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**From:** Lerner Lois G  
**Sent:** Tuesday, April 02, 2013 12:29 PM  
**To:** Kutz Gregory D TIGTA; Paterson Troy D TIGTA  
**Cc:** Paz Holly O; Grant Joseph H; Daly Richard M  
**Subject:** FW: TIGTA report - draft email  
**Attachments:** FW TIGTA DOCUMENT REQUEST1.htm; Heightened Awareness Issues.ppt; CPE Room Locations.htm; FW Spreadsheet.htm; FW TIGTA DOCUMENT REQUEST3.txt; FW TIGTA DOCUMENT REQUEST2.htm

**Importance:** High

We are looking at the latest draft and hope to have comments on the draft to you COB today or tomorrow morning. We appreciate you taking many of our discussed concerns into account with the new draft. As you know, we are a bit concerned about the 2 referrals for investigation in the draft report, and want to do all we can to clear up your concerns.

So, following our conversation last week, we again searched our records and spoke to EO Rulings & Agreements employees about the May 2010 e-mail regarding the pre-BOLO criteria, and the issue of who approved the criteria. We now believe that there was not a May 2010 e-mail sent to all Determinations personnel directing them to coordinate these cases with group 7825. Rather, [b(6) and b(7)(C)...] a Determinations specialist, and her group manager, Joseph Herr, were developing the concept and a sample for sharing emerging issues, which what would be called the BOLO. They exchanged drafts with each other via e-mail during this time period (see attached email dated May 6, 2010). The concept was then introduced to Determinations specialists at their CPE sessions held in June/July 2010 (see attached CPE schedule and materials from a session on heightened awareness issues - slide 7 discusses these cases). As reflected in the attached e-mails (which we provided to TIGTA in July 2012), these cases were initially held in the screening group until the cases were assigned to [b(6) and b(7)(C)...]. The screeners had been alerted to lookout for these applications (see 7/2/10 email from Sharon Camarillo included in the attached e-mail chain) so there was no need to alert all of EO Determinations through an email.

In regard to who developed the criteria used to identify cases sent to the advocacy group, EO made 10 individuals from EO Determinations available for interview by TIGTA. [b(5) DP] and Joseph Herr both indicated that they were involved in the initial development of the BOLO criteria. Ron Bell indicated that he, Steve Bowling, and Stephen Seok were involved in the January 2012 revision to the BOLO. Cindy Thomas, the manager of EO Determinations, indicated in her interview with TIGTA that she was not involved in the development or revision of the BOLO criteria. All individuals interviewed indicated that the process of developing and revising items on the BOLO was very informal. In regard to the criteria described in the June 2011 briefing memo, as we explained in our Nov. 2012 comments on TIGTA's timeline and emails with TIGTA regarding those comments, and as reflected in the emails previously provided to TIGTA and TIGTA's interview of [b(6) and b(7)(C)]per... (a specialist in the screening group), the Acting Director, EO Rulings & Agreements asked the EO Determinations manager in June 2011 what criteria Determinations was using to determine whether a case was a "tea party" case. Because the BOLO only contained a brief reference to "Organizations involved with the Tea Party movement applying for exemption under 501(c)(3) and 501(c)(4)" in June 2011, the EO Determinations manager asked the manager of the screening group, John Shafer, what criteria were being used to label cases as "tea party" cases. ("Do the applications specify/state 'tea party'? If not, how do we know applicant is involved with the tea party movement?") The screening group manager asked his employees how they were applying the BOLO's short-hand reference to "tea party." His employees responded that they were including organizations meeting any of the following criteria as falling within the BOLO's reference to "tea party" organizations: "1. 'Tea Party', 'Patriots' or '9/12 Project' is referenced in the case file. 2. Issues include government spending, government debt and taxes. 3. Educate the public through advocacy/legislative activities to make America a better place to live. 4.

Statements in the case file that are critical of the how the country is being run." [REDACTED] indicated in his interview with TIGTA that he believed he provided some of this information to John Shafer, his manager.

So, we believe we have provided information that shows that no one in EO "developed" the criteria. Rather, staff used their own interpretations of the brief reference to "organizations involved with the Tea Party movement," which was what was on the BOLO list. The list is a compilation of the various staff responses to John Schafer's inquiry to staff.

Please let us know if there is any additional information you need regarding clearing up these issues.

Lois G. Lerner  
Director of Exempt Organizations