

May 26, 2006

MEMORANDUM

TO: IRS Chapter Presidents

RE: Compliance Assurance Process Survey

SUMMARY: The IRS will administer a voluntary survey for employees who worked on a Compliance Assurance Process (CAP) case.

The IRS will administer a web-based survey for employees who worked on a CAP case. The purpose of the survey is to solicit feedback on the effectiveness of the CAP program. While participation is voluntary, I encourage employees to participate. Employees may complete the survey on duty time. A copy of the survey is attached.

If you have any questions or concerns regarding this survey, please contact Barbara Sheehy, National Negotiator, via e-mail at barbara.sheehy@nteu.org.

Colleen M. Kelley
National President

Attachment



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

LARGE AND MID-SIZE
BUSINESS DIVISION

MAY 23 2006

Ms. Colleen Kelley
National President
National Treasury Employees Union
1750 H Street, N.W., Room 1010
Washington, D.C. 20006

Re: CAP Survey

Dear Ms. Kelley:

In accordance with the provisions of NA Article 8, Section 8A, I am forwarding for your information a copy of a survey that will be sent to employees who worked on a CAP (Compliance Assurance Process) case. The purpose of the survey will be to solicit from these employees their feedback on the effectiveness of the CAP program.

The survey will be administered via the web, and participation will be voluntary. Responses will be automatically tabulated and only survey response totals will be shared, responses will not be individually evaluated. Employees will complete the survey during duty hours.

Should the Employer, as a result of information obtained through the survey, determine that it needs to make changes to the working conditions of bargaining unit employees, National NTEU will be provided formal notification prior to implementation, and an opportunity to bargain in accordance with law, rule and regulation, as appropriate.

Please have a member of your staff contact Mike Altieri if you have any questions. Mike may be reached at 202-283-8538.

Sincerely,

Keith Walker
Manager, Human Capital Team

✓ Attachment

cc Barbara Sheehy

Survey 'Compliance Assurance Program'

Survey Questions

Question 1: What is your role in the CAP case?

Possible choices:

- 1: Computer Audit Specialist
- 2: Economist
- 3: Employment Tax
- 4: Engineer
- 5: Excise Tax
- 6: Financial Products
- 7: International Examiner
- 8: Revenue Agent
- 9: Account Coordinator
- 10: Other

Question 2: Based on your past experience with the taxpayer, how cooperative has the taxpayer been in prior audits?

Possible choices:

- 1: Extremely Cooperative
- 2: Very Cooperative
- 3: Somewhat Cooperative
- 4: Cooperative
- 5: Not Cooperative
- 6: No Audit Experience With Taxpayer

Question 3: Based on your past experience with the taxpayer, how transparent has the taxpayer been in prior audits? **Note:** For the purposes of this questionnaire, 'Transparent' is defined as meaning the taxpayer has provided sufficient information regarding all transactions required by a Sarbanes-Oxley disclosure, materially affects the corporate tax return, and meets the materiality threshold.

Possible choices:

- 1: Extremely Transparent
- 2: Very Transparent
- 3: Somewhat Transparent
- 4: Transparent
- 5: Not Transparent

6: No Audit Experience With
Taxpayer

Question 4: Does the taxpayer respond to your requests for information within the timeframe outlined in your request?

Possible choices:

- 1: 80 to 100% of the time
 - 2: 60 to 79% of the time
 - 3: 40 to 59% of the time
 - 4: 20 to 39% of the time
 - 5: 0 to 19% of the time
-

Question 5: How complete are the responses to your requests for information?

Possible choices:

- 1: 80 to 100% of the time
 - 2: 60 to 79% of the time
 - 3: 40 to 59% of the time
 - 4: 20 to 39% of the time
 - 5: 0 to 19% of the time
-

Question 6: Have the company's personnel familiar with the transactions been made available to you?

Possible choices:

- 1: 80 to 100% of the time
 - 2: 60 to 79% of the time
 - 3: 40 to 59% of the time
 - 4: 20 to 39% of the time
 - 5: 0 to 19% of the time
-

Question 7: Were the company's personnel referenced in question 6 made available to you on a timely basis?

Possible choices:

- 1: 80 to 100% of the time
 - 2: 60 to 79% of the time
 - 3: 40 to 59% of the time
 - 4: 20 to 39% of the time
 - 5: 0 to 19% of the time
-

7-1: (Dependent) Please explain what personnel were not provided?

Question 8: Has the taxpayer provided sufficient information regarding all transactions that would require a Sarbanes-Oxley disclosure, materially affect the corporate return, and meets the materiality threshold requirements?

Possible choices:

1: Yes

2: No

Question 9: Did you discover a transaction through other means which should have been disclosed by the taxpayer?

Possible choices:

1: Yes

2: No

9-1: (Dependent) How did you discover the transaction? (Newspaper, news, etc.)

Question 10: Has the taxpayer provided you with more detailed records than you would normally expect during a regular examination? For example, does the taxpayer volunteer to provide internal audit reports or tax accrual workpapers?

Possible choices:

1: Yes

2: No

Question 11: Overall, how would you rate the level of cooperation you have received from the taxpayer during the CAP examination?

Possible choices:

1: Very Cooperative

2: Somewhat Cooperative

3: Cooperative

4: Somewhat Uncooperative

5: Very Uncooperative

Question 12: Has the taxpayer tried to get the CAP team involved with 'pre-transactional' decisions or issues?

Possible choices:

1: Yes

2: No

12- What was the outcome?

1: (Dependent)

12- Have there been instances where you have **not** been provided all the field
2: (Dependent) resources that you need to examine a CAP issue? Select all that apply.

Account
Coordinator Only

Possible choices:

- 1: Computer Audit Specialist
- 2: Economist
- 3: Employment Tax
- 4: Engineer
- 5: Excise Tax
- 6: Financial Products
- 7: International Examiner
- 8: Revenue Agent
- 9: Other

12- Please define 'Other'.

3: (Dependent)

12- Have there been instances where you have **not** been provided on a timely

4: (Dependent) basis all the field resources that you need to examine a CAP issue?

Account Select all that apply.
Coordinator Only

Possible choices:

- 1: Computer Audit Specialist
- 2: Economist
- 3: Employment Tax
- 4: Engineer
- 5: Excise Tax
- 6: Financial Products
- 7: International Examiner
- 8: Revenue Agent
- 9: Other

12- Please define 'Other'.

5: (Dependent)

Question 13: What has been the impact of CAP on your other inventory?

Possible choices:

- 1: Able to balance and prioritize inventory effectively
- 2: Set aside other inventory to work on CAP case
- 3: Delayed work on other inventory
- 4: Other

13- Please define 'Other'.

1: (Dependent)

Question 14: Have you experienced down time or delays on your CAP case?

Possible choices:

- 1: Never
- 2: Rarely
- 3: Sometimes
- 4: Often
- 5: Always

14- What was the cause of the down time or delays on your CAP case?

1: (Dependent)

14- What was the cause of the down time or delays on your CAP case?

2: (Dependent)

14- What was the cause of the down time or delays on your CAP case?

3: (Dependent)

14- What was the cause of the down time or delays on your CAP case?

4: (Dependent)

Question 15: Are you currently working with an Appeals Officer on any issues that are unagreed?

Possible choices:

- 1: Yes
- 2: No
- 3: Not Applicable

15- Was the assignment of an Appeals Officer made within 30 days?

1: (Dependent)

Possible choices:

- 1: Yes
- 2: No

2: (Dependent) **15- Overall, how would you rate the efficiency of Appeals in addressing unagreed issues?**

Possible choices:

- 1: Very Efficient
- 2: Somewhat Efficient
- 3: Efficient
- 4: Somewhat Inefficient
- 5: Very Inefficient

Question 16: Have you been unable to resolve any issues because you are waiting on

an Appeals settlement of the same issue in a prior examination?

Possible choices:

1: Yes

2: No

Question 17: Have you requested assistance from Counsel on any of your CAP issues?

Possible choices:

1: Yes

2: No

17- How long did it take to get advice on your issues?

1: (Dependent)

Possible choices:

1: Less than 30 Days

2: 31-90 Days

3: 91-150 Days

4: 151-210 Days

5: Over 210 Days

Question 18: Have you received any inquiries from other taxpayers about being included in the CAP program?

Possible choices:

1: Yes

2: No

18- How many taxpayers have made inquiries?

1: (Dependent)

Question 19: Do you think taxpayers that are not audited every year should be able to participate in the CAP program?

Possible choices:

1: Yes

2: No

Question 20: What do you see as being the pros and cons of expanding the program to taxpayers that are not audited every year?

Question 21: Currently the CAP program is limited to publicly traded corporations. Do you think CAP should be expanded to allow taxpayers that are not publicly traded to participate in CAP?

Possible choices:

1: Yes

2: No

Question 22: What do you see as being the pros and cons of expanding the program to taxpayers that are not publicly traded?

Question 23: Based on your experiences so far, what are some results you think LMSB will see from the CAP program? Check all that apply.

Possible choices:

1: Early identification of new issues

2: Early resolution of new issues

3: Reduced Burden on the taxpayer

4: Reallocation of resources to address non-compliance

5: Improvement in the exchange of examination data between Appeals and Compliance

6: Elimination of rollover and timing issues

7: Reduced IRS resources needed after the first year of CAP

8: Reduced cycle time

9: More timely responses to IDRs

10: Improved transparency

11: Other

23- Please define 'Other'.

1: (Dependent)

Question 24: Were you provided with an orientation to the CAP program?

Possible choices:

1: Yes

2: No

Question 25: What types of guidance have you received regarding your CAP program assignment? Check all that apply.

Possible choices:

1: Formal Memos

2: Training

3: Communication from Manager

4: Communication from Territory

Manager

5: Communication from DFO

6: Communication from Program
Manager

7: Other

25- Please define 'Other'.

1: (Dependent)

Question 26: What are some barriers or obstacles you have experienced with the CAP program?

Question 27: If you were in charge of the CAP program, what changes would you want to make?

Possible choices:

1: Training Materials

2: Memo of Understanding

3: Access to Records

4: Timing of Issue Resolution

5: Interaction with Appeals

6: Interaction with Counsel

7: Communication between Account
Coordinators

8: Other

9: No Changes

27- What changes would you make to the Training Materials?

1: (Dependent)

27- What changes would you make to the Memo of Understanding?

2: (Dependent)

27- What changes would you make to access to records?

3: (Dependent)

27- What changes would you make to the timing of issue resolution?

4: (Dependent)

27- What changes would you make to the interaction with Appeals?

5: (Dependent)

27- What changes would you make to the interaction with Counsel?

6: (Dependent)

27- What changes would you make to the communication between Account

7: (Dependent) Coordinators?

27- What other changes would you make to the CAP program?

8: (Dependent)

Question 28: Please provide any comments or suggestions you have regarding the CAP program.
