

**Improving Internal Revenue Service
Processes For Evaluating and
Publicizing Walk-in Services**

May 1999

Reference Number: 094106



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

INSPECTOR GENERAL
for TAX
ADMINISTRATION

May 24, 1999

MEMORANDUM FOR COMMISSIONER ROSSOTTI

FROM: David C. Williams /s/David C. Williams
Inspector General

SUBJECT: Final Audit Report – Improving Internal Revenue Service
Processes for Evaluating and Publicizing Walk-in Services
(Reference No. 094106)

This report presents the results of our review of processes used to evaluate and publicize services provided to taxpayers at Customer Service walk-in offices during 1998. We conducted our reviews at 20 walk-in offices in all 4 Internal Revenue Service (IRS) regions.

We determined that IRS had improved service by having selected offices open on Saturday; holding a special emphasis day to resolve taxpayers' special tax issues; and stressing timely, accurate, and professional service to taxpayers. There are, however, opportunities to further improve processes used to evaluate and publicize walk-in services. The attached report recommends that the IRS:

- Modify how the customer satisfaction survey is administered, allow customer comments, and identify specific walk-in offices.
- Establish a consistent process to measure and report on how long taxpayers must wait for service.
- Ensure existing quality assurance processes are implemented and supported with adequate resources.
- Fully publicize walk-in services, ensure that Saturday service is provided at sites based on taxpayer demand, and plan special emphasis days earlier in the year.

Customer Service management generally agreed with the facts contained in our report. However, they will study the results of the surveys conducted in 1998 before making any changes to the customer satisfaction survey. The amount of time a taxpayer must wait before receiving assistance will be self-monitored in some offices, and quality assurance will be assessed through readiness and peer reviews and, ultimately, a quality review process. Management will better publicize IRS walk-in office locations and use the results of two studies to determine the need for better, or additional, walk-in

offices. Also, special emphasis days will be scheduled earlier in the year. We agree with management's planned actions to address these issues.

Management's response has been incorporated into the body of the report where appropriate, and the full text of management's response is included as an appendix to this report. Copies of this report are also being sent to the IRS executives who are affected by the report recommendations. Please contact me at (202) 622-6500 if you have questions, or your staff may call Maurice S. Moody, Acting Assistant Inspector General for Audit at (202) 622-8500.

**Improving Internal Revenue Service Processes
For Evaluating and Publicizing Walk-in Services**

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Improving Internal Revenue Service Processes For Evaluating and Publicizing Walk-in Services

Executive Summary

The Internal Revenue Service (IRS) Commissioner wants the IRS to provide quality service to every taxpayer. To meet this goal, the IRS is taking steps to enhance taxpayer assistance offered at walk-in offices. Employees in these offices provide taxpayers with tax forms and publications, answer tax questions, and assist in preparing tax returns.

During 1998, the IRS took several steps to provide better taxpayer service. These included surveying taxpayers to assess how they rated the service the IRS provided, opening over 150 walk-in offices on Saturdays, and holding special emphasis days to resolve taxpayer problems or concerns. Additionally, emphasis was placed on providing prompt and accurate service, and providing requested forms and publications. Our audit objective was to determine if the IRS has effective processes to evaluate and publicize walk-in services.

Results

While the IRS has initiated many changes, we identified opportunities for additional process improvements. In the area of evaluating services, we determined the customer satisfaction survey used in walk-in offices was not readily available to every taxpayer. Also, the survey cards do not provide a section for taxpayer comments and do not identify individual walk-in offices. A process to consistently measure how promptly each taxpayer is served has not been implemented, and not all established quality review procedures were followed. Additionally, the IRS should select offices to be open on Saturdays based on taxpayer needs.

Efforts to fully publicize services available at walk-in offices can be improved, and special emphasis days should be timed to have greater impact on preventing tax problems.

Summary of Recommendations

We recommend the IRS:

- Offer survey cards to all taxpayers, and modify the cards to allow taxpayers to provide comments and record specific office locations.
- Implement a consistent method of recording and measuring how long taxpayers wait for service.

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- Ensure all quality assurance processes are implemented and supported with adequate resources.
- Use additional opportunities to publicize walk-in service availability, ensure that offices open on Saturdays are selected based on taxpayer need, and plan special emphasis days earlier in the year.

Management's Response: Customer Service management generally agreed with the facts contained in our report; however, they indicated they would study the results of the surveys conducted in 1998 before making changes to the customer satisfaction survey. Some offices will use a manual form to determine how long taxpayers wait for service. Quality assurance will be assessed through readiness and peer reviews and, ultimately, a quality review process. They will better publicize IRS walk-in office locations and use the results of two studies to determine better, or additional, walk-in offices to maximize service. Also, special emphasis days will be scheduled earlier in the year. We agree with management's planned actions to address these issues.

Objective and Scope

This report presents our evaluation of selected Internal Revenue Service (IRS) program goals that affect taxpayer assistance provided by employees at walk-in offices. Employees in these offices provide taxpayers with tax forms and publications, answer tax questions, and assist in preparing tax returns. During the audit, we visited 20 walk-in offices located in the following districts: North Texas, Illinois, New Jersey, Pennsylvania, South Florida, Virginia/West Virginia, Kentucky/Tennessee, Georgia, Pacific Northwest, Los Angeles and Northern California. The audit was conducted from March through June 1998 in accordance with *Government Auditing Standards*.

The overall objective of our audit was to determine if the IRS has effective processes to evaluate and publicize walk-in services. To accomplish our objective, we identified program goals and concerns, visited selected walk-in offices, and evaluated the effectiveness of the IRS' processes to measure and improve taxpayer assistance.

Appendix I contains the detailed objective, scope and methodology for our review. Appendix II contains a listing of major contributors to this report.

Background

The IRS helps taxpayers voluntarily comply with tax laws and assists them in meeting their tax obligations. The IRS increased its staffing budget about four percent to provide additional services such as opening walk-in offices on Saturday. This increase was based on serving an estimated 9.9 million taxpayers during 1998. Since this was the first year for Saturday service, it was difficult to estimate both taxpayer response and staffing needs. Although we did not validate the information on management reports, the following table shows the

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number of taxpayers needing assistance remained relatively constant between Fiscal Years (FY) 1998 and 1997:

TAXPAYERS SERVED AS OF APRIL 18, 1998			
		1998	1997
Taxpayers Needing Assistance:	Saturdays	60,000	0
	Weekdays	<u>4,307,844</u>	<u>4,393,965</u>
Sub-total		4,367,844	4,393,965
Taxpayers Needing Forms:	Saturdays	22,177	0
	Weekdays	<u>2,884,922</u>	<u>2,807,607</u>
Sub-total		2,907,099	2,807,607
Total Taxpayers Served:		<u>7,274,943</u>	<u>7,201,572</u>

The IRS is continually striving to make taxpayer assistance more convenient and accessible, and to provide professional service to taxpayers. The IRS chartered a committee to develop a cost-effective walk-in organizational concept. The committee's report includes initiatives already underway and additional suggestions to improve taxpayer service. Many of their issues parallel recommendations included in this report.

Results

The IRS has emphasized the need to provide timely, accurate, consistent, and professional responses to taxpayers. The FY 1998 program guidance document established "not to exceed" goals for the time taxpayers must "wait" for service, and taxpayer feedback and quality assurance processes. In addition, the IRS had in excess of 150 walk-in offices open on Saturdays, during the six weeks before the April 15 filing deadline. Personal computers with compact disks (CD-ROM) were also installed at walk-in offices to make more forms (prior year and less commonly used current year forms and publications) available to taxpayers.

However, the IRS can improve processes to ensure that walk-in offices provide timely and quality service. We are recommending additional improvements in obtaining

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taxpayer feedback, measuring the time taxpayers must wait for service, implementing quality assurance processes, publicizing the services provided, selecting offices to be open on Saturday, and scheduling days to resolve taxpayers' special tax issues.

The Customer Satisfaction Survey Should Be Modified

In our prior report, *Taxpayer Walk-In Program for the 1997 Filing Season (Reference Number 081004, December 22, 1997)*, we recommended the IRS develop a methodology for obtaining feedback from taxpayers receiving assistance at walk-in offices. The IRS subsequently developed a customer service satisfaction survey.

The survey card developed will not provide adequate feedback information.

Our review of the customer satisfaction survey shows that it will neither provide adequate feedback from taxpayers nor provide information about a specific walk-in office. The nine survey questions concern customer satisfaction with the employee, service promptness, and office-hour convenience. However, the survey does not allow the taxpayer to explain any reason for not being satisfied with the service, suggestions for the type of service desired, or other recommendations for improvement. Also, the survey identifies only the district and not the specific walk-in office.

Any customer feedback that could have been used for the 1999 program was limited. This occurred primarily because the walk-in offices received the survey at different times, and its use was actually started on either March 16, 1998, or April 20, 1998. Once received, the survey could only be administered every fifth week. However, the IRS did not have effective procedures for selecting taxpayers that would receive the survey.

Employees are to ask each taxpayer if they would like to participate in the survey after the taxpayer has been provided assistance. This process gives employees an

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opportunity to select the taxpayers that participate. Coupled with the restriction to administer the survey only every fifth week, the survey may not be representative of taxpayers' opinions of the assistance provided.

Recommendation

1. The IRS should develop an effective means of obtaining customer opinions regarding walk-in service:
 - Comment or suggestion cards should always be available at every walk-in office and should be available to all taxpayers.
 - The cards should identify the office so actions can be taken on local, as well as national problem trends or suggestions.
 - The cards should provide a space for taxpayers to make recommendations or suggestions, or explain why the service they received was not satisfactory.
 - The results should be reviewed periodically and changes considered to accommodate taxpayer requests.

Management's Response: Customer Service management agreed with our observations about the survey cards, their distribution and the limited information they provided. However, they stated the card design and limited distribution were intended to limit costs. They stated they would review the results of the survey data collected in 1998 before making any changes to the survey. Additionally, they plan to pilot a customer comment card in three locations beginning in January 1999. District survey results were made available in September 1998; however, no decision has been made about whether or not to identify individual offices.

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The IRS Has Not Established a Consistent Process to Measure and Report on Wait-time Goals

The IRS expects to service taxpayers as quickly as possible. The FY 1998 program guidance document established self-monitored wait-time goals for return preparation, and for issues other than return preparation. Wait-time goals are the amount of time taxpayers “wait” for assistance, not the amount of time it takes to assist them.

Our review showed the IRS has not established a consistent process to measure the goals, and does not require any reports to evaluate compliance with these goals. We observed various self-monitoring methods used to record and determine compliance with these goals.

Some offices record wait-times while others do not.

Some walk-in offices we visited did not have a computerized system capable of providing on-line information such as taxpayer wait-time. In these offices, employees requested additional staff when it seemed the wait-time did not meet the established goals. However, this was not always based on actual wait-time, because the various monitoring methods used did not always provide a means of determining if the goals were met. In addition, some offices recorded, but did not compute, wait-times to determine if the goals were achieved. The following are some of the inconsistent and unreliable methods used: office logs or some type of receipt ticket, personal observation, and asking taxpayers how long they waited for service.

Without a means of calculating wait-times or a reporting process, there is neither true accountability for attaining the goals nor information to plan resources needed to meet the customer service goals.

Recommendation

2. The IRS should develop an effective method to record and measure taxpayer wait-times at offices

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not scheduled to receive computer systems (with the ability to provide on-line data) before the next filing season. All walk-in offices should be required to calculate and report on the wait-time goals. This information should be used to ensure that adequate staff is available to meet established goals.

Management's Response: Customer Service officials have decided that those offices not scheduled to receive the computer system next year (due to funding limitations) will self-monitor the wait-time goals. The staff in those offices will use Form 6148 (Walk-In Contact Card) to record actual wait-times.

The Existing Quality Assurance Processes Have Not Been Effectively Implemented

The program guidance document provided for the regions to develop and implement quality assurance plans. These plans were to emphasize a well-trained work force, access to systems, and tools to provide effective service, program reviews, and "shopping." "Shopping" occurs when IRS employees pose as taxpayers to evaluate the quality of assistance provided. The "shopping" technique is one of the most effective methods to determine whether taxpayers are receiving quality service from walk-in employees. Other IRS guidelines also provide for managers to either monitor, or directly observe the assistance that employees provide to taxpayers.

"Shopping" occurs when IRS employees pose as taxpayers to evaluate the quality of assistance provided.

All four regions conducted readiness reviews and office visits before the filing season started. However, only one region used the "shopping" technique. In at least one region, the "shopping" technique was not used because of limited resources. The region believed that district offices would be better served if the program analyst concentrated on program coordination from a centralized location, rather than travel during the peak of the filing season.

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Managers did not always establish effective plans to observe the quality of assistor responses.

Managers did not always use the direct observation process, particularly during the filing season. In at least 7 of the 20 walk-in offices we visited, neither a monitoring plan nor monitoring schedule was developed. However, the direct observation requirement may not be a realistic expectation under existing staffing patterns. For example, in one district, one full-time manager and a seasonal manager are responsible for nine full-time walk-in offices in eight different cities. In another district, the manager is responsible for 29 employees in 5 different posts of duty. The span of control for employees assigned to each manager made it difficult to comply with the observation requirement.

Recommendation

3. The IRS needs to ensure the current quality assurance processes are used. This should include identifying the resources required to complete the processes and ensure those resources are available to regions and districts. The quality assurance process should include an evaluation of tax assistor awareness of tax law changes, especially early in the filing season.

Management's Response: Readiness reviews, peer reviews and a planned quality review system (which must be negotiated with the National Treasury Employees Union) will be used to assess services, office environment, and accuracy of responses. Customer Service management also plans to complete tax assistor training before the filing season, and managers will do the required "live monitoring" of walk-in assistors working with taxpayers.

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IRS Efforts to Publicize Walk-in Services and Office Locations Can Be Improved

The IRS can use additional opportunities to publicize services available at walk-in offices.

The IRS has not fully used opportunities to inform taxpayers of services offered and hours of operation for walk-in offices. The following is an assessment of some publicity sources.

Instruction Packages and Publications

Instruction packages and publications were not used to their fullest extent. Neither the Form 1040 Instruction Package nor the *Guide to Free Tax Services* (Publication 910) provides information about the types of services offered at walk-in offices. The instruction package does, however, mention that forms and publications are available at many IRS offices.

Office Signs

Directional and information signs for 7 of 20 walk-in offices were not adequate. Taxpayers could have difficulty locating the walk-in office within four buildings. At these locations, special signs were not posted near the building entrance showing the location of the walk-in office. In addition, the walk-in office location was not obvious from the building directory. We were advised in two office locations, the building managers do not allow the IRS to display signs. Also, four offices offered Saturday service, (one of the four above plus three additional offices) but did not display a sign indicating the expanded days of service.

News Releases

The IRS issued many news releases publicizing walk-in services, Saturday services, and special emphasis days. However, the IRS does not pay for this publicity. As a result, some releases may not receive media coverage, and others that receive coverage, may not be highly visible or covered during prime times.

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As part of a test, some offices are paying to publicize electronic filing. The IRS needs to determine whether paid publicity should also be used to publicize walk-in services. However, the IRS needs to ensure that free media coverage will not diminish if the IRS starts paying for publicity.

Recommendations

4. The IRS should include information, about the types of walk-in services, in appropriate publications such as the Form 1040 Instruction Package and the *Guide to Free Tax Services* (Publication 910). The information should include the toll-free number and inform taxpayers that addresses of walk-in offices can be obtained by calling the number.

Management's Response: Advertising was not included in IRS publications because the walk-in offices were not staffed for the increase in taxpayers expected from the additional advertising. However, as a result of the IRS Restructuring and Reform Act of 1998, walk-in office addresses will be included in local telephone books. Additionally, walk-in office addresses and telephone numbers will be included on the IRS web site and on the Servicewide Electronic Research Project of FY 1999.

5. The IRS should analyze results of the electronic filing paid publicity test to determine if paid publicity should also be used for walk-in services.

Management's Response: Customer Service management will study the results of the paid publicity test for electronic filing, and decide whether or not to use paid advertisements for walk-in services. In the interim, they will continue to work with the IRS communications staff on the Outreach guidelines for Saturday service and Earned Income Tax Credit Awareness Days.

6. All walk-in offices should have obvious signs directing taxpayers to the walk-in office, as well as

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signs advertising services offered and hours of operation. In addition, building lease contracts should provide for reasonable directional and informational signs in public areas of buildings with walk-in offices.

Management's Response: Future lease negotiations will address the issue of where and how the IRS can post signs. Three informational signs will be posted in walk-in offices in 1999. The signs will inform customers about payment options, alternative methods to receive assistance, and methods of obtaining answers to tax questions. There will be additional signs advertising hours of operations and Saturday service where appropriate.

Walk-in Offices Selected to Provide Saturday Service Should Be Chosen on Taxpayer Need and Building Availability

The planning process for selecting available offices may not have allowed sufficient time for regions to adequately select and allocate resources for Saturday use of office buildings.

The IRS attempted to select walk-in offices to provide Saturday service based on building availability and customer needs. However, in some cases, it was based only on building availability.

Approximately 150 of the 422 walk-in offices were open on Saturday. However, not all offices were open on March 7, 1998, the first day the service was offered. Also, several offices were not open on each of the six consecutive Saturdays as planned. In one district, Saturday service at one office was postponed until the last two weeks before the April 15 filing deadline because of office security objections raised by other tenants. In another district, Saturday service was rotated among four offices in one metropolitan area. As a result, taxpayers were directed to a different office for four of the six Saturdays.

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Recommendation

7. A selection process should be developed that will evaluate taxpayer expectations and provide for offices that ensure walk-in service to the largest number of taxpayers. The process should allow sufficient lead-time for regions to allocate resources for the use of selected offices.

Management's Response: Two studies are being completed to determine if and where additional walk-in offices are needed. Additionally, nontraditional sites (community centers and shopping malls) will be used to provide Saturday service.

Special Emphasis Days to Resolve Taxpayer Issues Should Be Scheduled Earlier

The IRS offered to resolve taxpayer problems with the Earned Income Tax Credit (EITC) claimed on returns already filed. This was part of a special emphasis day on Saturday, March 28, 1998. An emphasis day earlier in the filing season might have resulted in better taxpayer participation and helped prevent some of the taxpayer errors from occurring. This strategy could also be applied to any tax return item where taxpayers often make mistakes. This would improve customer service. In addition, it is generally considered less costly to prevent, rather than correct problems.

Recommendation

8. The IRS should consider planning special emphasis days at appropriate times during the filing season to help prevent problems from occurring.

Management's Response: Special emphasis days will be planned further in advance and timed to have a greater impact on taxpayers. As an example, EITC Awareness Days were scheduled in January and February 1999.

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Conclusion

The IRS initiated many efforts to improve customer service at the walk-in offices during 1998. However, we identified several opportunities to further improve customer service at walk-in offices. The recommendations in this report should help the IRS work toward the goal of improving its public image and taxpayer service.

Detailed Objective, Scope and Methodology

The overall objective of our audit was to determine if the Internal Revenue Service (IRS) has effective processes to evaluate and publicize walk-in services. To accomplish this objective, we completed the following audit tests:

- I. Identified walk-in program goals and objectives for Fiscal Year (FY) 1998, and issues and concerns for the current and future filing seasons.
 - A. Discussed walk-in services with Compliance and Customer Service personnel in the headquarters, regional and district offices.
 - B. Reviewed the FY 1998 walk-in program guidance, management information reports, and pertinent sections of the Internal Revenue Manual.
- II. Evaluated the customer service provided by walk-in offices.
 - A. Visited and observed operations at 5 walk-in offices in each of the 4 regions (a total of 20 offices nationwide) during both regular (Monday through Friday) and Saturday hours. The observations included but were not limited to: wait-time measurement processes; quality review processes; hours of operation; and staffing.
 - B. Discussed local walk-in procedures and processes with walk-in group managers and assistants.
 - C. Discussed publicity of walk-in services with members of District Public Affairs Offices. Reviewed the Form 1040 Instruction Package and *Guide to Free Tax Services* (Publication 910), to determine the adequacy and accuracy of information contained in the documents regarding walk-in services.
- III. Evaluated the processes used by the IRS to measure and improve walk-in assistance.
 - A. Discussed the customer survey/feedback process with headquarters and district officials.
 - B. Reviewed the Customer Satisfaction Survey and the related implementation instructions.
 - C. Contacted the Walk-In Committee and discussed potential recommendations from the group.
 - D. Obtained and reviewed the Committee's Draft Concept of Operations.

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- E. Contacted Taxpayer Advocate offices in the Midstates Region to determine if they had received complaints about walk-in service.
- F. Called toll-free numbers to determine accuracy of information provided, and compared responses to data in electronic files used by toll-free operators.

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Appendix II

Major Contributors to This Report

Stan Rinehart	Deputy Regional Inspector General for Audit
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MANAGEMENT'S RESPONSE

Improving Internal Revenue Service Processes
For Evaluating and Publicizing Walk-in Services



CHIEF OPERATIONS OFFICER

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

February 12, 1999



MEMORANDUM FOR ACTING TREASURY INSPECTOR GENERAL FOR
TAX ADMINISTRATION

FROM

John M. Dalrymple
John M. Dalrymple
Chief Operations Officer

SUBJECT:

Internal Audit Draft Report - Effectiveness of the
Walk-In Program for the 1998 Filing Season

The following is our consolidated response to the recommendations contained in the above referenced report. If you have any questions, please contact me or a member of your staff may contact the Audit Liaison for the Assistant Commissioner (Customer Service), Larry Pugh, at 202-622-9466.

Identity of Recommendation #1:

Internal Revenue Service (IRS) should develop an effective means of obtaining customer opinions regarding Walk-In service:

1a: Comment or suggestion cards should always be available at every Walk-In site and should be available to all taxpayers.

Assessment of Cause(s):

Survey cards were not always available to taxpayers in the Walk-In area during the filing season. Implementation instructions provided that survey cards should only be distributed on a prescribed schedule, every fifth week. This does not give each taxpayer an opportunity to make suggestions.

Corrective Action(s):

We agree that not all taxpayers were surveyed; however, the survey was designed to provide a statistically valid sample of customers' opinions of IRS service and to limit costs. In March/April 1998, regions began offering survey cards to all taxpayers who came into a Walk-In site during the survey weeks.

Implementation Date:

Completed - April 1998

Responsible Official(s):

National Director, Strategic Planning Division

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1b: The cards should identify the site so actions can be taken on local as well as national problem trends or suggestions.

Assessment of Cause(s):

Review of the survey card developed for the satisfaction survey shows that it will not provide adequate feedback or site specific information that IRS can use to improve the Walk-In program.

Corrective Action(s):

We agree; however, linking survey results to each of the more than 400 IRS Walk-In sites would be very costly, and may not provide enough responses to provide statistically valid information.

The decision to report national, regional, and district results for the Walk-In survey was based on recommendations by the vendor. All Walk-In survey cards are currently coded with District Office numbers to ensure that customer feedback and improvement priorities can be tracked at the local level.

Implementation Date:

N/A

Responsible Official(s):

National Director, Strategic Planning Division

1c: The card should provide a space for the taxpayer to make recommendations or suggestions, or explain why the service they received was not satisfactory.

Assessment of Cause(s):

The nine questions address customer satisfaction with the assistor, promptness of service, and convenience of office hours. However, the cards do not provide a means for the taxpayer to explain why they were not satisfied, suggestions for the type of service desired, or other recommendations for improvement.

Corrective Action(s):

To help control survey administration costs, the current version of the Walk-In survey does not provide a section for "open-ended" taxpayer comments.

Baseline Customer Satisfaction survey results (made available in September 1998) showed the Walk-In program received high customer satisfaction ratings. After the filing season survey results are compiled, we will reconsider revising the Walk-In survey to add a taxpayer "comment" section. This decision will be made in July 1999.

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In addition, the IRS will begin piloting a customer comment card for Walk-In sites in January 1999. The pilot will be conducted in three states: Virginia, West Virginia, and Pennsylvania, and will run through April 1999.

Implementation Date:

Proposed - July 1999

Responsible Official(s):

National Director, Strategic Planning Division

1d: The results should be reviewed periodically at the local level, and changes considered to accommodate taxpayer requests.

Assessment of Cause(s):

Results were not available at the local level at the time of the audit. Reports presenting statistically valid data below the regional level will not be available before July 1999.

Corrective Action(s):

Baseline survey results were made available in September 1998 and will be reviewed at the executive level for potential survey and/or program changes. All districts will receive an annual results report and will be encouraged to share these results with the Walk-In sites. Revisions to the Walk-In program will take into consideration customer, contractor, and other stakeholder feedback.

Implementation Date:

Completed - January 1999

Responsible Official(s):

National Director, Strategic Planning Division

Identity of Recommendation #2:

IRS should develop an effective method to record and measure taxpayer wait times at sites not scheduled to receive Q-Matic systems before the next filing season. All sites and districts should be required to calculate and report on the level of goal attainment. This information should be used to determine if goals are realistic within budget limitations. IRS should ensure that adequate resources are available to measure and meet established goals.

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Assessment of Cause(s):

IRS has not established a consistent process to measure and report on attainment of the wait-time goals. The Walk-In program letter established minimum wait-time goals and provided that the goals are to be self-monitored.

Corrective Action(s):

Until such time that funds are available for Q-MATIC systems in all Walk-In offices nationwide, Customer Service has determined that all non-Q-Matic sites will self-monitor achievement of the 15/30 wait time goals using Form 6148 (Walk-In Contact Card).

Implementation Date:

Completed - January 1999

Responsible Official(s):

National Director, Compliance and Accounts Division

Identity of Recommendation #3:

IRS needs to ensure the current quality assurance processes are utilized. This should include identifying the resources required to complete the processes and ensure that those resources are available to regions and districts. The quality assurance process should include assistor awareness of tax law changes, especially early in the filing season.

Assessment of Cause(s):

Quality assurance requirements contained in the national program letter and the Internal Revenue Manual are not consistently applied. Without effectively implementing the quality assurance process, IRS cannot be assured that taxpayers are consistently provided quality service.

Corrective Action(s):

Quality review will be assessed through filing season readiness reviews, peer review, and eventually, a Quality Review Process. The Quality Review Process is still being developed, and must be negotiated with the National Treasury Employees Union before it can be implemented. The process will involve documenting and analyzing the implementation of standardized services, office environment, proper use of equipment (CD-ROM, Q-Matic) and accuracy of responses.

Enhanced training for the Walk-In assistors was scheduled to begin in the first quarter of Fiscal Year (FY) 1999, and was completed before the beginning of the filing season. As a part of this training, the assistors will be trained in changes to

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the tax law. In addition to these quality review procedures, Walk-In managers will do the required "live" monitoring of Walk-In assistants working with taxpayers.

Implementation Date:

Completed - December 1998

Responsible Official(s):

National Director, Compliance and Accounts Division

Identity of Recommendation #4:

IRS should add information about the types of services provided at Walk-In sites to appropriate publications, such as the 1040 Instruction Package and Publication 910. The information should include the toll-free number and inform taxpayers that addresses of Walk-In sites can be obtained through the number.

Assessment of Cause(s):

IRS has not fully utilized opportunities to make taxpayers aware of Walk-In services and hours of operation. As a result, taxpayers may not be aware of Walk-In services offered, especially Saturday hours and special emphasis days.

Corrective Action(s):

Walk-In services have not been advertised in our publications because the offices are not staffed to handle the anticipated increase in traffic advertising would bring. However, IRS is starting to put additional emphasis into Walk-In, and as a result of the Restructuring and Reform Act of 1998 will include IRS Walk-In office addresses in local telephone directories.

In addition, we are planning to include these addresses and telephone numbers on the IRS Web page, as well as adding Walk-In office locations to the Servicewide Electronic Research Project in FY 1999. As in FY 1998, national and local Public Affairs Officers issued news releases and Public Service Announcements to media outlets in a campaign to emphasize Earned Income Tax Credit (EITC) Awareness Days (January 16 - February 20, 1999).

Implementation Date:

Completed - January 1999

Responsible Official(s):

National Director, Compliance and Accounts Division

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Identity of Recommendation #5:

IRS should analyze results of the electronic filing paid publicity test to determine if paid publicity should be expanded to the Walk-In program.

Assessment of Cause(s):

IRS issued many news releases publicizing Walk-In services, Saturday services, and special emphasis days. However, IRS does not pay to have these publicized by the media. As a result, the releases may not receive media coverage. The others that receive coverage may not be highly visible or covered during prime times.

Corrective Action(s):

We will study the results of the electronic filing paid publicity test and make the appropriate decisions about paid publicity for Walk-In within 3 months of the completion of the analysis.

In the interim, we will continue to work with Communications on the Outreach guidelines for Saturday service and EITC Awareness Days.

Implementation Date:

Proposed - February 1999

Responsible Official(s):

National Director, Compliance and Accounts Division

Identity of Recommendation #6:

All Walk-In sites should have obvious signs directing taxpayers to the Walk-In office, and advising taxpayers of services offered and hours of operation. The ability of Walk-In offices to place reasonable and appropriate directional and informational signs in public areas of buildings with Walk-In service should be provided for in lease contracts.

Assessment of Cause(s):

Directional and informational signs within seven Walk-In site buildings were not adequate.

Corrective Action(s): Customer Service will, by April 30, 1999, coordinate with Real Estate Planning and Management Division to determine the feasibility of improving signage at the two existing sites cited in the report and will ensure that, in the future, signage requirements are shared with Real Estate for consideration when negotiating future lease agreements.

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We developed three informational signs that were posted in Walk-In offices during the 1998 filing season and will require their use during the 1999 filing season. The signs inform taxpayers about payment options, alternative methods to receive assistance, and methods of obtaining answers to tax questions and forms by telephone and Internet. There will be additional signage advertising standardized services and hours of operation for FY 1999, as well as signs advertising Saturday service at the appropriate locations. Since the regions and districts are responsible for selecting Walk-In locations, we will canvass the regions regarding lease agreement provisions, to determine if there are any barriers to signs directing taxpayers to the Walk-In office.

Implementation Date:

Proposed - March 1999

Responsible Official(s):

National Director, Compliance and Accounts Division

Identity of Recommendation #7:

A selection process should be developed that will evaluate customer expectations and provide for sites that ensure Walk-In service to the largest number of customers. The process should allow sufficient lead time for regions to allocate resources for the use of selected offices.

Assessment of Cause(s):

A more effective process for the selection of building sites for Saturday service is needed. The selection of sites to provide Saturday service was not based solely on customer needs, but in some cases, it was based on building availability. The National Office requested regional offices to provide a list of sites in the districts that would be available for Saturday service. The initial request from the program office was repeated because of the low response rate from the regions.

Corrective Action(s):

Since the regions and districts are responsible for selecting Walk-In locations, we canvassed the regions to determine the availability of suitable buildings and office space. We relied on other activities to assist us in this analysis. The Face-to-Face Group mapped assistance at Walk-In and volunteer sites by county, and analyzed the gaps in face-to-face service nationwide. The Post of Duty Modeling Group is looking at the results of the gap analysis and will determine if, and where, additional Walk-In sites should be located to maximize service for our customers.

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The FY 1999 Program Letter recommended nontraditional locations (community centers, shopping malls) be included in the increase to 250 FY 1999 Saturday service locations. We anticipate these sites, as well as the general increase, will improve access for taxpayers.

Implementation Date:

Proposed - November 1999

Responsible Official(s):

National Director, Compliance and Accounts Division

Identity of Recommendation #8:

IRS should consider planning special emphasis days at appropriate times during the filing season to help prevent problems from occurring.

Assessment of Cause(s):

In 1998, the IRS offered an EITC special emphasis day on Saturday, March 28. Though part of the purpose of the special emphasis day was to resolve problems on returns already filed, an EITC emphasis day earlier in the filing season might have had greater taxpayer participation and helped prevent some of the EITC errors from occurring. This strategy could also be applied to any tax return item where taxpayers often make mistakes. This would improve customer service.

Corrective Action(s):

We realize the timing of the EITC Awareness Day in FY 1998 was not conducive to assisting the largest number of EITC filers. To increase the number of EITC-eligible taxpayers assisted, the first 6 of 13 Saturdays in Calendar Year 1999 were designated as EITC Awareness Days (January 16 - February 20, 1999). This information has been shared with the regions to facilitate the planning process.

Implementation Date:

Completed - January 1999

Responsible Official(s):

National Director, Compliance and Accounts Division