



**Treasury
Inspector
General for
Tax
Administration**

Issued on August 20, 2014

**FOLLOW-UP REVIEW OF CONTROLS OVER
RELIGIOUS COMPENSATORY TIME**

WHAT TIGTA FOUND

TIGTA found that the IRS has implemented corrective actions that have improved controls over the use of religious compensatory time. Between June 2010 and November 2013, the IRS reduced the number of employees with religious compensatory time balances and those with excessive religious compensatory time balances by approximately 51 and 68 percent, respectively. Overall, the percentage of employees with religious compensatory time balances has been reduced to less than 1 percent of all employees. Additionally, TIGTA found that between Fiscal Years 2009 and 2013, the IRS reduced the costs of payments to employees separating with religious compensatory time balances by approximately 39 percent. For the same time period, the debts owed to the IRS by former employees who have separated with advanced religious compensatory time balances decreased by 28 percent.

Despite the improvements in controls over the use of religious compensatory time, TIGTA identified a relatively small number of employees with high balances for both advanced religious compensatory time and advanced sick leave. While an employee can accumulate both advanced religious compensatory time and advanced sick leave, high balances of both could indicate that managers and employees are using religious compensatory time to circumvent Federal Government and agency leave policies and procedures by authorizing advanced religious compensatory time in lieu of sick leave. In such cases, IRS managers should investigate the issue further as required by IRS policies and procedures. In the event that the activity may require a more thorough investigation or is potentially criminal, the TIGTA Office of Investigations should be contacted.

READ THE FULL REPORT

To view the report, including the scope, methodology, and full IRS response, go to:

<http://www.treasury.gov/tigta/iereports/2014reports/2014ier009fr.pdf>

Inspections and Evaluations

Highlights

Highlights of Report Number: 2014-IE-R009 to the Internal Revenue Service Deputy Commissioner for Operations Support.

WHY TIGTA DID THIS STUDY

This project was initiated to determine whether IRS controls have significantly reduced the number of employees who have excessive religious compensatory time balances and to determine whether additional controls are required to deter or prevent the misuse of religious compensatory time. Executive agency employees are allowed to work additional hours and then use that time for personal religious beliefs that require the employees' absence from work. The time worked and then taken is referred to as religious compensatory time, and this benefit allows employees to participate in religious observances without using annual leave or leave without pay.

WHAT TIGTA RECOMMENDED

TIGTA made no recommendations in the report.