
A. SYSTEM DESCRIPTION

1. Enter the full name and acronym for the system, project, application and/or database. Employee Plans Master File, EPMF

2. Is this a new system? No

2.a. If **no**, is there a Privacy Civil Liberties Impact Assessment (PCLIA) for this system? Yes

If **yes**, enter the full name, acronym, and milestone of the most recent PCLIA.

Employee Plan Master File, EPMF, 1484

Enter the approval **date** of the most recent PCLIA. 11/07/2015

If **yes** Indicate which of the following changes occurred to require this update (check all that apply).

- No Addition of Personally Identifiable Information (PII) (PII is any information that is linked or linkable).
- No Conversions
- No Anonymous to Non-Anonymous
- No Significant System Management Changes
- No Significant Merging with Another System
- No New Access by IRS employees or Members of the Public
- No Addition of Commercial Data / Sources
- No New Interagency Use
- No Internal Flow or Collection
- Yes Expiring PCLIA

Were there other system changes not listed above? No

3. What governance board or Executive Steering Committee (ESC) does this system report to? Full name and acronym.

Tax Exempt Government Entities (TEGE) Investment Executive Steering Committee

3.a. Check the current Enterprise Life Cycle (ELC) Milestones (select all that apply).

- No Vision & Strategy/Milestone 0
- No Project Initiation/Milestone 1
- No Domain Architecture/Milestone 2
- No Preliminary Design/Milestone 3
- No Detailed Design/Milestone 4A
- Yes System Development/Milestone 4B
- Yes System Deployment/Milestone 5
- Yes Operations & Maintenance (i.e., system is currently operational)

4. Is this a Federal Information Security Management Act (FISMA) reportable system? No

A.1 General Business Purpose

5. What is the general business purpose of this system? Provide a clear, concise description of the system, application or database, the reason for the system, and the benefits to the IRS to use the information, and how the information will be used.

EPMF (Employee Plans Master File) is a master file housed at the ECC-MTB (Enterprise Computing Center - Martinsburg) which contains characteristic information of non-IRS employee benefit plans, including information on size, funding, operations, etc. The Employee Retirement Income Security Act of 1974 (ERISA) requires that certain employee benefit plans submit this information to the Government each year on 5500-series forms. Accounts on EPMF are identified by Employer Identification Numbers (EINs); plans are identified by a combination of EIN and Plan Number. Batch processing updates the EPMF weekly, although some processing is performed daily (Employee Plans Master File Pre-Posting), and some is real-time Employee Plans Master File Online (EMFOL). All return data and related information pertaining to employee benefit plans are posted to EPMF so that the file reflects a continuously updated and current record of each plans sponsor's account.

B. PII DETAIL

6. Does the system use, collect, receive, display, store, maintain, or disseminate IR Code 6103 taxpayer information; or any type of Sensitive but Unclassified (SBU) or Personally Identifiable Information (PII)?

Yes

6.a. If **yes**, does the system use, collect, receive, display, store, maintain, or disseminate Social Security Numbers (SSN s) or tax identification numbers (i.e. last 4 digits, etc.)? Yes

If **yes**, check all types of tax identification numbers (TIN) that apply to this system:

<u>No</u>	Social Security Number (SSN)
<u>Yes</u>	Employer Identification Number (EIN)
<u>No</u>	Other Taxpayer Identification Number

If SSNs apply, which of the following approved Treasury uses of the SSNs applies:

<u>No</u>	Security background investigations
<u>No</u>	Interfaces with external entities that require the SSN
<u>No</u>	Legal/statutory basis (e.g. where collection is expressly required by statute)
<u>No</u>	When there is no reasonable alternative means for meeting business requirements
<u>No</u>	Statistical and other research purposes
<u>No</u>	Delivery of governmental benefits, privileges, and services
<u>No</u>	Law enforcement and intelligence purposes
<u>No</u>	Another compelling reason for collecting the SSN

Explain why one or more of the eight authorized uses above support the new or continued use of SSNs.

Describe the planned mitigation strategy and forecasted implementation date to mitigate or eliminate the use of SSN s (or tax identification numbers).

6.b. Does this system use, collect, receive, display, store, maintain, or disseminate other (non-SSN) PII (i.e. Names, addresses, etc.)? Yes

If **yes**, specify the information.

<u>Selected</u>	<u>PII Element</u>
Yes	Name
Yes	Mailing address
Yes	Phone Numbers
Yes	E-mail Address
No	Date of Birth
No	Place of Birth
No	Standard Employee Identifier (SEID)
No	Mother's Maiden Name
No	Protection Personal Identification Numbers (IP PIN)
No	Internet Protocol Address (IP Address)
No	Criminal History
No	Medical Information
No	Certificate or License Numbers
No	Vehicle Identifiers
No	Passport Number
No	Alien Number
No	Financial Account Numbers
No	Photographic Identifiers
No	Biometric Identifiers
No	Employment Information
Yes	Tax Account Information
No	Centralized Authorization File (CAF)

6.c. Does this system contain SBU information that is not PII, it uses, collects, receives, displays, stores, maintains, or disseminates? Yes

If **yes**, select the types of SBU

<u>Selected</u>	<u>SBU Name</u>	<u>SBU Description</u>
Yes	Agency Sensitive Information	Information which if improperly used or disclosed could adversely affect the ability of the agency to accomplish its mission
No	Procurement sensitive data	Contract proposals, bids, etc.
No	Official Use Only (OUO) or Limited Official Use (LOU)	Information designated as OUO or LOU is information that: is exempt under one of the statutory Freedom of Information Act exemptions; is prohibited by other laws or regulations; would significantly impede the agency in carrying out a responsibility or function; or would constitute an unwarranted invasion of privacy.
No	Proprietary data	Business information that does not belong to the IRS
No	Protected Information	Information which if modified, destroyed or disclosed in an unauthorized manner could cause: loss of life, loss of property or funds by unlawful means, violation of personal privacy or civil rights, gaining of an unfair procurement advantage by contractors bidding on government contracts, or disclosure of proprietary information entrusted to the Government
No	Physical Security Information	Security information containing details of serious weaknesses and vulnerabilities associated with specific systems and facilities
No	Criminal Investigation Information	Information concerning IRS criminal investigations or the agents conducting the investigations.

6.d. Are there other types of SBU/PII used in the system? Yes

If **yes**, describe the other types of SBU/PII that are applicable to this system.

All data therein is used for answering inquiries, classifying returns for audit, preparing reports, and other matters concerned with the processing and enforcement activities of the IRS. Each plan sponsor account has an entity data structure, one or more optional plan functions, and one or more optional tax module functions. The entity data structure contains data that describes the plan sponsor as an entity, which applies to all the records of that plan sponsor. The entity function contains groups of data including name, address, etc. Each plan function contains data that describe the plan, which apply to all records of the plan. The plan function contains groups of data including plan name, plan effective date, plan administrator, and plan determination information from the Employee Plans/Exempt Organization Determination System (EDS). Each tax function contains groups of data including total assets, number of plan participants, record of examination, and plan period specific information. The return transaction function contains the entire 5500-series return. The EPMF/EMFOL includes transactions that record correspondence with the Plan Administrator regarding compliance with the ERISA reporting requirements. For example, if a 5500-series return is late, if IRS sends a delinquency notice to a filer because the return has not posted to the EPMF, and if the filer responds with a copy of the filing that has not yet posted to the EPMF, a transaction is added to the EPMF to prevent further actions.

6.e. Cite the authority for collecting SBU/PII (including SSN if relevant)

- Yes PII for federal tax administration is generally Internal Revenue Code Sections 6001, 6011, 6012e(a)
- No SSN for tax returns and return information is Internal Revenue Code Section 6109
- No SSN for personnel administration (IRS Employees) is 5 USC & Executive Order 9397
- No PII for personnel administration is 5 USC
- No PII about individuals for Bank Secrecy Act compliance 31 USC
- No Information by CI for certain money laundering cases may be 18 USC

6.f. Has the authority been verified with the system owner? Yes

B.1 BUSINESS NEEDS AND ACCURACY

7. Explain the detailed business needs and uses for the SBU/PII, and how the SBU/PII is limited only to that which is relevant and necessary to meet the mission requirements of the system. If SSNs (or tax identification numbers) are used, explicitly explain why use of SSNs meets this criteria. Be specific.

To conduct tax administration. The name, EIN, and addresses of the Sponsor and Plan Administrator are required to identify the Plan's account. The characteristics and financial statement information are required to determine eligibility for tax-exempt status and maintain a record of how these requirements are met. After the initial filing of the return, any changes or updates to the Plan information, whether initiated by the Plan Administrator or the IRS, are submitted as a transaction to post to the EPMF Master File so that the file reflects a continuously updated and current record of each Plan's information.

8. How is the SBU/PII verified for accuracy, timeliness, and completeness?

EPMF is unique in that the pre-processing of the IRS forms is performed by another Government entity, the Department of Labor. As of January 2010, Under the Department of Labor's Filing Acceptance System2 (EFAST2), plan sponsors or plan administrators submit Form 5500-series returns electronically directly to the EFAST vendor's processing site. The EFAST system performs initial data validation. This initial validation includes more than 450 tests to ensure the

completeness and consistency of data supplied on the forms and to ensure EINs and plan numbers are correct. This validation is done prior to submitting the form and again after the form is submitted. If there are any errors after the form is submitted, the filer is notified of these errors with the acknowledgement that the return was received and instructed to submit an amended return to correct any errors. Another layer of validation is done when the returns reach the EPMF, where returns can either be rejected and not processed (for severe errors that might cause IRS systems to crash, like an unexpected record format) or sent to the Generalized Unpostable Framework (GUF) system for manual review and correction (for errors that might result in inaccuracies on the EPMF, like a return transaction where the EIN exists on the EPMF but the sponsor name on the return appears to be different than the sponsor name on the EPMF, indicating a possible EIN problem). GUF users research possible errors using tools like Integrated Data Retrieval System (IDRS) command codes ERTVU (to view the complete return) and EMFOL (to view the entire EPMF account). Non-EFAST transactions are validated by the systems that generate them (IDRS, Administrative Information Management Strategy (AIMS-R), etc.). Non-EFAST transactions are also subjected to another layer of validation when they reach the EPMF, with errors corrected through the GUF. Once return data is in the system, it can only be changed when a filer (the plan administrator) submits an amended return through EFAST. The EPMF can be updated only by custom code tightly controlled by MCC Mainframe Administrators. Adjustments, whether originated by IRS or the Plan Administrator are input through the Integrated Data Retrieval System (IDRS) and transmitted for posting to the master file. If the data is accurate when it is originally added to the system, it will remain accurate. Technical methods ensure that the data remains unchanged throughout its life on the system. Batch processing is performed weekly. The timeliness and completeness of a filer's submission is checked when a return posts to the EPMF. The timeliness of EFAST processing is monitored weekly using an EPMF-generated report.

C. PRIVACY ACT AND SYSTEM OF RECORDS

The Privacy Act requires Federal agencies that maintain a system of records to publish systems of records notices (SORNs) in the Federal Register for records from which information is retrieved by any personal identifier for an individual who is a US citizen, or an alien lawfully admitted for permanent residence. The Privacy Act also provides for criminal penalties for intentional noncompliance.

9. Does your application or this PCLIA system pertain to a group of any record from which information is retrieved by any personal identifier for an individual who is a US citizen, or an alien lawfully admitted for permanent residence? An identifier may be a symbol, voiceprint, SEID, or other personal identifier that is used to retrieve information. Yes

If **yes**, enter the SORN number(s) and the complete the name of the SORN(s).

<u>SORNS Number</u>	<u>SORNS Name</u>
IRS 50.222	Tax Exempt/Government Entities (TE/GE) Case Management Records
IRS 34.037	Audit Trail and Security Records System

*IRS is required to have a published Privacy Act system of records in the Federal Register. Please identify the Privacy Act SORN(s) that cover these records. If you need additional assistance identifying the correct SORNS please email *Privacy.*

D. RESPONSIBLE PARTIES

10. Identify the individuals for the following system roles. ## Official Use Only

E. INCOMING PII INTERFACES

11. Does the system receive SBU/PII from other system or agencies? Yes

11.a. If **yes**, does the system receive SBU/PII from IRS files and databases? No

11.b. Does the system receive SBU/PII from other federal agency or agencies? Yes

If **yes**, for each federal interface, identify the organization that sends the SBU/PII, how the SBU/PII is transmitted and if there is an Inter-Agency Agreement (ISA)/Memorandum of Understanding (MOU).

<u>Organization Name</u>	<u>Transmission method</u>	<u>ISA/MOU</u>
Department of Labor	Electronic File Transfer Utility (EFTU)	Yes

11.c. Does the system receive SBU/PII from State or local agencies? No

11.d. Does the system receive SBU/PII from other sources? No

11.e. Does the system receive SBU/PII from **Taxpayer** forms? Yes

If **yes**, identify the forms.

<u>Form Number</u>	<u>Form Name</u>
5500-EZ	Annual Return of One-Participant (Owners and Their Spouses) Retirement Plan

11.f. Does the system receive SBU/PII from **Employee** forms (such as the I-9)? No

F. DISSEMINATION OF PII

12. Does this system disseminate SBU/PII? No

G. PRIVACY SENSITIVE TECHNOLOGY

13. Does this system use social media channels? No

14. Does this system use privacy-sensitive technologies such as mobile, global position system (GPS), biometrics, Radio Frequency Identification (RFID), etc.? No

15. Does the system use cloud computing? No

16. Does this system/application interact with the public? No

H. INDIVIDUAL NOTICE AND CONSENT

17. Was (or is) notice provided to the individual prior to collection of information? Yes

17.a. If **yes**, how is notice provided? Was the individual notified about the authority to collect the information, whether such is mandatory or voluntary, the purpose for which the information will be used, with whom the information may be shared, and the effects, if any, if they decide not to provide any of the requested information?

A Privacy Act Notice is present on the Form and Publication 4810. Notice, consent and due process are provided pursuant to 5 United States Code (USC). Forms 5500, 5500-SF, and required Schedules and attachments are used for annual returns/report of employee benefit plan that require a plan administrator to report annually at the plan level.

18. Do individuals have the opportunity to decline from providing information and/or from consenting to particular uses of the information? No

18.b. If individuals do not have the opportunity to give consent, why not?

Form 5500 series (including Form 5500, 5500-SF, 5500-EZ, and Schedules and attachments) is required to be filed under sections 6058(a) and 6059. IRC Section 6109 requires filers to provide identification number. Failure to provide information in a timely manner or false or fraudulent information may be subject to penalties under sections 6652(d), 6652(e), and 6692. IRC Section 6104(b) makes the information contained in Form 5500 series publicly available.

19. How does the system or business process ensure due process regarding information access, correction and redress? Notice, consent and due process are provided pursuant to 5 USC.

I. INFORMATION PROTECTION

20. Identify the owner and operator of the system (could be IRS owned and Operated; IRS owned, contractor operated; contractor owned and operated)

IRS Owned and Operated

21. The following people have access to the system with the specified rights:

IRS Employees? Yes

<u>IRS Employees?</u>	Yes/No	Access Level (Read Only/Read Write/ Administrator)
Users	No	
Managers	No	
Sys. Administrators	Yes	Administrator
Developers	Yes	Read-Only

Contractor Employees? No

21.a. How is access to SBU/PII determined and by whom? Data access is granted on a "need to know" basis. The OL5081 (Online 5081) is used to document access requests, modifications, and terminations for all types of users, including System Administrators. When a new user needs access to IRS systems or applications, the user's manager or designated official, completes an OL5081 requesting access for the new user. OL5081 is an online form, which includes information, such as the name of the system or application, type of access, and the manager's signature approving authorization of access. The completed OL5081 is submitted

to the Security or User Administrator, who assigns a user ID and an initial password. Before access is granted, the user is required to digitally sign OL5081 acknowledging his/her security responsibilities when using the system. Profiles for users are determined according to access rights granted when the user creates an OL5081 request. The profiles are controlled by pre-set tables. These tables may be changed only by a programmer with a Change Request from a Security Manager. Users are prevented from exceeding their assigned access privileges.

I.1 RECORDS RETENTION SCHEDULE

22. Are these records covered under the General Records Schedule (GRS), or have a National Archives and Records Administration (NARA) archivist approved a Record Control Schedule (RCS) for the retention and destruction of official agency records stored in this system? Yes

22.a. If **yes**, how long are the records required to be held under the corresponding RCS and how are they disposed of? In your response, please include the complete IRM number 1.15.XX and specific item number and title.

EPMF data is processed in accordance with disposition instructions found in IRS Records Control Schedule (RCS) Document 12990 under RCS 19 (item 31), and RCS 29 (item 122). IRC 6104 relates to the publicity of information as required from certain exempt organizations and certain trusts also cover the EPMF application. It states that one must always follow the agency and the National Archives and Records Administration (NARA) approved record retention schedules. However, once IRS receives a Freedom of Information Act (FOIA) request for the records, they may not be destroyed, even if the records ought to have been destroyed in accordance with applicable record retention schedules (Reg. 601.702(c) (12) per "Exempt Organizations-Technical Instruction Program for FY 2003").

I.2 SA&A OR ASCA

23. Has the system been through Security Assessment and Authorization (SA&A) or Annual Security Control Assessment (ASCA)? Yes

23.a. If **yes**, what date was it completed? 12/19/2013

23.1. Describe in detail the system's audit trail. In March 2014 EPMF was classified as a level 3 Non-FISMA reportable application. EPMF itself does not have an audit trail. It is a batch processing system and the only employees who have direct access to the EPMF are database administrators (DBAs).

J. PRIVACY TESTING

24. Does the system require a System Test Plan? No

24.b. If **no**, please explain why. Not Applicable.

K. SBU Data Use

25. Does this system use, or plan to use SBU Data in Testing? No

L. NUMBER AND CATEGORY OF PII RECORDS

26. Identify the number of individual records in the system for each category:

- | | |
|------------------------------|----------------------------|
| 26.a. IRS Employees: | <u>Not Applicable</u> |
| 26.b. Contractors: | <u>Not Applicable</u> |
| 26.c. Members of the Public: | <u>More than 1,000,000</u> |
| 26.d. Other: | <u>No</u> |

M. CIVIL LIBERTIES

27. Does the system maintain any information describing how any individual exercises their rights guaranteed by the First Amendment? No

28. Is the system information used to conduct data-mining as defined in the *Implementing the Recommendations of the 9/11 Commission Act of 2007, Public Law 110-53, Section 804*? No

29. Will this system have the capability to identify, locate, and monitor individuals or groups of people? No

30. Does Computer matching occur? No

N. ACCOUNTING OF DISCLOSURES

31. Does the system include or require disclosure of tax or employee information to anyone other than IRS employees in the performance of their duties, or to the person to whom the information pertains or to a 3rd party pursuant to a Power of Attorney, tax or Privacy Act consent? Yes

31.a. does the system have a process in place to account for such disclosures in compliance with IRC 6103 (p) (3) (A) or Subsection (c) of the Privacy Act? Contact Disclosure to determine if an accounting is required. Yes

End of Report
