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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. Appeals Centralized Database System, ACDS

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.

Appeals Centralized Database System, ACDS, PIA

Next, enter the **date** of the most recent PIA. 2/2/2015

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

No	Addition of PII
Yes	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
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

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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. ACDS is a mission critical system supporting the activities of the Appeals organization. ACDS is a web-based application with no external interfaces. ACDS is only accessible from the Internal Revenue Service (IRS) intranet. ACDS supports and captures information on many of the core business activities, including inventory and statute control, tracking case status, tracking case actions and issues, assigning employees to cases, creating and maintaining employee timesheets, and documenting case reviews. ACDS records case time and monitors the progress of the Appeals workload. Additionally, ACDS is used for all Appeals management information statistics and produces management information reports. The reports generated by ACDS are used to improve the quality of service and to provide IRS executives with timely and accurate metrics on how well the Appeals organization is meeting its strategic goals and supporting IRS and Treasury goals.

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## B. PII DETAIL

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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). We use Work Unit numbers as an alternative to identify taxpayer records. We mask SSNs in APGolf. The Office of Management and Budget Circular A-130 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 ACDS system requires the use of SSNs because no other identifier can be used to uniquely identify a taxpayer for intergovernmental communications. 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.

<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
Yes	Phone Numbers	No	No	No
Yes	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
Yes	Tax Account Information	Yes	Yes	No

6c. 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>
No	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.
Yes	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
Yes	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.

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

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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 the criteria. Be specific. The business need for collection of PII is tax administration. ACDS supports and captures information on many of the core business activities, including inventory and statute control, tracking case status, tracking case actions and issues, assigning employees to cases, creating and maintaining employee timesheets, and documenting case reviews. ACDS records case time and monitors the progress of the Appeals workload.

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. ACDS/Art Valuation: When the Administrative file/case file is sent to Appeals for a new Appeals case, it contains a Form 3210 Document Transmittal, that identifies the release date of the file, the originator, the name and EIN/SSN of each case being placed into inventory. Receipt of the Form 3210 information is verified and the part 3 of the Form 3210 returned to the supplier organization function (i.e., Wage & Investment, Small Business/Self Employed, Tax Exempt/Government Entities, Large & Midsized Business). A copy of each Form 3210 is retained by Appeals. Timeliness of the taxpayer record is ensured because the adversarial party to the case in Appeals is the taxpayer. The taxpayer desires timely conclusion of their actions and Appeals is driven to the same conclusion by the taxpayer's actions. Statute of limitations for each case also ensures timely action by all parties. Tax Examiners accept cases into Appeals and control information on ACDS. Finally, ACDS reports monitor length of time in the Appeals process for all cases. These reports are reviewed regularly and steps are taken by management to reduce overage cases. The accuracy and timeliness of all data is verified by the Case Processors/Tax Examiners, Appeals Officers/Settlement Officers, or Appeals Collection Specialists (screeners) who are assigned the case. They physically review the data and compare it to the incoming paper documents received in the Administrative file/case file. When there are inaccuracies, or the case is not complete, an Appeals Officer or Settlement Officer prepares a transmittal to return the case to the originating function as a premature referral. They also advise the Processing Section of the corrections that need to be made to the data in ACDS. Appeals Team Managers further ensure the accuracy of the ACDS data as a part of their workload reviews.

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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 44.001	Appeals Case Files
Treas/IRS 44.003	Appeals Centralized Database System
Treas/IRS 34.037	Audit Trail and Security Records System
Treas/IRS 44.004	Art Case Files

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. ## Official Use Only

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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>
IMS	Yes	08/24/2016	Yes	04/30/2014
ERCS	Yes	02/17/2017	Yes	12/15/2016
ACS	Yes	12/18/2015	Yes	02/05/2015
AOIC	Yes	03/13/2015	Yes	09/27/2012
ICS	Yes	05/05/2016	Yes	03/23/2016

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

If **yes**, identify the forms

<u>Form Number</u>	<u>Form Name</u>
1040	US Individual Tax Return
706-GS(T)	Generation-Skipping Transfer Tax Return for Termination
706-NA	US Non-Resident Alien Estate Tax Return
709	US Gift Tax Return
720	Quarterly Federal Excise Tax Return
730	Monthly Tax on Wagering
8288	US Withholding Tax Return for Dispositions by Foreign Persons of US Realty Property
8703	Annual Certification of a Residential Rental Project
8872	Political Organizations Report of Contributions and Expenses
940	Employers Annual Federal Unemployment Tax Return (FUTA)
943	Employers Annual Federal Tax Return for Agricultural Employees
944	Employers Annual Federal Tax Return
945	Annual Return of Withheld Federal Income Tax
990	Return of Organization Exempt from Income Tax
990-EZ	Short Form Return of Organization Exempt from Income Tax
990-PF	Return of Private Foundation
990-T	Exempt Organization Business Income Tax Return
706-GS (D)	Generation-Skipping Transfer Tax Return for Distributions
941	Employers Quarterly Federal Tax Return
1041	US Fiduciary Income Tax Return (For Estates and Trusts)
1042	Annual Withholding Tax Return for US Source Income for Foreign Persons
1065	US Partnership Return of Income
1065-B	US Return of Income for Electing Large Partnerships
1066	US Real Estate Mortgage Investment Conduit Income Tax Return (REMIC)
1120	US Corporation Income Tax Return
1120-C	US Income Tax Return for Cooperative Associations
1120-F	US Income Tax Return for Foreign Corporations
1120-L	US Life Insurance Company Income Tax Return
1120-POL	US Income Tax Return for Political Organizations
1120-REIT	US Income Tax Return for Real Estate Investment Trusts
1120-RIC	US Income Tax Return for Regulated Investment Companies
1120-S	US Small Business Corporation Income Tax Return
11-C	Occupational Tax and Registrations Return for Wagering
2290	Heavy Highway Vehicle Use Tax Return
3520	Annual Return to Report Transactions with Foreign Trusts and Receipt of Foreign Gifts
3520-A	Annual Return of Foreign Trusts with US Beneficiaries
4720	Return of Certain Excise Taxes under Chapters 41 and 42 of the IRC

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? 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, 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? 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? On systems with tax return information, the IRS notifies all individuals who file tax returns of such collection via the Privacy Act Notice in tax return instructions. Voluntary filing of tax returns is considered consent to use the information. Notice, consent and due process are provided pursuant to 5 USC.

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? Voluntary filing of tax returns is considered consent to use the information. Notice, consent and due process are provided pursuant to 5 USC.

19. How does the system or business process ensure due process regarding information access, correction and redress? ACDS/Art Valuation: Yes. The very nature of the Appeals mission, to resolve taxpayer appeals of IRS determinations, ensures that ACDS will be used to provide the full extent of "due process" accorded by law. Notice, consent and due process are provided pursuant to 5 USC.

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

Contractor Employees? No

21a. How is access to SBU/PII determined and by whom? ACDS is a role-based system; access is based on permissions assigned to each role. 1. A potential user will request access via the Online 5081 system. This request must be approved by the potential user's manager based on a user's position and need-to-know.

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. National Archives and Records Administration (NARA) schedule DAA-0058-2016-0002. Once archivist approved, ACDS records will have an approved Records Control Schedule (RCS) (10, Item 33). Per the NARA approved RCS 10 Rev. 11/2017, overall ACDS electronic records will be maintained in production for 10 years before being archived. A Unified Work Request #204365 is currently in process scheduled for implementation by September 2018.

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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)? Yes

23a. If **yes**, what date was it completed? 11/19/2014

23.1 Describe in detail the system's audit trail. There is only one user per audit log event. ACDS is following the appropriate audit trail elements pursuant to current Audit Logging Security Standards. ACDS/Art Valuation: Audit account logon events (AuditAccountLogon) - Success/Failure Audit account management (AuditAccountManage) - Success/Failure Audit directory services access (AuditDSAccess) - Success/Failure Audit logon events (AuditLogonEvents) - Success/Failure Audit object access (AuditObjectAccess) - Success/Failure Audit policy change (AuditPolicyChange) - Success/Failure Audit privilege use (AuditPrivilegeUse) - Success/Failure Audit process tracking (AuditProcessTracking) - No auditing Audit system events (AuditSystemEvents) - Success/Failure For each audit event, the following information is stored: Date Time Username (this is the user's unique logon name) Internet protocol (IP) address Office code (2-digit Appeals office code) CaseID (the serial number of the case in the case table; every case has a unique ID) The accessed TIN is not captured in an audit log. In order to determine which user has accessed a particular TIN, a query is run against the database and audit log joining the audit logs with the Case tables/Case ID field. From there, one could tell if a user has accessed a particular TIN.

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## **J. PRIVACY TESTING**

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

24c. If **no**, please explain why. Appeals does internal testing following Enterprise Life Cycle Planned Maintenance Path procedures.

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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? Yes

25a. If **yes**, was permission granted per the requirements of Form 14664, SBU Data Use Questionnaire or Form 14665, SBU Data Use Request? Yes

If **yes**, provide the date the permission was granted. 10/11/2017

25b. If **yes**, was testing performed in conformance with IRM 10.5.8, Sensitive But Unclassified (SBU) Data Policy: Protecting SBU in Non-Production Environments? Yes

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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: Under 50,000  
26b. Contractors: Under 5,000  
26c. Members of the Public: More than 1,000,000  
26d. Other: No

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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