



























**CHRONOLOGY OF EVENTS**  
**IRS NOTICE REDESIGN**

No.	Narrative	
1	<ul style="list-style-type: none"> <li>▪ <i>TWC met with IRS to discuss the IRS Notice Redesign Contract.</i> On November 12, 1997, Jerroll M. Sanders, TWC’s president and CEO, met with IRS officials (John Dalryple<sup>1</sup> and others) to discuss the Notice Redesign Contract.<sup>2</sup> Dalrymple asked Sanders to demonstrate TWC’s capabilities by rewriting two of IRS’s most complex notices. Dalrymple told Sanders to return the revamped notices to IRS by Friday, November 19, 1997. Sanders revised the notices and forwarded them to IRS on Wednesday, November 17, 1997— two days earlier than promised. The following week, Sanders met with IRS officials again; the team applauded the revisions Sanders made to the notices. (IRS continued to collect feedback on the CP-2000<sup>3</sup> well into March 1998. The CP-2000 is considered IRS’s most complex notice.) Before concluding the meeting, John Dalrymple told Sanders she had the Notice Redesign Contract, providing she agreed to serve as project manager. <b>He also stated he wanted Sanders to have full project management authority and agency-wide access.</b></li> </ul>	 Acrobat Document JOHN <sup>1</sup> DALRYMPL   Acrobat Document PRES. TO <sup>2</sup> DALRYPLE   Acrobat Document CP-2000 <sup>3</sup> RESULTS
2	<ul style="list-style-type: none"> <li>▪ <i>TWC substantially wrote the IRS Notice Redesign scope of work at no cost.</i> When Sanders returned to St. Louis, IRS emailed Sanders the partially-drafted IRS Notice Redesign Scope of Work<sup>1</sup> so Sanders could help IRS structure work processes.<sup>2</sup> The requirement, as offered to SBA under the 8(a) Program, called for The Writing Company (TWC) to revamp up to 300 notices and perform various other tasks. Months passed (November 1997 to February 1998) before IRS acquired funding reserved for IRS Notice Redesign. On February 3, 1998, Contracting Officer Beverly Cox executed a <i>purchase order</i> to get the project underway. At that time, Cox advised TWC of her plan to issue TWC a contract in the upcoming weeks, as soon as additional funding became available.</li> </ul>	 Acrobat Document SCOPE OF WORK IRS SENT TO TWC <sup>1</sup>   Acrobat Document TWC’S <sup>2</sup> FIRST DRAFT
3	<ul style="list-style-type: none"> <li>▪ <i>IRS executive John Dalrymple set the deadline date as July 31, 1998.</i> When John Dalrymple told Sanders TWC had the contract, he asked Sanders if TWC could complete the project by July 31, 1998. Sanders indicated TWC could, providing IRS contracted with TWC immediately.<sup>1</sup> IRS did not contract with TWC until February 3, 1998—almost 2 ½ months later. Time was of the essence.</li> </ul>	 Acrobat Document VENDOR <sup>1</sup> NOT BOUND
4	<ul style="list-style-type: none"> <li>▪ <i>TWC initiated data collection activities (stakeholder interviews) to define the perfect notice, given IRS system constraints.</i> Upon receiving the purchase order, TWC began the project by interviewing persons in all departments at IRS, including top executives, lien personnel, collections officers, representatives from the taxpayer advocate, and communications to discover their opinions about existing IRS notices. Interviewees were asked to identify notice shortcomings, share how they believed notices could be improved, and describe changes they would like to see implemented in notices. They were also invited to offer any other suggestions deemed relevant.</li> </ul>	
5	<ul style="list-style-type: none"> <li>▪ <i>TWC hosted kickoff meeting.</i> The purchase order (PO)<sup>1</sup> required TWC to conduct a kickoff meeting by a contractually-specified date. TWC prepared a kickoff packet<sup>2</sup> that was disseminated to everyone who attended the kickoff meeting, which TWC accomplished prior to deadline date. The packet included:             <ul style="list-style-type: none"> <li>· Description of tasks TWC would perform to fulfill the contract.</li> </ul> </li> </ul>	 Acrobat Document P.O. <sup>1</sup>   Acrobat Document KICKOFF <sup>2</sup> PACKET








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	<ul style="list-style-type: none"> <li>· Flowchart depicting the Four-Tier Review process, the Request for Information Systems (inspection) process, and Systems Acceptance Testing (SAT).</li> <li>· Special procedures mutually agreed upon by IRS and TWC to keep the project on track, including the Escalation clause.</li> <li>· A <i>wish list</i> that resulted from organizational interviews. The kickoff meeting packet listed changes stakeholders said they would like to see in redesigned notices, as well as an explanation of changes TWC could and could not accomplish, given IRS system constraints.</li> <li>· Duties of the contracting officer’s technical representative (COTR).</li> <li>· Documents IRS would provide TWC for the rewrite process: <ul style="list-style-type: none"> <li>· Sanitized sample notices.</li> <li>· Program Requirements Packages (IMF and BMF).</li> </ul> </li> <li>· Project timeline to guide notice redesign efforts and other tasks.</li> <li>· Stakeholder responsibilities (notice owners, legal counsel representatives, etc.).</li> </ul>	
6	<ul style="list-style-type: none"> <li>▪ <i>IRS planned to fund<sup>1</sup> the project using a series of modifications.</i> TWC and IRS agreed IRS would terminate the purchase order issued to TWC once IRS received additional contract funding. At that time, TWC would deliver notices it was redesigning in whatever condition the notices were in when the purchase order was closed out and the contract was signed. The “in process” notices would constitute purchase order deliverables, i.e., items paid for with funds from the purchase order. (TWC referred to the first set of notices developed under the contract as Phase I.)</li> </ul>	 Acrobat Document FUNDING <sup>1</sup>
7	<ul style="list-style-type: none"> <li>▪ <i>The Writing Company (TWC) was on task to meet the July 31, 1998, deadline before Treasury’s interventions.</i> An email from Jerroll Sanders sent by Tracy Ray of TWC states:   With respect to the Phase I Purchase Order, all taxpayer codes and notices are undergoing our internal revision/editing/review process. I feel we will definitely meet our deadline. <sup>1</sup></li> </ul>	 Acrobat Document TWC ON <sup>1</sup> TARGET
8	<ul style="list-style-type: none"> <li>▪ <i>IRS began <b>secretly</b> discussing contract termination.</i><sup>1</sup> Contracting manager Pamela Kitchens expressed concern when IRS personnel began discussing terminating TWC’s contract. TWC did not learn about the termination discussions until long after IRS terminated TWC’s contract. (Note: Fourth paragraph of the PDF also addresses the funding issue discussed in 6.)<sup>1</sup></li> </ul>	 Acrobat Document WHY TERMINE <sup>1</sup>
9	<ul style="list-style-type: none"> <li>▪ <i>IRS Managers flew to St. Louis to inform TWC of Treasury’s unorthodox plan.</i> Soon after TWC delivered the “in process” notices to IRS, Rob Wilkerson, Ann Gelineau, Janet Delvison, and Beverly Cox flew to St. Louis to advise TWC of Treasury’s unorthodox demand. SBA (Small Business Administration) representatives from the St. Louis Office, who were helping manage TWC’s 8(a) contract, were also at the meeting. According to Wilkerson, Clinton-appointed Lisa Ross and Nancy Killefer, both of whom worked at the U.S. Department of Treasury, were <b>demanding TWC give its “in process” notices to Emmerling Post (EP)<sup>1</sup>, which had an existing advertising contract with Treasury, and to National Partnership for Reinventing Government (NPR/PSC)<sup>2</sup></b>—an inter-governmental agency that reported to</li> </ul>	 Acrobat Document EP <sup>1</sup>   Acrobat Document NPR <sup>2</sup>







No.	Narrative	
	<p>Vice President Gore. Wilkerson said Treasury wanted to determine if either EP or NPR could improve upon TWC’s notices. Wilkerson prepared a new timeline that altered the critical path of TWC’s timeline.<sup>3</sup></p>	 WILKERSN <sup>3</sup> TIMELINE
<b>10</b>	<ul style="list-style-type: none"> <li>▪ <i>Procurement/Contracting manager Frances Coffield expressed concern about Treasury’s plan to include National Partnership for Reinventing Government (NPR/PSC) and Emmerling Post (EP) in TWC’s process.<sup>1</sup> A letter TWC acquired months after termination revealed the following:</i> <ul style="list-style-type: none"> <li>· Treasury did not like the graphic look of TWC’s “in process” notices. TWC’s initial efforts focused on writing, not the graphic look of notices. TWC’s plan called for purifying the language first, thereby gaining familiarity with notices and the type of language contained in notices. TWC then planned to turn its attention to the graphic appearance of notices.</li> <li>· Contracting manager Frances Coffield expressed concern for Treasury’s decision to contract with Emmerling Post (EP) for notice redesign services on a sole-source basis.<sup>1</sup> The procurement did not fall within EP’s existing scope of work and therefore represented a violation of federal procurement statutes and policies.</li> <li>· Contracting manager Frances Coffield expressed concern about Treasury’s plan to embed National Partnership for Reinventing Government (NPR/PSC) in the heart of TWC’s project.<sup>1</sup> Lisa Ross and Nancy Killefer were considered political heavy weights; everyone caved to their demands—even when the demands violated federal contracting regulations.</li> <li>· Contracting manager Frances Coffield expressed concern about MACRO International conducting focus groups.<sup>1</sup> She stated the action would violate federal procurement policies, since the proposal called for MACRO to perform services TWC was already contracted to provide (focus group testing).</li> </ul> </li> </ul>	 FRANCES <sup>1</sup> COFIELD CONCERNS
<b>11</b>	<ul style="list-style-type: none"> <li>▪ <i>Treasury directed contracting to proceed with the Emmerling Post (EP) and MACRO International (MACRO) procurements. Treasury executives Lisa Ross and Nancy Killifer violated federal procurement regulations when they awarded EP a no-bid contract<sup>1</sup> to redesign taxpayer notices and awarded MACRO International a contract to perform work TWC was already contracted to provide.</i></li> </ul>	 EP CONT <sup>1</sup>
<b>12</b>	<ul style="list-style-type: none"> <li>▪ <i>Notice Redesign Project Manager Jerroll M. Sanders, Rob Wilkerson, Ann Gelineau, COTR Delvison, contracting officers Cox and Kitchens, David Williams who headed IRS’s communications department, and legal counsel representative Patrick Dowling met with Lisa Ross and Nancy Killefer to discuss IRS Notice Redesign. Sanders provided a status report.<sup>1</sup> Ross was extremely dismissive—only interested in making her views known.</i></li> </ul>	 PRESNT <sup>1</sup> TO TREASURY May 19, 998
<b>13</b>	<ul style="list-style-type: none"> <li>▪ <i>Treasury delivered TWC’s notices to NPR and EP, both of which developed their own versions of taxpayer notices based upon TWC’s “in process” notices.</i></li> </ul>	 TREASURY INVADES CONTRACT





No.	Narrative	
14	<ul style="list-style-type: none"> <li>▪ <i>NPR and EP were allowed to revamp notices without constraints.</i> Unlike TWC, NPR and EP were free to redesign notices without regard to IRS computer system constraints. TWC’s notices, however, had to be system compliant, meaning TWC had to design notices that, when programmed, could operate on IRS systems.</li> </ul>	
15	<ul style="list-style-type: none"> <li>▪ <i>Treasury hired MACRO International to compete EP’s, NPR’s, and TWC’s notices nationwide.</i> Treasury officials hired focus group vendor MACRO International to determine which entity’s notices (NPR, EP, or TWC) taxpayers liked most. Treasury changed TWC’s constricted timeline <b>multiple times</b> to allow for the insertion of EP, NPR, and MACRO into the heart of TWC’s process.<sup>1</sup> <b>Treasury’s actions amounted to abuse of discretion and violated other tenets of “good faith” federal contracting, including, the duty not to hinder, duty of mutual confidence and respect, and implied duty of good faith and fair dealing.</b></li> </ul>	
16	<ul style="list-style-type: none"> <li>▪ <i>Treasury executives Lisa Ross and Nancy Killefer made known their desire to oust TWC.</i> Treasury executives Lisa Ross and Nancy Killefer were the most senior officials directly involved in the IRS Notice Redesign Project. Their daily involvement at the ground level was intimidating to IRS employees, including contracting officers and managers who complied with their every directive, including those that violated federal procurement statutes and policies. Treasury executives Ross and Killefer leveraged their weight (<i>abused their discretion</i>) to trivialize TWC’s expertise, project management abilities, and accomplishments, while extolling the value of suggestions and recommendations offered by Melodee Mercer and Annetta Cheek of National Partnership for Reinventing Government (NPR/PSC). At every juncture, Treasury officials acted with “reckless disregard” for good faith contracting and federal contracting regulations.</li> </ul>	
17	<ul style="list-style-type: none"> <li>▪ <i>Treasury officials demonstrated disdain for Sanders—project manager on the Notice Redesign Contract and owner of The Writing Company.</i> It is both customary and appropriate for the project manager to observe data collection activities related to a project the project manager is overseeing. Sanders expressed an interest in attending focus groups that were to be conducted by MACRO International, which was hired by Treasury. Ann Gelineau told Sanders IRS did not have funds to pay for Sanders’ travel to Washington to observe the focus groups. (Sanders routinely traveled to Washington.) Attempting to discern the real reason she was not being included, Sanders offered to personally take on the expense of traveling to Washington, D.C., to observe MACRO’s focus groups. Gelineau rejected Sanders’ offer. Sanders surmised Treasury officials did not want her present.</li> </ul>	
18	<ul style="list-style-type: none"> <li>▪ <i>IRS routinely excluded Sanders, the Notice Redesign project manager, from strategic processes, including important meetings, and major decision making.</i> By so doing, IRS violated the project management provision in TWC’s contract and numerous procurement policies. Sanders was contracted to manage the <i>entire</i> Notice Redesign effort; in fact, Dalrymple made contract award contingent upon Sanders’ agreeing to manage all aspects of the project.</li> </ul>	

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19	<ul style="list-style-type: none"> <li>IRS and Treasury agreed focus group feedback would determine notice enhancements: All revisions/redesign will be “customer data driven” based on internal research and Focus group testing with taxpayers . . . .</li> </ul>	 Acrobat Document DISCUSS TREASURY PRESENT.
20	<ul style="list-style-type: none"> <li><i>The Writing Company’s contract required TWC to discern taxpayers’ response to redesigned notices via surveys, focus groups, etc.</i> On June 2, 1998, Ann Gelineau and Janet Delvison traveled to St. Louis to help Sanders garner taxpayer response to redesigned notices. The team presented redesigned notices to taxpayers waiting to be served at the Downtown St. Louis IRS Office and persons entering and exiting the federal building. Taxpayers responded very favorably<sup>1</sup> to the redesigned notices.</li> </ul>	 Acrobat Document SURVEY <sup>1</sup> RESULTS
21	<ul style="list-style-type: none"> <li><i>Treasury sought to bypass TWC’s Project Manager.</i> TWC routed notices through a four tier review process in the manner outlined in the contract. Fourth tier reviewers consisted of IRS executives who, like the reviewers in tiers 1 through 3, could offer suggestions for improving redesigned notices presented to them, including recommendations on the look, readability, and tone of redesigned notices. Treasury executive Lisa Ross sought to bypass TWC.<sup>1</sup> She was fashioning a new Tier 4 Review process for notices her focus group firm was testing, expecting taxpayers would rate EP’s and NPR’s notices superior to those produced by TWC. Ross’s plan involved sending TWC’s notices, NPR’s notices, EP’s notices, and focus group results directly to executives without screening by TWC—the project manager. <i>(The plan called for the project manager (TWC) to learn of proposed changes as a courtesy.)</i><sup>1</sup> Executives could then pick and choose components of EP’s and NPR’s notices they wanted integrated into TWC’s notices. Another plan Treasury was considering involved having NPR comment on TWC’s notices. IRS would send TWC’s notices and NPR’s comments on TWC’s notices<sup>2</sup> to all Tier 4 reviewers.<sup>3</sup> The review processes Treasury recommended differed dramatically from the Tier 4 process outlined in TWC’s Notice Redesign Contract.   <b>Keynote:</b> Treasury was forced to abandon its plan when TWC’s notices were rated more favorably than NPR’s and EP’s.<sup>4</sup> </li> </ul>	 Acrobat Document PLAN TO <sup>1</sup> BYPASS TWC  Acrobat Document NPR TO <sup>2</sup> COMMENT ON TWC’S NOTICES TO TIER 4 REVIEWRS  Acrobat Document TIER IV <sup>2</sup> REVIEWR  Acrobat Document TWC <sup>3</sup> EXCEEDS EP AND NPR
22	<ul style="list-style-type: none"> <li><i>MACRO International focus groups concluded taxpayers preferred TWC’s system-compliant notices</i> to notices produced by EP and NPR.<sup>1</sup> NPR omitted substantial information from its notices (pages of information) to make them shorter and more appealing to taxpayers. Comparing TWC’s notices to those of EP’s and NPR’s was akin to comparing apples and cucumbers.</li> </ul>	 Acrobat Document FOCUS <sup>1</sup> GROUP FEEDBACK
23	<ul style="list-style-type: none"> <li><i>Treasury’s interventions netted one change:</i><sup>1</sup> inclusion of the IRS internet address on notices. <b>Note:</b> Ross directed TWC to add NPR’s labels to notices. The practice of including labels on notices was introduced by TWC, not NPR, as evidenced by TWC’s “in process” notices. TWC removed labels from final prototype notices when TWC was told IRS could not accommodate labels on notices. That decision was later reversed when Ross expressed a preference for the labels.</li> </ul>	 Acrobat Document NET <sup>1</sup> CHANGES FROM TREASURY ACTIVITIES
















No.	Narrative	
24	<ul style="list-style-type: none"> <li>IRS embedded TWC’s competitors in the heart of TWC’s contract. More and more project resources were devoted to catering to the needs of Treasury and National Partnership for Reinventing Government (NPR/PSC). At Treasury’s direction, IRS made plans to <i>permanently</i> embed NPR/PSC—TWC’s competitor—into the heart of TWC’s contract.<sup>1</sup> Treasury’s proposal called for NPR/PSC to review every notice TWC developed. Treasury positioned NPR/PSC as the expert on the Notice Redesign Contract even though TWC outperformed NPR/PSC in nationwide focus groups<sup>2</sup> that sought to determine which entity (NPR, TWC, or EP) produced the best taxpayer notice(s). The insertion of NPR occurred without any discussion with Sanders, the project manager. COTR Janet Delvison, who was extremely hostile to TWC, wrote the following upon learning of Treasury’s proposal to include NPR as a permanent reviewer in the process:<sup>3</sup> <p>Bev,</p> <p>Thanks for the FYI. I have no input to this issue. I’m without a clue. What would be the intent behind including NPR at all. Didn’t they give their input with the designs?</p> </li> </ul>	 Acrobat Document NPR <sup>1</sup> PERMANT REVIEWER  Acrobat Document EXCEEDS EP <sup>2</sup> AND NPR  Acrobat Document COTR <sup>3</sup> ASKS, WHY INCLUDE NPR?
	<p>Treasury executives Lisa Ross and Nancy Killefer and NPR/PSC officials Annetta Cheek and Melodee Mercer were involved in TWC’s project at every turn. IRS changed timelines to accommodate Treasury and NPR, changed the scope of work to accommodate Treasury and NPR, and deferred to NPR as the project expert. By so doing, Treasury, NPR, and IRS <i>breached</i> the Notice Redesign Contract, <i>abused their discretion</i>, and violated other tenets of “good faith” contracting.</p>	
25	<ul style="list-style-type: none"> <li>Treasury and IRS officials routinely changed critical timelines to accommodate non-essential tasks, i.e., to make room for NPR’s and EP’s notice redesign efforts and MACRO International’s focus group activities.<sup>1</sup> (June 2, 1998). Treasury’s repeated interventions created mayhem and prompted repeated timeline changes on a project that was already time constrained.<sup>2</sup></li> </ul>	 Acrobat Document TIMELINE <sup>1</sup> CHANGE  Acrobat Document REPEATD <sup>2</sup> CHANGES
26	<ul style="list-style-type: none"> <li>IRS repeatedly discussed terminating TWC’s contract. TWC obtained IRS documents from the contract file IRS submitted to the General Services Board of Contract Appeals (GSBCA) when TWC sought to litigate its contract dispute before GSBCA. The documentation revealed numerous instances during which Treasury or IRS talked of contract termination. Delvison wrote that she vaguely recalled someone (Ann Gelineau or Lisa Ross) talking about NPR rewriting some of the notices TWC was contracted to rewrite.<sup>1</sup></li> </ul>	 Acrobat Document TREASRY <sup>1</sup> AGAIN
27	<ul style="list-style-type: none"> <li>Someone sabotaged TWC’s focus group effort. The Office of Management and Budget (OMB) is under the U.S. Department of Treasury. When TWC sought to finalize plans for its focus group testing effort, OMB refused to allow TWC the same \$75 honorarium it allowed MACRO International a few weeks earlier—although the honorariums were for essentially the same focus groups. An honorarium is paid to each focus group participant to compensate for travel, etc. Ann Gelineau made calls to OMB in an effort to secure for TWC the same \$75 honorarium MACRO International had been allowed. OMB would not budge. Everyone was perplexed by OMB’s stance.<sup>1</sup></li> </ul>	 Acrobat Document OMB <sup>1</sup> HONRARIM





No.	Narrative	
28	<ul style="list-style-type: none"> <li>IRS threatened to terminate TWC's contract if TWC did not allow MACRO International to perform focus groups that TWC was contracted to perform. TWC contacted MACRO and discussed subcontracting the focus group task to MACRO—the same company that performed Treasury's focus groups. When TWC advised MACRO it would perform its own focus groups, IRS contracting officer Pamela Kitchens contacted Sanders, who happened to be visiting with her local SBA Officer, John Johnson. Kitchens urged Sanders to allow MACRO to perform TWC's focus groups, cautioning her that IRS was discussing terminating her contract if she did not.<sup>1</sup> (Kitchens was attempting to save the contract.) Note: It is customary for writing firms to test their own products. Kleimann Communications Group, the firm that currently has the IRS Notice Redesign Contract, tests its own notices.<sup>2</sup></li> </ul>	 Acrobat Document  TWC <sup>1</sup> FOCUS GRPS   Acrobat Document  KLEIMNN <sup>2</sup>
29	<ul style="list-style-type: none"> <li>Focus group facilities cancelled TWC's focus groups a short time before TWC's delivery date. When TWC notified focus group facilities that TWC could only provide a \$25-\$35 honorarium, several facilities cancelled TWC's focus groups, thereby jeopardizing TWC's ability to meet its September deadline.<sup>1</sup> TWC scoured the country, found new focus group facilities, and completed the focus group task on time. (The Writing Company lost money when the focus groups cancelled. When IRS terminated the contract, it refused to compensate TWC for thousands of dollars TWC lost due to focus group cancellations.)<sup>2</sup></li> </ul>	 Acrobat Document  CANC.FOC <sup>1</sup> GROUPS   Acrobat Document  TWC LFT <sup>2</sup> TO EAT THE COST
30	<ul style="list-style-type: none"> <li>Treasury and IRS officials changed the entire notice redesign process without one discussion with the IRS Notice Redesign Project Manager, Jerroll M. Sanders, TWC's President and CEO.</li> </ul>	 Acrobat Document  PROJ. MGR. EXCLUDED; NPR FAVOR
<b>At the lower organizational rung, Contracting Officer's Technical Representative (COTR) Janet Delvison led the charge to oust TWC; IRS management acted as her enabler.</b>		
31	<ul style="list-style-type: none"> <li>IRS assigned hostile COTR to Notice Redesign. Contracting Officer's Technical Representative (COTR) Janet Delvison was a union steward who wanted responsibility for notice redesign to remain in house. As one contracting officer rhetorically stated, can you believe they selected a union steward to serve as COTR on this high-level project? Prior to TWC's contract, Delvison had responsibility for notice redesign. Her duties included rewriting notices, reviewing notices written by others, and training IRS personnel on notice rewrite. When TWC secured the Notice Redesign Contract and began making innovations that were widely embraced, Delvison expressed strong resentment for TWC.</li> </ul>	
32	<ul style="list-style-type: none"> <li>COTR Delvison attempted to sabotage TWC's kickoff meeting, which had to occur by a contractually-specified date. (TWC, Ann Gelineau, and Delvison originally agreed upon a date for the kickoff meeting, but IRS Executives were not available. TWC sought to re-schedule the kickoff meeting and needed to determine dates meeting rooms were available. Delvison repeatedly claimed no rooms were available.) Gelineau contacted TWC on behalf of executives who wanted to know the kickoff meeting date. Delvison was out sick, so TWC sought to secure a meeting room on its own. TWC was surprised to learn that, contrary to Delvison's claims, there were countless meeting rooms available at several IRS facilities. Sanders</li> </ul>	 Acrobat Document  CORRES. FROM TWC TO COTR ABOUT MTG





No.	Narrative	
	<p>reserved a room and conveyed the meeting date to Gelineau, who in turn shared the date with IRS executives. When Delvison returned to work, she was angered TWC had secured the meeting room. When TWC attempted to finalize preparations for the kickoff meeting, meeting services representative (Stephanie Spence) would not return TWC’s calls. TWC sought the assistance of John Dalrymple’s secretary, who contacted Spence’s supervisor on behalf of Sanders (TWC). Spence called Sanders immediately, crying. She said Delvison told her not to respond to Sanders’ inquiries. After the Kickoff Meeting, Sanders met with Beverly Cox, Pamela Kitchens, and Ann Gelineau and expressed concern about the attempted sabotage.</p>	 Acrobat Document HOSTILE REPLY FROM COTR
<b>33</b>	<ul style="list-style-type: none"> <li>▪ <i>COTR wanted notices to remain as they were.</i> When TWC delivered the six <i>in-process</i> (prototype) notices (11 notice versions) developed under TWC’s purchase order, the COTR prepared an inspection report. <b>The inspection report<sup>1</sup> essentially directed TWC to abide by existing notice redesign standards, i.e., standards developed by Booz-Allen years ago. Doing so would have forced TWC to continue developing notices that looked like existing notices.</b> But TWC was hired to develop new standards—hence, notice redesign. TWC discussed the matter with the COTR and responded to the inspection report.<sup>2</sup> Delvison and Sanders agreed to raise the COTR’s concerns about standards with management. COTR Delvison accompanied IRS manager Rob Wilkerson to TWC’s site to discuss Treasury’s proposal to include NPR and EP in TWC’s process. During the visit to St. Louis, COTR Delvison and Sanders discussed the matter with Rob Wilkerson. Wilkerson told Delvison to let the notices stand, adding TWC was the expert. His statement angered the COTR, who became even more vigilant in her subterfuge.</li> </ul>	 Acrobat Document COTR’s <sup>1</sup> INSPECTIN   Acrobat Document TWC’s <sup>2</sup> RESPONSE TO INSPECT
	<p><b>COTR Delvison’s acts of sabotage worsened as the project progressed:</b></p>	
<b>34</b>	<ul style="list-style-type: none"> <li>▪ <b>COTR Delvison lied about any and everything!</b> She <i>lied</i> about not being able to find a room for the Kickoff Meeting, about reasons TWC was not included in the inspection process or systems acceptance testing (SAT), about the condition of products TWC delivered, about the number of notices TWC was scheduled to deliver, about the date TWC was scheduled to make its delivery of prototype notices, and about countless other matters. She even fabricated a major lie about the nature of the relationship TWC had with contracting officers Cox and Kitchens. The extent and degree to which the COTR lied and undermined the project cannot be overly exaggerated.</li> </ul>	
<b>35</b>	<ul style="list-style-type: none"> <li>▪ <i>The COTR underwent special training to learn how to administer a contract.</i> The COTR operated with complete disregard for the Federal Acquisition Regulation (FAR) and contract provisions.</li> </ul>	
<b>36</b>	<ul style="list-style-type: none"> <li>▪ <i>COTR Delvison routinely mischaracterized TWC’s work.</i> Delvison mischaracterized TWC’s performance to justify asking Cox to delete a portion of TWC’s work. Cox reminded Delvison there was a process for notifying a contractor of deficient performance. Cox then pointed out that comparing EP’s and TWC’s notices was not comparing apples to apples: “EP was not abiding by system constraints and did not have to submit its notices through the review process.”<sup>1</sup></li> </ul>	 Acrobat Document CO TAKES <sup>1</sup> ON COTR













No.	Narrative	
37	<ul style="list-style-type: none"> <li>The COTR repeatedly sought to terminate aspects of TWC’s work. The COTR wanted the contracting officer to permanently terminate TWC’s Industry Report requirement and reserve it for another contractor. Contracting Officer Cox asked Delvison why she objected to TWC doing the Industry Report.</li> </ul>	 Acrobat Document COTR DESCOP.
38	<ul style="list-style-type: none"> <li>The COTR and IS repeatedly sought to undermine TWC’s credibility and reputation via insinuation and innuendo<sup>1</sup>. The COTR repeatedly alleged TWC was guilty of fraud. She claimed two notices were almost the same and, therefore, it <i>should have</i> taken TWC the same amount of time to rewrite both notices. <b>TWC explained to the COTR in detail how the notices were very different programmatically.</b> Delvison continued to imply TWC was billing improperly. Every audit conducted after contract termination confirmed TWC billed properly.</li> </ul>	 Acrobat Document IMPLYING <sup>1</sup> FRAUD  Acrobat Document POP VISIT <sup>1</sup>
39	<ul style="list-style-type: none"> <li>COTR rejected high-dollar invoices for penny discrepancies due to rounding to cause TWC financial hardship. The COTR would reject entire invoices for tens of thousands of dollars (\$70,000, etc.) based upon penny discrepancies.<sup>1</sup> Her actions placed an enormous financial burden on TWC. TWC provided detailed invoices.<sup>2</sup> <i>In G.W. Galloway Co., ASBCA 17436, 770. . . .</i>The board was critical of the administration of the contract:             Key arsenal personnel, including the original contracting officer, commenced their contractual relationship with [the contractor] in an atmosphere of apprehension and with a suspicion that [the contractor] was “buying into” the contract with expectation of recouping its supposed losses on change orders. The record offers no support for the validity of these suspicions, but the Arsenal staff, nevertheless, constantly recommended <b>close surveillance</b> and <b>monitoring</b> of [the contractor’s] production efforts. . . .</li> </ul>	 Acrobat Document BUS. MGR <sup>1</sup> COMPLAIN  Acrobat Document DETAILED <sup>2</sup> INVOICES
40	<ul style="list-style-type: none"> <li>COTR Delvison knowingly mischaracterized contracting officers Cox’s and Kitchens’s relationship with TWC. A document prepared by Treasury Inspector General for Tax Administration (TIGTA), which TWC claims was a party to the cover-up that followed termination of TWC’s Notice Redesign Contract, revealed the COTR falsely claimed contracting officers Beverly Cox and Pamela Kitchens visited TWC without other IRS representatives. Delvison’s allegations are absolutely false. Delvison knew contracting officers Cox and Kitchens were aware of her subversive acts. She sought to impugn their reputations to insulate herself from any damaging remarks they might make about her. Her level of deceit is unconscionable.</li> </ul>	 Acrobat Document COTR & TWC EMPLOYEE LIE TO FEDERAL AGENTS
41	<ul style="list-style-type: none"> <li>COTR Delvison enlisted ex-employees of TWC in the conspiracy to terminate TWC’s contract. Several employees at TWC envied Sanders’ accomplishments and her editing their work. One of the employees, James P. Bagby, resigned and failed to pay his COBRA payments. As a result, his insurance cancelled and he was left with a medical bill. The employee and his close friends at TWC joined Delvison in a conspiracy to accomplish termination of TWC’s contract. The employees routinely talked to Delvison and information systems personnel as part of the Four-Tier Review process. They lied on Sanders to Senator Carnahan’s representative and lied to federal investigators, thereby violating the Criminal False Statements Act. They accused TWC of wage fraud—allegations IRS could have easily refuted by cross-checking TWC’s employee-signed timesheets and payroll records to detailed time records provided with each invoice. When TIGA investigators Randy Gregory and Tim Marcum staged a surprise visit to TWC’s site as part of their year-and-a-half long investigation of TWC and Sanders, they reviewed TWC’s paperwork, including paperwork pertaining to employee Bagby.</li> </ul>	 Acrobat Document COTR & TWC EMPLOYEE LIE TO FEDERAL AGENTS

No.	Narrative	
	<p>Agents determined TWC had acted appropriately and was not guilty of acts Bagby and other employees alleged.</p> <p><i>Keynote:</i> TWC believes no other IRS contractor captured time in a more detailed manner than TWC. <b>Employees activated an electronic time clock when they began working and deactivated the clock when they ceased working.</b> Employees also signed time sheets confirming hours worked. TWC employees who lied to IRS worked exclusively on IRS Notice Redesign.</p>	
42	<ul style="list-style-type: none"> <li>▪ <i>COTR refused to provide assistance to TWC.</i><sup>1</sup> The contract required the COTR to provide TWC with documents TWC needed for the rewrite/redesign process (<i>government deliverables</i>). It also called for the COTR to provide other assistance the contractor required. The COTR literally did nothing but interfere with the project. In some instances, TWC did the COTR’s work to keep the project progressing. TWC hunted down the names of notice owners and located other needed documents. TWC also worked with Ann Gelineau to develop a matrix showing IRS’s dunning process. Legal counsel representative Patrick Dowling needed the dunning information to confirm the accuracy of TWC’s standardized appeals language.</li> </ul>	 Acrobat Document COTR NO <sup>1</sup> HELP  Acrobat Document COTR NO <sup>1</sup> HELP
	<p><b>While the COTR’s actions substantially contributed to project mayhem, “Delvison could not have accomplished a termination of that magnitude,” an IRS manager told Sanders.</b></p>	
43	<ul style="list-style-type: none"> <li>▪ <i>Information systems representatives, COTR Delvison, and certain representatives from legal counsel characterized standard language issues<sup>1</sup> as problems, when they knew they were not.</i></li> </ul> <p><b>Standard Language:</b> IRS personnel in various cities and states across the U.S. were responsible for updating notices assigned to them. In some instances, personnel were not even aware they had responsibility for certain notices; consequently, some notices had not been updated in years. The same legal concepts appeared in multiple IRS notices. Different writers would convey the same legal concept in different ways. Some writers were fairly good writers; others were not. While rewriting notices, TWC would identify re-occurring concepts, simplify the language, and couch the language in a format that could be inserted into all redesigned notices requiring the language. The concept of standard language was a key component of TWC’s methodology. TWC planned to deposit standard language in a centralized database. When revising notices, notice owners could access the <i>repository</i> of standard language and pick and choose language needed to update a notice. The concept had countless benefits: <b>Legal counsel and reviewers would have to review only one body of language for each legal concept, IRS would be assured of developing notices that were consistent in quality, tone, and clarity, and IRS would substantially reduce the time required to redesign a notice and enter the notice into production.</b></p> <p><b>Keynote:</b> IRS legal counsel lacked information needed to confirm the accuracy of all standard language.<sup>2</sup> It was agreed TWC would leave standard language in the notices, but would make notice owners aware the language had not been finalized by legal counsel. Once language was finalized, TWC would incorporate it into notices. COTR Delvison used the standard language issue to justify suspending the tier review process on hundreds of notices.<sup>3</sup></p>	 Acrobat Document ISSUES <sup>1</sup>  Acrobat Document TECH STD. <sup>1</sup> LANGUAGE  Acrobat Document STD LNG, <sup>2</sup> LEGAL COUNSEL  Acrobat Document REVIEW <sup>3</sup> (See PROCESS SECTION)








No.	Narrative	
44	<ul style="list-style-type: none"> <li>Information systems representatives Joe Harwood, Delores Johnson, Janet Newsome, and Charles Zavalianos were co-conspirators with Delvison and worked to accomplish contract termination. Information systems (IS) representatives blatantly violated the Criminal False Statements Act and misrepresented TWC's performance at every turn. TWC deciphered IS's technical system specifications with little help from information systems. TWC needed a few questions answered to complete technical specifications for redesigned notices. IS refused to provide information TWC required, thereby violating the <i>duty to cooperate</i>.</li> </ul>	
45	<ul style="list-style-type: none"> <li>TWC continued working to meet its deadline. TWC met with various stakeholders<sup>1</sup> and worked diligently to ensure successful project outcomes. TWC was beginning to focus on finalizing all technical aspects of the notices.</li> </ul>	 Acrobat Document MTG W <sup>1</sup> MULTIMED
46	<ul style="list-style-type: none"> <li>Information Systems and the COTR advised TWC of a critical deadline at the last minute; they used the opportunity to attempt to seize a portion of TWC's work.<sup>1</sup> IS representatives and COTR Delvison contacted Sanders via phone and stated IS would not be able to program the six prototype notices (11 versions) in time for the next filing season if TWC did not provide technical specifications for the notice header and footer by August 14, 1998; Contracting Officer Beverly Cox was also on the line. It was the first time TWC had been made aware of the deadline. TWC had traveled to Washington a few weeks earlier to meet with IS in an attempt to garner answers to question related to the technical specifications. IS refused to answer TWC's questions and instead <b>used the opportunity to generate correspondence bashing<sup>1</sup> TWC and Sanders.</b></li> </ul>	 Acrobat Document COTR <sup>1</sup> RECAP TELE CALL
47	<ul style="list-style-type: none"> <li>TWC expressed a willingness to provide header and footer specs by the requested date if IS would answer a few lingering technical questions.<sup>1</sup> IS refused to provide the answers TWC sought, instead stating IS would take responsibility for developing notice header and footer specifications TWC was tasked to provide. When the hostile telephone conversation ended with IS agreeing to take responsibility for the header and footer specifications,<sup>1</sup> Notice Redesign Project Manager Jerroll Sanders contacted contracting officer Pamela Kitchens. Sanders explained to Kitchens the risk inherent in having IS develop header and footer specifications, while TWC continued to develop specifications for the body of redesigned notices. Sanders reiterated her concerns in writing. The discussion prompted Cox to send an email to IS and the COTR expressing concern with their proposal to develop header and footer specifications for TWC's notices.<sup>2</sup></li> </ul>	 Acrobat Document TWC <sup>1</sup> RECAP  Acrobat Document IRS <sup>2</sup> DISCUSS
48	<ul style="list-style-type: none"> <li>Kitchens and Cox arranged for IS and TWC to meet so TWC could garner information needed to prepare header and footer specs for redesigned notices. When TWC's personnel met with IS and the COTR to acquire final information about the Program Requirement Packages (PRP), the meeting was unbelievably hostile. Again, IS representatives refused to provide information TWC requested. Also, the COTR was present, cultivating even greater hostility. During a break from the meeting, Sanders complained to Kitchens and Cox that Delvison was sabotaging the project. Kitchens told Sanders she and Cox had observed the sabotage and had asked IRS executive Marilyn Soulsberg to replace Delvison. Kitchens said she and Cox were awaiting Soulsberg's response. Kitchens later told Sanders Marilyn Soulsberg</li> </ul>	




No.	Narrative	
	<p>declined to remove Delvison. Delvison was left in place to continue wreaking havoc on the project. Federal procurement guidelines required IRS to remove Delvison in the interest of <i>mutual confidence and respect</i>.<sup>1</sup></p> <p>While the first goal of good contract administration is to avoid destructive relationship, “it if does occur, the personnel exhibiting this confrontational attitude should be removed from the contract administration process. <i>Murdock Constr. Co.</i>, IBCA 1050-12-74, 77-2 BCA ¶12,728. <i>Ben Levine Timber</i>, AGBCA 92-124-1, 94-1 BCA.</p> <p style="text-align: right;">–Cibinic &amp; Nash, Page 7</p> <p><b>Note:</b> TWC learned months after contract termination that Charles Zavalianos, whom Sanders only recalls meeting once, sent a highly slanderous letter to Commissioner Charles O. Rossotti soon after TWC met with IS.<sup>2</sup> Following that same meeting, IS contracting officers Cox and Kitchens complimented Jerroll Sanders and Roosevelt Sanders on the technical knowledge they exhibited during the meeting.</p>	 Acrobat Document  CYBINIC & <sup>1</sup> NSH   Acrobat Document  HIGHLY <sup>2</sup> SLANDER LETTER SENT TO IRS COMMISS.
49	<ul style="list-style-type: none"> <li>Feedback IS provided on notice header and footer specifications was useless. Information systems and TWC reached an agreement with the aid of contracting officer Pamela Kitchens. The agreement called for TWC to deliver <i>header and footer technical specs</i> to IS by a specified date. It also called for IS to review the specs and provide feedback to TWC by a specified date. TWC complied with the agreement.<sup>1</sup> IS responded, but did not provide any information of value. Delores Johnson drafted a short email to characterize her review of TWC’s header and footer specs.<sup>2</sup> She began by stating, “A <b>quick review revealed the following.</b>” <b>Johnson claimed she only conducted a quick review of the technical specs IS previously stated were vital to its ability to program notices for the next filing season.</b> After stating, “A quick review revealed the following . . . .,” Johnson provided useless feedback. Contracting Officer Beverly Cox acknowledged the useless nature of Johnson’s comments when TWC complained. Johnson’s and other IS representatives’ refusal to provide information TWC needed for notice redesign violated IRS’s duty to cooperate and not hinder performance. It also constituted tortuous inference with contract performance.</li> </ul>	 Acrobat Document  TWC’S HDR AND FOOTER SPECS   Acrobat Document  IS FEEDBACK
50	<ul style="list-style-type: none"> <li>Delores Johnson intentionally left TWC to work with outdated data (Program Requirements Packages (PRPs)). When information systems personnel visited TWC for a site inspection, Roman Poremski of IS noticed TWC was rewriting notices with outdated technical documents. Delores Johnson—the COTR’s co-conspirator—furnished the documents when the project began, but never provided TWC with updates. Poremski said the BMF and IMF PRPs (program code specifications) were routinely updated. (There is an Individual Masterfile PRP (IMF) that displays the program code specifications used to generate taxpayer notices for individuals and a Business MasterFile PRP (BMF) that displays program code specifications used to generate notices for businesses.) <b>Johnson breached the “Deliverables” clause of the contract when she intentionally left TWC to work with outdated documents.</b></li> </ul>	
51	<ul style="list-style-type: none"> <li>TWC did the COTR’s work, helping to determine IRS’s dunning process so legal counsel could confirm the accuracy of standard language. Patrick Dowling was TWC’s initial liaison to IRS legal counsel on the Notice Redesign Contract; his assistant, Gerry Katz, was also an attorney. The notice release process is a dunning sequence, meaning IRS releases collection notices in a predetermined sequence. Like other dunning processes, taxpayer notices issued as part of the collections process</li> </ul>	















No.	Narrative	
	<p>become increasingly demanding. Dowling needed to determine the sequence of notice issuance (order in which notices were issued) before he could confirm the accuracy of standard appeals language TWC included in redesigned notices. (Taxpayers have different rights at different stages of the dunning (collections) process. Legal counsel needed to determine when each notice in the dunning process was issued in order to determine the appeals language that was appropriate for each notice.) When the COTR refused to help TWC acquire information Dowling needed, Sanders traveled to IRS's offices in Maryland, poured through documents, and worked with Gelineau to acquire information Dowling needed.<sup>1</sup></p>	 Acrobat Document  TWC <sup>1</sup> DOES COTR JOB; HELPS COMPLETE MATRIX
52	<ul style="list-style-type: none"> <li>▪ <i>Legal counsel representative <b>Stan Seaman and Brenda Wilson</b> also conspired with Janet Delvison and others to defame TWC's performance and accomplish contract termination.</i> IRS legal counsel had dual reporting: The organization reported directly to Treasury and directly to the IRS Commissioner. Seaman and Wilson also detested a minority having the Notice Redesign Contract. Seaman and Wilson:               <ul style="list-style-type: none"> <li>· Mischaracterized the nature of TWC's performance. Seaman and Wilson sent a highly slanderous letter to TWC and legal counsel's upper echelon.<sup>1</sup> The purpose was to slander TWC and move the firm closer to contract termination. TWC responded to the damaging letter.<sup>2</sup></li> <li>· Exaggerated the smallest inaccuracy, which the review process was designed to detect and resolve. The taxpayer notices TWC was using to create redesigned notices were replete with inaccuracies and outdated legal language and codes, yet millions were being released daily to unsuspecting taxpayers.<sup>3</sup></li> </ul> <p><b>Keynote:</b> TWC exhibited an extremely high rate of accuracy when it revised outdated notices.<sup>3</sup> (A review of TWC's files will confirm <i>a pattern</i> of accurate performance.)</p> </li> </ul>	 Acrobat Document  HOSTILE <sup>1</sup> COUNSEL LETTER   Acrobat Document  TWC'S <sup>2</sup> RESPONSE TO COUNSEL   Acrobat Document  TWC'S <sup>3</sup> PERFRMNC
	<p><b>The Writing Company invoked the Changes clause:</b></p>	
53	<ul style="list-style-type: none"> <li>▪ TWC invoked the Changes clause<sup>1</sup> in response to IRS's and Treasury's continuous interventions and timeline changes. TWC released a <b>Project Alert</b><sup>2</sup> to notify contracting officers and the COTR the deadline was unreasonable, given the continuous changes and sabotage. The Project Alert prompted much discussion<sup>3</sup> at IRS:</li> </ul>	 Acrobat Document  CHANGES <sup>1</sup> CLAUSE   Acrobat Document  PROJECT ALERT <sup>2</sup>   Acrobat Document  GELINEAU RESPONDS TO PROJECT <sup>3</sup> ALERT   Acrobat Document  CONTRACTING OFFICER RESPONDS <sup>3</sup>   Acrobat Document  BEHIND <sup>3</sup> SCENE
54	<ul style="list-style-type: none"> <li>▪ <i>Executives responded favorably to the redesigned notices.</i> At the end of August 1998, TWC released a Tier 4 Report (<b>shown below</b>) to IRS executives. The report included redesigned notices, information about TWC's methodology and writing strategy, survey and focus group findings, and other valuable information about the project, as well as future project direction. Executives were asked to review the report, evaluate prototype notices, and provide feedback by a specified date. Responses were extremely positive, as evidenced by the response from Mike Dolan,<sup>1</sup> who was second in command at IRS (Deputy Commissioner). Commissioner</li> </ul>	 Acrobat Document  MIKE <sup>1</sup> DOLAN'S EVAL






















No.	Narrative				
	Rossotti did not respond; he provided feedback directly to Sanders when she appeared before him on Friday, September 18, 1998, to report on project status and outcomes.				
	<b>TIER 4 REPORT</b>				
	 Acrobat Document GENERAL	 Acrobat Document APPROACH	 Acrobat Document RESULTS	 Acrobat Document CONTRACTOR	
55	<ul style="list-style-type: none"> <li> <p><i>Commissioner Charles O. Rossotti commended Sanders on TWC’s performance on IRS Notice Redesign. On September 18, 1998, Sanders flew to Washington, D.C., and made a presentation to Rossotti. Rossotti commended Sanders on her work and presentation skills and asked if she knew what she had accomplished. Rob Wilkerson and Lisa Ross were present at the meeting. Wilkerson hugged Sanders after leaving Rossotti’s office; he expressed genuine happiness with Sanders’ performance. (Wilkerson is the same manager who flew to St. Louis to tell The Writing Company about Treasury’s plan to give copies of TWC’s “in process” redesigned notices to National Partnership for Reinventing the Government (NPR/PSC) and Emmerling Post (EP). Wilkerson was a key liaison between Treasury and IRS on the Notice Redesign Project.)</i></p> <p><b>Keynote:</b> Wilkerson and Sanders agreed for Sanders to deliver final prototypes to IRS on Monday, September 21, 1998. Wilkerson communicated the change to Contracting Officer Beverly Cox, who modified the contract to show September 21, 1998, as the delivery date.</p> </li> </ul>				
56	<ul style="list-style-type: none"> <li> <p><i>The Writing Company met its deadline. On September 21, 1998, The Writing Company delivered six (6) prototype notices (11 versions), math error codes, unallowable codes, technical specifications, and various other documents to IRS, in accordance with the contract and subsequent modifications.</i></p> </li> </ul>				
57	<ul style="list-style-type: none"> <li> <p><i>COTR and IS violated the RIS clause in the contract. The Notice Redesign Contract required the COTR to provide feedback on notices TWC delivered. Feedback was to be provided within 15 days of the delivery date. When TWC delivered notices on September 21, 1998, the COTR ceased communicating. TWC repeatedly asked for the inspection report; Delvison ignored Sanders’ requests, refusing to return Sanders telephone calls.<sup>1</sup> Months after IRS terminated TWC’s contract, TWC obtained a complete copy of Delvison’s Inspection Report via the Freedom of Information Act (FOIA). The inspection report contained numerous lies intended to mischaracterize TWC’s performance. In the inspection report, Delvison claimed she did not include TWC in the inspection process because of time constraints. TWC has evidence Delvison and Delores Johnson of IS planned in advance (conspired) to exclude TWC from the inspection process. TWC also has evidence Delvison and Johnson planned in advance to deliver TWC’s notices to National Partnership for Reinventing Government (NPR/PSC) during the inspection process, with the intent of allowing NPR/PSC—TWC’s competitor—two weeks to make changes to TWC’s notices. When TWC complained<sup>2</sup> about the misrepresentative nature of the inspection report, IRS Manager John T. Smith labeled TWC’s concerns “moot.”<sup>3</sup></i></p> <p><b>Keynote:</b> When inspecting the six prototype notices (11 versions), the COTR made major changes that severely compromised notice integrity, while nullifying</p> </li> </ul>				<div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">             Acrobat Document            COTR<sup>1</sup>            WITHHOLD            INSPEC         </div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">             Acrobat Document            TWC<sup>2</sup>            COMPLAINS            INSPC            REPT         </div> <div style="border: 1px solid black; padding: 2px;">             Acrobat Document            CALLS<sup>3</sup>            CONCERNS            MOOT         </div>




No.	Narrative	
	<p>some of TWC’s innovations. If TWC had been contracted to deliver an airplane instead of notices, Delvison’s and NPR’s actions would have been akin to removing wings from the plane.</p>	
58	<ul style="list-style-type: none"> <li> <p><i>COTR Delvison, information systems representatives, legal counsel representatives, and others hostile to TWC held a series of secret meetings to bash TWC. With TWC’s Notice Redesign project manager absent from the meeting, those hostile to TWC were free to assail the firm’s performance without challenge.</i><sup>1</sup> As a result, they successfully accomplished a reduction in TWC’s project management authority and scope of work and succeeded in deleting the Escalation clause from the contract. They also introduced a <i>team approach</i> for rewriting and redesigning notices.<sup>2</sup> This is the process endorsed by Annetta Cheek of the National Partnership for Reinventing the Government (NPR)/PSC. <b>Her friend, Susan Kleimann of Kleimann Communications Group, secured TWC’s contract soon after termination.</b> <b>Note:</b> Cheek complained that TWC was using passive voice.<sup>2</sup> TWC is was well aware of the rules of writing, as well as the value of using passive voice when targeting certain audiences; Cheek apparently was not. Taxpayers favored TWC’s notices, not those written by Cheek and Mercer.</p> </li> </ul>	 MTG w/o <sup>1</sup> PROJ MGR.  NPR <sup>2</sup> ENDORSED PROCESS
59	<ul style="list-style-type: none"> <li> <p><i>IRS repeatedly changed key personnel on the IRS Notice Redesign Contract. Within an eight month period, IRS changed the gatekeeper position multiple times: The gatekeeper was the overseer on the IRS Notice Redesign Project. Dave Medeck was the first gatekeeper. Ann Gelineau was the next gatekeeper. Gelineau was followed by V’Nell DeCosta—Delvison’s co-conspirator. Rick Bazick<sup>1</sup> then became the gatekeeper; he was replaced by Barbara Murray, who reported to John Gunner. Gunner was extremely hostile to TWC from day one. He drafted the letter requesting IRS terminate TWC’s contract.</i></p> </li> </ul>	 BAZICK <sup>1</sup>
60	<ul style="list-style-type: none"> <li> <p><i>IRS replaced contracting officers Beverly Cox and Pamela Kitchens with two extremely hostile contracting officers—Sharon Warren and her supervisor Ethel Carter. While Cox and Kitchens worked to preserve the contracting relationship between TWC and IRS, Warren and Carter worked equally vigorously to terminate the relationship.</i></p> </li> </ul>	
61	<ul style="list-style-type: none"> <li> <p><i>IRS conducted a site inspection to find a reason to terminate TWC’s contract. TWC began revising notices in accordance with the <b>team process—the process favored by Cheek of NPR/PSC.</b> The COTR was very silent and there was little contact between IRS and TWC. Without explanation, IRS contacted TWC to advise it was sending seven people to St. Louis to conduct a site inspection. On February 1, 1999, IRS contracting manager Ethel Carter and the IRS inspection team entered TWC’s office in Gestapo-like fashion. Carter told Sanders to bring all her employees into the conference room so she (Carter) could explain the purpose of IRS’s visit. Sanders suggested Carter explain to her, TWC’s president and CEO, the purpose of the inspection team’s visit. Carter told Sanders she needed access to a host of documents and files, including TWC’s financial records pertaining to IRS and both hardcopy and electronic versions of all IRS documents. She then told Sanders COTR Janet Delvison would interview TWC’s employees without Sanders present. <b>Sanders stated Delvison would not interview her employees.</b> Carter then requested a walk through of TWC’s office, explaining the team would return the following day to begin the inspection. Sanders gave the team a tour and they left. Sanders contacted her attorney who called Carter at the hotel. He told Carter not to return to TWC’s offices</i></p> </li> </ul>	

No.	Narrative	
	<p>until IRS revealed the scope of the team’s visit, in writing. The attorney said he was not going to allow IRS to conduct a “fishing expedition.” After holding up in a hotel for several days at taxpayers’ expense, the seven-person inspection team prepared a scope document.<sup>1</sup> IRS returned to TWC’s offices to discuss the document with Sanders and SBA representatives from the St. Louis SBA Office, which was helping manage the 8(a) contract. TWC allowed the site inspection. Ethel Carter and John T. Smith lied about the purpose of the visit,<sup>1</sup> which was to find a reason to terminate TWC’s contract (suspected contract breach).<sup>2</sup></p> <p><b>Keynote:</b> The document IRS provided to TWC to define the scope of the inspection makes no reference to a possible contract breach. During the inspection, IRS copied hundreds of documents TWC was working on and all IRS-related electronic files. IRS was clearly anticipating terminating TWC’s contract when it conducted the site inspection.</p>	 Acrobat Document SCOPE, <sup>1</sup> SITE INSPECTN  Acrobat Document POSSIBLE <sup>2</sup> BREACH
62	<ul style="list-style-type: none"> <li>▪ <i>IRS terminated TWC’s contract.</i> About a week following the site inspection, IRS contacted Sanders and told her to come to Washington, adding she should bring her attorney. On February 24, 1999, IRS manager John T. Smith met with Sanders and her attorney, Ralph Capio, in IRS’s Oxon Hill, MD, office. St. Louis-based SBA Officer John Johnson participated in the meeting via speakerphone. Smith began by telling TWC the site inspection did not yield any negative findings. He then told TWC and SBA, in surprise fashion, IRS was terminating TWC’s contract for convenience of the government. <b>Smith explained IRS wanted to do something different. Smith said The Writing Company’s termination for convenience (T4C) was the first T4C IRS performed in 20 years.</b><sup>1</sup></li> </ul>	 Acrobat Document NOT DONE <sup>1</sup> MANY T4Cs
63	<ul style="list-style-type: none"> <li>▪ <i>SBA advised IRS it violated the Federal Acquisition Regulation (FAR) when it terminated TWC’s contract without advance notice.</i> Small Business Administration (SBA) Officer John Johnson, who helped manage the 8(a) Notice Redesign Contract as part of his 8(a) Program duties, sent a letter to IRS under his supervisor’s, Hugh Wright’s, signature. The letter advised IRS it violated the Federal Acquisition Regulation (FAR) when it terminated TWC’s contract without advance discussion with SBA. He also reiterated the discussion that occurred during the termination.<sup>1</sup></li> </ul>	 Acrobat Document LETTR <sup>1</sup> UNDER HUGH WRIGHT’S SIG
64	<ul style="list-style-type: none"> <li>▪ <i>TWC’s owner sought to discover why IRS terminated TWC’s contract, especially since the firm had performed without deficiency.</i> With SBA Officer John Johnson’s help, TWC scheduled a meeting with IRS to discuss the contract termination. Present were IRS executive Rob Wilkerson, small and disadvantaged business manager Jodi Paustian, gatekeeper Ann Gelineau, and various other IRS managers. During the meeting, Sanders reviewed TWC’s performance on the contract, presented evidence of unending sabotage, and asked why IRS terminated the contract. Procurement manager John T. Smith, who facilitated the meeting, said:           <ul style="list-style-type: none"> <li>· <b>IRS did not want too much knowledge vested in one vendor.</b> Sanders explained the knowledge TWC possessed was knowledge TWC brought to the table. Sanders asked why it was OK for IRS to have so much knowledge vested with Computer Sciences Corporation (CSC), which had a \$5-7 billion contract to revamp IRS computer systems, but not with TWC.</li> <li>· <b>Smith said CSC had subcontractors. Sanders said TWC also had subcontractors. John T. Smith said the termination would stand.</b></li> </ul> </li> </ul>	 Acrobat Document CSC SOLE VENDOR

No.	Narrative	
65	<ul style="list-style-type: none"> <li>IRS offered to reinstate TWC's Notice Redesign Contract. Sanders contacted Missouri Senator John Ashcroft and alleged IRS terminated TWC's contract in order to divert it to another firm. Ashcroft's office initiated a congressional inquiry. In response, Assistant Commissioner of Procurement Gregory Rothwell invited Sanders to Washington and explained IRS was reinstating TWC's contract. When Sanders and her attorney arrived in Washington, they met with Rothwell and IRS manager John T. Smith, who terminated TWC's contract. Rothwell explained IRS's desire to use a bilateral modification to simultaneously reinstate TWC's contract, while reducing TWC's initial scope of work by about 90 percent. The only task TWC would perform under the modified contract was revamping 20-30 notices.</li> </ul>	
66	<ul style="list-style-type: none"> <li>Sanders reiterated the terms of reinstatement in writing.<sup>1</sup> When Sanders returned to St. Louis, she reiterated in writing the discussion that had taken place during meetings with IRS representatives. (IRS officials routinely discussed matters with TWC verbally so they could avoid creating a written record.)</li> </ul>	 Acrobat Document  OFFER <sup>1</sup> RESTATED
67	<ul style="list-style-type: none"> <li>IRS issued a letter that recast facts TWC provided in its letter recounting contract reinstatement discussions.<sup>1</sup></li> </ul>	 Acrobat Document  IRS OFFER <sup>1</sup> IN WRITING
68	<ul style="list-style-type: none"> <li>TWC submitted a counterproposal<sup>1</sup> that responded to IRS's reinstatement letter and other issues IRS and TWC discussed during meetings related to contract reinstatement.<sup>1</sup> ( IRS representatives told TWC IRS terminated the contract because TWC was working too fast.)</li> </ul>	 Acrobat Document  TWC <sup>1</sup> COUNTER
69	<ul style="list-style-type: none"> <li>IRS responded to TWC's counterproposal.<sup>1</sup> Note: The bilateral modification Gregory Rothwell proposed using to reinstate TWC's contract violated the Federal Acquisition Regulation (FAR). The deletion of substantial segments of work must occur under the Termination clause, not the Changes clause. <i>Nager Elec. Co. v. United States.</i> (Modifications are issued under the Changes Clause.)</li> </ul>	 Acrobat Document  IRS'S <sup>1</sup> RESPONSE   Acrobat Document  TERM. <sup>2</sup> WRK
70	<ul style="list-style-type: none"> <li>IRS published its intent to reprocur notice redesign services in the Commerce Business Daily (CDB) in August 1999.<sup>1</sup> In June 2000, IRS released a Request for Quote (RFQ) for notice redesign services. IRS also held a pre-bid meeting for interested contractors. Numerous small businesses were present at the pre-bid meeting. They complained the payment terms were unfriendly to small businesses; IRS was unwilling to change the payment terms. Note: The new Notice Redesign requirement was almost exactly like TWC's Notice Redesign requirement.</li> </ul>	 Acrobat Document  INTENT TO <sup>1</sup> REPROCUR
71	<ul style="list-style-type: none"> <li>The Writing Company filed a bid protest challenging IRS's decision to remove the requirement from the 8(a) Program. SBA officials in Washington agreed to join in TWC's protest. After James Williams, Director of IRS Procurement, visited SBA officials, SBA officials reversed their course of action without explanation. (TWC suspects Williams levied false allegations against TWC and Sanders to persuade SBA to cease involvement.) GSA ruled in favor of IRS on the protest and allowed the procurement to proceed under full and open competition. Note: One of IRS's first actions after terminating TWC's Notice Redesign Contract was to remove the requirement from the 8(a) Program. If TWC had been allowed to complete the Notice Redesign Contract, subsequent contracts for notice redesign would have been off</li> </ul>	 Acrobat Document  GAO PROTEST, 8(A)

No.	Narrative							
	<p>limits to Treasury’s vendor of choice. Treasury Acquisition Regulation (DTAR) subpart 1019.803(c) states:</p> <p>[O]nce a product or service has been acquired successfully by an acquisition office on the basis of an 8(a) set-aside, all future requirements of that office for that product or service shall be acquired using 8(a) set-aside procedures. If a [contracting officer] determines there is no longer a reasonable likelihood that an offer can be obtained from a qualified 8(a) concern and award can be made at fair market prices, the repetitive set-aside must be withdrawn, using the procedures at 1019.506, prior to proceeding with the procurement on another basis.</p>							
72	<ul style="list-style-type: none"> <li>▪ <i>TWC responded to the request for quote on March 31, 2000. Recognizing the procurement was an RFQ (Request for Quote), not an RFP (Request for Proposal), TWC included revised payment terms in its quote:</i></li> </ul> <p style="text-align: center;"><b>PROPOSAL TWC SUBMITTED TO IRS<sup>1</sup></b></p> <table border="1" style="width: 100%; text-align: center;"> <tr> <td data-bbox="191 659 475 793">             Acrobat Document            RFQ INTRO &amp; STRATEGY         </td> <td data-bbox="475 659 691 793">             Acrobat Document            SAMPLE NOTICES         </td> <td data-bbox="691 659 834 793">             Acrobat Document            PAST PERF         </td> <td data-bbox="834 659 1101 793">             Acrobat Document            WRITER SELECTION         </td> <td data-bbox="1101 659 1243 793">             Acrobat Document            RFQ         </td> <td data-bbox="1243 659 1414 793">             Acrobat Document            PRICING         </td> </tr> </table>	 Acrobat Document RFQ INTRO & STRATEGY	 Acrobat Document SAMPLE NOTICES	 Acrobat Document PAST PERF	 Acrobat Document WRITER SELECTION	 Acrobat Document RFQ	 Acrobat Document PRICING	
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	<p>TWC was told one other firm submitted a proposal.<sup>1</sup> <b>Without explanation, IRS cancelled the procurement.</b> TWC asked IRS to notify TWC when IRS reprocured. TWC also contacted IRS periodically for years to determine if IRS was going to re-procure. Contracting Officer Beverly Cox told Sanders IRS had not issued a new procurement. <b>Note: TWC learned in December 2007 that IRS reprocured notice redesign services in 1999—the same year IRS terminated TWC’s contract. IRS procured the services via back door means from a majority, female-owned firm that was politically-connected to Treasury and National Partnership for Reinventing Government (NPR/PSC) officials. The firm continues to work the contract.</b></p>	 Acrobat Document  ONE <sup>1</sup> OTHER FIRM  (SEE LAST PARA. PAGE 2)						
73	<ul style="list-style-type: none"> <li>▪ <i>For eight years TWC did not relent in its efforts to make IRS egregious actions known. TWC:</i> <ul style="list-style-type: none"> <li>· Appealed to Senators Ashcroft and Bond.</li> <li>· Appealed to Senator Jean Carnahan, who became very involved in the matter.</li> <li>· Appealed to the President of the United States.</li> <li>· Appealed to the Department of Justice before discovering DOJ was defending IRS in all legal proceedings brought by TWC.</li> <li>· Appealed to Senator James Talent who personally spent one hour with Sanders reviewing TWC’s file. Talent asked, “Where did you get this?” He promised he would bring an end to the matter. Talent’s office did nothing.</li> <li>· Appealed to the President’s Council on Integrity and Efficiency (PCIE), declaring TIGTA head David Williams was involved in the cover-up. PCIE talked to Williams and ended its inquiry.</li> <li>· Appealed to GSA numerous times (bid protest, etc.).</li> <li>· Appealed to the Federal Bureau of Investigation (FBI). FBI officials told TWC the officials she named were too high to investigate.</li> <li>· Appealed to the Government Office on Ethics and Integrity.</li> </ul> </li> </ul>							



No.	Narrative	
	<ul style="list-style-type: none"> <li>· Appealed to the General Accounting Office (GAO).</li> <li>· TWC’s owner filed suit against IRS before the General Services Board of Contract Appeals (GSBCA) to secure resolution of <b>invoice claims, a wrongful contract termination claim, and settlement claims</b>. TWC and its owner prosecuted the case through the appeals process and petitioned for writ of certiorari before the U.S. Supreme Court. <i>See section entitled Judicial Malfeasance.</i></li> <li>· TWC’s owner filed suit against federal employees in the Circuit Court of St. Louis County, Missouri, <b>alleging government employees acted outside the scope of their employment when they violated federal laws in order to injure TWC and Sanders personally and directly</b>. TWC and its owner prosecuted the case through the appeals process and petitioned for writ of certiorari before the U.S. Supreme Court. <i>See section entitled Judicial Malfeasance.</i></li> <li>· TWC’s owner re-filed contract-related claims (invoice claims denied, breach of contract claims, and settlement claims) before the U.S. Court of Federal Claims (COFC) pursuant to the Election Doctrine. TWC and its owner prosecuted the case through the appeals process and petitioned for writ of certiorari before the U.S. Supreme Court. <i>See section entitled Judicial Malfeasance.</i></li> </ul>	
74	<ul style="list-style-type: none"> <li>▪ Top officials<sup>1</sup> at IRS and TIGTA conspired to injure TWC and Sanders for attempting to make IRS, Treasury, and TIGTA’s illegal acts known. IRS, Treasury, and TIGTA: <ul style="list-style-type: none"> <li>· Subpoenaed TWC before grand jury on contrived charges.</li> <li>· Promised to and did put TWC out of business.</li> <li>· Devastated Sanders and her family financially. Sanders lost her life’s savings, amassed tax debts in the hundreds of thousands of dollars, had her credit rating destroyed, and sustained other damage that is almost too far reaching to quantify.</li> <li>· Slandered Sanders’ throughout her community.</li> <li>· Mischaracterized Sanders’ performance on the Notice Redesign Contract.</li> <li>· Lied to federal agents, senators, and congressional leaders to conceal illegal acts.</li> <li>· Allowed TWC employees, who assisted with the conspiracy to terminate TWC’s contract, to escape accountability for illegal acts that included lying to federal investigators and a U.S. senator about Sanders.</li> </ul> </li> </ul>	 <p>08/14/00<sup>1</sup></p> <p>TOP OFFICIALS DISCUSS TWC (James Williams, David Grant, David Williams)</p>
75	<ul style="list-style-type: none"> <li>▪ Since 1999, TWC sought to discover who, if anyone, secured the IRS Notice Redesign Contract. TWC submitted several Freedom of Information Act (FOIA) requests over the years, asking, who had the IRS Notice Redesign Contract? Senator Carnahan’s representative, Sonja Cureton, also asked TIGTA repeatedly if another firm had been awarded the Notice Redesign Contract. Both IRS and TIGTA ignored TWC’s and Cureton’s inquiries. In December 2007, Sanders learned that in <b>1999—the same year IRS terminated TWC’s Notice Redesign Contract—Kleimann Communications Group (KCG) secured the Notice Redesign Contract through back door means</b>.<sup>1</sup> Nine years later, Susan Kleimann’s company retains the IRS Notice Redesign Contract.<sup>2</sup> (Several Internet websites reveal a close association between Susan Kleimann and NPR/PSC officials.)</li> </ul>	 <p>SEARCH<sup>1</sup> FOR KLEIMANN</p>  <p>KLEIMANN<sup>2</sup> GETS IRS CONTRACT IN 1999</p>
<p><b>Why did IRS terminate The Writing Company’s contract? The question begs an answer!</b></p>		

