



governmentattic.org

"Rummaging in the government's attic"

Description of document: Agenda for each Treasury Inspector General for Tax Administration (TIGTA) Senior Staff meeting, CY 2016

Requested date: 03-January-2017

Released date: 16-February-2017

Posted date: 19-February-2018

Source of document: Office of Chief Counsel Disclosure Branch
Treasury Inspector General for Tax Administration
City Center Building
1401 H Street, NW, Suite 469
Washington, DC 20005
Fax: (202) 622-3339
Email: FOIA.Reading.Room@tigta.treas.gov

The governmentattic.org web site ("the site") is noncommercial and free to the public. The site and materials made available on the site, such as this file, are for reference only. The governmentattic.org web site and its principals have made every effort to make this information as complete and as accurate as possible, however, there may be mistakes and omissions, both typographical and in content. The governmentattic.org web site and its principals shall have neither liability nor responsibility to any person or entity with respect to any loss or damage caused, or alleged to have been caused, directly or indirectly, by the information provided on the governmentattic.org web site or in this file. The public records published on the site were obtained from government agencies using proper legal channels. Each document is identified as to the source. Any concerns about the contents of the site should be directed to the agency originating the document in question. GovernmentAttic.org is not responsible for the contents of documents published on the website.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20005

INSPECTOR GENERAL
FOR TAX
ADMINISTRATION

February 16, 2017

This is in response to your Freedom of Information Act (FOIA) request sent and received January 3, 2017, seeking access to records maintained by the Treasury Inspector General for Tax Administration (TIGTA). Specifically, you requested a copy of the "Agenda for each TIGTA Senior Staff meeting during calendar year 2016".

For your information, Congress excluded three discrete categories of law enforcement and national security records from the requirements of the FOIA. See 5 U.S.C. § 552(c) (2006 & Supp. IV 2010). This response is limited to those records that are subject to the requirements of the FOIA. This is a standard notification that is given to all our requesters and should not be taken as an indication that excluded records do, or do not, exist.

We have located one hundred sixty-seven (167) pages which are responsive to your request. We are releasing one hundred fifty-two (152) pages in full and fifteen (15) pages in part. A copy is enclosed. We are asserting FOIA subsections (b)(6) and (b)(7)(E) as the justification for withholding.

FOIA subsection (b)(6) permits the withholding of records and information about individuals when disclosure of the information could result in a clearly unwarranted invasion of personal privacy. The withheld information consists of identifying information compiled with regard to individuals other than you. Releasing the withheld information would not shed any light into the Agency's performance of its official functions, but instead could result in an invasion into the personal privacy of the individuals whose names and personal information have been withheld. As a result, the privacy interests of the third parties outweigh the public's interest in having the information released.

FOIA subsection (b)(7)(E) permits an agency to withhold "records or information compiled for law enforcement purposes ... [that] would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law." The information withheld pursuant to this exemption was compiled in connection with an official audit of IRS programs or activities. The withheld information

consists of techniques, guidelines or tolerances not known to the public and/or information that could lead to circumvention of the law. As a result, this information has been withheld in response to your request.

We have enclosed an Information Sheet that explains the subsections cited above as well as your administrative appeal rights. If you file an appeal, your appeal must be in writing, signed by you, and postmarked or electronically transmitted within ninety (90) days from the date of this letter. You should address the envelope as follows:

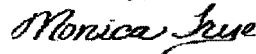
Freedom of Information Act Appeal
Treasury Inspector General for Tax Administration
Office of Chief Counsel
City Center Building
1401 H Street, NW, Suite 469
Washington, DC 20005

Since the cost incurred to process your FOIA request was less than \$25.00, the threshold set by Treasury's FOIA regulation, no fees were assessed.

If you have any questions, please contact Government Information Specialist Monica Frye at (202) 622-2738 or monica.frye@tigta.treas.gov and refer to Disclosure File #2017-FOI-00075.

You may contact our FOIA Public Liaison at (202) 622-4068 for any further assistance and to discuss any aspect of your request. Additionally, you may contact the Office of Government Information Services (OGIS) at the National Archives and Records Administration to inquire about the FOIA mediation services they offer. The contact information for OGIS is as follows: Office of Government Information Services, National Archives and Records Administration, 8601 Adelphi Road-OGIS, College Park, Maryland 20740-6001; e-mail at ogis@nara.gov; telephone at 202-741-5770; toll free at 1-877-684-6448; or facsimile at 202-741-5769.

Sincerely,



(For) Amy P. Jones
Disclosure Officer

Enclosures

Information on a TIGTA Determination to Withhold Records Exempt From the Freedom of Information Act – 5 U.S.C. § 552

Appeal Rights

You may file an appeal with the Treasury Inspector General for Tax Administration (TIGTA) within 90 days after we (1) determine to withhold records, (2) determine that no records exist, or (3) deny a fee waiver or a favorable fee category. If some records are released at a later date, you may file an appeal within 90 days from the date the last records were released. The appeal must be in writing, signed by you, and postmarked or electronically transmitted within 90 days from the date of the response letter. You must provide the following information: your name and address; description of the requested records; date of the initial request (and a copy, if possible); date of the letter denying the request (and a copy, if possible). You should mail your appeal to:

Freedom of Information Act Appeal
Treasury Inspector General for Tax Administration
Office of Chief Counsel
City Center Building
1401 H Street, NW, Suite 469
Washington, DC 20005

Judicial Review

If we deny your appeal, or if we do not send you a reply within 20 days (not counting Saturdays, Sundays, or legal public holidays) after the date we receive the appeal, you may file a complaint with the U.S. District Court in the district where (1) you reside, (2) your principal place of business is located, or (3) the records are located. You may also file in the District Court for the District of Columbia.

Any proceedings in district court will be governed by the Federal Rules of Civil Procedure. Under Rule 4(i)(1) and (2), service on the Department of the Treasury may be effected by delivering copies of the summons and complaint: (a) personally, upon the U.S. Attorney (or his designee) for the district where the lawsuit is brought; (b) via registered or certified mail, upon the Attorney General of the United States at Washington, D.C.; and (c) via registered or certified mail to:

Treasury Inspector General for Tax Administration
Office of Chief Counsel
City Center Building
1401 H Street, NW, Suite 469
Washington, DC 20005

In such a court case, the burden is on the Treasury Inspector General for Tax Administration to justify withholding the requested records, determining that no records exist, or denying a fee waiver or a favorable fee category. The court may assess against the United States reasonable attorney fees and other litigation costs incurred by the person who takes the case to court and who substantially prevails. You will have substantially prevailed if the court determines, among other factors, that you had to file the lawsuit to obtain the records you requested and that the Treasury Inspector General for Tax Administration had no reasonable grounds to withhold the records.

Exemptions

Not all records can be released under the FOIA. Congress established certain categories of information that are not required to be released in response to a FOIA request because release could be harmful to a government or private interest. These categories are called "exemptions" from disclosures. There are nine categories of exempt information and each is described below.

- (b)(1) (A) Specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and (B) are in fact properly classified pursuant to such Executive order;
- (b)(2) Related solely to the internal personnel rules and practices of an agency;

- (b)(3) Specifically exempted from disclosure by statute (other than section 552b of this title), if that statute--
- (A) (i) requires that the matters be withheld from the public in such a manner as to leave no discretion on the issue; or
 - (ii) establishes particular criteria for withholding or refers to particular types of matters to be withheld; and
 - (B) if enacted after the date of enactment of the OPEN FOIA Act of 2009, specifically cites to this paragraph.
- (b)(4) Trade secrets and commercial or financial information obtained from a person and privileged or confidential;
- (b)(5) Inter-agency or intra-agency memorandums or letters which that would not be available by law to a party other than an agency in litigation with the agency, provided that the deliberative process privilege shall not apply to records created 25 years or more before the date on which the records were requested;
- (b)(6) Personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;
- (b)(7) Records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information:
- (A) could reasonably be expected to interfere with enforcement proceedings,
 - (B) would deprive a person of a right to a fair trial or an impartial adjudication,
 - (C) could reasonably be expected to constitute an unwarranted invasion of personal privacy,
 - (D) could reasonably be expected to disclose the identity of a confidential source, including a State, local, or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of a record or information compiled by a criminal law enforcement authority in the course of a criminal investigation or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source,
 - (E) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or
 - (F) could reasonably be expected to endanger the life or physical safety of any individual;
- (b)(8) Contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions; or
- (b)(9) Geological and geophysical information and data, including maps, concerning wells.



SENIOR STAFF MEETING

AGENDA

January 14, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

January 21, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|---------------------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez (Conf. Call) |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk (Conf. Call) |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

January 28, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Phil Shropshire |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

February 4, 2016

Conference Room 412 (Virginia)

Communications from Treasury//IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Jim Jackson |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

February 11, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

February 18, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|------------------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar (Teleconf.) |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

February 25, 2016

Conference Room 412 (Virginia)

Communications from Treasury//IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

March 3, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

March 10, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Bernard Williams |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



This Month At TIGTA
March 2016.docx

This Month at TIGTA: March 2016



*As always, we welcome submissions for news items and stories; just send them to us at [*TIGTACommunications@tigta.treas.gov](mailto:TIGTACommunications@tigta.treas.gov).*

Is It ‘Service-wide’ or ‘Servicewide’? The New *TIGTA Writing and Style Guide* Can Help!

When writing for TIGTA, have you often wondered if a specific word should be capitalized or hyphenated? A look into the *TIGTA Writing and Style Guide* could provide you just the answer you need. The Office of Communications has just released an updated version of the *TIGTA Writing and Style Guide* (version 1.5), along with a separate document detailing the changes that were made. Both documents are available at this address: <http://intranet.tigtanet.gov/comm/>.

Check it out – and find the answer to the question above on page 16 of the new guide.

OMS Holds “Lunch and Learn” in February in Honor of African American History Month

Last month, on February 17th, the Office of Mission Support held a “Lunch and Learn” session in honor of African American History Month. At this “Lunch and Learn,” a documentary aired that studied the Bordentown Manual Training School for Colored Youth in Southern New Jersey. The film, *A Place Out of Time: The Bordentown School*, presented the institution as “...an incubator of black intellect.” Beginning in 1886 until it closed in 1955, the boarding school offered a cultural safe haven for African American adolescents; a place where they could excel academically without fear of discrimination inside of, and outside of, the classroom. In fact, the education that they described was one that synthesized the ideals of the renowned black scholars Booker T. Washington and W.E.B. Du Bois: Washington campaigned for patience in the black community through the study of trades, and Du Bois argued for a more classical education in the subjects that we recognize now as core pre-college curriculum. Moreover, Bordentown upheld a reputation of instilling discipline and obedience in its students.

But with the landmark case of *Brown v. Board of Education*, Bordentown’s positive press turned into criticism of it being a Jim Crow school. In other words, the once acclaimed

“Tuskegee of the North,” became a symbol of segregation rather than separation. Eventually, the school became a juvenile detention center—which it remains today.

While the film could not be streamed to the field due to copyright and streaming issues, EEO Program Manager Brittany Woolfolk noted the existence of other opportunities to view the movie, including watching it on your local PBS station.

For further information on the school and the film, click [here](#).

Free Webinars about Long Term Care Insurance, Planning for Retirement, and More

Navigating Long Term Care Insurance, retirement investments, and overall retirement planning can be confusing. For this reason, free webinars are available to all employees to help tackle some of these and other questions. Webinar titles include “Midcareer Planning Checklist,” “What’s Your Long Term Care IQ?” and more. Please go to www.LTCFEDS.com/webinar to see all of the webinars that are available and to register for them for free. In addition, archived versions of webinars that have already aired are available on-demand and can be viewed at any time.

TIGTA PERSONNEL CHANGES for February 2016

New Employees

Please join the Office of Audit in welcoming the following new employee:
Tram Le

Please join the Office of Investigations in welcoming the following new employees:
Samuel Messinger
William Thompson

Please join the Office of Mission Support in welcoming the following new employee:
Cynthia Reynolds

Retirements and Separations

There were no retirements or separations during February 2016.

EEO CORNER

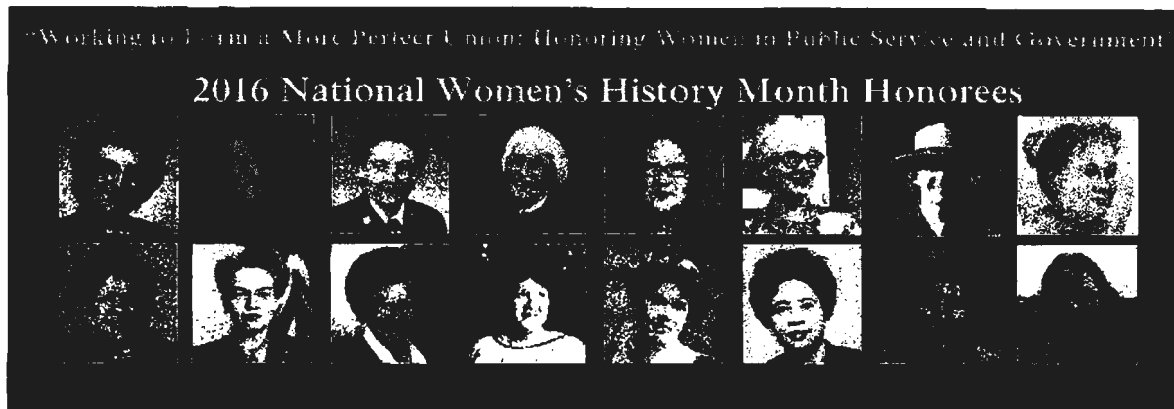
March is Women’s History Month

By presidential proclamation, the month of March is Women’s History Month. Women’s History Month celebrates and recognizes the many achievements of American Women. The 2016 theme for Women’s History Month is “*Working to Form a More Perfect Union*.”

Honoring Women in Public Service and Government." Women's History Month will honor women who have dedicated their lives and contributed to America's history through public service and Government leadership.

Take this [Women's History Month Quiz](#) to test your knowledge of Women's History Month, provided by the National Women's History Project.

You can also read about the [2016 National Women's History Month Honorees](#), who are women who have shaped America's past and future through their service and leadership.



March is Irish-American Heritage Month

By presidential proclamation, Irish American Heritage Month is celebrated in March. Irish American Heritage Month honors the many contributions and accomplishments of Irish Americans and their descendants to the history of the United States of America.

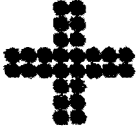
Retired NASA Colonel Eileen Collins, an Irish American, was the first woman pilot and shuttle commander of space shuttles. In 1995, Colonel Collins became the first woman to pilot a shuttle, the STS-63 Discovery mission, which was also the first Russian and American joint space program. In 1999, Colonel Collins commanded the STS-93 Columbia, the first shuttle mission commanded by a woman. Colonel Collins participated in four space flights before her retirement from NASA in 2006.



photo from NASA gallery [Colonel Eileen Collins](#)

During the month of March please join your local community Irish American Heritage commemorations and celebrations.

Other March Observances:

American
Red Cross Month

March
American Red Cross Month
[American Red Cross Presidential Proclamation](#)

March 13 – April 15, 2016
Deaf History Month
<http://deafness.about.com/cs/events/p/historymonth.htm>

March 17, 2016
Saint Patrick's Day
https://en.wikipedia.org/wiki/Saint_Patrick%27s_Day

March 27, 2016
Easter Sunday
<https://en.wikipedia.org/wiki/Easter>

BITS & BYTES

TIGTA Multifunction Printers

The Office of Information Technology (OIT) has started the widespread rollout of multifunction printers to all TIGTA offices. As you may recall, we piloted devices at 14 sites starting in late calendar year 2014 through 2015. This pilot paved the path to the purchase of multifunction printers for all TIGTA offices. The deployment is now underway.

A multifunction printer is a device that provides print, scan, copy, and fax capabilities from a single piece of hardware. These units are commonly referred to as MFDs (Multifunction Devices) or MFPs (Multifunction Printers). Their deployment leads to a reduced footprint in our offices, increased and improved functionality, and generates savings in annual equipment maintenance and expendables costs. We will retire all legacy printers, copiers, scanners, and fax machines in all TIGTA offices after the new devices have been installed.

TIGTA is deploying two MFP models. One device is suited for small to mid-sized workloads and the other device is more suitable for higher volume needs. Both models pack full functionality and feature sets in their design and both feature identical, easy-to-use touch screen

interfaces for consistency across devices and offices. Both work with our existing smart cards (PIV cards) allowing you to scan jobs directly to your TIGTA network drive or TIGTA e-mail accounts as you choose. You can look in those respective locations and find your file when you return to your computer.

In addition to the new hardware TIGTA is also moving to a managed print agreement for support and consumables fulfillment. Under a five-year agreement, toner and other consumables will be dispatched directly from our managed printer vendor. According to the contract, only original HP toner will be utilized! We believe this will eliminate the long-standing issues and dissatisfactions associated with the use of remanufactured toner.

The rollout started in February. We have completed the installation in five offices (ATSC, FLETC, Milwaukee, Chicago, and Martinsburg). As of this writing another eight locations (Bailey's Crossroads (now Vienna, VA), Boston, Columbia, Indianapolis, Tampa, Syracuse, Denver, and Little Rock) should be close to operational during the week of March 15, 2016. We plan to complete the rollout between now and early summer. We have coordinated resources in each office for planning discussions and will continue the outreach through site completion. Some sites require a small amount of preparation work which is being coordinated through OMS.

Feedback on the new devices has been very positive to date and OIT looks forward to getting the new devices in everyone's hands. For more information and questions on the operation of the new devices, please see our new FAQ items at the link below which include written instructions and TIGTA-specific videos for the new devices.

http://intranet.tigtanet.gov/oit_faqhsw.asp#58

TIGTA ACTIVITY For Period February 7, 2016 through February 29, 2016

OFFICE OF INVESTIGATIONS ACTIVITY

Disbarred Attorney Sentenced in IRS Impersonation Fraud Scheme

On February 2, 2016, in Maryland, Sandra Lucille White was sentenced for mail fraud, wire fraud, money laundering, and aggravated identity theft.¹ White had been found guilty of the offenses in a seven-day jury trial in July, 2015.²

According to the court documents, White was an attorney licensed in the District of Columbia (D.C.) and in Maryland. Between March 2010 and May 2013, White knowingly and willfully

¹ D. Md. Judgment filed Feb. 4, 2016.

² D. Md. Verdict Form filed July 23, 2015; D. Md. Crim. Docket retrieved Feb. 22, 2016.

devised a scheme to defraud individuals and obtain money and property by means of fraudulent pretenses and representations.³

Specifically, White served as the attorney for an individual (the victim) residing in Washington, D.C. who was assisting an incapacitated relative. At White's request, the victim provided her with an accounting of the relative's assets. White then assisted the victim in obtaining permanent guardianship of the relative in late 2010. The relative died in January 2011. White was disbarred from practicing law in D.C. and Maryland in January 2011 and September 2011, respectively, but never informed the victim she was no longer a licensed attorney.⁴

As part of her scheme to defraud the victim, White created numerous fraudulent notices that purported to be from the Internal Revenue Service (IRS) demanding payment of taxes purportedly owed by the deceased relative and another of the victim's deceased relatives. White mailed and faxed these fraudulent notices to the victim.⁵

White advised the victim that, as the legal guardian of the deceased relative, she (the victim) was required to remit payments for the taxes. The fraudulent notices stated that payments were to be sent to an entity called Intel Realty Financial Service (IRFS) at an address that was controlled by White.⁶

In furtherance of her scheme, White attempted to obtain a Maryland driver's license in the deceased relative's name but bearing her own photograph. She opened bank accounts in the names of IRFS and the deceased relative, and obtained debit cards in the deceased's name.⁷

White then deposited the checks, totaling over \$500,000, which had been sent from the victim in response to the purported IRS notices. White wrote checks from the bank accounts to herself or others for her own benefit using the forged signature of the deceased relative. One such check was made payable to Herb Gordon Volvo in the amount of \$20,500, to pay for part of the down payment on a Volvo later titled to White.⁸

White was sentenced to a total of 11 years in prison, followed by three years of supervised release. She was also ordered to pay restitution in the amount of \$841,908.57.⁹

³ D. Md. Superseding Indict. filed Sep. 22, 2014.

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ *Id.*

⁸ *Id.*

⁹ D. Md. Judgment filed Feb. 4, 2016.

Two Individuals Sentenced in Georgia for Impersonation Scheme

On January 5, 2016, in the Northern District of Georgia, Kenneth Kaufman was sentenced for conspiracy to commit mail and wire fraud associated with an impersonation scheme.¹⁰ Kaufman and coconspirator Kecia Place were initially indicted for the scheme in March 2015.¹¹ Place pled guilty to an Information charging her with money laundering in August 2015¹² and was sentenced for that offense on November 18, 2015.¹³ Kaufman entered a guilty plea for the conspiracy charge on September 10, 2015.¹⁴

According to the court documents, from early 2014 until February 2015, Kaufman, Place, and others knowingly and willfully conspired to devise a scheme to defraud and obtain money through the use of materially false and fraudulent representations. In execution of the scheme, Kaufman rented a Post Office (PO) Box in Atlanta, Georgia and established a bank account in his name. The conspirators then established a Georgia business named Brand New Day Management, LLC (Brand New Day) and opened a second bank account in the name of the business. Place was listed on this bank account as a co-signer and as Secretary of Brand New Day. Kaufman later added the business name as a mail recipient at the PO Box in Atlanta.¹⁵

In furtherance of the scheme to defraud, the conspirators contacted individuals and falsely advised them that they had to first pay a sum of money to cover taxes or fees in order to receive the lottery or prize money. Victims were instructed to send the taxes or fees through a variety of methods, such as a U.S. Postal Money Order or check mailed to Kaufman or Brand New Day at the established PO Box, a direct deposit of funds into one of the two bank accounts established for the scheme, or via Western Union or Moneygram funds sent to the conspirators. Some victims were contacted again after making their initial payment and falsely advised that the value of the lottery or prize had increased and additional taxes or fees were needed in order to receive their prize money.¹⁶

Kaufman and Place received approximately \$380,000 from at least 20 victims. None of the victims ever received the promised winnings.¹⁷

Kaufman was sentenced to 33 months in prison, and Place was sentenced to one year and one day in prison. Each will be on supervised release for three years following his or her respective prison term. Kaufman was ordered to make restitution in the amount of \$355,433.00. Place is jointly and severally liable for \$78,864.50 of the restitution.¹⁸

¹⁰ N.D. Ga. Amended Judgment Kenneth Kaufman filed Jan. 7, 2016.

¹¹ N.D. Ga. Indictment filed Mar. 18, 2015.

¹² N.D. Ga. Information filed Aug. 17, 2015.

¹³ N.D. Ga. Judgment Kecia Place filed Nov. 19, 2015.

¹⁴ N.D. Ga. Minute Sheet Change of Plea Kenneth Kaufman filed Sep. 10, 2015.

¹⁵ N.D. Ga. Indictment filed Mar. 18, 2015.

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ N.D. Ga. Amended Judgment Kenneth Kaufman filed Jan. 7, 2016; N.D. Ga. Judgment Kecia Place filed Nov. 19, 2015.

IRS Employee Pleads Guilty to Aiding and Assisting Fraud and False Statements

On January 7, 2016, Internal Revenue Service (IRS) employee Yolanda Castro pled guilty to aiding and assisting fraud and false statements.¹⁹ She was arrested on February 27, 2015,²⁰ and indicted in the Eastern District of California the previous day, February 26, 2015, on charges of making a fraudulent tax return by an employee of the United States, aiding and assisting fraud and false statements, and false statements to a Government agency.²¹

According to court documents, Castro has been employed by the IRS in Fresno, California, for approximately 20 years as a tax examiner and, most recently, as a contact representative responsible for responding to taxpayers' inquiries and making adjustments to taxpayers' accounts. Between 2007 and 2013, Castro prepared and filed, or caused to be filed, numerous fraudulent Federal income tax returns for herself, her family members, and others, in which she knowingly placed false information for purported child care services, education expenses, business expenses, and casualty losses. As a result of her fraudulent conduct, Castro defrauded the United States of approximately \$37,387.²²

Specifically, as part of her fraudulent return scheme, Castro claimed on her own Federal tax returns education expenses and child care expenses that she knew she did not incur. Further, in connection with an audit of one of these false returns, Castro knowingly provided the IRS auditor with fabricated receipts for college textbooks and child care services, and made false statements to the auditor about the textbook purchases. She did so to deceive the auditor and to conceal the fact that she had fraudulently claimed the education and child care credits.²³

Additionally, Castro willfully aided and assisted in the preparation of six Federal returns for others, in which she falsely identified purported child care providers and fraudulently claimed \$17,800 in child care services. The fraudulent information Castro included in these tax returns yielded fraudulent tax deductions and credits for which Castro and the taxpayers whose returns she prepared were not eligible." In some cases, Castro had access to the personal identifying information of the purported child care providers because she had prepared those taxpayers' returns in the past. However, on at least one occasion, Castro illicitly accessed IRS databases to review the purported provider's personal identifying information.²⁴

¹⁹ E.D. Cal. Plea Agreement filed Jan. 7, 2016.

²⁰ E.D. Cal. Executed Arrest Warrant filed Feb. 27, 2015.

²¹ E.D. Cal. Indict. filed Feb. 26, 2015.

²² *Id.*

²³ *Id.*

²⁴ *Id.*

Former IRS Employee and Another Individual Charged in California With Stolen Identity Theft Refund Fraud Scheme

On January 14, 2016, in the Eastern District of California, former Internal Revenue Service (IRS) employee Lorita Marie Rocha and her associate and former roommate Nereida Rodriguez were indicted on charges of conspiracy to commit wire fraud and wire fraud.²⁵

According to court documents, Rocha was employed by the IRS at the Fresno Service Center as a seasonal tax examiner in the Error Resolution System (ERS) unit, where she had access to the names, Social Security Numbers, dates of birth, and other personally identifiable information of certain taxpayers and their claimed dependents. Her duties at the IRS included verifying the accuracy of dependents claimed on tax returns.²⁶

Between February 2008 and January 2012, Rocha and Rodriguez participated in a scheme to obtain and to help others obtain the payment of false and fraudulent claims for refunds from the IRS through the preparation and submission of false and fraudulent Federal income tax returns. Rocha fraudulently obtained the personal information of dependents through her employment at the IRS. Rocha, Rodriguez, and those they aided, used that fraudulent dependent information to falsely claim dependents on Federal income tax returns, most of which were filed electronically. The refunds were typically issued in the form of either a direct deposit into Rocha's or Rodriguez's bank account or a direct deposit to a lender as reimbursement for a previously-issued refund anticipation loan.²⁷

Rocha and Rodriguez misappropriated more than two dozen individuals' names and means of identification from the ERS unit and subsequently caused them to be used in false and fraudulent tax returns. As a result of their conduct, Rocha and Rodriguez caused tax returns to be filed with the IRS that fraudulently claimed tax refunds in excess of \$100,000.²⁸

Rocha was arraigned and entered a not guilty plea on January 22, 2016²⁹. Her accomplice, Rodriguez, was arraigned and entered a not guilty plea on January 21, 2016³⁰.

The investigation was conducted jointly by agents of the Treasury Inspector General for Tax Administration and IRS Criminal Investigation. Additional legal actions are pending for both defendants.

²⁵ E.D. Cal. Indict. filed January 14, 2016.

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

²⁹ E.D. Cal. Arraignment filed January 22, 2016

³⁰ E. D. Cal. Arraignment filed January 21, 2016

OFFICE OF AUDIT ACTIVITY

Continued Inconsistent Use of Over-age Correspondence Lists Contributes to Taxpayer Burden and Unnecessary Interest Payments

(Reference No. 2016-40-023) – Final report issued and awaiting public release.

Management Oversight of the Tier II Environment Backup and Restoration Process Needs Improvement (Reference No. 2016-20-019)

[View the Report](#)

OFFICE OF INSPECTIONS AND EVALUATIONS ACTIVITY

Subject: Internal Revenue Service's Non-Executive Long-Term Taxable Travel (Reference Number: 2016-IE-R004)

[View the Report](#)



SENIOR STAFF MEETING

AGENDA

March 24, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|-------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Phil Shropshire |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Angelia McCoy |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

March 31, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Greg Kutz |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

April 14, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SOA FY2015.pptx



This Month At TIGTA
April 2016.docx



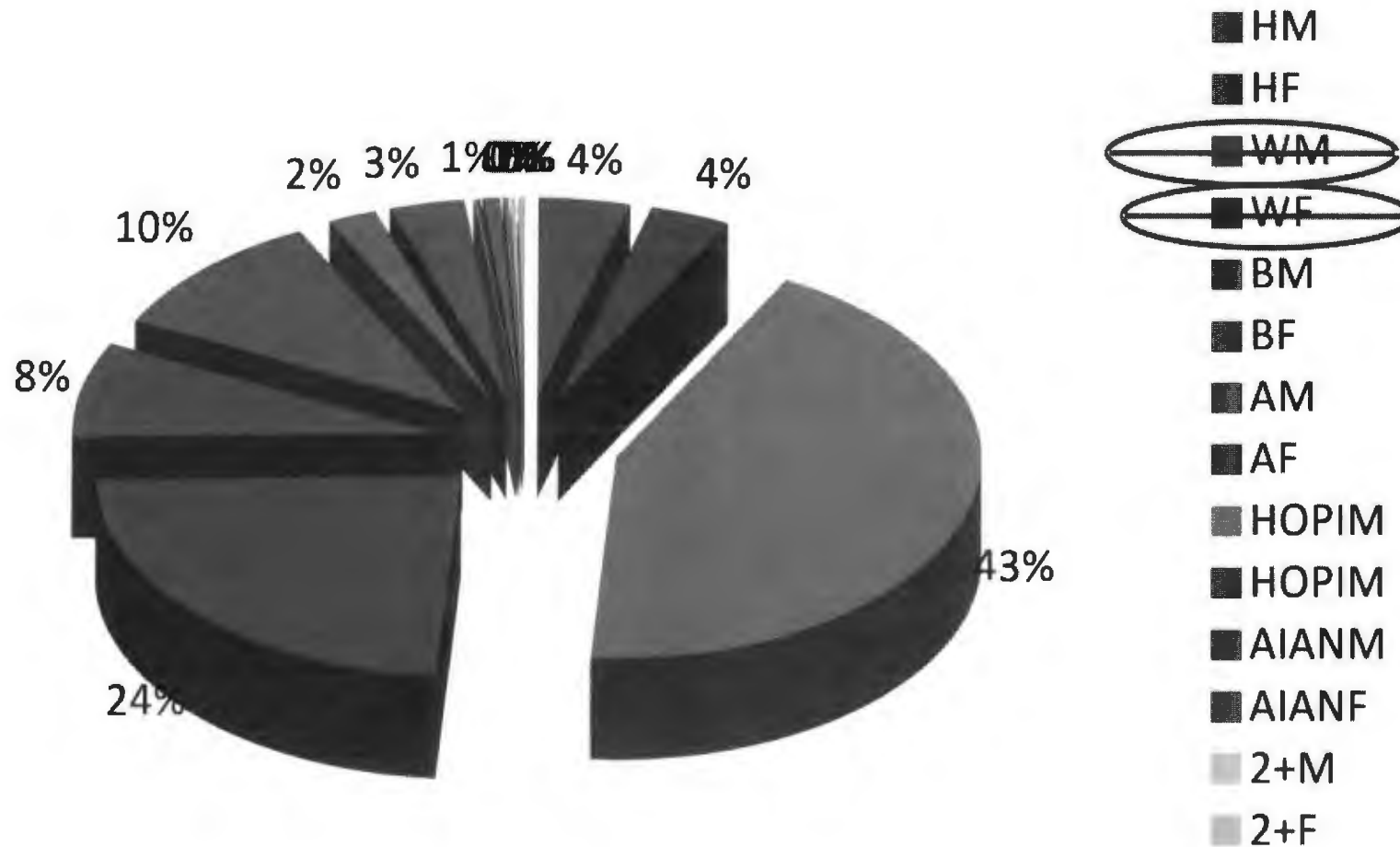
FY2015 State of the Agency Briefing

**The Treasury Inspector General for Tax
Administration (TIGTA)**

OVERVIEW

- Workforce Participation Rates
- Workforce Analysis
 - Recruitment and Hiring
 - EEO Complaint Processing
 - Alternative Dispute Resolution
 - Employee Engagement
 - Separations
- Barrier Analysis
- Strengths and Weaknesses
- FY 2016 Action Items

FY2015 RNO/GENDER WORKFORCE PARTICIPATION RATES



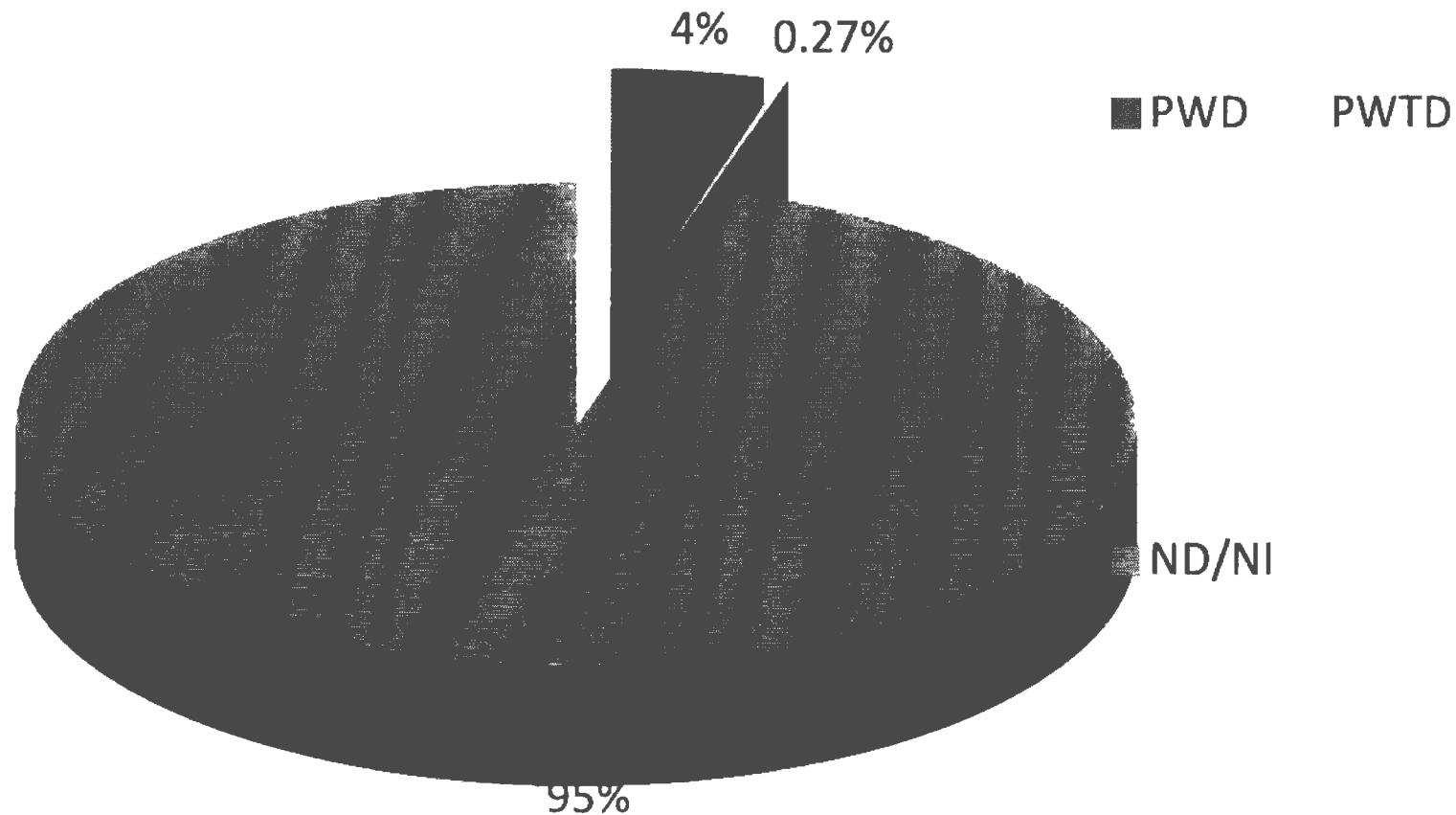
*Note the following abbreviations and definitions: HM/HF = Hispanic Males/Females; WM/WF = White Males/Females; BM/BF = Black Males/Females; AM/AF = Asian Males/Asian Females; PIM/PIF = Pacific Islander or Native Hawaiian Males/Females; AIM/AIF = American Indian/Alaska Native Males/Females; and 2+M/F = Males/Females of Two + Races.

FY2015 RNO/GENDER WORKFORCE PARTICIPATION RATES



- FY 2015 workforce total was 786
- 4.38% overall increase from FY2014
- Workforce is 44% White Male
- Below CLF for F, HM, HF,WF,NOPIM and AIANF

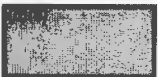
ERI/GENDER	#	%	OCLF
Male	460	58.52%	51.86%
Female	326	41.48%	48.14%
HM	32	4.07%	5.17%
HF	28	3.56%	4.79%
WM	342	43.51%	38.33%
WF	185	23.54%	34.03%
BM	61	7.76%	5.49%
BF	81	10.31%	6.53%
AM	17	2.16%	0.17%
AF	26	3.31%	0.39%
NHOPI	0	0.00%	0.07%
NHOPIF	(b)(6)	0.13%	0.07%
AIANM	6	0.76%	0.55%
AIANF	(b)(6)	0.25%	0.53%
2+M	(b)(6)	0.25%	0.26%
2+F	(b)(6)	0.38%	0.28%

FY2015 DISABILITY WORKFORCE PARTICIPATION RATES

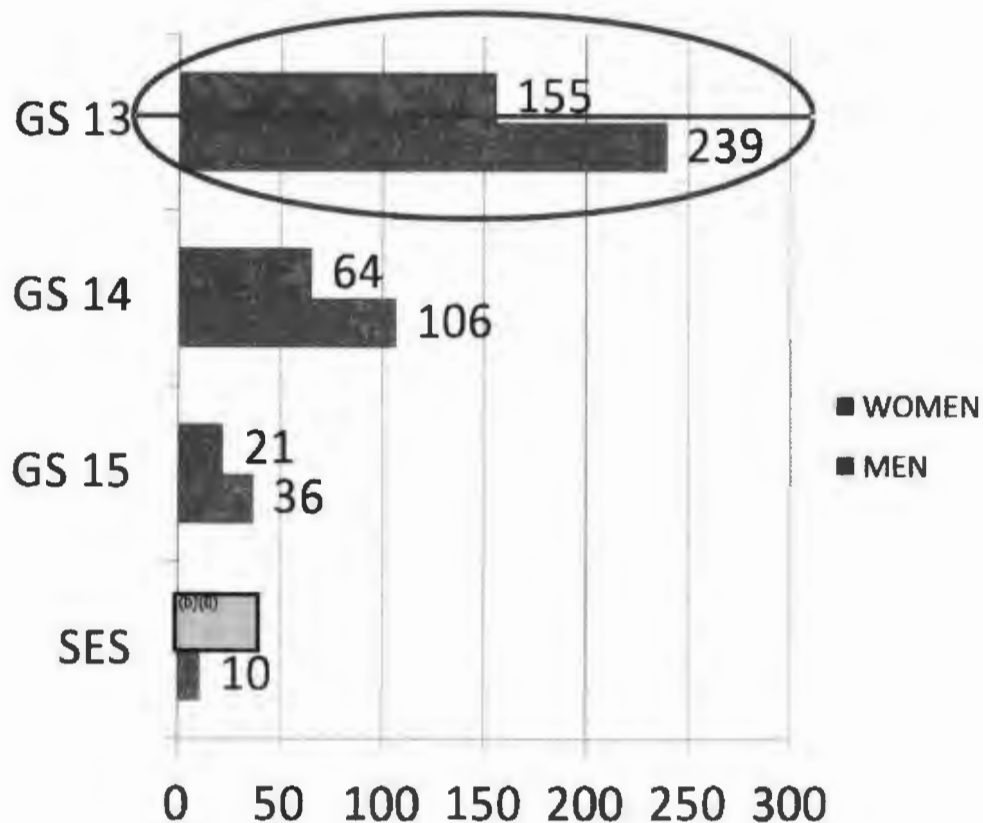


FY2015 DISABILITY WORKFORCE PARTICIPATION RATES

- FY 2015 there were 40 employees with disabilities
 - Net change +7
-  employees with targeted disabilities
- 36% (277) of workforce are 1811 with physical requirements –adjust to 507 employees
- 

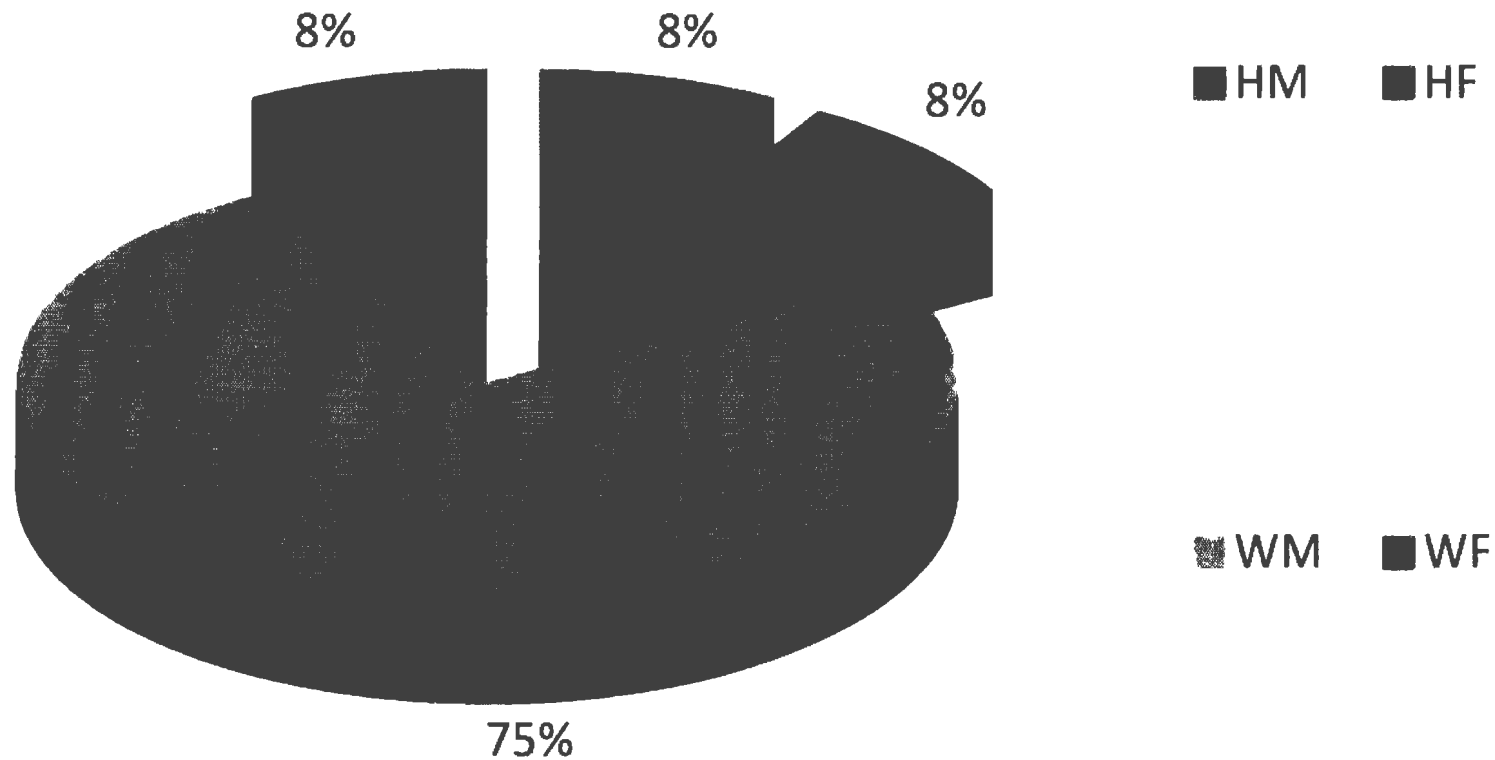
DISABILITY	#	%
PWD	40	5.09%
PWTD		0.25/0.39%
ND/NI	737	93.77%

FY2015 GS 13-15/SES GRADE DISTRIBUTION BY GENDER /RNO



- Majority employees at GS-13 level
 - Whites 68.02%
 - Hispanics 8.89%
 - Blacks 16.75%
 - Asians 4.83%

FY2015 SES GRADE DISTRIBUTION BY RNO



MODEL EEO PROGRAM

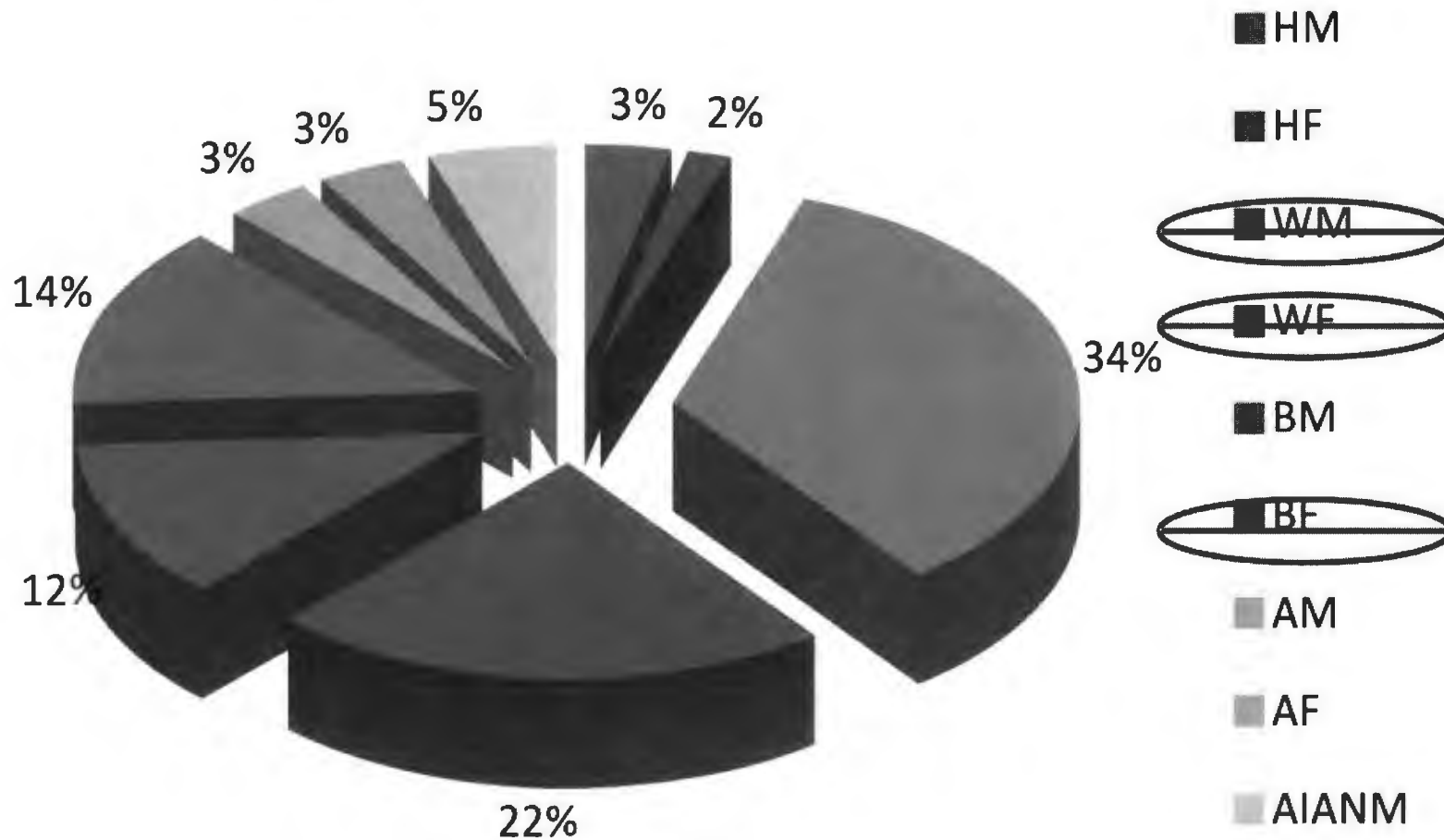


RECRUITING AND HIRING

- Recruiting
 - Pathways Program
 - Recruited at 5 (HSI's) and 3 (HBCU's)
 - Operation Warfighter
 - Hiring our Heroes
 - State Vocational Office (New York)
- Hiring
 - 16 Veterans- 8 30% or more disabled
 - 8 People with Disabilities- ☐ Schedule A

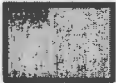
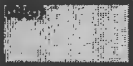


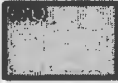
FY2015 RNO/GENDER NEW HIRES

Chart Title



FY2015 RNO/GENDER NEW HIRES

- FY 2015 there were 58 perm hires
- 20 hires were White Male
- Hires were made in all groups except NHOPi and 2+ Races
- Below the CLF in Hispanics, American Indian/Alaska Native and Females

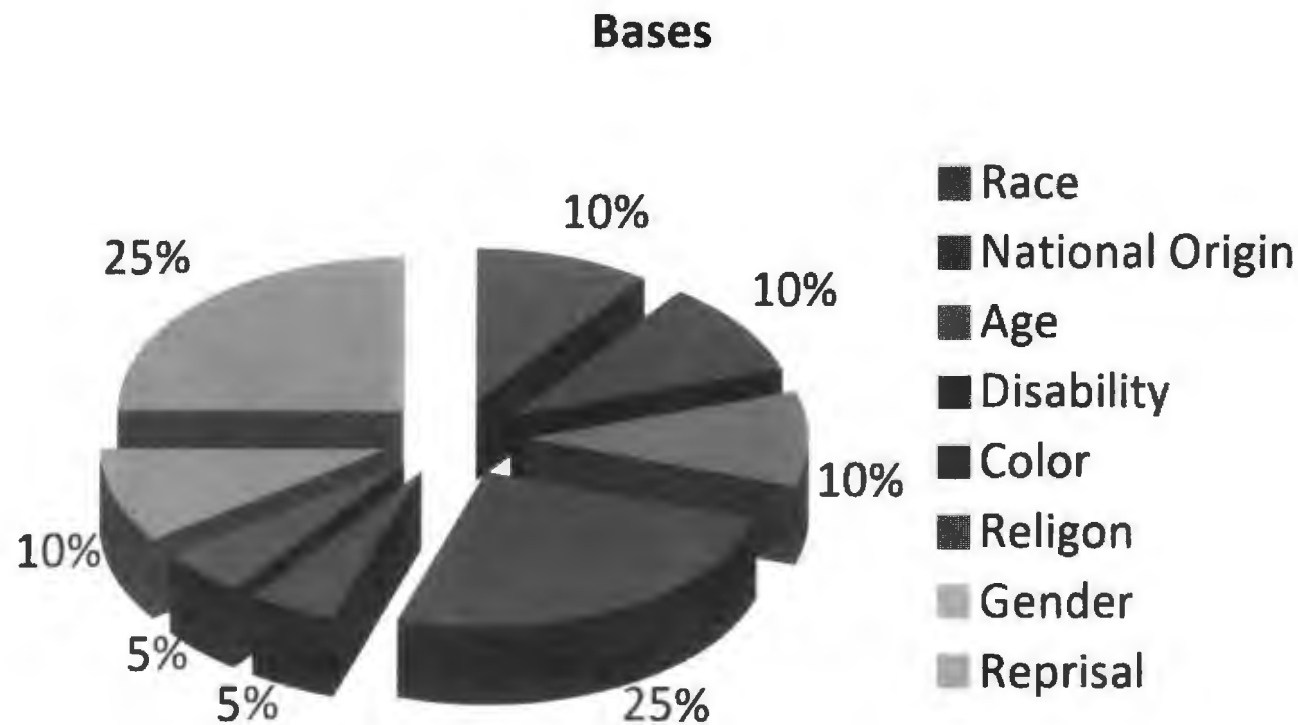
ERI/GENDER	#	%	OCLF
Male	34	58.62%	51.86%
Female	24	41.38%	48.14%
HM		3.45%	5.17%
HF		1.72%	4.79%
WM	20	34.48%	38.33%
WF	13	22.41%	34.03%
BM	7	12.07%	5.49%
BF	8	13.79%	6.53%
AM		3.45%	1.97%
AF		3.45%	1.93%
AIANM		5.17%	0.55%
AIANF	0	0.00%	0.53%

EEO COMPLAINTS PROCESSING

- TIGTA informal complaints processed by IRS
- EEO policy/process posters are displayed at all TIGTA offices
- ADR offered to all employees entering into the EEO Process

FY2015 EEO COMPLAINTS

- Eight (8) Complaints filed
- Top Bases: Reprisal and Disability



ALTERNATIVE DISPUTE RESOLUTION

INFORMAL COMPLAINTS

Offer Rate **100%**

Acceptance Rate **71% 5/7**

Outcome

100% No Resolution

FORMAL COMPLAINTS

Offer Rate **100%**

Acceptance Rate **50% 2/4**

Outcome

100% Resolution

EMPLOYEE ENGAGEMENT NEW IQ INDEX

	OVERALL	FAIR	OPEN	COOPERATIVE	SUPPORTIVE	EMPOWERING
OVERALL WORKFORCE	74.1%	66.2%	74.2%	69.5%	87.9%	73.5%
TREASURY	60%	48%	57%	59%	79%	55%
GOVERNMENT -WIDE	57%	43%	56%	62%	75%	57%

- In FY2015 TIGTA improved its ranking from 10 to 9 overall
- TIGTA rated at 65% or higher in each of the indices

*OPM considers 65% positive or higher as a strength.

SEPARATIONS/ EXIT INTERVIEWS

- FY2015 55 separations
- 38% survey participation
- 80% separations were retirements
- 71% separations were White
- 52% Male
- 71% GS13-GS15 level
- 33% Veterans
- 90% had a generally positive work experience

BARRIER ANALYSIS

- Trigger: A review of promotions within the (0511) Auditor series was conducted. Whites received the most promotions: White(20), Asians (6), Hispanics (5) and Blacks (b)(6).
- Barrier Analysis: A review of policy, procedures, and an ad hoc report of promotions was reviewed. Although no barrier was identified, the analysis is ongoing. The agency has not yet determined if any policies, procedures or practices need to be revised.
- Plan: Continue to monitor promotions for additional triggers and determine the need to implement additional strategies.

BARRIER ANALYSIS

- Continue to recruit, hire, promote and retain
 - Hispanic Females
 - White Females
 - Asian Males
 - Native Hawaiian or Pacific Islander Males
 - American Indian or Alaska Native Females
 - Overall employee's with disabilities
 - All RNO groups within the SES

PROGRAM STRENGTHS

- EEO/HR collaboration
 - Comprehensive targeted diversity recruitment plans
- Agency increased to number nine (9) on the Federal Employee Viewpoint survey
- 100% participation in EEO, Diversity and Alternative Dispute Resolution training
- Ongoing information dissemination regarding Special Emphasis month observations
- Established Diversity Council

FY2016 ACTION ITEMS

- Continue to attract and retain a diversity workforce
 - Increase diversity hiring focusing on those with targeted disabilities
- Continue to accomplish tasks on the agency Diversity and Inclusion Plan
- Increase Diversity and EEO training opportunities
- Establish a mentoring pilot program
- Increase special emphasis observations activities

QUESTIONS?

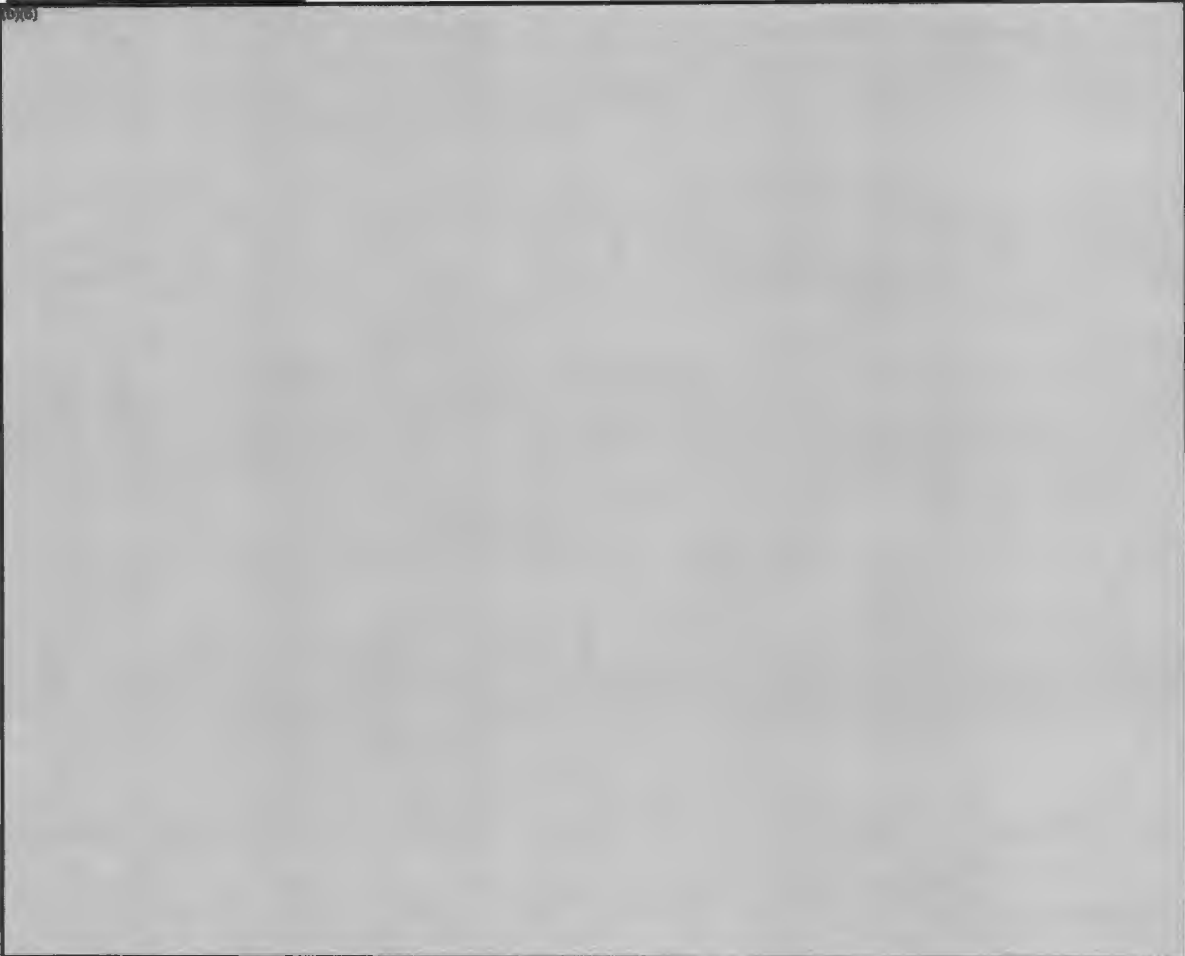


This Month at TIGTA: April 2016



*As always, we welcome submissions for news items and stories; just send them to us at
[*TIGTACommunications@tigta.treas.gov](mailto:TIGTACommunications@tigta.treas.gov).*

EMPLOYEE PROFILE:





2016 Federal Employee Viewpoint Survey

The Office of Personnel Management (OPM) will launch the 2016 Government-wide Federal Employee Viewpoint Survey (FEVS) April 25-June 10. Graduated Proportional Sampling will be used such that approximately 1 in 4 employees will be selected to complete the survey. FEVS eligibility criteria are the same as in previous years. To be eligible to receive an email invitation from OPM to participate in the 2016 FEVS, the employee must be a full- or part-time permanent Treasury employee onboard as of October 31, 2015. The 2016 FEVS questions will be identical to the questions in the 2015 FEVS with ten additional agency-specific questions.

Employee responses to the FEVS, as always, are confidential. While employee participation in the FEVS is not mandatory, we know that we can count on your support to provide maximum participation.

TIGTA PERSONNEL CHANGES for March 2016

New Employees

Please join the Office of Audit in welcoming the following new employee:
Dmitri Medvedev

Please join the Office of Investigations in welcoming the following new employees:
Theresa Cappel

John Ferek
Rachel Foley
Carlos Marin
Karen Thomas
Symone Woody

Please join the Office of Information Technology in welcoming the following new employee:
Dave Meera

Retirements and Separations

We wish the following employees well in their next steps:
Michael Isenberg – Office of Investigations
John Merrick – Office of Investigations

EEO CORNER

April is Sexual Assault Awareness Month



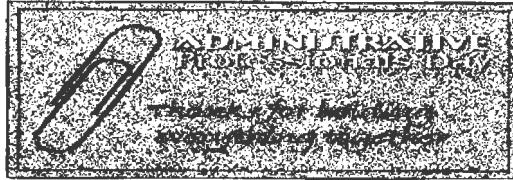
President Obama has named April 2016 Sexual Assault Awareness Month (SAAM) by proclamation. This year's SAAM theme is "Prevention is Possible." Sexual assault is a crime that can selfishly strip an individual of his or her self-worth and confidence.

The month of April will be dedicated to promoting awareness and ideas on how we as employees, families, and communities can collectively prevent the violent acts of sexual assault. Take the "It's On Us" pledge to end the growing number of sexual assaults in our communities.

Administrative Professionals Day

On April 27, 2016 we will celebrate our administrative professionals. Administrative Professionals Day is celebrated the Wednesday of the last full week in April. This day acknowledges the important roles administrative professionals provide to organizations.

Please take time out to celebrate your administrative professional on April 27, 2016. TIGTA EEO office would like to thank all TIGTA administrative professionals for their dedicated assistance and wish you all a Happy Administrative Professionals Day.



Other April Observances



Autism Awareness Month

Raising awareness and advocating for the needs of persons with autism

<http://www.autism-society.org/get-involved/national-autism-awareness-month/>

<https://www.whitehouse.gov/the-press-office/2016/04/01/presidential-proclamation-world-autism-awareness-day-2016>

National Child Abuse Prevention Month (NCAPM)

<https://www.childwelfare.gov/topics/preventing/preventionmonth/about/>

National Arab-American Heritage Month

April is Arab-American Heritage Month. National Arab-American Heritage Month acknowledges and celebrates Arab-Americans' cultures and many contributions to the United States of America.

April 12

National Equal Pay Day

Wear RED on Equal Pay Day to symbolize how far women and minorities are "in the red" with their pay!

<http://www.pay-equity.org/day.html>

April 14

Pan American Day

A holiday observed by several countries in North and South America

http://en.wikipedia.org/wiki/Pan_American_Day

April 15

National Day of Silence

A student-led national event that brings attention to anti-LGBT name-calling, bullying, and harassment in schools

<http://www.dayofsilence.org/>

April 22

Earth Day

http://en.wikipedia.org/wiki/Earth_Day

April 28

Take Our Daughters and Sons to Work Day

https://en.wikipedia.org/wiki/Take_Our_Daughters_and_Sons_to_Work_Day

Information on Special Emphasis Group Conferences

Federal Asian Pacific American Council (FAPAC) 2016 National Leadership Training Program
May 9-13, 2016 in Orlando, Florida. Details in the attached document:



FAPAC2016.pdf

Society of American Indian Government Employees (SAIGE) National Training Program
(NTP) June 6-9, 2016 in Catoosa, OK. Please review the attachments below for information
and registration:



Hard Rock flyer2.pdf



2016 SPECIAL
ANNOUNCING TO FEDERAL AGENCIES

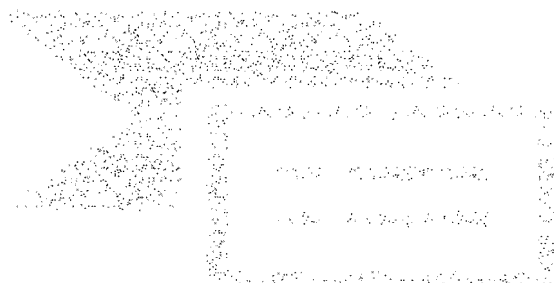


SAIGE NTP Serving
Our Nations (2).pdf

Federally Employed Women's (FEW) National Training Program July 10-14, 2016 in Dallas,
Texas. Please review the link below for information and registration:
<https://www.few.org/training-education/national-training-program/>

BITS & BYTES

TIGTA's Spear Phishing Test Results Are In...



Don't get hooked by phishing schemes

Do you know when you are being “phished?” There’s no hook, line or sinker to tip you off, but knowing what to look for can help you protect your financial, personal, and TIGTA information.

Phishing is a deceptive practice using spam (unsolicited emails and chain letters) to fool victims into disclosing their personal or organizational information. Victims are lured to bogus (“spoof”) websites (designed to look like official websites). Deceived users divulge personal information, such as credit card numbers, account usernames, passwords, Social Security numbers, etc. Fraudsters then use this information for fraudulent purposes.

TIGTA’s Security and Compliance group hired a contractor to test TIGTA’s processes for identifying and responding to phishing e-mail. The contractor conducted the phishing test from last September through this March. There were two objectives for the testing. The first objective focused on the ability to lure TIGTA employees into clicking on links in spear phishing e-mails. The second objective was to assess the strength of TIGTA security controls that safeguard against phishing attacks, including spam filters and web content filters.

TIGTA phishing test results:

In the assessment, the malicious URLs were visited 134 times by unique users.

TIGTA employees performed well, on average. While the assessment team was able to convince some users to click links provided in phishing emails, the overall TIGTA click rate was approximately 15%. The specific click rate ranged from 2% to 28% in the exercises. The assessment team has observed click rates of approximately 25-35% at other organizations.

Know the phisher’s playbook:

- Getting individuals to click a link, reply to an e-mail, or download an attachment,
- Crafting fake e-mails – known as “lures” – to trick users into divulging information, and
- Tricking individuals into providing their Personally Identifiable Information or downloading malicious code onto their computers, often disguised as a “mandatory” action using pop-up windows or prompts.

You can deter fraudsters and avoid a phishing scheme by following these tips:

If you see something say something! If you receive a suspicious email at work, report the phishing scheme to the ***TIGTA Spam Alert** and the **TIGTA Helpdesk**. Please don’t assume that because you recognize the ploy that others will. As hard as OIT tries, the bad people are very smart, not constrained by ANY laws or rules of behavior, or observe any sense of conscience. If informed, OIT can stop further message dissemination. It makes a difference. You can make a difference!

Be suspicious of emails you aren’t expecting.

Don't trust display names "Federal Daily e-Newsletter" is an example of a *display name* compared to the actual email address, federaldaily@1105newsletters.com. If you want to see the full name of the URL, hover your mouse over the name (DON'T CLICK). You will see the full name of the URL. Look for minor changes to the URL like changing .com to .biz or adding letters or words to the address.

Read the "from" addresses carefully.

If you are not sure but want take a closer look at the email (not the attachments) you can drag the suspect message to your Junk E-mail Folder and open it there. Doing so disables hyperlinks and may provide other clues.

Don't click on embedded hyperlinks unless you have high assurance the message is valid.

Be suspicious of *shortened URLs* (<http://t.co/HEVFFsg6MN>) is an example of a shortened URL for a Panama City News-Herald news article on an IRS scam. The real URL is <http://www.newsherald.com/news/crime-public-safety/police-irs-scam-continues-1.494745>. If you must click on a link in an email please take a moment to observe the landing page alerting you to the fact that you are heading to a site that is outside the .gov domain. (See below.)



Don't open attachments you aren't expecting.

Don't be curious. Remember what happened to the cat.

Remember! If only one person falls for a spear phishing e-mail, TIGTA's resources may be compromised.

Finally, be aware of phishing's cousin, the phone scam which may be reported to TIGTA Office of Investigations.

TIGTA ACTIVITY FOR PERIOD March 6, 2016 THROUGH March 27, 2016

OFFICE OF INVESTIGATIONS ACTIVITY

Former IRS Employee Sentenced for Involvement in a Stolen Identity Refund Scheme

On February 22, 2016, in the Western District of Missouri, Central Division, former Internal Revenue Service (IRS) employee Demetria Brown was sentenced for her role in a stolen identity tax refund scheme.¹ Brown pled guilty to charges of wire fraud and aggravated identity theft related to the scheme in June 2015.²

According to the court documents, Brown knowingly and willfully devised a scheme to defraud and obtain money from the IRS and the Missouri Department of Revenue (MDOR) by means of materially fraudulent representations. Brown worked for the IRS in St. Louis, Missouri, and lived in Fairview Heights, Illinois, at all times relevant to the charges.³

As part of her scheme, Brown obtained the personal identifiers (including names, Social Security Numbers, and dates of birth) of individuals without their consent or knowledge and completed fraudulent U.S. Individual Tax Returns and Missouri State Tax Returns using the identifiers. Brown added false information to the returns, such as addresses, place of employment, wages earned, and taxes withheld, and claimed refunds that were, in fact, not due.⁴

Using a false identity, Brown established an account with an Internet service provider and an e-mail address in order to submit these false returns to the IRS and MDOR. In furtherance of her scheme, Brown opened nominee bank accounts with at least six financial institutions in five different States, and used the bank information to direct the fraudulent refund payments to accounts which she controlled.⁵ Over a four-year period, 29 fraudulent State income tax refunds were deposited into accounts opened by Brown in the names of her three children. Brown was listed as the custodian on each account.⁶

Brown admitted that she had been preparing and electronically filing fraudulent Federal and State returns using the e-mail address she had established and her home computer. The IRS

¹ W.D. Mo. C.D. Judgment filed Feb. 24, 2016.

² W.D. Mo. C.D. Plea Agr. filed June 1, 2015.

³ W.D. Mo. C.D. Indict. filed Oct. 2, 2013.

⁴ *Id.*

⁵ *Id.*

⁶ W.D. Mo. C.D. Plea Agr. filed June 1, 2015.

determined that Brown filed in excess of 120 fraudulent Federal tax returns.⁷ Through her scheme, Brown unlawfully acquired approximately \$326,000.⁸

Brown was sentenced to 30 months in prison, followed by three years of supervised release. Additionally, she was ordered to pay a total of \$326,000 in restitution; \$211,000 to the IRS, and \$115,000 to MDOR. Brown is scheduled to begin her sentence on June 1, 2016.⁹

⁷ *Id.*

⁸ W.D. Mo. C.D. Indict. filed Oct. 2, 2013.

⁹ W.D. Mo. C.D. Judgment filed Feb 24, 2016.

Nigerian Man Arrested for Role in Large-Scale Scheme Using Stolen Identities to Interfere With and Defraud the IRS

Michael Oluwasegun Kazeem was indicted in the District of Oregon for mail fraud, conspiracy to commit mail fraud, and aggravated identity theft on February 4, 2016,¹⁰ and was subsequently arrested for those same offenses in Atlanta, Georgia on February 17, 2016.¹¹

According to the indictment, beginning as early as Tax Year 2012 and continuing until May 2015, Kazeem knowingly conspired with others to commit mail fraud, to defraud the Internal Revenue Service (IRS) and obtain money through false and fraudulent representations, and to use the means of identification of others without lawful authority. Kazeem resides in Nigeria and in the State of Georgia. His brother (and coconspirator) lives in Maryland, and a third coconspirator resides in Georgia.¹²

It was the object of the conspiracy to obtain stolen personally identifying information (PII) and use that information, coupled with information illegally obtained from IRS data systems, for the purpose of preparing and electronically filing fraudulent tax returns with the IRS to claim fraudulent refunds.¹³

Kazeem and his coconspirators obtained the names and other PII of over 250,000 U.S. taxpayers without their knowledge or consent. The stolen PII included information originating from a database owned by an Oregon company that conducts background checks for volunteers and job applicants. The coconspirators exchanged hundreds of communications containing the stolen Social Security Numbers (SSN) and other PII from the Oregon database.¹⁴

In furtherance of the conspiracy, Kazeem and his coconspirators used the stolen PII for unauthorized access to the IRS transcript system, which was available online through the “Get Transcript” application, in order to obtain over 1,200 taxpayer transcripts for subsequent use in filing fraudulent returns in those taxpayers’ names. An IRS transcript shows the taxpayer’s tax return information, including line items from the return, income information from the Forms W-2, 1099, and 1098, and basic data such as marital status, adjusted gross income, and taxable income. The online “Get Transcript” application requires a multi-step authentication using the taxpayer’s PII and personal identity verification questions. The coconspirators used the stolen names and other PII, along with any IRS transcript information acquired, to create fraudulent income tax returns and false Forms W-2.¹⁵

The coconspirators also used the stolen PII to obtain Electronic Filing PINs in the names of the victims. An Electronic Filing PIN is a five-digit personal identification number required for electronically filed tax returns when the filer does not have certain items of information from the previous year. A filer can request an Electronic Filing PIN using the website IRS.gov by authenticating his/her identity through a variety of prompts for personal information, including

¹⁰ D. Or. Indictment filed Feb. 4, 2016.

¹¹ D. Or. Executed Arrest Warrant filed Feb. 18, 2016.

¹² D. Or. Indictment filed Feb. 4, 2016.

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

SSN, name, address, and date of birth. Kazeem sent communications to his brother containing over 4,000 fraudulently obtained Electronic Filing PINS and stolen taxpayer PII. The fraudulent Electronic Filing PINS sent to Kazeem's brother, as well as disposable e-mail addresses, were used to file over 1,375 fraudulent Federal returns for Tax Year 2013, claiming refunds in excess of \$11 million. The actual loss based on the returns accepted for payment exceeded \$2.6 million.¹⁶

The coconspirators acquired hundreds of Green Dot debit cards with the stolen PII and used them to receive fraudulent tax refunds. They retrieved the fraudulent refunds from the debit and/or stored value cards through various purchases, including the purchase of money orders or wire transfers payable to themselves, and converted cash and money orders for their personal use.¹⁷

In total, Kazeem and his coconspirators used the stolen PII to file over 2,900 false Federal income tax returns seeking more than \$25 million dollars in fraudulent refunds. The actual losses to the IRS exceeded \$4.7 million.¹⁸

Additional legal proceedings are anticipated.

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *Id.*

IRS Employee Pleads Guilty to Orchestrating Large-Scale Identity Theft Refund Scheme

On February 8, 2016, in the Northern District of Alabama, Internal Revenue Service (IRS) employee Nakeisha Hall pled guilty to the theft of Government funds, aggravated identity theft, unauthorized access to a protected computer, and conspiracy to commit mail fraud affecting a financial institution and bank fraud.¹⁹ Hall was initially charged in a sealed indictment in September 2015 with the theft of Government funds, identity theft, and unauthorized access violations.²⁰ In December 2015, the conspiracy charge was added against Hall, and two coconspirators, Jimmie Goodman and Abdulla Coleman, were charged as well.²¹ A third coconspirator, Lashon Roberson, had been charged in the conspiracy in October 2015.²² Hall and Goodman were arrested on December 22, 2015; Coleman was arrested on January 7, 2016.²³

According to the court documents, Hall began working at the IRS in 2000. She was employed in the IRS Taxpayer Advocate Service (TAS) office in Birmingham, Alabama from 2007 to 2011, and has worked in TAS offices in Omaha, Nebraska, New Orleans, Louisiana, and Salt Lake City, Utah since November 2011. The TAS function is responsible for assisting taxpayers who are having difficulties with the IRS, often because they are victims of identity theft needing assistance in removing fraudulent tax information from their accounts, and with filing corrected tax returns.²⁴

By virtue of her IRS employment, Hall had the ability to access taxpayers' personal identifying information (PII), including names, dates of birth, and Social Security Numbers (SSN). Hall's authority to access this information, however, was limited to official business purposes. Hall was fully aware of these limitations, had completed training regarding such, and knew accesses made for non-business reasons could be subject to criminal prosecution. As a result of her lengthy IRS employment, Hall was also familiar with the process of filing tax returns and how to maximize tax refund amounts.²⁵

As part of her scheme to defraud the IRS, and for the purpose of personal financial gain,²⁶ Hall intentionally exceeded her authorization at work and accessed thousands of names, dates of birth, and SSNs for non-business purposes, running various searches through the IRS's system looking for individuals who met certain criteria. Between 2008 and 2011, Hall used fraudulently obtained PII to file hundreds of fraudulent individual income tax returns. Not only were these returns not authorized by the taxpayers whose identities were used, they also contained false and fraudulent Forms W-2 and other information in order to generate improper and artificially inflated refunds.

¹⁹ N.D. Ala. Plea Agreement Hall filed Feb. 8, 2016.

²⁰ N.D. Ala. Indictment Hall filed Sep. 24, 2015.

²¹ N.D. Ala. Superseding Indictment Hall et al filed Dec. 15, 2015.

²² N.D. Ala. Information Roberson filed Oct. 15, 2015.

²³ N.D. Ala. Criminal Docket Hall et al filed Sep. 24, 2015.

²⁴ N.D. Ala. Plea Agreement Hall filed Feb. 8, 2016.

²⁵ *Id.*

²⁶ N.D. Ala. Superseding Indictment Hall et al filed Dec. 15, 2015.

Hall prepared the fraudulent returns on her own computer using online tax software programs and requested that the associated refunds be put on debit cards designed solely for the purpose of accepting tax refunds.²⁷

After Hall came up with the idea for the scheme, she approached the others (coconspirators) for assistance in retrieving and liquidating the refunds. Hall solicited and obtained “drop addresses” from Goodman, Coleman, Roberson, and at least one other unnamed individual. Hall then had the tax refund debit cards sent by mail to the various “drop addresses.”²⁸

Once the refund debit cards arrived via mail, Hall and her coconspirators retrieved and activated them using the taxpayers’ PII previously obtained by Hall. Hall and her coconspirators accessed the associated funds through ATMs or by purchasing goods and services with the cards and receiving cash back on any unspent balance. For returns that generated refunds in the form of paper Treasury checks instead of debit cards, fraudulent endorsements were used to cash the Treasury checks at financial institutions. Hall compensated her coconspirators by giving them a portion of the money obtained or by giving them refund cards.²⁹

The conspiracy involved fraudulent returns with an intended loss by way of fraudulent refunds of more than \$550,000. The Government will recommend that Hall and her charged coconspirators be joint and severally liable for restitution in the amount of \$438,187, but reserves the right to request additional restitution if additional amounts become known before Hall’s sentencing date.³⁰

Hall’s sentencing is set for June 29, 2016.³¹ She could potentially face a maximum sentence of 32 years’ imprisonment for the conspiracy and aggravated identity theft charges.³² Coconspirator Roberson entered a guilty plea on February 11, 2016 and is scheduled to be sentenced on May 10, 2016.³³ Additional legal proceedings are anticipated for Goodman and Coleman.³⁴

²⁷ N.D. Ala. Plea Agreement Hall filed Feb. 8, 2016.

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.*

³¹ N.D. Ala. Criminal Docket Hall et al filed Sep. 24, 2015.

³² N.D. Ala. Plea Agreement Hall filed Feb. 8, 2016.

³³ N.D. Ala. Criminal Docket Roberson filed Oct. 15, 2015.

³⁴ N.D. Ala. Criminal Docket Hall et al filed Sep. 24, 2015.

IRS Employee Arrested in Fraud Scheme

On January 20, 2016, Internal Revenue Service (IRS) employee Creshika Wise was arrested in Atlanta, Georgia.³⁵ Wise had been indicted in the Northern District of Georgia for mail fraud, wire fraud, and aggravated identity theft on January 14, 2016.³⁶

According to the court documents, at all times relevant to the charges, Wise was an IRS revenue agent in Atlanta, Georgia. Her official duties as a revenue agent included regularly auditing individual, business, and corporate tax returns, and calculating taxpayers' correct tax liability based on her examination.³⁷

In approximately August 2013, Wise was assigned to audit an individual tax return jointly filed by two married taxpayers. The taxpayers had authorized a certified public accountant (CPA) to transact business with the IRS on their behalf. Due to erroneous information received from a third-party, the taxpayers had initially underreported and underpaid their Federal tax and, upon correction of the error, owed \$758,846 in additional personal income tax, plus interest. The taxpayers, through their CPA, agreed with this assessment.³⁸

Wise subsequently devised a scheme to knowingly defraud the taxpayers and to obtain money by means of false and fraudulent representations. The object of Wise's scheme was to take all or part of the additional Federal tax and interest owed to the IRS by these taxpayers and keep it for herself, personally. Wise created a fictitious IRS Form 4549, Income Tax Examination Changes, for the taxpayers and placed the fictitious form in the IRS's files. The fictitious Form 4549 showed a balance due of only \$282,363 rather than the \$758,846 already agreed upon. Wise also forged the signature of the taxpayers' CPA on the fictitious form.³⁹

Wise then opened a checking account in the name "Creshika C. Wise Sole Prop D/B/A U.S. Treasury and Accounting Service." She later sent a deceptive e-mail to the taxpayer-husband instructing him to send a wire transfer to this account, which she described as being titled in the name "U.S. Treasury and Accounting Service," failing to disclose that the bank account belonged to her personally rather than to the IRS.⁴⁰

Wise also attempted to open a bank account through the Internet at a different financial institution, this time in the names of the married taxpayers. As a follow-up, Wise sent a signature card via facsimile to the bank, and called the bank impersonating the taxpayer-wife in order to inquire about the status of the new account. In furtherance of her scheme, Wise changed, or caused to be changed, the taxpayers' addresses in the IRS computer system, from their actual residence to a United Parcel Service mailbox opened and controlled by Wise.⁴¹

Additional legal proceedings are anticipated.

³⁵ N.D. Ga. Executed Arrest Warrant filed Feb. 5, 2016.

³⁶ N.D. Ga. Indictment filed Jan 14, 2016.

³⁷ *Id.*

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ *Id.*

OFFICE OF AUDIT ACTIVITY

(b)(7)(E) - Final report issued and awaiting public release.

**Status of the Implementation of Recommendations Related to Conference Spending
(Reference No. 2016-10-020)**

[View the Report](#)

**Affordable Care Act: Controls Over Financial Accounting for the Premium Tax Credit
Should Be Improved (Reference No. 2016-13-021)**

[View the Report](#)

(b)(7)(E) - Final report issued and awaiting public release.



SENIOR STAFF MEETING

AGENDA

April 21, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

April 28, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Randy Silvis |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | John Zimmerman |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

May 5, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

May 12, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Bernard Williams |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

May 19, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|-------------------------|
| • OA - | Mike McKenney |
| • OI - | Jim Jackson |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Angelia McCoy |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



**This Month At TIGTA
May 2016 - after Kare**

This Month at TIGTA: May 2016



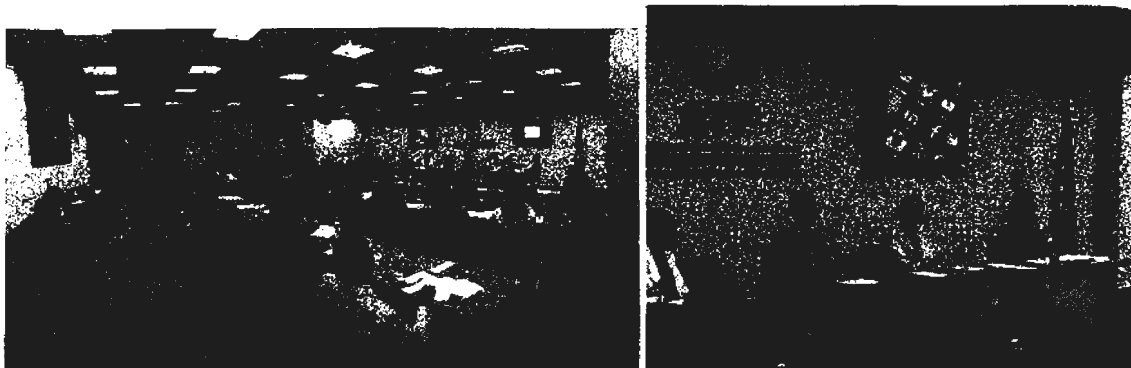
*As always, we welcome submissions for news items and stories; just send them to us at [*TIGTACommunications@tigta.treas.gov](mailto:TIGTACommunications@tigta.treas.gov).*

PUBLIC SERVICE RECOGNITION WEEK

May 1-7, 2016, was designated by Congress as Public Service Recognition Week. It was a week to recognize the hard work and dedication of our nation's public servants. As part of Public Service Recognition Week, TIGTA's Office of Mission Support provided light refreshments in the Pennsylvania Conference Room on May 4th, and many other events happened across Government to celebrate public service employees. J. Russell George, TIGTA's Inspector General, wrote to all TIGTA employees: "Even during difficult times, you work tirelessly to ensure that our Nation's tax administration system is efficient, effective, and fair. Your hard work does not go unnoticed. I am proud of TIGTA, of the men and women who work here, and of the work we perform each and every day. Thank you for all that you do!"

Thank you for your contribution to our mission and dedicated service to our Nation!

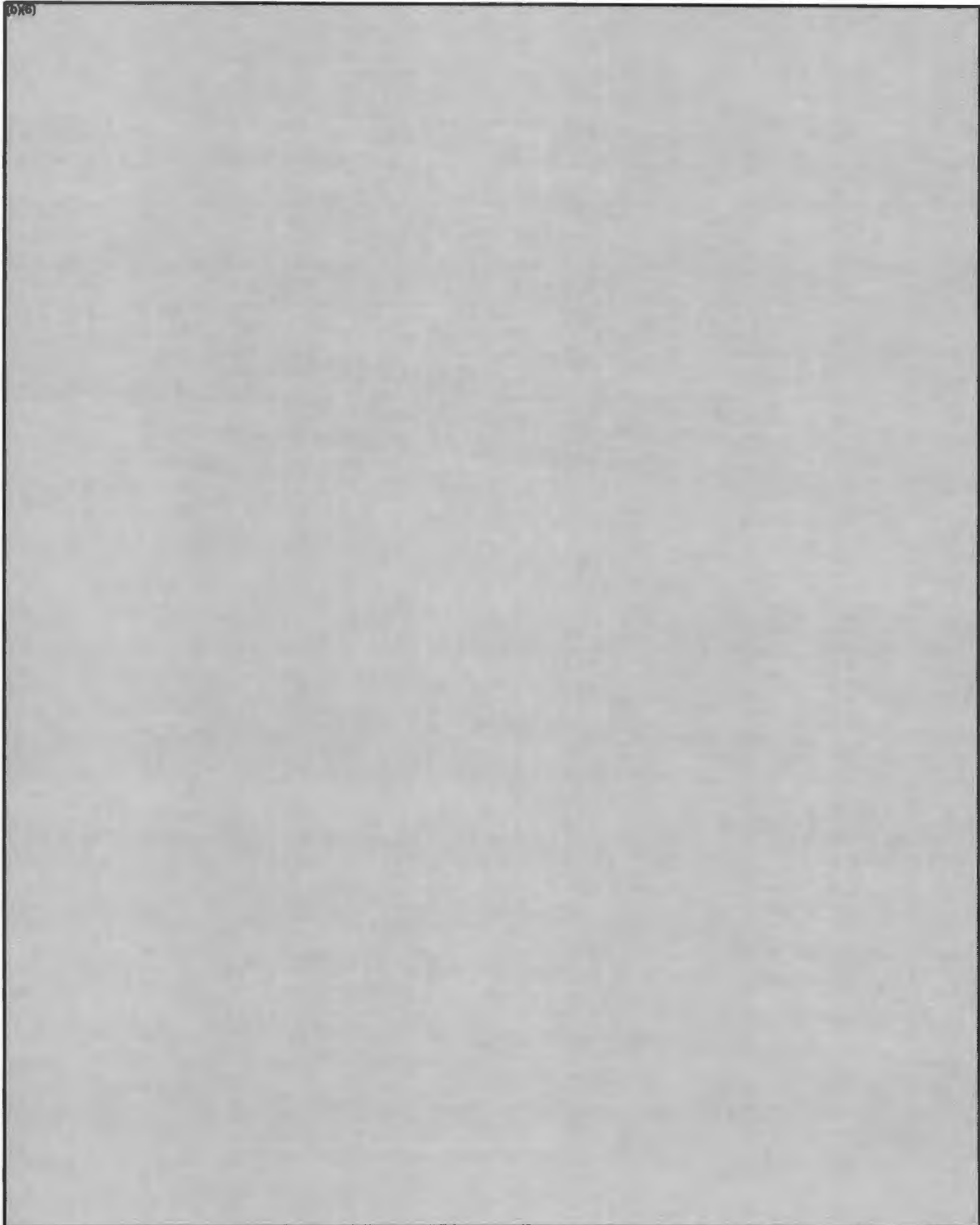
AT HEADQUARTERS: TIGTA HOSTS A CIGIE PANEL

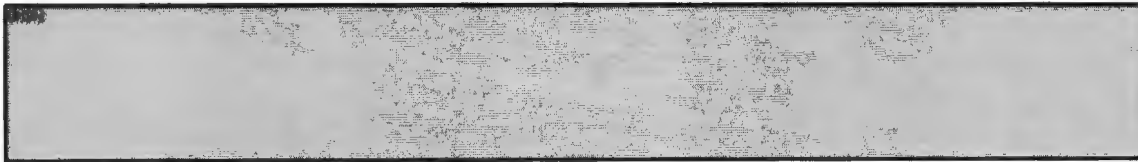


On April 19, 2016 TIGTA Office of Communications hosted and planned the content for the quarterly meeting of the CIGIE Public Affairs and Media Communications Working Group. Among other topics, including a presentation by all Treasury Inspectors General, the panelists

and attendees examined the topic "Social Media: What Is Working Now for Inspectors General?"

EMPLOYEE PROFILE





IN THE FIELD: TIGTA's 2016 LEADERSHIP LEGACY HONOREE: JEN DONNAN

Assistant Secretary for Management Brodi Fontenot was pleased to announce that 36 Treasury employees qualified to be recognized for the 2016 Leadership Legacy Honors.

As part of Treasury's observance of Public Service Recognition Week, the ASM annually invites all Treasury employees to nominate leaders – executives, managers, supervisors, and others – who have achieved mission results through successfully mentoring and coaching employees and teams to achieve their highest potential.

Jennifer Donnan, TIGTA's Acting Director of Leadership and Human Capital (L&HC) with the Office of Mission Support (OMS), was one of this year's honorees! In the coming weeks, Treasury will feature excerpts from each of the nominee's nominations on *The Green*, the Treasury Departmental Office's homepage. This is to show everyone in Treasury how our best leaders, like Jen, create a Leadership Legacy by guiding others to the next level. Congratulations, Jen!

IMPORTANT REMINDERS ABOUT YOUR BENEFITS

The following information came from the Office of Mission Support, Leadership and Human Capital division.

As your federal career progresses, it's important that you review your personal benefits periodically. As an employee, it is your responsibility to review and monitor your benefit elections. The document below provides important information about benefits. If you have any questions or concerns about the information provided, please do not hesitate to contact BFS at 304-480-8275 or Benefits@fiscal.treasury.gov.



2016 Important
Reminders About You

TIGTA PERSONNEL CHANGES for April 2016

New Employees

Please join the Office of Audit in welcoming the following new employees:
Jennifer Bailey

Corey Brown
Ryan Hadlock
Sean Morgan

Please join the Office of Investigations in welcoming the following new employees:

Branton Blount
Marco Carrillo
Anthony Colello
Emily Fillinger-Huggins

Retirements and Separations

There are no retirements or separations for the month of April 2016.

EEO CORNER

Jewish American Heritage Month

On April 28, 2016, President Barack Obama signed a proclamation acknowledging the month of May as Jewish American Heritage Month. We will celebrate the many accomplishments and history of Jewish Americans during the month of May.

Jewish Americans' experiences demonstrate courage and strength worthy of recognition. From the past to the present, with brave hearts, they continue to the fight against bigotry. With pride, they continue to share and empower others through their rich cultural contributions to American history.

You may visit <http://www.jewishamericanheritagemonth.us/index.aspx> as a guide to view the many historical achievements made by Jewish Americans and to retrieve information about Jewish American Heritage Month events occurring in many communities.

Asian American/Pacific Islander Heritage Month

On April 29, 2016, President Barack Obama, by proclamation, acknowledged the month of May as Asian American/Pacific Islander (AAPI) Heritage Month. The theme for AAPI Heritage Month is "Walk Together, Embrace Difference, Build Legacies." During the month of May we will celebrate the accomplishments and heritage of Asian Americans, Native Hawaiians and Pacific Islanders.

President Obama encourages Americans to visit www.WhiteHouse.gov/AAPI to view his administration's initiatives for the AAPI community.

The Smithsonian Institution is a great resource to further educate ourselves on AAPI history and heritage (<http://smithsonianapa.org/>). The Smithsonian Asian Pacific American Center is proud

to present “CrossLines: A Culture Lab on Intersectionality” on May 28-29, 2016 (<http://smithsonianapa.org/crosslines/>). Please support and join AAPI Heritage Month celebrations and events in your communities during the month of May.

Other May Observances

May 2016

Older Americans Month

Theme 2016: Blaze A Trail

Presidential proclamation acknowledging contributions of our nation’s older citizens

<http://oam.acl.gov/>

May 5th

Cinco de Mayo

Celebration of the Mexican victory over French forces at the Battle of Puebla on May 5, 1862

http://en.wikipedia.org/wiki/Cinco_de_Mayo

May 5th

Holocaust Remembrance Day

The United States’ annual commemoration of the Holocaust

<https://www.ushmm.org/remember/days-of-remembrance>

May 5th

National Day of Prayer

May 6th

Military Spouse Appreciation Day

May 8th

Mother’s Day

http://en.wikipedia.org/wiki/Mother's_Day

May 14th-21st

Armed Forces Week

May 17th

Anniversary of Brown vs. Board of Education Decision (1954)

https://en.wikipedia.org/wiki/Brown_v._Board_of_Education

May 21st

Armed Forces Day

May 30th (Federal holiday)

Memorial Day

Remembering men and women who died while serving in our nation’s Armed Forces!

http://en.wikipedia.org/wiki/Memorial_Day

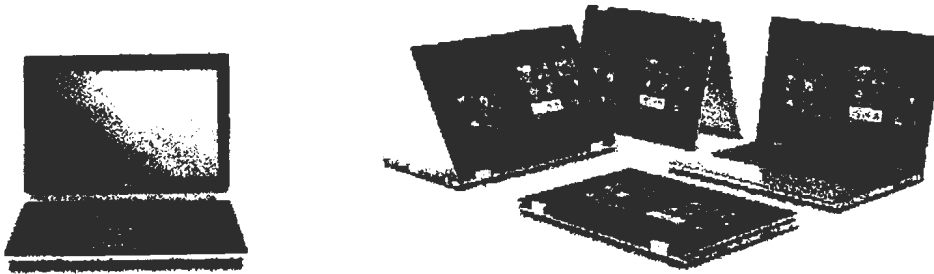
BITS & BYTES: New End-User Equipment Is in Your Future!

For the past several months, the Office of Information Technology (OIT) has been heavily engaged in envisioning and testing a myriad number of options related to TIGTA's anticipated laptop replacement. As you might imagine, this is a complex challenge with many moving parts. It is an incredibly complicated undertaking requiring significant planning. We have had countless discussions with hardware and software vendors, TIGTA's Procurement Services, other bureaus and agencies, industry researchers, and internal personnel preparing for this large and important project. We believe that this refresh cycle does not just replace the hardware but will posture TIGTA for a much richer user experience.

OIT is relying on trends in workstation technology and the usage patterns of TIGTA employees. With the compilation of requirements, trends, and patterns, OIT is focused on integrating new functionality in the next hardware platform, while retiring outdated and unused features.

An example of new functionality is touchscreen. The new Windows operating system and many related and subsequent application upgrades will permit a touch and gesture interface in addition to more traditional methodologies (i.e., keystroke and mouse). Ensuring our platform has touchscreen capability will permit a transition into more efficient use of those products.

The touchscreen option introduces other potential form factors for a workstation. OIT has the opportunity to not only consider a standard clamshell laptop, but also 2-in-1 laptops or convertibles that permit tablet-like capabilities. In addition, there are tablet-only configurations. Careful consideration is being given to the user's role and the knowledge gained from third party research and user experiences.



While there are quite a few new capabilities and options available for workstations, some features are outdated or simply unused. An example of a feature that may be nearing end of life is the CD/DVD drive. OIT reached out to representatives from our TIGTA partners to evaluate hardware and software needs. This included a recent TIGTA-wide survey regarding the use of the CD/DVD drive in the laptop. Over 55 percent of the TIGTA population responded to the survey. That is an excellent response rate and an indication of the importance of the end user experience. The data demonstrates that 85 percent of respondents never or rarely use (no more than once a month) the CD/DVD feature. With that kind of statistically relevant results, OIT can better identify the factors that drive features.

OIT will continue to reach out to our partners for insight into employee preferences. Our goal is to find a device that provides the greatest functionality and reliability with improved performance in a thinner, lighter and durable form. Hardware testing is expected in the coming months. We will plan some “show and tell” sessions to vet some of the more viable options, but before we get to that point, we must first resolve important software issues.

At present, the focus is on testing various software combinations and changes. We are entering a test phase with a number of colleagues drawn from all of the TIGTA functional areas. The results of these tests will tell us a great deal about our next steps.

We expect the rollout to begin this coming fall. Much like the 2012 refresh, the current plan anticipates providing OIT support and a personalized experience at numerous centralized locations across the continental U.S. Specific instructions regarding employee responsibilities for the transition and new system orientation will be provided as the deployment dates approach.

We thank you for your cooperation thus far, look forward to your continued engagement and appreciate your patience as we move toward a successful endeavor. We will make every possible effort to ensure a smooth transition. Stay tuned!

TIGTA ACTIVITY FOR PERIOD April 3, 2016 THROUGH April 24, 2016

OFFICE OF INVESTIGATIONS ACTIVITY

Two Missouri Men Sentenced in an Elaborate Conspiracy to Defraud the Government

On March 2, 2016, in the Western District of Missouri, Southern Division, Wesley Vernon Delpert and Alton Louis Vaughn, Sr. were both sentenced for their roles in a conspiracy to defraud the United States.¹ Delpert and Vaughn were initially charged and arrested in December 2014 for obstructing and impeding the administration of the Internal Revenue laws, conspiracy to defraud the United States, and false income tax returns.² Each pled guilty to the conspiracy in 2015.³

According to court documents, Delpert, the owner of Abundant Health & Wellness, a holistic health clinic in Springfield, Missouri, and Vaughn, a self-employed tax preparer and representative, knowingly conspired with each other to defraud the United States from February 2009 until September 2014, by impeding and obstructing the lawful functions of the Internal Revenue Service (IRS).⁴

¹ W.D. Mo. Judgment Wesley Delpert filed Mar. 7, 2016; W.D. Mo. Judgment Alton Vaughn filed Mar. 7, 2016.

² W.D. Mo. Indict. filed Dec. 9, 2014; W.D. Mo. Crim. Docket filed Dec. 9, 2014.

³ W.D. Mo. Plea Agr. Alton Vaughn filed June 9, 2015; W.D. Mo. Plea Agr. Wesley Delpert filed Aug. 13, 2015

⁴ W.D. Mo. Plea Agr. Wesley Delpert filed Aug. 13, 2015.

To impede a criminal investigation, Delpont and Vaughn falsely reported to the Treasury Inspector General for Tax Administration (TIGTA), allegations of wrongdoing by two IRS employees, claiming that an IRS revenue officer and an IRS special agent had coerced, intimidated, and threatened Delpont. They further stated that Delpont's original income records, which would prove he owed no taxes, were taken by the IRS revenue officer. They knew this to be untrue and knew the specified revenue officer was deceased.⁵

Beginning as early as May 2002 and continuing through September 2014, Delpont corruptly endeavored to obstruct and impede the due administration of the Internal Revenue laws through a variety of acts and fraudulent means. Delpont received approximately \$4.7 million in gross receipts for Abundant Health & Wellness from 2004 through 2013, which he did not report to the IRS as required by law and did not pay taxes on. Among other things, he transferred business funds to other accounts to pay personal expenses and registered entities in family members' names, in his efforts to avoid, delay, and otherwise impede the IRS.⁶

Delpont submitted multiple documents to the IRS with lengthy and frivolous arguments about the legality of taxes. He claimed that he was a "Sovereign National" and that the IRS was "a bogus agency not of government." He further claimed that he "is a NON-TAXPAYER" and that, as part of the Cherokee Republic of North America, he is not subject to taxation because of Indian treaties entered into by the United States.⁷

From at least 2009 through September 2014, Vaughn, also known as "Bishop" Vaughn, advised and colluded with Delpont on a number of activities designed to obstruct the IRS's efforts, including the preparation of Federal income tax returns which were materially false and contained frivolous statements about an IRS employee.⁸

Delpont and Vaughn refused to comply with IRS requests and summonses, as well as Grand Jury subpoenas for records, and continued to make the same false statement about the deceased revenue officer being in possession of Delpont's records.⁹

Vaughn provided false testimony to the Grand Jury about a meeting with the revenue officer and the special agent and stated that the revenue officer had verified that he had been to Delpont's business to collect the documents. Vaughn knew the revenue officer had not been to Delpont's business and that the claims were fictitious.¹⁰

Delpont and Vaughn further attempted to impede the Grand Jury by counseling an employee of Abundant Health & Wellness to refuse to testify, and by providing her with a written statement to read in lieu of her testimony.¹¹

⁵ *Id.*

⁶ W.D. Mo. Indict. filed Dec. 9, 2014.

⁷ *Id.*

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*

In a consensually monitored conversation, Vaughn advised another witness to stick to the false story they had concocted regarding the revenue officer having the tax records, and stated that there was no way the IRS could prove their story was false because the revenue officer was dead and could not provide testimony to the contrary.¹²

Even after his arrest in December 2014¹³, and up to May 2015, Vaughn allegedly continued to misrepresent himself to the IRS and taxpayers. Vaughn falsely stated that he had worked for the IRS for 12 years, when in fact, he was never employed by the IRS. Vaughn also falsely claimed that he was authorized to represent the taxpayers before the IRS and charged them for travel expenses to handle their tax matters.¹⁴

Delpert was sentenced to 46 months in prison; Vaughn was sentenced to 42 months. Both will be on supervised release for three years following incarceration. Delpert and Vaughn are jointly and severally liable for restitution to the IRS in the amount of \$585,733. Delpert was also fined \$5,000, and Vaughn was ordered to pay an additional \$3,595 in restitution to an individual.¹⁵ Delpert is appealing his sentence.¹⁶

The investigation was conducted jointly by agents of TIGTA and IRS Criminal Investigation.

California Man Indicted for Intentionally Running Over a Federal (DHS) Employee

On March 16, 2016, in the Central District of California, Geoffrey D. Rickner was indicted for assaulting a Federal employee using a dangerous and deadly weapon,¹⁷ after intentionally running into the employee with his car.¹⁸

According to the court documents, on March 3, 2016, Rickner intentionally and forcibly assaulted a Federal employee in the performance of his official duties at the Chet Holifield Federal Building, resulting in the infliction of bodily injury to the individual.¹⁹

The Chet Holifield Federal Building, located in Laguna Hills, California, is commonly referred to as the Ziggurat Building and houses employees of the Internal Revenue Service (IRS), the Department of Homeland Security (DHS), and other Federal Government officers. Around noon on March 3, 2016, DHS Federal Protective Service (FPS) received a call regarding a suspicious male at the Ziggurat Building, who was driving a silver Mercedes in an unusual manner and, at times, exiting his vehicle and pacing. FPS responded to the site and made contact with the driver, identified as Rickner from his driver's license. When questioned about his suspicious activity, Rickner continually repeated that he owed money to the IRS.²⁰

¹² *Id.*

¹³ W.D. Mo. Crim. Docket filed Dec. 9, 2014.

¹⁴ W.D. Mo. Plea Agr. Alton Vaughn filed June 9, 2015.

¹⁵ W.D. Mo. Judgment Wesley Delpert filed Mar. 7, 2016; W.D. Mo. Judgment Alton Vaughn filed Mar. 7, 2016.

¹⁶ W.D. Mo. Notice of Appeal filed Mar. 14, 2016.

¹⁷ indict

¹⁸ Crim compl

¹⁹ indict

²⁰ Crim compl

Officers obtained consent to search the trunk of Rickner's vehicle, in which they found nothing, and he then left the premises. Later that afternoon, Rickner returned to the Ziggurat Building and was reported to be pacing in front of the south entrance. FPS returned to the site and observed Rickner in his silver Mercedes. Rickner drove up to and stopped at a stop sign near the south entrance. Shortly after 4:30 pm, while a Federal employee was walking in the crosswalk en route to his vehicle, Rickner "gunned it," accelerating his car quickly, and drove through the intersection, hitting the pedestrian in the crosswalk. The pedestrian was thrown in the air. The Mercedes continued forward after hitting the pedestrian, rammed through a metal roll-down gate, and finally came to a stop inside the Ziggurat Building.²¹

Rickner, who appeared to be conscious and alert, was removed from the vehicle and taken into custody. A subsequent interview of Rickner's parents revealed he had visited them the previous day and had informed them of his debt to the IRS in the amount of \$200,000, plus penalties. On the morning of March 3, 2016, Rickner had also contacted his father by telephone to further discuss his IRS issues. His father indicated that Rickner had been feeling guilty about his debt issues and seemed to be more quiet and depressed during the last few days preceding the incident.²²

The unfortunate victim of the assault was a security specialist working with DHS, Customs and Border Patrol, in the Ziggurat Building. He was wearing an employee access card when he walked out of the building and into the crosswalk. He noticed a silver vehicle approximately 20 feet away and thought it was going to turn when it began to move. However, the vehicle veered towards the victim and accelerated. The victim heard the engine rev and felt his head hit the hood or windshield of the car after he was hit head on. Prior to being hit, the victim saw the driver's face and said the driver had a determined look. The employee suffered broken ribs, a broken nose, and several other injuries.²³

The court ordered Rickner to remain in custody.²⁴ Additional legal proceedings are anticipated.

Nevada Trio Indicted for Participation in a Telemarketing Fraud Scheme

On March 16, 2016, in the District of Nevada, Reginald A. Lowe, Willie J. Montgomery, and Tanika Armstrong were indicted for conspiracy to commit wire or mail fraud and money laundering, mail fraud, wire fraud, and money laundering in connection with a telemarketing scheme that was intended to target victims over the age of 55.²⁵

According to the indictment, from November 2008 to September 2013, Lowe, Montgomery, and Armstrong obtained "lead sheets," which identified persons who had previously entered sweepstakes, lotteries, or other prize-drawing contests, and who were thus thought to be susceptible to misrepresentations regarding potentially winning a prize, sweepstakes, or lottery.

²¹ *Id.*

²² *Id.*

²³ *Id.*

²⁴ Docket

²⁵ D. Nev. Indictment filed Mar. 16, 2016.

Using the lead sheet information, Lowe, Montgomery, and Armstrong, in the role of "talkers," would contact potential victims by telephone and falsely represent to them that they had won prizes consisting of large amounts of cash or other high-value merchandise. In doing so, the talker would hold himself out as being an official or employee of a lottery/sweepstakes committee or a government regulatory authority. The talker would frequently represent himself to be an official or employee of the Internal Revenue Service (IRS). The talker would tell the victim that, in order to receive the prize, he or she must first send money to a person named by the talker, as payment for taxes on prize winnings.²⁶

The talker would then direct the victim to send payment in the form of checks, money orders, U.S. currency, or other negotiable instruments via Western Union or MoneyGram wire transfer, United States Postal Service, United Parcel Service (UPS) or FedEx. Lowe, Montgomery, and Armstrong would direct victims to send the money to individuals referred to as "runners." The runners would retrieve the payments and deliver the money to Lowe, Montgomery, Armstrong, and others. The runners were given a small percentage of the criminal proceeds.²⁷

Lowe, Montgomery, Armstrong and others called at least 66 victims in 22 states. The defendants caused victims to send approximately \$96,983 via MoneyGram and at least \$366,238 via Western Union wire transfers. The defendants also fraudulently induced the victims to send a total of at least \$389,924 through the U.S. mail, UPS, and FedEx. As a result of the scheme, defendants Lowe, Montgomery, Armstrong, and others fraudulently obtained approximately \$1,175,670 from their victims.²⁸

According to court documents, Lowe was arrested on March 23, 2016²⁹, and Montgomery and Armstrong were arrested on March 24, 2016.^{30,31}

California Tax Return Preparer Arrested on Federal Fraud Charges

On April 7, 2016, in the Central District of California, Michael J. Calalang Cabuhat was arrested on charges of wire fraud, aggravated identity theft, and structuring financial transactions.³²

According to court documents, from 2010 to April 2015, Cabuhat defrauded customers of his tax preparation business in at least two ways. In some instances, Cabuhat would show a small refund on the copy of the tax return that he had prepared for the client, whereas he would claim a larger refund on the return that he filed with the IRS. Without the client's knowledge, Cabuhat would attach a form to the filed tax return directing the larger refund into a bank account that he controlled.³³

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

²⁹ D. Nev. Arrest Warrant filed March 23, 2016.

³⁰ D. Nev. Arrest Warrant filed March 24, 2016.

³¹ D. Nev. Arrest Warrant filed March 25, 2016.

³² C.D. Cal. Criminal Docket Report as of April 13, 2016.

³³ C.D. Cal. Criminal Complaint filed April 5, 2016.

In other cases, Cabuhat would falsely show a tax due on the client's copy of the tax return, whereas he would claim a refund on the return that he filed with the IRS. In these instances, Cabuhat would tell the client-taxpayer to make the "tax payment" directly to him, so he could send the payment to the IRS. In fact, Cabuhat would keep the "tax payment" made by the client and would direct the IRS to deposit the refund claimed on the client's filed tax return into a bank account that he controlled.³⁴

Between 2010 and 2015, Cabuhat allegedly used this scheme to obtain or attempt to obtain more than \$1.2 million in tax refunds that should have gone to 144 clients.³⁵

Cabuhat claimed to be an enrolled agent; however, the investigation confirmed that he was not, and had never been, an enrolled agent. As defined by the IRS, an enrolled agent is a person who has earned the privilege of representing taxpayers before the IRS, either by passing a three-part comprehensive IRS test covering individual and business tax returns or through experience as a former IRS employee. This credential is the highest that the IRS awards. Cabuhat also stated that he was a licensed Certified Public Accountant (CPA) in the Philippines, but he does not hold a CPA license issued in the United States.³⁶

In addition to the tax refund scheme, in September 2014, Cabuhat structured cash deposits to avoid Federal bank reporting requirements. Specifically, Cabuhat made three separate cash deposits of \$9,900 each over seven days, totaling \$29,700. On the day after these structured transactions were completed, Cabuhat wrote a \$24,500 check to purchase a Ferrari.³⁷

The investigation was conducted jointly by agents of the Treasury Inspector General for Tax Administration and IRS Criminal Investigation.³⁸ Additional legal proceedings are anticipated.

OFFICE OF AUDIT ACTIVITY

(b)(7)(E) - SBU report

(b)(7)(E) - SBU report

(b)(7)(E) - SBU report

³⁴ *Id.*

³⁵ *Id.*

³⁶ *Id.*

³⁷ *Id.*

³⁸ C. D. Cal. Criminal Complaint filed April 5, 2016.

Revising Tax Debt Identification Programming and Correcting Procedural Errors Could Improve the Tax Refund Offset Program
(Reference No. 2016-40-028)

[View the Report](#)

Affordable Care Act: Internal Revenue Service Verification of Premium Tax Credit Claims During the 2015 Filing Season (Reference No. 2016-43-033)

[View the Report](#)

Interim Results of the 2016 Filing Season (Reference No. 2016-40-034)

[View the Report](#)

Opportunities Exist to Identify and Examine Individual Taxpayers Who Deduct Potential Hobby Losses to Offset Other Income (Reference No. 2016-30-031)

[View the Report](#)

OFFICE OF INSPECTIONS AND EVALUATIONS ACTIVITY

Subject: Several Changes Sought by the Internal Revenue Service Restructuring and Reform Act of 1998 Remain a Challenge (Reference No.: 2016-IE-R005).

[View the Report](#)

Subject: Letter Report: Procedures to Protect Taxpayer Information at Offer in Compromise Public Inspection file Locations Should Be Enhanced
(Reference No.: 2016-IE-R006)

[View the Report](#)

Subject: Inspection of the Internal Revenue Service's Medical Requirements for Special Agents (Reference No.: 2016-IE-R007)

[View the Report](#)



SENIOR STAFF MEETING

AGENDA

May 26, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

June 2, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|-------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Angelia McCoy |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

June 16, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

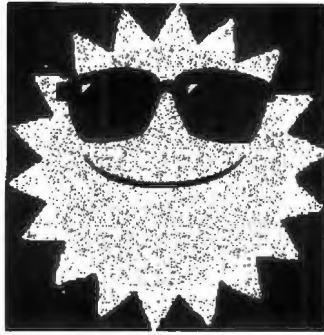
- | | |
|----------------------------|-----------------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Mark Anderson (Conf. Call) |
| • EEO - | Angelia McCoy |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



This Month At TIGTA
June 2016.docx

This Month at TIGTA: June 2016



*As always, we welcome submissions for news items and stories; just send them to us at
[*TIGTACommunications@tigta.treas.gov](mailto:TIGTACommunications@tigta.treas.gov).*

EMPLOYEE PROFILE

(b)(6)



(b)(6)



TIGTA PERSONNEL CHANGES for May 2016

New Employees

Please join the Office of Audit in welcoming the following new employee:

Michael Curtis

Please join the Office of Information Technology in welcoming the following new employees:

Heshmat Ansari

Dean Bickley

John Ribnikar

Please join the Office of Inspections and Evaluations in welcoming the following new employees:

Jennifer Earls

Eleina Monroe

Please join the Office of Investigations in welcoming the following new employees:

Elizabeth Dale

David Dimler

Trent Dyer

Aric Kalynchuk

Andrew Orozco

Jonathan Pruett

Michael Rice

Retirements and Separations

We wish the following employees well in their next steps:

Emma Price -- OA

Patricia Stevens - OA

EEO CORNER

June is Lesbian, Gay, Bisexual, and Transgender (LGBT) Pride Month



President Barack Obama by proclamation acknowledged June 2016 as Lesbian, Gay, Bisexual, and Transgender (LGBT) Pride Month. The 2016 theme for LGBT Pride Month is "Solidarity Through Pride." LGBT activists work tirelessly to achieve equal rights and benefits for the LGBT community. LGBT Pride Month recognizes the many contributions that Lesbian, Gay, Bisexual, and Transgender individuals have made locally and globally.

We can all display solidarity through advocacy and education that will support the fight against prejudices and discriminations that haunt the LGBT communities. For more information about LGBT Pride Month please click on this Library of Congress link:
<https://www.loc.gov/lgbt/about.html>.

Other June Observances

June

National Caribbean American Heritage Month

June 14

Flag Day

June 14, 1777, is the day that the United States officially adopted the usage of the flag by resolution of the Second Continental Congress.

[https://en.wikipedia.org/wiki/Flag_Day_\(United_States\)](https://en.wikipedia.org/wiki/Flag_Day_(United_States))

June 19

Juneteenth

Juneteenth (“June” plus “nineteenth”) is the oldest celebration commemorating the ending of slavery in 1865.

<http://www.pbs.org/wnet/african-americans-many-rivers-to-cross/history/what-is-juneteenth/>

June 19

Father’s Day

Happy Father’s Day!

Events and Conferences

June 6-9

Society of American Indian Government Employees (SAIGE) National Training Program in Catoosa, OK

<http://saige.org>

June 9, 2016

TIGTA EEO Office Lunch and Learn

Headquarters, Pennsylvania Conference Room 453, 11:30-12:30

Basics and best practices for preventing LGBT-related discrimination in the workplace

July 11-14

Federally Employed Women (FEW) National Training Program

Dallas, TX

“In the Spirit of Excellence”

<https://www.few.org/training-education/national-training-program/>

July 12-16

The 87th League of United Latin American Citizens (LULAC) National Convention

Washington, DC

“Latinos at the Seat of Power”

<http://lulac.org/events/convention2016/>

August 22-25

Blacks In Government (BIG) 38th National Training Institute

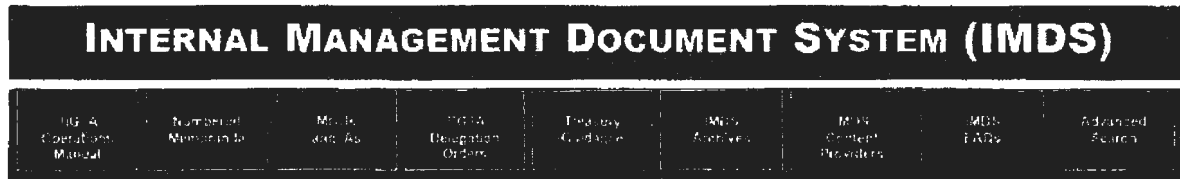
Atlantic City, NJ

“Commit to Excellence: Think, Believe, and Achieve BIG”

<http://www.bignet.org/>

BITS & BYTES

Announcing IMDS – A Fresh Look



What is IMDS?

TIGTA's Internal Management Document System (IMDS) contains all current guidance and policy. You will find information on Treasury guidance and TIGTA-wide policy and guidance. In addition, functional guidance is available in the TIGTA Operations Manual.

What is Happening?

Very soon, TIGTA will be introducing the IMDS site with a fresh new look and feel. An e-mail will be issued several days before the release date. The Office of Information Technology (OIT) and the Office of Mission Support (OMS) have been collaborating to determine a more useful and easier-to-navigate layout. The intention is to take advantage of underlying platform technology and structure TIGTA for a better user experience.

How to Get to IMDS?

Here are two common ways to access IMDS:

1. Click the IMDS link on the TIGTA homepage left panel to view the system.
- OR**
2. Go to the **Search** box on the right column of TIGTA's intranet site. Enter the criteria in the **Search for:** entry field. In the **Search in:** dropdown box, select *IMDS*. Then click the **Search** button to view your search results.

Note: Other options for the **Search in:** dropdown box for IMDS also include *IMDS Operations Manual* and *IMDS-Archives*.

Why Revamp the IMDS Site?

The content of the site has not changed, just the look and feel of it. By consolidating active images and links on the various IMDS web pages, we constructed clickable menu navigation bars.

The goal of the updates is to provide ease of access and more clarity as to what is available on the various IMDS web pages.

Here are a few of the features on the new IMDS web pages:

- TIGTA Operations Manual – Display the Operations Manual and Manual Transmittals side by side for each chapter.

CHAPTER 400 - INVESTIGATIONS

Section	Manual	Transmittals
400-10 - Authority and Organization	View Manual	View Transmittals
400-20 - Inspection and Control	View Manual	View Transmittals
400-30 - Laboratory Requirements and Recording Requirements	View Manual	View Transmittals
400-40 - General Information	View Manual	View Transmittals
400-50 - FBI/DOJ	View Manual	View Transmittals
400-60 - General Legal Matters	View Manual	View Transmittals
400-70 - Inspection Authority	View Manual	View Transmittals
400-80 - Performance and Quality Information System (PQIS)	View Manual	View Transmittals
400-90 - Organizational Health and Wellness	View Manual	View Transmittals
400-100 - Special Agent Training and Professional Development	View Manual	View Transmittals
400-110 - Management Matters	View Manual	View Transmittals
400-120 - Use of Force and Lethal Weapons	View Manual	View Transmittals

Operations Manual Search:

Chapter 400 - Investigations

Table of Contents

- (400-10) - Authority and Organization
- (400-20) - Inspection and Control
- (400-30) - Laboratory Requirements and Recording Requirements
- (400-40) - General Information
- (400-50) - FBI/DOJ
- (400-60) - General Legal Matters
- (400-70) - Inspection Authority
- (400-80) - Performance and Quality Information System (PQIS)
- (400-90) - Organizational Health and Wellness
- (400-100) - Special Agent Training and Professional Development
- (400-110) - Management Matters
- (400-120) - Use of Force and Lethal Weapons

Chapter 400 Manual Transmittals:

FY 2016

- [MT 74 \(10/01/16\)](#)
- [MT 73 \(10/01/16\)](#)
- [MT 72 \(10/01/16\)](#)
- [MT 71 \(10/01/16\)](#)
- [MT 70 \(10/01/16\)](#)
- [MT 69 \(10/01/16\)](#)
- [MT 68 \(10/01/16\)](#)
- [MT 67 \(10/01/16\)](#)
- [MT 66 \(10/01/16\)](#)
- [MT 65 \(10/01/16\)](#)
- [MT 64 \(10/01/16\)](#)
- [MT 63 \(10/01/16\)](#)
- [MT 62 \(10/01/16\)](#)
- [MT 61 \(10/01/16\)](#)
- [MT 60 \(10/01/16\)](#)
- [MT 59 \(10/01/16\)](#)
- [MT 58 \(10/01/16\)](#)
- [MT 57 \(10/01/16\)](#)
- [MT 56 \(10/01/16\)](#)
- [MT 55 \(10/01/16\)](#)
- [MT 54 \(10/01/16\)](#)
- [MT 53 \(10/01/16\)](#)
- [MT 52 \(10/01/16\)](#)
- [MT 51 \(10/01/16\)](#)
- [MT 50 \(10/01/16\)](#)
- [MT 49 \(10/01/16\)](#)
- [MT 48 \(10/01/16\)](#)
- [MT 47 \(10/01/16\)](#)
- [MT 46 \(10/01/16\)](#)
- [MT 45 \(10/01/16\)](#)
- [MT 44 \(10/01/16\)](#)
- [MT 43 \(10/01/16\)](#)
- [MT 42 \(10/01/16\)](#)
- [MT 41 \(10/01/16\)](#)
- [MT 40 \(10/01/16\)](#)
- [MT 39 \(10/01/16\)](#)
- [MT 38 \(10/01/16\)](#)
- [MT 37 \(10/01/16\)](#)
- [MT 36 \(10/01/16\)](#)
- [MT 35 \(10/01/16\)](#)
- [MT 34 \(10/01/16\)](#)
- [MT 33 \(10/01/16\)](#)
- [MT 32 \(10/01/16\)](#)
- [MT 31 \(10/01/16\)](#)
- [MT 30 \(10/01/16\)](#)
- [MT 29 \(10/01/16\)](#)
- [MT 28 \(10/01/16\)](#)
- [MT 27 \(10/01/16\)](#)
- [MT 26 \(10/01/16\)](#)
- [MT 25 \(10/01/16\)](#)
- [MT 24 \(10/01/16\)](#)
- [MT 23 \(10/01/16\)](#)
- [MT 22 \(10/01/16\)](#)
- [MT 21 \(10/01/16\)](#)
- [MT 20 \(10/01/16\)](#)
- [MT 19 \(10/01/16\)](#)
- [MT 18 \(10/01/16\)](#)
- [MT 17 \(10/01/16\)](#)
- [MT 16 \(10/01/16\)](#)
- [MT 15 \(10/01/16\)](#)
- [MT 14 \(10/01/16\)](#)
- [MT 13 \(10/01/16\)](#)
- [MT 12 \(10/01/16\)](#)
- [MT 11 \(10/01/16\)](#)
- [MT 10 \(10/01/16\)](#)
- [MT 9 \(10/01/16\)](#)
- [MT 8 \(10/01/16\)](#)
- [MT 7 \(10/01/16\)](#)
- [MT 6 \(10/01/16\)](#)
- [MT 5 \(10/01/16\)](#)
- [MT 4 \(10/01/16\)](#)
- [MT 3 \(10/01/16\)](#)
- [MT 2 \(10/01/16\)](#)
- [MT 1 \(10/01/16\)](#)

- Numbered Memoranda – Moved functional memoranda onto separate web pages.

NUMBERED MEMORANDA

IMDS	TIGTA	DO	DOJ	DOA	DOH	DOE	DOHS
Manual	Numbered Memoranda	Manual	Manual	Manual	Manual	Manual	Manual
View	View	View	View	View	View	View	View

TIGTA Numbered Memoranda

FY2016	FY2009
FY2016	FY2009
FY2015	FY2008
FY2014	FY2007
FY2013	FY2006
FY2012	FY2005
FY2011	FY2004
FY2010	FY2003
	FY2002
	FY2001
	FY2000

- IMDS Archives – Reversed the clickable annual archives in descending order.



Please refer to the current [TIGTA Operations Manual](#).

FY 2016
[1st Quarter](#)
[2nd Quarter](#)

FY 2015
[1st Quarter](#)
[2nd Quarter](#)
[3rd Quarter](#)
[4th Quarter](#)

FY 2014
[1st Quarter](#)
[2nd Quarter](#)
[3rd Quarter](#)
[4th Quarter](#)

Contact:

To learn more about the IMDS Look & Feel or to request a demo, please e-mail [*TIGTA OMS IMDS Requests](#) or [TIGTA IT Web Team](#).

TIGTA ACTIVITY FOR PERIOD May 1, 2016 THROUGH May 29, 2016

OFFICE OF INVESTIGATIONS ACTIVITY

U.S. Postal Service Employee and Coconspirator Indicted for Stealing IRS Refund Checks from the Mail

On May 5, 2016, in the Southern District of Florida, Tara Marshea Tucker and David Earl Tucker were indicted for a conspiracy to steal Government funds from the mail and aggravated identity theft.¹

According to the court documents, Tara and David Tucker knowingly and willfully conspired to steal and convert to their own use for the purpose of unjust enrichment, U.S. Treasury tax refund checks issued to other persons. As part of the conspiracy, Tara Tucker, a U.S. Postal Service employee, would steal Federal income tax refund checks belonging to other individuals while in the performance of her duties as a postal carrier and provide them to David Tucker. David Tucker was to cash the stolen checks and distribute the proceeds among the conspirators.²

In July 2015, Tara Tucker stole a Federal income tax refund check payable to another in the amount of \$8,578.47, which had been entrusted to her and came into her possession with the intent she deliver it by mail. She then provided the refund check to David Tucker, who knew the check had been stolen from an authorized U.S. mail depository in Miami, Florida.³

¹ S.D. Fla. Indictment filed May 6, 2016.

² *Id.*

³ *Id.*

Additionally, during and in relation to the felony offense of theft of Government funds, Tara and David Tucker knowingly transferred, possessed, and used, without lawful authority, the means of identification of another person, to wit, the name and address of the individual to which the refund check had been issued. In August 2015, David Tucker sent a text message to an individual with the same name as the victim in an effort to cash the check and subsequently sent another text with the victim's address, which was consistent with the address on the refund check. The following day, David Tucker was found in possession of the stolen \$8,578.47 refund check.⁴

Each could face a maximum of 10 years in prison for the theft of Government funds, plus two additional years for the aggravated identity theft.⁵ Additional legal proceedings are anticipated.

Woman Falsely Claims to Be an IRS Employee to Obtain Loans and Purchase Vehicles

On May 2, 2016, in the Western District of New York, Tamara Ward pled guilty to a superseding information charging her with fraud and related activity in connection with identification documents.⁶ Ward had been indicted for bank fraud and making false statements on loan applications in September 2015,⁷ and she was taken into custody by Treasury Inspector General for Tax Administration special agents.⁸

According to the court documents, Ward knowingly executed a scheme to defraud two separate financial institutions and obtain funds from both by means of materially false and fraudulent pretenses and representations. Specifically, Ward prepared and signed two fraudulent loan applications, one for submission to Ally Financial, Inc. and one for JPMorgan Chase. In both applications, Ward falsely stated she that was employed by the Internal Revenue Service (IRS) and had been for five years. She further claimed that she earned an annual salary of \$50,000. Ward made these false and fraudulent statements in order to obtain financing from each of the financial institutions for automobile loans, when in fact she well knew that she was not, and had not ever been, employed by the IRS.⁹

As a result of Ward's false statements on the loan applications, the banks' total aggregate loss was \$14,914.75. Ally Financial, Inc. disbursed \$9,914.75 toward Ward's purchase of a Chevrolet Avalanche, and JPMorgan Chase disbursed \$5,000 toward her purchase of a Chevrolet Impala.¹⁰

Ward will be required to pay restitution to JPMorgan Chase and agreed to forfeit the Chevrolet Avalanche. Ward could face a possible sentence of one year in prison and a fine of \$100,000.¹¹ Sentencing is scheduled for July 29, 2016.¹²

⁴ *Id.*

⁵ *Id.*

⁶ W.D. N.Y. Plea Agreement filed May 2, 2016; W.D. N.Y. Superseding Information filed May 2, 2016.

⁷ W.D. N.Y. Indict. filed Sep. 17, 2015.

⁸ W.D. N.Y. Petition and Order for Writ of Habeas Corpus Ad Prosequendum filed Sep. 22, 2015.

⁹ W.D. N.Y. Indict. filed Sep. 17, 2015.

¹⁰ W.D. N.Y. Plea Agreement filed May 2, 2016.

¹¹ *Id.*

Two IRS Employees Arrested for Preparing and Filing Fraudulent Tax Returns

On April 15, 2016, in the Eastern District of California, Internal Revenue Service (IRS) employees Della Ornelas and Randall Ruff were arrested for their roles in the preparation and filing of fraudulent Federal tax returns.¹³ The day prior to their arrests, a 38-count indictment was filed charging the two with aiding and assisting in the preparation of fraudulent income tax returns and offenses by officers and employees of the United States for making fraudulent tax returns.¹⁴

According to the court documents, Ornelas and Ruff are both IRS employees in Fresno, California. Ruff has been employed by the IRS for approximately 31 years, and Ornelas for approximately 25 years. The two have been married since 2012 and lived together for approximately 20 years prior to that time.¹⁵

Between 2005 and 2012, Ornelas and Ruff prepared and filed, or caused to be filed, numerous fraudulent Federal income tax returns for themselves, their family members, their friends, and others. They knowingly placed false information on the returns to reduce the amount of tax liability or to increase the amount of the refund.¹⁶

Specifically, Ornelas willfully aided in the preparation and presentation of 20 Forms 1040, *U.S. Individual Income Tax Return*, all of which contained fraudulent information, such as falsely claiming Head of Household status and/or false dependency exemptions. These false claims resulted in tax higher refunds for the taxpayers. Additionally, Ruff willfully aided in the preparation and filing of 14 Forms 1040, all containing similar types of fraudulent information.¹⁷

Many of the fraudulent refunds, when paid, had portions electronically deposited into bank accounts owned or controlled by Ornelas or Ruff, often without the taxpayer's knowledge.¹⁸

In addition to the fraudulent returns of others, Ornelas, as an employee of the IRS, and in connection with a U.S. revenue law, knowingly made and signed her own Federal income tax return for tax year 2009, making false claims as to Head of Household status and dependents, resulting in a tax loss of \$6,262. Ruff made the same false claims on three of his own tax returns for Tax Years 2009, 2010, and 2011, which resulted in an aggregate tax loss of \$10,956.¹⁹

¹² W.D. N.Y. Criminal Docket filed Sep. 17, 2015.

¹³ E.D. Cal. Executed Arrest Warrant Ornelas filed Apr. 15, 2016; E.D. Cal. Executed Arrest Warrant Ruff filed Apr. 15, 2016.

¹⁴ E.D. Cal. Indictment filed Apr. 14, 2016.

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *Id.*

As a result of their fraudulent conduct, Ornelas and Ruff defrauded the United States in a total amount of \$145,561.²⁰

Additional legal proceedings are anticipated for both.

IRS Employee Pleads Guilty to Unauthorized Access and Disclosure of Tax Information

On March 28, 2016, in the District of Massachusetts, Internal Revenue Service (IRS) employee Nicole Johnson pled guilty²¹ to an Information charging her with conspiracy to make unauthorized accesses to a Government computer for financial gain and disclosure of tax return information.²²

According to the court documents, Johnson was employed as an IRS contact representative in Andover, Massachusetts. In her capacity as a contact representative, Johnson was responsible for responding to telephone inquiries from taxpayers concerning issues that included, among other things, the taxpayers' Federal income tax returns and Federal income taxes owed. For the purpose of performing her official duties, Johnson had access to the IRS databases housing personal identifying information and Federal income tax information for millions of U.S. taxpayers. Johnson understood, and was required to certify on a yearly basis, that she could only access this information for an official business purpose and that willful unauthorized access could result in serious penalties, including prosecution.²³

Between January 2011 and April 2014, Johnson knowingly agreed with a coconspirator to intentionally access a computer without authorization and exceed her authorized access in order to obtain information from the IRS for the purpose of private financial gain and in furtherance of a criminal act, namely the unauthorized disclosure of tax return and tax return information. Johnson and her coconspirator, who worked at a debt collection agency in Andover, lived together. He knew she worked for the IRS, had access to taxpayer information, and was not permitted to disclose such information to unauthorized persons.²⁴

It was the object of the conspiracy to abuse Johnson's access to the IRS databases and to obtain information on several taxpayers associated with her coconspirator. It was further the object of the conspiracy to disclose the victim taxpayers' information to Johnson's coconspirator, specifically to assist him in a child support dispute, aid in his debt collection work, seek a reduction of his own Federal income tax, and delay IRS levy and garnishment proceedings on his tax account. Johnson's coconspirator provided her with the names and/or other information pertaining to the victims in order for Johnson to perform searches in the IRS databases.²⁵

One victim (Victim 1) was the coconspirators' girlfriend from approximately 2009 to 2010 and resided with him at a residence in Lawrence, Massachusetts at various times during that period.

²⁰ *Id.*

²¹ D. Mass. Criminal Docket filed Sep. 23, 2015.

²² D. Mass. Information filed Sep. 23, 2015.

²³ *Id.*

²⁴ *Id.*

²⁵ *Id.*

After Victim 1 filed for child support against the coconspirator in probate court in 2011, the coconspirator sent a text to Johnson regarding access to Victim 1's information. Johnson subsequently made accesses to the IRS databases and provided the victim's taxpayer information to her coconspirator via text message. In 2012, just days prior to a child support probate court hearing, Johnson again accessed the taxpayer information of Victim 1 and sent the information by text to her coconspirator. Shortly thereafter, the coconspirator filed a pre-trial memorandum in probate court, which stated that he intended to introduce the "Tax Returns of Mother" (Victim 1), and listed Johnson as a probate trial witness.²⁶

Another victim (Victim 2) also had been a previous girlfriend of Johnson's coconspirator from approximately 2003 to 2009, and had lived with him at the Lawrence residence. Due to the coconspirator's credit issues, among other things, Victim 2 had agreed to apply for and put the mortgage of the Lawrence residence in her name. Around February 2012, at her coconspirator's direction, Johnson began accessing Victim 2's taxpayer information, including information pertaining to the victim's deduction of mortgage interest on the Lawrence residence. During the same time Johnson was accessing the account, her coconspirator sent a text message to Victim 2 stating, "Why do u keep stealing my money," referring to the deduction of mortgage interest on the Lawrence residence. Several months later in 2012, again at her coconspirator's direction, Johnson accessed Victim 2's tax information, including the deduction of approximately \$13,109 in mortgage interest. The following day, the coconspirator filed his Federal income tax return declaring a home mortgage interest deduction in the same amount, \$13,109.²⁷

In 2013, Johnson accessed the IRS databases and obtained taxpayer information to aid the coconspirator in his debt collection work. Also in 2013, Johnson accessed her coconspirator's account and placed a delay notice on his taxes due and owing for tax years 2009, 2010, and 2011. In April 2014, Johnson again accessed her coconspirator's tax information to assist him concerning his Federal tax matters.²⁸

Johnson's sentencing is scheduled for June 20, 2016.²⁹

Maryland Man Living in the United States Illegally Pleads Guilty to Money Laundering Conspiracy

Kaushik K. Modi, also known as Kaushik K. Patel,³⁰ a native of India who is living illegally in the United States, pled guilty on March 22, 2016, in the District of Maryland, to money laundering conspiracy for his role in an impersonation fraud scheme.³¹

According to the court documents, sometime in early 2014, Modi was recruited by other Indian nationals to participate in a scheme to launder millions of dollars in fraud proceeds obtained from individual victims through a variety of schemes.³²

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

²⁹ D. Mass. Criminal Docket filed Sep. 23, 2015.

³⁰ D. Md. Criminal Docket filed May 27, 2015.

³¹ D. Md. Plea Agreement filed Mar. 22, 2016.

Modi was instructed via text messages received on his cell phone to purchase large numbers of stored value cards, principally Green Dot cards, and to forward the PIN numbers of the cards to other unidentified individuals. After forwarding the PIN numbers, MODI would receive instructions to use the cards, which had been loaded with monetary value by the coconspirators, to purchase money orders, principally MoneyGram money orders at Walmart stores. He was further instructed to then deposit those money orders into bank accounts, either in Modi's name or in the names of third parties.

The money loaded onto the stored value cards by the coconspirators was derived from a variety of fraud schemes. Some of the money was derived from calls made by persons who impersonated Internal Revenue Service (IRS) employees to convince innocent taxpayers that they owed taxes to the IRS and needed to send money to the coconspirators to avoid arrest and incarceration. Other money was derived by offering merchandise for sale on the Internet and then failing to provide the merchandise once money was received from the victim-purchasers. On at least two occasions, victims of the IRS impersonation fraud deposited money directly into accounts held in Modi's name.³³

Between January 1, 2014 and March 24, 2015, Modi deposited into his bank accounts 241 money orders totaling \$2,077,308.20, all in furtherance of the instructions he received from the coconspirators. Moreover, Modi frequently purchased the money orders using stored value cards that were activated by using the identification information of persons who were the victims of identity theft. At the time of his arrest, MODI had the identification documents of numerous third parties in his possession, and he admitted to investigators that he knew "something was not right" about the source of the money and the manner in which he was converting the money from stored value cards to money orders to bank deposits. Accordingly, Modi knew that the money represented proceeds from some form of unlawful activity, and that the purpose of the transactions was to conceal or disguise the source, nature, location, ownership, or control of the proceeds.³⁴

As part of the plea agreement, Modi may be subject to deportation or other loss of immigration status, as well as to an order of restitution. Additionally, the Court will order the forfeiture of all property involved in the money laundering conspiracy, including all funds seized from accounts held in Modi's name, in the name of his alias, and in the name of his business, Modi Management.³⁵

Modi could face a maximum penalty of 20 years' imprisonment and a fine of \$500,000 or twice the value of the property involved in the transaction, whichever is greater.³⁶ Modi's sentencing is set for May 12, 2016.³⁷

³² *Id.*

³³ *Id.*

³⁴ *Id.*

³⁵ *Id.*

³⁶ *Id.*

³⁷ D. Md. Criminal Docket filed May 27, 2015.

OFFICE OF AUDIT ACTIVITY

The Internal Revenue Service Did Not Identify and Assist All Individuals Potentially Affected by the Get Transcript Application Data Breach

(Reference No. 2016-40-037)

[View the Report](#)

Affordable Care Act Compliance Validation System: Security and Testing Risks

(Reference No. 2016-23-040)

[View the Report](#)

Injured Spouse Cases Were Not Always Timely Resolved, Resulting in the Unnecessary Payment of Interest (Reference No. 2016-40-042)

[View the Report](#)

Available Data Are Not Being Used to Proactively Identify Potentially Erroneous Rehabilitation Credit Claims (Reference No. 2016-40-024)

[View the Report](#)

The following final reports have been issued and are awaiting public release:

Improvements Are Necessary to Ensure That Individual Amended Returns With Claims for Refunds and Abatements of Taxes Are Properly Reviewed

(Reference No. 2016-30-032)

Without Expanded Error Correction Authority, Billions of Dollars in Identified Potentially Erroneous Earned Income Credit Claims Will Continue to Go Unaddressed Each Year (Reference No. 2016-40-036)



SENIOR STAFF MEETING

AGENDA

June 23, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Randy Silvis |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

June 30, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Mike Delgado |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

July 7, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | Roy Draper |
| • CC - | Tom Carter |
| • OC - | John Zimmerman |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



2016 Fall SAR
timeline.7-5-16.docx

TIGTA Semiannual Report to Congress (SAR) Fall 2016 – April 1, 2016 through September 30, 2016

TIGTA Semiannual Report to Congress (SAR) Fall 2016 – April 1, 2016 through September 30, 2016						
					1	2
3	4 HOLIDAY	5 OC submits Help Desk ticket requesting new SharePoint site	6	7	8	9
10	11 OC issues data call memo and emails request to appoint team members to Function Heads (w/ Timeline).	12	13	14	15 Names of all function representatives due to OC by COB	16
17	18 OC begins preparation for layout (confers with TP&G re orders for SAR)	19 OC issues data call memo to IRS Commissioner requests data for Appendix V.	20	21	22	23
24/31	25 OC: Sends TIPPS order to Treasury Printing & Graphics for SAR and E/S	26	27 OC: Kickoff Meeting w/OA, OI, I&E, CC, OIT, OMS @10:00am (Room 466)	28	29	30
<p>Jul 5: OC submits Help Desk ticket requesting new SharePoint site</p> <p>Jul 11: OC issues data call memo and emails request to appoint team members to Function Heads (w/ Timeline)</p> <p>Jul 15: Names of all function representatives due to OC by COB</p> <p>Jul 18: OC begins preparation for layout (confer with Treasury Printing & Graphics re orders for SAR and Executive Summary)</p> <p>Jul 19: OC issues data call memo to IRS Commissioner- request data for Appendix V.</p> <p>Jul 25: OC: Sends TIPPS order to Treasury Printing & Graphics for SAR and Executive Summary</p> <p>Jul 27: OC: Kickoff Meeting w/OA, OI, I&E, CC, OIT, OMS @10:00am (Room 466)</p>						

SAR Team

Audit

Investigations

OMS

OIT

Counsel

I&E

OC

Karen Kraushaar
John Zimmerman
David Barnes

OIG

J. Russell George

TIGTA Semiannual Report to Congress (SAR) Fall 2016 – April 1, 2016 through September 30, 2016

2016 AUGUST 2016						
	1	2	3	4	5	6
	OC begins preparation for SAR layout- including TIPPS request for graphics (covers and divider pages)			OC confers with Treasury Printing & Graphics re layout issues	<i>(Note to OC: Earliest date to reserve Room 466 for Collaborative Review)</i>	
7	8 OC distributes color template for fall SAR to SAR Team	9	10	11	12	13
14	15 SAR Team: submits 1 st narrative drafts to OC by COB	16	17	18	19	20
21	22 OC returns edited 1st narrative draft to SAR Team by COB	23	24	25	26	27
28	29 SAR Team: submits 2 nd narrative drafts to OC by COB	30	31			

Aug 1: OC begins preparation for SAR layout- including TIPPS request for graphics (covers and divider pages)

Aug 4: OC confers with Treasury Printing & Graphics re layout issues

Aug 8: OC distributes color template for fall SAR to SAR Team

Aug 15: SAR Team submits first narrative drafts (body of report) to OC.
NOTE: Appendices not due yet.

Aug 22: OC returns edited 1st narrative draft to SAR Team by COB.

Aug 29: SAR Team submits second narrative drafts (body of report) to OC.

TIGTA Semiannual Report to Congress (SAR) Fall 2016 – April 1, 2016 through September 30, 2016

2016 SEPTEMBER 2016						
				1	2	3
4	5 HOLIDAY	6 OC returns edited 2 nd narrative drafts to SAR Team by COB	7	8	9	10
11	12 SAR Team submits 3 rd narrative drafts to OC by COB	13 OC begins incorporating all edits from 3 rd draft into complete document	14	15	16	17
18	19 OC completes draft IG Message; Congressional Testimony due	20	21	22	23 OC delivers complete draft of SAR (w/o Appendices) to SAR Team by 6 pm (for final edits before C/R)	24
25	26 SAR Team begins to incorporate statistical data in respective appendices (as data become available)	27 SAR Team continues to incorporate statistical data in draft (as they become available)	28 ALL EDITS FOR COLLABORATIVE REVIEW DUE to OC by NOON SAR Team gives advance notice to F/Hs of their review dates	29	30	

Sept 6: OC returns edited 2nd narrative draft to SAR Team by COB

Sept 12: SAR Team submits 3rd narrative drafts to OC by COB

Sept 13: OC begins incorporating all edits from 3rd narrative draft into one complete document

Sept 19: OC completes draft IG Message; draft of Congressional Testimony due

Sept 23: OC delivers complete draft of SAR (w/o Appendices) to SAR Team by 6 pm (for final edits before C/R)

Sept 26-Oct 3: SAR Team submits statistical data due to OC as it becomes available

Sept 28: **ALL EDITS FOR COLLABORATIVE REVIEW DUE to OC by NOON**; SAR Team gives advance notice to F/Hs of their review dates

TIGTA Semiannual Report to Congress (SAR) Fall 2016 – April 1, 2016 through September 30, 2016

2016 OCTOBER 2016						
2	3 All statistical data due from SAR Team (or as soon thereafter as available) --OC uploads final draft (w/o data tables) by COB (Note: Statistical data will be included when received—before IG Review)	4 --SAR Team reviews final draft in preparation for Collaborative Review	5 Collaborative Review Conference room 466 at 10 am OC begins incorporating edits from CR for review by Function Heads	6 --OC continues to incorporate edits from CR for review by Function Heads and uploads by noon --SAR Team reps deliver hard copies to Function Heads for review <i>asap</i>	7 OC requests data from functions for Executive Summary; prepares Word version of Executive Summary.	1 8
9	10 HOLIDAY	11 --FHs return edits to OC <i>through team reps</i> by Noon --OC incorporates edits of FHs and uploads for CC review by 7pm -- OMS: provides data for IG Message to OA; OA confirms	12 CC Review (CC edits due by 5pm) OC reserves conference room 466 for closeout meeting	13 --OC incorporates CC edits & provides clean draft to designated person or unit responsible for final review (OA Quality Assurance?) by noon --Final Review	14 --Final review (edits to OC by noon) --OC incorporates final edits	15
16	17 Begin IG Review --OC provides final draft of SAR to IG by 9:00 am	18 IG Review OC provides courtesy copy of SAR to Treasury and IRS for comment;	19 IG Review --OC requests pdf of E/S from OIT	20 IG Review OC submits transmittal letter to IG for signature	21 IG Review	22
23	24 IG Review	25 IG Review Treasury and IRS comments due back to OC	26 IG Review IG signs transmittal letter	27 IG Review	28 Complete IG Review IG's Comments Due to OC by COB;	29
30	31 <u>Statutory Deadline</u> OC makes final edits from and hand delivers and e-mails final report to Treas Secretariat and Frank Pater					

Oct 3: All statistical data due from SAR Team; --OC uploads final draft (w/o IRS Tables) by Noon

Oct 4: SAR Team reviews final draft in preparation for Collaborative Review.

Oct 5: Collaborative Review. OC begins incorporating edits from CR for review by Function Heads.

Oct 6: OC continues to incorporate edits from CR for review by Function Heads and uploads by Noon. SAR Team reps deliver hard copies to Function Heads *asap*.

Oct 7: OC requests data from functions for Executive Summary; prepares Word version of Executive Summary.

Oct 11: FHs return edits to OC *through team reps* by Noon. OC incorporates edits of FHs and uploads for CC review by 7pm. OMS provides data for IG Message to OA. OA confirms.

Oct 12: CC Review (CC edits due by 5pm).

Oct 13: --OC incorporates CC edits & provides clean draft as directed for Final Review.

Oct 14: --Final review (edits to OC by noon). OC incorporates edits and provides

Oct 17: --OC provides final draft of SAR to IG by 9:00 am.

Oct 17-24: IG Review.

Oct 18: Courtesy copy of SAR to Treasury and IRS for comment.

Oct 19: OC requests pdf of E/S from OIT.
Oct 20: OC submits transmittal letter to IG for signature.

Oct 24: IG's comments due to OC by COB.

Oct 31: SAR delivered to Treasury.

TIGTA Semiannual Report to Congress (SAR) Fall 2016 – April 1, 2016 through September 30, 2016

2016 NOVEMBER 2016						
		1 OC: confers w/ Treasury Printing & Graphics re printing options; completes any necessary revisions to TIPPS order	2 OC: Requests Hi and Low Res pdf files of Executive Summary (w/ graphics) from OIT	3	4	5
6	7	8	9	10 OC: Follows up w/Treasury Printing & Graphics to review proofs	11 HOLIDAY	12
13	14 Submit Executive Summary to IG for approval; upon approval forward to Treasury Printing & Graphics for printing	15	16	17 Treasury Printing/Graphics delivers SAR copies to OC (estimated)	18 OC prepares Oversight Board Memos for routing and approval. Send after SAR transmitted to Congress	19
20	21 OC coordinates w/ OIT to prepare SAR for posting to Internet	22	23 Treasury Printing & Graphics delivers copies of the Executive Summary to TIGTA	24 HOLIDAY	25	26
27	28	29	30			

Nov 1: OC: confers w/ Treasury Printing & Graphics to discuss printing options; completes any necessary revisions to TIPPS order.

Nov 2: OC: Requests Hi and Low Res pdf files of Executive Summary (w/ graphics) from OIT.

Nov 10: OC: Follows up w/Treasury Printing & Graphics to review proofs.

Nov 14: OC: Submits Executive Summary to IG for approval; upon approval forward to Treasury Printing & Graphics for printing.

Nov 17: Treasury Printing & Graphics delivers printed copies of SAR to OC (estimated)

Nov 18: OC prepares Oversight Board Memos for routing and approval. Send after SAR transmitted to Congress by Treasury.

Nov 21: OC coordinates w/ OIT to prepare SAR for posting to Internet.

Nov. 23: Treasury Printing & Graphics delivers copies of the SAR Executive Summary to TIGTA.

Treasury Printing & Graphics contacts:

Tina Decker, 202-622-2150
Tina.Decker@treasury.gov

Christopher Yates, 202-622-2160
Christopher.Yates@treasury.gov

Mark Elstein, 202-622-1403
Mark.Elstein@treasury.gov

Cathy Cassiry, 202-622-1395
Cathy.Cassiry@treasury.gov

All are in the Treasury Annex Building. It should be noted that these contacts change regularly.

TIGTA Semiannual Report to Congress (SAR) Fall 2016 – April 1, 2016 through September 30, 2016

2016 DECEMBER 2016						
				1 OC makes arrangements to post to TIGTA Internet site and coordinates posting with OIT staff. Submits TIGTA press release	2 OC finalizes memos and distributes SAR to Treasury, TIGTA, IRS officials, etc.	3
4	5 OC creates and administers SAR Survey	6	7 "	8	9	10
11	12	13	14 <u>Tentative date:</u> OC hosts Fall 2016 SAR close-out and "thank you"	15	16	17
18	19	20	21	22	23 HOLIDAY	24
25	26	27	28	29	30	31

Dec 1: OC makes arrangements to post to TIGTA Internet site and coordinates posting with OIT staff. Submits TIGTA press release

Dec 2: OC finalizes memos and distributes SAR to Treasury, TIGTA, IRS officials, etc.

Dec 5: OC creates and administers SAR Survey

Dec 14: Tentative date: OC hosts Fall 2016 SAR close-out and thank you for SAR Team and affiliates



SENIOR STAFF MEETING

AGENDA

July 14, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

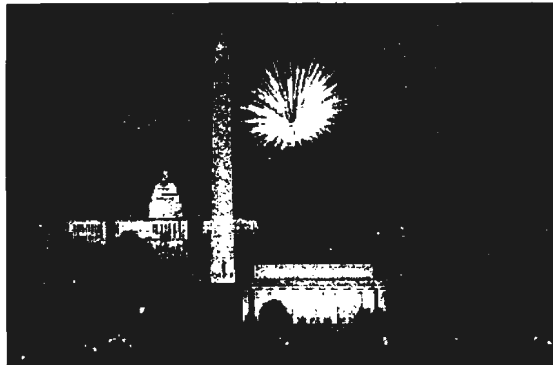
- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Phil Shropshire |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Tom Carter |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



This Month At TIGTA
July 2016.docx

This Month at TIGTA: July 2016



*As always, we welcome submissions for news items and stories; just send them to us at [*TIGTACommunications@tigta.treas.gov](mailto:TIGTACommunications@tigta.treas.gov).*

The Newest Semiannual Report to Congress (SAR) Is Now Available

The newest edition of TIGTA's Semiannual Report to Congress (SAR) is now available. This SAR covers the period October 1, 2015 through March 31, 2016 and delineates the work TIGTA has accomplished during that six-month period. The SAR can be accessed online at this link: https://www.treasury.gov/tigta/semiannual/semiannual_mar2016.pdf.

TIGTA PERSONNEL CHANGES for June 2016

New Employees

Please join the Office of Audit in welcoming the following new employees:

Jesse Fenton
Lee Hoyt
Richard Kemble
Derek Mackall
Jason Rosenberg
Cally Sessions

Please join the Office of Information Technology in welcoming the following new employee:
Crystal Wang

Please join the Office of Investigations in welcoming the following new employees:

Erin Armstrong
Kaitlyn Fitzgerald
Adam Greiss

Essence Hudson
Nathan Loosvelt
Jackie Lovato
Christopher Mayes

Retirements and Separations

There were no retirements or separations during the month of June.

EEO CORNER

Americans with Disabilities Act of 1990

On July 26, 1990, President George H.W. Bush signed the Americans with Disabilities Act (ADA) of 1990. The ADA of 1990 is legislation that prohibits discrimination against persons with disabilities. The ADA enforces civil rights protection to persons with disabilities which prohibits discrimination in employment opportunities and public services. ADA assures that persons with disabilities are lawfully and properly accommodated in state and local governments, and private and public facilities.

The ADA National Network has information, guidance and training on the Americans with Disabilities Act on their website here <http://adata.org/>.

Other July Observances

July 4, 2016
Independence Day

July 27, 2016
National Korean War Veterans Armistice Day

Special Emphasis Program Events

League of United Latin American Citizens (LULAC) National Convention and Exposition
July 12-16, 2016
“Latinos at the Seat of Power”
Washington, DC
<http://lulac.org/events/convention2016/>

Federally Employed Women (FEW) National Training Program
July 11-14, 2016
Dallas, TX
<https://www.few.org/training-education/national-training-program/>

National Council of La Raza (NCLR) Annual Conference
July 23-26, 2016
Orlando, FL
<http://www.nclr.org/events/>

BITS & BYTES

Got PIV?!

The certificates on a Personal Identity Verification (PIV) card expire every three years while the PIV card itself expires every five years. Allowing the certificate to expire will cause issues logging into laptop software, including Windows, AnyConnect (VPN), and Symantec Endpoint Encryption (SEE). According to Treasury Enterprise Identity Credential and Access Management (TEICAM), 44,184 cards will expire between 2017 and 2018 for Department of the Treasury employees. When your card or certificate is ready to be updated, you will receive an email from USAccess to schedule an appointment. It is imperative that you make this appointment!

After you receive your updated card and/or certificate, it is important that you update your SEE client to use the most current certificate, or you will not be able to log in past SEE with your card. To rectify this, please follow the instructions at the following FAQ:
[How do I update my PIV certificate in SEE?](#)

In addition, some users have experienced trouble using their new certificates with Cisco AnyConnect. The problem manifests itself when trying to log into the VPN for the first time after the card or certificate update. As a workaround, click "Cancel" at the error message that says it cannot find your card. Then, continue connecting to the VPN as you would if the card or certificate had not changed.

As always, if you have any questions or concerns please contact the TIGTA Helpdesk at:
*TIGTA IT Customer Support ITCustomerSupport@tigta.treas.gov or (866) 246-7548.

TIGTA ACTIVITY FOR PERIOD June 5, 2016 THROUGH June 26, 2016

OFFICE OF INVESTIGATIONS ACTIVITY

Delaware Restaurant Owner Indicted for Attempting to Bribe an IRS Employee

On June 7, 2016, in the District of Delaware, Domenico Procope was indicted for bribery of a public official.¹ Procope had been arrested on May 18, 2016,² for knowingly and corruptly offering and promising something of value to an employee of the Internal Revenue Service (IRS) with the intent to influence official acts.³

According to the court documents, Procope is a Delaware resident who owns and operates several restaurant establishments in the State. Procope had accumulated a significant business-related and personal income tax liability, which, as of February 2016, had grown to a total liability of approximately \$531,000. Of that amount, Procope's personal liability was approximately \$434,000.⁴

Around October 2015, an IRS revenue officer was assigned to Procope's IRS case and was working to resolve his tax liabilities. In December 2015, the revenue officer requested a personal financial statement from Procope. When Procope failed to provide the requested documentation, the revenue officer issued a Notice of Levy to the insurance company that maintains Procope's retirement account. As a result, approximately \$16,000 was turned over to the IRS from Procope's retirement account.

Prompted by the levy on his retirement account, in February 2016, Procope communicated with the revenue officer several times by telephone and in person to discuss his income tax liability. During these contacts, Procope offered to pay the IRS revenue officer a sum of money in exchange for the revenue officer's taking the official action of reducing or eliminating his income tax liabilities with the IRS.⁵ Specifically, Procope told the revenue officer he wanted "this to go away," referring to his personal tax liability. Procope indicated he was not interested in submitting an offer in compromise to settle his IRS debts and told the revenue officer that he would give her \$70,000 to make his tax debt "go away."⁶

During a personal meeting at Procope's place of business in Bear, Delaware, immediately after the departure of Procope's accountant from the meeting, Procope reiterated that he had \$70,000 to resolve his tax debt. Procope proposed he pay \$40,000 to the Government and \$30,000 in cash for the revenue officer. Procope said the cash payment would be in exchange for a reduction in his IRS tax liabilities and indicated that he expected the revenue officer, in her official capacity, to cause the IRS to issue a letter stating he had satisfied his personal liability of approximately \$434,000.⁷

The following day, the revenue officer again met with Procope. During this meeting, Procope gave the revenue officer a check in the amount of \$40,000, made payable to the IRS, with the memo of "paid in full" written on the check. Additionally, he gave the revenue officer \$30,000

¹ D. Del. Indict. filed June 7, 2016.

² D. Del. Executed Arrest Warrant filed May 18, 2016.

³ D. Del. Crim. Complaint filed May 16, 2016.

⁴ *Id.*

⁵ D. Del. Indict. filed June 7, 2016.

⁶ D. Del. Crim. Complaint filed May 16, 2016.

⁷ D. Del. Indict. filed June 7, 2016.

in cash. At the end of the meeting, Procope requested to meet with the revenue officer one or two weeks later to resolve his business-related tax debt.⁸

Procope could face a maximum penalty of 15 years' imprisonment. Additional legal proceedings are anticipated.

⁸ D. Del. Crim. Complaint filed May 16, 2016.

IRS Employee Sentenced to 30 Months in Prison for Taking Bribe

On May 13, 2016, in the Western District of Washington at Seattle, former Internal Revenue Service (IRS) employee Paul G. Hurley was sentenced⁹ after a jury found him guilty¹⁰ of receiving a bribe and receiving an illegal gratuity in his capacity as a public official.¹¹

According to the court documents, Hurley corruptly sought and received something of value personally in return for being influenced in the performance of an official act. Hurley had been employed as an IRS revenue agent since June 2009 and was assigned to the Seattle, Washington IRS office. As a part of Hurley's official duties, he conducted audits of Federal tax returns to determine whether taxpayers had correctly reported and paid their tax liability to the IRS.¹²

In July 2015, a taxpayer who is part owner of a business that operated recreational marijuana shops and medical marijuana dispensaries in the State of Washington was notified of an audit of his business's Federal tax return. Hurley was listed as the assigned contact. The taxpayer and Hurley met at the taxpayer's place of business several times during the course of the audit. During their initial meeting, Hurley advised the taxpayer that the Internal Revenue Code (IRC) does not allow deductions or credits for a business whose activities consist of trafficking in illegal substances. Hurley noted that the taxpayer would be taxed on the business's gross revenue with limited deductions. However, during the audit Hurley seemed sympathetic to the taxpayer regarding the IRC's prohibition against deductions and credits for businesses in the marijuana industry and talked about being unhappy at the IRS.¹³

On September 11, 2015, Hurley gave the taxpayer the results of the audit with a proposed amount due of \$292,175.41 for tax years 2013 and 2014, to which the taxpayer agreed. Hurley continued on to say that he had saved the taxpayer over \$1 million in the audit. He further indicated that he (Hurley) was living paycheck to paycheck. With additional clarification between the taxpayer and Hurley, the taxpayer understood him to be asking for a personal payment of \$20,000. Initially Hurley wanted the taxpayer to pay off his student loans in small amounts over time, but when the taxpayer declined, Hurley said he wanted cash. Hurley and the taxpayer scheduled a time to meet several days later. Hurley told the taxpayer not to tell anyone, not even his business partner.¹⁴

During a meeting on September 16, 2015, Hurley accepted \$5,000 from the taxpayer in connection with the conduct of his official duties as an IRS revenue agent and in exchange for providing low tax assessments on the audit. On September 21, 2015, Hurley accepted the remaining \$15,000, again in connection with the conduct of his official duties. Hurley was then arrested pursuant to a probable cause arrest. A search of Hurley's person and backpack revealed the \$15,000 cash, plus three \$20 bills with serial numbers matching those from the previous bribe payment.¹⁵

⁹ W.D. Wash. Judgment filed May 13, 2016.

¹⁰ W.D. Wash. Verdict Form filed Feb. 12, 2016.

¹¹ W.D. Wash. Judgment filed May 13, 2016.

¹² W.D. Wash. Crim. Complaint filed Sep. 21, 2015.

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

Hurley was sentenced to 30 months in prison, followed by three years of supervised probation and 100 hours of community service.¹⁶ Hurley is appealing his conviction and sentence.¹⁷

¹⁶ W.D. Wash. Judgment filed May 13, 2016.

¹⁷ W.D. Wash. Notice of Crim. Appeal filed May 27, 2016.

IRS Employee Pleads Guilty to Identity Theft in Connection with an Audit

On May 10, 2016, in the Northern District of Georgia, Internal Revenue Service (IRS) employee Creshika Wise pled guilty to aggravated identity theft in connection with a fraudulent scheme.¹⁸ Wise had been indicted for mail fraud, wire fraud, and aggravated identity theft in January 2016,¹⁹ and was subsequently arrested for the offenses in Atlanta, Georgia.²⁰

According to the court documents, at all times relevant, Wise was an IRS revenue agent in Atlanta. Her official duties as a revenue agent included regularly auditing individual, business, and corporate tax returns, and calculating taxpayers' correct tax liability based on her examinations.²¹

In approximately August 2013, Wise was assigned to audit an individual tax return jointly filed by two married taxpayers. The taxpayers had authorized a certified public accountant (CPA) to transact business with the IRS on their behalf. Due to erroneous information received from a third party, the taxpayers had initially underreported and underpaid their Federal tax and, upon correction of the error, owed \$758,846 in additional personal income tax, plus interest. The taxpayers, through their CPA, agreed with this assessment.²²

Wise subsequently devised a scheme to knowingly defraud the taxpayers and to obtain money by means of false and fraudulent representations. Wise's scheme was designed to take all or part of the additional Federal tax and interest owed to the IRS by these taxpayers and keep it for herself. Wise created a fictitious IRS Form 4549, Income Tax Examination Changes, for the taxpayers and placed the fictitious form in the IRS's files. The fictitious Form 4549 showed a balance due of only \$282,363 rather than the \$758,846 already agreed upon. Wise also forged the signature of the taxpayers' CPA on the fictitious form.²³

Wise then opened a checking account in the name "Creshika C. Wise Sole Prop D/B/A U.S. Treasury and Accounting Service." She later sent a deceptive e-mail to the taxpayer-husband instructing him to send a wire transfer to this account, which she described as being titled in the name "U.S. Treasury and Accounting Service," failing to disclose that the bank account belonged to her personally rather than to the IRS.²⁴

Wise also attempted to open a bank account through the Internet at a different financial institution, this time in the names of the married taxpayers. As a follow-up, Wise sent a signature card via facsimile to the bank and called the bank impersonating the taxpayer-wife in order to inquire about the status of the new account. In furtherance of her scheme, Wise changed, or caused to be changed, the taxpayers' addresses in the IRS computer system, from their actual residence to a United Parcel Service mailbox opened and controlled by Wise.²⁵

¹⁸ N.D. Ga. Plea Agr. filed May 10, 2016; N.D. Ga. Information filed May 10, 2016.

¹⁹ N.D. Ga. Indictment filed Jan 14, 2016.

²⁰ N.D. Ga. Executed Arrest Warrant filed Feb. 5, 2016.

²¹ N.D. Ga. Indictment filed Jan 14, 2016.

²² *Id.*

²³ *Id.*

²⁴ *Id.*

²⁵ *Id.*

Wise will face a mandatory minimum term of two years' imprisonment for the identity theft.²⁶
Her sentencing is scheduled for August 3, 2016.²⁷

²⁶ N.D. Ga. Plea Agr. filed May 10, 2016.

²⁷ N.D. Ga. Criminal Docket filed May 10, 2016.

Jury Finds IRS Employee Guilty of Defrauding the Government with False Tax Returns

On May 23, 2016, at the conclusion of a five-day trial²⁸ in the Eastern District of California, a jury reached a unanimous verdict finding Internal Revenue Service (IRS) employee Kimberly Brown-English guilty on all six counts of an indictment charging her with Offenses by Officers and Employees of the United States (U.S.) for preparing and filing false Federal tax returns.²⁹

According to the indictment, Brown-English was employed by the IRS at the Fresno Service Center, Fresno, California, at all times relevant to the charges. Brown-English initially was employed by the IRS in 2002 and worked as a seasonal Data Transcriber from 2004 to 2012. She was promoted in September 2012 to the position of Correspondence Examination Technician. Her primary duty was to provide assistance to taxpayers throughout the U.S. that were under IRS examination by educating them on tax laws and helping them to resolve IRS examination issues. Brown-English was required to complete training courses for this position that included the topics of Earned Income Tax Credit, Child Tax Credits, claimed dependents, and filing status.³⁰

In 2012 and 2013, respectively, Brown-English prepared and filed her own 2011 and 2012 Federal income tax returns, in which she falsely claimed two dependents and listed them as her “parent” and her “nephew.” She also claimed her filing status was Head of Household. The tax returns each contained materially false items. Neither of the individuals claimed as dependents had a familial relationship with Brown-English. One lived with her during 2011 and 2012, but paid rent and had an income. The other was homeless and did not reside with Brown-English. As a result of Brown-English’s false returns, made under penalty of perjury, she obtained refunds from the IRS to which she was not entitled.³¹

Additionally, between January 2012 and April 2013, Brown-English created opportunities for other individuals to defraud the U.S. by preparing and filing fraudulent Federal income tax returns for them. Brown-English prepared and filed the 2011 and 2012 returns for one individual falsely claiming dependents, Earned Income Tax Credit, Child Tax Credit, and Head of Household filing status. In fact, the dependents did not live with the taxpayer more than half of the year, nor was more than 50% support provided for the dependents, thus making the taxpayer ineligible to claim them as dependents, file as Head of Household, or receive the Earned Income Credit and Additional Child Tax Credit.³²

During the same time period, Brown-English prepared and filed the 2011 and 2012 tax returns of a second individual with similar false claims. On the individual’s 2011 return, five dependents were fraudulently claimed. One dependent was claimed for 2012. The returns also contained false claims for the Child Tax Credit, the Additional Child Tax Credit, the Earned Income Tax Credit, and Head of Household filing status. Again, this taxpayer did not meet the eligibility requirements for claiming the dependents or the associated tax credits. As a result of

²⁸ E.D. Cal. Criminal Docket as of May 25, 2016.

²⁹ E.D. Cal. Verdict Form filed May 23, 2016.

³⁰ E.D. Cal. Indictment filed Oct. 9, 2014.

³¹ *Id.*

³² *Id.*

Brown-English's preparation and submission of the false returns for these two individuals, they had the opportunity to falsely decrease their tax liability and obtain refunds from the IRS to which they were not entitled.³³

Sentencing is scheduled for August 15, 2016.³⁴

³³ *Id.*

³⁴ E.D. Cal. Criminal Docket as of May 25, 2016.

Five Individuals Arrested for Fraud in IRS Phone Scams

Please click on the following link to access this press release:

https://www.treasury.gov/tigta/press/press_tigta-2016-15.htm

Ft Lauderdale Man Arrested for Threatening IRS Employee With a Shotgun

On May 20, 2016, in the Southern District of Florida, Ft. Lauderdale resident Bruce Hacker was arrested³⁵ and charged with forcible interference with an employee of the U.S. Government.³⁶

According to the court documents, Hacker is charged with forcibly assaulting, intimidating, and interfering with an Internal Revenue Service (IRS) revenue officer by using a deadly weapon, to wit, a shotgun, while the revenue officer was engaged in the performance of his official duties.³⁷

On May 19, 2016, the IRS revenue officer went to Hacker's residence regarding an official IRS matter. The revenue officer identified himself and displayed his credentials to a female occupant who came to the door. After answering the door, the female told Hacker that an individual from the IRS was at the front door requesting to speak with him. Hacker said, "I'll take care of this" and retrieved his shotgun.³⁸

A short time later, Hacker opened the door, pointed the loaded shotgun at the revenue officer, shouted expletives at him, and told him to get off of his property, which the employee did.³⁹

Hacker was not home when agents from the Treasury Inspector General for Tax Administration (TIGTA) responded to the incident; however, he self-surrendered to the U.S. Marshals Service the following morning.⁴⁰

Additional legal actions are anticipated.

³⁵ S.D. Fla. Crim. Docket filed May 20, 2016.

³⁶ S.D. Fla. Crim. Complaint filed May 20, 2016.

³⁷ *Id.*

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *Id.*

OFFICE OF AUDIT ACTIVITY

Better Adherence to Procedures Is Needed to Accurately Assess the Volunteer Tax Return Preparation Program (Reference No. 2016-40-045)

[View the Report](#)

Improvements Are Needed in Offshore Voluntary Disclosure Compliance and Processing Efforts (Reference No. 2016-30-030)

[View the Report](#)



SENIOR STAFF MEETING

AGENDA

August 4, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Randy Silvis |
| • I&E - | Kevin Riley |
| • OMS- | Merv Hyndman |
| • CIO - | Marvin Hart |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

August 11, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

August 25, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|-------------------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin (conf. call) |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Angelia McCoy |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

September 8, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

September 15, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | John Zimmerman |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

September 22, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIG/E

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Mike Delgado |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



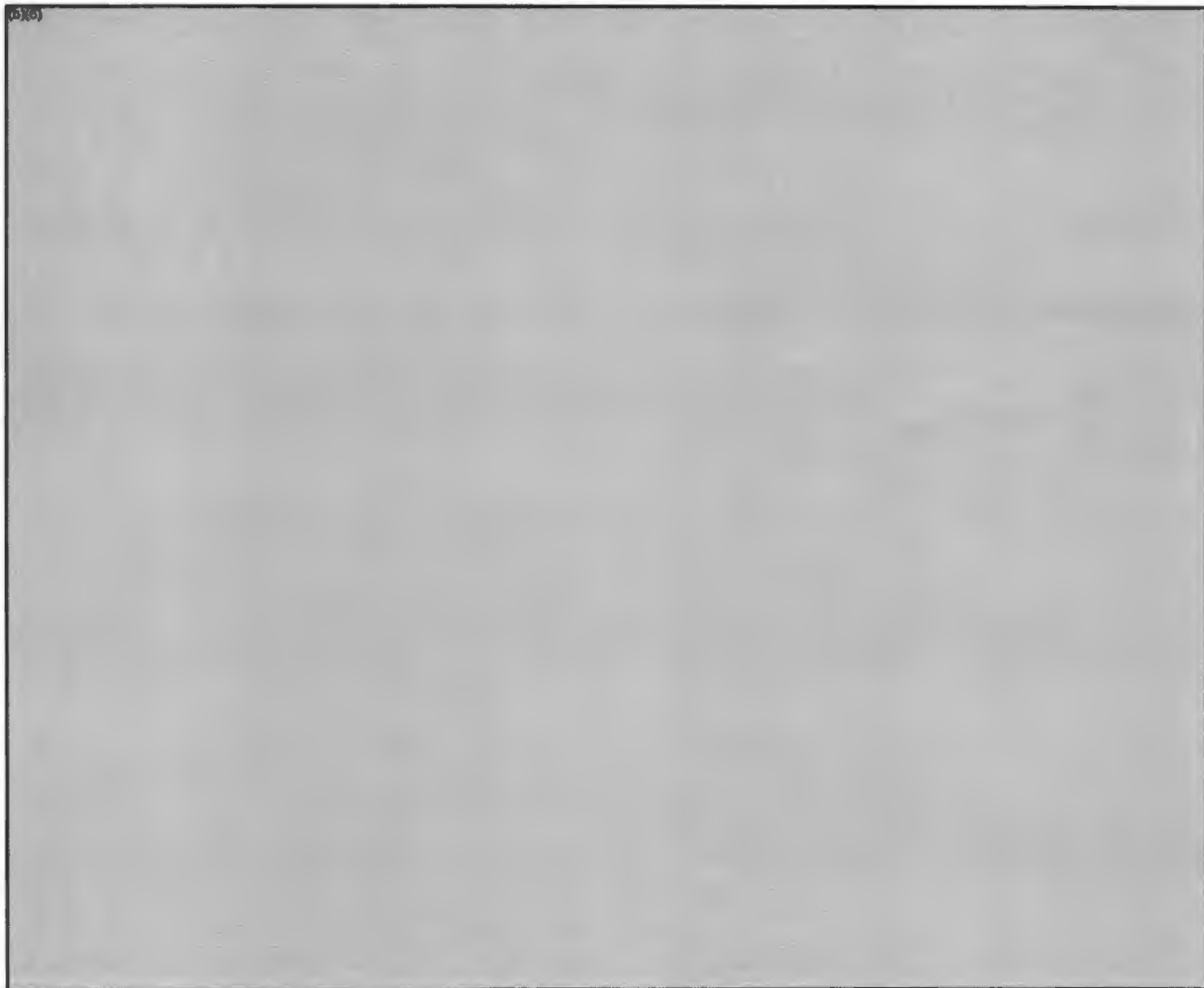
This Month At TIGTA
September 2016.docx

This Month at TIGTA: September 2016



*As always, we welcome submissions for news items and stories; just send them to us at
[*TIGTACommunications@tigta.treas.gov](mailto:TIGTACommunications@tigta.treas.gov).*

(b)(5)



Congratulations to Sal for his exciting accomplishments!

Retirement Planning Seminar Coming Soon

The following is from the Office of Mission Support:

Leadership and Human Capital is hosting a retirement seminar to provide important benefit options and information to TIGTA employees as they plan for retirement. The seminar will be held on **Tuesday, September 27, 2016** and will consist of two sessions, a morning session for Non-Law Enforcement employees and an afternoon session for Law Enforcement (1811) employees.

Session 1: CSRS/FERS – Non-Law Enforcement Employees

When: Tuesday, September 27, 2016, 8:30 a.m. - 10:30 a.m. (EST)

Where: HQ Georgia Conference Room *and* WebEx video conference

Who should attend: Non-Law Enforcement employees

Session 2: CSRS/FERS – Law Enforcement (1811) Employees Only

When: Tuesday, September 27, 2016, 12:30 p.m. - 2:30 p.m. (EST)

Where: HQ Georgia Conference Room *and* WebEx video conference

Who should attend: Law Enforcement employees

Call-in and WebEx instructions will be provided on Monday 09/26/16 on the Retirement Seminar SharePoint library.

For any questions you may have regarding the retirement sessions, please contact the Office of Mission Support via email at &TIGTA OMS Leadership & Human Capital.

TIGTA PERSONNEL CHANGES for August 2016

New Employees

Please join the Office of Investigations in welcoming the following new employees:

Karen Brown

Bula Ghose

Charles Nalley

Danielle Louise O'Neill

Gilbert Petit-Compere
Timothy Stello
Marcus Vinson

Retirements and Separations

We wish the following employee well in their next steps:
Kimberly McDowell - OI

EEO CORNER

September 15th to October 15th is National Hispanic Heritage Month

National Hispanic Heritage Month (NHHM) celebration is September 15 to October 15, 2016. The NHHM 2016 theme is "Honoring our Heritage: Building our Future." NHHM celebrates the heritage, cultures, and the many contributions and influences of Hispanic and Latino Americans to the United States.

Century old traditions of Hispanic and Latino Americans continue to enhance and mold the character of American communities by sharing their multiethnic and multicultural customs. Hispanic and Latino Americans are dedicated to faith, family, hard work and are committed to community service, which is a positive influence to the pride and culture of the United States.

If time permits you, please try to support your employer- and local community-sponsored NHHM events. Participating in NHHM events exposes and educates us to generations of Hispanic and Latino Americans heritages that greatly contribute to the history of American society. To learn more about NHHM please visit <http://www.hispanicheritagemonth.gov/index.html>.



Other Observances in September

National Sickle Cell Awareness Month

September 2016

<https://premierdisability.com/september-is-national-sickle-cell-awareness-month/>

Labor Day

September 5, 2016

<http://www.dol.gov/laborday/history.htm>

Patriot Day

September 11, 2016

https://en.wikipedia.org/wiki/Patriot_Day

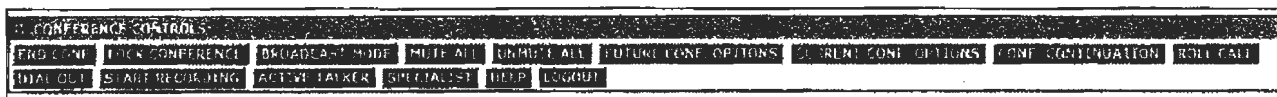
BITS & BYTES

Get the Most Out of Your Conference Calls

Every TIGTA employee has had the frustrating experience of participating in a conference call that gets hijacked by the barking dog, crying baby, soccer game, or gate change announcement! Repeated requests to mute your phone are sometimes ignored or left unattended to due to a lack of knowledge. It is annoying at best, and unproductive and unprofessional at worst. But there is a way to take control of your conferences!



Did you know? As an AT&T Calling Card holder, you can make use of the **AT&T Conference Monitor** to control and monitor your conference call via the Internet. The interface offers a visual, point-and-click alternative in addition to using touchtone commands for controlling your conference and changing host options. The interface also offers enhanced participant information and control. Some of the options include: see participants' phone numbers; mute/unmute individual lines; mute/unmute ALL lines; lock/unlock conference; record conference; and more.



To access the Conference Monitor, go to [AT&T Conference Monitor](#). The first page will prompt you to enter the **Dial-In Number** and **Host Code** for your conference. The second page will prompt you to enter the **Host Password**.

<p align="center">AT&T TeleConference Services</p> <p align="center">IT'S NEVER BEEN EASIER TO CALL A MEETING</p> <hr/> <p>AT&T Conference Monitor Login</p> <p>Please enter the Dial-In Number and Host Code or Access Code for your conference.</p> <p>Please Note that only Dial-In Number is required for AT&T Executive TeleConference Service conferences.</p> <p>Dial-In Number (Format: 7325553212)</p> <input type="text"/> Code <input type="text"/> <input type="button" value="CONTINUE"/>
--

Please check out [this guide](#) for further information on the features available to help you get the most out of your conference calls. The guide also includes touchtone commands you may use during your conference calls when you do not have access via your laptop. For instance, you may mute all participants in the conference by using *7 and then choose option 8, and unmute all participants with *7 and then 0.

Note: Not all employees have an AT&T Calling Card. For information about calling cards please visit IMDS at [IMDS \(600\) 40.1.3](#).

TIGTA ACTIVITY FOR PERIOD August 7, 2016 THROUGH August 28, 2016

OFFICE OF INVESTIGATIONS ACTIVITY

IRS Employee Sentenced to 110 Months in Prison for Leading \$1 Million Identity Theft Tax Fraud Scheme

According to a U.S. Department of Justice press release dated August 10, 2016, Internal Revenue Service (IRS) employee Nakeisha Hall was sentenced to 110 months in prison.¹ Hall pled guilty on February 8, 2016, to the theft of Government funds, aggravated identity theft, unauthorized access to a protected computer, and conspiracy to commit mail fraud affecting a financial institution and bank fraud.² Hall was initially charged in a sealed indictment in September 2015 with the theft of Government funds, identity theft, and unauthorized access violations.³ In December 2015, the conspiracy charge was added against Hall, and two coconspirators, Jimmie Goodman and Abdulla Coleman, were charged as well.⁴ A third coconspirator, Lashon Roberson, had been charged in the conspiracy in October 2015.⁵ Hall and Goodman were arrested on December 22, 2015; Coleman was arrested on January 7, 2016.⁶

¹ U.S. Department of Justice Press Release dated Aug. 10, 2016.

² N.D. Ala. Plea Agreement Hall filed Feb. 8, 2016.

³ N.D. Ala. Indictment Hall filed Sep. 24, 2015.

⁴ N.D. Ala. Superseding Indictment Hall et al filed Dec. 15, 2015.

⁵ N.D. Ala. Information Roberson filed Oct. 15, 2015.

⁶ N.D. Ala. Criminal Docket Hall et al filed Sep. 24, 2015.

According to the court documents, Hall began working at the IRS in 2000. She was employed in the IRS Taxpayer Advocate Service (TAS) office in Birmingham, Alabama from 2007 to 2011, and has worked in TAS offices in Omaha, Nebraska, New Orleans, Louisiana, and Salt Lake City, Utah since November 2011. The TAS function is responsible for assisting taxpayers who are having difficulties with the IRS, often because they are victims of identity theft needing assistance in removing fraudulent tax information from their accounts and with filing corrected tax returns.⁷

By virtue of her IRS employment, Hall had the ability to access taxpayers' personal identifying information (PII), including names, dates of birth, and Social Security Numbers (SSN). Hall's authority to access this information, however, was limited to official business purposes. Hall was fully aware of these limitations, had completed training regarding such, and knew accesses made for non-business reasons could be subject to criminal prosecution. As a result of her lengthy IRS employment, Hall was also familiar with the process of filing tax returns and how to maximize tax refund amounts.⁸

As part of her scheme to defraud the IRS, and for the purpose of personal financial gain,⁹ Hall intentionally exceeded her authorization at work and accessed thousands of names, dates of birth, and SSNs for non-business purposes, running various searches through the IRS's system looking for individuals who met certain criteria. Between 2008 and 2011, Hall used fraudulently obtained PII to file hundreds of fraudulent individual income tax returns. Not only were these returns not authorized by the taxpayers whose identities were used, they also contained false and fraudulent Forms W-2 and other information in order to generate improper and artificially inflated refunds.

Hall prepared the fraudulent returns on her own computer using online tax software programs and requested that the associated refunds be put on debit cards designed solely for the purpose of accepting tax refunds.¹⁰

After Hall came up with the idea for the scheme, she approached the others (coconspirators) for assistance in retrieving and liquidating the refunds. Hall solicited and obtained "drop addresses" from Goodman, Coleman, Roberson, and at least one other unnamed individual. Hall then had the tax refund debit cards sent by mail to the various "drop addresses."¹¹

Once the refund debit cards arrived via mail, Hall and her coconspirators retrieved and activated them using the taxpayers' PII previously obtained by Hall. Hall and her coconspirators accessed the associated funds through ATMs or by purchasing goods and services with the cards and received cash back on any unspent balance. For returns that generated refunds in the form of paper Treasury checks instead of debit cards, fraudulent endorsements were used to cash the Treasury checks at financial institutions. Hall compensated her coconspirators by giving them a portion of the money obtained or by giving them refund cards.¹²

⁷ N.D. Ala. Plea Agreement Hall filed Feb. 8, 2016.

⁸ *Id.*

⁹ N.D. Ala. Superseding Indictment Hall et al filed Dec. 15, 2015.

¹⁰ N.D. Ala. Plea Agreement Hall filed Feb. 8, 2016.

¹¹ *Id.*

¹² *Id.*

The conspiracy involved fraudulent returns with an intended loss by way of fraudulent refunds of more than \$550,000. The Government will recommend that Hall and her charged coconspirators be joint and severally liable for restitution in the amount of \$438,187, but reserves the right to request additional restitution if additional amounts become known before Hall's sentencing date.¹³

Coconspirator Roberson, who had entered a guilty plea on February 11, 2016,¹⁴ was sentenced on July 7, 2016, to 36 months of imprisonment.¹⁵ Goodman, who had pled guilty on March 8, 2016, to conspiracy to commit mail fraud affecting a financial institution and bank fraud, was sentenced to 41 months of imprisonment on July 12, 2016.¹⁶ Goodman was also ordered to forfeit \$82,802.67.¹⁷ Additional legal proceedings are anticipated for Coleman.¹⁸

IRS Employee Sentenced for Identity Theft in Connection with Audit

On August 3, 2016, in the Northern District of Georgia, IRS employee Creshika Wise was sentenced,¹⁹ after she pled guilty to aggravated identity theft in connection with a fraudulent scheme on May 10, 2016.²⁰ Wise had been indicted for mail fraud, wire fraud, and aggravated identity theft in January 2016,²¹ and was subsequently arrested for the offenses in Atlanta, Georgia.²² According to the court documents, at all times relevant, Wise was an IRS revenue agent in Atlanta. Her official duties as a revenue agent included regularly auditing individual, business, and corporate tax returns, and calculating taxpayers' correct tax liability based on her examinations.²³

In approximately August 2013, Wise was assigned to audit an individual tax return jointly filed by two married taxpayers. The taxpayers had authorized a certified public accountant (CPA) to transact business with the IRS on their behalf. Due to erroneous information received from a third party, the taxpayers had initially underreported and underpaid their Federal tax and, upon correction of the error, owed \$758,846 in additional personal income tax, plus interest. The taxpayers, through their CPA, agreed with this assessment.²⁴

Wise subsequently devised a scheme to knowingly defraud the taxpayers and to obtain money by means of false and fraudulent representations. Wise's scheme was designed to take all or part of the additional Federal tax and interest owed to the IRS by these taxpayers and keep it for herself. Wise created a fictitious IRS Form 4549, *Income Tax Examination Changes*, for the taxpayers and placed the fictitious form in the IRS's files. The fictitious Form 4549 showed a

¹³ *Id.*

¹⁴ N.D. Ala. Criminal Docket Roberson filed Oct. 15, 2015.

¹⁵ N.D. Ala. Judgment filed Aug. 2, 2016.

¹⁶ N.D. Ala. Judgment filed July 26, 2016.

¹⁷ N.D. Ala. Final Order of Forfeiture filed July 26, 2016.

¹⁸ N.D. Ala. Criminal Docket Hall et al filed Sep. 24, 2015.

¹⁹ N.D. Ga. Judgment filed Aug. 3, 2016.

²⁰ N.D. Ga. Plea Agr. filed May 10, 2016; N.D. Ga. Information filed May 10, 2016.

²¹ N.D. Ga. Indictment filed Jan 14, 2016.

²² N.D. Ga. Executed Arrest Warrant filed Feb. 5, 2016.

²³ N.D. Ga. Indictment filed Jan 14, 2016.

²⁴ *Id.*

balance due of only \$282,363, rather than the \$758,846 already agreed upon. Wise also forged the signature of the taxpayers' CPA on the fictitious form.²⁵

Wise then opened a checking account in the name "Creshika C. Wise Sole Prop D/B/A U.S. Treasury and Accounting Service." She later sent a deceptive e-mail to the taxpayer-husband instructing him to send a wire transfer to this account, which she described as being titled in the name "U.S. Treasury and Accounting Service." She failed to disclose that the bank account belonged to her personally rather than to the IRS.²⁶

Wise also attempted to open a bank account through the Internet at a different financial institution, this time in the names of the married taxpayers. As a follow-up, Wise sent a signature card via facsimile to the bank and called the bank impersonating the taxpayer-wife in order to inquire about the status of the new account. In furtherance of her scheme, Wise changed, or caused to be changed, the taxpayers' addresses in the IRS computer system, from their actual residence to a United Parcel Service mailbox opened and controlled by Wise.²⁷

Wise was sentenced to a mandatory minimum term of two years of imprisonment for the identity theft.²⁸

Miami Couple Indicted in Minnesota for IRS Impersonation Scam

On July 26, 2016, Roberto Fontanella Caballero and Yaritza Espinosa Diaz were indicted in the District of Minnesota for wire fraud related to their participation in a widespread Internal Revenue Service (IRS) impersonation scheme.²⁹

According to the court documents, at all times relevant to the indictment, Caballero and Diaz lived in Miami, Florida and were involved in a personal relationship with each other. Between at least October 8, 2015 and November 20, 2016, Caballero and Diaz participated in a scheme to defraud and obtain money by means of false and fraudulent representations. The scheme was systematically conducted by individuals who, among other falsehoods, claimed to be IRS agents.³⁰

As part of the scheme, telephone calls were made to victims in dozens of States. The caller would pose as a Government official, employing strategies to threaten or entice the victim into making an immediate payment to some purported Governmental entity. In most cases, the caller claimed to be an agent of the IRS and would falsely accuse the victim of owing delinquent taxes. The caller would threaten the victim with arrest or other adverse action if payment was not immediately made and then would instruct the victim to take funds to a local MoneyGram service center and complete a wire transfer to satisfy the fake debt. The caller provided the victim with the name of a recipient and of the State to which the funds should be transferred.³¹

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.*

²⁸ N.D. Ga. Judgment filed Aug. 3, 2016.

²⁹ D. Minn. Indictment filed July 26, 2016.

³⁰ *Id.*

³¹ *Id.*

One such victim received a message stating that the IRS was about to sue him. When the victim returned the call, a man told him the IRS had audited his Federal income tax returns from 2010 through 2013 and found that he owed an additional \$3,300 in taxes. The victim was directed to send \$1,980 via MoneyGram to “Mirta Romero” in Minnesota immediately, which he did. Another victim was told that he owed back taxes and that the IRS would close all of his bank accounts, take his personal property, and put him in jail if he did not immediately pay the taxes.³²

Caballero and Diaz traveled to Minnesota and several other States, including Massachusetts, Colorado, Utah, and North Carolina, to pick up funds victims had been instructed to transfer. Diaz picked up the \$1,980 the victim had been instructed to send to “Mirta Romero” in Minnesota, plus a second victim’s wire the same day at the same location, also for recipient “Mirta Romero.” Caballero, using the identity of “David Guerra,” picked up three separate wire transfers on the same day at the same location in Fairbault, Minnesota. On October 13, 2015, Caballero picked up 25 wire transfers from 13 different Walmart stores in Minnesota, all sent to “David Guerra.” On the same day, Diaz picked up 16 transfers from 11 of the same Walmart stores, all in the name of “Mirta Romero.”³³ In total, Caballero and Diaz received over \$180,000 at MoneyGram locations in Minnesota in a four-day period of October 2015.³⁴

Just prior to arriving in Minnesota to pick up wire transfers, Caballero and Diaz had been in Massachusetts doing the same thing. On October 9, 2015, Caballero picked up 22 wire transfers sent to 11 Walmart locations in Massachusetts. Diaz picked up 16 transfers from eight of those same Walmart stores in Massachusetts the same day.³⁵

At the time of indictment, more than 100 victims had been identified who sent funds via MoneyGram to Diaz and Caballero under various aliases. Between October 9 and October 16, 2015, Diaz and Caballero had picked up at least 120 wire transfers in Minnesota and Massachusetts.³⁶

Each could face a maximum of 20 years of imprisonment. Additional legal proceedings are anticipated.

Two Individuals Indicted in Wisconsin for IRS Impersonation Scam

On July 26, 2016, in the Eastern District of Wisconsin, two individuals, Harshkumar Rajnikant Patel and Sunil Jashubhai Patel, were indicted for their roles in a scheme involving impersonation of employees of the Internal Revenue Service (IRS). The ten-count indictment charged each with conspiracy to commit wire fraud and wire fraud.³⁷

³² *Id.*

³³ *Id.*

³⁴ D. Minn. Criminal Complaint filed May 18, 2016.

³⁵ D. Minn. Indictment filed July 26, 2016.

³⁶ *Id.*

³⁷ E.D. Wis. Indictment filed July 26, 2016.

According to the court documents, between at least December 2015 and June 2016, the duo willingly participated in a scheme to defraud and to obtain money by means of false and fraudulent representations, and knowingly conspired with each other to commit wire fraud.³⁸

Essentially, in an attempt to defraud individuals, unknown members of the scheme called victims and misrepresented themselves in order to induce their victims to send a MoneyGram (electronic transfer of money). For example, in some instances the callers pretended to be law enforcement officials and informed their victims that they owed money to the IRS for unpaid taxes. The callers would threaten their victims with arrest and jail time if the victims did not immediately pay the taxes by sending a MoneyGram. The callers instructed the victims to send a certain amount of money and provided a specific location and the specific fictitious name of a recipient.³⁹

Harshkumar Patel and Sunil Patel possessed fraudulent driver's licenses in the fictitious names of the MoneyGram recipients, but with photos of themselves. They used these fraudulent driver's licenses to pick up several MoneyGram transfers a day from various locations.⁴⁰ At least 21 different fictitious aliases have been identified for the two.⁴¹

Harshkumar Patel used at least 12 different false identities to receive over \$650,000 from more than 600 fraudulent transactions. Sunil Patel used at least two identities to receive over \$33,000 from at least 20 fraudulent transactions.⁴²

Each could face a maximum of 20 years' imprisonment.⁴³ Additional legal proceedings are anticipated.

OFFICE OF AUDIT ACTIVITY

The following final report has been issued and is awaiting public release:

Improvements Are Needed for Information Technology Contract Administration Controls to Mitigate Risks (Reference No. 2016-20-035)

The following final reports have been publicly released:

Improvements in Controls Are Needed for Laptop Computers Recovered When Employees Separate (Reference No. 2016-10-056)

[View the Report](#)

Processes Are Not Sufficient to Assist Victims of Employment-Related Identity Theft (Reference No. 2016-40-065)

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ E.D. Wis. Information Sheet filed July 26, 2016.

⁴² E.D. Wis. Indictment filed July 26, 2016.

⁴³ E.D. Wis. Information Sheet filed July 26, 2016.

[View the Report](#)

Fiscal Year 2016 Statutory Review of Restrictions on Directly Contacting Taxpayers (Reference No. 2016-30-067) – Final report issued and awaiting public release.

[View the Report](#)

Fiscal Year 2016 Statutory Review of Compliance With Legal Guidelines When Issuing Levies (Reference No. 2016-30-052)

[View the Report](#)

The Integrated Production Model Increases Data Access Efficiency; However, Access Controls and Data Validation Could Be Improved (Reference No. 2016-20-058)

[View the Report](#)

OFFICE OF INSPECTIONS AND EVALUATIONS ACTIVITY

The following final report has been publicly released:

Subject: The Offer in Compromise Public Inspection Files Should Be Modernized (Reference No. 2016-IE-R008)

[View the Report](#)



SENIOR STAFF MEETING

AGENDA

September 29, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | David Barnes |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

October 6, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | John Zimmerman |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

October 13, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Jim Jackson |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



This Month At TIGTA
October 2016.docx

This Month at TIGTA: October 2016



*As always, we welcome submissions for news items and stories; just send them to us at [*TIGTACommunications@tigta.treas.gov](mailto:TIGTACommunications@tigta.treas.gov).*

Family Care Webinar on October 19th

The following announcement came from the Office of Mission Support, Leadership and Human Capital division.

In honor of National Work and Family Month, OPM will be hosting a webinar of particular interest to employees, managers, and program coordinators who are interested in family care issues. Please see below for details. This event is open to all employees.

Evolving Fatherhood: Research on the New Dad: Engaging fathers is a critical issue in a changing 21st century workplace. Fathers today are more involved in childcare and housework, and they increasingly value work-life support at work. Understanding fatherhood trends can help us better develop workplace programs to recruit, retain, and engage men who are caregivers. During this webinar, Dr. Brad Harrington from the Boston College Center for Work & Family will discuss findings from his research initiative on The New Dad, which examines the evolving roles and attitudes of working fathers. This research has valuable lessons to offer practitioners seeking to better address the work-life needs of fathers in the Federal workforce.

When: Wednesday, October 19, 2016, 2:00 PM - 3:00 PM EST

Registration link: https://opm.adobeconnect.com/nwfm2016fathers/event/event_info.html

For additional information, contact Crystal J. Robinson at crystal.robinson@treasury.gov. Please contact OPM at worklife@opm.gov to request reasonable accommodation.

TIGTA PERSONNEL CHANGES for September 2016

New Employees

Please join the Office of Chief Counsel in welcoming the following new employee:

Thomas Malcolm Ashton

Please join the Office of Investigations in welcoming the following new employees:

Norman Jenkins

Scott Moffit

Honesty Norman

Retirements and Separations

We wish the following employees well in their next steps:

Eleonor C. Lindner - OA

Mark L. Scrivanich - OI

Sheldon White - OI

EEO CORNER

October is National Disability Employment Awareness Month

October is designated by presidential proclamation as National Disability Employment Awareness Month (NDEAM). The Department of Labor announced that the NDEAM theme for October 2016 is “**#InclusionWorks**.”

NDEAM brings awareness to persons with disabilities in the workplace as well as recognizes persons with disabilities for their past and present contributions to the United States workforce. We will strive to move forward in the workplace to ensure that persons with disabilities receive fair treatment and employment opportunities. A diverse workforce is successful when it is inclusive. **#InclusionWorks**

Please visit www.dol.gov/odep/ for more information about NDEAM. During the month of October please try to participate in your local community and workplace NDEAM celebrations.

TIGTA EEO held a lunch and learn session for NDEAM with Juliette Rizzo, the Department of Education Director of Special Projects, Partnerships & Events on October 12, 2016 in the Pennsylvania Conference Room (room 453) from 11:30am – 12:30pm.

October is National Breast Cancer Awareness Month

By presidential proclamation October 2016 has been designated National Breast Cancer Awareness Month. The National Breast Cancer Awareness Month annual campaign brings awareness to the disease. Breast cancer awareness reminds and educates us to take steps and make plans for early detection as well as encourage one another in these things. Breast cancer

research and education has and is progressing but we have a long road ahead and need all the support you can give by raising awareness.

During the month of October take steps to make your early detection plan or encourage others about breast cancer awareness. To learn more about National Breast Cancer Awareness Month please visit <http://www.nationalbreastcancer.org/>.



October is National Domestic Violence Awareness Month

President Barack Obama, by proclamation, declares October 2016 to be National Domestic Violence Awareness Month. National Domestic Violence Awareness Month increases nationwide awareness about the physical and emotional pains inflicted on victims of domestic violence and the advocacy to try to end the cruel acts of domestic violence crimes.

National Domestic Violence Awareness month is represented by the color purple. The National Network to End Domestic Violence (NNEDV) would like all to join them on October 20, 2016, for National #PurpleThursday by wearing purple. National #PurpleThursday represents many voices that will stand strong with victims to end domestic violence. For more information about NNEDV and National #PurpleThursday please visit <http://nnedv.org/getinvolved/dvam.html>. You may also research and support local and national domestic violence charities through the Combined Federal Campaign.



Other Special Emphasis Observances

Columbus Day
October 10, 2016

Yom Kippur
October 11, 2016
Jewish Highest Holy Day
https://en.wikipedia.org/wiki/Yom_Kippur

United Nations Day
 October 24, 2016
<http://www.un.org/en/events/unday/>

Happy Halloween
 October 31, 2016



BITS & BYTES

The Search Is On!

Filter by Last Name

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

Search...

Preference for results in English

Department

NO for Tax Administration (614)

Title

Acting AG SITS Audit (2)

Acting Assistant Inspector General for Audit (4)

Acting Audit Manager (2)

Acting Deputy Inspector General (2)

Acting Director (4)

SHORT VOICE

Office

Atlanta (69)

Counsel (20)

Information Technology (33)

Inspection & Evaluations (24)

Inspector General (8)

SHORT VOICE

City

Anderson (2)

Armeda (2)

Atlanta (13)

Austin (17)

Baltimore (14)

Neely Ashley R TIGTA
 IT Specialist
 Information Technology
 Ask me about: SharePoint Web Internet Internet InfoPath
 Phone: 404-576-8360
 Mobile: 404-576-9340
 City: Chamblee
 State: GA

Put your profile to work for you

Number of searches that led to you:

0 times last month

0 times last week

Last updated: May 23

Woolfolk Brittany M TIGTA
 EEO Manager
 Inspector General
 Phone: 202-917-7473
 Mobile: 202-536-7667
 City: Washington
 State: DC

Kautz William D TIGTA
 TELECOMMUNICATIONS SPECIALIST Telecommunications Specialist
 Investigations
 Phone: 800-210-6725
 Mobile: 302-236-1864
 City: Baltimore
 State: MD

Swears Logan M TIGTA
 Secretary
 Investigations
 Phone: 336-547-3022 ext 3
 City: Greensboro
 State: NC

The Office of Information Technology is excited to announce the launch of the new SharePoint People Search. Here are our top reasons to start using People Search today:

- **Easily see who works in your function.**
 - With the People Search, you can filter results by every function within TIGTA. This makes searching for others who work in different departments easier than ever to view.
- **You can search by City or State.**
 - Traveling for work and want to see who else works in that city? You can filter results by State and City and get a comprehensive list of everyone who works there.
- **Look up others who do the same job (or a different one) than you.**
 - Not only can you search by function, city, or state, but you can search by title too. Need to connect with an IT Specialist, Auditor, or Special Agent? You can click on any job title to find employees who have similar work interests.
- **You get to put a face with a name.**
 - If employees take advantage of uploading a profile picture, you can put a face to your virtual coworkers who labor across state lines. When you meet, you will recognize each other.

These are our top reasons, but we hope you find more! **Start using the People Search** and **let us know what you think!** If you have any questions about how it works, please post your questions on our **Ask OIT Discussion Board**. You can find the People Search under Search on every page on the Intranet.

*Please note that the People Search is **not** the authoritative source for personnel information and only reflects the data as recorded in the Outlook Address Book. If you need to make any updates to your information, please submit a Helpdesk ticket.*

TIGTA ACTIVITY FOR PERIOD September 4, 2016 THROUGH September 25, 2016

OFFICE OF INVESTIGATIONS ACTIVITY

Individuals Arrested for Their Role in IRS Impersonation Scam

On September 15, 2016, Treasury Inspector General for Tax Administration (TIGTA) special agents arrested Nancy Frye and Douglas Martin of Bristol, Connecticut. The individuals were arrested on charges related to their alleged involvement in an IRS impersonation scam.¹ Both Frye and Martin have prior criminal convictions.²

The scheme to defraud in this matter involves individuals representing themselves as employees of the IRS in order to use the IRS's administrative and criminal authority to obtain money from others. Typically, those executing the fraudulent scheme make unsolicited telephone calls to

¹ U.S. Dept. of Justice Press Release issued Sept. 15, 2016.

² D. Conn. Criminal Complaint filed Sept. 13, 2016.

people and tell them that they are IRS agents or officers calling on behalf of the IRS. During the calls, the impersonator tells the call recipient that the recipient has an outstanding debt with the IRS that must be paid immediately. The impersonator then threatens the recipient with either arrest or a lawsuit if they do not immediately settle the bogus IRS debt. Victims are instructed to wire money to individuals they believe are employees of the IRS to avoid the threatened action.³

According to the criminal complaint, in October 2015, Frye received telephone calls and text messages from individuals who successfully recruited her to pick up money that was wired through MoneyGram® and Western Union and to deposit the money into specific bank accounts. Frye, in turn, recruited Martin and others to assist her in picking up the wired funds from locations in Connecticut. Frye then deposited the money that she collected into the bank accounts. Between October 2015 and May 2016, Frye, and others working at her direction, received approximately \$547,000 in wired funds. Frye received approximately \$40 per transaction and made approximately \$500 per day.⁴

California Tax Preparer Pleads Guilty in a Conspiracy to Defraud the Government and Retaliate Against Federal Employees

On August 31, 2016, in the Eastern District of California, Teresa Marty pled guilty to charges associated with a conspiracy to defraud the United States and retaliate against Government officials.⁵ Marty was initially indicted, along with coconspirators Rebecca Bandera-Marty and Pamela Ann Harris, in June 2013 for filing false claims with the Internal Revenue Service (IRS).⁶ Two superseding indictments were subsequently filed in August 2013 and December 2015, respectively, adding coconspirators Charles Tingler and Victoria Tingler, and additional charges related to retaliation against Federal employees and unauthorized disclosure and use of a Social Security Number (SSN).⁷

According to the court documents, Marty was an IRS enrolled agent and California licensed tax preparer, as well as the owner/operator of Advanced Financial Services (AFS) in Placerville, California. Marty, along with Harris and Bandera-Marty, filed at least 250 false income tax returns on behalf of individuals residing in 26 different States, fraudulently claiming more than \$60 million in Federal income tax refunds. The returns falsely reported on IRS Forms 1099-OID that a client's total outstanding debt was actually interest income that had been withheld by the IRS rather than paid to the client, thus entitling the client to a tax refund of the amount. Based on the false returns filed, the IRS erroneously issued over 40 tax refunds totaling approximately \$9 million.⁸

³ *Id.*

⁴ *Id.*

⁵ E.D. Cal. Plea Agreement filed Aug. 31, 2016.

⁶ E.D. Cal. Indictment filed June 20, 2013.

⁷ E.D. Cal. Superseding Indictment filed Aug. 15, 2013; E.D. Cal. Second Superseding Indictment filed Dec. 3, 2015.

⁸ E.D. Cal. Plea Agreement filed Aug. 31, 2016.

Charles and Victoria Tingler, also of Placerville, California, were clients of Marty's tax preparation business. They too, along with Marty and other individuals, knowingly filed a false tax return with the IRS claiming a refund of \$358,415.⁹

When the IRS assessed Marty with a tax due and owing in the approximate amount of \$388,735.08 and the Tingles with an amount of approximately \$363,843.39 related to the fraudulent refunds,¹⁰ Marty, Harris, and Charles Tingler intentionally and knowingly conspired to impede and obstruct the lawful functions of the IRS. On multiple dates, both Charles Tingler and Victoria Tingler sent correspondence to the IRS revenue officer assigned to the collection of their debt that alleged the revenue officer owed them \$6 million and demanded payment of such. In furtherance of the conspiracy, Marty hired a collection agency to collect the false debt allegedly owed. Harris subsequently provided the collection agency with the home address, SSN, and telephone number of the revenue officer.¹¹

Marty, Charles Tingler, and Victoria Tingler also filed retaliatory liens in public records against the properties of multiple Federal employees on account of the performance of their official duties involving the collection and litigation of their respective cases, knowing that the liens contained materially fraudulent representations. The targeted officials included IRS employees and Department of Justice (DOJ) attorneys. The liens, filed with the Office of the California Secretary of State, falsely claimed encumbrances ranging from at least \$500,000 to \$84 million.¹² Additionally, in filing such false liens, Marty and the Tingles used and disclosed publicly the SSNs, dates of birth, and home addresses of the targeted Federal employees.¹³

Marty could face a maximum of 10 years' imprisonment. Her sentencing is scheduled for January 4, 2017. Harris, Bandera-Marty, Charles Tingler, and Victoria Tingler have all entered guilty pleas. The Tingles and Bandera-Marty are scheduled to be sentenced on November 16, 2016, and Harris is scheduled to be sentenced the same date as Marty, January 4, 2017.¹⁴

Canadian Man Sentenced in Advance Fee Scheme Impersonating IRS Employees

Canadian citizen Sandy Winick was sentenced on August 17, 2016, in the Eastern District of New York, for his orchestration of an international multimillion dollar fraud scheme.

According to the court documents, Winick is a Canadian citizen who lived at various times in China, Thailand, Vietnam, Canada, and the United States. Winick, also known as "Jerry Sarrano," "John Peter Smith," "Abdiel Vergara," Robin Cheer," "Glen Forman," Kyle Benford," and "Stephen Thompson," together with a number of coconspirators, engaged in two separate but interrelated schemes: an Advance Fee Scheme and a Penny Stock Scheme. Winick was responsible for orchestrating both schemes.¹⁵ Winick and three coconspirators,

⁹ E.D. Cal. Second Superseding Indictment filed Dec. 3, 2015.

¹⁰ E.D. Cal. Plea Agreement filed Aug. 31, 2016.

¹¹ E.D. Cal. Second Superseding Indictment filed Dec. 3, 2015.

¹² E.D. Cal. Second Superseding Indict. filed Dec. 3, 2015.

¹³ E.D. Cal. Plea Agreement filed Aug. 31, 2016.

¹⁴ E.D. Cal. Criminal Docket as of Sep. 9, 2016.

¹⁵ E.D. N.Y. Second Superseding Indictment filed July 16, 2015.

Gregory Curry, Kolt Curry, and Gregory Ellis, were initially charged in July 2013 with impersonating Internal Revenue Service (IRS) employees, wire fraud, and conspiracy in association with the international Advance Fee Scheme.¹⁶ Winick pled guilty to conspiracy to commit wire fraud related to the Advance Fee Scheme in July 2015.¹⁷

Between January 2008 and July 2013, Winick, Gregory Curry, Kolt Curry, Ellis, and others, conspired to obtain money and property from victims by means of false representations and promises related to the Advance Fee Scheme. The Penny Stock Scheme involved fraudulently inflating, and attempting to inflate, the share prices and trading volumes of certain penny stocks. The Advance Fee Scheme involved making false promises to investors to induce them to pay fees for non-existent services to sell their nearly worthless stocks for a profit.¹⁸ The schemes claimed victims from 35 different countries.¹⁹

In furtherance of the Advance Fee Scheme, coconspirators maintained calling centers in Vietnam, Thailand, and Canada. Victims lived in countries throughout the world. Individuals, acting at the direction and control of the Advance Fee Scheme coconspirators, placed calls from the calling centers to actual and potential victims, falsely claiming to represent unidentified buyers interested in purchasing the victims' restricted stock at an attractive price. The callers claimed several types of advanced fees were needed. Winick and his coconspirators posed as employees of fake companies and actual entities, including the IRS. After victims were advised to pay other fees related to the sale of the stocks, coconspirators sent, via email, a notice that the IRS required payment of approximately 30 percent of the transaction in taxes before the sale could be completed. These email messages contained false and fraudulent communications purporting to be from employees of the IRS with names such as "Daniel Summers" and "Trevor Duncan." The coconspirators created these fictitious IRS personas and IRS documents solely for the purpose of defrauding the victims.²⁰

Victims were instructed to wire the fees, including the IRS fee, through Citibank in New York and were ultimately transferred to an account in Beirut, Lebanon. Funds were further wired throughout the world to accounts maintained by Winick, Gregory Curry, Kolt Curry, Ellis, and others. None of the victims received their anticipated sales proceeds after paying the fees.²¹

In March 2013, Winick began recruiting individuals for two more call centers, including one in Brooklyn, New York. When discussing plans to open a call center in New York, Kolt Curry stated, in part, "...hitting the Americans would be like taking money from a baby."²² The proceeds of the Advance Fee Scheme in 2009 and 2010 alone totaled more than \$5 million.²³

¹⁶ E.D. N.Y. Indictment filed July 31, 2013; E.D. N.Y. Superseding Indictment filed Aug. 7, 2013.

¹⁷ E.D. N.Y. Criminal Cause for Pleading filed July 17, 2015.

¹⁸ E.D. N.Y. Superseding Indictment filed Aug. 7, 2013.

¹⁹ E.D. N.Y. AUSA Letter Requesting Detention filed Aug. 13, 2013.

²⁰ E.D. N.Y. Second Superseding Indictment filed July 16, 2015.

²¹ E.D. N.Y. Superseding Indictment filed Aug. 7, 2013.

²² E.D. N.Y. Superseding Indictment filed Aug. 7, 2013; E.D. N.Y. AUSA Letter Requesting Detention filed Aug. 13, 2013.

²³ E.D. N.Y. Superseding Indictment filed Aug. 7, 2013.

Winick, who was extradited from Thailand, was sentenced to 78 months in prison, and ordered to pay \$2,431,038.32. Additionally, a final order of forfeiture was filed against Winick in the amount of \$5,000,000.²⁴

The investigation involved the cooperation of numerous agencies and international authorities, including the Treasury Inspector General for Tax Administration, IRS Criminal Investigation, the Federal Bureau of Investigations, U.S. Immigration and Customs Enforcement, the Department of Homeland Security-Homeland Security Investigations, the Department of Justice Office of International Affairs, the Royal Canadian Mounted Police, the United Kingdom's National Crime Agency, and law enforcement authorities in Thailand and China.

IRS Employee Sentenced for Defrauding the Government With False Tax Returns

On August 15, 2016, in the Eastern District of California, Internal Revenue Service (IRS) employee Kimberly Brown-English was sentenced for the offenses of Filing of a Fraudulent Tax Return by an Employee of the United States and of Making an Opportunity for a Person to Defraud the United States.²⁵ In May 2016, at the conclusion of a five-day trial,²⁶ a jury reached a unanimous verdict finding Brown-English guilty on all six counts of the indictment that charged her with these offenses.²⁷

According to the indictment, Brown-English was employed by the IRS at the Fresno Service Center, Fresno, California, at all times relevant to the charges. Brown-English initially was employed by the IRS in 2002 and worked as a Seasonal Data Transcriber from 2004 to 2012. She was promoted in September 2012 to the position of Correspondence Examination Technician. Her primary duty was to provide assistance to taxpayers throughout the United States that were under IRS examination by educating them on tax laws and helping them to resolve IRS examination issues. Brown-English was required to complete training courses for this position that included the topics of the Earned Income Tax Credit, the Child Tax Credit, claimed dependents, and filing status.²⁸

In 2012 and 2013, respectively, Brown-English prepared and filed her own 2011 and 2012 Federal income tax returns, in which she falsely claimed two dependents and listed them as her "parent" and her "nephew." She also claimed her filing status was Head of Household. The tax returns each contained materially false items. Neither of the individuals claimed as dependents had a familial relationship with Brown-English. One lived with her during 2011 and 2012, but paid rent and had an income. The other was homeless and did not reside with Brown-English. As a result of Brown-English's false returns, made under penalty of perjury, she obtained refunds from the IRS to which she was not entitled.²⁹

Additionally, between January 2012 and April 2013, Brown-English created opportunities for other individuals to defraud the United States by preparing and filing fraudulent Federal income

²⁴ E.D. N.Y. Final Order of Forfeiture filed Aug. 19, 2016.

²⁵ E.D. Cal. Judgment filed Aug. 16, 2016.

²⁶ E.D. Cal. Criminal Docket as of Aug. 16, 2016.

²⁷ E.D. Cal. Verdict Form filed May 23, 2016.

²⁸ E.D. Cal. Indictment filed Oct. 9, 2014.

²⁹ *Id.*

tax returns for them. For one individual, Brown-English prepared and filed the 2011 and 2012 returns falsely claiming dependents, the Earned Income Tax Credit, the Child Tax Credit, and Head of Household filing status. In fact, the claimed dependents did not live with the taxpayer more than half of the year, nor did the taxpayer provide more than 50% support for the dependents, thus making the taxpayer ineligible to claim them as dependents, file as Head of Household, or receive the Earned Income Tax Credit and Additional Child Tax Credit.³⁰

During the same time period, Brown-English prepared and filed the 2011 and 2012 tax returns of a second individual with similar false claims. That individual's 2011 return fraudulently claimed five dependents. The 2012 return claimed one. The returns also contained false claims for the Child Tax Credit, the Additional Child Tax Credit, the Earned Income Tax Credit, and Head of Household filing status. Again, this taxpayer did not meet the eligibility requirements for claiming the dependents or the associated tax credits. As a result of Brown-English's preparation and submission of the false returns for these two individuals, they had the opportunity to fraudulently decrease their tax liability and obtain refunds from the IRS to which they were not entitled.³¹

Brown-English was sentenced to 15 months in prison, followed by 36 months of supervised release. She was further ordered to pay restitution to the IRS in the amount of \$33,780. Brown-English is scheduled to surrender to serve her sentence on September 21, 2016.³²

OFFICE OF AUDIT ACTIVITY

The following final report has been issued and is awaiting public release:

The Large Business and International Division's Strategic Shift to Issue-Focused Examinations Would Benefit From Reliable Information on Compliance Results (Reference No. 2016-30-089)

Due to the Lack of Enforcement, Taxpayers Are Avoiding Billions of Dollars in Backup Withholding (Reference No. 2016-40-078)

Examination Collectability Procedures Need to Be Clarified and Applied Consistently (Reference No. 2016-30-070)

Improvements Are Needed to Strengthen Electronic Authentication Process Controls (Reference No. 2016-20-082)

³⁰ *Id.*

³¹ *Id.*

³² E.D. Cal. Judgment filed Aug. 16, 2016.

The Whistleblower Program Helps Identify Tax Noncompliance; However, Improvements Are Needed to Ensure That Claims Are Processed Appropriately and Expeditiously (Reference No. 2016-30-059)

Actions Are Needed to Better Identify and Address Individuals Who File Tax Returns Using Frivolous Arguments (Reference No. 2016-40-069)

The following final reports have been publicly released:

Information Technology: SharePoint Controls Need Improvement to Mitigate Risks and to Ensure That Possible Duplicate Costs Are Avoided (Reference No. 2016-20-075)

[View the Report](#)

Programming Changes Would Allow More Accurate Tracking of Fair Tax Collection Practices Violations (Reference No. 2016-10-068)

[View the Report](#)

Fiscal Year 2016 Statutory Audit of Compliance With Legal Guidelines Prohibiting the Use of Illegal Tax Protester and Similar Designations (Reference No. 2016-30-087)

[View the Report](#)

Trends in Compliance Activities Through Fiscal Year 2015 (Reference No. 2016-30-073)

[View the Report](#)

Fiscal Year 2016 Statutory Review of Compliance With the Freedom of Information Act (Reference No. 2016-30-072) – Final report issued and awaiting public release.

[View the Report](#)

The Foreign Account Tax Compliance Act Withholding and Refund Release 2.0 Project (Reference No. 2016-20-077)

[View the Report](#)

Fiscal Year 2016 Statutory Audit of Compliance With Notifying Taxpayers of Their Rights When Requested to Extend the Assessment Statute (Reference No. 2016-30-081)

[View the Report](#)

Fiscal Year 2016 Review of Compliance With Legal Guidelines When Conducting Seizures of Taxpayers' Property (Reference No. 2016-30-074)

[View the Report](#)

Actions Can Be Taken to Better Address Potential Noncompliance for Roth Individual Retirement Arrangement Conversions (Reference No. 2016-10-054)

[View the Report](#)

**The Affordable Care Act Case Management System Release 1.0
(Reference No. 2016-23-066)**

[View the Report](#)

**The Office of Appeals Has Improved Compliance Within the Collection Due Process
Program (Reference No. 2016-10-064)**

[View the Report](#)

**Cybersecurity Act of 2015: Report on the Information Security Management Practices of
the Internal Revenue Service (Reference No. 2016-2R-079)**

[View the Report](#)



SENIOR STAFF MEETING

AGENDA

October 20, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | Marvin Hart |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

October 27, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Mike Delgado |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Tom Carter |
| • OC - | John Zimmerman |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

November 3, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | John Zimmerman |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

November 10, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|-------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Merv Hyndman |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

November 17, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|------------------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | Roy Draper (via conf. call) |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

December 1, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

December 8, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



SENIOR STAFF MEETING

AGENDA

December 15, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|--------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Greg Kutz |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Brittany Woolfolk |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –



This Month At
TIGTA December 201

This Month at TIGTA: December 2016



*As always, we welcome submissions for news items and stories; just send them to us at
[*TIGTACommunications@tigta.treas.gov](mailto:TIGTACommunications@tigta.treas.gov).*

Reminder: Leave Year Ends January 7th

Just a friendly reminder to let you know that the Federal leave year ends on January 7, 2017. Get in your Use or Lose annual leave days before then, and enjoy your time off!

TIGTA PERSONNEL CHANGES for November 2016

New Employees

Please join the Office of Audit in welcoming the following new employees:

Michael Segall
Eugenia Smoak

Please join the Office of Investigations in welcoming the following new employees:

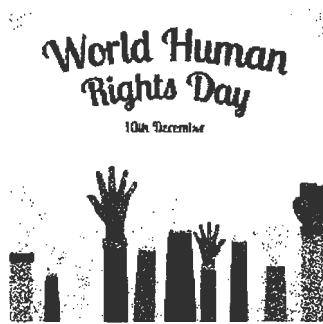
Elisa Germano
Jennifer Harris
Van Kasmiroski
Sean Walsh
Ashley White

Please join the Office of Mission Support in welcoming the following new employee:

John Ebron

EEO CORNER

December is Universal Human Rights Month



December is Universal Human Rights Month. On December 10, 1948, the new United Nations adopted the Universal Declaration of Human Rights (UDHR), one of the first major accomplishments achieved by the group during that time. The UDHR's large range of rights are not bound by law but serve as inspiration for more than 60 human rights tools that define the international standard of human rights. Two years after the adoption of the UDHR, December 10th has since been recognized as Human Rights Day.

During Human Rights Month we should recognize and promote awareness of the need for all people to have basic necessities needed to maintain a decent quality of life. All people regardless of age, gender, ethnicity, or country are entitled to human rights. This year Human Rights Day calls on everyone to stand up for someone's rights!

<http://www.un.org/en/events/humanrightsday/>

Other December Observances

World AIDS Day

December 1, 2016

<https://www.whitehouse.gov/the-press-office/2016/11/30/presidential-proclamation-world-aids-day-2016-1>

International Day of Persons with Disabilities

December 3, 2016

<https://www.whitehouse.gov/blog/2016/12/03/celebrating-international-day-persons-disabilities>

National Pearl Harbor Remembrance Day - 75th Commemoration

December 7, 2016

<http://pearlharbor75thanniversary.com/>



Hanukkah

December 25, 2016 – January 1, 2017

<https://en.wikipedia.org/wiki/Hanukkah>



Christmas Day

December 25, 2016

<https://en.wikipedia.org/wiki/Christmas>



Kwanzaa – 50th Anniversary of Kwanzaa

December 26-January 1

<http://www.officialkwanzaawebsite.org/index.shtml>

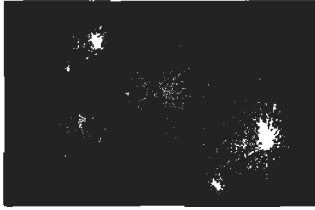


New Year's Eve

Last full day of 2016

December 31, 2016

https://en.wikipedia.org/wiki/New_Year's_Eve



BITS & BYTES

Have Your New Laptop?

As the laptop rollout continues, the Office of Information Technology (OIT) continues to diligently work to resolve any reported issues. As a result, the Helpdesk response times may be longer than usual. We appreciate your patience!

Meanwhile, please consult the following list of [Windows 10 Laptop Known Issues](#) before submitting a Helpdesk ticket. If you have an issue that is included in the list, you do NOT need to submit a Helpdesk ticket unless instructed by the entry.

In addition, OIT compiled training guides for [Windows 10](#) and [Office 2016](#), and [TLMS training](#) relating to the new software. These may provide helpful insight into the new laptops and software.

Don't Be a Phish over the Holidays!



Many of us participated in the annual Black Friday and Cyber Monday events of the past few weeks. As a public service reminder, the TIGTA Office of Information Technology reminds you to remain vigilant when browsing or shopping online this holiday season. Opportunistic trawlers can easily steal your sense of satisfaction brought on by a good deal. That joy could be overshadowed by being caught in a phishing net.

Unknown senders of eCards may contain malicious links. Fake shipping notifications or advertisements may deliver infected attachments.

Additionally, as we have seen, the criminals have no shame or conscience. They will use noble causes and the charitable spirit of the season to perpetrate their schemes.



Unfortunately, spoof email messages and fraudulent posts on social networking sites may request support for phony causes and extract credit card and other personally identifiable information (PII) that can lead to identity theft.

To avoid seasonal campaigns that could result in security breaches, identity theft, or financial loss, allow us to encourage you to take the following precautions:

- Avoid responding to unsolicited email. If you don't know or don't recognize the sender, don't open the message. If you are unsure a message is truly from someone you know, ask them in a separate message if they sent the suspicious communication.
- Avoid following unsolicited links or downloading attachments from unknown sources. You can search for the site or go to the known address of the provider to resolve issues or find bargains.
- Refer to the US-CERT security Tips to learn more about [Shopping Safely Online and Avoiding Social Engineering and Phishing Attacks](#).
- Read the Federal Trade Commission's blog on [Don't let scammers take away your holiday cheer](#).
- Visit the Federal Trade Commission's Consumer Information page on [Charity Scams](#).

Thank you and safe shopping!

TIGTA ACTIVITY FOR PERIOD November 6, 2016 THROUGH November 20, 2016

OFFICE OF INVESTIGATIONS ACTIVITY

IRS Employee Pleads Guilty to Mail Fraud

On October 21, 2016, in the Western District of Tennessee, Internal Revenue Service (IRS) employee Tracey Glover was charged with, and pled guilty to, mail fraud as part of a scheme to divert funds from taxpayers' refunds.¹

According to the court documents, Glover was, at all times material to the charge, employed by the IRS in Memphis, Tennessee. Glover was preparing tax returns as secondary employment at

¹ W.D. Tenn. Info. filed Oct. 21, 2016; W.D. Tenn. Plea Agr. filed Oct. 21, 2016.

the same time she was employed with the IRS and was charging fees for the preparation and filing of tax returns.²

As part of her scheme, by deceptive and dishonest means, Glover prepared tax returns for compensation and routed her preparation fee from the taxpayers' refunds to her own personal bank account. It was further part of Glover's scheme to fraudulently route additional funds from the taxpayers' refunds to her personal bank account, without the taxpayers' knowledge and consent. Glover then mailed altered tax return copies to the taxpayers in order to conceal her acts. Glover diverted tax refund amounts totaling \$3,015.³

Mail fraud carries a maximum statutory punishment of 20 years' imprisonment.⁴ Glover's sentencing is scheduled for February 2, 2017.⁵

Man Pleads Guilty to Theft of Government Money

On October 26, 2016, in the Southern District of Florida, Roger Gedeomme pled guilty to the theft of Government money related to a stolen U.S. Treasury check.⁶ Gedeomme was initially indicted for the theft of Government money, fraudulent endorsement of a Treasury check, and aggravated identity theft in August 2016,⁷ and was arrested on September 7, 2016.⁸

According to the court documents, in April 2015, Gedeomme willfully received a U.S. Treasury check issued to another individual in the amount of \$4,307, with the intent to convert to his own use the money, which he knew to have been stolen. Gedeomme then knowingly, and with intent to defraud, passed the Treasury check using the means of identification of another person, to wit, a forged endorsement in the payee's name, without the lawful authority to do so.⁹

More specifically, Gedeomme entered a check cashing and payday store in Fort Lauderdale, Florida, and presented a check issued by the U.S. Department of the Treasury and a counterfeit Florida driver's license in the name of the payee but bearing Gedeomme's photograph. As part of the check cashing process, Gedeomme provided two fingerprints and had his picture taken. In addition, the driver's license he had presented was scanned.¹⁰

The payee filed a claim with the U.S. Treasury stating that he/she had not received the check, and did not authorize anyone to cash it. A fingerprint examiner determined the fingerprints provided by the individual who cashed the check as Gedeomme's, and it was determined that the Florida driver's license presented by the individual who cashed the check did not exist in the records of the State of Florida Department of Highway Safety and Motor Vehicles.¹¹

² W.D. Tenn. Info. filed Oct. 21, 2016.

³ *Id.*

⁴ W.D. Tenn. Plea Agr. filed Oct. 21, 2016.

⁵ W.D. Tenn. Crim. Docket as of Nov. 9, 2016.

⁶ S.D. Fla. Plea Agr. filed Oct. 27, 2016.

⁷ S.D. Fla. Indict. filed Aug. 9, 2016.

⁸ S.D. Fla. Executed Arrest Warrant filed Sep. 12, 2016.

⁹ S.D. Fla. Indict. filed Aug. 9, 2016.

¹⁰ S.D. Fla. Factual Proffer filed Oct. 27, 2016.

¹¹ *Id.*

Gedeomme's sentencing date has not been set. The maximum sentence for the theft of Government funds is 10 years' imprisonment.¹²

Former IRS Special Agent Indicted for Her Scheme to Impede the IRS

On October 20, 2016, in the Eastern District of California, former Internal Revenue Service (IRS) Special Agent Alena Aleykina was charged in a superseding indictment with corruptly endeavour to impede the administration of the internal revenue laws, subscribing to false returns, theft of public funds, and destruction or falsification of records.¹³

According to the court documents, Aleykina, a resident of Sacramento, California, was employed as an IRS-Criminal Investigation (CI) Special Agent from approximately 2006 to 2014. Aleykina also was a Certified Public Accountant (CPA) in the State of California and held a master's degree in Business Administration.¹⁴

From at least April 25, 2008 through April 15, 2013, Aleykina corruptly endeavored to execute a scheme to impede the due administration of the Internal Revenue laws by various means, which included submitting false Forms W-7 on behalf of her family members in order to obtain IRS Individual Tax Identification Numbers (ITIN).¹⁵ Furthermore, Aleykina established and used trusts and at least one partnership in her scheme, and prepared false and fraudulent Federal income tax returns for herself, her family members, and for the trusts and partnership. Additionally, she made false representations to representatives of the Department of the Treasury.¹⁶

Between 2010 and 2012, Aleykina prepared six false tax returns. Three of these returns were Aleykina's own individual income tax returns and three were tax returns for trusts that she established. All were signed under the penalties of perjury and all contained false statements.¹⁷

On Aleykina's individual tax returns, she falsely claimed head of household filing status. She also claimed dependents to which she was not entitled, tuition and fees deductions, and losses of up to \$25,000 for trusts that she had established. She knew all of these claims were false and was aware she was not entitled to them. Aleykina stole public money and converted it to her own use by causing the IRS to issue IRS Tuition Assistance Reimbursement payments to her, knowing that she was not eligible for such money.¹⁸

The three estate and trust tax returns prepared by Aleykina also contained false statements, including, but not limited to, the amounts of rents received, deductions of negative income distributions, and claims of negative net income identifying Aleykina as the beneficiary, which were declared as losses on two of her corresponding individual tax returns.¹⁹

¹² S.D. Fla. Plea Agr. filed Oct. 27, 2016.

¹³ E.D. Cal. Superseding Indict. filed Oct. 20, 2016.

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *Id.*

In April 2013, Aleykina knowingly destroyed, altered, concealed, and falsified at least one record that was stored on a Government issued computer and Government servers.²⁰

The charge of destruction of records in a Federal investigation carries a maximum penalty of 20 years' imprisonment.²¹ Additional legal actions are anticipated.

**Treasury Inspector General for Tax Administration
Press Release**

October 27, 2016
TIGTA-2016-27

Inspector General Comments on Indictment of Alleged IRS Phone Fraud Scammers

WASHINGTON — J. Russell George, Inspector General for the Treasury Inspector General for Tax Administration (TIGTA), announced today a major action concerning the Internal Revenue Service (IRS) telephone fraud scam. After an exhaustive three-year joint investigation, the US Department of Justice obtained an indictment on 56 individuals, some of whom are located in the United States, and five call centers located in India. This is the largest single domestic law enforcement action to date involving this scam. Despite this significant legal action, Inspector General George encouraged all members of the public to keep their guard up, as scammers like these are still in the business of cheating people.

"Today's indictment is the result of countless hours of solid investigative work and excellent cross-governmental collaboration concerning the massive amounts of fraud that individuals have allegedly perpetrated on the American people," said J. Russell George, Treasury Inspector General for Tax Administration. "I am extremely proud of my investigative team and of the many efforts of hundreds of TIGTA employees who have played a role in this investigation. We will continue to pursue investigations into this type of criminal activity until we bring those involved to justice."

Since the fall of 2013, TIGTA has been tracking and investigating this scam, which consists of criminals impersonating IRS employees in order to extort money from individuals in our communities. This is the largest, most pervasive telephone impersonation scam TIGTA has encountered in the history of the agency. To date, more than 1.8 million people have reported to TIGTA that they have received an impersonation call; more than 9,600 victims reported that they paid the criminal impersonators a total amount that exceeds \$50 million. The largest single amount paid as a result of the IRS impersonation scam as charged in the indictment is \$136,000, paid by a victim in California.

"All agencies involved in today's announcement are to be congratulated and commended on their outstanding efforts resulting in this indictment," he said. Most importantly, the work of TIGTA's Office of Investigations, who processed the 1.8 million reports of the scam and

²⁰ *Id.*

²¹ *Id.*

worked tirelessly over the past three years, including many nights and weekends, is a shining example of what an agency can do when it dedicates itself to focusing on even the most tangled and complicated of criminal schemes,” he said. “I want to thank all of the dedicated law enforcement personnel who helped in obtaining the indictment of these individuals. I would especially like to recognize and thank the employees from the Federal Trade Commission for their efforts and the Federal Communications Commission’s Enforcement Bureau for partnering with us to initiate telephone call blocking strategies.

“It is very important to note that these arrests and indictments are just the start of the legal process. We are still actively conducting other investigations, and we hope to bring more cases in the future.”

Inspector General George added, “I want to make it very clear for everyone listening, that although the actions today are significant, members of the public must not let their guard down. We are concerned that scam and impersonation calls may continue, so it is important that if you receive a call from someone out of the blue who claims to represent the IRS or Treasury, and demands immediate payment to avoid arrest or a lawsuit, it is a scam, and the best thing to do is to just hang up the phone and report the call to us.”

OFFICE OF AUDIT ACTIVITY

The following final reports have been publicly released:

Actions Can Be Taken to Improve Processes of a Newly Developed Program That Enables Victims of Identity Theft to Request Copies of Fraudulent Tax Returns (Reference No. 2017-40-011)

[View the report](#)

Improvements Are Needed to Ensure the Protection of Data Transfers to External Partners (Reference No. 2017-20-004)

[View the Report](#)



SENIOR STAFF MEETING

AGENDA

December 22, 2016

Conference Room 412 (Virginia)

Communications from Treasury/IRS/CIGIE

J. Russell George

PDIG Discussion Items

Office Reports

- | | |
|----------------------------|-------------------------|
| • OA - | Mike McKenney |
| • OI - | Tim Camus |
| • I&E - | Mike McKenney |
| • OMS- | Merv Hyndman |
| • CIO - | George Jakabcin |
| • CC - | Gladys Hernandez |
| • OC - | Karen Kraushaar |
| • EEO - | Angelia McCoy |
| • Congressional Controls - | David Barnes |

Additional Items for Discussion –