

Date of Approval: April 3, 2017

PIA ID Number: 2234

A. SYSTEM DESCRIPTION

1. Enter the full name and acronym for the system, project, application and/or database. GLDS Reimbursables Data Exchange, GLDS RA

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.

GLDS Reimbursables Data Exchange, 761

Next, enter the **date** of the most recent PIA. 4/8/2014

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

<u>No</u>	Addition of PII
<u>No</u>	Conversions
<u>No</u>	Anonymous to Non-Anonymous
<u>No</u>	Significant System Management Changes
<u>No</u>	Significant Merging with Another System
<u>No</u>	New Access by IRS employees or Members of the Public
<u>No</u>	Addition of Commercial Data / Sources
<u>No</u>	New Interagency Use
<u>No</u>	Internal Flow or Collection

Were there other system changes not listed above? No

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

<u>No</u>	Vision & Strategy/Milestone 0
<u>No</u>	Project Initiation/Milestone 1
<u>No</u>	Domain Architecture/Milestone 2
<u>No</u>	Preliminary Design/Milestone 3
<u>No</u>	Detailed Design/Milestone 4A
<u>No</u>	System Development/Milestone 4B
<u>No</u>	System Deployment/Milestone 5
<u>Yes</u>	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.

The Governmental Liaison, Disclosure and Safeguard (GLDS) Reimbursables Data Exchange system has a government mandate to share data with other federal, state and local agencies pursuant to 6103(l)7B, 6103(d), 6103(l)(20). The systems DIFSLA - (Disclosure of Information to Federal, State and Local Agencies) program receives Tickler (Flat) Files from Federal, State, and Local Agencies. These files are logged by the Electronic File Transfer Utility (EFTU) and record counts are monitored to ensure records sent by the agency match what is received by the IRS. These files are then matched via batch processing (no direct access) to the Information Return Master File (IRMF). The IRMF data records are appended to the tickler records provided by the states via a batch program and then returned to their prospective agencies via EFTU. Data is extracted from the Information Returns Master file by SSN's and transferred to a secured drop box so that participating state agencies can then access their folder and access information needed to administer Federal Benefits programs. The GLDS office has Computer Matching Agreements (CMAs) with agencies participating in the data exchanges. These CMAs are to distinguish participating agencies. Participating agencies have extracts created. Record counts are provided for each extract. This is flat file processing and not necessarily a "system." Agencies having extracts created are the Veterans Benefit Administration, Veterans Health Administration, Social Security Administration, Department of Justice, Department of Education and Office of Child Support Enforcement.

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 No On Dependent

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

Yes	Social Security Number (SSN)
No	Employer Identification Number (EIN)
No	Individual Taxpayer Identification Number (ITIN)
No	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-07-12 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 DIFSLA (IRMF data) 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	No
No	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
No	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.

By law, data must be released to federal and state agencies that have a justified need. No data is released unless it is permitted by statute. 1. DIFSLA - Disclosure of Information to Federal, State and Local Agencies. IRC 6103(l)(7) provides for the use of certain return information by agencies

administering certain programs under the Social Security Act. 2. Medicare Prescription Drug Subsidy Program – IRC 6103(l)(7) authorizes IRS to disclose return information with respect to unearned income to Federal, State and local agencies administering certain benefit programs under the Social Security Act. 3. Medicare Part B Premium Reduction - Section 6103(l)(20) of the Internal Revenue Code authorizes the IRS to disclose specified return information to SSA with respect to taxpayers whose Part B insurance premium may, according to IRS records, be subject to adjustments.

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

The correctness of the return information provided to the Agency is generally contingent upon the correctness of the information provided by the payer of the income. As noted in the Computer Matching Agreement document: Notice and Opportunity to Contest 1. Where adverse information is uncovered, the agency will notify the applicant or recipient, and provide an opportunity to explain the circumstances prior to making a final eligibility determination or adjustment to current benefits. 2. The individual subject to adverse action shall be provided a minimum of 30 days to contest the action, unless (1) the Federal Benefit program involved in the match has its own time period for contesting an adverse action or (2) the situation falls under the exception for situations when an agency determines there is likely to be a significant effect on public health or safety. 5 U.S.C. 552a(p)(3).

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.

<u>SORNS Number</u>	<u>SORNS Name</u>
34.030	Treas/IRS IMF
24.046	Treas/IRS BMF
34.037	Treas/ IRS Audit Trail and Security Records System

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? No

No System Records found.

11b. 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>
Social Security Administration, Veterans Benefit Administration, Veterans Health Administration, Department of Justice	EFTU via Secure Data Transfer	Yes

11c. Does the system receive SBU/PII from State or local agency (-ies)? Yes

If **yes**, for each state and local 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>
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<p>1. Alabama Department of Human Resources 2. Alabama Medicaid Agency 3. Alaska Department of Health & Social Service 4. Arizona Department of Economic Security 5. Arkansas Department of Human Services 6. California Department of Social Services 7. Connecticut Department of Social Services 8. Delaware Department of Health & Social Services 9. D.C. Department of Human Services 10. Florida Department of Children & Families 11. Georgia Department of Human Resources 12. Hawaii Department of Human Services 13. Idaho Department of Health/Welfare 14. Illinois Department of Human Services 15. Indiana Family & Social Services Administration 16. Iowa Department of Human Services 17. Kansas Department of Social/Rehab Services 18. Kentucky Cabinet for Health and Family Services 19. Louisiana Department of Health & Hospitals 20. Louisiana Department of Children and Family Services 21. Maine Department of Human Services 22. Maryland Department of Human Services 23. Massachusetts Department of Transitional Assistance 24. Michigan Department of Human Services 25. Minnesota Department of Human Services 26. Mississippi Department of Human Services 27. Mississippi Division of Medicaid 28. Missouri Department of Social Services 29. Montana Department of Public Health & Human Services 30. Nebraska Department of Health & Human Services 31. Nevada Department of Human Services 32. New Hampshire Department of Health & Human Services 33. New Jersey Department of Human Services 34. New Mexico Human Services Department 35. New York Office of Temporary & Disability Assistance 36. North Carolina Department of Health & Human Services 37. North Dakota Department of Human Services 38. Ohio Department of Job and Family Services 39. Ohio Medicaid 40. Oklahoma Department of Human Services 41. Oregon Department of Human Resources 42. Pennsylvania Department of Public Welfare 43. Rhode Island Department of Human Services 44. South Carolina Department of Social Services 45. South Dakota Department of Social Services 46. Tennessee Department of Human Services 47. Texas Health and Human Services Commission 48. Utah Department of Workforce Services 49. Vermont Department of Children and Families 50. Virginia Department of Health and Human Services 51. Washington Department of Social & Health Services 52. Wisconsin Department of Children and Families 53. Wyoming Department of Family Services</p>	EFTU via Secure Data Transfer	Yes
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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? No

12b . Does this system disseminate SBU/PII to other Federal agencies? Yes

If **yes** identify the full names of the federal agency(s) that receive SBU/PII from this system, 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>
Social Security Administration, Veterans Benefit Administration, Veterans Health Administration, Department of Justice	EFTU via secure data transfer	Yes

Identify the authority and for what purpose? 1. DIFSLA - Disclosure of Information to Federal, State and Local Agencies. IRC 6103(l)(7) provides for the use of certain return information by agencies administering certain programs under the Social Security Act. 2. Medicare Prescription Drug Subsidy Program – IRC 6103(l)(7) authorizes IRS to disclose return information with respect to unearned income to Federal, State and local agencies administering certain benefit programs under the Social Security Act. 3. Medicare Part B Premium Reduction - Section 6103(l)(20) of the Internal Revenue Code authorizes the IRS to disclose specified return information to SSA with respect to taxpayers whose Part B insurance premium may, according to IRS records, be subject to adjustments. 4. TAR provides taxpayer mailing addresses. IRC 6103 authorizes the disclosure of the taxpayer mailing address to locate individuals to collect or compromise Federal Claims, for defaulted student loans and other specified uses 6103(m)

12c. Does this system disseminate SBU/PII to State and local agencies? Yes

If **yes**, identify the full names of the state and local agency(s) that receive SBU/PII from this system, 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>
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<p>1. Alabama Department of Human Resources 2. Alabama Medicaid Agency 3. Alaska Department of Health & Social Service 4. Arizona Department of Economic Security 5. Arkansas Department of Human Services 6. California Department of Social Services 7. Connecticut Department of Social Services 8. Delaware Department of Health & Social Services 9. D.C. Department of Human Services 10. Florida Department of Children & Families 11. Georgia Department of Human Resources 12. Hawaii Department of Human Services 13. Idaho Department of Health/Welfare 14. Illinois Department of Human Services 15. Indiana Family & Social Services Administration 16. Iowa Department of Human Services 17. Kansas Department of Social/Rehab Services 18. Kentucky Cabinet for Health and Family Services 19. Louisiana Department of Health & Hospitals 20. Louisiana Department of Children and Family Services 21. Maine Department of Human Services 22. Maryland Department of Human Services 23. Massachusetts Department of Transitional Assistance 24. Michigan Department of Human Services 25. Minnesota Department of Human Services 26. Mississippi Department of Human Services 27. Mississippi Division of Medicaid 28. Missouri Department of Social Services 29. Montana Department of Public Health & Human Services 30. Nebraska Department of Health & Human Services 31. Nevada Department of Human Services 32. New Hampshire Department of Health & Human Services 33. New Jersey Department of Human Services 34. New Mexico Human Services Department 35. New York Office of Temporary & Disability Assistance 36. North Carolina Department of Health & Human Services 37. North Dakota Department of Human Services 38. Ohio Department of Job and Family Services 39. Ohio Medicaid 40. Oklahoma Department of Human Services 41. Oregon Department of Human Resources 42. Pennsylvania Department of Public Welfare 43. Rhode Island Department of Human Services 44. South Carolina Department of Social Services 45. South Dakota Department of Social Services 46. Tennessee Department of Human Services 47. Texas Health and Human Services Commission 48. Utah Department of Workforce Services 49. Vermont Department of Children and Families 50. Virginia Department of Health and Human Services 51. Washington Department of Social & Health Services 52. Wisconsin Department of Children and Families 53. Wyoming Department of Family Services</p>	EFTU via secure data transfer	Yes
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Identify the authority and for what purpose? DIFSLA - Disclosure of Information to Federal, State and Local Agencies. IRC 6103(l)(7) provides for the use of certain return information by agencies administering certain programs under the Social Security Act.

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? Yes

17a. 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?

When person is applying for assistance, they sign a document regarding acquiring data from other federal and state agencies to determine the correct amount of assistance. Constructive notice is also given by publishing the matching program via a Federal Register Notice.

18. Do individuals have the opportunity to decline from providing information and/or from consenting to particular uses of the information? Yes

18a. If **yes**, describe the mechanism by which individuals indicate their consent choice(s):

When person is applying for assistance, they sign a document regarding acquiring data from other federal and state agencies to determine the correct amount of assistance. Constructive notice is also given by publishing the matching program via a Federal Register Notice.

19. How does the system or business process ensure due process regarding information access, correction and redress?

As noted in the Computer Matching Agreement document: Notice and Opportunity to Contest 1.

Where adverse information is uncovered, the agency will notify the applicant or recipient, and provide an opportunity to explain the circumstances prior to making a final eligibility determination or adjustment to current benefits. 2. The individual subject to adverse action shall be provided a minimum of 30 days to contest the action, unless (1) the Federal Benefit program involved in the match has its own time period for contesting an adverse action or (2) the situation falls under the exception for situations when an agency determines there is likely to be a significant effect on public health or safety. 5 U.S.C. 552a(p)(3).

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>	<u>Yes/No</u>	<u>Access Level(Read Only/Read Write/Administrator)</u>
Users	No	
Managers	No	
Sys. Administrators	Yes	Read and Write
Developers	Yes	Read And Write

Contractor Employees? No

21a. How is access to SBU/PII determined and by whom? Data access is granted on a need-to-know basis. A potential user must submit a request for access via IRS On-Line application 5081 (OL5081) to their local management for approval consideration. Users are not permitted access without a signed 5081 form from an authorized management official. Specific permissions (Read, Write, Modify, Delete, and/or Print) are defined on the OL5081 form and set (activated) by the System Administrator prior to the user being allowed access. User privileges and user roles determine the types of data that each user has access to. Management monitors system access and removes permissions when individuals no longer require access. The participating agencies must have a computer matching agreement in place to participate. They are subject to reviews by the Office of Safeguards to ensure that they comply with 6103 (p)(4). They must be in compliance with the Computer Matching Computer Matching and Privacy Protection Act and 6103(p)(4) in order to submit a file to conduct data matching.

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 ? Yes

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.

GLD Reimbursables' (DIFSLA, Medicare Part D & B and TAR) data is approved as temporary, subject to destruction when no longer needed for operational purposes but no longer than 5 years. System owners currently set retention at 1-year. System data is scheduled under several NARA-approved disposition authorities: (IMF/IRTF Extracts) Job No. N1-58-09-23, published in IRS Document 12990 under Records Control Schedule (RCS) 18, item 53; (BMF Extracts) Job No. N1-58-09-22, published in IRS Document 12990 under RCS 18, item 54; and (BRTF Extracts) Job No. N1-58-09-24, published in IRS Document 12990 under RCS 18, item 55.

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)? No

23c. If **no**, is the system secured in accordance with all applicable federal, treasury, and IRS security policy, procedures, and requirements? Yes

23.1 Describe in detail the system's audit trail. The GLDS DIFSLA - (Disclosure of Information to Federal, State and Local Agencies) program receives Tickler (Flat) Files from Federal, State, and Local Agencies. These files are logged by the Electronic File Transfer Utility (EFTU) and record counts are monitored to ensure records sent by the agency match what is received by the IRS. These files are then matched via batch processing (no direct access) to the Information Return Master File

(IRMF). The IRMF data records are appended to the tickler records provided by the states via a batch program and then returned to their prospective agencies via EFTU. Record counts are provided for each extract and random files are quality reviewed for data integrity. DIFSLA and IRMF rely on the RACF/GSS-21 IBM Masterfile Platform to capture login information for developer access to their systems. The DISFLA program is not responsible for providing data access to individual users. The Governmental Liaison, Disclosure and Safeguard office maintains Computer Matching Agreements (CMAs) with agencies participating in the data exchange that outline security/privacy procedures.

J. PRIVACY TESTING

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

24c. If **no**, please explain why. DIFSLA is a component of the IRMFRES system which utilizes the IRMFRES Test Plan (TP), which is a requirement for all testing and may be used as an Enterprise Life Cycle (ELC) functional equivalent for the System Test Plan (STP).

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:	<u>Not Applicable</u>
26b. Contractors:	<u>Not Applicable</u>
26c. Members of the Public:	<u>More than 1,000,000</u>
26d. 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 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? Yes

If **yes**, 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
