Department of the Treasury

THE DEPARTMENT OF THE TREASURY
1789

Message from the Deputy Assistant Secretary for Privacy, Transparency, and Records

On behalf of the Chief Freedom of Information Act Officer[1], I am pleased to present the Department of the Treasury's (Treasury or Department[2]) 2017 Chief Freedom of Information Act Officer Report to the Attorney General of the United States. This report summarizes Treasury initiatives to comply with the Freedom of Information Act[3] (FOIA) and to promote transparency and openness in its operations. This report covers the period of March 2016 through March 2017 (the reporting period).

Inquiries about this report may be directed to the Office of Privacy, Transparency, and Records via phone at (202) 622-0930 or via e-mail at TreasFOIA@treasury.gov. This report, as well as previous reports, can be found on the Department's FOIA website, www.treasury.gov/foia.

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Deputy Assistant Secretary
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[1] Treasury's Chief Freedom of Information Act Officer is Kody Kinsley, the Assistant Secretary for Management.
[2] In this report, the "Department" or "Treasury" includes all of the Treasury Department's bureaus and offices.
[3] 5 U.S.C.§552

2017 Chief Freedom of Information Act Officer Report
## To the Attorney General of the United States

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FOIA at the Department of the Treasury

FOIA administration is decentralized at the Department of the Treasury. In other words, the nine bureaus that comprise the Department separately receive and respond to FOIA requests:

1. Alcohol and Tobacco Tax and Trade Bureau (TTB)
2. Bureau of Engraving and Printing (BEP)
3. Bureau of the Fiscal Service (Fiscal Service)
4. Departmental Offices (DO)
5. Financial Crimes Enforcement Network (FinCEN)
6. Internal Revenue Service (IRS)
7. Office of the Comptroller of the Currency (OCC)
8. Treasury Inspector General for Tax Administration (TIGTA)
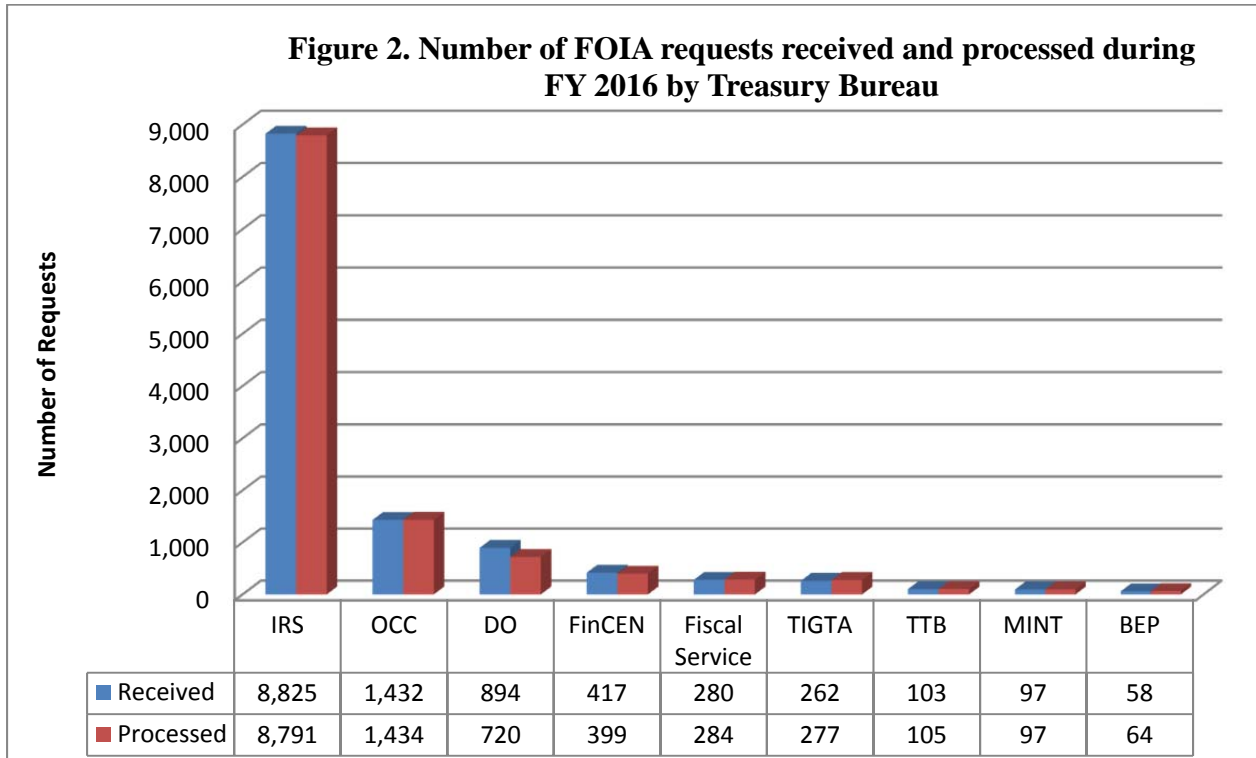9. United States Mint (Mint)

Departmental Offices encompasses a number of Treasury program and policy offices,[4] including, for example, the Office of Foreign Assets Control (OFAC). The Office of Privacy, Transparency, and Records (OPTR), situated within DO, functions as the centralized DO resource for FOIA administration. OPTR is also responsible for Treasury-wide policy, guidance, and compliance with the FOIA. The Deputy Assistant Secretary for Privacy, Transparency, and Records leads OPTR, and reports to the Assistant Secretary for Management, Treasury's Chief FOIA Officer.

Treasury received 12,368 FOIA requests during Fiscal Year (FY) 2016. This figure represents an 11.6% percent decrease from FY 2015 and continues a downward trend in recent years. From FY 2009 through the present, Treasury received an average of 15735 requests per fiscal year (See Figure 1).

Figure 1. Total Number of FOIA Requests Received at Treasury

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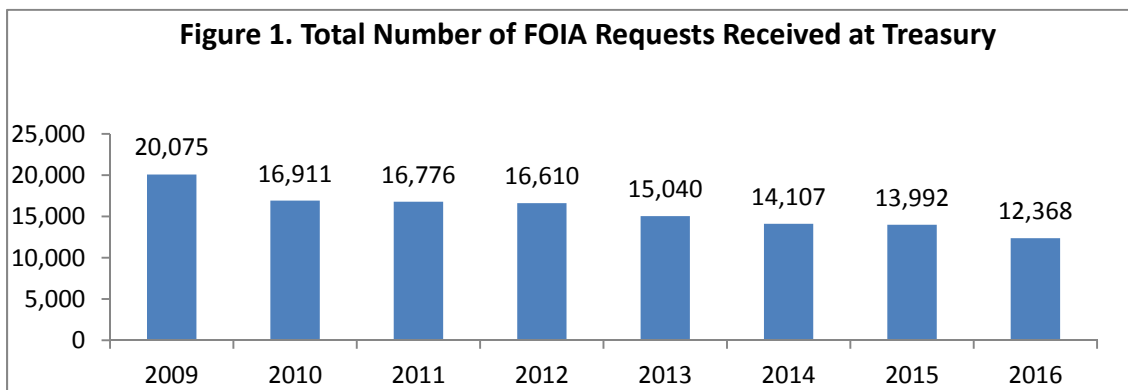
[4] DO also include the Offices of the Secretary, Domestic Finance, Economic Policy, Financial Research, General Counsel, International Affairs, Legislative Affairs, Management, Public Affairs, Tax Policy, Terrorism and Financial Intelligence, and the Treasurer of the United States. DO statistics in this report also include requests made to the Financial Stability Oversight Council (FSOC), an entity chaired by the Secretary of the Treasury, the Treasury Inspector General, and the Office of the Special Inspector General for the Troubled Asset Relief Program (SIGTARP). For more information, please visit Treasury's webpage at www.treasury.gov/about/organizational-structure/Pages/default.aspx.

In FY 2016, there was a wide disparity in the number of FOIA requests directed to individual Treasury bureaus. For example, IRS received 8,825 requests in FY 2016, or 71.3% of Treasury's total FOIA requests. On the other hand, BEP, Mint, and TTB each received fewer than 250 requests during the same period (See Figure 2).

Figure 2. Number of FOIA requests received and processed during FY 2016 by Treasury Bureau

	IRS	OCC	DO	FinCEN	Fiscal Service	TIGTA	TTB	MINT	BEP
Received	8,825	1,432	894	417	280	262	103	97	58
Processed	8,791	1,434	720	399	284	277	105	97	64

The Department closed 12,171 requests in FY 2016, or 98.4% of the number of requests received in FY 2016. BEP, Fiscal Service, OCC, TIGTA, and TTB closed more requests than they received in FY 2016.

Section I: Steps Taken to Apply the Presumption of Openness

A. FOIA Training

1. *Did your FOIA professionals or the personnel at your agency who have FOIA responsibilities attend any FOIA training or conference during the reporting period such as that provided by the Department of Justice?*

   Yes.

2. *If yes, please provide a brief description of the type of training attended or conducted and the topics covered.*

   During the reporting period, Treasury FOIA professionals attended every training opportunity provided by the Department of Justice (DOJ), including but not limited to Introduction to the FOIA, The FOIA for Attorneys and Access Professionals, FOIA Amendments Training, Annual FOIA Report Refresher Training, and Chief FOIA Officer Report Refresher Training.

   On December 14, 2016, the Department hosted its third annual FOIA Summit. More than 60 FOIA professionals attended. The DOJ Office of Information Policy (OIP), the National Archives and Records Administration's Office of Government Information Services (OGIS), and Treasury staff provided training in the areas of fees, dispute resolution, FOIA exemption 4, the interface between FOIA, Privacy Act, and Federal Records Act, teachable FOIA moments, and the recent amendments to the FOIA.

   Additionally during the reporting period, Treasury FOIA professionals took part in the *FOIA Exemptions Overview* webinar offered by the American Society of Access Professionals, which provided an overview of the nine FOIA exemptions and how other statutes might impact the processing of FOIA requests.

   During the reporting period, IRS held a number of training opportunities for IRS' FOIA professionals, which covered topics including tax administration cases, innocent spouse tax cases, and current trends in FOIA litigation. Additionally, IRS provided several technical updates to staff on FOIA topics in the areas of contracts, IRS records retrieval resources/online resource center, and inventory management system enhancements.

3. *Provide an estimate of the percentage of your FOIA professionals and staff with FOIA responsibilities who attended substantive FOIA training during this reporting period.*

   During the reporting period, 100% of Treasury's FOIA professionals and staff with FOIA responsibilities attended substantive FOIA training.

4. *OIP has [directed agencies] to "take steps to ensure that all of their FOIA professionals attend substantive FOIA training at least once throughout the year." If your response to the previous question is that less than 80% of your FOIA professionals attended training, please explain your agency's plan to ensure that all FOIA professionals receive or attend substantive FOIA training during the next reporting year.*

N/A

B. Outreach

5. *Did your FOIA professionals engage in any outreach or dialogue with the requester community or open government groups regarding your administration of the FOIA?*

As outlined below, Treasury met and collaborated with the requester community during the reporting period:

- Treasury staff met and engaged with civil society groups as part of the Open Government working group sessions. Topics discussed at quarterly meetings included the proactive disclosure of information, the open data initiative, digital government strategy requirements, the Open Government National Action Plan, and Treasury's Open Government Plan.
- Treasury FOIA staff conducted targeted outreach to frequent FOIA requesters.
- IRS FOIA staff conducted outreach and training with tax preparation groups and agents in the South Atlantic Area. IRS met with more than 116 members of the North Carolina Society of Enrolled Agents, and more than 1,800 individuals via a Practitioner Community Webinar.

6. *If you did not conduct any outreach during the reporting period, please describe why.*

N/A

C. Other Initiatives

7. *Describe any efforts your agency has undertaken to inform non-FOIA professionals of their obligations under the FOIA.*

During the reporting period, FOIA professionals conducted internal outreach and awareness training sessions that emphasized each Treasury employee's responsibility in ensuring compliance with the FOIA. For example, OCC held its second annual FOIA Awareness Day, which emphasized each individual's responsibility for FOIA compliance. OCC FOIA staff distributed informational brochures, sent a broadcast e-mail message to all OCC employees, and posted FOIA awareness messages on headquarters electronic message boards located in common areas.

In March 2016, Treasury held a FOIA awareness campaign entitled "FOIA is Everyone's Responsibility." The campaign involved a broadcast message to all Treasury employees from the Department's Chief FOIA Officer, as well as electronic and paper posters that were

posted at Headquarters entryways, on Treasury's intranet page, and were distributed electronically to the Bureaus. Additionally, DO's FOIA staff conducted one-on-one and group training sessions for program points of contact and held an appreciation event for FOIA staff.

During the reporting period, Treasury employees were encouraged to register for the online training course "FOIA for Government Employees," which DOJ OIP developed. Treasury has made this course available to all Treasury employees through the online Treasury Learning Management System (TLMS) and IRS's Electronic Learning Management System (ELMS). In addition to this training, TTB has developed its own training and made it mandatory for all its employees.

Within BEP, the Office of the Chief Counsel and FOIA and Transparency Services distributed to all BEP Associate Directors and Office Chiefs a memorandum that addressed basic FOIA and Privacy Act procedures and best practices, and encouraged distribution of the memo to BEP staff.

Within DO, FOIA staff sends a "FOIA Welcome Message" via e-mail to all new hires. The message provides an overview of the FOIA process, outlines each person's role in it, and provides links to Treasury's FOIA resources and contact information for Treasury's FOIA professionals.

Similarly, IRS distributes the "Disclosure Awareness Guide" to all new hires. The guide contains information about procedures to access IRS tax information, FOIA procedures, and employee responsibilities with respect to the processing of FOIA requests. OCC also provides FOIA awareness materials to new hires.

During the reporting period Fiscal Service, Mint, and TIGTA conducted targeted awareness training with individuals and program offices. For example, Fiscal Service met with program office staff to review FOIA responsibilities and procedures for conducting searches for records. Similarly, TIGTA provides awareness and training materials to all staff whose records become subject to a FOIA request.

On March 31, 2016, IRS issued a memorandum to all employees that explain each individual's FOIA compliance responsibilities. Additionally, IRS added FOIA obligations as a topic at mandatory employee briefings.

During the reporting period, FinCEN developed a "FOIA Tool Kit" that provides information about FinCEN's processes, procedures, and guidance for processing FOIA requests. These materials will be made available to personnel as part of a planned update to FinCEN's intranet during 2017.

8. *If there are any other initiatives undertaken by your agency to ensure that the presumption of openness is being applied, please describe them here.*

The IRS Disclosure Office has implemented a telephone and e-mail "Help Desk" that is available to all IRS employees who need assistance with FOIA and disclosure issues. The

Help Desk is available to educate IRS employees about their role and responsibilities in the FOIA process. Help Desk staff seek to promote access to IRS records through disclosure of records outside of the FOIA process.

In this regard, as part of mandatory training for all IRS employees, the IRS Disclosure Office has issued guidance promoting direct responses to requests for tax information where permissible as part of its "Respond Directly" initiative. To support this effort, IRS has developed and implemented a variety of online resources. The IRS Deputy Commissioner for Services and Enforcement and the IRS Deputy Commissioner for Operations Support jointly issued a memorandum to all IRS employees affirming IRS's commitment to transparency and openness, and promoting the "Respond Directly" initiative. Responding directly promotes transparency, provides good customer service, and in many cases eliminates the need for an individual to submit a FOIA or Privacy Act request. IRS has developed routine procedures for access to some commonly requested records. More information is available on IRS's website at https://www.irs.gov/uac/routine-access-to-irs-records.

Section II: Steps Taken to Ensure that Treasury has an Efficient and Effective System in Place for Responding to Requests

A. Processing Procedures

1. *For Fiscal Year 2016, what was the average number of days your agency reported for adjudicating requests for expedited processing? Please see Section VIII.A. of your agency's Fiscal Year 2016 Annual FOIA Report.*

   During FY 2016, Treasury's average number of calendar days for adjudicating requests for expedited processing was five days.

2. *If your agency's average number of days to adjudicate requests for expedited processing was above ten calendar days, please describe the steps your agency will take to ensure that requests for expedited processing are adjudicated within ten calendar days or less.*

   N/A

3. *During the reporting period, did your agency conduct a self-assessment of its FOIA program? If so, please describe the methods used, such as reviewing Annual Report data, using active workflows and track management, reviewing and updating processing procedures, etc.*

   During the reporting period, Treasury participated in an OGIS-facilitated self-assessment. The self-assessment focused on 23 compliance areas and was targeted to identify potential areas of improvement. To complete this assessment, OGIS and Treasury distributed a survey to all Treasury FOIA staff. Treasury used the information obtained from the survey to conduct targeted training and to develop the agenda for Treasury's FOIA summit. For example, the survey revealed discrepancies in FOIA staff understanding and knowledge of the FOIA/Privacy Act System of Records Notice, and the requirement to notify requesters of OGIS' mediation services. To mitigate this, Treasury distributed updated response letter templates and initiated an update to Treasury's FOIA/Privacy Act System of Records Notice.

4. *Please provide an estimate of how many requests your agency processed in Fiscal Year 2016 that were from commercial use requesters. If your agency is decentralized, please identify any components within your agency that received a majority of their requests from commercial use requesters.*

   Treasury currently is not able to report the number of requests processed from commercial use requesters. Although the FOIA tracking systems at TTB, BEP, Fiscal Service, DO, FinCEN, and Mint capture this information, they cannot export this information. Treasury will explore adding this capability in the future.

   The FOIA tracking systems at IRS, OCC, and TIGTA do allow the export of this information. During FY 2016, their reported categorized "commercial use" requests were as follows:

- IRS – 350 or 4% of 8,791 processed requests.
- OCC – 1,096 or 76% of 1,434 processed requests.
- TIGTA – 4 or 1% of 277 processed requests.

B. Requester Services

5. *Does your agency provide a mechanism for requesters to provide feedback about their experience with the FOIA process at your agency? If so, please describe the methods used, such as making the FOIA Public Liaison available to receive feedback, using surveys posted on the agency's website, etc.*

   Although Treasury does not have a formal process for collecting feedback from the public concerning the FOIA request process, Treasury routinely receives feedback from the FOIA requesters by phone and e-mail to the FOIA Public Liaison. Additionally, Treasury receives feedback from FOIA requesters via OGIS.

6. *The FOIA Improvement Act of 2016 requires additional notification to requesters about the services provided by the agency's FOIA Public Liaison. Please provide an estimate of how often requesters sought assistance from your agency's FOIA Public Liaison.*

   Treasury's FOIA Public Liaisons received more than 1,200 inquiries during the reporting period. Approximately 900 of those inquiries were directed to the IRS FOIA Public Liaison.

7. *The FOIA Improvement Act of 2016 requires agencies to make their reference material or guide for requesting records or information from the agency electronically available to the public. Please provide a link to your agency's FOIA reference guide.*

   Treasury's FOIA Reference Guide is available on Treasury's website at www.treasury.gov/foia. IRS's FOIA Reference Guide is available at www.irs.gov/foia.

C. Other Initiatives

8. *If there are any other steps your agency has undertaken to ensure that your FOIA system operates efficiently and effectively, such as improving search processes, eliminating redundancy, etc., please describe them here.*

   During the reporting period, Treasury has taken the following steps to further improve FOIA processes:

   - IRS implemented updates to its FOIA tracking system to better capture case dispositions and to better manage case inventory.
   - IRS completed a systematic review and overhaul of record retrieval guidance and resource documents to improve searches for records.
   - IRS implemented an automated screening feature in its processing system to identify FOIA duplicates.
   - IRS updated public guidance on its website with the goal of decreasing non-FOIA inquiries to the FOIA Service Center.

- IRS updated processes and procedures to improve search and processing times by encouraging digitization of paper records located during FOIA searches.
- During FY 2017, BEP plans to apply the Lean Six Sigma methodology to improve its FOIA processes.
- During FY 2017, OGIS will conduct a review of OCC's FOIA operations to identify areas to improve FOIA processing efficiency.

Section III. Steps Taken to Increase Proactive Disclosures

A. Posting Material

1. *Describe your agency's process or system for identifying "frequently requested" records that should be posted online.*

   Treasury FOIA professionals review lists of incoming FOIA requests on a quarterly basis to identify frequently requested documents and information. When three or more requests are received for substantially the same information, those records are flagged for proactive posting.

2. *Does your agency have a distinct process or system in place to identify other records for proactive disclosure? If so, please describe your agency's process or system.*

   Each Treasury bureau has a system in place to identify records for proactive disclosure.

   BEP, DO, Mint, OCC, and TIGTA FOIA professionals collaborate with program office staff to identify records and information that would be appropriate for proactive disclosure. For example, DO FOIA professionals collaborate with Treasury library staff to identify historical records that would be appropriate for proactive disclosure.

   FinCEN and IRS have established cross-functional teams that are responsible for identifying records for proactive disclosure.

3. *Has your agency encountered challenges that make it difficult to post records you otherwise would like to post?*

   Yes.

4. *If so, briefly explain those challenges and how your agency is working to overcome them.*

   DO and IRS FOIA professionals have encountered challenges in proactively posting certain records. The IRS, for example has experienced delays in posting materials due to 508 compliance issues. Treasury continues to research technologies or processes that may automate the 508 remediation process.

Additionally, BEP, DO, and IRS have experienced problems posting larger paper-based historical documents due to file size. Future enhancements to Treasury's websites and storage capability may resolve this issue.

5. *Provide examples of material that your agency has proactively disclosed during the past reporting year, including links to the posted material*

- FHA Debenture report, which is a listing of institutional account holders for HUD/FHA Debentures: https://www.treasurydirect.gov/foia/foia_fhadr.pdf
- The Mature Unredeemed Debt, which are savings bonds and marketable Treasury securities bonds: https://www.treasurydirect.gov/foia/foia_fhadr.pdf
- Unclaimed Monies Report, which is a listing of securities related payments, interest, refunds: https://www.treasurydirect.gov/foia/foia_mud.htm
- Enforcement Actions: https://www.fincen.gov/news-room/enforcement-actions?field_date_release_value=2015-01-01&field_date_release_value_1=2015-12-31&field_tags_financial_institution_target_id=All
- 16 IRS Chief Counsel memoranda in response to questions from IRS Program Managers (https://www.irs.gov/uac/Legal-Advice-Issued-to-Program-Managers)
- 71 job aids and training materials on international tax issues (https://www.irs.gov/Businesses/Corporations/International-Practice-Units)
- 500+ comprehensive IRS procedural manuals. FOIA office reviews and approves for sensitive but unclassified (SBU) redactions and disclosure issues (https://www.irs.gov/irm/index.html)
- IRS Records Control Schedules (https://www.irs.gov/pub/irs-utl/records-cntrl-Sch-d2990-1.pdf)
- Multiple delegation orders containing delegations of authority from IRS Commissioner (https://www.irs.gov/uac/recently-approved-commissioner-delegation-orders-1)
- Multiple advice memoranda prepared by Field attorneys in the Office of Chief Counsel that are reviewed by an Associate Office, and subsequently issued to field or IRS campus personnel (https://www.irs.gov/uac/legal-advice-issued-by-field-attorneys)
- IRS Quarterly FOIA logs for FY2016 (https://www.irs.gov/uac/irs-foia-logs)
- Electronically-filed Form 990s in machine-readable format https://aws.amazon.com/public-datasets/irs-990/

6. *Did your agency use any means to publicize or highlight important proactive disclosures for public awareness? If yes, please describe these efforts.*

Yes. During the reporting period, the Department used various means to publicize or highlight important proactive disclosures for public awareness.

Treasury routinely uses its websites to publicize or highlight important proactive disclosures for public awareness. For example, the "Treasury Notes Blog" routinely highlights reports, press releases, op-eds, and other documents that are made publicly available on Treasury websites. Often, such blog posts and related material are broadcast on Treasury's Twitter, Facebook, Flickr, Tumblr, and YouTube pages.

The IRS Social Media Branch works in conjunction with the Service-wide Social Media Governance Council to ensure social media is effectively managed throughout the Service. IRS also administers the GovDelivery email service that many business areas throughout IRS regularly use. GovDelivery allows email list owners to send email bulletins to proactively highlight featured information they recently posted or updated on IRS.gov. Public users can opt-in by registering through IRS.gov to receive any of a number of topical bulletins. Similarly, the public may request to receive notice of updates to pages on www.treasury.gov.

B. Other Initiatives

7. *If there are any other steps your agency has taken to improve proactive disclosures, please describe them here. For example, has your agency engaged requesters in determining how and what to post? Has your agency used web analytics to inform your proactive disclosures?*

Treasury works diligently and proactively to disclose records that are of high interest to the public. For example, TTB has taken steps to improve the usefulness of information it makes publicly available by incorporating feedback received from the public. In one case, TTB received a request to include additional information in a list posted in TTB's FOIA library. TTB was able to comply with the request and make the requested information available. This collaboration and feedback has made TTB's information more useful to the public.

Section IV: Steps Taken to Greater Utilize Technology

A. Making Material Posted Online More Useful

1. *Beyond posting new material, is your agency taking steps to make the posted information more useful to the public, especially to the community of individuals who regularly access your agency's website?*

   Yes.

2. *If yes, please provide examples of such improvements.*

   During FY 2017, Treasury will conduct a review of the Department's online FOIA library and will propose changes to improve the availability of posted information. For example, Treasury will seek to consolidate materials currently posted on multiple pages. Additionally, Treasury will seek to implement a more streamlined search feature that will allow the public to target searches more accurately.

3. *Have your agency's FOIA professionals interacted with other agency staff (such as technology specialists or public affairs or communications professionals) in order to identify if there are any new ways to post agency information online?*

   Yes. During the reporting period, Department FOIA professionals worked collaboratively with Information Technology professionals and others to identify new methods of posting information online. For example:

   - The IRS Disclosure Office conferred with the IRS Online Services Division to identify potential improvements to the IRS FOIA Library, including alternative methods of posting information.
   - FinCEN FOIA professionals regularly communicated with Public Affairs professionals and specific program offices which can generate and proactively post statistical information.
   - TTB's Disclosure Office is working with TTB's Information Technology professionals and Public Certificate of Label Applications (COLA) Registry users to identify and implement improvements and enhancements to the Public COLA Registry.
   - OCC's Disclosure Staff and Web Publishing Staff communicate regularly to ensure OCC stays abreast of changes in technology to make posting information easier.
   - DO's FOIA Staff works closely with information technology professionals to identify and resolve issues with technology and processes to make information more accessible. Additionally, during FY 2017, DO FOIA staff will collaborate with the Treasury Library to add certain historical documents and information to the Library's collection.

B. Use of Technology to Facilitate Processing of Requests

4. *Did your agency conduct training for FOIA staff on any new processing tools during the reporting period, such as for a new case management system, or for search, redaction, or other processing tools?*

Yes. During the reporting period, DO FOIA staff conducted training for FOIA and non-FOIA professionals concerning the use of Treasury's FOIA request tracking system. Similarly, OCC conducted refresher training for its FOIA professionals in the use of FOIAXpress.

5. *Beyond using technology to redact documents, is your agency taking steps to utilize more advanced technology to facilitate overall FOIA efficiency, such as improving record search capabilities, utilizing document sharing platforms for consultations and referrals, or employing software that can sort and de-duplicate documents? If yes please describe:*

   - *The technological improvements being made.*
   - *The impact of using these technologies on your agency's request processing.*

Treasury has taken the following steps to greater utilize technology to improve FOIA efficiency:

- IRS updated and expanded web based technology to provide an additional research tools and services and provided training to all FOIA staff. This has improved FOIA search capabilities and access to procedures and contact information when processing FOIA requests. IRS also updated its process for procuring records from IRS Federal Records Centers to receive records electronically rather than by mail. This has reduced the need for manual scanning to make records available to FOIA casework and has improved the number of days necessary to make records available for processing.
- TTB is still in the planning stages of identifying a new records management application that will allow end users to quickly locate duplicate records, particularly emails, sort the records, and export the records as PDFs.
- TIGTA is working to implement advanced document review features with FOIAXpress. The improvements will give TIGTA the ability to sort, compare, and de-duplicate documents. It will also compare and contrast similar documents and the redactions on those documents. TIGTA plans to implement this feature in late 2017. OCC has already implemented this technology.
- DO program staff developed and are testing a web tool which aims to ease burden and improve the timeliness of e-mail searches.

6. *Are there additional tools that could be utilized by your agency to create further efficiencies?*

Yes. The Department continues to explore additional tools and technologies that could create further efficiencies. During the reporting period, Treasury FOIA staff received demonstrations of FOIA systems and tools used by other federal agencies, including the Department of Homeland Security and the Consumer Financial Protection Bureau.

C. Other Initiatives

7. *Did your agency successfully post all four quarterly reports for Fiscal Year 2016?*

Yes.

8. *If your agency did not successfully post all quarterly reports, with information appearing on FOIA.gov, please explain why and provide your agency's plan for ensuring that such reporting is successful in Fiscal Year 2017.*

N/A

Section V: Steps Taken to Improve Timeliness in Responding to Requests and Reducing Backlogs

A. Simple Track

1. *Does your agency utilize a separate track for simple requests?*

   BEP, DO, FinCEN, Fiscal Service, Mint, OCC, and TIGTA utilize a separate track for simple requests.

   IRS does not utilize a separate track for simple requests.

2. *If so, for your agency overall in Fiscal Year 2016, was the average number of days to process simple requests twenty working days or fewer?*

   Yes. During FY 2016, the average processing time for simple requests was 11.72 working days.

3. *Please provide the percentage of requests processed by your agency in Fiscal Year 2016 that were placed in your simple track.*

   Of the requests processed during FY 2016 by BEP, DO, FinCEN, Fiscal Service, Mint, OCC, and TIGTA, 76.87% (2,330 of 3,031) were placed in the simple track.

4. *If your agency does not track simple requests separately, was the average number of days to process all non-expedited requests twenty working days or fewer?*

   IRS is the only Treasury Bureau that does not utilize a separate track for simple requests. During FY 2016, 72% (8,791 of 12,171) of the requests processed by Treasury were handled by IRS. IRS' average processing time for those non-expedited requests was 31.42 working days.

B. Backlogs

BACKLOGGED REQUESTS

5. *If your agency had a backlog of requests at the close of Fiscal Year 2016, did that backlog decrease as compared with the backlog reported at the end of Fiscal Year 2015?*

   No. Treasury's FOIA request backlog increased during FY 2016.

6. *If not, explain why and describe the causes that contributed to your agency not being able to reduce its backlog.*

   When doing so, please also indicate if any of the following were contributing factors:

   - *An increase in the number of incoming requests.*

- *A loss of staff.*
- *An increase in the complexity of the requests received. If possible, please provide examples or briefly describe the types of complex requests contributing to your backlog increase.*
- *Any other reasons – please briefly describe or provide examples when possible.*

During the reporting period, Treasury experienced a loss of several FOIA professionals in key positions. In most cases, the departing staff has been replaced with more junior, less-experienced employees. Some positions remain vacant due to the January 2017 hiring freeze.

At the same time, Treasury has experienced an increase in case volume and complexity. For example, the Office of Foreign Assets Control (OFAC) within DO experienced a 12% increase in incoming requests during FY 2016, and a 43% increase from FY 2015. This can be attributed to increasing public interest in OFAC's compliance records and databases resulting from high-profile financial sanctions activities during the reporting period.

During FY 2016, three Treasury bureaus experienced an increase in the number of requests received: (1) DO received 16% more requests, (2) FinCEN received 6% more requests, and (3) Mint received 2% more requests.

7. *If you had a request backlog please report the percentage of requests that make up the backlog out of the total number of requests* received *by your agency in Fiscal Year 2016.*

   The percentage of requests that make up the backlog out of the total number of requests received at Treasury during FY 2016 was 7.20%.

BACKLOGGED APPEALS

8. *If your agency had a backlog of appeals at the close of Fiscal Year 2016, did that backlog decrease as compared with the backlog reported at the end of Fiscal Year 2015? If not, explain why and describe the causes that contributed to your agency not being able reduce backlog.*

   Yes. Treasury's FOIA appeal backlog decreased during FY 2016.

9. *If not, explain why and describe the causes that contributed to your agency not being able to reduce its backlog. When doing so, please also indicate if any of the following were contributing factors:*

   N/A

10. *If you had an appeal backlog please report the percentage of appeals that make up the backlog out of the total number of appeals received by your agency in Fiscal Year 2016. If your agency did not receive any appeals in Fiscal Year 2016 and/or has no appeal backlog, please answer with "N/A."*

The percentage of appeals that make up the backlog out of the total number of appeals received at Treasury during FY 2016 was 25.19%.

C. Backlog Reduction Plans

11. *In the 2016 guidelines for Chief FOIA Officer Reports, any agency with a backlog of over 1000 requests in Fiscal Year 2015 was asked to provide a plan for achieving backlog reduction in the year ahead. Did you agency implement a backlog reduction plan last year? If so, describe your agency's efforts in implementing this plan and note if your agency was able to achieve backlog reduction in Fiscal Year 2016?*

    No. Treasury's backlog was fewer than 1,000 requests at the end of FY 2015.

12. *If your agency had a backlog of more than 1,000 requests in Fiscal Year 2016, what is your agency's plan to reduce this backlog during Fiscal Year 2017?*

    N/A

D. Status of Ten Oldest Requests, Appeals, and Consultations

TEN OLDEST REQUESTS

13. *In Fiscal Year 2016, did your agency close the ten oldest requests that were reported pending in your Fiscal Year 2015 Annual FOIA Report?*

    No.

14. *If no, please provide the number of these requests your agency was able to close by the end of the fiscal year, as listed in Section VII.E of your Fiscal Year 2015 Annual FOIA Report. If you had less than ten total oldest requests to close, please indicate that.*

    During FY 2016, Treasury closed three of the ten oldest FOIA requests that were reported pending in the FY 2015 annual report.

15. *Of the requests your agency was able to close from your ten oldest, please indicate how many of these were closed because the request was withdrawn by the requester. If any were closed because the request was withdrawn, did you provide any interim responses prior to the withdrawal?*

    One of the ten oldest cases was closed because the request was withdrawn by the requester. No interim responses were provided.

TEN OLDEST APPEALS

16. *In Fiscal Year 2016, did your agency close the ten oldest appeals that were reported pending in your Fiscal Year 2015 Annual FOIA Report?*

    No.

17. If no, please provide the number of these appeals your agency was able to close by the end of the fiscal year, as listed in Section VII.C.(5) of your Fiscal Year 2015 Annual FOIA Report. If you had less than ten total oldest appeals to close, please indicate that.

During FY 2016, Treasury closed four of the ten oldest appeals that were reported pending in the FY 2015 annual report.

TEN OLDEST CONSULTATIONS

18. In Fiscal Year 2016, did your agency close the ten oldest consultations that were reported pending in your Fiscal Year 2015 Annual FOIA Report?

Yes.

19. If no, please provide the number of these consultations your agency was able to close by the end of the fiscal year, as listed in Section XII.C. of your Fiscal Year 2015 Annual FOIA Report. If you had less than ten total oldest consultations to close, please indicate that.

N/A

E. Additional Information on Ten Oldest Requests, Appeals, and Consultations & Plans

20. Briefly explain any obstacles your agency faced in closing its ten oldest requests, appeals, and consultations from Fiscal Year 2015.

Treasury is presented with two main challenges to closing its ten oldest pending requests, appeals, and consultations: (1) the complexity and/or classification of the requested records; and (2) the frequent need to invoke the submitter notice process.

For example, Office of Foreign Assets Control (OFAC) records are extremely complex: they involve classified, national security, law enforcement sensitive and confidential business information, as well as information that originated from other federal agencies. Each such type of records requires special handling to ensure release determinations are made properly. Many of the classified records that OFAC maintains were obtained from other federal agencies. OFAC must consult with the originating agencies concerning the release of these records. Often, the originating agencies must conduct a declassification review before they can provide a release determination. This adds significant time to the processing of these cases.

Additionally, Treasury's mission may require financial institutions and other entities to provide or submit confidential business information. The inappropriate release of this information has the potential to cause submitters substantial competitive harm. FOIA requires that these records be subjected to additional review under the "submitter notice" process," which requires Treasury to notify the submitters that a public request for their information has been made through the FOIA; allow the submitter the opportunity to provide

Treasury with written objections to release; conduct an independent review of the objections; and allow the submitters the opportunity to seek judicial review of Treasury's determination. This process adds substantial time to the processing of a request, particularly when multiple notices are required and/or if there are a voluminous quantity of records.

21. *If your agency was unable to close any of its ten oldest requests because you were waiting to hear back from other agencies on consultations you sent, please provide the date the request was initially received by your agency, the date when your agency sent the consultation, and the date when you last contacted the agency where the consultation was pending.*

FOIA Request Number	Date initially received	Date of initial consultation	Date you last contacted the consulting agency
2007-09-058	1/28/2008	12/22/2015	1/25/2017
2011-02-024	2/09/2011	4/11/2012	10/27/2016
2011-05-183	5/31/2011	4/11/2012	10/27/2016

22. *If your agency did not close its ten oldest pending requests, appeals, or consultations, please provide a plan describing how your agency intends to close those "ten oldest" requests, appeals, and consultations during Fiscal Year 2017.*

Treasury is committed to closing its ten oldest pending requests, appeals, and consultations during FY 2017. Each has been assigned to a case manager or FOIA analyst within Treasury's Office of Privacy, Transparency, and Records. Each case manager and FOIA analyst will be responsible for monitoring the day-to-day status of the case, updating Treasury's FOIA request tracking system, identifying and removing barriers or obstacles that are preventing the closure of the case, and elevating issues to leadership. With respect to the oldest pending cases at IRS, the IRS Disclosure Office has centralized the review of those cases in an effort to simplify and streamline the process.

Additionally, Treasury will include a list of the ten oldest pending requests, appeals, and consultations in its monthly FOIA reports and quarterly performance reports. These reports are distributed widely to Treasury's FOIA staff and leadership and are used to encourage compliance and recognize progress.

F. Interim Responses

23. *Does your agency have a system in place to provide interim responses to requesters when appropriate?* See OIP Guidance, *"[The Importance of Good Communication with FOIA Requesters](#)." (Mar. 1, 2010)*

Yes.

24. *If your agency had a backlog in Fiscal Year 2016, please provide an estimate of the number or percentage of cases in the backlog where a substantive, interim response was provided during the fiscal year, even though the request was not finally closed.*

The Department estimates that during FY 2016, less than 20% of cases in the backlog were issued a substantive interim response.

G. Success Stories

Out of all the activities undertaken by your agency since March 2016 to increase transparency and improve FOIA administration, please briefly describe here at least one success story that you would like to highlight as emblematic of your agency's efforts. The success story can come from any one of the five key areas. As noted above, these agency success stories will be highlighted during Sunshine Week by OIP. To facilitate this process, all agencies should use bullets to describe their success story and limit their text to a half page. The success story is designed to be a quick summary of key achievements. A complete description of all your efforts will be contained in the body of your Chief FOIA Officer Report.

During the reporting period, the IRS Disclosure Office worked to better educate IRS employees about their FOIA responsibilities and to increase awareness of the Open Government principles of transparency, participation, and collaboration. The IRS Deputy Commissioner for Services and Enforcement and the IRS Deputy Commissioner for Operations Support jointly issued a memorandum to all IRS employees affirming IRS's commitment to transparency and openness, and promoting the "Respond Directly" initiative. Responding directly to requests for tax information, where permissible, promotes transparency, good customer service, and in many cases eliminates the need for an individual to submit a FOIA or Privacy Act request to the IRS.

In support this effort, IRS developed and deployed a suite of standardized training materials. These materials were made available to all IRS employees via IRS's Electronic Learning Management System (ELMS) and via the Disclosure Office intranet site. This IRS implemented technology allows IRS employees to schedule and receive training remotely. As a result of these efforts, more than 3,000 IRS employees received training during the reporting period.

Four Treasury bureaus—Fiscal Service, Mint, TIGTA, and TTB—ended FY 2016 with zero backlogged FOIA requests. Additionally, BEP, Fiscal Service, OCC, TIGTA, and TTB closed more requests than they received during FY 2016.