
From: Lerner Lois G
Sent: Tuesday, February 05, 2013 2:12 PM
To: Kindell Judith E; Goehausen Hilary
Cc: Paz Holly O
Subject: FW: Follow-Up
Attachments: Updated TIGTA Exception Cases - Post Discussion.xlsx

Please take a look and see if you still believe these should have been included --seems like we may very well be in disagreement big time. That means we will need to start drafting our arguments.

Lois G. Lerner

Director of Exempt Organizations

From: Paterson Troy D TIGTA [mailto:Troy.Paterson@tigta.treas.gov]
Sent: Tuesday, February 05, 2013 1:28 PM
To: Lerner Lois G
Cc: Paz Holly O
Subject: RE: Follow-Up

Lois,

As requested, here is a listing of 93 application cases. There is one case that we are working on with Holly (case b(3)6103). This one may or may not stay on the list.

Troy
404-338-7476

From: Lerner Lois G [mailto:Lois.G.Lerner@irs.gov]
Sent: Tuesday, February 05, 2013 11:01 AM
To: Paterson Troy D TIGTA
Cc: Paz Holly O
Subject: RE: Follow-Up

Thank you

Lois G. Lerner

Director of Exempt Organizations

From: Paterson Troy D TIGTA [mailto:Troy.Paterson@tigta.treas.gov]
Sent: Tuesday, February 05, 2013 10:50 AM
To: Lerner Lois G
Cc: Paz Holly O
Subject: RE: Follow-Up

Lois,

That is no problem. I'll ask the team to put together a listing and I'll send it to you and Holly this afternoon.

Troy
404-338-7476

From: Lerner Lois G [<mailto:Lois.G.Lerner@irs.gov>]
Sent: Tuesday, February 05, 2013 10:33 AM
To: Lerner Lois G; Paterson Troy D TIGTA
Cc: Paz Holly O
Subject: RE: Follow-Up

One more thing--can we get the names of the 90 cases please?

Lois G. Lerner
Director of Exempt Organizations

From: Lerner Lois G
Sent: Tuesday, February 05, 2013 10:27 AM
To: Paterson Troy D TIGTA
Cc: Paz Holly O
Subject: RE: Follow-Up

Thanks Troy--It probably makes sense to see what you put together and react to it rather than continuing the discussion in the abstract. We will begin to put together a reply. As I'm sure you would guess, (b)(5) DP
Keep us apprised of progress on the report.

Lois G. Lerner
Director of Exempt Organizations

From: Paterson Troy D TIGTA [<mailto:Troy.Paterson@tigta.treas.gov>]
Sent: Tuesday, February 05, 2013 7:54 AM
To: Lerner Lois G
Cc: Paz Holly O
Subject: RE: Follow-Up

Lois,

After the discussion last week, the team went over some cases on Friday afternoon and Monday morning. We then met yesterday afternoon to discuss the cases and our thoughts on moving forward.

(b)(5) DP

(b)(5) DP

As far as moving forward, I began working yesterday morning on a very rough version of the report that I had asked the team to prepare while we were awaiting your feedback. There is a lot of information currently in the report and a lot of information that is currently not in the report. On our side, we have a lot of difficult decisions coming up on what is relevant to include and what our interpretation is regarding, not only the allegations that led to us initiating this review, but the actions the EO function has taken since that time. At this point, we have not determined what will or will not be included in the report and how we will present everything.

If you would like to meet to discuss your concerns, I am available. If you would rather wait until I have a clearer view of what are considering for the report, we can do that also. How would you like to proceed?

Troy
404-338-7476

From: Lerner Lois G [<mailto:Lois.G.Lerner@irs.gov>]
Sent: Thursday, January 31, 2013 2:34 PM
To: Paterson Troy D TIGTA
Cc: Paz Holly O
Subject: Follow-Up

We were disappointed that you couldn't attend the meeting today. I think it would be useful for you, your group, and mine to have another conversation about approach. We feel your folks are being too narrow in their view and have decided that because of the language on the earlier BOLO list regarding Tea Party, everything that followed was tainted. They seem to believe that if a case was initially sent to the advocacy group, but ultimately determined to be an approval, that our action in putting it into the advocacy group in the first place is incorrect, and illustrates "targeting." I think they remain confused about the purpose of screening vs.. bucketing--and we have tried to explain several time. They also don't seem to be taking a big picture look at what we have done. That is, we've already owned up to the fact that we recognized in mid-process that Cincinnati was struggling with the issues. That is why we sent our experts in this area to Cincinnati for 3 weeks to work hand in hand with the Determ folks to train them and then walk through their post training assessments to ensure they understood and we were getting the right treatment for the cases. When we describe that process, they acknowledge that that approach sounds reasonable, but seem to be saying that reasonableness is overshadowed by the fact that the criteria look bad to folks on the outside, so there is no way we could cure the initial bad impression.

We understand why the criteria might raise questions. In fact we refined it to more accurately reflect what we are doing. I met with the group today and asked your folks what they thought the TIGTA audit was all about. The response was that they were here because there were allegations that the IRS was "targeting." When asked, they didn't seem able to provide me with a clear definition of what they meant by targeting, and they confused me when they said it wasn't necessarily political. I told them my understanding is that the audit was to determine whether the IRS was acting in a politically motivated manner --not whether the earlier articulation of the criteria looked bad. However, that doesn't seem to be the focus. They have said they aren't looking at whether the organizations are conservative or liberal because that is too difficult to figure out. They have also acknowledged that there are both conservative and liberal organizations on the list of advocacy cases.

So, I'm not sure how they are looking at whether we were politically motivated, or what they are looking for with regard to targeting. They didn't seem to understand the difference between IRS acting in a politically motivated manner and front line staff people using less than stellar judgment. I am willing to take the blame for not having provided sufficient direction initially, which may have resulted in front line staff doing things that appeared to be politically motivated, but I am not on board that anything that occurred here shows that the IRS was politically motivated in the actions taken.

So, I suggested to the group that we all get together after they have had a chance to talk to you. I asked both sides to think about the main points they wanted to make or better understand, so the meeting can be most fruitful. This is the toughest one you and I have worked on together. But, I'm hoping the meeting will get us all to an improved understanding so that your report can better reflect what occurred and why.

Lois J. Lerner

Director of Exempt Organizations