
A. SYSTEM DESCRIPTION

Authority: Office of Management Budget (OMB) Memorandum (M) 03-22, OMB Guidance for Implementing the Privacy Provisions of the E-Government Act of 2002 & PVR #10-Privacy Accountability and #21-Privacy Risk Management

Date of Submission: Feb. 16 2012 PIA ID Number: 157

1. What type of system is this? Legacy

1a. Is this a Federal Information Security Management Act (FISMA) reportable system? Yes

2. Full System Name, Acronym, and Release/Milestone (if appropriate):

Audit Information Management System (AIMS) Related Reports (ARR)

2a. Has the name of the system changed? No

If yes, please state the previous system name, acronym, and release/milestone (if appropriate):

3. Identify how many individuals the system contains information on

Number of Employees: Under 50,000

Number of Contractors: Not Applicable

Members of the Public: Over 1,000,000

4. Responsible Parties:

N/A

5. General Business Purpose of System

The purpose of Audit Information Management System Related Reports (ARR) is to provide Headquarter (HQ) Analysts and field personnel with timely and reliable information to monitor the current fiscal year's examination plan as well as specific programs on a monthly basis. AIMS-R receives data from AIMS Reports Processing (ARP) and time-related data from Examination Return Control System (ERCS) for Revenue Agents, Tax Compliance Officers, Revenue Officers and Tax Examiners.

6. Has a PIA for this system, application, or database been submitted previously to the Office of Privacy Compliance? (If you do not know, please contact *Privacy and request a search) Yes

6a. If Yes, please indicate the date the latest PIA was approved: 04/08/2009

6b. If Yes, please indicate which of the following changes occurred to require this update.

- System Change (1 or more of the 9 examples listed in OMB 03-22 applies) (refer to PIA Training Reference Guide for the list of system changes) No
 - System is undergoing Security Assessment and Authorization Yes
-

6c. State any changes that have occurred to the system since the last PIA

Production environment moved from Modernization & Information Technology Services (MITS)-19 in Detroit to MITS-21 in Martinsburg. The move occurred in mid-2009.

7. If this system has an Exhibit 53 or Exhibit 300 please provide the Unique Project Identifier (UPI) number (XXX-XX-XX-XX-XX-XXXX-XX). Otherwise, enter the word 'none' or 'NA'. NA

B. DATA CATEGORIZATION

Authority: OMB M 03-22 & PVR #23-PII Management

8. Does this system collect, display, store, maintain or disseminate Personally Identifiable Information (PII)? Yes

8a. If No, what types of information does the system collect, display, store, maintain or disseminate?

9. Indicate the category that best describes the source that provides or originates the PII collected, displayed, stored, maintained or disseminated by this system. Most common categories follow:

Taxpayers/Public/Tax Systems Yes
 Employees/Personnel/HR Systems Yes

Other Source:

Other No

10. Indicate all of the types of PII collected, displayed, stored, maintained or disseminated by this system. Then state if the PII collected is on the Public and/or Employees. Most common fields follow:

| TYPE OF PII | Collected? | On Public? | On IRS Employees or Contractors? |
|------------------------------|------------|------------|----------------------------------|
| Name | Yes | Yes | No |
| Social Security Number (SSN) | Yes | Yes | No |
| Tax Payer ID Number (TIN) | Yes | Yes | No |
| Address | Yes | Yes | No |
| Date of Birth | No | No | No |

Additional Types of PII: Yes

| <u>PII Name</u> | <u>On Public? On Employee?</u> | |
|-------------------------------------|--------------------------------|-----|
| Taxpayer Codes | Yes | No |
| Exam Codes | Yes | No |
| Period Of Tax Return | Yes | No |
| Type Of Tax Return | Yes | No |
| Date Of Death | Yes | No |
| Standard Employee Identifier (SEID) | No | Yes |

10a. Briefly describe the PII available in the system referred to in question 10 above.

Taxpayer's Social Security Number / Taxpayer Identification Number /Cross Reference/Related SNN / TIN (Belonging to Taxpayer's Spouse or Taxpayer's Business) /Taxpayer's Name & Name Control / Taxpayer's Address / Taxpayer's Form Exam Codes / Period of Taxpayer's Tax Return / Type of Return belonging to Taxpayer / Taxpayer's Date of Death

If you answered Yes to Social Security Number (SSN) in question 10, answer 10b, 10c, and 10d.

10b. Cite the authority that allows this system to contain SSN's? (e.g. specific regulations, statutes, etc.)

26 USC 6109 – requires inclusion of identifying numbers in returns, statements, or other documents for securing proper identification of persons required to make such returns, statements, or documents.

10c. What alternative solution to the use of the SSN has/or will be applied to this system? (e.g. masking, truncation, alternative identifier)

No planned mitigation. The SSN is a critical component to ARR processing and access is limited to IRS employees.

10d. Describe the planned mitigation strategy and forecasted implementation date to mitigate or eliminate the use of Social Security Numbers on this system?

Not applicable, there is no plan to eliminate the use SSNs.

11. Describe in detail the system's audit trail. State what data elements and fields are collected. Include employee log-in information. If the system does not have audit capabilities, explain why an audit trail is not needed.

The ARR application is a batch level process that runs on a mainframe and is not capable of generating any audit records. All audit records are generated and maintained by the MITS-21 GSS.

- 11a. Does the audit trail contain the audit trail elements as required in current IRM 10.8.3 Audit Logging Security Standards? No

12. What are the sources of the PII in the system? Please indicate specific sources:

- a. IRS files and databases: Yes

If **Yes**, the system(s) are listed below:

| <u>System Name</u> | <u>Current PIA?</u> | <u>PIA Approval Date</u> | <u>SA & A?</u> | <u>Authorization Date</u> |
|--|---------------------|--------------------------|--------------------|---------------------------|
| Examination Returns Control System (ERCS) | Yes | 01/19/2011 | Yes | 06/02/2011 |
| Audit Information Management System Reports Processing (ARP) | Yes | 08/29/2011 | Yes | 02/08/2012 |

- b. Other federal agency or agencies: No

If **Yes**, please list the agency (or agencies) below:

- c. State and local agency or agencies: No

If **Yes**, please list the agency (or agencies) below:

- d. Third party sources: No

If yes, the third party sources that were used are:

- e. Taxpayers (such as the 1040): No

- f. Employees (such as the I-9): No

- g. Other: No If **Yes**, specify:

C. PURPOSE OF COLLECTION

Authorities: OMB M 03-22 & Internal Revenue Manual (IRM) 10.8.8, IT Security, Live Data Protection Policy & PVR #16, Acceptable Use

13. What is the business need for the collection of PII in this system? Be specific.

Audit Information Management System Related Reports (ARR) uses the data to create reports related to examination results. Data is also used to create the Open Case data file, Closed Case data file and Summary Examination Time Transmission System (SETTS) data file (as output). Reports created from AIMS-R are Closure and Inventory data of returns and the results associated with those returns for use by management. There is no identifiable employee data.

D. PII USAGE

Authority: OMB M 03-22 & PVR #16, Acceptable Use

14. What is the specific use(s) of the PII?

| | |
|-------------------------------|------------|
| To conduct tax administration | <u>No</u> |
| To provide taxpayer services | <u>Yes</u> |
| To collect demographic data | <u>No</u> |
| For employee purposes | <u>Yes</u> |

Other: Yes

If other, what is the use?

Management Metrics

E. INFORMATION DISSEMINATION

Authority: OMB M 03-22 & PVR #14- Privacy Notice and #19- Authorizations

15. Will the information be shared outside the IRS? (for purposes such as computer matching, statistical purposes, etc.) Yes

15a. If yes, with whom will the information be shared? The specific parties are listed below:

| | Yes/No | Who? | ISA OR MOU**? |
|-------------------------------|--------|---|---------------|
| Other federal agency (-ies) | Yes | Treasury Inspector General for Tax Administration (TIGTA) | Yes |
| State and local agency (-ies) | No | | |
| Third party sources | No | | |
| Other: | No | | |

** Inter-agency agreement (ISA) or Memorandum of Understanding (MOU)

16. Does this system host a website for purposes of interacting with the public? No

17. Does the website use any means to track visitors' activity on the Internet?

If yes, please indicate means:

| | YES/NO | AUTHORITY |
|--------------------|--------|------------------------------------|
| Persistent Cookies | _____ | _____ |
| Web Beacons | _____ | _____ |
| Session Cookies | _____ | _____ |
| Other: | _____ | <i>If other, specify:</i> _____ |

F. INDIVIDUAL CONSENT

Authority: OMB M 03-22 & PVR #15- Consent and #18- Individual Rights

18. Do individuals have the opportunity to decline to provide information or to consent to particular uses of the information? Not Applicable

18a. If Yes, how is their permission granted?

19. Does the system ensure "due process" by allowing affected parties to respond to any negative determination, prior to final action? Not Applicable

19a. If Yes, how does the system ensure "due process"?

20. Did any of the PII provided to this system originate from any IRS issued forms? No

20a. If Yes, please provide the corresponding form(s) number and name of the form.

No forms found.

20b. If No, how was consent granted?

| | |
|--|-------|
| Written consent | _____ |
| Website Opt In or Out option | _____ |
| Published System of Records Notice in the Federal Register | _____ |
| Other: | _____ |

G. INFORMATION PROTECTIONS

Authority: OMB M 03-22 & PVR #9–Privacy as Part of the Development Life Cycle, #11–Privacy Assurance, #12–Privacy Education and Training, #17–PII Data Quality, #20–Safeguards and #22–Security Measures

21. Identify the owner and operator of the system: IRS Owned and Operated

21a. If Contractor operated, has the business unit provided appropriate notification to execute the annual security review of the contractors, when required?

22. The following people have use of the system with the level of access specified:

| | Yes/No | Access Level |
|----------------------------------|---------------|---------------------|
| IRS Employees: | <u>Yes</u> | |
| Users | | <u>No Access</u> |
| Managers | | <u>No Access</u> |
| System Administrators | | <u>Read Only</u> |
| Developers | | <u>Read Only</u> |
| Contractors: | <u>No</u> | |
| Contractor Users | | <u></u> |
| Contractor System Administrators | | <u></u> |
| Contractor Developers | | <u></u> |
| Other: | <u>No</u> | <u></u> |

If you answered yes to contractors, please answer 22a. (All contractor/contractor employees must hold at minimum, a "Moderate Risk" Background Investigation if they have access to IRS owned SBU/PII data.)

22a. If the contractors or contractor employees act as System Administrators or have "Root Access", does that person hold a properly adjudicated "High Level" background investigation?

23. How is access to the PII determined and by whom?

Access permissions to PII are determined by completion of an On-Line 5081 (OL5081) form, which is then approved by management. Access permissions are controlled and managed through Resource Access Control Facility (RACF).

24. How will each data element of SBU/PII be verified for accuracy, timeliness, and completeness?

The ARR system receives data from ERCS and ARP systems which have their own verification process for data accuracy, timeliness, completeness and therefore ARR assumes that the data is accurate, timely, and complete when it is provided by ERCS and ARR. The ARR application has input validation processes that check character length, types, and formats to ensure data will be processed accurately.

25. 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

25a. 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.

ARR-generated reports could fall under IRM/RCS 1.15.23, item 6 for Monthly, Quarterly, Annual and Other Periodic Management Information Reports. However, if the mandatory 5-year disposition for that item does not meet the business needs for Exam, the BU and the Records Office will work together to draft for NARA approval a records control schedule specific to ARR.

If No, how long are you proposing to retain the records? Please note, if you answered no, you must contact the IRS Records and Information Management Program to initiate records retention scheduling before you dispose of any records in this system.

26. Describe how the PII data in this system is secured, including appropriate administrative and technical controls utilized.

The ARR application relies on or inherits from the MITS-21 and MITS-1 GSSs technical controls that secure data at rest, during transit, and protects from outside influences. Media protection controls are inherited from the IRS facilities that house the information system.

26a. Next, explain how the data is protected in the system at rest, in flight, or in transition.

Administrative policies and procedures have been developed to define the requirements for protection of data during transit, at rest, and in flight.

27. Has a risk assessment (e.g., SA&A) been conducted on the system to ensure that appropriate security controls have been identified and implemented to protect against known risks to the confidentiality, integrity and availability of the PII? Yes

28. Describe the monitoring/evaluating activities undertaken on a regular basis to ensure that controls continue to work properly in safeguarding the PII.

The ARR application does have any system monitoring or evaluation capabilities. ARR relies on MITS-1 to provide system monitoring and evaluation.

29. Is testing performed, in accordance with Internal Revenue Manual (IRM) 10.8.8 – *IT Security, Live Data Protection Policy*? Yes

29a. Has approval been received from the Office of Privacy Compliance to use Live Data in testing (*if appropriate*)?

29b. If you have received permission from the Office of Privacy Compliance to use Live Data, when was the approval granted?

H. PRIVACY ACT & SYSTEM OF RECORDS

Under the statute, any employee who knowingly and willfully maintains a system of records without meeting the Privacy Act notice requirements is guilty of a misdemeanor and may be fined up to \$5000.

Authority: OMB M 03-22 & Privacy Act, 5 U.S.C. 552a (e) (4) & PVR #13-Transparency

30. Are 10 or more records containing PII maintained/stored/transmitted through this system? Yes

31. Are records on the system retrieved by any identifier for an individual? (Examples of identifiers include but are not limited to Name, SSN, Photograph, IP Address) No

31a. If YES, the System of Records Notice(s) (SORN) published in the Federal Register adequately describes the records as required by the Privacy Act? Enter the SORN number and the complete name of the SORN.

No SORN Records found.

I. ANALYSIS

Authority: OMB M 03-22 & PVR #21 Notice Review Processing System, NRPS, Filing Season 2012/Milestone 4B Privacy Risk Management

32. What choices were made or actions taken regarding this IT system or collection of information as a result of preparing the PIA?

| | |
|---|-----------|
| Resulted in the removal of PII from the system (e.g., SSN use reduced/eliminated) | <u>No</u> |
| Provided viable alternatives to the use of PII within the system | <u>No</u> |
| New privacy measures have been considered/implemented | <u>No</u> |
| Other: | <u>No</u> |

32a. If Yes to any of the above, please describe:

NA

[View other PIAs on IRS.gov](#)