## A. SYSTEM DESCRIPTION

1. Enter the full name and acronym for the system, project, application and/or database.  Remittance Strategy for Paper Check Conversion, RS-PCC

2. Is this a new system?  No

2a. If **no**, is there a PIA for this system?   Yes

If **yes**, enter the full name, acronym, PIA ID Number and milestone of the most recent PIA.

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Next, enter the **date** of the most recent PIA.    9/18/2013

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

| | |
|---|---|
| **No** | **Addition of PII** |
| **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** |
| **Yes** | **Internal Flow or Collection** |

Were there other system changes not listed above?   No

If yes, explain what changes were made.

3. Check the current ELC (Enterprise Life Cycle) 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** |
| **No** | **System Development/Milestone 4B** |
| **No** | **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?   Yes

## 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.

The system owner of RS-PCC is W&I Customer Accounts Services (CAS), Submission Processing. Other IRS user organizations other than the CAS organization affected by the RS-PCC application include Small Business Self Employed (SB/SE) Compliance and W&I Care. Currently, RS-PCC is in operations and maintenance (O&M) phase. RS-PCC is deployed at six (6) campuses. 1. Brookhaven (NY7184) 2. Philadelphia (PA0809) 3. Atlanta (GA1016) 4. Memphis (TN0005) 5. Austin (TX2038) 6. Andover (MA0137) The RS-PCC system allows paper remittances to be immediately converted to electronic transactions at the time and place of receipt. The initial step in processing paper remittances using the RS-PCC system is capturing the necessary payment and associated taxpayer information. After an IRS employee receives a payment, s/he logs on to an IRS workstation equipped with a portable desktop check scanner and Active X software. The paper remittance is scanned and a check image file and Item Reference Number (IRN) is created. In the workstation, the IRS employee is presented with a Graphical User Interface (GUI) that contains sections and fields for payment data. If the scan is successful, the payment fields (routing and transit number, bank account number, etc.) populate automatically from the scanned check image. If the scan is unsuccessful or misreads the paper remittance, the user manually enters the values for the payment fields either from the check image or from the original paper check. The GUI on the workstation also contains taxpayer sections and fields. If the tax payment is submitted with a paper voucher coupon, the user manually enters the values for the taxpayer fields. If no paper voucher is submitted, the necessary taxpayer data is manually obtained from Integrated Data Retrieval System (IDRS), Integrated Collection System (ICS), other tax forms, or from interviewing the taxpayer directly. During the course of the day, RS-PCC users capture check images and enter in transaction information into the RS-PCC web application. This web application performs automatic validation checks, provides the ability to key verify the information, and produces standard reports. The Active X software sits on IRS workstations and provides an interface for the check scanners. Active X allows users to capture check images. The RS-PCC system is also responsible for transmitting, receiving, and converting RS-PCC data into files that can be used by deposit, posting, and archive systems each processing day. The RS-PCC system transmits check images, check data and the IRN after the batch has been key verified at the end of each day via XML Gateway through HTTPS secure connection (128 bit encryption). The data is transmitted to the Electronic Verification and Imaging System (ELVIS) within the Bureau of the Fiscal Service (BFS). BFS ELVIS is responsible for depositing the money into the Federal Reserve Bank (FRB) of Cleveland within 24 hours. The FRB uses the information to electronically debit the check-writer's account via the Automated Clearing House (ACH), credits the IRS account in CA$H-LINK, and returns a confirmed deposit ticket (SF 215A) and the IRN for each transaction to the RS-PCC system. The RS-PCC system also transmits taxpayer and check data via Electronic File Transfer Utility (EFTU) to the Electronic Federal Payment Posting System (EFPPS) on a daily basis. EFPPS is responsible for posting each payment to the Master File and for assigning each transaction a Document Locator Number (DLN) and Trace ID. Since EFPPS requires deposit information before posting transactions, RS-PCC data is transmitted only after receipt of a confirmed deposit ticket from BFS ELVIS. After posting is complete, EFPPS returns DLNs and Trace IDs for each transaction to the RS-PCC system. (NOTE: Interim Revenue Accounting Control System (IRACS) reconciliation and balancing for RS-PCC transactions is accomplished through the EFPPS interface with IRACS.) After each transaction on a deposit ticket is posted, RS-PCC packages and transmits all check image files, check data files, and taxpayer information files, including EFPPS DLNs and Trace IDs, via EFTU to the Remittance Transaction Research (RTR) system. RTR is an existing IRS system that acts as a data warehouse for storing and researching historical tax payment data and images. Transmission from the RS-PCC system to RTR also occurs daily prior to a specified deadline. The RS-PCC application includes the following application users types; Operator, Supervisor, Analyst, RS-PCC Accounting, and System Administrator.

## 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

    6a. 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 who the SSN (or tax identification number) is collected on.

          Yes    On Primary       Yes    On Spouse      Yes   On Dependent

        If **yes**, check all types SSN s (or tax identification numbers) that apply to this system:

| | |
|---|---|
| **Yes** | **Social Security Number (SSN)** |
| **Yes** | **Employer Identification Number (EIN)** |
| **Yes** | **Individual Taxpayer Identification Number (ITIN)** |
| **Yes** | **Taxpayer Identification Number for Pending U.S. Adoptions (ATIN)** |
| **No** | **Practitioner Tax Identification Number (PTIN)** |

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

        The Office of Management and Budget memorandum M-07-16 requires that federal agencies develop a mitigation or elimination strategy for systems that use SSNs, which the Service continues to develop strategies to meet. An exception to that requirement is when the SSN is uniquely needed to identify a user's record. The RS-PCC system requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer at this time. SSNs are permissible from Internal Revenue Code (IRC) 6109, which requires individual taxpayers to include their SSNs on their income tax returns.

    6b. Does this system contain other (non-SSN) PII that it uses, collects, receives, displays, stores, maintains, or disseminates? (i.e. Names, addresses, etc.)  Yes

        If **yes**, specify the information.

| Selected | PII Element | On Primary | On Spouse | On Dependent |
|---|---|---|---|---|
| Yes | Name | Yes | Yes | Yes |
| Yes | Mailing address | No | No | No |
| No | Phone Numbers | No | No | No |
| No | E-mail Address | No | No | No |
| No | Date of Birth | No | No | No |
| No | Place of Birth | No | No | No |
| No | SEID | No | No | No |
| No | Mother's Maiden Name | No | No | No |
| No | Protection Personal Identification Numbers (IP PIN) | No | No | No |
| No | Internet Protocol Address (IP Address) | No | No | No |
| No | Criminal History | No | No | No |
| No | Medical Information | No | No | No |
| No | Certificate or License Numbers | No | No | No |
| No | Vehicle Identifiers | No | No | No |
| No | Passport Number | No | No | No |

| No | Alien (A-) Number | No | No | No |
|---|---|---|---|---|
| Yes | Financial Account Numbers | No | No | No |
| No | Photographic Identifiers | No | No | No |
| No | Biometric Identifiers | No | No | No |
| No | Employment (HR) Information | No | No | No |
| No | Tax Account Information | No | No | No |

6c. Does this system contain SBU information that is not PII, it uses, collects, receives, displays, stores, maintains, or disseminates?     No

6d. Are there other types of SBU/PII used in the system?   No

6e. 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) |
|---|---|
| Yes | 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 |

6f. 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.

   The PII collected in this system is used in the IRS Tax Administration initiatives and strategies: to validate errors on tax returns, assess the correct tax and to aid in the compliance efforts of IRS Revenue Officers, Tax Examiners and Field Agents. The PII collected is also used to produce tax return transcripts requested by the taxpayers and their authorized representatives to support voluntary tax compliance.

8. How is the SBU/PII verified for accuracy, timeliness, and completeness? Explain how steps are taken to ensure that all information maintained by the system that is used by IRS to make any adverse determination about an individual's rights, benefits, and/or privileges is maintained with such accuracy, relevance, timeliness, and completeness as is reasonably necessary to assure fairness to the individual in the determination

   Accuracy: Payment transactions must include data in a prescribed format and must meet a variety of validation criteria that ensure proper processing and crediting to the appropriate account. Taxpayers are enrolled and validated based on the IRS's Master Files before payments can be accepted from them. Timeliness: The payment information is used to update the appropriate taxpayer account on Master File. Completeness: Payment transactions must be received in a required RS-PCC record format.

## C. PRIVACY ACT AND SYSTEM OF RECORDS

9. Are 10 or more records containing SBU/PII maintained, stored, and/or transmitted by or through this system?   Yes

   9a. If **yes**, are records in the system retrieved by any personal identifier (e.g., name, SSN, Photograph, IP Address) for an individual?   Yes

   If **yes**, is there a System of Records Notice(s) or SORNs that addresses the PII records in this system?   Yes

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

   **SORNS Number  SORNS Name**
   Treas/IRS 24.030  IMF
   Treas/IRS 24.046  BMF

   If **yes**, does the System of Records Notice(s) (SORN) published in the Federal Register adequately describe the records as required by the Privacy Act?   Yes

## 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

    11a. If **yes**, does the system receive SBU/PII from IRS files and databases?   Yes

    If **yes**, enter the files and databases.

| System Name | Current PIA? | PIA Approval Date | SA & A? | Authorization Date |
|---|---|---|---|---|
| EFPPS | Yes | 05/22/2015 | Yes | 10/20/2015 |
| RTR | Yes | 05/26/2015 | Yes | 03/16/2016 |

    11b. Does the system receive SBU/PII from other federal agency or agencies?   No

    11c. Does the system receive SBU/PII from State or local agency (-ies)?   No

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

    11e. Does the system receive SBU/PII from **Taxpayer** forms?   No

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

## F.  PII SENT TO EXTERNAL ORGANIZATIONS

12. Does this system disseminate SBU/PII?     Yes

    12a. Does this system disseminate SBU/PII to other IRS Systems?     Yes

    If **yes**, identify the full name and acronym of the IRS system(s) that receive SBU/PII from this system.

| System Name | Current PIA? | PIA Approval Date | SA & A? | Authorization Date |
|---|---|---|---|---|
| EFPPS | Yes | 05/22/2015 | Yes | 10/20/2015 |
| RTR | Yes | 05/26/2015 | Yes | 03/16/2016 |

    Identify the authority and for what purpose?     PII for federal tax administration is generally Internal Revenue Code Sections 6001, 6011, 6012e(a) SSN for tax returns and return information is Internal Revenue Code Section 6109

    12b . Does this system disseminate SBU/PII to other Federal agencies?     No

    12c. Does this system disseminate SBU/PII to State and local agencies?     No

    12d. Does this system disseminate SBU/PII to IRS or Treasury contractors?     No

    12e. Does this system disseminate SBU/PII to other Sources?     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, cloud, global position system (GPS), biometrics, 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/is notice provided to the individual prior to collection of information?     No

    17b. If **no**, why not? If information is not collected directly from an individual, please discuss the factors considered in deciding to collect information from third party sources.
The IRS notifies all individuals who file tax returns of such collection via the Privacy Act Notice in tax return instructions and Publication 1.

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

18b. If no, why not?   All individuals have the right to decline to provide information. However, they may be subject to Examination or Deficiency procedures, at which time they are provided applicable notices, such as Your Appeals Rights and How to Prepare a Protest.

19. How does the system or business process ensure due process regarding information access, correction and redress?
The RS-PCC process and procedures are dictated by the Internal Revenue Manual guidelines. IRS policy allows individuals whose data is in the system the opportunity to clarify or dispute negative determinations through the appeals process.

## 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

| IRS Employees? | Yes/No | Access Level(Read Only/Read Write/ Administrator) |
|---|---|---|
| **Users** | **Yes** | **Read and Write** |
| **Managers** | **Yes** | **Read and Write** |
| **Sys. Administrators** | **Yes** | **Read and Write** |
| **Developers** | **No** | |

Contractor Employees?   No

21a. How is access to SBU/PII determined and by whom? The RS-PCC system utilizes the IRS OL5081 application to document approvals for access.

21b. If computer matching occurs, can the business owner certify that it meets requirements of IRM 11.3.39 Disclosure of Official Information, Computer Matching & Privacy Protection Act ?
Not Applicable

## 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

22a. 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.

All records housed in the system will be erased or purged from the system at the conclusion of their retention period(s) as required under IRM 1.15.6. RS-PCC data is approved for destruction 19 days after information has been transferred to the Remittance Transaction Research System (Job No. N1-58-11-9). Disposition

instructions are published in IRS Document 12990 under Records Control Schedule (RCS) 29 for Tax Administration, Wage and Investment , item 134.

**I.2 SA&A OR ECM-R**

23. Has the system been through SA&A (Security Assessment and Authorization) or ECM-R (Enterprise Continuous Monitoring Reauthorization)?    Yes

    23a. If **yes**, what date was it completed?    10/27/2015

    23.1 Describe in detail the system s audit trail.    Record for successful and unsuccessful logons are stored in database DM_AUDITTRAIL table: The Oracle 10g AS determines that the user has not authenticated and presents the user with a login page. The user enters their Active Directory credentials (username and password) and submits them for authentication. The container uses the RS-PCC Login Module to authenticate the user against Active Directory through the Documentum Content Server. Upon successful login, the system adds principals to the user, providing authorization to perform actions in the application. Record stored in database RSPCC_AUDIT_RECORD table: Scan checks, send to bank, get deposit ticket back, transmit the posting data assoc w/checks to EFPPS. Over time, receive response back from EFPPS that all transactions have been posted to taxpayer account. Transmit all data & images assoc w/checks to RTR for archival.

**J. PRIVACY TESTING**

24. Does the system require a System Test Plan? Yes

    24b. If **yes**, Is the test plan in process or completed:  Completed

    24.3 If **completed/ or in process,** describe what testing and validation activities have been conducted or are in progress to verify and validate that the applicable Privacy Requirements (listed in header) have been met?
    The applications System Security Plan (SSP) show the results of the Privacy Controls in Section 5. All Privacy controls were either tested or validate during the assessment.

    24b.1. If **completed**, where are the test results stored (or documentation that validation has occurred confirming that requirements have been met)?    Treasury FISMA Inventory Management System (TFIMS) repository

    24b.2. If **completed**, were all the Privacy Requirements successfully tested?    Yes

    24.2 If **completed**, are there any residual system privacy, civil liberties, and/or security risks identified that need to be resolved? No

**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:

      26a. IRS Employees:            More than 100,000
      26b. Contractors:               Under 5,000
      26c. Members of the Public:   More than 1,000,000
      26d. Other:                  No

## 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 9/11 Commission Recommendations 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

## N. ACCOUNTING OF DISCLOSURES

30.  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?  No

**End of Report**