

## 09 **Management Evaluation Review IRS Review Procedures - Overview**

Per the Internal Revenue Publication 1075, Federal Tax Information (FTI) Security Guidelines for Federal, State and Local Agencies, it is a FEDERAL PRIORITY to review all local offices in the state once every three years. The following must be completed:

- The QC Reviewer or ME Reviewer schedules a time (via mail or entrance conference) to meet with the LOM or designated person.
- Utilizing the IRS Questionnaire form, the ME Reviewer must determine the following:
  - Who receives the Federal Tax Information (FTI) in the office?
  - Is the flow of the FTI documented?
  - Is the FTI stored in a secure location utilizing a two-barrier security environment?
  - Is the FTI limited to only those employees whose official duties require access?
  - Is there a formal key control or combination accountability process in place?
  - Are employees with access to the safe included in the yearly FTI safeguard and penalty training?
  - Upon completion of use, has the report (Response Sheets only) been returned to the [Office of Budget, Contracts and Reporting](#)?
- When the local office is in compliance, forward the original questionnaire to the ME Manager, with copies to the QC Manager and the ME Reviewer's supervisor.
- When the local office is not in compliance, forward the original questionnaire outlining the areas of deficiency to the ME Manager, with copies to the QC Manager and the ME Reviewer's supervisor. The ME Reviewer must inform the LOM that a corrective action plan is required within 20 [workdays\(g\)](#) of the local office visit.
  - The corrective action plan should address how the local office is to correct the deficiencies outlined in the questionnaire. Forward the original corrective action plan to the ME Manager, with copies to the QC Manager and the ME Reviewer's supervisor.
- The ME Manager forwards all questionnaires and corrective action plans to the Office of Budget, Contracts and Reporting address.