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Accessible Version

August 28, 2025

Mr. Kaschit Pandya  
Chief Information Officer  
Internal Revenue Service  
1111 Constitution Ave, NW  
Washington, DC 20224

### **Chief Information Officer Open Recommendations: Internal Revenue Service**

Dear Mr. Pandya:

I am writing to you with respect to your role as the Chief Information Officer (CIO) for the Internal Revenue Service (IRS). As an independent, non-partisan agency that works for Congress, GAO's mission is to support Congress in meeting its constitutional responsibilities and help improve the performance and ensure the accountability of the federal government. Our work includes investigating matters related to the use of public funds and evaluating programs and activities of the U.S. Government at the request of congressional committees and subcommittees, on the initiative of the Comptroller General, and as required by public laws or committee reports. Our duties include reporting our findings and recommending ways to increase economy and efficiency in government spending. The purpose of this letter is to provide an overview of the open GAO recommendations to the IRS that call for the attention of the CIO.

We identified recommendations that relate to the CIO's roles and responsibilities in effectively managing IT. They include strategic planning, investment management, and information security. We have previously reported on the significance of the CIO's role in improving the government's performance in IT and related information management functions.<sup>1</sup> Your attention to these recommendations will help ensure the secure and effective use of IT at the agency.

Currently, the IRS has 36 open recommendations, 22 of which are considered sensitive, that call for the attention of the CIO. Each of these recommendations relates to a GAO High-Risk area: (1) [Ensuring the Cybersecurity of the Nation](#) or (2) [Improving IT Acquisitions and Management](#).<sup>2</sup> In addition, GAO has designated two of the 36 as priority recommendations.<sup>3</sup>

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<sup>1</sup>See for example, GAO, *Federal Chief Information Officers: Critical Actions Needed to Address Shortcomings and Challenges in Implementing Responsibilities*, GAO-18-93 (Washington, D.C.: Aug. 2, 2018).

<sup>2</sup>Some of these recommendations are also related to the Enforcement of Tax Laws High-Risk area. See GAO, *High-Risk Series: Heightened Attention Could Save Billions More and Improve Government Efficiency and Effectiveness*, GAO-25-107743 (Washington, D.C.: Feb. 25, 2025).

<sup>3</sup>Priority recommendations are those that GAO believes warrant priority attention from heads of key departments or agencies. They are highlighted because, upon implementation, they may significantly improve government operations, for example, by realizing large dollar savings; eliminating mismanagement, fraud, and abuse; or making progress toward addressing a high-risk or duplication issue. Since 2015, GAO has sent letters to selected agencies to highlight the importance of implementing such recommendations.

Fully implementing these open recommendations could significantly improve the IRS's ability to deter threats and manage its critical systems, operations, and information. I have summarized selected recommendations here. See the enclosure for a full list, and additional details on the GAO recommendations, including the sensitive recommendations.

**Ensuring the Cybersecurity of the Nation.** The IRS needs to take additional steps to secure the information systems it uses to carry out its mission. For example, we recommended that the IRS ensure that information is complete and accurate in the authoritative databases and data sources that identify IRS systems that process or store taxpayer information. We also recommended that the agency maintain a comprehensive inventory of these systems. Implementing these recommendations would help ensure that the agency is instituting safeguards to protect taxpayer information that is stored or processed in its systems.

**Improving IT Acquisitions and Management.** The IRS needs to fully implement federal cloud computing requirements and improve its reporting on modernization progress. For example, we recommended that the IRS fully address the key Office of Management and Budget requirement regarding conducting regular evaluations of customer experiences and user needs. Until the IRS implements this recommendation, it will have less assurance that it is adopting cloud solutions to effectively meet mission needs and protect sensitive taxpayer information.

We also recommended that the IRS include programs' cost and schedule history as well as fiscal year and overall goals in its quarterly reports to Congress. Implementing this recommendation would provide Congress and other stakeholders with the information needed to gauge the IRS's performance in meeting long-term modernization goals.

In addition to GAO's recommendations, the Treasury Inspector General for Tax Administration also has multiple open recommendations to the IRS in the areas of cybersecurity and IT acquisitions and management. These include cybersecurity recommendations that relate to the agency's requirements under the Federal Information Security Modernization Act of 2014.<sup>4</sup> It will be important to address both GAO and Inspector General recommendations.

Copies of this letter are being sent to the appropriate congressional committees, the Federal CIO, and the CIO of the Department of the Treasury. The letter will also be available at no charge on the GAO website at <https://www.gao.gov>. In addition, we are planning to send a separate letter related to agencywide priority recommendations to the Commissioner of the IRS.

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<sup>4</sup>The Federal Information Security Modernization Act of 2014, Pub. L. No. 113-283, 128 Stat. 3073 (Dec. 18, 2014) largely superseded the Federal Information Security Management Act of 2002, enacted as Title III, E-Government Act of 2002, Pub. L. No. 107-347, 116 Stat. 2899, 2946 (Dec. 17, 2002).

If you have any questions or would like to discuss any of the recommendations outlined in this letter, please do not hesitate to contact me at [marinosn@gao.gov](mailto:marinosn@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this letter. Our teams will continue to coordinate with your staff on addressing these 36 open recommendations that call for the attention of the CIO. I appreciate the IRS's continued commitment and thank you for your personal attention to these important recommendations.

Sincerely,

**//SIGNED//**

Nick Marinos  
Managing Director  
Information Technology and Cybersecurity

Enclosure

cc: Mr. Sam Corcos, CIO, Department of the Treasury  
Mr. Gregory Barbaccia, Federal CIO, Office of Management and Budget

## Enclosure

### Chief Information Officer Open Recommendations to the Internal Revenue Service

This enclosure includes the open GAO recommendations to the Internal Revenue Service (IRS) that call for the attention of its Chief Information Officer (CIO), including the sensitive recommendations.<sup>5</sup> We have divided these recommendations into two categories: (1) ensuring the cybersecurity of the nation and (2) improving IT acquisitions and management.

#### Ensuring the Cybersecurity of the Nation

Federal agencies depend on IT systems to carry out operations and process, maintain, and report essential information. The security of these systems and data is vital to protecting individual privacy and ensuring national security. Table 1 provides information on the open cybersecurity-related recommendations relevant to the IRS CIO.

**Table 1: Open Chief Information Officer-related Cybersecurity Recommendations for the Internal Revenue Service (IRS)**

GAO report number	GAO report title	Recommendation
GAO-19-473RSU	Management Report: Improvements Are Needed to Enhance the Internal Revenue Service's Information System Security Controls	Recommendation 17
GAO-20-410RSU	Management Report: Improvements Are Needed to Enhance the Internal Revenue Service's Information System Security Controls	Recommendation 5 Recommendation 6
GAO-21-400RSU	Management Report: Internal Revenue Service Needs to Improve Financial Reporting and Information System Controls	Recommendation 4
GAO-23-105395	Security of Taxpayer Information: IRS Needs to Address Critical Safeguard Weaknesses	The Commissioner for the IRS should ensure that the IT office, in collaboration with the Privacy, Governmental Liaison and Disclosure office, ensure that information is complete and accurate in the authoritative databases and other data sources that identify IRS systems that process or store taxpayer information. (Recommendation 6)  The Commissioner for the IRS should ensure that the IT Cybersecurity office, in collaboration with the Privacy, Governmental Liaison and Disclosure office, maintain a comprehensive inventory of IRS systems that process or store taxpayer information. (Recommendation 7)*
GAO-23-106402SU	Management Report: Improvements Needed in IRS's Financial Reporting and Information System Controls	Recommendation 1 Recommendation 16

<sup>5</sup>Due to the sensitive nature of GAO reports with report numbers ending in SU (controlled unclassified information), the recommendation language has been omitted.

GAO report number	GAO report title	Recommendation
GAO-24-107184SU	IRS Financial Reporting: Improvements Needed in Information System and Other Controls	Recommendations 1–5
GAO-25-107929SU	IRS Financial Reporting: Improvements Needed in Information System and Other Controls	Recommendations 1–9

\*Indicates a priority recommendation.

Source: GAO summary based on previously issued reports. | GAO-25-108580

Notes: Due to the sensitive nature of GAO reports with report numbers ending in SU (controlled unclassified information), the recommendation language has been omitted.

As of August 2025, we are in the process of reviewing documentation provided by the IRS in fiscal year 2025 and evaluating the results of our audit of the IRS's fiscal year 2025 financial statements to determine whether three open recommendations have been sufficiently addressed within GAO reports GAO-23-106402SU and GAO-24-107184SU.

## Improving IT Acquisitions and Management

Federal IT investments too frequently fail to deliver capabilities in a timely, cost-effective manner. Key management challenges—such as a lack of disciplined project planning and program oversight—continue to hamper effective acquisition and management of the government's IT assets. Table 2 provides information on the open IT acquisition and management-related recommendations relevant to the IRS CIO.

**Table 2: Open Chief Information Officer-related IT Acquisition and Management Recommendations for the Internal Revenue Service (IRS)**

GAO report number	GAO report title	Recommendation
GAO-23-104719	Information Technology: IRS Needs to Complete Modernization Plans and Fully Address Cloud Computing Requirements	<p>The Commissioner of the IRS should ensure that the IRS establishes time frames for addressing the disposition of legacy systems for the Enterprise Case Management modernization initiative and follow through to document a complete modernization plan. (Recommendation 1)</p> <p>The Commissioner of the IRS should ensure that the IRS establishes time frames for addressing the disposition of legacy systems for the Enterprise Data Platform modernization initiative and follow through to document a complete modernization plan. (Recommendation 2)</p> <p>The Commissioner of the IRS should ensure that the IRS establishes time frames for addressing the disposition of legacy systems for the Information Returns Modernization initiative and follow through to document a complete modernization plan. (Recommendation 3)</p> <p>The Commissioner of the IRS should ensure that the IRS establishes time frames for addressing the disposition of legacy systems for the Information Technology Service Management modernization initiative and follow through to document a complete modernization plan. (Recommendation 4)</p> <p>The Commissioner of the IRS should ensure that the IRS establishes time frames for addressing the disposition of legacy systems for the Enterprise Anomaly Detection / Enterprise Case Selection modernization initiative and follow through to document a complete modernization plan when it resumes. (Recommendation 5)</p>
		<p>The Commissioner of the IRS should ensure that the IRS establishes time frames for addressing the disposition of legacy systems for the Workforce Infrastructure modernization initiative and follow through to document a complete modernization plan when it resumes. (Recommendation 6)</p>
		<p>The Commissioner of the IRS should ensure that the IRS's cloud computing efforts fully address the key Office of Management and Budget requirement associated with conducting regular evaluations of customer experiences and user needs to ensure that cloud solutions foster efficiency, accessibility, and privacy. (Recommendation 9)</p>
		<p>The Commissioner of the IRS should incorporate all 12 steps and associated best practices found in our Cost Guide into the IRS's IT cost estimation procedures. (Recommendation 4)</p>
		<p>The Commissioner of the IRS should include the IRS's IT cost estimation procedures in the Internal Revenue Manual and issue interim guidance while the Internal Revenue Manual section is being developed. (Recommendation 5)</p>
GAO-24-106091	IRS Reform: Following Leading Practices and Improving Cost Estimation Policies Could Benefit Agency Efforts	

GAO report number	GAO report title	Recommendation
GAO-24-106566	Information Technology: IRS Needs to Complete Planning and Improve Reporting for Its Modernization Programs	<p>The Commissioner of the IRS should complete the enterprise roadmap and ensure it addresses the strategic operating plan's technology objective. (Recommendation 1)</p> <p>The Commissioner of the IRS should complete plans for its modernization programs that include (1) milestones to complete the modernization, (2) a description of the work necessary to complete the modernization, and (3) details regarding the disposition of the legacy system, if applicable. (Recommendation 2)</p> <p>The Commissioner of the IRS should include information including a history of programs' cost and schedule goals and showing how the quarterly cost and schedule performance aligns with fiscal year and overall goals for the programs in its quarterly reports to Congress. (Recommendation 3)*</p>
GAO-25-107289SU	Information Technology: Agencies Need to Plan for Modernizing Critical Decades-Old Legacy Systems	<p>Recommendation 7</p> <p>Recommendation 8</p>

\*Indicates a priority recommendation.

Source: GAO summary based on previously issued reports. | GAO-25-108580