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**A. SYSTEM DESCRIPTION**

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1. Enter the full name and acronym for the system, project, application and/or database. Reimbursable Accounts System, REACS

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.

Reimbursable Accounts System, REACS, 236 - MS4B

Next, enter the **date** of the most recent PIA. 11/14/2012

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
- No 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)

- 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
- No System Deployment/Milestone 5
- No Operations & Maintenance (i.e., system is currently operational)

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

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**A.1 General Business Purpose**

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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.

REACS provides taxpayer extract information to TIGTA, HCO, State agencies and serves as an information-clearing house for the Governmental Liaison. REACS provides programming Services to supply taxpayer extract information, on a contractual basis, to various external-trading partners (i.e. Statistics of Income, IRS Gov't Liaison Data Exchange Program (GLDEP), U.S. Census Bureau, and the Social Security Administration (SSA)).

**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)
- Yes Employer Identification Number (EIN)
- Yes 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).

There is no alternative to the use of the SSN. The SSN is the significant part of the data being processed. There is no planned mitigation strategy to mitigate or eliminate the use of the SSN on the system.

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.

<u>Selected</u>	<u>PII Element</u>	<u>On Primary</u>	<u>On Spouse</u>	<u>On Dependent</u>
Yes	Name	Yes	Yes	No
Yes	Mailing address	No	No	No
No	Phone Numbers	No	No	No
No	E-mail Address	No	No	No
Yes	Date of Birth	Yes	Yes	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	No	No	No

Numbers (IP PIN)				
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)

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

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

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## B.1 BUSINESS NEEDS AND ACCURACY

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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.

REACS runs extract data for the IRS GL Data Exchange Program. They disseminate requested and approved portions of the extract data to other Federal and State (or City) agencies. The Governmental Liaison Data Exchange Program (GLDEP) was created with the specific intent of sharing Federal return and return information with state agencies to assist with state tax administration. The goals and benefits of the GLDEP is help the states as follows: to leverage resources, to increase revenue & compliance, and to provide opportunities for enhanced taxpayer outreach & education.

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  
System reports, and beginning and ending balances from previous reports.

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**C. PRIVACY ACT AND SYSTEM OF RECORDS**

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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>
Treas/IRS 24.046 IMF	
Treas/IRS 24.046 BMF	
Treas/IRS 34.037 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

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**D. RESPONSIBLE PARTIES**

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10. Identify the individuals for the following system roles. N/A

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**E. INCOMING PII INTERFACES**

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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.

<u>System Name</u>	<u>Current PIA?</u>	<u>PIA Approval Date</u>	<u>SA &amp; A?</u>	<u>Authorization Date</u>
Business Master File	Yes	06/02/2014	Yes	06/14/2010
Individual Master File	Yes	05/02/2014	Yes	06/14/2010

- 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

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**F. PII SENT TO EXTERNAL ORGANIZATIONS**

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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.

<u>System Name</u>	<u>Current PIA?</u>	<u>PIA Approval Date</u>	<u>SA &amp; A?</u>	<u>Authorization Date</u>
ALERTS	Yes	02/26/2014	Yes	03/27/2014

Identify the authority and for what purpose? REACS runs extract data for the IRS GL Data Exchange Program. They disseminate requested and approved portions of the extract data to other Federal and State (or City) agencies. The Governmental Liaison Data Exchange Program (GLDEP) was created with the specific intent of sharing Federal return and return information with state agencies to assist with state tax administration. The goals and benefits of the GLDEP is help the states as follows: to leverage resources, to increase revenue & compliance, and to provide opportunities for enhanced taxpayer outreach & education.

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>
Census Bureau	EFTU	Yes
Governmental Liaison Data Exchange Program	EFTU	Yes

Identify the authority and for what purpose? REACS runs extract data for the IRS GL Data Exchange Program. They disseminate requested and approved portions of the extract data to other Federal and State (or City) agencies. The Governmental Liaison Data Exchange Program (GLDEP) was created with the specific intent of sharing Federal return and return information with state agencies to assist with state tax administration. The goals and benefits of the GLDEP is help the states as follows: to leverage resources, to increase revenue & compliance, and to provide opportunities for enhanced taxpayer outreach & education.

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>
State and Local Agencies	EFTU	Yes

Identify the authority and for what purpose? REACS runs extract data for the IRS GL Data Exchange Program. They disseminate requested and approved portions of the extract data to other Federal and State (or City) agencies. The Governmental Liaison Data Exchange Program (GLDEP) was created with the specific intent of sharing Federal return and return information with state agencies to assist with state tax administration. The goals and benefits of the GLDEP is help the states as follows: to leverage resources, to increase revenue & compliance, and to provide opportunities for enhanced taxpayer outreach & education.

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

12e. Does this system disseminate SBU/PII to other Sources? No

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## **G. PRIVACY SENSITIVE TECHNOLOGY**

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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

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## **H. INDIVIDUAL NOTICE AND CONSENT**

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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.

REACS extracts data files from IMF and BMF. We do not manipulate data or interact with individuals' data directly. "Notice, consent, and due process" are provided via BMF, IMF, and its related tax forms and instructions .

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? REACS extracts data files from IMF and BMF. We do not manipulate data or interact with individuals' data directly. "Notice, consent, and due process" are provided via BMF, IMF, and its related tax forms and instructions .

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

REACS extracts data files from IMF and BMF. We do not manipulate data or interact with individuals' data directly. "Notice, consent, and due process" are provided via BMF, IMF, and its related tax forms and instructions .

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## **I. INFORMATION PROTECTION**

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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	Yes	Read-Only
Managers	Yes	Read-Only
Sys. Administrators	No	
Developers	Yes	Read-Only

Contractor Employees? No

21a. How is access to SBU/PII determined and by whom? The users must submit an OL5081 to request access to the REACS data. The request must be approved by the users' managers before being forwarded to the REACS Business Unit. The REACS BU are responsible for reviewing the request and ensuring the user are added to the appropriate access control list in order for the user to receive proper access to the REACS data.

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

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**I.1 RECORDS RETENTION SCHEDULE**

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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.

REACS is not the official records keeping repository of the extracted information in the system. All information in the system is properly scheduled in its original forms under the General Records Schedules and the Records Control Schedules of the IRS. Extracted Federal Tax Information is provided to State and Local agencies under the authority of IRC 6103d for purposes of State Taxes administration. 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. For different data types, there are different retention periods. Retention schedules are documented in the Functional specification packages.

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

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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. Audit trail is not needed because we do READ-ONLY extracts, we do not update taxpayer information.

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## J. PRIVACY TESTING

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

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

If **in process**, when is the test plan scheduled for completion? 4/1/2016

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? REACS developers complete FISMA training annually.

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## K. SBU Data Use

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

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## L. NUMBER AND CATEGORY OF PII RECORDS

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

26a. IRS Employees:	<u>50,000 to 100,000</u>
26b. Contractors:	<u>Not Applicable</u>
26c. Members of the Public:	<u>More than 1,000,000</u>
26d. Other:	<u>No</u>

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## M. CIVIL LIBERTIES

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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

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## N. ACCOUNTING OF DISCLOSURES

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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



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**End of Report**

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