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**From:** Marx Dawn R on behalf of Lerner Lois G  
**Sent:** Friday, October 05, 2012 3:55 PM  
**To:** Paz Holly O; Light Sharon P  
**Subject:** FW: Long Political Advocacy Timeline and Questions for Response  
**Attachments:** Long Political Advocacy Timeline.doc

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

For your use.

*Dawn R. Marx*

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(202) 283-8861 Phone  
(202) 283-8785 Fax  
[Dawn.R.Marx@irs.gov](mailto:Dawn.R.Marx@irs.gov)

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**From:** Paterson Troy D TIGTA [<mailto:Troy.Paterson@tigta.treas.gov>]  
**Sent:** Tuesday, October 02, 2012 8:07 AM  
**To:** Lerner Lois G  
**Subject:** Long Political Advocacy Timeline and Questions for Response

Lois,

I appreciate you taking the time to discuss the audits we are conducting and have planned for the future. As we discussed yesterday, attached is a longer version of the timeline we developed through reviews of e-mails and discussions. I sanitized the timeline by removing references to particular cases and individuals. This shortened the timeline down to about 12 pages.

In addition, below are the questions that we gave to Joseph for his response. I would appreciate your response to these questions also.

1. To the best of your knowledge, did any individual or organization outside the IRS influence the creation of criteria targeting applications for tax exemption that mention: 1) the "Tea Party," "Patriots," or the "9/12 Project", 2) government spending, government debt or taxes, 3) education of the public by advocacy/lobbying to "make America a better place to live", or 4) criticizing how the country is being run?
2. To the best of your knowledge, did IRS or Tax Exempt and Government Entities Division management sanction the use of criteria targeting applications for tax exemption that mention: 1) the "Tea Party," "Patriots," or the "9/12 Project", 2) government spending, government debt or taxes, 3) education of

the public by advocacy/lobbying to "make America a better place to live", or 4) criticizing how the country is being run?

3. When did you become aware the IRS was targeting applications for tax exemption that mention: 1) the "Tea Party," "Patriots," or the "9/12 Project", 2) government spending, government debt or taxes, 3) education of the public by advocacy/lobbying to "make America a better place to live", or 4) criticizing how the country is being run?

As always, if you have any questions or concerns, please let me know.

Troy  
404-338-7476



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**From:** Lerner Lois G  
**Sent:** Tuesday, October 16, 2012 4:44 PM  
**To:** Paz Holly O  
**Cc:** Light Sharon P; Kindell Judith E; Marx Dawn R  
**Subject:** FW: Long Political Advocacy Timeline and Questions for Response  
**Attachments:** Long Political Advocacy Timeline.doc

**Importance:** High

**Follow Up Flag:** Follow up

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**We need to answer these questions. Also, need to have folks provide changes/concerns comments to the long timeline--sorry I missed the email, so sooner the better. When are you available? I'd like to meet ASAP.**

*Lois G. Lerner*

Director of Exempt Organizations

---

**From:** Paterson Troy D TIGTA [<mailto:Troy.Paterson@tigta.treas.gov>]  
**Sent:** Tuesday, October 02, 2012 8:07 AM  
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Troy  
404-338-7476

---

**From:** Lerner Lois G  
**Sent:** Wednesday, October 17, 2012 12:14 PM  
**To:** Paz Holly O  
**Cc:** Light Sharon P; Kindell Judith E; Marx Dawn R  
**Subject:** RE: Long Political Advocacy Timeline and Questions for Response

**Meanwhile I've asked Judy and Sharon to start looking at it--fun,fun, fun!**

*Lois G. Lerner*

Director of Exempt Organizations

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**From:** Paz Holly O  
**Sent:** Wednesday, October 17, 2012 4:43 AM  
**To:** Lerner Lois G  
**Cc:** Light Sharon P; Kindell Judith E; Marx Dawn R  
**Subject:** RE: Long Political Advocacy Timeline and Questions for Response

I will be back in the office tomorrow but probably won't have made it through the entire timeline by then. I can meet tomorrow or Friday.

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**From:** Lerner Lois G  
**Sent:** Tuesday, October 16, 2012 5:44 PM  
**To:** Paz Holly O  
**Cc:** Light Sharon P; Kindell Judith E; Marx Dawn R  
**Subject:** FW: Long Political Advocacy Timeline and Questions for Response  
**Importance:** High

**We need to answer these questions. Also, need to have folks provide changes/concerns comments to the long timeline--sorry I missed the email, so sooner the better. When are you available? I'd like to meet ASAP.**

*Lois G. Lerner*

Director of Exempt Organizations

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No. To the best of my knowledge, no individual or organization outside the IRS influenced the creation of these criteria.

**2. To the best of your knowledge, did IRS or Tax Exempt and Government Entities Division management sanction the use of criteria targeting applications for tax exemption that mention: 1) the "Tea Party," "Patriots," or the "9/12 Project", 2) government spending, government debt or taxes, 3) education of the public by advocacy/lobbying to "make America a better place to live", or 4) criticizing how the country is being run?**

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In early 2010, EO Determinations witnessed an uptick in the number of applications for § 501(c)(3) or 501(c)(4) status that contained indicators of significant amounts of political campaign intervention ("advocacy organizations"). EO Determinations first became aware of this uptick in February 2010, when an EO Determinations screener identified a § 501(c)(4) applicant that planned to spend a significant amount of its budget on influencing elections, which he believed was like organizations that had been receiving media attention for purportedly seeking classification as § 501(c)(4) social welfare organizations but operating like § 527 political organizations. He alerted his manager of the potential "emerging issue."

To ensure consistent treatment of similar applications, EO Determinations had long been alerting its specialists to emerging issues by sending emails describing particular issues or factual situations warranting additional review or coordinated processing. Because it was difficult to keep track of all of these separate email alerts, EO Determinations was developing the Be On the Lookout (BOLO) list in early 2010. The BOLO, which is an Excel spreadsheet, provides a centralized source of regularly updated information to EO Determinations specialists about potentially abusive organizations or fraud issues, issues and cases requiring coordinated processing, emerging issues and issues for which to watch. The



BOLO currently includes four tabs: (1) Potential Abusive, (2) Emerging Issues, (3) Coordinated Processing, and (4) Watch List.

The first BOLO list contained the following entry on the Emerging Issues tab: "These case involve various local organizations in the Tea Party movement are applying for exemption under 501(c)(3) or 501(c)(4)." That description was added to the BOLO to help specialists identify cases involving potential significant political campaign intervention for assignment to a particular Determinations group so that they could be consistently processed in accordance with advice provided by EO Technical. The language used on the BOLO was selected by Determinations specialists with the involvement of a front-line manager in EO Determinations.

As the number of advocacy cases grew, the Acting Director, EO Rulings & Agreements wanted to make sure that EO Determinations was not being over-inclusive in identifying such cases (including organizations that were solely engaged in lobbying or policy education with no apparent political campaign intervention). In addition, in light of the diversity of applications selected under this "tea party" label (e.g., some had "tea party" in their name but others did not, some stated that they were affiliated with the "tea party" movement while others stated they were affiliated with the Democratic or Republican party, etc.), the Acting Director, EO Rulings & Agreements sought clarification as to the criteria being used to identify these cases. In preparation for briefing me, the Acting Director, EO Rulings & Agreements asked the EO Determinations Program Manager what criteria Determinations was using to determine if 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 Program Manager asked the manager of the screening group what criteria were being used to label "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 manager of the screening group responded that, "The following are issues that could indicate a case to be considered a potential 'tea party' case and sent to Group 7822 for secondary screening. 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."

As TIGTA's interviews with EO Determinations employees revealed, the BOLO description and the above-referenced list of criteria used by EO Determinations to determine which cases fell under the BOLO description were their shorthand way of referring to the group of advocacy cases rather than targeting any particular group. Applications that did not contain these terms, but that contained indicators of potential significant political campaign intervention, were also referred to the group assigned to work such cases.

I first became aware that the BOLO referenced "tea party" organizations and EO Determinations was using the above criteria to determine what organizations met that description when I was briefed on these cases on June 29, 2011. I immediately directed that the BOLO be revised to eliminate the reference to "tea party" organizations and refer instead more generally to advocacy organizations. The BOLO was revised on July 11, 2011; the "issue name" was changed from "Tea Party" to "Advocacy Orgs", and the "Issue Description" was changed to "Organizations involved with political, lobbying, or advocacy for exemption under 501(c)(3) or 501(c)(4)."

Unbeknownst to me, EO Determinations further revised the BOLO issue description on January 25, 2012 to "political action type organizations involved in limiting/expanding government, educating on the Constitution and Bill of Rights, social economic reform/movement." When I learned of this change, I directed that the BOLO description be revised. The EO Determinations management explained that the group working the advocacy cases had made the change because they were receiving a substantial number of 501(c)(4) applications that only involved lobbying activity, which is a permissible activity, and no indication of political campaign activity. They were trying to edit the description to avoid capturing these organizations. Per my direction, the BOLO was updated on May 17, 2012. The separate entries for Occupy groups and ACORN successors were deleted and the advocacy organization description was revised to read, "501(c)(3), 501(c)(4), 501(c)(5), and 501(c)(6) organizations with indicators of significant amounts of political campaign intervention (raising questions as to exempt purpose and/or excess private benefit). Note: advocacy action type issues (e.g., lobbying) that are currently listed on the Case Assignment Guide (CAG) do not meet this criteria."

At the same time that I directed the BOLO be revised, I also directed the Acting Director of EO Rulings & Agreements to implement procedures for updating the BOLO that included executive-level approval. On May 17, 2012, the Acting Director of EO Rulings & Agreements issued a memorandum that set forth such procedures, which require that all additions and changes to the BOLO be approved by the manager of the emerging issues coordinator, the EO Determinations Program Manager, and the Director, Rulings & Agreements.



**1. To the best of your knowledge, did any individual or organization outside the IRS influence the creation of criteria targeting applications for tax exemption that mention: 1) the "Tea Party," "Patriots," or the "9/12 Project", 2) government spending, government debt or taxes, 3) education of the public by advocacy/lobbying to "make America a better place to live", or 4) criticizing how the country is being run?**

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**From:** Light Sharon P  
**Sent:** Thursday, November 08, 2012 2:14 PM  
**To:** Paz Holly O  
**Subject:** RE: Responses

This is hard. How's this for #2:

I am afraid that the wording of my question to Tom has contributed to the confusion. You can see I said we were seeing inflammatory talk, which I characterized as propaganda. "Propaganda," however, is a term with legal significance. So, Tom's email went on to discuss what constitutes "propaganda" versus what is "educational," for purposes of characterizing the inflammatory talk. He says that, "Posting of some questionable or snarky articles will not undue otherwise OK material . . . the bar [for whether material is educational] is quite low." The example in his second paragraph about the Institute for Historical Review shows just how difficult it is to conclude that inflammatory talk is actually "propaganda" rather than "educational." Senior members of the team bucketing the advocacy cases discussed Tom's email in light of the inflammatory talk we were seeing and concluded that it would be considered educational under existing precedents.

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**From:** Paz Holly O  
**Sent:** Thursday, November 08, 2012 2:27 PM  
**To:** Light Sharon P  
**Subject:** FW: Responses  
**Importance:** High

What do you think of my answers on 2 and 3? With 3 I debated whether I should get into how we are working bucket 4 cases and deciding that might be confusing so I should leave it out.

1. In the response to questions 2 and 3, Lois states that the manager of the screening group responded that, "The following are issues that could indicate a case to be considered a potential 'tea party' case and sent to Group 7822 for secondary screening. 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." Does this mean that the manager of the screening group developed this criteria? If not, who created the criteria? We're trying to determine if anyone in EO function management sanctioned the use of the criteria.
2. On the May 14, 2012 entry on the timeline, the EO function changed the additional details column to read "Concluded, in light of case law on what is educational, that "propaganda" activities **should be** [emphasis added] considered part of an organization's social welfare activities in analyzing whether it is primarily engaged in promoting social welfare." Earlier, you provided an e-mail from Tom Miller that states "I could not find anything, but my analysis is that propaganda activities **should not be** [emphasis added] included in an organization's activities that promote social welfare in analyzing whether it is primarily engaged in promoting the SW within the meaning of the regulations. Did the EO function inadvertently leave out the word "not" in its feedback or are we misinterpreting Tom Miller's e-mail?

Tom Miller's email is a bit difficult to parse. His email does contain the sentence quoted above but goes on to say that, "Posting of some questionable or snarky articles will not undue otherwise OK material . . . the bar [for



whether material is educational] is quite low." Discussion of the issue and Tom Miller's email among the senior members of the team bucketing the advocacy cases yielded a consensus that the type of "propaganda" described in the email would be considered educational under existing precedents.

3. On the May 2012 entry on the timeline, the EO function deleted our wording that the EO Technical employee was reviewing all case files and closing letters prior to issuance. Our interview write-up states that case files were being reviewed and closing letters were being reviewed prior to issuance. Is this the case, or are only the development letters being reviewed?

EO Technical employees are reviewing all development letters to organizations in buckets 2 and 3 prior to issuance. The EO Technical employees are also available to answer questions the Determinations specialists may have after receiving responses to those development letters.

---

**From:** Paterson Troy D TIGTA [mailto:Troy.Paterson@tigta.treas.gov]

**Sent:** Tuesday, November 06, 2012 3:00 PM

**To:** Paz Holly O

**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA

**Subject:** FW: Responses

Holly,

Thank you again for taking the time to review and provide feedback on the 3 questions we submitted and the long timeline. We have a few follow-up questions.

1. In the response to questions 2 and 3, Lois states that the manager of the screening group responded that, "The following are issues that could indicate a case to be considered a potential 'tea party' case and sent to Group 7822 for secondary screening. 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." Does this mean that the manager of the screening group developed this criteria? If not, who created the criteria? We're trying to determine if anyone in EO function management sanctioned the use of the criteria.
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As always, we appreciate the assistance and we look forward to your response.

Troy

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**From:** Lerner Lois G [mailto:Lois.G.Lerner@irs.gov]

**Sent:** Friday, November 02, 2012 11:34 AM

**To:** Paterson Troy D TIGTA

**Cc:** Paz Holly O

**Subject:** Responses

Attached is our redlined version of the long time line you prepared. We have made changes where we thought your folks didn't get it exactly right, and have added some comments for your consideration. Also attached are my response to your three questions. Rather than be repetitive, we have combined the response to questions 2 and 3 into one comprehensive response. I am out of the country next week, but Holly can probably answer any questions you may have in the meantime.

*Leis G. Lerner*

Director of Exempt Organizations

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**From:** Paz Holly O  
**Sent:** Thursday, November 08, 2012 3:45 PM  
**To:** Marks Nancy J  
**Cc:** Light Sharon P  
**Subject:** FW: Responses  
**Attachments:** Lerner answers TIGTA questions (advocacy) (final).doc; Long Political Advocacy Timeline HOP comments (2).doc

**Importance:** High

Nan,

I would appreciate your thoughts on my draft responses to TIGTA's follow-up questions below.

Thanks,

Holly

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**From:** Paz Holly O  
**Sent:** Thursday, November 08, 2012 2:27 PM  
**To:** Light Sharon P  
**Subject:** FW: Responses  
**Importance:** High

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**From:** Paterson Troy D TIGTA [mailto:Troy.Paterson@tigta.treas.gov]

**Sent:** Tuesday, November 06, 2012 3:00 PM

**To:** Paz Holly O

**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA

**Subject:** FW: Responses

Holly,

Thank you again for taking the time to review and provide feedback on the 3 questions we submitted and the long timeline. We have a few follow-up questions.

1. In the response to questions 2 and 3, Lois states that the manager of the screening group responded that, "The following are issues that could indicate a case to be considered a potential 'tea party' case and sent to Group 7822 for secondary screening. 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." Does this mean that the manager of the screening group developed this criteria? If not, who created the criteria? We're trying to determine if anyone in EO function management sanctioned the use of the criteria.
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As always, we appreciate the assistance and we look forward to your response.

Troy

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**From:** Lerner Lois G [mailto:Lois.G.Lerner@irs.gov]  
**Sent:** Friday, November 02, 2012 11:34 AM  
**To:** Paterson Troy D TIGTA  
**Cc:** Paz Holly O  
**Subject:** Responses

Attached is our redlined version of the long time line you prepared. We have made changes where we thought your folks didn't get it exactly right, and have added some comments for your consideration. Also attached are my response to your three questions. Rather than be repetitive, we have combined the response to questions 2 and 3 into one comprehensive response. I am out of the country next week, but Holly can probably answer any questions you may have in the meantime.

*Lois G. Lerner*

Director of Exempt Organizations

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**From:** Paz Holly O  
**Sent:** Thursday, November 08, 2012 4:17 PM  
**To:** Marks Nancy J  
**Subject:** Re: Responses

Will do. Thanks.

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Sent from my BlackBerry Wireless Device

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**From:** Marks Nancy J  
**Sent:** Thursday, November 08, 2012 05:15 PM  
**To:** Paz Holly O  
**Subject:** RE: Responses

Why don't you just add that while we review the development letters typically on favorables we do not review the closing letter itself because these are essentially form approval letters but that denials are closely coordinated . . .

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**From:** Paz Holly O  
**Sent:** Thursday, November 08, 2012 5:12 PM  
**To:** Marks Nancy J  
**Subject:** Re: Responses

On favorables, the closing letter says nearly nothing (form approval letter). They are not being reviewed up here. The real issue in favorables coming out of buckets 2 and 3 is the org's response to the development letter. We are not reviewing that up here and advising Determs how to rule at that point because of resource limitations (everyone up here is now focused on bucket 4). I thought I might create more questions than I answered by going into the responses to development letters piece. I thought about mentioning Quality review but hesitated because Quality will review 100 percent of buckets 2 and 3 for awhile but then it will shift to reviewing only a sample once we are comfortable that quality is high.

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Sent from my BlackBerry Wireless Device

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**From:** Marks Nancy J  
**Sent:** Thursday, November 08, 2012 04:58 PM  
**To:** Paz Holly O  
**Subject:** RE: Responses

the first two look fine, on question 3 I'm wondering if Troy will still feel he is not sure what is happening re "closing" letters as opposed to development letters. Is the issue that those generate automatically and are typically not reviewed but should we be noting the quality post review or am I confusing things further.

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**From:** Paz Holly O  
**Sent:** Thursday, November 08, 2012 4:45 PM  
**To:** Marks Nancy J  
**Cc:** Light Sharon P



**Subject:** FW: Responses  
**Importance:** High

Nan,

I would appreciate your thoughts on my draft responses to TIGTA's follow-up questions below.

Thanks,

Holly

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**From:** Paz Holly O  
**Sent:** Thursday, November 08, 2012 2:27 PM  
**To:** Light Sharon P  
**Subject:** FW: Responses  
**Importance:** High

What do you think of my answers on 2 and 3? With 3 I debated whether I should get into how we are working bucket 4 cases and deciding that might be confusing so I should leave it out.

1. In the response to questions 2 and 3, Lois states that the manager of the screening group responded that, "The following are issues that could indicate a case to be considered a potential 'tea party' case and sent to Group 7822 for secondary screening. 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." Does this mean that the manager of the screening group developed this criteria? If not, who created the criteria? We're trying to determine if anyone in EO function management sanctioned the use of the criteria.

EO executive management did not sanction use of 1-4 above as criteria for identifying advocacy cases. 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, I, as Acting Director of EO Rulings & Agreements, sought clarification as to the criteria being used to identify these cases in light of the diversity of applications selected under this "tea party" label (e.g., some had "tea party" in their name but others did not, some stated that they were affiliated with the "tea party" movement while others stated they were affiliated with the Democratic or Republican party, etc.). My inquiry prompted the EO Determinations Program Manager to ask the manager of the screening group what criteria were being used to label "tea party" cases ("Do the applications specify/state 'tea party'? If not, how do we know applicant is involved with the tea party movement?"). We understand that the screening group manager asked his employees how they were applying the BOLO's short-hand reference to "tea party" and was told by his employees that they included organizations meeting any of criteria 1-4 above as falling within the BOLO's reference to "tea party" organizations.

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**From:** Paterson Troy D TIGTA [mailto:Troy.Paterson@tigta.treas.gov]

**Sent:** Tuesday, November 06, 2012 3:00 PM

**To:** Paz Holly O

**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA

**Subject:** FW: Responses

Holly,

Thank you again for taking the time to review and provide feedback on the 3 questions we submitted and the long timeline. We have a few follow-up questions.

1. In the response to questions 2 and 3, Lois states that the manager of the screening group responded that, "The following are issues that could indicate a case to be considered a potential 'tea party' case and sent to Group 7822 for secondary screening. 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." Does this mean that the manager of the screening group developed this criteria? If not, who created the criteria? We're trying to determine if anyone in EO function management sanctioned the use of the criteria.
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As always, we appreciate the assistance and we look forward to your response.

Troy

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**From:** Lerner Lois G [mailto:Lois.G.Lerner@irs.gov]  
**Sent:** Friday, November 02, 2012 11:34 AM  
**To:** Paterson Troy D TIGTA  
**Cc:** Paz Holly O  
**Subject:** Responses

Attached is our redlined version of the long time line you prepared. We have made changes where we thought your folks didn't get it exactly right, and have added some comments for your consideration. Also attached are my response to your three questions. Rather than be repetitive, we have combined the response to questions 2 and 3 into one comprehensive response. I am out of the country next week, but Holly can probably answer any questions you may have in the meantime.

*Lois G. Lerner*

Director of Exempt Organizations



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**From:** Paz Holly O  
**Sent:** Wednesday, November 14, 2012 3:31 AM  
**To:** Lerner Lois G  
**Subject:** RE: Responses

I got two blank emails from you on this. Is there something you'd like me to do?

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**From:** Lerner Lois G  
**Sent:** Tuesday, November 13, 2012 8:35 PM  
**To:** Paz Holly O  
**Subject:** Re: Responses

Lois G. Lerner-----  
Sent from my BlackBerry Wireless Handheld

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**From:** Paz Holly O  
**Sent:** Friday, November 09, 2012 02:14 PM  
**To:** Paterson Troy D TIGTA  
**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA; Lerner Lois G  
**Subject:** RE: Responses

Troy,

Please see answers to your follow-up questions below. Please let me know if you have any further questions or if you think a discussion would be helpful.

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**Sent:** Tuesday, November 06, 2012 3:00 PM

**To:** Paz Holly O

**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA

**Subject:** FW: Responses

Holly,

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As always, we appreciate the assistance and we look forward to your response.

Troy

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**From:** Lerner Lois G [mailto:Lois.G.Lerner@irs.gov]  
**Sent:** Friday, November 02, 2012 11:34 AM  
**To:** Paterson Troy D TIGTA  
**Cc:** Paz Holly O  
**Subject:** Responses

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*Lois G. Lerner*

Director of Exempt Organizations

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**From:** Paz Holly O  
**Sent:** Monday, November 19, 2012 3:39 PM  
**To:** Paterson Troy D TIGTA  
**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA; Lerner Lois G  
**Subject:** RE: Responses

Troy,

Your reading of our response to question #1 is correct. The EO Determinations Program Manager and screener manager were not aware of the specific criteria being used prior to employees providing the criteria in response to the screener manager's request in June 2011. No one in the EO management chain sanctioned the use of the four criteria listed in your question #1 below.

Holly

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**From:** Paterson Troy D TIGTA [mailto:Troy.Paterson@tigta.treas.gov]  
**Sent:** Wednesday, November 14, 2012 10:01 AM  
**To:** Paz Holly O  
**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA; Lerner Lois G  
**Subject:** RE: Responses

Holly,

Thank you again for the follow-up responses. In response to question #1, you mention that EO function executive management did not sanction the use of the 1-4 criteria we listed in our original questions. You also mention that the EO function Determinations Program Manager asked for the criteria from the screener manager and the screener manager asked his employees for the specific criteria. To be clear, does this mean that the EO function Determinations Program Manager and screener manager were not aware of the specific criteria being used prior to employees providing the criteria in response to the screener manager's request? In other words, no one in the EO function management chain sanctioned the use of the criteria.

Troy

b(6) and b(7)(C)pers...

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**From:** Paz Holly O [mailto:Holly.O.Paz@irs.gov]  
**Sent:** Friday, November 09, 2012 2:14 PM  
**To:** Paterson Troy D TIGTA  
**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA; Lerner Lois G  
**Subject:** RE: Responses

Troy,

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**To:** Paz Holly O

**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA

**Subject:** FW: Responses

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1. In the response to questions 2 and 3, Lois states that the manager of the screening group responded that, "The following are issues that could indicate a case to be considered a potential 'tea party' case and sent to Group 7822 for secondary screening. 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." Does this mean that the manager of the screening group developed this criteria? If not, who created the criteria? We're trying to determine if anyone in EO function management sanctioned the use of the criteria.
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3. On the May 2012 entry on the timeline, the EO function deleted our wording that the EO Technical employee was reviewing all case files and closing letters prior to issuance. Our interview write-up states that case files were being reviewed and closing letters were being reviewed prior to issuance. Is this the case, or are only the development letters being reviewed?

As always, we appreciate the assistance and we look forward to your response.

Troy

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**From:** Lerner Lois G [<mailto:Lois.G.Lerner@irs.gov>]

**Sent:** Friday, November 02, 2012 11:34 AM

**To:** Paterson Troy D TIGTA

**Cc:** Paz Holly O

**Subject:** Responses

Attached is our redlined version of the long time line you prepared. We have made changes where we thought your folks didn't get it exactly right, and have added some comments for your consideration. Also attached are my response to your three questions. Rather than be repetitive, we have combined the response to questions 2 and 3 into one comprehensive response. I am out of the country next week, but Holly can probably answer any questions you may have in the meantime.

*Lois G. Lerner*

Director of Exempt Organizations



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**From:** Paterson Troy D TIGTA <Troy.Paterson@tigta.treas.gov>  
**Sent:** Tuesday, November 20, 2012 5:32 AM  
**To:** Paz Holly O  
**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA; Lerner Lois G  
**Subject:** RE: Responses

Holly,

Thank you for the clarification. I appreciate it.

Troy  
404-338-7476

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**From:** Paz Holly O [mailto:Holly.O.Paz@irs.gov]  
**Sent:** Monday, November 19, 2012 4:39 PM  
**To:** Paterson Troy D TIGTA  
**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA; Lerner Lois G  
**Subject:** RE: Responses

Troy,

Your reading of our response to question #1 is correct. The EO Determinations Program Manager and screener manager were not aware of the specific criteria being used prior to employees providing the criteria in response to the screener manager's request in June 2011. No one in the EO management chain sanctioned the use of the four criteria listed in your question #1 below.

Holly

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**From:** Paterson Troy D TIGTA [mailto:Troy.Paterson@tigta.treas.gov]  
**Sent:** Wednesday, November 14, 2012 10:01 AM  
**To:** Paz Holly O  
**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA; Lerner Lois G  
**Subject:** RE: Responses

Holly,

Thank you again for the follow-up responses. In response to question #1, you mention that EO function executive management did not sanction the use of the 1-4 criteria we listed in our original questions. You also mention that the EO function Determinations Program Manager asked for the criteria from the screener manager and the screener manager asked his employees for the specific criteria. To be clear, does this mean that the EO function Determinations Program Manager and screener manager were not aware of the specific criteria being used prior to employees providing the criteria in response to the screener manager's request? In other words, no one in the EO function management chain sanctioned the use of the criteria.

Troy  
(b)(6); (b)(7)(C)

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**From:** Paz Holly O [mailto:Holly.O.Paz@irs.gov]  
**Sent:** Friday, November 09, 2012 2:14 PM

**To:** Paterson Troy D TIGTA  
**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA; Lerner Lois G  
**Subject:** RE: Responses

Troy,

Please see answers to your follow-up questions below. Please let me know if you have any further questions or if you think a discussion would be helpful.

Holly

1. In the response to questions 2 and 3, Lois states that the manager of the screening group responded that, "The following are issues that could indicate a case to be considered a potential 'tea party' case and sent to Group 7822 for secondary screening. 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." Does this mean that the manager of the screening group developed this criteria? If not, who created the criteria? We're trying to determine if anyone in EO function management sanctioned the use of the criteria.

EO executive management did not sanction use of 1-4 above as criteria for identifying advocacy cases. 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, I, as Acting Director of EO Rulings & Agreements, sought clarification as to the criteria being used to identify these cases in light of the diversity of applications selected under this "tea party" label (e.g., some had "tea party" in their name but others did not, some stated that they were affiliated with the "tea party" movement while others stated they were affiliated with the Democratic or Republican party, etc.). My inquiry prompted the EO Determinations Program Manager to ask the manager of the screening group what criteria were being used to label "tea party" cases ("Do the applications specify/state 'tea party'? If not, how do we know applicant is involved with the tea party movement?"). We understand that the screening group manager asked his employees how they were applying the BOLO's short-hand reference to "tea party" and was told by his employees that they included organizations meeting any of criteria 1-4 above as falling within the BOLO's reference to "tea party" organizations.

2. On the May 14, 2012 entry on the timeline, the EO function changed the additional details column to read "Concluded, in light of case law on what is educational, that "propaganda" activities should be [emphasis added] considered part of an organization's social welfare activities in analyzing whether it is primarily engaged in promoting social welfare." Earlier, you provided an e-mail from Tom Miller that states "I could not find anything, but my analysis is that propaganda activities should not be [emphasis added] included in an organization's activities that promote social welfare in analyzing whether it is primarily engaged in promoting the SW within the meaning of the regulations. Did the EO function inadvertently leave out the word "not" in its feedback or are we misinterpreting Tom Miller's e-mail?

I am afraid that the wording of my question to Tom has contributed to the confusion. You can see I said we were seeing inflammatory talk, which I characterized as propaganda. "Propaganda," however, is a term with legal significance. So, Tom's email went on to discuss what constitutes "propaganda" versus what is "educational," for purposes of characterizing the inflammatory talk. He says that, "Posting of some questionable or snarky articles will not undue otherwise OK material . . . the bar [for whether material is educational] is quite low." The example in his second paragraph about the Institute for Historical Review shows just how difficult it is to conclude that inflammatory talk is actually "propaganda" rather than "educational." Senior members of the team bucketing the advocacy cases discussed Tom's email in light of the inflammatory talk we were seeing and concluded that it would be considered educational under existing precedents.

3. On the May 2012 entry on the timeline, the EO function deleted our wording that the EO Technical employee was reviewing all case files and closing letters prior to issuance. Our interview write-up states that case files were being reviewed and closing letters were being reviewed prior to issuance. Is this the case, or are only the development letters being reviewed?



EO Technical employees are reviewing all development letters to organizations in buckets 2 and 3 prior to issuance. Designated EO Technical employees are also available to answer questions the Determinations specialists may have after receiving responses to those development letters. While EO Technical employees are reviewing all development letters, typically on favorables, EO Technical does not review the closing letter itself because these are essentially form approval letters. All denial letters, however, are being closely coordinated between EO Technical and EO Determinations.

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**From:** Paterson Troy D TIGTA [<mailto:Troy.Paterson@tigta.treas.gov>]

**Sent:** Tuesday, November 06, 2012 3:00 PM

**To:** Paz Holly O

**Cc:** Seidell Thomas F TIGTA; Medina Cheryl J TIGTA

**Subject:** FW: Responses

Holly,

Thank you again for taking the time to review and provide feedback on the 3 questions we submitted and the long timeline. We have a few follow-up questions.

1. In the response to questions 2 and 3, Lois states that the manager of the screening group responded that, "The following are issues that could indicate a case to be considered a potential 'tea party' case and sent to Group 7822 for secondary screening. 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." Does this mean that the manager of the screening group developed this criteria? If not, who created the criteria? We're trying to determine if anyone in EO function management sanctioned the use of the criteria.
2. On the May 14, 2012 entry on the timeline, the EO function changed the additional details column to read "Concluded, in light of case law on what is educational, that "propaganda" activities **should be** [emphasis added] considered part of an organization's social welfare activities in analyzing whether it is primarily engaged in promoting social welfare." Earlier, you provided an e-mail from Tom Miller that states "I could not find anything, but my analysis is that propaganda activities **should not be** [emphasis added] included in an organization's activities that promote social welfare in analyzing whether it is primarily engaged in promoting the SW within the meaning of the regulations. Did the EO function inadvertently leave out the word "not" in its feedback or are we misinterpreting Tom Miller's e-mail?
3. On the May 2012 entry on the timeline, the EO function deleted our wording that the EO Technical employee was reviewing all case files and closing letters prior to issuance. Our interview write-up states that case files were being reviewed and closing letters were being reviewed prior to issuance. Is this the case, or are only the development letters being reviewed?

As always, we appreciate the assistance and we look forward to your response.

Troy

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**From:** Lerner Lois G [<mailto:Lois.G.Lerner@irs.gov>]

**Sent:** Friday, November 02, 2012 11:34 AM

**To:** Paterson Troy D TIGTA

**Cc:** Paz Holly O

**Subject:** Responses

**Attached is our redlined version of the long time line you prepared. We have made changes where we thought your folks didn't get it exactly right, and have added some comments for your consideration. Also attached are my response to your three questions. Rather than be repetitive, we have combined the response to questions 2 and 3 into one comprehensive response. I am out of the country next week, but Holly can probably answer any questions you may have in the meantime.**

*Leis G. Lerner*

Director of Exempt Organizations

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**From:** Paz Holly O  
**Sent:** Wednesday, December 19, 2012 2:12 PM  
**To:** Thomas Cindy M  
**Cc:** Light Sharon P  
**Subject:** RE: Advocacy Cases - Processes for Various Situations -- RESPONSE NEEDED

Sharon is checking with the reviewers to see how many letters they have and how long they have been here. If there is a backlog somewhere, we will reassign to a reviewer with more availability. We told the reviewers to aim for turn around within a week or two on bucket 2 and 3, but we asked your folks to alert Sharon if that was not happening. This is the first we have heard of problem right now on bucket 2 and 3 cases. We're glad to know of it so we can address it.

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**From:** Thomas Cindy M  
**Sent:** Wednesday, December 19, 2012 12:34 PM  
**To:** Paz Holly O  
**Cc:** Light Sharon P  
**Subject:** FW: Advocacy Cases - Processes for Various Situations -- RESPONSE NEEDED  
**Importance:** High

Attached is a list of 22 advocacy cases assigned to one specialist alone that are pending approval of the draft development letter by EO Technical. At this point, I have no idea how many advocacy cases other team members are holding.

I have no idea how many reviewers there are, but obviously there is a bottleneck -- the approach being taken appears to be hurry up to wait in line!

When can my folks expect to receive responses to the development letters? If it is going to continue to be months after the development letter was prepared, then I want to change our process so that they only work x advocacy cases a week/month or whatever the reviewer can keep up with. It serves no benefit for our specialists to be familiar with a case, prepare a development letter, send it to D.C., get it back several months later, and then need to re-familiarize themselves with the case when working with the organizations --- in fact, I'd have to say that it is probably costing us by having more hours charged to the cases.

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**From:** Thomas Cindy M  
**Sent:** Monday, December 17, 2012 12:10 AM  
**To:** Paz Holly O  
**Cc:** Light Sharon P  
**Subject:** FW: Advocacy Cases - Processes for Various Situations  
**Importance:** High

I had a meeting with Joseph and Mitch on 12/12/2012 and explained the information below. During our discussion, a couple of questions were raised:

1. How many reviewers are there?
2. What is the timeframe the reviewers' have for providing feedback to development letters prepared and submitted for review (through Sharon)?

In addition to the questions above, outstanding questions from below are:



3. What steps will be taken if QA reviews a case and believes it should be processed as an Advocacy Case?

4. How should we process new cases identified as Bucket 1 from a quality review perspective?

5. You indicated that specialists working advocacy cases in Buckets 2 and 3 can approve cases based on additional information received (if they are okay with the response). If they aren't okay with the response, they should scan the development letter along with the response received and include a recommendation (e.g., another development letter required for XXX information, denial, etc.) in the cover email that should be sent to Sharon Light. Will these cases be processed in the same timeframe given (refer to #2 above) since the control dates for the Bucket 2 and 3 cases are much newer than the Bucket 4 cases?

Final question:

6. Is there a reason why we don't want Jodi, Janine, Faye, Grant, and Carly preparing development letters for the Bucket 4 cases, in addition to Joseph and Mitch? It seems to me that this would get the Bucket 4 cases moving faster and shouldn't make a difference as far as quality since the development letters need to be reviewed by D.C. anyway.

NOTE: I'd like to be able to send the information in the email below as well as answers to the questions above to all those involved with the Advocacy cases before I go on leave starting 12/24.

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**From:** Thomas Cindy M  
**Sent:** Tuesday, November 27, 2012 5:46 PM  
**To:** Paz Holly O  
**Cc:** Light Sharon P  
**Subject:** RE: Advocacy Cases - Processes for Various Situations

Clarification needed regarding 1.

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**From:** Paz Holly O  
**Sent:** Tuesday, November 27, 2012 2:43 PM  
**To:** Thomas Cindy M  
**Cc:** Light Sharon P  
**Subject:** RE: Advocacy Cases - Processes for Various Situations

A couple thoughts:

1. Re: #4, are we talking about recommended bucket changes just based on the initial app (i.e., no response to post-bucketing development letter received yet)? I think we are. I ask because I think we may need to spell out for folks what to do when they get a response to a development letter sent to a bucket 2 or 3 case (kind of a parallel to #1). When we get a response to a bucket 2 or 3 development letter, if the specialists thinks it's a favorable, they can proceed. If they think it's a denial, the procedures in #1(b) would apply. [Thomas - #4a is referring to a response to bucket 2 or 3. So, if you're saying that the specialist follows procedures in #1(b), the original specialist keeps the case, works with D.C., and Joseph/Mitch aren't involved? Also, these cases won't need to wait in line based on control dates of other bucket 4 cases?

-#4b is referring to a review Joseph completed when going through the bucket 4 cases to see whether some may be able willing to switch to c4.]

2. Re #4, I just wanted to make sure that the tracking sheet will reflect both the original bucket and the new bucket. I am envisioning just adding a new column for this info. [Thomas - shouldn't be a problem.]

3. On #5, I am good with a, b, and c. On c, I am going to talk to Donna when she gets back to see what the results have been on advocacy case Quality review. I think we may be in a position now to stop QA review of bucket 1 cases so stay tuned on that front. [Thomas - okay. I'll hold off on sending anything out until after the QA piece is decided.]

**From:** Thomas Cindy M  
**Sent:** Tuesday, November 20, 2012 7:43 PM  
**To:** Paz Holly O  
**Cc:** Light Sharon P  
**Subject:** Advocacy Cases - Processes for Various Situations

The purpose of this email is to confirm our discussion regarding Joseph Herr's and Mitch Steele's involvement with the Bucket 4 advocacy cases, to document a few other issues discussed regarding the advocacy cases, and to make certain processes are in place for other issues identified. NOTE: I made up some of these processes/procedures because we didn't come to a conclusion so you'll need to make changes if you disagree with what I wrote.

1. Bucket 4 Cases Assigned to Joseph or Mitch (Response Received to Development Letter Prepared by D.C.):

a) Case can be approved if there are no concerns based on the response to the additional information letter.

b) Coordination with D.C. is required if there are concerns based on the review of the response. Specifically, an email will be sent to Sharon Light with a copy of the development letter and response attached. The email should include a recommendation (e.g., another development letter required, case appears to be a denial based on response, etc.). Sharon will have the information reviewed and arrange for a conference call, if necessary.

If after the Washington Office reviews the response it is determined that a subsequent development letter is needed, Mitch or Joseph (as appropriate) will prepare the letter and send it to Sharon to have it reviewed.

2. Bucket 4 Cases to be Assigned to Joseph or Mitch (Development Letter to be Prepared by Joseph or Mitch):

a) As work is needed, Joseph and Mitch will request Bucket 4 advocacy cases from Group 7822. They will be assigned the oldest bucket 4 cases that haven't been copied and sent to D.C.

b) The additional information letter will be sent via email to Sharon Light, who will have it reviewed. The reviewer in D.C. will access TEDS to review the initial application submitted. If all documents haven't been scanned into TEDS and are needed by the reviewer, Sharon will work this out with Joseph or Mitch. Questions/concerns regarding the development letter will be worked out in a conference call with Mitch or Joseph, the Reviewer in D.C., and Sharon.

c) Responses to these development letters will be handled in the same manner as indicated in #1 above.

3. Denials:

a) The Washington Office has drafted 3 denial letters. The Washington Office will be sharing these draft letters with EOD and QA to review in conjunction with the case file to address concerns.

b) After preliminary issues are worked out, a conference call will be set up with Lois Lerner and all impacted individuals (functions).

4. Recommendation for Bucket Change:

a) If a recommendation is made by one of the Advocacy Team members to change the bucket number assigned to a case (e.g., 3 to 4), the Team member or his/her manager will coordinate with Group 7822 to include a comment on the Tracking Sheet and to make arrangements with Joseph and Mitch to complete new Bucketing sheets. If Mitch and Joseph agree, the Tracking Sheet will be updated by Group 7822 and the case will be processed in the same manner as all other Bucket 4 cases.

b) If a recommendation is made to change one of the Bucket 4 cases to another bucket (e.g., 4 to 2), Mitch and Joseph will prepare new bucketing sheets and will send them to Sharon Light to review. Sharon will respond via email with the

decision and will include Mitch and Joseph, as well as Ron Bell (coordinator) and the manager of Group 7822 (currently Stephen Seok). Based on the decision, the Tracking Sheet will be updated accordingly.

5. Quality Assurance Review of Advocacy Cases:

a) QA should review as Advocacy Cases only those cases that were bucketed. If QA takes exception to a case, a Reviewer's Memo will be issued.

b) If QA receives an Impact Case or any other case that is believed to meet the Political Advocacy BOLO definition, QA will prepare a Reviewer's Memo to the Group/Agent who worked the case and will forward this along with the case to the EOD Program Manager. The Program Manager will work with the Area Manager and Group 7822 to have the information reviewed. If Group 7822 concurs with QA, Mitch and Joseph will be asked to prepare bucketing sheets, the case added to the Tracking Sheet, and the case processed accordingly. If EOD doesn't agree with QA, the EOD Program Manager will contact Sharon Light to have the case reviewed by the Washington Office.

c) New cases identified for Bucket 1 will be sent through QA for review in the same manner as all other Advocacy Cases.



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**From:** Paz Holly O  
**Sent:** Wednesday, December 19, 2012 3:46 PM  
**To:** Thomas Cindy M  
**Cc:** Light Sharon P  
**Subject:** RE: Advocacy Cases - Processes for Various Situations

Answers to your questions are below in brackets. I think we should revise your draft email procedures as follows based on all of our back and forth emails. I agree with your email from 12/2 that the assigned bucket number should not be changed if, after development, it goes favorable or adverse (e.g. bucket 2 is denied or bucket 4 is approved). Changing bucket number is only something that should happen if it is agreed before development through procedures below that original bucket was wrong. I think the procedures below capture that but see what you think. We made need more tweaking to make all the scenarios as clear as possible.

1. Bucket 4 Cases Assigned to Joseph or Mitch (Response Received to Development Letter Prepared by D.C.):

a) Case can be approved if there are no concerns based on the response to the additional information letter.

b) Coordination with D.C. is required if there are concerns based on the review of the response. Specifically, an email will be sent to Sharon Light with a copy of the development letter and response attached. The email should include a recommendation (e.g., another development letter required, case appears to be a denial based on response, etc.). Sharon will have the information reviewed and arrange for a conference call, if necessary.

If after the Washington Office reviews the response it is determined that a subsequent development letter is needed, Mitch or Joseph (as appropriate) will prepare the letter and send it to Sharon to have it reviewed.

2. Bucket 4 Cases to be Assigned to Determs (Development Letter to be Prepared by Determs):

a) As work is needed, Jodi, Janine, Faye, Grant, Carly, Joseph and Mitch will request Bucket 4 advocacy cases from Group 7822. They will be assigned the oldest bucket 4 cases that haven't been copied and sent to D.C. Jodi, Janine, Faye, Grant, Carly should work buckets 2-4 development letters in control date order (e.g., bucket 4 cases with control dates older than bucket 2 and 3 cases will take priority).

b) The additional information letter will be sent via email to Sharon Light, who will have it reviewed. The reviewer in D.C. will access TEDS to review the initial application submitted. If all documents haven't been scanned into TEDS and are needed by the reviewer, Sharon will work this out with the drafter of the letter. Questions/concerns regarding the development letter will be worked out in a conference call with the drafter of the letter, the Reviewer in D.C., and Sharon.

c) Responses to these development letters will be handled in the same manner as indicated in #1 above.

3. Denials:

a) The Washington Office has drafted 3 denial letters. The Washington Office has shared the first of these draft letters with EOD and QA and a call with Lois Lerner and all impacted functions is being held to discuss the draft.

4. Bucket 2 and 3 cases:

Responses to these development letters will be handled in the same manner as indicated in #1 above.

5. Recommendation for Bucket Change (only applies to cases the assigned specialists believes were bucketed wrongly based on the application and the bucketing worksheets - this does not apply to bucket 2, 3, or 4 cases where the specialist is recommending approval or denial based on response to development letter (those situations are handled as indicated in #1 above):

a) If a recommendation is made by one of the Advocacy Team members to change the bucket number assigned to a case, the Team member or his/her manager will coordinate with Group 7822 to include a comment on the Tracking Sheet and to make arrangements with Joseph and Mitch to complete new Bucketing sheets. Mitch and Joseph will prepare new bucketing sheets and will send them to Sharon Light to review. Sharon will respond via email with the decision and will include Mitch and Joseph, as well as Ron Bell (coordinator) and the manager of Group 7822 (currently Stephen Seok). Based on the decision, the Tracking Sheet will be updated accordingly.

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**From:** Thomas Cindy M  
**Sent:** Monday, December 17, 2012 12:10 AM  
**To:** Paz Holly O  
**Cc:** Light Sharon P  
**Subject:** FW: Advocacy Cases - Processes for Various Situations  
**Importance:** High

I had a meeting with Joseph and Mitch on 12/12/2012 and explained the information below. During our discussion, a couple of questions were raised:

1. How many reviewers are there? [3 for bucket 2 and 3 cases and a separate 3 for bucket 4 cases]
2. What is the timeframe the reviewers' have for providing feedback to development letters prepared and submitted for review (through Sharon)? [2 weeks for bucket 2 and 3]

In addition to the questions above, outstanding questions from below are:

3. What steps will be taken if QA reviews a case and believes it should be processed as an Advocacy Case? [I am going to email Donna and propose that a reviewers memo is sent to you, me and Sharon and we decide on a case-by-case basis]
4. How should we process new cases identified as Bucket 1 from a quality review perspective? [Donna just sent me a report on the outcome of the bucket 1 review. I think we can stop bucket 1 review based on these findings but need to communicate that to her - will do so this week].
5. You indicated that specialists working advocacy cases in Buckets 2 and 3 can approve cases based on additional information received (if they are okay with the response). If they aren't okay with the response, they should scan the development letter along with the response received and include a recommendation (e.g., another development letter required for XXX information, denial, etc.) in the cover email that should be sent to Sharon Light. Will these cases be processed in the same timeframe given (refer to #2 above) since the control dates for the Bucket 2 and 3 cases are much newer than the Bucket 4 cases? [we will work in control date order]

Final question:

6. Is there a reason why we don't want Jodi, Janine, Faye, Grant, and Carly preparing development letters for the Bucket 4 cases, in addition to Joseph and Mitch? It seems to me that this would get the Bucket 4 cases moving faster and shouldn't make a difference as far as quality since the development letters need to be reviewed by D.C. anyway. [no, I thought they were tied up on bucket 2 and 3 cases. If they have availability, we should use them.]

NOTE: I'd like to be able to send the information in the email below as well as answers to the questions above to all those involved with the Advocacy cases before I go on leave starting 12/24.

---

**From:** Thomas Cindy M  
**Sent:** Tuesday, November 27, 2012 5:46 PM  
**To:** Paz Holly O  
**Cc:** Light Sharon P  
**Subject:** RE: Advocacy Cases - Processes for Various Situations

Clarification needed regarding 1.

---

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**To:** Thomas Cindy M  
**Cc:** Light Sharon P  
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A couple thoughts:

1. Re: #4, are we talking about recommended bucket changes just based on the initial app (i.e., no response to post-bucketing development letter received yet)? I think we are. I ask because I think we may need to spell out for folks what to do when they get a response to a development letter sent to a bucket 2 or 3 case (kind of a parallel to #1). When we get a response to a bucket 2 or 3 development letter, if the specialist thinks it's a favorable, they can proceed. If they think it's a denial, the procedures in #1(b) would apply. [Thomas - #4a is referring to a response to bucket 2 or 3. So, if you're saying that the specialist follows procedures in #1(b), the original specialist keeps the case, works with D.C., and Joseph/Mitch aren't involved? Also, these cases won't need to wait in line based on control dates of other bucket 4 cases?

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3. On #5, I am good with a, b, and c. On c, I am going to talk to Donna when she gets back to see what the results have been on advocacy case Quality review. I think we may be in a position now to stop QA review of bucket 1 cases so stay tuned on that front. [Thomas - okay. I'll hold off on sending anything out until after the QA piece is decided.]

---

**From:** Thomas Cindy M  
**Sent:** Tuesday, November 20, 2012 7:43 PM  
**To:** Paz Holly O  
**Cc:** Light Sharon P  
**Subject:** Advocacy Cases - Processes for Various Situations

The purpose of this email is to confirm our discussion regarding Joseph Herr's and Mitch Steele's involvement with the Bucket 4 advocacy cases, to document a few other issues discussed regarding the advocacy cases, and to make certain processes are in place for other issues identified. NOTE: I made up some of these processes/procedures because we didn't come to a conclusion so you'll need to make changes if you disagree with what I wrote.

1. Bucket 4 Cases Assigned to Joseph or Mitch (Response Received to Development Letter Prepared by D.C.):

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If after the Washington Office reviews the response it is determined that a subsequent development letter is needed, Mitch or Joseph (as appropriate) will prepare the letter and send it to Sharon to have it reviewed.

## 2. Bucket 4 Cases to be Assigned to Joseph or Mitch (Development Letter to be Prepared by Joseph or Mitch):

- a) As work is needed, Joseph and Mitch will request Bucket 4 advocacy cases from Group 7822. They will be assigned the oldest bucket 4 cases that haven't been copied and sent to D.C.
- b) The additional information letter will be sent via email to Sharon Light, who will have it reviewed. The reviewer in D.C. will access TEDS to review the initial application submitted. If all documents haven't been scanned into TEDS and are needed by the reviewer, Sharon will work this out with Joseph or Mitch. Questions/concerns regarding the development letter will be worked out in a conference call with Mitch or Joseph, the Reviewer in D.C., and Sharon.
- c) Responses to these development letters will be handled in the same manner as indicated in #1 above.

## 3. Denials:

- a) The Washington Office has drafted 3 denial letters. The Washington Office will be sharing these draft letters with EOD and QA to review in conjunction with the case file to address concerns.
- b) After preliminary issues are worked out, a conference call will be set up with Lois Lerner and all impacted individuals (functions).

## 4. Recommendation for Bucket Change:

- a) If a recommendation is made by one of the Advocacy Team members to change the bucket number assigned to a case (e.g., 3 to 4), the Team member or his/her manager will coordinate with Group 7822 to include a comment on the Tracking Sheet and to make arrangements with Joseph and Mitch to complete new Bucketing sheets. If Mitch and Joseph agree, the Tracking Sheet will be updated by Group 7822 and the case will be processed in the same manner as all other Bucket 4 cases.
- b) If a recommendation is made to change one of the Bucket 4 cases to another bucket (e.g., 4 to 2), Mitch and Joseph will prepare new bucketing sheets and will send them to Sharon Light to review. Sharon will respond via email with the decision and will include Mitch and Joseph, as well as Ron Bell (coordinator) and the manager of Group 7822 (currently Stephen Seok). Based on the decision, the Tracking Sheet will be updated accordingly.

## 5. Quality Assurance Review of Advocacy Cases:

- a) QA should review as Advocacy Cases only those cases that were bucketed. If QA takes exception to a case, a Reviewer's Memo will be issued.
- b) If QA receives an Impact Case or any other case that is believed to meet the Political Advocacy BOLO definition, QA will prepare a Reviewer's Memo to the Group/Agent who worked the case and will forward this along with the case to the EOD Program Manager. The Program Manager will work with the Area Manager and Group 7822 to have the information reviewed. If Group 7822 concurs with QA, Mitch and Joseph will be asked to prepare bucketing sheets, the case added to the Tracking Sheet, and the case processed accordingly. If EOD doesn't agree with QA, the EOD Program Manager will contact Sharon Light to have the case reviewed by the Washington Office.
- c) New cases identified for Bucket 1 will be sent through QA for review in the same manner as all other Advocacy Cases.

(b)(3)/6103

Hi Troy—

Hope you had an enjoyable holiday. I wanted to touch base with you regarding our preliminary take on your staff's position of the advocacy files they reviewed. I know they have asked for a meeting on the shorter list very soon and have given us a bit more time to look at the longer list. All in all, I believe they are preparing for a meeting with????, where they may be opining on their preliminary take on the review.

Before my staff meets with yours, I thought I'd give you a heads up on what we're seeing in the event you prefer a "smaller" meeting with Holly and me before the staff talk. In any event, I would request you be on the meeting with the staff, as I intend to attend from our end. As you know, the issues here are very sensitive and I know we both recognize that they are not as black and white as some of the issues we deal with, so I think it is important that higher levels on both sides hear the discussion to ensure the best result.

So, to give you a preview, we generally agree with your findings on the shorter list—that the cases should have been included in the group of advocacy cases. We had not yet had time to do this look, which we did have planned, so thank you for providing the information. We still plan to look to see if there are any root causes that might have led to them not being included, so we can better address the issue, and will keep your staff posted on what we find.

As to the larger list, we have not completed our review, but, we are not in agreement with your staff's findings that the cases we have looked at thus far should not have been included as advocacy cases. We think the "disconnect" may become from a misunderstanding about why cases were added to the advocacy group. Your staff's analysis seems to focus on whether the application explicitly stated that the organization participated or intervened in a political campaign. Because the legal analysis of whether specific advocacy is political intervention requires analyzing all the facts and circumstances surrounding that advocacy in light of the formal guidance provided in this area, we included all organizations indicating they were engaged in advocacy, so that they would be worked by specialists who have a better understanding of the facts and circumstances to be considered, and who would be able to analyze the cases in a consistent manner.

Having said that, we are concerned that your staff's analysis to come up with the two lists is not consistent. Let me cite a couple examples for you to think about. The list your staff provided indicates that "given the lack of specifics in the application about the types of activities the organization has/will conduct to establish its goals," XXXXX should have been included as an advocacy case. On the other hand, after noting that the YYYYYY "had not begun activities at the time of the application, and there is not enough information about the type of activities planned, staff concluded that the organization



should not have been included as an Advocacy case, but sent for general development instead.<sup>1</sup>

Another set of cases that puzzles us are ZZZZZ, which your list says should have been included as an advocacy case because it did not respond to question 15<sup>2</sup>, and AAAAA, which your list says should not have been considered an advocacy case even though the application responded yes to question 15.

While at the end of the day, there may very well continue to be disagreement on some cases, I think it would be constructive for us to discuss the apparent differences before we put further pen to paper in a more formal way. Let me know your thoughts. I am out of the office Wednesday and Thursday, but can set something up Tuesday or Friday if you'd like.

---

<sup>1</sup> I think what is missing here is some indication that YYYY was going to do some advocacy? Otherwise they would be correct if we had no reason from the application to think they might do advocacy. Is there something?

<sup>2</sup> I assume 15 asks whether you will do advocacy? Please tell me what the question is.  
Thanks

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**From:** Marks Nancy J  
**Sent:** Monday, January 14, 2013 9:35 AM  
**To:** Kindell Judith E; Paz Holly O; Lerner Lois G; Goehausen Hilary  
**Subject:** RE: E-Mail to Troy

I think this looks good (sorry to be slow but Lois your dog went into spam for me). I agree on the comment re "all organizations indicating they were engaged in advocacy" I'd suggest inserting "potentially problematic" before advocacy since we did try to drop out clean lobbying and clearly minimal for example.

---

**From:** Kindell Judith E  
**Sent:** Monday, January 14, 2013 9:44 AM  
**To:** Paz Holly O; Lerner Lois G; Marks Nancy J; Goehausen Hilary  
**Subject:** RE: E-Mail to Troy

I've added the names of the orgs and added a little bit more about the one issue.

---

**From:** Paz Holly O  
**Sent:** Monday, January 14, 2013 5:24 AM  
**To:** Kindell Judith E; Nan Marks; Lerner Lois G  
**Subject:** RE: E-Mail to Troy

My suggestions are in the attached. I also included the Congressman's name (Issa) and the language of question 15. Most of my edits are minor but I have one substantive one in paragraph 4.

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**From:** Toby Miles [mailto:(b)(6); (b)(7)(C)]  
**Sent:** Sunday, January 13, 2013 6:45 PM  
**To:** Kindell Judith E; Paz Holly O; Nan Marks; Lerner Lois G  
**Subject:** E-Mail to Troy

Please take a look. i used Judy's email and went from there. There are a few things I need Judy to do--I left names as XXXX, YYYY, ZZZZ and AAA because this isn't secure, so I need you to insert correct names--also see the footnotes and provide the information I asked for. Finally, who ar they preparing to brief--see 1st paragraph and fill in. I welcome any other comments. Am hoping to send the email when I get in after (b)(6); (b)(7)(C) on Monday morning around 11. Thanks

---

**From:** Lerner Lois G  
**Sent:** Tuesday, January 15, 2013 10:11 AM  
**To:** Paz Holly O  
**Cc:** Marx Dawn R  
**Subject:** RE: Advocacy discussion

**What do you think about having the lead auditor on with him?**

*Lois G. Lerner*

Director of Exempt Organizations

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**From:** Paz Holly O  
**Sent:** Tuesday, January 15, 2013 8:25 AM  
**To:** Lerner Lois G  
**Cc:** Marx Dawn R  
**Subject:** Fw: Advocacy discussion

I do think we should talk sooner rather than later. Let me know what time works for you and Troy and I will just step out for a bit and call in.

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Sent from my BlackBerry Wireless Device

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**From:** Paterson Troy D TIGTA [mailto:Troy.Paterson@tigta.treas.gov]  
**Sent:** Tuesday, January 15, 2013 07:38 AM Eastern Standard Time  
**To:** Lerner Lois G  
**Cc:** Paz Holly O; Marx Dawn R  
**Subject:** RE: Advocacy discussion

Lois,

I met with the team this morning to discuss the case examples you mentioned below. In addition, I've asked the team to send me the criteria they were using to determine whether a case should or should not go to the advocacy group. I think that could prove helpful in understanding our rationale. In the meantime, I think it would be good to meet today, if feasible, to discuss your thoughts. As part of this smaller meeting (in advance of the meeting with the staff), would you like to meet with me only or would you and Holly like to have the Audit Manager and Lead Auditor on the phone too? Either way is fine with me.

Troy  
404-338-7476

---

**From:** Lerner Lois G [mailto:Lois.G.Lerner@irs.gov]  
**Sent:** Monday, January 14, 2013 3:12 PM  
**To:** Paterson Troy D TIGTA  
**Cc:** Paz Holly O; Marx Dawn R  
**Subject:** RE: Advocacy discussion



## Sounds like a plan

*Lois G. Lerner*

Director of Exempt Organizations

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**From:** Paterson Troy D TIGTA [<mailto:Troy.Paterson@tigta.treas.gov>]  
**Sent:** Monday, January 14, 2013 2:10 PM  
**To:** Lerner Lois G  
**Cc:** Paz Holly O; Marx Dawn R  
**Subject:** RE: Advocacy discussion

Lois,

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Troy

b(6) and b(7)(C)pers...

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Before my staff meets with yours, I thought I'd give you a heads up on what we're seeing in the event you prefer a "smaller" meeting with Holly and me before the staff talk. In any event, I would request you be on the meeting with the staff, as I intend to attend from our end. As you know, the issues here are very sensitive and I know we both recognize that they are not as black and white as some of the issues we deal with, so I think it is important that higher levels on both sides hear the discussion to ensure the best result.

[REDACTED]  
[REDACTED]  
[REDACTED] (b)(3) 6703  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

(b)(3)/6103

(b)(3)/6103

While at the end of the day, there may very well continue to be disagreement on some cases, I think it would be constructive for us to discuss the apparent differences before we put further pen to paper in a more formal way. Let me know your thoughts. I am out of the office Wednesday and Thursday, but can set something up Tuesday or Friday if you'd like.

*Leis G. Lerner*

Director of Exempt Organizations

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**From:** Paz Holly O  
**Sent:** Tuesday, January 15, 2013 10:14 AM  
**To:** Lerner Lois G  
**Subject:** Re: Advocacy discussion

I am torn. Tom may be a bit defensive. We need to get him to understand our perspective ultimately, but I lean somewhat toward this being a high level call just with us and Troy followed by a more in the weeds call with Troy and his team.

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Sent from my BlackBerry Wireless Device

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**From:** Lerner Lois G  
**Sent:** Tuesday, January 15, 2013 11:11 AM Eastern Standard Time  
**To:** Paz Holly O  
**Cc:** Marx Dawn R  
**Subject:** RE: Advocacy discussion

**What do you think about having the lead auditor on with him?**

*Lois G. Lerner*

Director of Exempt Organizations

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**Sent:** Tuesday, January 15, 2013 07:38 AM Eastern Standard Time  
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Lois,

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you like to meet with me only or would you and Holly like to have the Audit Manager and Lead Auditor on the phone too? Either way is fine with me.

Troy  
404-338-7476

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**Sent:** Monday, January 14, 2013 3:12 PM  
**To:** Paterson Troy D TIGTA  
**Cc:** Paz Holly O; Marx Dawn R  
**Subject:** RE: Advocacy discussion

**Sounds like a plan**

*Lois G. Lerner*

Director of Exempt Organizations

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**Subject:** RE: Advocacy discussion

Lois,

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Troy

(b)(6); (b)(7)(C)

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[REDACTED]

[REDACTED]

[REDACTED]

(b)(3)/6103

[REDACTED]

[REDACTED]

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*Lois J. Lerner*

Director of Exempt Organizations

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**From:** Lerner Lois G  
**Sent:** Tuesday, January 15, 2013 10:17 AM  
**To:** Paz Holly O; Marx Dawn R  
**Subject:** RE: Advocacy discussion

**OK Dawn--see if Judy can do it--if so we need her**

*Lois G. Lerner*

Director of Exempt Organizations

---

**From:** Paz Holly O  
**Sent:** Tuesday, January 15, 2013 11:15 AM  
**To:** Lerner Lois G; Marx Dawn R  
**Subject:** Re: Advocacy discussion

If we include the lead auditor, we definitely need Judy and Hilary.

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Sent from my BlackBerry Wireless Device

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**From:** Lerner Lois G  
**Sent:** Tuesday, January 15, 2013 11:12 AM Eastern Standard Time  
**To:** Marx Dawn R; Paz Holly O  
**Subject:** RE: Advocacy discussion

**I do want--Holly thoughts on the audit manager/lead auditor--I guess they may as well hear what we are saying--if they are going to talk specific cases, do we want Judy on too?**

*Lois G. Lerner*

Director of Exempt Organizations

---

**From:** Marx Dawn R  
**Sent:** Tuesday, January 15, 2013 11:07 AM  
**To:** Lerner Lois G; Paz Holly O  
**Subject:** FW: Advocacy discussion

Did you want Troy only in the discussion or **with** the Audit Manager and Lead Auditor? We could schedule something for 3:00 today if you want.

---

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Director of Exempt Organizations

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[REDACTED]

[REDACTED] (b)(3)/6103 [REDACTED]

[REDACTED] (b)(3)/6103 [REDACTED]

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(b)(3)/6103  
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*Leis G. Lerner*

Director of Exempt Organizations



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**From:** Lerner Lois G  
**Sent:** Tuesday, January 15, 2013 12:02 PM  
**To:** Paz Holly O; Marx Dawn R  
**Subject:** RE: Advocacy discussion

**I agree--perhaps we could either start with the bigger issue and add them or discuss the specifics and then drop them off?**

*Lois G. Lerner*

Director of Exempt Organizations

---

**From:** Paz Holly O  
**Sent:** Tuesday, January 15, 2013 11:18 AM  
**To:** Lerner Lois G; Marx Dawn R  
**Subject:** Re: Advocacy discussion

**I guess my slight worry if we include the lead auditor and Judy and Hilary is will we get lost in the details of specific cases and our bigger theme for Troy will get lost in a case by case tit for tat that we are not 100 percent prepped for yet? Tigta has had much more time with the facts/ case files than we have.**

-----  
Sent from my BlackBerry Wireless Device

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Director of Exempt Organizations

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[REDACTED] (b)(3)/6103 [REDACTED]

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[REDACTED]  
[REDACTED]  
(b)(3)/6103  
[REDACTED]  
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Director of Exempt Organizations

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That's a good idea. Maybe start without them and have them join after 15 minutes or so?

-----  
Sent from my BlackBerry Wireless Device

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**Subject:** Re: Advocacy discussion

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Sent from my BlackBerry Wireless Device

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**From:** Lerner Lois G  
**Sent:** Tuesday, January 15, 2013 11:12 AM Eastern Standard Time  
**To:** Marx Dawn R; Paz Holly O  
**Subject:** RE: Advocacy discussion

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*Lois G. Lerner*

Director of Exempt Organizations

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**Sent:** Tuesday, January 15, 2013 11:07 AM  
**To:** Lerner Lois G; Paz Holly O  
**Subject:** FW: Advocacy discussion

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**Sent:** Tuesday, January 15, 2013 8:25 AM  
**To:** Lerner Lois G  
**Cc:** Marx Dawn R  
**Subject:** Fw: Advocacy discussion

I do think we should talk sooner rather than later. Let me know what time works for you and Troy and I will just step out for a bit and call in.

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Sent from my BlackBerry Wireless Device

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**From:** Paterson Troy D TIGTA [<mailto:Troy.Paterson@tigta.treas.gov>]  
**Sent:** Tuesday, January 15, 2013 07:38 AM Eastern Standard Time  
**To:** Lerner Lois G  
**Cc:** Paz Holly O; Marx Dawn R  
**Subject:** RE: Advocacy discussion

Lois,

I met with the team this morning to discuss the case examples you mentioned below. In addition, I've asked the team to send me the criteria they were using to determine whether a case should or should not go to the advocacy group. I think that could prove helpful in understanding our rationale. In the meantime, I think it would be good to meet today, if feasible, to discuss your thoughts. As part of this smaller meeting (in advance of the meeting with the staff), would you like to meet with me only or would you and Holly like to have the Audit Manager and Lead Auditor on the phone too? Either way is fine with me.

Troy  
404-338-7476

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**From:** Lerner Lois G [<mailto:Lois.G.Lerner@irs.gov>]  
**Sent:** Monday, January 14, 2013 3:12 PM  
**To:** Paterson Troy D TIGTA  
**Cc:** Paz Holly O; Marx Dawn R  
**Subject:** RE: Advocacy discussion

**Sounds like a plan**

*Lois G. Lerner*  
Director of Exempt Organizations

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**From:** Paterson Troy D TIGTA [<mailto:Troy.Paterson@tigta.treas.gov>]  
**Sent:** Monday, January 14, 2013 2:10 PM



**To:** Lerner Lois G  
**Cc:** Paz Holly O; Marx Dawn R  
**Subject:** RE: Advocacy discussion

Lois,

Hope your new year is going well. Thank you for the offer of meeting to discuss your thoughts on the cases we provided. I would very much like to be involved. This afternoon, we are going to take a quick look at the cases that you cite as inconsistent. I'll get back with you tomorrow morning to determine a time for us to meet.

Troy

(b)(6); (b)(7)(C)

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**From:** Lerner Lois G [<mailto:Lois.G.Lerner@irs.gov>]  
**Sent:** Monday, January 14, 2013 1:10 PM  
**To:** Paterson Troy D TIGTA  
**Cc:** Paz Holly O; Marx Dawn R  
**Subject:** Advocacy discussion

Hi Troy—

Hope you had an enjoyable holiday. I wanted to touch base with you regarding our preliminary take on your staff's position on the application files they reviewed. I know they have asked for a meeting on the shorter list (cases that were not treated as advocacy cases but your team believes should have been) very soon and have given us a bit more time to look at the longer list (cases that were treated as advocacy cases but your team believes they should not have been). All in all, I believe they are preparing for a meeting with Congressman Issa, where they may be opining on their preliminary take on the review.

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 [REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]

Lois G. Lerner

JW1559-042624

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**From:** Marx Dawn R  
**Sent:** Tuesday, January 15, 2013 2:13 PM  
**To:** Paz Holly O  
**Subject:** RE: Advocacy discussion

You, Lois and Troy at 3:15...

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**From:** Paz Holly O  
**Sent:** Tuesday, January 15, 2013 2:12 PM  
**To:** Lerner Lois G; Marx Dawn R  
**Subject:** Re: Advocacy discussion

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**Sent:** Tuesday, January 15, 2013 01:02 PM Eastern Standard Time  
**To:** Paz Holly O; Marx Dawn R  
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**I agree--perhaps we could either start with the bigger issue and add them or discuss the specifics and then drop them off?**

*Lois G. Lerner*

Director of Exempt Organizations

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**To:** Lerner Lois G; Marx Dawn R  
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Troy  
404-338-7476

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**Cc:** Paz Holly O; Marx Dawn R  
**Subject:** RE: Advocacy discussion

**Sounds like a plan**

*Lois G. Lerner*

Director of Exempt Organizations

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(b)(6); (b)(7)(C)

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 [REDACTED]  
 [REDACTED]

*Lois G. Lerner*  
Director of Exempt Organizations

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**From:** Marx Dawn R  
**Sent:** Tuesday, January 15, 2013 2:19 PM  
**To:** Paz Holly O  
**Subject:** RE: Advocacy discussion

**Importance:** High

Holly use the old call in 1-866-606-4717 Access: 9482833. Something wrong with the new call in...

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Director of Exempt Organizations

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*Lois G. Lerner*

Director of Exempt Organizations

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(b)(6); (b)(7)(C)

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While at the end of the day, there may very well continue to be disagreement on some cases, I think it would be constructive for us to discuss the apparent differences before we put further pen to paper in a more formal way. Let me know your thoughts. I am out of the office Wednesday and Thursday, but can set something up Tuesday or Friday if you'd like.

*Lois G. Lerner*

Director of Exempt Organizations

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**From:** Marx Dawn R  
**Sent:** Friday, January 18, 2013 12:17 PM  
**To:** Kindell Judith E; Lerner Lois G; Goehausen Hilary; Paz Holly O  
**Subject:** RE: Friday Meeting with TIGTA

Trying to get in contact with Troy to see if he is available for a 3:30 meeting this afternoon -- have not heard back from him yet. If I'm not able to schedule for today, I will get this on calendars for Tuesday, Jan 22nd.

Thank you.

---

**From:** Kindell Judith E  
**Sent:** Friday, January 18, 2013 11:50 AM  
**To:** Lerner Lois G; Goehausen Hilary; Paz Holly O  
**Cc:** Marx Dawn R  
**Subject:** RE: Friday Meeting with TIGTA

Attached are the short lists with Hilary's and my comments -- along with my explanation concerning the 2 cases we disagree on.

---

**From:** Lerner Lois G  
**Sent:** Tuesday, January 15, 2013 4:11 PM  
**To:** Kindell Judith E; Goehausen Hilary; Paz Holly O  
**Cc:** Marx Dawn R  
**Subject:** Friday Meeting with TIGTA  
**Importance:** High

Met with Troy and I think Holly and I were able give him a taste of how complicated the decisions of whether to include or not include cases in the advocacy bucket can be. We explained that the determ letter is a reliance document so it is our job to ensure that it contains enough information about an org's activities to ensure we all know what has and what hasn't been considered. In any event, we agreed that Judy and Hillary should focus on adding a column to TIGTA's chart and provide our reasons for disagreeing so that we can discuss at a meeting on Friday. I told him I didn't know how many we could add, but would start working on it right away. Dawn will work on meeting time. We should send them the chart before the meeting. I am out Wed and Thurs, but Holly is available tomorrow no Blackberry and I believe is back in the office Thursday. So, go for it! Thanks

*Lois G. Lerner*

Director of Exempt Organizations

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**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

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**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 #142). 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

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**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