the foreseeable harm standard to the Disclosure staff;
- Collaborated with TIGTA's Office of Audit to develop and implement a Disclosure Checklist that is required for every final audit report submitted to Disclosure for review prior to its posting on the Web. The Disclosure Checklist requires a detailed explanation for each proposed redaction based on the harm that could reasonably result if the material was released. Minimal redactions are made only if the explanation of harm meets the reasonableness test and legal standard for withholding pursuant to a FOIA exemption;
- Reviewed and decontrolled all LOU/SBU designated audit reports issued after October 2008. In October 2008, TIGTA initiated a proactive approach to reviewing and decontrolling LOU/SBU designated audit reports, in advance of receiving a FOIA request, and posted the reports to the Web. This approach has been permanently adopted and contributes to TIGTA's efforts to make its records and activities more transparent. TIGTA has received positive feedback from the requester community;
- Met with managers from two functions within TIGTA to explain the disclosure review process and the importance of providing timely, detailed information justifying any proposed withholding of information (i.e., explanation of the foreseeable harm that could result from release of the information). Summarized Attorney General Holder's FOIA memorandum and guidelines calling on agencies to reaffirm the Government's "commitment to accountability and transparency."

##### **ACTIONS PLANNED**

- Continue to develop and implement proactive initiatives to facilitate greater transparency:
  - Develop and implement a generic Disclosure Checklist that is applicable to a larger segment of TIGTA records to facilitate disclosure reviews and work towards greater transparency (to be completed by May 28, 2010);

- Meet with more managers from TIGTA functions (one scheduled for April 2010 and another for September 2010) and participate in functions' CPE's (one scheduled for April 2010) to explain general disclosure principles and the importance of providing timely, detailed information to justify any proposed withholding of information, and to emphasize the presumption of openness and TIGTA's "commitment to accountability and transparency" (two meetings are scheduled for April and May 2010; participation in one CPE is scheduled for April 2010);
- Continue to review and decontrol all LOU/SBU designated audit reports within 10 business days of issuance and post the reports on the Web (proactive steps to increase transparency and bypass the FOIA request process; permanent procedure that takes place whenever an LOU/SBU report is issued).

## **FinCEN**

### **ACTIONS TAKEN**

- Reviewed all FOIA/PA responses for accuracy and completeness.

### **ACTIONS PLANNED**

- Review responsive law enforcement records in their entirety for partial disclosures when possible;
- When possible, provide additional information to requestor such as "Of the 100 pages withheld, half were duplicates of the other half."

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

The Department is making strides to improve our capability for processing FOIA requests through both process evaluation and re-engineering, and by implementing key technology solutions as appropriate. For example, the Department is completing a Lean Six Sigma review of the entire FOIA process starting with Departmental Offices. Implementing some of the process changes identified while the review is on-going, enabled DO to increase the number of processed requests by 44% during FY09, including an almost fourfold increase in the number of requests for expedited treatment, despite a 22% increase in the number of incoming FOIA requests in FY09. The IRS, which receives almost three quarters of the Department's FOIA requests every year, is in the process of implementing a robust new tracking and assignment system throughout its offices across the country. OCC implemented a new system that enables on-line submission of FOIA requests and provides submitters the ability to track the progress of their requests.

The following are specific actions taken and/or planned by the individual Treasury components.

### **DO**

#### **ACTIONS TAKEN**

- Increased assistance of contractor FOIA personnel for searches and redactions;
- Implemented “quick wins” identified through the Lean Six Sigma review process, which has decreased repetitive efforts between Disclosure Services and the Program Offices;
- Distributed FOIA search tracking forms to ensure that employees who are tasked with searching for responsive records keep detailed information about their searches.
- Increased training of DO staff regarding how to conduct a FOIA search. Training also focused on encouraging staff to reach out to FOIA requesters to ensure that DO’s work meets their needs.

#### **ACTIONS IN PROGRESS**

- Increased contractor technical support to meet demands of email searches for FOIA and litigation (March 2010);
- Undergoing a Lean Six Sigma review to evaluate FOIA process in Departmental Offices utilizing metrics to find where efficiencies may be gained by evaluating the processes (March 2010);
- Exploring the use of Sharepoint to communicate document redactions between review offices (April 2010);
- Exploring cloud solutions for a more robust web browser and search engine for online documents exchange (April 2010);
- Exploring tools for the sequential conversion of email and attachments so that more efficiency could be gained through a distiller rather than printing out attachments and converting them (March 2010);
- Exploring an online electronic submission process to populate the tracking database (March 2010);
- Exploring cloud solutions for electronic tracking of FOIA data and reporting (April 2010).

### **TTB**

#### **ACTIONS IN PROGRESS**

- Utilizing a centralized FOIA process and assigning the responsibilities to our Regulations and Rulings Division (in effect);

- Utilizing a select few employees for FOIA duties who are very knowledgeable about the FOIA, TTB records, IRC Section 6103 disclosure issues, and focused on customer service as well as timely responses (in effect).

#### ACTIONS PLANNED

- None at this time.

#### **OCC**

##### ACTIONS TAKEN

- Acquired FOIAXpress for more efficient and effective processing of requests.

##### ACTIONS PLANNED

- Allowing FOIA requesters to sign on to the FOIAXpress system and track the progress of their requests from their computer anytime (in progress).

#### **BEP**

##### ACTIONS TAKEN

- Managed requests for records with a custom designed tracking system, which monitors and alerts user(s) of status items within each established case. The tracking system allows us to see the status of each outstanding case with a full history of all actions taken and all applicable due dates. Component responders receive tasking documents that explain responsibilities, due dates, certification topics, and other options, such as recommendations for release or non-release of materials, sensitivity levels, etc.

##### ACTIONS PLANNED

- None at this time.

#### **FMS**

##### ACTIONS TAKEN

- Allowed requesters to submit requests electronically (there is a FOIA link on FMS' website that enables a requester to submit their FOIA request).

##### ACTIONS PLANNED

- None at this time.

#### **IRS**

##### ACTIONS TAKEN

- Upgraded an electronic inventory tracking system to track requests from receipt to response and for subsequent monitoring and reporting;
- Extensively used management monitoring reports, or E-DIMS, to assess performance and identify and address problems;
- Conducted a study of the usability of the bureau's FOIA website. The goal of the study is to make the website more user-friendly;
- Provided formal instruction to Disclosure field staff on using:
  - Standard Workflow Tools (SWFT), which improved efficiency in locating electronic tax records;



- Integrated Data Retrieval System (IDRS) to improve efficiency in locating electronic tax records in requests for tax information.
- Developed expedited procedures for securing responsive records from the Federal Records Center (FRC). IRS delivered online training on these new FRC record access procedures to Disclosure field staff;
- Published internal communications newsletter articles on “Focus on FOIA,” “Quality Corner” and “Tips n’Tricks.” IRS developed 39 articles since February 2009 for Disclosure staff on various request-related subjects. Newsletter articles target emerging issues and trends developed from internal quality reviewing and from questions received from field staff;
- Developed guidance which we placed on our website that provides directions for how to properly prepare a FOIA request ensuring that FOIA requesters know how to submit a perfected request.

#### **ACTIONS PLANNED**

- Implementing an automated FOIA processing system, the Automated Freedom of Information Act (AFOIA), which is scheduled for implementation in FY 10. The AFOIA will:
  - Centralize the receipt and control of all requests;
  - Process requests more efficiently including the precedent setting scanning of all FOIA requests at one central location and on-line redaction;
  - Assign a request to any Disclosure employee in the country without regard to geographical boundaries;
  - Centralize the imaging of responsive records;
  - Maintain databases of responsive records, requests, and all correspondence to and from the requester;
  - Initiating the process to hire former IRS FOIA caseworkers as reemployed annuitants to assist in reducing backlogs, which we expect to complete by June 1.

#### **MINT**

##### **ACTIONS TAKEN**

- Met with OCIO team to discuss upgrades to the current FOIA tracking system which have resulted in an upgraded FOIA tracking system to better capture appropriate data for reporting requirements.

##### **ACTIONS PLANNED**

- Researching FOIA tracking systems to determine which ones best meet our FOIA processing, tracking and reporting needs (in progress).

#### **BPD**

##### **ACTIONS TAKEN**

- Acquired an effective system for responding to requests, allowing BPD to respond within 5.2 days (average number of days to respond to a request for FY09). This is an internal procedure that was created between offices to allow efficient/effective practices in processing requests as quickly as possible. (i.e. email, appointing subject matter experts, Excel).

##### **ACTIONS PLANNED**

- Maintaining an open and effective relationship between IT and the FOIA Officer with an understanding of the timeframe requirements surrounding a FOIA request.

## **OTS**

### **ACTIONS TAKEN**

- Worked with an IT Specialist on all matters dealing with the FOIA database, specifically processing, tracking, and reporting needs. FOIA staff also utilized agency contacts in other OTS Washington and regional offices who coordinated, within their own offices, the locating of requested records and forwarding them to FOIA staff.

### **ACTIONS PLANNED**

- None at this time.

## **TIGTA**

- Worked closely with the TIGTA Office of Information Technology (OIT) team to procure a FOIA processing software product, including records management and redaction, that would:
  - Increase the efficiency of FOIA processing at TIGTA;
  - Promote the effectiveness of TIGTA's Disclosure program;
  - Ensure the security of TIGTA's electronic records;
  - Improve compliance with statutory requirements;
  - Ensure FOIA requests and Disclosure matters are tracked appropriately and accurately through regular testing of the database;
  - Utilize the manufacturer's research and development team for maintenance and IT support, including the electronic deployment of system updates that guarantee TIGTA's needs are met and procedural changes resulting from statutory amendments/new laws/Executive Orders are programmed into the system and implemented timely.

### **ACTIONS PLANNED**

- Working closely with FOIA requesters via telephone and email to provide timely status updates and to resolve processing issues and/or disputes early in the review process (ongoing);
- Soliciting responsive records directly from field offices by sending search requests to field office managers and supervisors to ensure:
  - FOIA requests receive the appropriate attention of management (ongoing); and
  - Responsive records are copied and provided to the Disclosure Branch within five business days (ongoing).

## **FinCEN**

### **ACTIONS TAKEN**

- Wrote and published on Intranet website Guidelines for FOIA Searches for FinCEN employees to use as a reference;
- Wrote and published FinCEN Directive on FOIA/PA Program;
- Assigned Disclosure Coordinators in each division who are knowledgeable about locations of records and FOIA requirements.

### **ACTIONS IN PROGRESS**

- Providing annual refresher training to employees on good records management;

### Part III: Steps Taken to Increase Proactive Disclosure

The activities of the Department in support of the economic recovery effort have provided multiple opportunities for the proactive disclosure of information of high interest to the public, for example, on the [www.financialstability.gov](http://www.financialstability.gov) website. Since the issuance of OMB (M-10-06) guidance in December 2009, Treasury's Office of Financial Stability has posted the Troubled Asset Relief Program (TARP) Transaction report to the website in both PDF and XLSX formats to support the requirement for data open formats. TIGTA has obviated the need for the public to request sensitive but unclassified audit reports by proactively decontrolling and publishing these reports on their website in a timely manner. The BEP proactively posts monthly and annual production figures including notes series, serial numbers, and quantities for each currency denomination.

The following are specific actions taken and/or planned by the individual Treasury components.

#### DO

##### ACTIONS TAKEN

- Increased the amount of information available online based on the information created from the Troubled Asset Relief Program. An additional Web tool referred to as Financial Stability.gov was created to provide information derived from the programs Congress passed in the Emergency Economic Stimulus Act;
- Emphasized reviewing business submitter process as part of a work flow rather than awaiting a FOIA request;
- Published FOIA logs to frequent requesters, quarterly.

##### ACTIONS PLANNED

- Publish the Secretary's calendar more frequently (March 2010);
- Create a cloud solution for an online information exchange with a robust search engine and storage capability (April 2010).

#### TTB

##### ACTIONS TAKEN

- Provide annual FOIA reports statistics on its FOIA homepage for numbers received, processed, and pending by fiscal year.

##### ACTIONS PLANNED

- None at this time.

#### OCC

##### ACTIONS TAKEN

- Created an **Electronic Reading Room** which makes a host of materials available through the website. Identify those requests that cover subjects of considerable public interest and make the documents available on the Web site simultaneously with the release to the requester;
- Constructed full databases to help interested individuals gain access to helpful information about formal enforcement actions taken against national banks, bankers, and institution-affiliated parties since 1989. Further, are now including notices of charges in this database. These are the initial filings when an individual wants to take their case before an Administrative Law Judge;

- Created a popular database to show Community Reinvestment Act (CRA) Performance Evaluations of national banks back to 1990;
- Posted the **Weekly Bulletin**, which lists all corporate applications received by the OCC nationwide and is updated weekly. This site offers a limited search function and is currently being redesigned.

#### ACTIONS PLANNED

- None at this time.

#### **BEP**

##### ACTIONS TAKEN

- None at this time.

#### ACTIONS PLANNED

- Posting past and present production information, information on U.S. currency, Anti-counterfeiting information; FAQ's and links to the Department of Treasury and other relevant and/or related sites;
- Working to disseminate information quickly and comprehensively. An example of this was the publication of the "Study to Address Options for Enabling the Blind and Visually Impaired Community to Denominate U.S. Currency" as soon as it was finalized.

#### **FMS**

##### ACTIONS TAKEN

- None at this time.

#### ACTIONS PLANNED

- Meeting with each Assistant Commissioner area to discuss new material to be posted on the FMS website.

#### **IRS**

##### ACTIONS TAKEN

- Published the current volume of IRS Document 6209, "IRS Processing Codes and Information," formerly titled "ADP and IDRS Information" on March 1, 2010. Document 6209 is a detailed compilation comprising 613 pages of processing codes used in IRS tax accounting systems and their descriptions. It has been frequently requested under the FOIA and IRS has committed to publish non-sensitive portions of the current version of this document each year soon after it is available to staff. Approximately 30 pages include redactions under (b)(7)(E) and high (b)(2). Most pages include non-assertion of the (b)(2) exemption.
- Have provided extensive information on a regular basis on all tax related matters, including statistical information on tax returns, forms, and instructions on irs.gov. The site has interactive opportunities for taxpayers to identify applicable tax treatment on various issues and well as downloads of forms and instructions;
- Provided links from data.gov to 32 IRS data sets in an open format (.csv). Previously, some of these data sets had been offered on irs.gov for a set fee. These data sets include IRS Exempt Organization studies reporting information submitted on Forms 990 and 990-EZ returns filed by IRC section 501(c)(3)-(9) organizations for Tax Years 1992 through 2006, private foundation studies reporting information submitted on Forms 990-PF by IRC Section 501(c)(3) private

foundations and Section 4947(a)(1) nonexempt charitable trusts for Tax Years 1992 through 2006 and county to county migration data for the United States based on year-to-year address changes reported on individual income tax returns filed with the IRS accounting for both in-flows and out-flows;

- Published Service-wide Electronic Research Program (SERP) interim procedural updates on [irs.gov](http://irs.gov) as of Feb. 1, 2010. Interim procedural updates are updates to official IRS procedures contained in the Internal Revenue Manual (IRM) but not immediately updated to the IRM. Posting these updates will help ensure the public has access to all current IRS procedures that affect them. Updates are posted to [www.irs.gov](http://www.irs.gov) almost concurrently (within several days) with publication to internal staff.

#### ACTIONS PLANNED

- Have received and continue to receive public suggestions from [www.data.gov](http://www.data.gov). IRS has identified eight potential new data sets and is taking active steps to publish the data through [data.gov](http://data.gov) by September 2010.
- Plan to add records currently housed on the IRS Records Management Office intranet site to the public [irs.gov](http://irs.gov) web site within 30 days (April 15).

#### MINT

##### ACTIONS TAKEN

- Posted link from our FOIA reading room to our Public Affairs web page of press releases, annual reports, strategic plans, and other frequently requested documents.
- Increased the amount of information available online via links to other United States Mint offices.

##### ACTIONS PLANNED

- Updating United States Mint FOIA Handbook.
- Preparing Bureau-wide FOIA training.

#### BPD

##### ACTIONS TAKEN

- None at this time

##### ACTIONS PLANNED

- Evaluating the process of posting more records to the Frequently Requested FOIA webpage. Discussions are taking place to be more proactive with disclosures of information that have never been considered for disclosure through the Frequently Requested website. (i.e. Matured Unredeemed Debt - Securities Records for non-individuals).

#### OTS

##### ACTIONS TAKEN

- Made proactive disclosures on the OTS website that are of public interest. Examples of these public disclosures are: enforcement orders, Director's Orders, public versions of Thrift Financial Reports (TFRs), comment letters regarding OTS rulemakings, legal opinions, various OTS handbooks, reports to Congress, and guidance and policy statements.

##### ACTIONS PLANNED

- None at this time

## **TIGTA**

### **ACTIONS TAKEN**

- TIGTA took proactive steps to post information online without waiting for individual requests to be received. Examples:
  - Reviewed and decontrolled all LOU/SBU designated audit reports issued after October 2008. In October 2008, TIGTA initiated a proactive approach to reviewing and decontrolling LOU/SBU designated audit reports, in advance of receiving a FOIA request, and posted the reports to the Web. This approach has been permanently adopted and contributes to TIGTA's efforts to make its records and activities more transparent. TIGTA has received positive feedback from the requester community.
  - Met with managers from three TIGTA functions (February 2010 and March 2010) to discuss general disclosure principles and emphasize the presumption of openness and TIGTA's "commitment to accountability and transparency."

### **ACTIONS PLANNED**

- Discontinue need for FOIA requests for LOU/SBU audit reports issued after October 2008 because of proactive steps taken to review and decontrol these reports and post them to the Web after issuance (ongoing);
- Continuing efforts to make releasable information available to the public before receiving a FOIA request for the information (ongoing);
- Contacting the functional areas through scheduled meetings and CPE's to determine if additional records should/could be published on the Web to advance transparency and openness in TIGTA's operations/records. TIGTA Disclosure also plans to start posting its FOIA request log, in redacted form, to the Web in FY 2010. TIGTA Disclosure plans to start posting contact information for its small purchase card holders to the Web by the end of FY 2010, eliminating FOIA requests for this information.

## **FinCEN**

### **ACTIONS TAKEN**

- Nothing planned at this time.

### **ACTIONS PLANNED**

- Nothing planned at this time.

#### **Part IV: Steps Taken to Greater Utilize Technology**

Treasury's decentralized FOIA model, the variation in the number of requests and types of information being requested from bureau to bureau, coupled with the disparate budgetary resources available, have resulted in a variety of technology solutions in use at the different bureaus. The most effective strategy for Treasury has been to utilize existing tools and resources as much as possible to achieve progress with utilizing technology to improve FOIA processing. DO is pursuing a potential cloud solution for managing FOIA that can be piloted in Headquarters and then offered across Treasury as needed and to improve Treasury-wide reporting capability. Several bureaus have already begun implementing robust technology solutions to improve their FOIA processes.

Following are specific actions taken and/or planned by the individual Treasury components.

#### **Electronic Receipt of Requests**

Presently only OCC and TIGTA accept FOIA requests electronically. OCC's system was implemented in FY09. For the remaining bureaus - DO, TTB, BPD, BEP, MINT, OTS, IRS, FinCEN - requests can only be received by mail, fax, or as a scanned document with signature via email, though several of the bureaus are working towards enabling electronic submission. DO is finalizing its on-line form and anticipates starting this capability in later FY10. In the case of IRS, acceptance of an electronic signature is the current impediment because a majority of IRS requests are for tax records and come with a requirement to provide proof of identity and a person's right to access records. This requires submission of signed documentary evidence of the requester's identity and right to access records. The IRS is preparing for the implementation of the Enterprise Authentication Initiative that will authenticate first party requesters and will allow for the submission of requests for confidential information electronically. Currently, the IRS does accept requests that are faxed and will accept requests submitted by e-mail that do not have a signature authentication requirement. At this point, however, there is no mechanism to accept electronic requests through the IRS website. TTB's current system is unable to handle electronic receipt of requests, but TTB is in the process of developing a records management database to handle requests electronically.

#### **Electronic Tracking of Requests**

All of the bureaus currently utilize some method of electronically tracking FOIA requests. Since the numbers, complexity, and types of information requested vary, often significantly, from bureau to bureau, different solutions have been implemented in various bureaus. Several bureaus utilize FOIAXpress (e.g. TIGTA, OCC), while others have developed tracking solutions internally (e.g. DO, IRS), and bureaus with smaller numbers of requests utilize solutions based on Excel or Access (e.g. BPD, FMS, OTS). FinCEN has developed a data map for Electronically Stored Information (ESI) to assist in maintaining and locating electronic records and contacting employees responsible for their databases.

#### **Electronic Processing**

Several bureaus have made strides in utilizing and improving electronic processing technologies. DO utilizes the SharePoint platform in several offices for sharing information about requests in progress, as well as facilitating the sharing of records files for analyzing and applying redactions. Adobe Acrobat 8.0 is used for electronic redaction. When the responsive records collected are in paper format, the records

are scanned and converted to PDF format so they can be shared on the portal and the redactions applied electronically. This has become the standard across much of Treasury.

OTS prepares acknowledgment letters and responses that are sent to requesters electronically as often as possible. It sends voluminous responsive materials to requesters on CD. Also, all FOIA request data is maintained in a database which facilitates tracking requests. OTS recently began using Adobe Acrobat 9 Pro as its electronic redacting tool.

The main impediments for utilizing technology for processing requests are costs for implementing new technology and interoperability among current disparate bureau solutions that have already incurred significant costs.

### **Electronic Preparation of Annual Report**

While all bureaus report having capabilities to prepare input for the Annual Report electronically, the Department's combined Annual Report prepared in the Treasury Disclosure Services office is prepared using the Department's database system. This requires manually compiling each bureau's input into one final report. As noted in the opening paragraph of Section IV, the Department is researching an appropriate solution to facilitate the reporting process Treasury-wide and eliminate the need for the manual compilation of statistics.

Current impediments to fully utilizing technology to prepare the Annual Report include the need for multiple upgrades to keep the database up-to-date with the latest statutory and regulatory changes, the costs associated with those upgrades, and identifying a solution that will work across Treasury that leverages current investments and minimizes future investments.

- FOIAXpress: OCC, TIGTA;
- Internal Solutions: DO (MS Access SQL), IRS (AFOIA);
- Excel or MS Access (BEP, BPD, FMS, OTS);
- ESI-FinCEN.



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

**Section 1: Backlog Status**

The Department has made progress in closing out our oldest backlog cases in FY09, moving up from FY08 oldest cases dates ranging from 1994 to 2008, to 1999 – 2009 in FY09 (see **Table 4.**)

**Table 4**

<b>Oldest Pending Case</b>	<b>FY 2008</b>	<b>FY 2009</b>
DO	3/1/1994	9/9/1999
TTB	9/11/2008	9/10/2009
OCC	9/18/2008	9/10/2009
BEP	n/a	n/a
FMS	9/18/2008	9/28/2009
IRS	11/9/2004	7/13/2006
MINT	9/23/2008	9/22/2009
BPD	n/a	n/a
OTS	1/3/2006	2/25/2008
TIGTA	8/21/2008	8/18/2009
FinCEN	9/11/2008	9/24/2009
<b>Backlogged Requests</b>	<b>FY 2008</b>	<b>FY 2009</b>
DO	355	382
IRS	331	182
OTS	32	21
<b>Agency Overall</b>	<b>718</b>	<b>585</b>
<b>Backlogged Appeals</b>	<b>FY 2008</b>	<b>FY 2009</b>
DO	13	13
TTB	6	5
IRS	28	60
TIGTA	3	0
<b>Agency Overall</b>	<b>50</b>	<b>78</b>

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

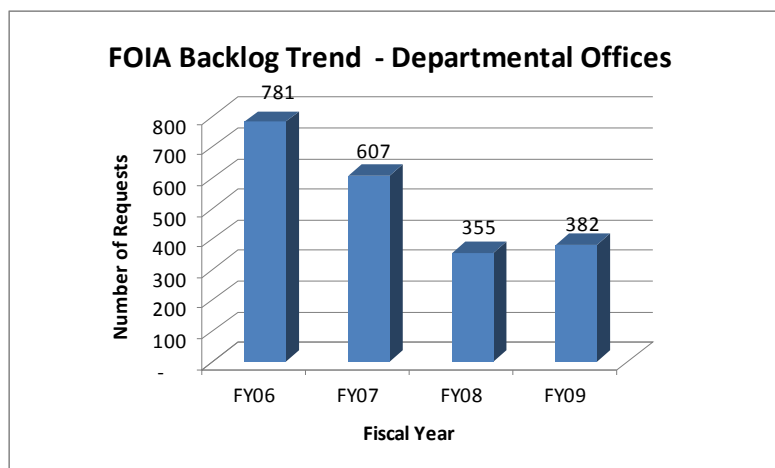
### Section 2: Backlog Reduction

Overall Treasury has made tremendous progress since FY06 to reduce the number of backlogged requests. The Department realized a 55% reduction in the backlog between FY07 to the end of FY09, despite a concurrent 60% increase in the number of FOIA requests received in the same time period, the majority of the increase impacting Departmental Offices.

#### DO

Backlog at the end of FY09: **Requests = 382, Appeals = 13**

**Table 5**



DO made significant strides in reducing its FOIA request backlog. Since FY06, DO cut the backlog by over 50% (see **Table 5**.) Some of the gains realized at the end of FY08 were negated due to the influx of requests in FY09, most notably for records pertaining to the Troubled Asset Relief Program (TARP) and the Office of Financial Stability (OFS). Overall, DO received 22% more requests than in FY08, and we completed 44% more than in FY08.<sup>5</sup>

DO is conducting a Lean Six Sigma review of the FOIA process to streamline the FOIA process by eliminating redundancies, identifying process gaps, and identifying technology solutions. The review will also help to determine the most effective course of action to meet Treasury's FOIA and transparency goals by employing creative and efficient solutions to achieve success within resource realities.

#### TTB

Backlog at the end of FY09: **Requests = 0, Appeals = 5**

TTB did not have a backlog of initial determination requests; however, there is a backlog on the appeals side with the oldest appeal date of February 21, 2007. For initial determinations, TTB uses a multi-track process. TTB has identified the bottleneck in the appeals process and it is currently considering steps to improve its administrative appeals process.

#### OCC

Backlog at the end of FY09: **Requests = 0, Appeals = 0**

#### BEP

<sup>5</sup> Requests Received in DO totaled 902 in FY08 and 1,099 in FY09. Requests completed in DO totaled 620 in FY08 and 890 in FY09.

Backlog at the end of FY09: **Requests = 0, Appeals = 0**

#### **FMS**

Backlog at the end of FY09: **Requests = 0, Appeals = 0**

#### **IRS**

Backlog at the end of FY09: **Requests = 182, Appeals = 60**

IRS has effected a 45% overall reduction in the backlog inventory from FY08 to FY09 and a very significant reduction in the backlog of the cases over 300 days from 79 to 12. While the backlog of appeals increased somewhat from FY08 to FY09, the most recent monthly reports show a decrease in backlog appeals from 60 to 37. IRS is implementing a new A-FOIA tracking and processing system in FY10 to assist with process efficiencies through greater accountability and improved reporting.

#### **MINT**

Backlog at the end of FY09: **Requests = 0, Appeals = 0**

#### **BPD**

Backlog at the end of FY09: **Requests = 0, Appeals = 0**

#### **OTS**

Backlog at the end of FY09: **Requests = 21, Appeals = 0**

Overall, the OTS backlog has steadily decreased, realizing a decrease in excess of 50% from FY07 to FY08 and another 34% from FY08 to FY09. OTS did not have any backlogged administrative appeals at the end of the fiscal year. The overall age of backlogged requests has also steadily decreased, from 893 days to 369 days for the 10 oldest pending requests in FY07, to a range of 431 days down to 83 days for the 10 oldest pending requests in FY09.

OTS continues to work towards improving timeliness in responding to requests and administrative appeals. In FY08 OTS completed 70.8% of requests within the 20-day time frame allowed for by the FOIA. In FY09 they completed 78.9% of requests within 20 business days. To date for FY10 OTS has improved their percentage of on-time completion to 82.5% of requests within 20 days. This increase in timely responses resulted from utilizing a contractor and summer interns to assist with processing requests. Also, FOIA staff periodically worked beyond normal business hours on past due requests.

#### **TIGTA**

Backlog at the end of FY09: **Requests = 0, Appeals = 0**

TIGTA's actions to improve timeliness in responding to requests and administrative appeals.

- Executives, managers and staff have demonstrated their commitment to the FOIA/Disclosure program at TIGTA by providing responsive records to the Disclosure staff for analysis in five business days or less.
- The Chief Counsel ensures appropriate staff resources and equipment/software are available to the staff who respond to FOIA requests and administrative appeals. During periods of high volume, the Disclosure staff receive case review assistance from the legal staff, contributing to TIGTA's success in meeting its statutory deadlines.

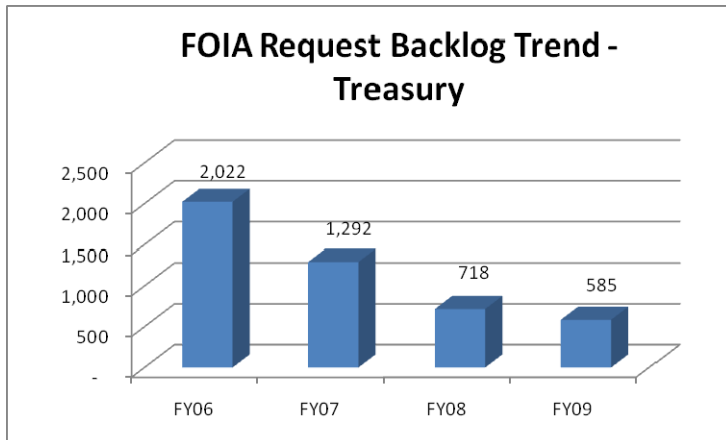
- TIGTA employees at all levels of the organization are accountable for providing timely assistance to the Disclosure Staff. This level of accountability contributes to TIGTA’s overall success in meeting statutory deadlines.
- Frequent communication with requesters, as needed, early in the processing of their requests regarding issues such as fee waivers, extensions of time, and scope has also contributed to TIGTA’s ability to issue timely responses.
- TIGTA’s experienced and highly qualified Disclosure staff and legal staff contribute greatly to TIGTA’s efforts to improve timeliness in responding to requests and administrative appeals. In 2006, the Disclosure staff received the IG Award for eliminating the FOIA backlog and the successful implementation of the FOIAXpress FOIA processing database. This is the highest award bestowed on a TIGTA employee or group.

**FinCEN**

Backlog at the end of FY09: **Requests = 0, Appeals = 0**

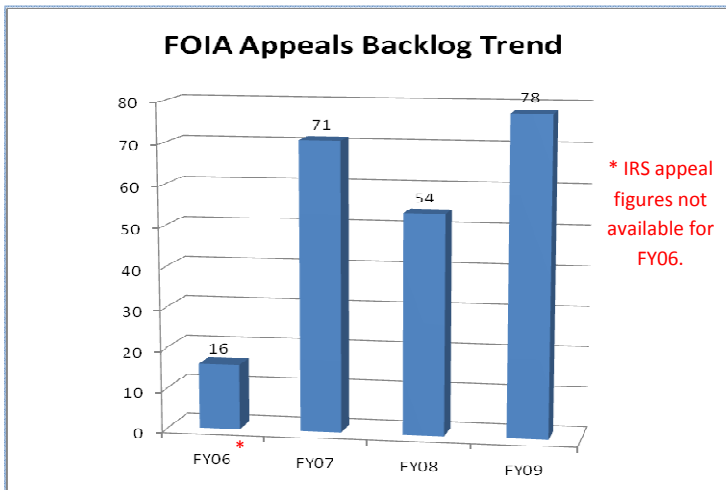
**Part V: Steps Taken to Reduce Backlogs and Improve Timeliness in Responding to Requests**  
**Section 3: Improving Timeliness of Responses**

**Table 6**



Improvements to timeliness in responding to pending FOIA requests and reductions in backlogs are an ongoing agency effort. As illustrated, Treasury has made tremendous strides in reducing the agency's overall FOIA backlog over the past several years, effectively reducing the backlog by 71% from FY06 to the beginning of FY10 (see **Table 6.**) This reduction was achieved through a combination of process improvements, elevating the FOIA program to report to a Deputy Assistant Secretary level with the Office of the Assistant Secretary for Management, and increasing the frequency and level of backlog reporting to increase accountability of the various program offices responsible for completing FOIA processing. Treasury also moved forward by 5 years the age of the oldest backlog request. The number of appeals received increased in some key bureaus (see **Table 7**), e.g. OCC and DO, from 30% to 300%, primarily in response to the increasing volume of economic and financial stability data being requested

**Table 7**



through the FOIA process in FY09, resulting in an increase in the appeal backlog at the end of FY09 (see **Table 5.**) Our objective is to reduce the need for FOIA requests for this type of data through increased proactive disclosure activities as discussed in Part III.

A key example of Treasury's efforts to address backlogs and improve timeliness of response is the ongoing review of the FOIA process in the Departmental Offices. The objectives of the review are to position DO to promptly respond to Freedom of Information Act (FOIA) requests in accordance with statutory requirements, increase proactive disclosure of information, eliminate the FOIA requests backlog, and ensure sensitive or complex FOIA requests are processed properly. The intended outcomes are more efficient, accurate, and timely disclosures of Treasury information to the American public.

Another example of Treasury's efforts to improve the timeliness is IRS' development and implementation of their A-FOIA system, an electronic inventory tracking system to track requests from receipt to response, including process monitoring and reporting capability.