EFFECTIVE DATE

(07-06-2022)

PURPOSE

(1)   This transmits a revised IRM 4.7.4, Examination Returns Control System (ERCS), Planning and Special Programs (PSP).

MATERIAL CHANGES

(1)   Due to the move of the ERCS server from Solaris to Linux logins based on the user names are no longer used. The login is now the user's Standard Employee Identifier (SEID) in lower case letters.

(2)   Due to the move to Linux access to ERCS is through Active Directory and passwords are no longer used. References to passwords have been removed.

(3)   The IRS replaced the Online 5081 (OL5081) system with the Business Entitlement Access Request System (BEARS). References to OL5081 have been replaced with BEARS.

(4)   Content from the AIMS/ERCS website was required to be moved to the Virtual Library. ERCS content was moved to the ERCS book under the Exam Systems Knowledge Base. References to the AIMS/ERCS website have been replaced with the ERCS book.

(5)   Significant changes to this IRM are reflected in the table below:

Reference	New Reference	Description
4.7.4.1.3 (5)	4.7.4.1.3 (5)	"Roles and Responsibilities": Added monitoring for timely input of time charges by the end of the SETTS cycle.
N/A	4.7.4.2 (5)	"Security": Added new (5), per IRS security require-ments, IT employees are not permitted to have access to taxpayer data.
4.7.4.3.4 (3)	4.7.4.3.4 (3)	"CDE": Removed the table containing PSP CDE EGCs. Added link to Exhibit 4.7.4-2 for a list of the PSP standardized CDE EGCs.
4.7.4.4 (13)	4.7.4.4 (13)	"Creating, Maintaining and Running Tableau Reports": Added note, users should not request access to this site. Access is granted by the HQ ERCS analysts when the BEARS requests for ERCS Tableau are processed.
4.7.4.5 (2)	4.7.4.5 (2)	"Employee Records": Added note, PSP has dedicated EGCs 1900-1905 and 2900-2905 for PSP Sections. These EGCs are also used for employee records of the Area director's staff, the A/E staff and HQ analysts supported by the Area.
4.7.4.5 (3)	4.7.4.5 (3)	"Employee Records": Added that an employee's SSN is associated with their SEID.

Reference	New Reference	Description
4.7.4.7.3 (3)	4.7.4.7.3 (3)	"Special Programs": Added reminder, local tracking codes must be kept current. When a tracking code is no longer being used it should either be marked as obsolete or discontinued. Employee personally identifiable information should not be entered in ERCS, including names and phone numbers, when adding or updating local tracking codes.
N/A	4.7.4.7.5	"Claim Information": Added new subsection with Claim information regarding electronic case files and closing claims that have already been paid.
4.7.4.11 (2)	4.7.4.11 (2)	"Managerial Approval": Removed Disposal Code 29. Added note, DC 33 cannot be used to close a case with a claim amount.
N/A	4.7.4-2	"PSP Standardized CDE EGCs": Added new Exhibit 2 listing the PSP standardized CDE EGCs and their ERCS descriptions. Renumbered remaining exhibits.
4.7.4-4	4.7.4-5	"Suspense Types": Added note, PSP suspense types are in the 300 to 399 range.

(6)   Editorial changes have been made throughout this IRM and some items were reworded for clarity. Website addresses and IRM references were reviewed and updated as necessary.

EFFECT ON OTHER DOCUMENTS

IRM 4.7.4 dated August 10, 2020 is superseded.

AUDIENCE

Small Business/Self Employed (SB/SE) and Large Business and International (LB&I) employees in PSP who use ERCS.

Lori L. Roberts
Director, Technology Solutions
Small Business/Self-Employed

4.7.4
Planning and Special Programs (PSP)

Table of Contents

Exhibits

4.7.4.1
(08-10-2020)
Program Scope and Objectives

(1) This IRM section contains Examination Returns Control System (ERCS) information and procedures for Planning and Special Programs (PSP) employees for consistency across areas and business units.

(2) **Purpose:** To provide guidance needed by PSP employees.

(3) **Audience:** Employees in SB/SE and LB&I, who monitor inventory, enter examination time, add new records or update existing records on ERCS. Employees include:

- Territory Managers (TM)s
- Section Chiefs
- Program Coordinators
- Employees reporting to a supervisor listed above including tax examiners (TE)s, audit accounting aides (AAA)s, and administrative support staff.

(4) **Policy Owner:** The SB/SE Deputy Director, Examination, who is under the SB/SE Director, Examination.

(5) **Program Owner:** SB/SE Director, Technology Solutions.

(6) **Primary Stakeholders:** LB&I

4.7.4.1.1
(07-06-2022)
Background

(1) PSP plays a vital part in the examination process by:

- Providing input in the development of the Exam Plan for the area.
- Ensuring each group maintains sufficient volume and type of inventory in order to meet the goals of the Exam Plan.
- Providing guidance to the groups concerning programs, projects, and procedures coordinated within PSP.

(2) This IRM provides an overview of the ERCS responsibilities PSP employees should understand and apply in the performance of their duties.

(3) The Audit Information Management System (AIMS)/ERCS Staff, although part of PSP, has separate duties which are discussed in IRM 4.7.10, AIMS/ERCS Staff.

(4) Users, employees with ERCS access, must be aware of the potential for Unauthorized Access of Taxpayer Accounts (UNAX) violations from the use of ERCS. Data from ERCS should be accessed only for IRS business purposes. Users should promptly retrieve ERCS reports from printers or fax machines in order to prevent unintentional disclosure. Audit trails are created and subject to review for all user accesses of taxpayer data. For more information about UNAX, see IRM 10.5.5, IRS Unauthorized Access, Attempted Access or Inspection of Taxpayer Records (UNAX) Program Policy, Guidance and Requirements.

4.7.4.1.2
(07-06-2022)
Authority

(1) IRM 1.4.1, Management Roles and Responsibilities.

4.7.4.1.3
(07-06-2022)
**Roles and
Responsibilities**

(1) Every PSP employee needs to know what ERCS can do to help them do their job. This includes using ERCS to establish and maintain inventory in order to have reliable data for reports in which to monitor programs and priorities.

(2) **TMs** are responsible for the selection of cases and delivery of inventory and ensuring Exam Plan goals are met.

(3) Responsibilities of the TM regarding ERCS include, but are not limited to:

- Ensuring security of the ERCS system.
- Assisting with issues elevated by the section chiefs and/or the A/E staff.
- Reinforcing the importance of statute awareness.
- Ensuring statute control is maintained on all returns in the territory.
- Supporting the development of PSP personnel in identifying the options on ERCS that relate to their duties.
- Ensuring the features on ERCS protecting employee returns are utilized.
- Ensuring time information for PSP employees is entered into ERCS accurately and no later than the close of business on the last day of each reporting cycle.

(4) **Section Chiefs** are responsible for PSP operations which includes ensuring appropriate internal controls are established and maintained; and the goals, policies, and directives of the Headquarters (HQ) Office as well as the area are followed.

(5) Responsibilities of the Section Chief regarding ERCS include, but are not limited to:

- Ensuring all assigned employees have completed the required annual UNAX briefing.
- Ensuring all ERCS users in the group are aware of ERCS security issues such as browsing, and protecting personally identifiable information (PII).
- Notifying the administrative support staff of updates needed to employee records and work schedule profiles (WSP)s.
- Ensuring employee records are added and updated timely so accurate information is included in the SETTS file at the end of the reporting cycle.
- Monitoring for timely input of time charges by the end of the SETTS cycle.
- Ensuring ERCS to AIMS rejects, AIMS Error Reports, and other data issues are worked and resolved.
- Utilizing ERCS reports and data to ensure the Exam Plan goals are met.
- Ensuring continuous statute controls are maintained and ERCS statute listings are reconciled with AIMS Table 4.0, Returns with Statute Date Pending, per IRM 25.6.23, Examination Process - Assessment Statute of Limitations Controls.
- Ensuring Form 895, Notice of Statute Expiration, is generated, returned timely and maintained per IRM 4.7.3, Statute of Limitations.
- Supporting the development of PSP personnel in identifying the options on ERCS that relate to their duties.
- Approving or disapproving all updates requiring first and second level approval within two business days.
- Ensuring the features on ERCS protecting employee returns are utilized.

- Ensuring time information is entered into ERCS accurately and timely for employees under the Section Chief's authority.
- Coordinating with the A/E staff and informing the campus when an additional AAC needs to be validated for a new program.
- Ensuring Business Entitlement Access Request System (BEARS) requests for ERCS access are for the correct ERCS application and contain required information.
- Ensuring all assigned employees are aware of resource material including ERCS IRMs, the *ERCS book* in the Virtual Library, ERCS user handbooks, and locally developed job aids.

(6) Responsibilities of **Program Coordinators** regarding ERCS include, but are not limited to:

- Ensuring security of the ERCS system.
- Monitoring the statutes and statuses of all inventory in their assigned program(s), taking necessary action when updates are required.
- Reconciling ERCS statute listings with the AIMS Table 4.0, per IRM 25.6.23, Examination Process - Assessment Statute of Limitations Controls.
- Notifying the section chief when updates require approval.
- Providing the proper coding to the support staff when establishing cases.
- Ensuring AIMS and ERCS controls are fully established prior to delivery to the groups.
- Submitting a time input document for input into ERCS.
- Providing guidance and fielding questions concerning coding on AIMS and ERCS for returns in assigned programs.
- Identifying cases for closure including inventory accepted as filed by classification as non-examined closures, and taking appropriate action.
- Working with the A/E staff to define and validate new local project and tracking codes.
- Determining what program a return should be assigned to (transfer in coordinator).

(7) Responsibilities of the **Tax Examiners, Audit Accounting Aides, and Administrative Support Staff** is based upon the grade level and the position description of the employee. These responsibilities regarding ERCS include, but are not limited to:

- Ensuring security of the ERCS system.
- Maintaining the accuracy of the ERCS database.
- Ensuring statute control procedures are followed in a timely manner.
- Adding and updating employee records and WSPs when notified of a change.
- Submitting a time input document for ERCS time (AAAs only).
- Inputting technical time into ERCS by close of business on the last work day of the reporting cycle.
- Ensuring ERCS and AIMS controls are fully established.
- Verifying returns are coded accurately, and the AACs on ERCS and AIMS match, upon receipt in PSP.
- Comparing the AIMS Inventory Validation Listing (IVL) with the physical cases and resolving mis-matches.
- Correcting all errors identified during the annual 100 percent AIMS IVL validation.

- Notifying the section chief or program coordinator there are pending updates that need approval.
- Working the Check AIMS Results reject reports daily.
- Working the AIMS Error Reports weekly.
- Working the Open on AIMS, Closed on ERCS report weekly.
- Monitoring the Transfer Claimed Returns report and resolving issues as returns are claimed.
- Delivering returns to the groups, transferring returns to other areas or functions, and closing returns.
- Verifying returns are coded accurately on ERCS prior to delivery, transfer, and closure.
- Following up on unacknowledged Form 3210, Document Transmittal.
- Assisting with training needs in PSP including helping with new employee orientation.
- Providing assistance to the program coordinators and section chief.

4.7.4.1.4
(08-10-2020)
Program Management and Review

(1) Reports are available that allow management to monitor inventory, statutes, closures, time input, and employee records. See IRM 4.7.6, Reports, for more information.

4.7.4.1.5
(08-10-2020)
Program Controls

(1) ERCS creates audit trails for selected changes to returns, employee records, and permission records. A special audit trail is also created when users enter a taxpayer identification number (TIN) or a taxpayer name on ERCS. See IRM 4.7.2, Security, for more information. IRM 4.7.2.3.4, Audit Trails, has a list of the changes in ERCS that produce an audit trail.

(2) There are security checks within ERCS to ensure unauthorized users do not access programs and authorized users are kept within the boundaries of their permissions. These checks are performed automatically and silently each time a user attempts to access ERCS. The user has no ability to prevent the checks. For more information about permissions in ERCS, see IRM 4.7.2.3.2, Permissions.

4.7.4.1.6
(08-10-2020)
Acronyms

(1) See Exhibit 4.7.4-1, Acronyms and Definitions, for acronyms used in this IRM.

4.7.4.1.7
(07-06-2022)
Related Resources

(1) For questions regarding ERCS security and instructions for gaining access to ERCS refer to IRM 4.7.2, Security.

(2) For general responsibilities of the section chief, refer to IRM 1.4.1, Management Roles and Responsibilities.

(3) Instructions for navigating the ERCS programs at the PSP user level can be found in the *ERCS PSP Handbook.*

(4) For questions regarding PSP operations see IRM 4.1, Planning and Special Programs.

4.7.4.2
(07-06-2022)
Security

(1) In order to access ERCS an employee must have an active login which is granted via BEARS.

(2) For security issues concerning Record of Tax Enforcement Results (ROTER) information, see the *Section 1204* website. IRM 1.5 , Managing Statistics in a Balanced Measurement System, provides further guidelines for the appropriate use of statistics by managers and employees.

(3) Users must be aware of the potential for UNAX violations from the use of ERCS. Data from ERCS should be accessed only for IRS business purposes. Users should promptly retrieve ERCS reports from printers or fax machines in order to prevent unauthorized disclosure. For more information about UNAX, see IRM 10.5.5 , IRS Attempted Access or Inspection of Taxpayer Records (UNAX) Program Policy, Guidance and Requirements.

(4) Audit trails are created when ERCS records are researched, added, updated, or deleted. Research should be limited to a user's official business needs in order to prevent unnecessary disclosure. Audit trails are also created for potential UNAX violations. These audit trails include when a user:

- Inputs their own social security number (SSN).
- Inputs the SSN of a spouse.
- Attempts to view or update an IRS employee's return without permission.
- Attempts to update a return without permission.
- Inputs a name search that matches an employee's name.

(5) Per IRS security requirements, IT employees are not permitted to have access to taxpayer data. No IT employee should be approved for ERCS access and any user transferred or detailed to an IT position must submit a Remove Access request to have all permission records removed.

(6) For security issues concerning ERCS, including pre-requisites for ERCS access, information on completing a BEARS request, requesting temporary permission, and employee audit security features see IRM 4.7.2, Security.

4.7.4.3 (08-10-2020) **ERCS Data**	(1) PSP has the responsibility to work with HQ Examination in the creation of the Exam Plan, to ensure the field has the correct amount and type of inventory to accomplish the plan, and to monitor the work in the field to ensure the Exam Plan will be met. In order to do this, PSP uses data from various sources including ERCS, AIMS, Summary Examination Time Transmission System (SETTS), AIMS Computer Information System (A-CIS), and Statistical Sampling Inventory Validation Listing (SSIVL). In determining which data source is the best option for a particular monitoring need it is important to understand each system, the differences between them, and where the data in the system originates.

(2) This section contains information about the ERCS data, where it comes from, what is available, and how it impacts or relates to data in the following systems:

- AIMS
- SSIVL
- SETTS
- Compliance Data Environment (CDE)
- A-CIS

(3) ERCS is an inventory control and time tracking system. It contains selected data for SB/SE and LB&I returns in the Examination stream from Status Codes

00 to 90. ERCS is used to maintain group and work unit inventories and as a vehicle to update AIMS. Technical time is captured on ERCS by the daily activities performed. ERCS accepts and extracts data from a number of systems, but the two main interfaces are with AIMS and SETTS. ERCS sends information to AIMS on a daily basis; and information from AIMS is compared to ERCS on a weekly basis. Summary time information is extracted for SETTS roll-up each reporting cycle.

4.7.4.3.1
(07-06-2022)
AIMS

(1) AIMS is the system of records for SB/SE, LB&I, Appeals, W&I, and TE/GE. It contains accomplishment information for returns in the Examination stream. PSP utilizes AIMS to obtain information such as:

- Location of case files.
- Codes (i.e. source, project, tracking, aging reason, etc.)
- Closing information (i.e. examination time, disposal code, results, etc.)
- Historical information (such as prior primary business code (PBC), prior secondary business code (SBC), prior employee group code (EGC), status code and status date history, and opening source code).

(2) AIMS records are established by:

- Campus (includes automatic openings, taxpayer requests/claims, non-filer, etc.)
- PSP (includes projects, programs, CDE, etc.)
- Groups (when picking up related returns)

(3) The main differences between AIMS data and ERCS data are:

- ERCS only includes data for SB/SE and LB&I.
- ERCS contains information for penalties.
- ERCS allows for inventory control for activities that are not return related (such as offers in compromise, interest abatement, etc.)
- ERCS contains a break down of daily time charges by employees.
- ERCS provides inventory control for returns by associating returns with an examiner and providing current, on demand reports.

(4) For more information regarding AIMS see IRM 4.4, Audit Information Management System (AIMS) - Validity and Consistency.

4.7.4.3.2
(07-06-2022)
SSIVL

(1) SSIVL is a system which allows AIMS data to be downloaded by Business Operating Division (BOD), Area, function, etc. and used to generate inventory reports.

(2) The SSIVL data is AIMS data with the addition of the three employee identification (ID) fields from ERCS (Group or PSP, Centralized Case Processing (CCP) and Review). Up-to-date AIMS data is sent to the ERCS server each weekend.

(3) AIMS Assignee Code (AAC) information recorded in ERCS is used to identify the support area responsible for returns listed on the area's SSIVL. Data is extracted by support area and sent to a server at the Detroit Computing Center for each area. The A/E staff imports the SSIVL data into a Microsoft Access database.

(4) The A/E staff generates IVLs from the SSIVL data periodically and distributes the IVLs to PSP and the examination groups supported by the area. This also includes the annual 100 percent AIMS IVL.

Note: Different procedures are used to generate IVLs for Technical Services (TS) and IVLs are pulled by the TS A/E analyst.

4.7.4.3.3 (07-06-2022) **SETTS**	(1) Time is input into ERCS for employees required to account for time spent on their daily activities. Refer to IRM 4.7.4.5 (8) for the PSP employees required to input time on ERCS.

(2) At the end of each reporting cycle the time is extracted from ERCS, validated, and transmitted to the SETTS server located in Martinsburg Computing Center. There the data is pulled for inclusion on Table 37, Examination Program Monitoring and sent to the AIMS Computer Information System (A-CIS). Refer to IRM 4.9.1, Outline of System, for more information on Table 37.

Note: Reporting cycles are generally four or five weeks, but occasionally can be six weeks. Refer to the Reporting Cycles for AIMS and SETTS section in Document 6036, Examination Division Reporting System Codes Booklet, for specific information about the dates for each cycle.

4.7.4.3.4 (07-06-2022) **CDE**	(1) PSP uses CDE to classify SB/SE returns, establish the AIMS database, and deliver returns to the field. Once a return is selected, CDE sends a requisition to establish the return on AIMS in a PSP CDE EGC. Over the following weekend during AIMS to ERCS processing, the AIMS record is added to ERCS if it has not been previously added.

(2) When the AIMS record is fully established, a CDE user assigns the return to the examination group on CDE which sends a status code, status date, SBC and EGC update to AIMS.

(3) Over the following weekend during AIMS to ERCS processing, the AIMS AAC for the examination group overwrites the PSP CDE AAC, as well as the status code and status date, on ERCS. It is critical the AAC on ERCS be established as a PSP CDE EGC so this process will work. Otherwise the return will appear on the ERCS AAC Difference Report. See Exhibit 4.7.4-2 for a list of PSP standardized CDE EGCs with descriptions.

4.7.4.3.5 (07-06-2022) **A-CIS**	(1) At the end of each time reporting cycle (this corresponds with the SETTS cycles), data from AIMS and SETTS is extracted and loaded into A-CIS.

(2) A-CIS has four database tables:

- Open Case Database
- Closed Case Database
- Non-Examined Database
- SETTS Database

(3) The time information from ERCS is by employee per day and per activity or return. The SETTS database contains a summary of time information extracted from ERCS. The summary information includes the employee's time per

specific codes such as activity, source, project, etc. It does not include time per return. For more information about the SETTS data, refer to IRM 4.9.1, Outline of System.

(4)   While the data in ERCS is constantly changing, the data in A-CIS is unchanging. So if current information is needed or if time per return information is needed, ERCS is the system to use. If statistics from a prior month are needed or if the summary time information is needed, then A-CIS is the system to use.

(5)   A-CIS data is available to HQ analysts and upper level management for their specific area or practice area to create reports and to monitor time data against the Exam Plan. In LB&I the data is also available to TMs and above.

4.7.4.4
(07-06-2022)
Creating, Maintaining and Running Tableau Reports

(1)   Tableau is a server application used to create views, workbooks and dashboards from information in the ERCS database.

(2)   To gain access to Tableau two BEARS applications are required, one to access the Tableau server and one to access ERCS data through the Tableau server.

(3)   There are two applications for the ERCS database, one for SB/SE employees and one for LB&I employees.

- ERCS TABLEAU SBSE (ERCS TABLEAU DATABASE ACCESS ONLY)
- ERCS TABLEAU LBI (ERCS TABLEAU DATABASE ACCESS ONLY)

(4)   When requesting access to the ERCS database the BEARS request must include the employee's position, the business reason access is needed and the PBCs the user needs access to.

Example: User is an NRP program coordinator in Area 202, and will need to pull miscellaneous reports for monitoring NRP returns in PSP and exam groups. PBC 202.

(5)   There are two applications for the Tableau server, only one is to be submitted based upon your user type.

- Regular users run reports from workbooks created by other users. Regular users will submit a BEARS request for "PROD USER ERCS TEV (TABLEAU ENTERPRISE VISUALIZATION-ERCS TEV)".
- Elevated users create and modify workbooks, but can also run reports created by other users. Elevated users will submit a BEARS request for "PROD ELEV ERCS TEV (TABLEAU ENTERPRISE VISUALIZATION-ERCS TEV)".

(6)   When requesting access to the Tableau server the BEARS request must include the employee's position, the business reason access is needed and the Tableau project folder the user needs access to.

Example: User is a PSP section chief in Area 203 who will be generating reports from workbooks already on Tableau. Need access to the Area 203 project folder.

(7)   Some of the uses for Tableau are listed below:

- Generating reports to monitor new initiatives or special projects or programs
- Generating reports that are not available through ERCS programs
- Generating reports comparing AIMS and ERCS data
- Generating area-wide reports
- Generating reports such as the Listing of Related Returns (LRR)

> *Note:* The LRR lists returns in PSP where a related return is in a group status code. This allows PSP to easily identify where to send cases.

(8) Access to each Tableau workbook is controlled by the owner of the workbook. Users in the same project folder typically have read access to workbooks in the folder, unless the owner has restricted access, but cannot save changes to workbooks they do not own.

(9) Users should make sure their reports are available to other PSP staff in their area in the event the owner is out of the office for an extended period.

(10) The ERCS database contains ERCS and AIMS data. The AIMS data is updated each weekend during the AIMS to ERCS batch processing.

(11) ERCS data includes information such as the following:

- Employee records, WSPs, and employee permissions
- Return information including related return information, closing data, pending approvals, pending updates, and records not controlled on AIMS
- Time charges per employee per day to the activities performed

> *Note:* Refer to the *Database* chapter of the ERCS Technical Reference Manual (TRM) for a list of ERCS data items available to Tableau users.

(12) AIMS data is available to Tableau users through the "AMS_7109" and the "AIMS_LMTD" data sources. There are overlapping items between AIMS and ERCS, but some information in the AIMS data sources are uniquely AIMS. Some examples of AIMS data not included in ERCS are:

- Transaction Codes (TC): Shows TC 640 and TC 97X.
- Status Code History: Provides the status code and status date changes for the previous 12 updates.
- Date of Death: Provides the taxpayer's date of death.

(13) Tableau users are encouraged to utilize the *ERCS Tableau SharePoint* to share issues, resolutions, ideas, etc. The best resources for report issues are other Tableau users.

> *Note:* Users should not request access to this site. Access is granted by the HQ ERCS analysts when the BEARS requests for ERCS Tableau are processed.

(14) When Tableau BEARS requests are processed, new users are added to the Outlook group "&SBSE ERCS Oracle Discoverer". This distribution list is used to alert users of system downtime, Tableau issues, and new releases.

4.7.4.5
(07-06-2022)
Employee Records

(1) All ERCS users must have an ERCS employee record. In addition an ERCS employee record is required for employees who are required to input ERCS time.

(2) Each PSP Section is setup with it's own EGC for employee records. This aligns PSP section chiefs with their employees for managerial approval purposes, and provides dedicated AACs for SETTS.

Note: PSP has dedicated EGCs 1900-1905 and 2900-2905 for PSP Sections. These EGCs are also used for employee records of the Area director's staff, the A/E staff and HQ analysts supported by the Area.

Reminder: PSP section chiefs should not approve non-examined closures input on ERCS by the A/E staff.

(3) Employee records are usually added by the administrative support staff. When setting up the employee record, special care must be taken when entering the standard employee identifier (SEID) to ensure the correct employee is associated with the data from Discovery Directory, and the employee's SSN.

(4) It is essential that section chiefs advise administrative support staff when updates are needed to employee records, new employees need to be added or employee records are transferred in from another group or function. The administrative support staff will timely and accurately add and input changes when advised. Values from the ERCS employee records are used for time reporting, determining staffing needs, determining if managerial approval is required for updates, protecting an employee's tax return from unauthorized access, and in the creation of audit trails. In particular the following values must be keep current:

- Employee name
- AAC
- Post of duty
- Position code
- Grade
- Login name
- WSP

(5) Employees are added to ERCS in a PBC, SBC, and EGC. These three codes make up the AAC of the employee's permanent group assignment on ERCS.

(6) The post of duty (POD) should be the POD where the employee is assigned. See the *ZIP/POD Access Database* for the POD associated with each zip code to find the employee's correct POD.

(7) The position code is used for a number of checks including:

- Determining if the employee is required to charge time on ERCS.
- Validating the employee's time charges.
- Determining if the employee's tax return can be audited in the area.
- Determining if an employee is a manager and can perform certain changes to returns without requiring managerial approval.
- Determining the recipient of system e-mail created when an IRS employee's tax return is accessed or selected for audit.

(8) PSP users generally utilize the position codes listed in the table below:

Title	Position Code	Description	ERCS Time Required
Territory Manager (SB/SE)	122*	Chief PSP	No
Analyst (LB&I)	122*	PSP Analyst	No
Section Chief	131	Section Chief PSP	Yes
Program Coordinator, RA	125	PSP/RGS Coordinator; also referred to as Program Coordinator; RA	Yes
Program Coordinator, TCO	225	PSP/RGS Coordinator; also referred to as Program Coordinator; TCO	Yes
Audit Accounting Aide	301	Job Series 0503	Yes
Tax Examiner	327*	Job Series 0592	No
Administrative Staff	400	Admin Support Staff, A/E Staff, HQ Analyst, Program Analyst	No

Note: *ERCS will prompt for time to be input for employees with this position code. The A/E staff should be notified to turn on the ignore SETTS indicator which will skip the employee during time input.

(9) ERCS users must have a login name on their employee record. The login name is used to verify a user has permission to access ERCS and in the creation of the audit trails.

Note: For more information about how position codes are used for employee audit security see the *Security* chapter of the ERCS TRM.

(10) The WSP contains the employee's tour of duty information and the number of hours the employee is scheduled to work each day. This information is used when time is input for the employee on ERCS. The WSP is also used to determine when an employee is required to charge holiday time on ERCS. When entering the WSP profile the user must enter their employment type, full time or part time, and TOD. Part-time employees default to enter hours for the Part-Time TOD, full time employees can be under one of five possible TODs. The following are the six choices for the TOD:

- Part-Time - employee works 32 to 64 hours per pay period.
- Regular - employee works 5 eight-hour days per week with no option for working credit hours.
- Flexitour - employee works 5 eight-hour days per week with an option for working credit hours.
- 5/4/9 - (five-four-nine) employee works 8 nine-hour days, 1 eight-hour day, and 1 day off per pay period with no option for working credit hours.
- 4/10 - (four-ten) employee works 4 ten-hour days and 1 day off per week with no option for working credit hours.

- Maxiflex - employee works a pre-determined number of hours each day, but the number of hours can vary from day to day during the pay period. The total hours per pay period must equal 80 hours. The employee may work credit hours.

(11)   The WSP records are in two-week cycles that correspond with Single Entry Time Reporting (SETR) cycles. The employee's scheduled work days and the number of hours the employee is scheduled to work each day in the WSP should match the employee's information on the SETR system.

Note: A Maxiflex WSP can include partial hours in half hour increments.

(12)   Since the WSP is used in validating time, changes to the WSP must be made at the beginning of the two-week pay period, before time has been applied on ERCS.

(13)   ERCS employee records should be inactivated when an employee leaves the IRS or transfers within the IRS to a non-ERCS position. If an employee inputs time on ERCS, the inactivation date must be entered as the last day the employee is required to charge time on ERCS. If the employee record contains a login name, it should not be removed when an employee record is inactivated.

(14)   Problems correcting an ERCS employee record should be reported to the local A/E staff.

(15)   Additional information on adding an employee record to ERCS can be found in the *Employee Records* chapter of the ERCS PSP Handbook.

(16)   An employee's permission records on ERCS are removed when the employee record is inactivated.

(17)   Employee records are not updated for temporary acting assignments. A temporary acting assignment is defined for this IRM as an employee who retains work assignments, while temporarily acting as manager of their own group.

(18)   When updates are required to an ERCS employee record, fields that may need to be updated include the AAC, position code, grade, POD and start date. These updates may be required when an employee:

- Transfers from one PSP group to another.
- Transfers or is detailed into PSP.
- Transfers or is detailed out of PSP and remains an ERCS employee.

(19)   When a PSP employee transfers to a position outside of ERCS, the employee record must be inactivated. When a PSP technical employee required to input time is detailed to a position outside of ERCS, the employee record should remain unchanged. The employee should apply time during the detail to the appropriate "Details out of Division or Area" activity code.

Note: A list of miscellaneous examination activity codes with definitions can be found in IRM 4.9.1 Exhibit 4.9.1-1, Definitions of Miscellaneous Examination Activity Codes.

4.7.4.6 (07-06-2022) **Permissions**	(1) ERCS uses a combination of permission records and programming to restrict a user's access to taxpayer and employee data. Generally PSP users are given permission for all of PSP (SBC 87700) within the area, but users can be given permission for a single PSP program. (Returns in specific programs within PSP are identified by the PSP EGC on the return.) ERCS programming also restricts access to returns based on the status code on the record.

(2) Permissions are granted by the A/E staff. Temporary permissions may be delegated by the TM or section chief to an ERCS user. A manager must have the same permanent permission in order to grant it to another user. See IRM 4.7.4.11.4, Delegating Permissions, for more information.

Example: A PSP section chief has read and first level approval permission, only read and first level approval permission can be delegated. Temporary permission may be granted up to 30 days, but should be limited to the length of time the user needs the permission.

(3) There are four types of user permissions: read, write, first level approval and second level approval.

- First level approval is granted to front line managers and acting managers to approve requisitions, statute updates, transfers across areas, and Status Code 90 closures resulting in an update to AIMS.
- First level approval may also be granted to program coordinators if permitted by local procedures.
- Second level approval is granted to section chiefs and may also be granted to TMs to approve work performed by program coordinators who have write permission. Updates requiring approval performed by a program coordinator require second level approval. The program coordinator should consult with their section chief before requesting write permission.

(4) All users are given read permission. Users with read permission can generate reports, research and display records.

(5) Generally only administrative support staff, including TEs and AAAs, are given write permissions. Users with write permissions can perform the following tasks:

- Add or update employee records and WSPs
- Add, update, transfer, or close inventory records
- Input examination technical time for employees
- Generate a Form 895
- Generate a Form 3210

(6) Permission records must be deleted as soon as the need for them has expired.

(7) For PSP employees the first point of contact for ERCS or AIMS questions should be the section chief. If the section chief needs assistance with ERCS or AIMS questions they should contact their local A/E analyst. The A/E staff should be able to resolve most ERCS and AIMS issues, and can elevate issues, if necessary, to the HQ ERCS analysts.

4.7.4.7
(07-06-2022)
Inventory Control

(1) Each program within PSP generally has its own EGC. The number and type of EGCs in PSP and the use of these codes is at the discretion of the PSP TM and the section chiefs. Coordination with the A/E staff is required if an additional EGC is needed.

(2) When returns move from one group or function to another, a Form 3210 is generated. Whether the form is acknowledged through ERCS or on a paper Form 3210 sent back to the sender, both are official documentation of receipt. The responsibilities for Form 3210 include but are not limited to:

- The sender is responsible for the returns, and in particular the statute, while the returns are in-transit. The sender must check ERCS to verify receipt of the returns. It is recommended the sender check ERCS weekly for acknowledged forms.
- The receiver should acknowledge Form 3210, whether on paper or on ERCS, within three business days of receipt. Once the receiver acknowledges the form or updates the return out of an in-transit status code, the responsibility for the returns shifts to the receiver.

(3) PSP Inventory Control includes the following:

- Statute Control
- Accuracy of the ERCS and AIMS Databases
- Special Programs
- Claimed Returns
- Claim Information

4.7.4.7.1
(07-06-2022)
Statute Control

(1) Monitoring the statute of limitations is essential to prevent possible loss of revenue to the Treasury. See IRM 4.7.3, Statute of Limitations, for information regarding the establishment of and requirements for control of the statute date for returns on ERCS. See IRM 25.6.23, Examination Process-Assessment Statute of Limitations Controls for responsibilities and procedures in controlling statutes and descriptions of statute alpha codes. PSP's responsibilities for statute controls include but are not limited to the following:

- Making sure there is sufficient time left on the statute to complete the examination process prior to delivery
- Completing necessary actions for returns with short statutes
- Following statute procedures when transferring returns out of area
- Ensuring statute alpha codes are used appropriately
- Ensuring Form 895 procedures are followed and ERCS is updated timely for issued and returned dates
- Ensuring penalty records are established in the correct master file tax (MFT) codes and activity codes. (ERCS determines if a penalty record requires a statute by the MFT and activity code on the record)

(2) The following forms and reports are used to monitor statutes. Refer to the *ERCS PSP Handbook* for more information about the ERCS reports.

- Form 895
- Pending Statute Report (group level)
- Pending Statute Report (territory to area level)
- 895 Report
- Statute Override Report
- AIMS-ERCS Statute Report
- AIMS Table 4.0

(3)   Form 895 is generated by PSP when a return has an alpha code or when the numeric statute is within the area's set number of days (usually 210 for PSP) from expiration. Program coordinators and their section chief must complete Form 895 to document they have verified the statute on the return.

(4)   The Pending Statute Report from the Statute Expiration Reports menu allows PSP the flexibility to look at statutes based on a specific program (when run by AAC) or for all programs within the area (when run by PBC and the SBC of 87700). The user has the option to include statuses outside of PSP, and statutes expiring within a number of days. There are a variety of sort options available as well as the option to include irregular statutes on the report. This report does not list expired or alpha code statutes.

Note: An irregular statute is earlier or later than a statute based on a timely filed return. An earlier statute may be due to a taxpayer request for a prompt assessment. A later statute may be due to a late filed return.

(5)   The Pending Statute Report from the Territory Reports menu gives a snapshot of the number of returns expiring within 210 days with an optional inventory listing of returns with expired statutes and statutes expiring within 30 days. It may be generated by the area PBC or by a specific territory SBC.

(6)   The 895 Report should be run with the Pending Statute Report. It lists returns with alpha codes, expired statutes, and returns that have a Form 895. It can be used to check the Form 895 issued and returned dates have been updated on ERCS.

(7)   The Statute Override Report is generated from the AIMS Error Report menu. It lists returns where the AIMS statute has overwritten the ERCS statute.

(8)   The AIMS-ERCS Statute Report from the Statute Expiration Reports menu lists returns where the AIMS and ERCS statutes are different. Returns with specific statute issues, such as alpha code "ZZ" , are also included on the report.

(9)   The AIMS Table 4.0 is distributed monthly by the A/E staff. It lists AIMS returns with statute dates that have expired or will expire within 180 days or the number of days required under local procedures.

(10)   For detailed information regarding ERCS statute reports see IRM 4.7.6, Reports.

4.7.4.7.2
(07-06-2022)
Accuracy of the AIMS and ERCS Databases

(1)   PSP must ensure there is sufficient inventory available to fill return orders for the groups according to set Exam Plan criteria. Inventory no longer needed should be closed appropriately.

(2)   Inventory comes into PSP from the campus and other areas in EGCs 1998 and 2998. The physical inventory should be compared with the ERCS Alpha IVL to identify cases that have been received and should be updated out of these EGCs. Any returns not received within 21 days should be researched.

(3)   PSP is responsible for transferring returns to other areas. ERCS should be used to initiate the transfer out of area. Once the transfer is approved, ERCS will update AIMS. When AIMS and ERCS are updated the case file can be mailed.

(4)   Updates to returns should be input on ERCS as soon as changes are known. Since the group can claim a return from PSP and apply time to it before PSP transfers control of the return to the group, the codes on the return need to be accurate when time is applied. Once time is extracted for the national reports and tables it cannot be corrected. Corrections may be made on ERCS, but the corrections are not sent forward.

(5)   Updates to the following codes can be made on multiple returns on ERCS. Each TIN must be entered and the tax period selected before the updates are made. Refer to the *Correct or Display Records* chapter of the ERCS PSP Handbook for more information:

- Employee ID
- Project Code
- Purge Information (Action Code and Purge Date). See Exhibit 4.7.4-4, Action Codes.
- Status Code
- Suspense Type and Action Date. See Exhibit 4.7.4-5, Suspense Types.
- Tracking Code

4.7.4.7.3
(07-06-2022)
Special Programs

(1)   Program coordinators are generally responsible for one or more programs (e.g., Abusive Transactions Technical Issues (ATTI), Compliance Initiative Projects (CIP), and Identity Theft). More information about the specific programs can be found in IRM 4.1.1, Planning, Monitoring, and Coordination. For contact information on specific programs refer to the *Area and Campus Program Contacts* list under the Who Do I Contact page of the Contacts chapter in the ERCS book.

(2)   Project and tracking codes enable PSP to categorize returns within a specific program or project and to aid in monitoring returns as they move through the examination stream. Both codes have local and national ranges. The national project and tracking codes can be located under the ERCS Code Listings page of the Codes and Procedures chapter of the ERCS book. See *Project Code - National* for SB/SE nationally defined project codes, and *Tracking Codes* for a list of nationally defined tracking codes. The *LB&I Project and Tracking Codes* document contains codes used by LB&I, including Withholding, Exchange, and International Individual Compliance (WEIIC).

(3)   Local project codes are in the ranges of 0175-0200, 0500-0575 and 0700-0799. Local tracking codes are in the range of 0001 to 3999. These are defined by the section chief or the program coordinator. When a new local project or tracking code is needed it should be coordinated with the A/E staff. PSP can validate new local tracking codes and print reports of available tracking codes from the Maintain Tracking Codes menu. The A/E staff validates new local project codes. A list of the available local project codes can be obtained from the A/E staff or by selecting to print the two local project code files from the ERCS Print Menu option on the Login Menu.

Reminder: Local tracking codes must be kept current. When a tracking code is no longer being used it should either be marked as obsolete or discontinued. Employee personally identifiable information should not be entered in ERCS, including names and phone numbers, when adding or updating local tracking codes.

Note: To print the two local project code files, the user first selects the ERCS Print Menu option and then inputs the full path name to the files. Next the Print Menu is displayed giving the user the option to select a printer. The full path name should be entered as follows with the area's PBC substituted for the ###:

Path

/ercs/ercs###/local/proj_local

/ercs/ercs###/local/proj_uip

(4) PSP is responsible for updating or removing, if necessary, tracking codes on returns in all status codes less than 80. Group and TS users can enter a tracking code, but they cannot update or remove it.

(5) Refer to the *Codes* chapter of the ERCS PSP Handbook for more information about these codes.

4.7.4.7.4
(08-10-2020)
Claimed Returns

(1) When a return is under examination, an examiner may need to pick-up the prior or subsequent tax period as part of the audit package. If the related pick-up is in PSP, under certain conditions the return can be claimed (brought into the group's inventory) on ERCS. To claim a return from PSP into a group's inventory, the return must be unassigned and in Status Code 08 or below. A group user can claim a return from PSP by updating the SBC and EGC to group codes or by applying time to the return.

(2) Claimed returns from PSP will show in the new group on ERCS but AIMS will remain in the PSP AAC. When a PSP user logs into ERCS, and there are claimed returns, the message "There are claimed returns to transfer. Use Transfer, Close, Establish" is displayed on the bottom of the Main Menu. PSP users can print a list of claimed returns using the option Transfer Claimed Returns under the Transfer, Close, Establish Control menu.

(3) If claimed returns are not transferred within the week they are claimed they will appear on the group's AAC Difference Report the following week. Therefore, claimed returns should be transferred when the message is displayed alerting PSP users returns have been claimed, as recommended in IRM 4.7.6-2, ERCS Reports.

(4) Once on the group's AAC Difference Report action is required from PSP to resolve the AAC difference. The Transfer Claimed Returns option is used to monitor claimed returns and to transfer PSP control to the group. When control is transferred, the return drops from the AAC Difference Report and the Transfer Claimed Returns report. If the case file cannot be located or there is some other reason why control should not be released to the group, PSP must contact the group to update ERCS back to the original PSP AAC.

(5) For more information about claiming returns from PSP and the menu option Transfer Claimed Returns, refer to the *Transfer, Close, and Establish* chapter of the ERCS PSP Handbook.

4.7.4.7.5
(07-06-2022)
Claim Information

(1) PSP can now receive Claims electronically. In order to survey an electronic claim the Electronic Case EGC flag must be turned on for specific PSP Claims EGCs.

(2) The PSP section chief or coordinator will provide the local A/E staff with a list of EGCs to have to flag turned on.

(3) When reviewing Claims if the PSP coordinator finds the claim has already been paid, DC 33 cannot be used to close the Claim. Follow Area procedures for closing Claims that have been paid.

4.7.4.8
(07-06-2022)
Employee Audit

(1) An employee audit occurs when the tax return of an IRS employee is examined. ERCS provides special security features for employee returns under audit. When any of the following events occur an audit trail is created and an ERCS employee audit alert is generated:

- A user enters their SSN or the SSN of a spouse or former spouse (if a joint return was filed)
- The source code on a return is changed to or from Source Code 46, Employee Returns
- The Employee Audit indicator is turned on or off on a return
- An unauthorized user attempts to access an employee's return
- A user attempts to add an employee return to ERCS for an employee who should not be audited in the same area
- A employee's return is on AIMS and during AIMS to ERCS processing, the program attempts to add the return to ERCS in an area where the employee should not be audited
- The addition of a high profile employee return to ERCS (such as the security officer)

(2) If there is a designated security officer with an ERCS login in the area, the employee audit alert is sent to the security officer via system mail . Otherwise the system mail is sent to the PSP TM. In special situations where the security officer's or the PSP TM's returns are involved, system mail may be sent to alternate users.

(3) In order to receive system mail containing the employee audit alerts, the PSP user must have:

- A login for the ERCS server.
- An active ERCS employee record with Position Code 122, Chief PSP (SB/SE) or PSP Analyst (LB&I), containing the user's login.
- Permission to run the Check Mail option from the ERCS Login Menu.

  Note: Permission to run Check Mail is granted via the BEARS ERCS application, PROD ANALYST AIMS ERCS STAFF. When requesting this permission, the user should include in the Comments box that access is needed for the ERCS mail utility and the business justification for access. Only users with a business need are granted access.

(4) Not all employee audit alerts are an indication the user is doing something inappropriate. For example, alerts may be generated when a user accesses an employee's return by TIN, and the program finds one tax period assigned to the user's group and one tax period controlled in another group or function. An

alert will be generated for the tax period that is not in the user's group. Some alerts are an indication of inappropriate access, for example, when a user enters their own SSN.

(5) Employee returns are not included on ERCS reports and screens if the user is not authorized to see the data. In general, this means to view an employee return it must be assigned to the user's group or function and the user must have permission to make updates to the return. Users are not notified when an employee audit alert is generated for their access.

(6) For more information about employee audit security features refer to the *Security* chapter of the ERCS TRM.

4.7.4.9
(07-06-2022)
Applying Time

(1) ERCS captures time for PSP employees by the activities an employee performs each day. The position code on the ERCS employee record is used to determine who is required to charge time. At the end of each reporting cycle the time is summarized in the SETTS file and transmitted to HQ where it is used for National reports. Refer to IRM 4.7.4.5 (8) for position codes used in PSP that require time input.

(2) The Agent Input Document is generated via ERCS. It is used by PSP employees to record their activities and then used for input into ERCS. Other forms may be used instead of the Agent Input Document if approved for use by the area.

(3) PSP employees utilize activity codes related to non-examination time (Activity Codes 6XX and above) and direct examination or direct compliance time that is not return related (Activity Codes 5XX). In other words, PSP may not charge time to returns.

(4) LB&I PSP employees use the Issue Management System (IMS) to input time which is imported into ERCS.

(5) Employees must account for the daily number of hours matching the employee's WSP on ERCS. The WSP may be updated through the Employee Records menu. For information on how to input time on holidays or for an employee who works over the number of hours scheduled for the day refer to IRM 4.7.5.8, Applying Time.

(6) Time is due in ERCS by close of business on the last work day of the reporting cycle unless local procedures require it to be input earlier.

(7) The section chief, or someone designated by the section chief, will review the time reports for accuracy. The Agent Analysis, a report showing the time entered into ERCS, must be compared to the Agent Input document to ensure the agent's time was input accurately. For requirements and retention of the Agent Analysis refer to IRM 4.9.1, Outline of System.

4.7.4.10
(07-06-2022)
Reports

(1) ERCS contains various reports and research options that provide management ways to monitor program inventory with the Exam Plan in mind. Additionally, ERCS reports are used to monitor data issues such as short statutes, overage requisitions, ERCS to AIMS rejects, etc. ERCS reports contain real time data which means when a report is run, the information is as current as the last update.

(2)   PSP reports are available on ERCS at various levels; group, territory, and area. The Manager Reports provide data at the EGC and territory level. The Territory Reports provide reports at the territory and area level with various reports providing summary information for all groups.

(3)   Most reports are located on the Manager Reports, Territory Reports and Tax Auditor Menu options. The Maintain Tracking Codes option located on the Correct or Display Records menu contains the Display Tracking Codes report. Both local tracking codes (0001 to 3999) and national tracking codes (4000-9999) are listed on the report.

(4)   The SSIVL is used by PSP to validate inventory. Each program coordinator should verify the returns are in the correct program and have the correct codes such as status, statute, source, project, tracking, aging reason, and POD, as well as, the claim amount. Returns with incorrect coding should be corrected. The SSIVL list should be compared to an ERCS inventory report.

Note: Penalty and non-AIMS direct examination time (DET) records are not listed on an SSIVL. ERCS reports should be used to validate the codes on these records.

(5)   For information on generating and printing ERCS reports and the data included on each report refer to the *ERCS PSP Handbook*.

(6)   Refer to IRM 4.7.6, Reports, for detailed descriptions of ERCS reports, recommended uses for the reports, and the recommended frequency for running the reports.

4.7.4.11
(07-06-2022)
Managerial Approval

(1)   ERCS provides a way for management to review and approve requisitions, closures and selected updates before they become permanent changes on ERCS and before the updates are sent to AIMS.

(2)   When returns need to be added, updated, transferred, or closed on ERCS, the appropriate form should be completed. The section chief (or program coordinator) is required to review and either sign or initial the form prior to input into ERCS, except for Form 5345-D, Examination Request-ERCS (Examination Returns Control System) Users, which does not require a manager's signature. The following forms are used to update ERCS and AIMS:

- Form 5345-D is used to request Master File and Non-master File AIMS controls, and to control Penalty Investigations, Non-AIMS DET Items and Collateral Examinations on ERCS
- Form 5348, AIMS/ERCS Update (Examination Update), is used to request updates on ERCS and/or AIMS, return transfers to another group or function, AIMS freeze codes be added or removed, and re-establishment of closed cases on ERCS and/or AIMS
- Form 5351, Examination Non-Examined Closings, is used for Disposal Codes (DC) 20, 21, 31 and 35 closures to Status Code 90
- Form 10904, Request for Record Deletion from AIMS, is used to request non-examined closings with DCs 28, 33, 36, 37, 38, 39, 40, and 41 on ERCS and/or AIMS. SB/SE PSP cases are transferred to the A/E staff in Status Code 41 for closure

    Note: DC 33 cannot be used to close a case with a claim amount.

(3) It is recommended that section chiefs or program coordinators access ERCS at least every two days to check for updates pending managerial approval. When a user with first or second level approval permission logs into ERCS a message is displayed if there are requisitions or updates that require approval.

(4) When an update is pending approval, many ERCS screens and reports display a "p" next to the item to denote the update is "pending". When an update is approved or disapproved, the "p" is removed.

(5) For detailed information about the Managerial Approval program, options and screens, see the *Managerial Approval* chapter of the ERCS PSP Handbook.

4.7.4.11.1
(08-10-2020)
Actions Requiring Approval

(1) Only selected actions on ERCS require managerial approval. Some updates require approval no matter who the user is. Some updates do not require approval if they are input by a manager. If the following actions are performed by the administrative support staff, TEs, or AAAs the actions should be approved by a user with first level approval permissions. If the actions marked with an asterisk (*) are performed by a program coordinator or section chief, a user with second level approval must approve the action. Actions that require approval are:

- Master File and Non-master File requisitions*
- Statute dates generating an update to AIMS*
- Statute dates on ERCS Penalty and non-AIMS items that require a statute
- Closing returns to Status Code 90 generating an update to AIMS.
- Transfers to another area generating a PBC update to AIMS

4.7.4.11.2
(07-06-2022)
Reversing Actions Prior to Managerial Approval

(1) If a statute is updated incorrectly and is still pending managerial approval, it can be changed back to the original statute which will remove the managerial approval record. The user can then update the return with the correct statute which will create a new managerial approval record.

Caution: Expired statutes updated to an alpha statute cannot be updated back to an expired statute on ERCS.

(2) Although a requisition cannot be reversed by the user, if data was input incorrectly on a requisition, the data can be corrected prior to the manager approving the requisition.

Reminder: The TIN, MFT, tax period and taxpayer name can be corrected through the Correct a Single Tax Return option on the Correct or Display Records menu.

(3) Transfers to another area or practice area on returns controlled on AIMS cannot be reversed prior to manager approval. If input in error, the user should alert the manager to disapprove the transfer.

(4) Non-examined closures to Status Code 90 generating an update to AIMS cannot be reversed by the user. If input in error, the user should alert the manager to disapprove the closure.

4.7.4.11.3
(08-10-2020)
Approving/Disapproving
Actions

(1) When the Managerial Approval option is run and an AAC is selected, all the returns matching the AAC and pending approval are locked. This prevents another user with approval permission for that AAC from accessing the same returns on the approval screen. The returns are unlocked when the user completes the actions and returns to the menu screen.

Note: Contact your A/E staff if there are problems with locked returns pending managerial approval.

(2)   Updates requiring approval are grouped by the following categories:

- Requisitions
- Non-Master File to Master File Conversions
- Updates and/or Short Closures

(3) When approving a requisition, the user should ensure the information on the approval screen is correct. If any of the information is incorrect, the approver should skip the return and take the necessary steps to correct the information. Then the requisition can be approved.

Reminder: When approving requisitions the statute date is also being approved.

Note: Disapproving a requisition closes the record to Status Code 90 on ERCS. Requisitions should only be disapproved if AIMS and ERCS controls of the return are not required.

(4) When approving a Non-master File to Master File conversion, a Master File requisition is forwarded to AIMS. The examiner should complete Form 10904 and forward it to the A/E staff to close the Non-master File AIMS record with DC 28.

(5) When a Non-master File to Master File conversion is disapproved, the Non-master File record is restored to the previous values.

(6) When requisitions, statute changes, transfers to another area, or Status Code 90 closures impacting AIMS are approved, AIMS is updated when the daily ERCS to AIMS uploads are run.

(7) When a statute update, transfer to another area or Status Code 90 closure impacting AIMS is disapproved, the change is reversed back to the previous value.

4.7.4.11.4
(07-06-2022)
Delegating Permissions

(1) A section chief, or program coordinator with permanent first level approval permissions, can grant temporary permission for any AAC to which they have first level approval, to another user through the option Grant Temporary Permission providing the following requirements are met:

- The employee has an active ERCS login
- This is not the first time the user has been granted ERCS permission

  Note: The A/E staff must grant a user permission for the first time, which allows access to the database.

- The grantor has permanent permission for the same type of permission the user is being given

> ***Example:*** A section chief with permanent read and first level approval permission, but not write permission, can only grant another user temporary read and first level approval permission.

(2)   Permissions should only be delegated to a user for the length of time the permission is needed, not to exceed 30 days.

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Exhibit 4.7.4-1   (07-06-2022)
Acronyms and Definitions

Acronym	Definition
A-CIS	AIMS Computer Information System
AAA	Audit Accounting Aide
AAC	AIMS Assignee Code
AIMS	Audit Information Management System
A/E	AIMS/ERCS
ATTI	Abusive Transactions and Technical Issues
BEARS	Business Entitlement Access Request System
BOD	Business Operating Division
CCP	Centralized Case Processing
CDE	Compliance Data Environment
CIP	Compliance Initiative Project
DC	Disposal Code
DET	Direct Examination Time
ECD	Estimated Completion Date
EGC	Employee Group Code
ERCS	Examination Returns Control System
HQ	Headquarters
ID	Identification
ILOH	In Lieu of Holiday
IVL	Inventory Validation Listing
LB&I	Large Business and International
LRR	Listing of Related Returns
MFT	Master File Tax (account codes)
PBC	Primary Business Code
PCC	Processing Campus Code
PII	Personally Identifiable Information
POD	Post of Duty
PSP	Planning and Special Programs
ROTER	Record of Tax Enforcement Results
RPO	Return Preparer Office

Exhibit 4.7.4-1 (Cont. 1) (07-06-2022)
Acronyms and Definitions

Acronym	Definition
RPP	Return Preparer Program
RRR	Related Returns Report
SBC	Secondary Business Code
SB/SE	Small Business/Self Employed
SEID	Standard Employee Identifier
SETR	Single Entry Time Reporting
SETTS	Summary Exam Time Transmittal System
SSIVL	Statistical Sampling Inventory Validation Listing
SSN	Social Security Number
TE	Tax Examiner
TIGTA	Treasury Inspector General for Tax Administration
TIN	Taxpayer Identification Number
TM	Territory Manager
TOD	Tour of Duty
TS	Technical Services
TSC	Technical Services Code
UNAX	Unauthorized Access of Taxpayer Accounts
WEIIC	Withholding, Exchange, and International Individual Compliance
WSP	Work Schedule Profile

Exhibit 4.7.4-1   Internal Revenue Manual   Cat. No. 30418Y (07-06-2022)

Exhibit 4.7.4-2   (07-06-2022)
PSP Standardized CDE EGCs

PSP has standardized the CDE EGCs across PBCs 201-207. They are listed below with the description from ERCS.

EGC	Description
1906	DIF RA
1908 / 2908	Other Coverage
1909	Coverage Mandates
1914	RA Basic 1 Trng
1915	RA Basic 2 Trng
1916	Corp Trng
1917	Passthrough Training
1919 / 2919	Other Training
1922 / 2922	OIC-DATL
1923 / 2923	Innocent Spouse
1924 / 2924	OARs
1925 / 2925	Audit Recons
1926 / 2926	Employee Audits
1927 / 2927	Inadequate Records Notice
1929 / 2929	Other Policy
1930 / 2930	TDI Lists
1931 / 2931	Non-filer Projects
1933 / 2933	Non-filing Preparer
1934 / 2934	NF Info Referrals
1937 / 2937	NF Fed State
1938 / 2938	ASFR Referrals
1939 / 2939	Other Nonfiler
1940 / 2940	SEP/Fraud
1941 / 2941	Micro Captive Ins
1942 / 2942	Syndicated Consv Ease
1943 / 2943	R&E
1944 / 2944	Virtual Currency
1945 / 2945	OVDP

Exhibit 4.7.4-2 (Cont. 1) (07-06-2022)
PSP Standardized CDE EGCs

EGC	Description
1946 / 2946	Voluntary Disclosure
1948 / 2948	Emerging Issues
1950 /2950	HIHW
1957 / 2957	Offshore
1958 / 2958	ATTI
1959 / 2959	Other Strengthen Comp
1960 / 2960	PACs
1962 / 2962	Preparer Projects
1964 / 2964	Preparer Visits
1965 / 2965	Other Preparer
1966 / 2966	Promoters Preparing Returns
1968 / 2968	Other Promoters
1969 / 2969	Other Preparers / Promoters
1970 / 2970	NRP-Non-IPERA
1972 / 2972	Legislative Changes
1973 / 2973	Pass Through Selection Models
1974 / 2974	Return Selection Models
1976 / 2976	Local Projects
1978 / 2978	PCA
1979 / 2979	Other Research
1980 / 2980	Claims
1982 / 2982	Informant Claims
1984 / 2984	Info Referrals
1985 / 2985	Prime Leads
1986 / 2986	BSA Referrals
1987 / 2987	Fed State
1988 / 2988	Credits and Other Referral Lists
1989 / 2989	Other Revenue Protection
2906	DIF TCO 09
2907	DIF TCO 11
2911	TCO 1 Trng

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Exhibit 4.7.4-2 (Cont. 2) (07-06-2022)
PSP Standardized CDE EGCs

EGC	Description
2912	TCO 2 Trng
2913	TCO 3 Trng

Exhibit 4.7.4-3   (07-06-2022)
Campus and Area PSP AACs

The AAC is used to identify the location of returns. In PSP the AAC is used to further classify returns into specific programs. The AAC is comprised of three fields:

- PBC (three digits) identifying the SB/SE Area or LB&I Practice Area
- SBC (five digits) identifying the Territory. In PSP this is always 87700
- EGC (four digits) identifying the group or program

Generally EGCs used in PSP include the following:

EGC	Location	Description
1000-1099	Campus PSP**	RA area work physically located in the campus; 1000 is used for RA returns awaiting classification; 1066 is used for RA returns in Centralized Files.
2000-2099	Campus PSP**	TCO area work physically located in the campus; 2000 is used for TCO returns awaiting classification; 2050 is used for TCO returns in Centralized Files and Scheduling.
1997	In-transit	LB&I transfers in from another area for RA returns.
1998	In-transit	SB/SE and WEIIC (PBC 330) transfers in from another area for RA returns.
2998	In-transit	SB/SE and WEIIC transfers in from another area for TCO returns.
1850-1999*	Area PSP**	Area office RA PSP.
2850-2999*	Area PSP**	Area office TCO PSP.

Note: *These ranges include CDE EGCs. For a list of the specific CDE EGCs see Exhibit 4.7.4-2.

Note: **Some exceptions may apply for those EGCs already in use when these campus ranges were defined.

When there is a need to establish a new AAC in PSP, the A/E staff adds the AAC using the area PSP range and identifies the code as either a PSP code or a CDE code. Returns in an AAC identified on ERCS as a campus AAC are treated differently when returns on AIMS and ERCS are compared.

When a return is on ERCS in a campus AAC and AIMS is updated to an area AAC (PSP, CDE, or group) AIMS will overwrite the ERCS AAC.

When a return is on ERCS in a PSP AAC and AIMS is updated to another PSP EGC or to a group AAC, AIMS will not overwrite the ERCS AAC. The return will be listed as an error on the AAC Difference Report. These changes should be made on ERCS and not AIMS.

When a return is on ERCS in a CDE PSP AAC and AIMS is updated to another PSP EGC or to a group AAC, AIMS will overwrite the ERCS AAC. CDE PSP AACs are area codes and PSP has full inventory control of these returns on ERCS.

See the *Contacts* page of the ERCS book for EGC, LB&I and A/E Staff contact lists.

Exhibit 4.7.4-3   Internal Revenue Manual   Cat. No. 30418Y (07-06-2022)

Exhibit 4.7.4-4   (08-10-2020)
Action Codes

Action codes are used on ERCS to add another level of inventory control for PSP. The action code is an ERCS only code that can be locally defined (by area or by LB&I). When an action code is input on a return, a purge date is either set by the ERCS program or input by the user. Changes in the local definitions of action codes should be coordinated with the A/E staff.

Action codes may be added or updated on returns in the Tax Auditor menu or the Correct or Display Records menu. Reports in the Tax Auditor menu display records using these codes. The Daily Report and the Group Purge Report can be modified by the local A/E staff to include or exclude returns with particular action codes. However, any changes to these reports impact PSP in the entire area. Refer to the *Codes* chapter of the ERCS PSP Handbook for more information about these codes.

Action Code	Definition	Purge Date
01-02	Local Definition	Set by the user
03	Local Definition	Today plus 7 days
04	Local Definition	Today plus 15 days
05	Local Definition	Today
06-10	Local Definition	Set by the user
11	Local Definition	Today
12	Local Definition	Today plus 5 days
13–20	Local Definition	Set by the user

Exhibit 4.7.4-5   (07-06-2022)
Suspense Types

Suspense types are used in conjunction with action dates in ERCS when follow-up is necessary, but the action may not take place for days, weeks or months. When a suspense type is added to a return, the return may be updated to a status code and the action date may be set based on the number of days as shown in the table below. If the program does not set the action date, the user must enter it. If a new suspense type is needed it should be coordinated with the A/E staff. New suspense types are added by the HQ ERCS analysts. Refer to the *Codes* chapter of the ERCS PSP Handbook for more information about the suspense type. Refer to the *Inventory Reports* chapter of the ERCS PSP Handbook for information about the Suspense Report which is used to monitor returns in these codes.

Note: PSP suspense types are in the 300 to 399 range.

Suspense Type	Definition	Status Code	Number of Days
301	Interest Abatement	---	60
302	Employee Audit	---	---
303	Preparer Penalty Files	---	---
304	High Income Non-Filer (HINF)	---	---
305	Informant Claims (ICE)	---	---
306	Information Reports	---	---
307	Innocent Spouse	---	---
308	National Research Program (NRP)	---	---
309	Offshore Credit Card	---	---
310	Offer in Compromise	---	---
311	Preparer Projects: Revenue Agent (RA)	---	60
312	Preparer Projects: Tax Compliance Officer (TCO)	---	60
313	Flow-Through Study	---	---
314	AIMS Suspense	---	21
315	Earned Income Tax Credit (EITC)	---	---
316	Compliance Initiative Project (CIP)	---	---
317	Abusive Transactions and Technical Issues (ATTI)	---	---
318	RA Claims	---	---
319	TCO Claims	---	---
320	Capital Construction Fund	---	---
321	Classification	---	---
322	Audit Reconsideration	---	---

Exhibit 4.7.4-5 (Cont. 1) (07-06-2022)
Suspense Types

Suspense Type	Definition	Status Code	Number of Days
323	Promoter Investigations	---	---
324	Civil Assessments	---	---
325	Voluntary Disclosures	---	---
326	Compliance Data Environment (CDE) Enhancement Cases	---	---
350	Form 10904 Received by A/E Assistant	---	15
351	Form 10904 Research A/E Analyst	---	30
352	Form 10904 to Territory Manager for Approval	---	21
353	Form 10904 Problem Cases	---	90
360	From main PSP to satellite PSP	---	15
361	Received in main PSP from satellite	---	15
365	From satellite PSP to main PSP	---	15
366	Received in satellite PSP from main	---	15