



Deficiencies Exist in the Control and Timely Resolution of Whistleblower Claims

process claims and collect taxes assessed, no awards have been paid out yet on 7623(b) claims received.

Figure 1 shows the status of 7623(b) claims processed in the Whistleblower Office as of March 30, 2009.

Figure 1: Status of 7623(b) Claims as of March 30, 2009⁷

Office	Open Inventory	Reclassified 7623(a)	Rejected	Total
Whistleblower Office	5	4	1	10
Whistleblower Analyst	30	149	137	316
Criminal Investigation Division Review	685		17	702
Operating Division for Initial Review	25	1	2	28
Operating Division Subject Matter Expert	700	5	133	838
Operating Division Counsel	2		1	3
Operating Division Examination	69	1	6	76
Claims	1,516	160	297	1,973

Source: Access database as of March 30, 2009.

A prior Treasury Inspector General for Tax Administration review identified control weaknesses over the Informant Rewards Program

Our 2006 review identified a lack of detailed policies and procedures which limited management oversight in the Informant Rewards Program.

In 2006, we completed a review of the Informant Rewards Program, which is the Program that existed prior to the enactment of legislation creating the Whistleblower Office. This review included an assessment of controls over all claims (since the categories of 7623(a) and 7623(b) claims were not yet codified in the law). The review⁸ found that the Program significantly contributed to the IRS' efforts to enforce tax laws, but also that

additional management focus could enhance the effectiveness of the Program. A lack of standardized procedures and limited managerial oversight resulted in control weaknesses. It took more than 7½ years from the receipt of the initial claim to the payment of the award. There were

⁷ Our report raises concerns regarding the accuracy of claim management information (see page 7). However, this is currently the best information the Whistleblower Office has regarding 7623(b) claims in inventory.

⁸ *The Informants' Rewards Program Needs More Centralized Management Oversight* (Reference Number 2006-30-092, dated June 6, 2006).