

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

without required background checks had access to taxpayer data, according to a report publicly released today by the Treasury Inspector General for Tax Administration (TIGTA), which oversees the IRS.

**Isaac M. O'Bannon** • Aug. 14, 2014

Some contract employees providing services to the Internal Revenue Service (IRS) without required background checks had access to taxpayer data, according to a report publicly released today by the Treasury Inspector General for Tax Administration (TIGTA), which oversees the IRS.

IRS policy requires background investigations for contractor personnel who have or require access to Sensitive But Unclassified (SBU) information, including taxpayer information.

The overall objective of this review was to determine the effectiveness of IRS controls to ensure that background investigations were conducted for contractor personnel who had access to SBU information. TIGTA did not review whether unauthorized contractor employees obtained or misused taxpayer data.

TIGTA found that taxpayer data and other SBU information may be at risk due to a lack of background investigation requirements in five contracts for courier, printing, document recovery, and sign language interpreter services. For example, in one contract for printing services, the IRS provided the contractor a compact disk containing 1.4 million taxpayer names, addresses, and Social Security Numbers; however, none of the contractor personnel who worked on this contract were subject to a background investigation.

In addition, TIGTA found 12 service contracts for which employee background checks were required by the contract; however, some contractor personnel did not have

interim access approval or final background investigations before they began

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

service contracts identified in the report have appropriate security provisions and associated contractor employees have an appropriate interim access approval or final background investigation prior to beginning work on the contract; implementation of enhanced policies and procedures for emergency procurements; training for program office and procurement staff on contractor security requirements; and the necessity for contractor personnel to sign nondisclosure agreements prior to working on a contract. Finally, TIGTA recommended that the Office of Chief Counsel work with the Department of the Treasury Security Office to review the waiver currently in place that exempts contracted expert witnesses from background investigations and determine if the waiver is still appropriate in the current security environment.

The IRS agreed with four of TIGTA's recommendations, but disagreed with a recommendation to review a waiver that exempts expert witnesses from background investigations. TIGTA believes that waiving the background investigation requirement presents a security risk.

IRS • Security

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved