

PP-2008-02

2/29/08

STATEMENT OF AUDIT PROCEDURE

PROCEDURES RELATING TO THE PASS EVENT LOG

I. BACKGROUND

- Before Finance implemented the Professional Audit Support System (PASS), the Revised Contact and Comment Sheet, Form A-27d (5/86), and the continuation sheet, Form A-27d-1 (5/86) (attached), served as an audit's official history.
- Now with PASS, we no longer use the Contact and Comment Sheet. Therefore, this SAP replaces the original SAP (AP/AU-6) and provides guidelines for the audit units in utilizing the event log in PASS to maintain an audit history.

This history is particularly valuable when cases are reviewed, either during or after the audit, and when cases are transferred from one auditor to another. Also, supervisors periodically review cases to ensure that auditors are properly managing their case inventory.

II. PROCEDURE

Auditors: Auditors must enter into the PASS event log all taxpayer contacts and significant audit events on the day the contact or event occurs (e.g., telephone calls, letters, visits to the taxpayer, office conferences, and the mailing dates of waivers and other forms and work in progress). Each entry should include the date, the name of the taxpayer or representative contacted, and a detailed description of the action taken.

Group Chiefs: Periodically, Group Chiefs must review PASS event logs to ensure that they are properly updated. Cases may not be approved if the event log is not complete.

QMSG: If during the review process it is determined that the event log is not complete, the Quality Management Support Group (QMSG) will reject the case and return it to the auditor. Additionally, QMSG will issue a negative comment when its review discloses an incomplete log where important actions that affected the outcome of the case were left out.