The National Archives and Records Administration (NARA) requires Senior Agency Officials for Records Management (SAORM) to provide an annual report demonstrating how agencies are handling important records management initiatives as identified by NARA.

NARA uses the reports to determine the overall progress of the Federal Government in managing its records and the transition away from paper to digital formats, and to identify best practices and model solutions within Federal agencies.

On June 28, 2019, the Office of Management and Budget and the National Archives issued a memorandum: *Transition to Electronic Records* (M-19-21) to ensure that all Federal records are created, retained, and managed in electronic formats by December 31, 2022. This year's SAORM report provides an opportunity for agencies to report on plans and progress towards the milestones and target goals in this memorandum, as well as other important records management initiatives.

The reporting period begins on January 13, 2020, with reports due back to NARA no later than March 13, 2020.

NARA plans to post your 2019 SAORM report on the NARA website upon receipt. Please ensure that your agency's report is a publicly releasable version. This action is in the interest of transparency in Government and to promote collaboration and communication among agencies. NARA intends to list any non-responding agencies in a summary report and on the website.

Instructions for Reporting:

- This template covers records management program developments towards the transition to electronic recordkeeping outlined in M-19-21 through December 31, 2019.
- Please be brief and precise in your answers. Limit answers to each question to no more than 500 words.
- Please complete the questions/items below and send the report to rmselfassessment@nara.gov. Include the words "SAORM 2019 Annual Report - [Agency Name] in the subject line of the email.
- If you are responsible for records management in multiple agencies, components, or bureaus, please determine how you will submit reports to NARA. While

NARA prefers a comprehensive report, you may submit separate reports for each component.

Provide the following information (required):

- Name of SAORM: Celia Y. Doggette (2019 Internal Revenue Service Senior Agency Official Report)
- Position title: Director, Identity and Records Protection (IRP)
- Address: 1111 Constitution Ave, Washington, D.C. 20224

1. **What agencies, bureaus, components, or offices are covered by this report and your position as SAORM and which will be reporting separately? Please also indicate any that are new or have been changed due to reorganization or other circumstances.**

   *Please provide list:* Internal Revenue Service (IRS)

2. **Is your agency managing all permanent electronic records in electronic format as of December 31, 2019? (M-19-21, 1.1)**

   ☐ Yes
   X No

   *Please explain your response:*

The IRS is committed to managing all permanent electronic records in an electronic format.

IRS uses Exchange 2016 Outlook email system to manage email. Retentions are set at the account-level based on IRS' Capstone approach. All mailboxes of designated Capstone officials are automatically and permanently maintained without burden/dependency on the end-user and will be transferred to NARA in electronic format (as approved by NARA on 09/25/2017), under Job No. GRS 6.1-0058-2017-0001.

In FY 2017, the IRS Records and Information Management (RIM) Program Office started a multi-year initiative to create master files plans for every IRS business unit (BU). This ensures that each of the BU's Records Control Schedules (RCS) are up-to-date and reflect current recordkeeping practices. This also ensures that all agency permanent records (in addition to Capstone email) are identified and transferred to NARA according to approved disposition authorities and format requirements.

We completed substantial updates to existing records management policies, procedures, and practices, including management of permanent electronic records and unstructured data.

IRS is leveraging SharePoint's records management functionality to ensure all unstructured data, including permanent records, residing in SharePoint Site Collections (or targeted for SharePoint maintenance) have appropriate retentions and that dispositions are electronically carried out. RIM provided training to SharePoint site administrators to ensure appropriate management of permanent electronic records in the SharePoint environment, and tested and began the process of implementing an enterprise solution that will allow IRS to electronically manage unstructured records "in place."

RIM has established records management language in the IRS Enterprise Architecture (EA) to ensure that other recordkeeping systems follow established policies for the management of electronic data.

This work is ongoing and while IRS has made significant progress towards compliance with M-19-21, unforeseen licensing and server deployment delays impacted our ability to ensure all permanent electronic records are managed electronically by December 31, 2019. IRS is making every effort to minimize the impact of these issues.

3.  **Has your agency made progress towards managing all permanent records in an electronic format with appropriate metadata by December 31, 2022? (M-19-21, 1.2)**

    X Yes
    ☐ N o

    *Please explain your response (include specific goals and example metrics):*

IRS has made considerable progress towards managing all permanent records in an electronic format with appropriate metadata by December 31, 2022.

RIM recently completed an initiative started in FY 2017 to create master files plans for every IRS BU. This ensures that each of the BU's RCSs are up-to-date and reflect current recordkeeping practices, including identification of former paper-based recordkeeping processes that are now electronic. RIM is also in the midst of a comprehensive RCS update in which (permanent) electronic records scheduling needs have been identified.

The Records Office is heavily focused at the moment on the design, development, and implementation of systems that manage unstructured electronic data (and the environment where most IRS permanent records reside). IRS is implementing recordkeeping functionality in SharePoint using AvePoint records manager to manage all permanent records in SharePoint and residing on shared drives. Additionally, IRS is implementing

EMC Documentum records manager to manage permanent records residing in Documentum. IRS is currently configuring reports that demonstrate effective controls and compliance with the requirements for managing permanent electronic records including the ability to audit/track use of the records stored in Documentum, SharePoint, and shared drives.

IRS has created a taxonomy, categorized permanent records against that taxonomy, and associated permanent records schedules to taxonomy terms. IRS is waiting for deployment of the tools that enable the application of this taxonomy which is dependent on agency funding.

In FY 2019, RIM released a new electronic records management system assessment check sheet and assessment process that provides RIM a standardized process and form to assess IRS legacy systems against Federal recordkeeping requirements and identify needs for increased information governance.

Records management is part of the IRS EA that provides the requirements for recordkeeping systems in accordance with 36 CFR. RIM is part of the IRS Enterprise Life Cycle (ELC) Privacy and Civil Liberties Impact Assessment (PCLIA) completion stage. RIM staff review all electronic systems criteria that go through this process to ensure the systems have approved retention schedules, and that recordkeeping requirements have been identified.

4. **Has your agency made progress towards managing all <u>temporary</u> records in electronic format? (M-19-21, 1.3)**

X Yes
☐ N o

*Please explain your response (include specific goals and example metrics):*

IRS is committed to managing its temporary records in electronic format by December 31, 2022, to the fullest extent possible.

The Records Office is actively engaging with Information Technology (IT) to procure and develop upgrades to the agency's SharePoint (unstructured data) environment for greater network-backed records storage, and more automated records retention and destruction controls.

RIM is also in the midst of a comprehensive RCS update in which electronic records scheduling needs have been identified, most of which are temporary in nature.

RIM staff are fully engaged in systems development life cycle processes and associated working groups and committees to ensure agency (electronic) recordkeeping strategies fit a 21st Century framework, and compliance with M-19-21.

In FY 2019, RIM released a new electronic records management system assessment check sheet and assessment process that provide RIM a standardized process and form to assess IRS legacy systems against Federal recordkeeping requirements and identify needs for increased information governance.

5. **Have you, as the SAORM, taken steps to ensure that your records management program complies with the Federal Records Act and its regulations through strategic plans including performance goals, objectives and measures? (M-19-21, 1.4)**

X Yes
☐ N o

*Please explain your response (include specific goals and example metrics):*

I take my role as the IRS SAORM very seriously and find every opportunity to champion and advocate for the RIM Program's goals and objectives. IRS has established a model RIM Program by setting a strategic vision thru compliance with the Federal Records Act (FRA), NARA regulations, NARA/OMB Records Management Directives (M-12-18 and M-19-21), adherence to an e-records strategic framework and identifying appropriate/dedicated resources to address records matters.

FY 2019 initiatives to certify records management directives, policies, procedures, and retention schedules are being properly implemented (including those for permanent electronic records) involve:

• Adherence to strategic framework (eRecords Road Map, Strategic Approach, eRecords Implementation Plan) composed of standards, processes, roles and metrics that hold the agency and employees accountable to create, organize, secure, maintain, use, and dispose of information in ways that align with the FRA and Records Management Directives M-12-18 and M-19-21
• Ongoing partnership with IT, including in-house upgrades to the agency's SharePoint (unstructured data) environment for greater network-backed records storage, and more automated records retention and destruction controls
• RIM Policy Handbook updates, including Internal Revenue Manual (IRM) 1.15.6 *Managing Electronic Records* relating to unstructured data management/preservation guidance
• Leading the Records Office on a cross-functional IRS team (including the IT organization) to ensure the repair and import of a marginal number of primarily corrupt personal storage tables (PSTs)
• Providing records management support on a variety of IRS digitization/business process modernization working groups that seek to streamline the digitization of paper forms and correspondence received by the IRS, and to support enterprise solutions to create, manage and access the data in accordance with M-19-21

• Records inventory and files plans initiatives to help identify current BU recordkeeping requirements, including the identification of permanent records (and format)

• RIM Records Specialist Team outreach and briefings to staff Service-wide, including SharePoint training sessions

• Separating Employee Clearance (SEC)-related process improvements, including a newly created SEC Records Advisory Group for increased oversight and efficiencies

• Records program reviews

6. **If applicable, have you identified all agency-operated records centers and made plans to either close them before 2022, or have you submitted a request to NARA for an exception? (M-19-21, 1.3)**

☐ Yes
X No

*Please explain your response (include specific goals and example metrics):*

N/A. IRS does not store inactive temporary and/or permanent records in an agency-operated records center.

7. **Does your agency have procedures that include documentation to ensure records of outgoing senior officials\* are properly captured and/or processed and not improperly removed, altered, or deleted including electronic records and email?**

   \*Senior officials are the heads of departments and independent agencies; their deputies and assistants; the heads of program offices and staff offices including assistant secretaries, administrators, and commissioners; directors of offices, bureaus, or equivalent; principal regional officials; staff assistants to those aforementioned officials, such as special assistants, confidential assistants, and administrative assistants; and career Federal employees, political appointees, and officers of the Armed Forces serving in equivalent or comparable positions.

X Yes
☐ No

*Please explain your response (include specific details of procedures):*

Updated separating employee clearance procedures include documentation that ensures records of outgoing senior officials are properly captured and/or processed.

In advance of agency separation, the senior official (or his/her office) notifies RIM via email (the Records Officer also receives HCO notice of executive separations and may contact the senior official) about the pending separation and requests that the Records Officer conduct an exit briefing and assist in the completion of Form 14757, *Records Management Checklist for Separating Employees*. The Records Officer also ensures the senior official schedules a briefing with his/her manager and documents all efforts via HR-

Connect and Form 14757, including the identification of any litigation holds and associated records that must be preserved.

During the exit briefing, the IRS Records Officer confirms personal papers and copies of requested records do not have any restrictions and/or do not have an independent historical preservation interest that must be considered prior to removal. The Office of General Counsel and the Office of Disclosure have also been consulted on limited occasions with non-record review.

IRS has adopted the Capstone Approach to managing email (approved under NARA Job No. GRS 6.1-0058-2017-0001). All retentions are set at the Enterprise level (permanent for Capstone accounts, and 20 years for all other accounts) and dispositions are configured to take place electronically (and automatically, though some manual intervention is still necessary). For Capstone officials, even if an email is deleted, it remains permanent (although no longer visible to the end user) until transfer to NARA.

8. **Do you, as the SAORM, see challenges within your agency in meeting the goal of fully-electronic recordkeeping?**

   X Yes
   ☐ N o

   *Please explain your response (include details of specific challenges, if applicable):*

The IRS is working very hard to meet the challenges of M-19-21 electronic recordkeeping goals and the agency is committed to streamlining its paper-based processes.

Much of the agency's trend from paper to electronic recordkeeping is driven by expected and necessary business process re-designs. RIM is busy assisting IRS BUs on new and regular digitization initiatives to identify where digitizing records should be considered, not only from a records management standpoint, but also from agency economic and efficiency perspectives when legally possible. RIM is an active participant on several agency cross-functional digitization working groups/initiatives that seek to streamline the digitization of paper forms and correspondence (of temporary or permanent value) received by the IRS, and to support enterprise solutions to create, manage and access the data. For IRS, however, the challenges are not just the identification of what should be done but how to efficiently and effectively accomplish the kind of digital transformation required to manage and protect taxpayer data in a fully electronic environment.

Moreover and with limited exceptions, the Internal Revenue Code (Code) prohibits the IRS from mandating that taxpayers electronically file (e-file) tax returns, thus taxpayers may file tax returns on paper. The Code only permits the IRS to require e-filing by certain tax return preparers, certain partnerships, and those filing at least 250 returns during a calendar year. The Code also requires the agency to use paper in the conduct of certain business, including the issuance of summonses and notices of deficiency. IRS will likely include such allowances for ongoing paper recordkeeping needs in an exception request to be submitted to NARA for use of a commercial paper records storage provider post-2022.

9. **Do you need support from NARA to ensure a successful transition to fully-electronic recordkeeping?**

   X Yes
   ☐ No

   *Please provide details on what support is needed:*

   IRS values its close partnership with NARA and seeks support with the transfer of permanent electronic records as well as ongoing engagement relating to M-19-21 electronic recordkeeping requirements. IRS is interested in exploring NARA/FRC's large-scale scanning capabilities and the potential to offset persistent IRS paper-based processes and paper records storage.

   IRS anticipates additional NARA guidance relating to requests for an exception to produce analog formats after December 31, 2022, to be stored in commercial storage facilities. IRS also requests NARA guidance on the allowance for post-2022 accretions to paper records already stored at the FRCs. This would help IRS fully prepare for changes in recordkeeping and recordkeeping processes post 2022.