

# TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION



## Inspection of Select IRS Operations in Puerto Rico

July 15, 2025

Report Number: 2025-IE-R022

This report has cleared the Treasury Inspector General for Tax Administration disclosure review process and information determined to be restricted from public release has been redacted from this document.

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## HIGHLIGHTS: Inspection of Select IRS Operations in Puerto Rico

Final Inspection Report issued on July 15, 2025

Report Number 2025-IE-R022

### Why TIGTA Did This Inspection

We initiated this multifaceted inspection because the IRS has expanded its operations in the Commonwealth of Puerto Rico, a United States territory. From Calendar Years 2020 through 2024, IRS employees in Puerto Rico increased from 732 to nearly 4,000.

We conducted this review to determine whether certain IRS programs and operations in Puerto Rico are functioning as designed and adequate controls are in place to ensure compliance with program policies and procedures.

### Impact on Tax Administration

The 11 IRS facilities currently operating in Puerto Rico include 5 call centers, 5 Taxpayer Assistance Centers, and 1 field office. This expansion increased taxpayer accessibility to bilingual services and established taxpayer assistance sites at geographically distinct and separate areas of the island. This helps to ensure that there is uninterrupted service in case of a natural disaster.

Bilingual call sites and other programs and services help support taxpayers in Puerto Rico and across the United States.

### What TIGTA Found

We found that business continuity and resumption protocols at IRS facilities in Puerto Rico improved after recent natural disasters. We also determined that these facilities are prepared to handle disruptive events, such as a hurricane or other natural disasters. The IRS's three largest business functions on the island all have continuity plans in place.

We also found that IRS facilities in Puerto Rico meet minimum security and safety requirements. However, we identified additional improvements that can be made. These improvements include installing [REDACTED], improving the [REDACTED], and implementing a [REDACTED].

Our inspection found that IRS Criminal Investigation's (IRS-CI) database contained incorrect address information for where seized tangible assets were located. We also noted an IRS-CI storage room door with a loose latch that prevented the door from opening from the inside. The storage room housed firearms used for training.

Further, we found that the IRS's contract with its Puerto Rico vendor ensures that the IRS is not overcharged for servicing bins used to destroy documents with sensitive information. However, we observed instances where bins overflowed, did not have barcodes that ensure accurate payments are made for the services provided, and contained non-sensitive waste. We also found that the IRS does not regularly inspect the vendor's mobile shred trucks to ensure that sensitive information is protected.

### What TIGTA Recommended

We made six recommendations to the Chief, Facilities Management and Security Services. The IRS agreed with four recommendations that include:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

The IRS disagreed with two recommendations that involve [REDACTED]

[REDACTED]



# TREASURY INSPECTOR GENERAL

## for Tax Administration

**DATE:** July 15, 2025

**MEMORANDUM FOR:** COMMISSIONER OF INTERNAL REVENUE

**FROM:**

Nancy A. LaManna

Deputy Inspector General for Inspections and Evaluations

**SUBJECT:**

Final Inspection Report – Inspection of Select IRS Operations  
in Puerto Rico (Inspection No.: IE-25-019-I)

This report presents the results of our review to determine whether select Internal Revenue Service programs and operations in Puerto Rico are functioning as designed and adequate controls are in place to ensure compliance with program policies and procedures. This inspection is part of our Fiscal Year 2025 Annual Program Plan and addresses the major management and performance challenge of *Protection of Taxpayer Data and IRS Resources*.

Management's complete response to the draft report is included as Appendix II. If you have any questions, please contact me or Frank O'Connor, Director, Inspections and Evaluations.

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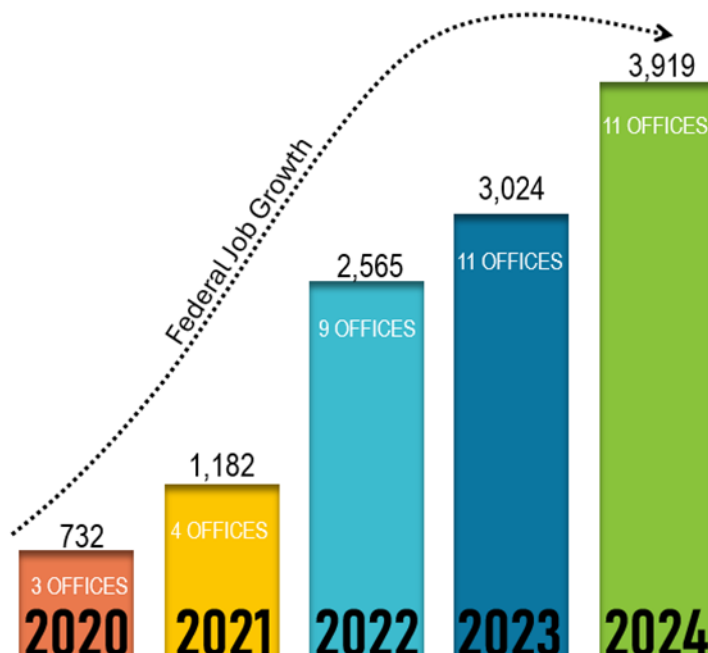
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## Background

The Internal Revenue Service (IRS) has expanded its operations in the Commonwealth of Puerto Rico, a United States territory. The local economy on the island has improved, and the number of IRS employees grew from 732 in 2020 to 3,919 jobs in 2024.

**Figure 1: IRS Employees in Puerto Rico Increased by Nearly 3,200 Between 2020 and 2024**



Source: IRS Facilities Management and Security Services.

The IRS's expansion in Puerto Rico is part of the agency's effort to create jobs that help rebuild underserved communities. The initiative to rebuild underserved communities began around 2022. Puerto Rico is at a high risk for natural disasters. Within the last decade, the island has experienced several natural disasters that have affected its economy. For example, most of the power grid was destroyed and millions of residents lost power and access to water after the island experienced two back-to-back hurricanes in September 2017. In addition, the island experienced a 6.4 magnitude earthquake that caused considerable damage and then had to deal with the impact of the pandemic shortly afterwards.

The 11 IRS facilities currently operating in Puerto Rico include 5 call centers, 5 Taxpayer Assistance Centers, and 1 field office. This expansion increased taxpayer accessibility to bilingual services and established taxpayer assistance sites at geographically distinct and separate areas of the island. This helps to ensure that there is uninterrupted service in case of a natural disaster. According to the IRS, the expansion also created federal job opportunities in a geographic area with a median household income of less than \$21,000 (32 percent of the U.S. national median household income).

Our inspection of several operations in Puerto Rico included assessments of:

- Facility security at Taxpayer Assistance Centers and other IRS posts of duty.
- The management and oversight of IRS Criminal Investigation's (IRS-CI) seized tangible assets.
- The safeguarding and destruction of sensitive waste.
- The reconciliation of IRS-CI's firearms assigned to the Use of Force Coordinator.
- The readiness of automated external defibrillators (AED).

## **Results of Review**

In October 2024, we inspected all 11 IRS facilities in Puerto Rico and found that business continuity and resumption protocols improved after recent natural disasters. These facilities are prepared to handle disruptive events, such as a hurricane or other natural disasters. The IRS's three largest business functions on the island all have continuity plans in place. In addition, the IRS's Facilities Management and Security Services (FMSS) has emergency management personnel who monitor facilities after a natural disaster. These personnel regularly meet with building lessors to monitor water, generators, and fuel.

We found that the facilities meet minimum security and safety requirements, but improvements can be made. These improvements include:

- [REDACTED]
- [REDACTED]
- [REDACTED]

We found that IRS-CI's database contained incorrect address information for where its seized tangible assets were located. We also noted an IRS-CI storage room door with a loose latch that prevented the door from opening from the inside. The storage room housed firearms used for training.

In addition, we found that the IRS is only being charged when full bins are serviced to destroy sensitive waste. This practice differs from the IRS's national contract for sensitive waste, which calls for all bins to be billed regardless of the fill rate. However, we did find instances where bins overflowed, did not have barcodes that ensure accurate payments are made for the services provided, and contained nonsensitive waste. We also found that the IRS does not regularly inspect vendor mobile shred trucks to ensure that sensitive information is protected.

## **Business Continuity and Resumption Protocols Improved After Recent Natural Disasters**

Agency operations are prepared to handle disruptive events, such as a hurricane or other natural disasters. The IRS's Taxpayer Services has two call sites located on the island. If an emergency or

disaster occurs, all calls can be routed (including calls in Spanish to a certain extent) to other accounts management campuses and field call centers based on staffing availability.

The IRS's three largest business functions in Puerto Rico—the Small Business/Self-Employed Division, Taxpayer Services, and Information Technology—all have continuity plans in place. According to the IRS, the Information Technology telecommunications plan has already proven effective in preparing to respond to natural disasters, such as hurricanes.

Because of the high risk of natural disasters, IRS buildings have additional requirements, such as a water cistern, generator, and backup fuel for continuous operations. Requirements vary, depending on the number of employees and whether the building is owned by the General Services Administration. The IRS tests the generators regularly, but most of the other tests and monitoring are performed by the building lessor. The General Services Administration also maintains checklists and verifies the tests.

### **Facilities Meet Safety and Security Requirements, but Improvements Can Be Made**

During our inspections, we found that IRS facilities met or exceeded safety and security requirements, but improvements can be made.

#### **Personnel**

There are [REDACTED]. In addition, one part [REDACTED]. The other part [REDACTED].

In October 2024, we sent an alert outlining our concerns to FMSS. We recommended that the Chief, FMSS, implement [REDACTED]. FMSS [REDACTED].<sup>1</sup> Additionally, in February 2024, the Federal Protective Service (FPS) [REDACTED].

We acknowledge that the Interagency Security Committee (ISC) Standard [REDACTED].<sup>2</sup>

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<sup>1</sup> The FSL is a categorization based on the analysis of several security-related facility factors, which serves as the basis for the implementation of physical security measures. FSL determination ranges from a Level I (lowest risk) to Level V (highest risk). [The Risk Management Process for Federal Facilities: An Interagency Security Committee Standard \(2024 Edition\)](#), U.S. Department of Homeland Security, Cybersecurity and Infrastructure Security Agency, Interagency Security Committee.

<sup>2</sup> The ISC has authority to establish policies for security in and protection of nonmilitary federal facilities in the United States whether owned, leased, or managed by the government. Executive Order 12977, Interagency Security Committee (1995), 60 Fed. Reg. 54411.



Left: [REDACTED]

Right: [REDACTED] TIGTA photos.

**Recommendation 1:** The Chief, FMSS, should [REDACTED]

**Management's Response:** The IRS disagreed with the recommendation and stated that the facility is an [REDACTED]. Additionally, the IRS stated that the [REDACTED].

**Office of Inspections and Evaluations comment:** [REDACTED]

[REDACTED]

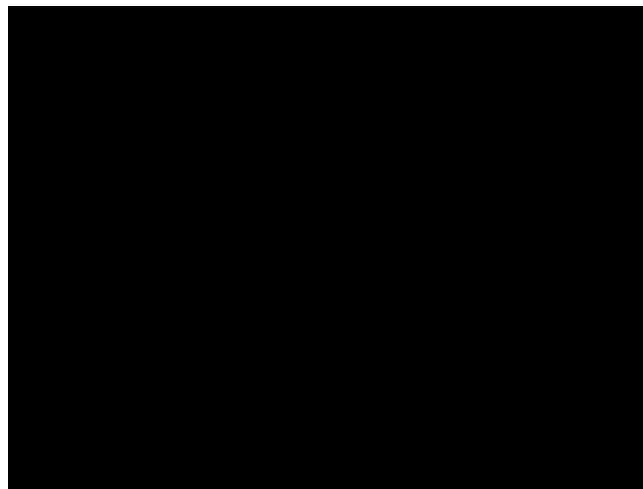
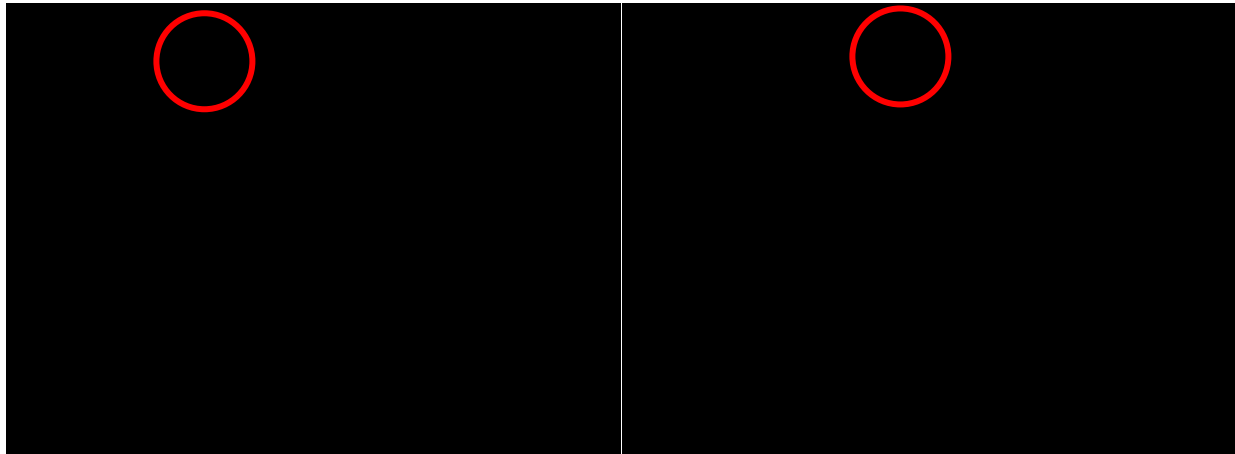
In October 2024, we also notified IRS officials that [REDACTED]. We found that there are [REDACTED].

The ISC Standard [REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]



The first two photos show examples [REDACTED]. A third photo shows [REDACTED].



Three photos from [REDACTED]  
[REDACTED] TIGTA photos.

**Recommendation 2:** In October 2024, we recommended that the Chief, FMSS, [REDACTED]

**Management's Response:** The IRS agreed with our recommendation. [REDACTED]

The [REDACTED] facility in [REDACTED]  
[REDACTED].<sup>3</sup> The interview room [REDACTED]

<sup>3</sup> [REDACTED]

For instance, [REDACTED]

However, [REDACTED]

In February 2024, a former union chapter president visited the facility and heard employee concerns about [REDACTED]. The former union chapter president performed [REDACTED]

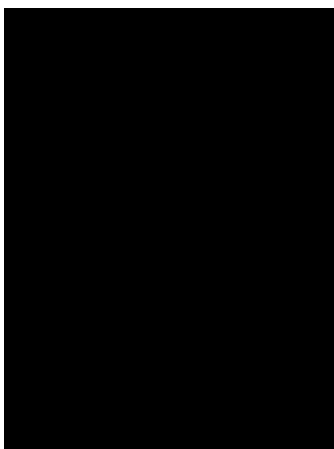
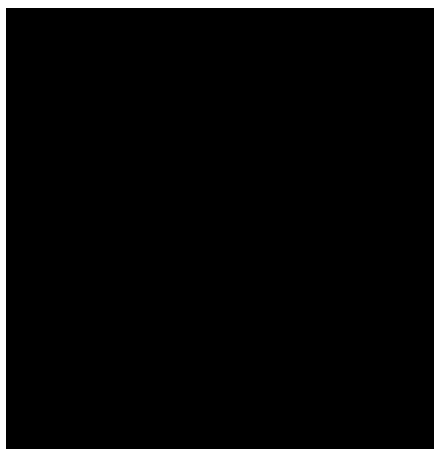
[REDACTED] Generally, [REDACTED]

[REDACTED] IRS records indicate that [REDACTED]

In addition, rather than using the interview room, one IRS employee said that they preferred to meet with taxpayers through a glass window. The window is located where the IRS's secured space and the taxpayer waiting area meet. Unlike the interview room, access to the taxpayer waiting area [REDACTED]

[REDACTED] Conversely, [REDACTED] The interview room [REDACTED]

Some facilities, such as Taxpayer Assistance Centers, have areas where taxpayers meet with IRS employees. [REDACTED]



Left: [REDACTED]

Right: [REDACTED]

TIGTA photos.

As an [REDACTED] facility, the [REDACTED] facility meets minimum ISC Standards. According to the ISC Standard, these countermeasures [REDACTED]. Additionally, the FPS [REDACTED]

[REDACTED]. However, employees that we interviewed shared security and safety concerns.

**Recommendation 3:** In October 2024, we recommended that the Chief, FMSS, should ensure [REDACTED].

**Management's Response:** The IRS disagreed with this recommendation and stated that the facility is an [REDACTED]. Additionally, the IRS stated that the [REDACTED].

**Office of Inspections and Evaluations comment:** [REDACTED]

In October 2024, we outlined our concerns to FMSS. We recommended that the Chief, FMSS, [REDACTED] the interview room is designed in accordance with national workspace standards. These standards are reviewed and collaborated on with all IRS business operating divisions.

However, the IRS has agreed to evaluate the facility's security posture and consider physical security enhancements to maximize employee safety. If the IRS implements [REDACTED].

Therefore, we did not make other recommendations to modify the existing interview room.

### **Emergency exit door malfunctioned and would not open**

During our inspection of the IRS facility in [REDACTED], we found an emergency exit door where the locking mechanism malfunctioned and would not open. Building personnel were on-site at the facility and made necessary repairs to the door. However, in the event of an actual emergency, IRS personnel would have been restricted from exiting the building. The IRS should periodically assess the functionality of emergency exit doors to determine whether they are operating as intended.

**Recommendation 4:** The Chief, FMSS, should periodically ensure that all emergency exit doors at IRS facilities in Puerto Rico are functioning as designed and any inoperable or damaged door is repaired.

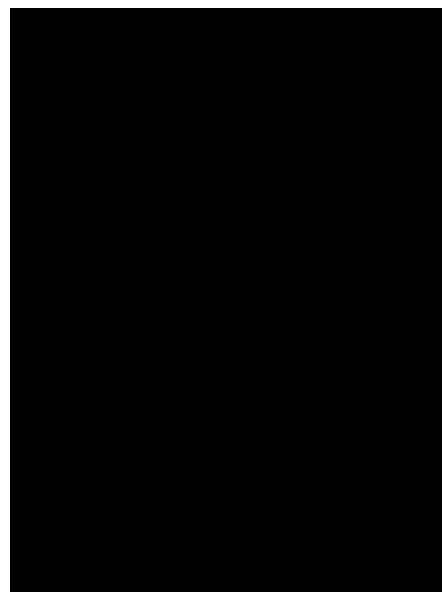
**Management's Response:** The IRS agreed with this recommendation. The IRS stated that in April 2025, FMSS issued an email reminder to all Puerto Rico facilities' project managers to periodically ensure that all emergency exit doors at IRS facilities are functioning as designed and any inoperable or damaged door is repaired.

### **at an IRS call center**

During our inspection of the [REDACTED], call center, we noted [REDACTED]. The [REDACTED] only provides telecommunications services to taxpayers and does not offer any in-person service.

According to the ISC Standard, [REDACTED]. For example, it is appropriate for the IRS to [REDACTED]. For other IRS buildings that are not customer-facing (such as a call center), [REDACTED].

In October 2024, we notified the IRS of this issue and recommended that the Chief, FMSS, [REDACTED]. In November 2024, the IRS [REDACTED] at the call center.



. TIGTA photo.

### **Automated External Defibrillators Must Be Operational, Ready, and Available**

During our inspection, we found that AEDs were properly stored in cabinets with signage that made the units easily identifiable in the event of an emergency. However, we sent the IRS an alert regarding the operation and readiness of the AEDs.

Overall, there are 27 AEDs across 7 IRS facilities, and each AED should have a primary and a spare pad-pak. A pad-pak is essential because its battery provides an electric shock using adhesive pads that stick to the victim's chest. Over time, the pad-paks can degrade becoming less effective. We found that:

- 14 (52 percent) of 27 primary pad-paks were expired.
- 11 (52 percent) of 21 spare pad-paks were expired.

The pad-paks are essential for the proper use of an AED. They have a gel/adhesive that sticks to the chest of a victim and allows the AED to defibrillate the person. These pads should be routinely checked and replaced as needed.

In addition, we found six AEDs did not have a secondary pad-pak included. We also noted that 2 of the 27 AEDs did not have a rescue kit included with the AED. To ensure a successful rescue, additional items should be placed in a bag and stored with the AED. These items include non-latex protective gloves, cardiopulmonary resuscitation face masks, scissors, a disposable razor, and a spare battery and electrode pads.

In October 2024, we recommended that the Chief Operating Officer should ensure that expired primary and secondary pad-paks are immediately replaced; missing secondary pad-paks are included in the rescue kits that TIGTA identified; and missing rescue kits are included with

the AED. The IRS agreed with our recommendation and stated that as of January 2025, all pad-paks and rescue kits were ordered, received, and installed.

## **Seized Tangible Assets and a Faulty Door Lock on the Weapons Storage Room**

Our inspection included a review of IRS-CI's management of unassigned firearms and seized tangible assets. We found that every IRS-CI weapon in Puerto Rico was accounted for appropriately.

However, prior to our inspection, IRS-CI informed us that the storage location of four seized vehicles in the Asset Forfeiture Tracking and Retrieval System (AFTRAK) was incorrect. Inaccurate information in AFTRAK could impair the IRS's ability to readily locate seized assets and impact the proper management of assets. In response to our October 2024 recommendation, IRS-CI updated the AFTRAK to show the correct storage address for the vehicles.

During our inspection, we also observed that the special agent showing us the firearms could not close the door to IRS-CI's weapons storage room. He would be locked inside the room due to a broken cypher lock on the door. The special agent said IRS-CI agents take precautionary actions (such as leaving the door open with a chair) to ensure that they are not locked inside the room. We recommended that the IRS replace the lock on the door to the weapons storage room. The IRS subsequently took the appropriate corrective action.

## **Vendor Billing and Handling of Sensitive Waste**

During our review of sensitive document destruction, we found that the Puerto Rico vendor only charges the IRS when sensitive document destruction bins are full and serviced. This practice differs from the IRS's national contract for sensitive waste, which calls for all bins to be serviced and billed regardless of the fill rate. We also found instances where bins overflowed, did not have barcodes, and contained nonsensitive waste. In addition, we noted that the Puerto Rico vendor's mobile shred trucks are not inspected on a regular basis.

### **Puerto Rico vendor only charges when sensitive waste bins are full**

Unlike the national contract, the Puerto Rico vendor only charges when full sensitive document destruction bins are serviced. The national contract provides for the billing of all bins regardless of the fill rate. We previously recommended that the IRS develop processes and procedures to ensure that only full bins are serviced and scanned, and then only pay for those bins scanned.<sup>4</sup> The IRS agreed in principle with this recommendation. However, they disagreed that only full bins should be serviced at IRS facilities that generate less volume of paper and require less frequent service.

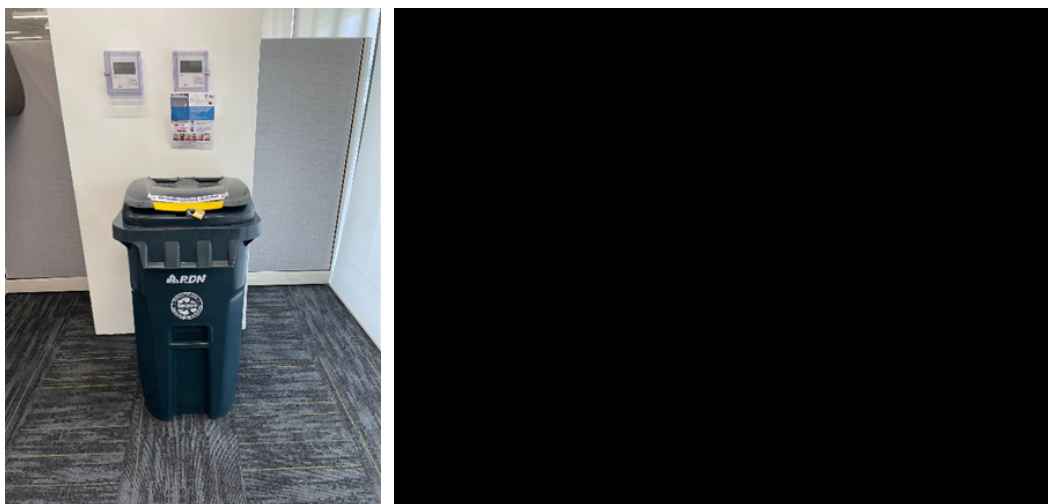
Invoices and other documents obtained from the Puerto Rico vendor showed that the IRS was only charged when full bins were serviced for 15 pickups. The pickups were completed between when the contract took effect in April 2024 and our inspection in October 2024. We found that the contract and billing practice of the Puerto Rico vendor is more closely aligned with recommendations that we proposed in our previous report.

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<sup>4</sup> TIGTA Rep. No. 2025-IE-R005, [\*Improved Secure Document Safeguarding and Destruction Procedures Are Needed\*](#) (December 2024).

### **Sensitive document destruction bins are not using scanning/tracking technology**

During our walk-through examining sensitive document destruction processes across eight IRS locations, our evaluators observed that sensitive document destruction bins did not have barcodes. We observed a total of 40 bins, and a barcode was only on one of the bins. A barcode on each bin supports the pricing-per-bin cost in the contract and ensures that accurate payments are being made for the services provided.



*Left: Bin used to collect sensitive waste.*

*Right: Only 1 of the 40 bins had a barcode. TIGTA photos.*

The contract with the current vendor states that the "IRS requires a system by which containers are tracked by number via scanning technology or a comparable system to maintain accountability for each container that identifies its size and location." The national contract contains language that requires all subcontractors to use scanning technology within 90 days of the start of the contract and/or a new subcontractor starting performance on the contract. After reviewing the contract for Puerto Rico, we did not find this language. We also found that there was no form of scanning technology used by the vendor for bin tracking.

In October 2024, we recommended that the Chief, FMSS, should immediately equip the IRS's sensitive document destruction bins with a barcode and require subcontractors to use barcode scanning technology to track bins and ensure the accuracy of the billing process. The IRS agreed with the recommendation, and bar codes have been attached to all containers.

### **Sensitive document destruction bins overflow and contain nonsensitive waste**

During our inspection at one IRS location, we observed that six of seven bins overflowed. IRS employees are instructed through periodic trainings to dispose of sensitive waste in locked bins. In addition, Document 13420, *The Sensitive Document Destruction Bin*, information flyer is required to be displayed above all bins to further inform employees.



*Left: Sensitive document destruction bin overflows. TIGTA photo.*

*Right: Poster found on the IRS SharePoint Site for Sensitive Document Destruction.*

We were able to pull documents through the slot opening of the bin. Also, due to a bin overflow, we could access documents that were supposed to be locked in the bin. Overflowing bins can lead to unauthorized disclosure of sensitive information.

We also unlocked bins to inspect and ensure that the waste in the bins was sensitive. We found nonsensitive paper waste that should have been disposed of with regular recycling. Although



this occurred at just one location, and in one bin we opened, placing nonsensitive waste in locked bins contributes to fill rates. As previously discussed, the Puerto Rico vendor only charges the IRS when full bins are serviced. Continuing with this practice of nonsensitive waste in bins could lead to the IRS being billed for services more frequently and paying more for unneeded services.

In our December 2024 report, we recommended that the IRS ensure that all IRS employees receive periodic reminders instructing them how to properly discard sensitive documents.<sup>5</sup> The IRS agreed with that recommendation. Therefore, we will not make a recommendation in this report.

*Left: Nonsensitive paper waste found in a bin should have been disposed of with regular recycling. TIGTA photo.*

<sup>5</sup> TIGTA Rep. No. 2025-IE-R005, [Improved Secure Document Safeguarding and Destruction Procedures Are Needed](#) (December 2024).



**Recommendation 5:** In October 2024, we recommended that the Chief, FMSS, should regularly check bins for fill rates and immediately request services for all full bins to ensure that bins do not overflow, and sensitive information is not at risk.

**Management's Response:** The IRS agreed with this recommendation. The IRS stated that in February 2025, FMSS issued an email reminder to all IRS business units in Puerto Rico that they should contact FMSS to request routine workplace service issues, including full shred bins.

### **Vendor's mobile shred trucks are not inspected on a regular basis**

FMSS officials stated that the vendor shreds sensitive waste on-site at each location using mobile shred trucks. We were also informed that FMSS does not inspect mobile shred trucks. Inspecting mobile shred trucks ensures the appropriate safeguarding of sensitive IRS information as it is being destroyed.

Per the contract, the IRS is allowed unannounced inspections of all contractor facilities and operations by the IRS or third-party industry inspectors. Inspections of contractor facilities and operations may be conducted by any IRS staff or an IRS-authorized third party. This includes, but not limited to, FMSS officials, IRS Cyber Security, and IRS Privacy and Information Protection Data Security. A provision in the contract also allows for annual IRS inspections of trucks used for mobile shredding.

**Recommendation 6:** The Chief, FMSS, should ensure that periodic unannounced inspections of contractor facilities and operations are completed to ensure the proper disposal of sensitive IRS information.

**Management's Response:** The IRS agreed with this recommendation. The IRS stated that in April 2025, FMSS sent an email reminder that periodic unannounced physical on-site inspections of facilities, operations, and mobile shredding vehicles may be conducted. By February 2026, the IRS plans to update its standard operating procedure to ensure periodic unannounced inspections are completed according to the contract.



## Appendix I

### Detailed Objective, Scope, and Methodology

The overall objective of this review was to determine whether select IRS programs and operations in Puerto Rico are functioning as designed and adequate controls are in place to ensure compliance with program policies and procedures. To accomplish our objective, we:

- Evaluated the IRS's compliance with safety and security measures and determined [REDACTED].
- Assessed IRS-CI processes for safeguarding and disposing of seized tangible assets.
- Examined whether IRS-CI firearms are accurately inventoried, properly stored and safeguarded, and only authorized persons have access to stored firearms.
- Evaluated the accuracy of the billing process for sensitive document destruction services and assessed how sensitive document destruction is protected, handled, and destroyed during the document collection process.
- Assessed the operational readiness of installed AED equipment at IRS facilities.
- Interviewed IRS officials and inspected IRS facilities in Puerto Rico to determine facilities' business continuity and resumption protocols after a natural disaster and whether equipment associated with business continuity and resumption protocols have been implemented.

### **Performance of This Review**

We performed this review at 11 IRS facilities in Puerto Rico in October 2024. We conducted this inspection in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*. Those standards require that the work adheres to the professional standards of independence, due professional care, and quality assurance and followed procedures to ensure accuracy of the information presented. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions.

## Appendix II

### Management's Response to the Draft Report



CHIEF  
FACILITIES MANAGEMENT AND  
SECURITY SERVICES

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, DC 20224

June 4, 2025

MEMORANDUM FOR NANCY A. LAMANNA  
DEPUTY INSPECTOR GENERAL FOR INSPECTIONS AND  
EVALUATIONS

FROM: John M. Pekarik /s/ John M. Pekarik  
Acting Chief, Facilities Management & Security Services

SUBJECT: Draft Inspection Report – Inspection of Select IRS Operations in  
Puerto Rico (Inspection No.: IE-25-019-I)

Thank you for the opportunity to review and comment on the TIGTA draft inspection report. We appreciate your acknowledgement that the Puerto Rico facilities met or exceeded security and safety requirements, and found our business continuity and resumption protocols for natural disaster response had improved. We also appreciate your acknowledgement of IRS's efforts regarding the Puerto Rico expansion project that created jobs, improved the economy, increased taxpayer accessibility to bilingual services, and established taxpayer assistance sites at geographically distinct areas to prevent uninterrupted service in case of a natural disaster.

The IRS respects your concerns and suggested improvements to enhance the security and safety of employees and taxpayers at the Puerto Rico facilities, as this is our utmost priority. Your recommendations assist us in our efforts to ensure that programs and operations in Puerto Rico are functioning, as designed.

We agree with 4 of your 6 recommendations and have developed corrective actions to remediate the report findings. We have already coordinated with [REDACTED]

[REDACTED]. In addition, we have taken action to send email notifications to IRS employees to address recommendations 4 through 6 and will update our standard operating procedure to ensure periodic unannounced inspections are completed according to the contract to mitigate recommendation 6.

In response to your first recommendation [REDACTED], no action is required. [REDACTED]

[REDACTED] IRS will continue to monitor threat levels to ensure

facilities are properly protected. FPS applies the ISC Risk Management Process to identify and recommend countermeasures that aim to mitigate, but cannot eliminate, risk. Implementing "above standard" countermeasures in excess of ISC requirements or risk assessment recommendations, can set a precedent for applying the same requirement at all [REDACTED] locations and may require us to reallocate resources that would be better used to improve countermeasures at higher risk facilities. In the current environment, this is not cost effective for the Service and may be viewed as an inefficient and possibly wasteful use of taxpayer dollars.

In response to your second recommendation, [REDACTED]

[REDACTED], which indicates that

[REDACTED]. The

In response to your third recommendation to [REDACTED]

[REDACTED]. As noted in the report, the facility meets security requirements

[REDACTED]. Furthermore, the most recent

[REDACTED]. FPS applies the ISC Risk Management Process to identify and recommend countermeasures that aim to mitigate, but cannot eliminate, risk. Implementing "above standard" countermeasures in excess of ISC requirements or risk assessment recommendations, can set a precedent for applying the same requirement at all [REDACTED] locations and may require us to reallocate resources that would be better used to improve countermeasures at higher risk facilities. In the current environment, this is not cost effective for the Service and may be viewed as an inefficient and possibly wasteful use of taxpayer dollars. Additionally, the current review of government contracts makes the possibility of paying for above standard requirements unlikely.

We would like to reiterate that the [REDACTED]

[REDACTED]. The description of [REDACTED] described in the report suggests that

[REDACTED]. However, this description is an oversimplification of the actual timeline of events.

In response to your fourth recommendation, we agree. On April 22, 2025, we sent an email notification to FMSS Puerto Rico facilities employees that they should periodically test the emergency exit doors at Puerto Rico sites during monthly site inspections.

In response to your fifth recommendation, we agree. On February 19, 2025, we sent an email reminder to all Puerto Rico employees that full shred bins should be reported through IRS Service Central. The use of IRS Service Central as the means for employees to self-report the need to bin servicing will provide for more immediate service at these sites. In addition, in response to TIGTA's initial email alert, FMSS also sent a reminder to employees that they should not overfill the bins but instead store any additional documents for shredding in a secure location until the bins are emptied.

In response to your sixth recommendation, we agree. The current sensitive document destruction contract covering Puerto Rico facilities, dated April 2024, requires that the contractor is National Association for Information Destruction (NAID) certified. This certification requires a comprehensive inspection at the award of the contract and periodically thereafter by an accredited third party. On April 23, 2025, we sent an email reminder to the contractors that per the contract, unannounced inspections of facilities, operations, and mobile shredding vehicles may be conducted to ensure compliance with requirements related to the proper handling and disposal of sensitive information. In addition, FMSS will update our standard operating procedure to ensure periodic unannounced inspections are completed according to the contract.

Attached is our corrective action plan describing how we plan to address your recommendations.

We appreciate the continued support and assistance provided by your office. If you have any questions, please contact me at [John.M.Pekarik@irs.gov](mailto:John.M.Pekarik@irs.gov) or a member of your staff may contact Charles R. Jung, Associate Director, FMSS Operations Mid-Atlantic at [Charles.R.Jung@irs.gov](mailto:Charles.R.Jung@irs.gov).

Attachment

Attachment

**RECOMMENDATION #1:**

The Chief, FMSS, should [REDACTED]

**CORRECTIVE ACTION:**

No corrective action required. [REDACTED]

**IMPLEMENTATION DATE:**

N/A

**RESPONSIBLE OFFICIAL:**

N/A

**CORRECTIVE ACTION MONITORING PLAN:**

N/A

**RECOMMENDATION #2 (Alert):**

The Chief, FMSS, [REDACTED]

**CORRECTIVE ACTION:**

The IRS agrees with this recommendation. [REDACTED]

**IMPLEMENTATION DATE:**

[REDACTED]

**RESPONSIBLE OFFICIAL:**

Chief, Facilities Management and Security Services

**CORRECTIVE ACTION MONITORING PLAN:**

IRS will monitor these corrective actions as part of our internal management system of controls.

2

**RECOMMENDATION #3 (Alert):**

The Chief, FMSS, [REDACTED]  
[REDACTED].

**CORRECTIVE ACTION:**

The IRS disagrees with this recommendation. [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED].

**IMPLEMENTATION DATE:**

N/A

**RESPONSIBLE OFFICIAL:**

N/A

**CORRECTIVE ACTION MONITORING PLAN:**

N/A

**RECOMMENDATION #4:**

The Chief, FMSS, should periodically ensure that all emergency exit doors at IRS facilities in Puerto Rico are functioning as designed and any inoperable or damaged door is repaired.

**CORRECTIVE ACTION:**

The IRS agrees with this recommendation and considers it closed. On April 22, 2025, FMSS issued an email reminder to all Puerto Rico (PR) Facilities Project Managers to periodically ensure that all emergency exit doors at IRS facilities in PR are functioning as designed and any inoperable or damaged door is repaired.

**IMPLEMENTATION DATE:**

Implemented April 22, 2025

**RESPONSIBLE OFFICIAL:**

Chief, Facilities Management and Security Services

**CORRECTIVE ACTION MONITORING PLAN:**

N/A



3

**RECOMMENDATION #5 (Alert):**

The Chief, FMSS, should regularly check bins for fill rates and immediately request services for all full bins to ensure that bins do not overflow, and sensitive information is not at risk.

**CORRECTIVE ACTION:**

The IRS agrees with this recommendation and considers it closed. On February 19, 2025, FMSS issued an email reminder to all Business Units at all locations in Puerto Rico that they should contact FMSS through an IRS Service Central ticket to request routine workplace service issues including full shred bins.

**IMPLEMENTATION DATE:**

Implemented February 19, 2025

**RESPONSIBLE OFFICIAL:**

Chief, Facilities Management and Security Services

**CORRECTIVE ACTION MONITORING PLAN:**

N/A

**RECOMMENDATION #6:**

The Chief, FMSS, should ensure that periodic unannounced inspections of contractor facilities and operations are completed to ensure the proper disposal of sensitive IRS information.

**CORRECTIVE ACTION:**

The IRS agrees with this recommendation. The current sensitive document destruction contract covering Puerto Rico facilities, dated April 2024, requires that the contractor is National Association for Information Destruction (NAID) certified. This certification requires a comprehensive inspection at the award of the contract and periodically thereafter by an accredited third party. On April 23, 2025, FMSS sent an email reminder that, in accordance with the terms of the Document Destruction Services contract (*Section 5.6(f)*), periodic unannounced physical on-site inspections of your facilities, operations, and mobile shredding vehicles may be conducted. These inspections are in place to ensure compliance with all requirements related to the proper handling and disposal of sensitive information. By February 15, 2026, FMSS will update our standard operating procedure to ensure periodic unannounced inspections are completed according to the contract.

**IMPLEMENTATION DATE:**

February 15, 2026

4

**RESPONSIBLE OFFICIAL:**

Chief, Facilities Management and Security Services

**CORRECTIVE ACTION MONITORING PLAN:**

IRS will monitor these corrective actions as part of our internal management system of controls.



## Appendix III

### Abbreviations

AED	automated external defibrillator
AFTRAK	Asset Forfeiture Tracking and Retrieval System
CI	Criminal Investigation
FMSS	Facilities Management and Security Services
FPS	Federal Protective Service
FSA	facility security assessment
FSL	Facility Security Level
IRS	Internal Revenue Service
ISC	Interagency Security Committee
█	█
TIGTA	Treasury Inspector General for Tax Administration



**To report fraud, waste, or abuse,  
contact our hotline on the web at  
<https://www.tigta.gov/reportcrime-misconduct>.**

**To make suggestions to improve IRS policies, processes, or systems  
affecting taxpayers, contact us at [www.tigta.gov/form/suggestions](http://www.tigta.gov/form/suggestions).**

Information you provide is confidential, and you may remain anonymous.