
From: Lerner Lois G
Sent: Monday, June 25, 2012 5:00 PM
To: Daly Richard M; Ingram Sarah H; Marx Dawn R; Urban Joseph J; Marks Nancy J
Cc: Paz Holly O; Fish David L
Subject: RE: 201210022 Engagement Letter

It is what it is. Although the original story isn't as pretty as we'd like, once we learned this were off track, we have done what we can to change the process, better educate our staff and move the cases. So, we will get dinged, but we took steps before the "dinging" to make things better and we have written procedures. So, it is what what it is.

Lois G.

Lerner

Director of Exempt Organizations

From: Daly Richard M
Sent: Friday,
June 22, 2012 5:10 PM
To: Ingram Sarah H; Lerner Lois G; Marx Dawn R;

Urban Joseph J; Marks Nancy J
Subject: FW: 201210022 Engagement

Letter
Importance: High

TIGTA is going to look at how we deal with the applications from (c)(4)s. Among other things they will look at our consistency, and whether we had a reasonable basis for asking for information from the applicants. The engagement letter bears a close reading. To my mind, it has a more skeptical tone than usual.

Among the documents they want to look at are the following:

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All documents and correspondence (including e-mail) concerning the Exempt Organizations function's response to and decision-making process for addressing the increase in applications for tax-exempt status from organizations involving potential political advocacy issues.

TIGTA expects to issue its report in the spring.

From: Rutstein Joel S
Sent: Friday, June 22, 2012 3:01 PM
To: Daly Richard M
Subject: FW:

Importance: High

Mike, please see below and attached. Given that
TIGTA sent this to Joseph Grant and cc'ed Lois and Moises, do you still need me
to circulate this under a cover memo and distribute it to all my liaisons
including you? Thanks, Joel

Joel S. Rutstein, Esq.

Program Manager,

GAO/TIGTA Audits

Legislation and

Reports Branch

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Legislative Affairs

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Web: <http://irweb.irs.gov/AboutIRS/bu/cl/la/lagt/default.aspx>

From: Price Emma W TIGTA

[<mailto:Emma.Price@tigta.treas.gov>]

Sent: Friday, June 22, 2012 2:56

PM

To: Grant Joseph H

Cc: Davis Jonathan M (Wash DC); Miller

Steven T; Medina Moises C; Lerner Lois G; Rutstein Joel S; Holmgren R David

TIGTA; Denton Murray B TIGTA; Coleman Amy L TIGTA; McKenney Michael E TIGTA;

Stephens Dorothy A TIGTA

Subject: 201210022 Engagement

Letter

Importance: High

FYI – Engagement Letter – *Consistency in Identifying and*

Reviewing Applications for Tax-Exempt Status Involving Political Advocacy

Issues.

Thanks,

Emma Price