
A. SYSTEM DESCRIPTION

1. Enter the full name and acronym for the system, project, application and/or database. Appeals CollectorPro Web Version, AP-CPro Web

2. Is this a new system? Yes

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

- | | |
|-----|--|
| No | Vision & Strategy/Milestone 0 |
| Yes | 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 |
| No | 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. Art Appraisal Services (AAS), a department within the Office of Appeals function of the Internal Revenue Service produces and provides appraisal reviews/reports of tangible personal property appraisals associated with federal income, estate, and gift taxes. To accomplish this, AAS performs extensive research of available external databases to acquire both images and text pertaining to various works of art. AAS uses CollectorPro to document their research and to produce appraisal reports. In addition to eliminating the security risk, the conversion of CollectorPro to a web based application would increase efficiency by replacing a manual process. In this new environment, the Art Appraisers would experience: 1) significant reduction of lag time by inputting data and saving reports; 2) expanded data storage capacity; and 3) guaranteed backup and recovery of the data.

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.)? No

6b. Does this system contain other (non-SSN) PII that it uses, collects, receives, displays, stores, maintains, or disseminates? (i.e. Names, addresses, etc.) 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>
Yes	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.
No	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
No	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? Yes

If **yes**, describe the other types of SBU/PII that are applicable to this system. Artist, name of artist that created the art object seeking valuation. IRS Value, dollar value of art object, determined by the Art Panel. Valuation Date, date of the Art Panel meeting. Claimed Value, dollar value of the art object provided by the taxpayer as stated in the audit. Description, title of the art object and its description, obtained from art catalogs and or Internet websites. Provenance, history of ownership of the art object of the art object seeking valuation. Condition, description of the art object condition seeking valuation. Comparable (1) Price, dollar value of a similar art object. Comparable (1) Sale & Date, date and location of valuation of comparable art object. Comparable (1) Description, narrative description of comparable. Comparable (2) Price, dollar value of a similar art object. Comparable (2) Sale & Date, date and location of valuation of comparable art object. Comparable (2) Description, narrative description of comparable. Comparable (3) Price, dollar value of a similar art object. Comparable (3) Sale & Date, date and location of valuation of comparable art object. Comparable (3) Description, narrative description of comparable. Subject Property, a picture of the art object seeking valuation. Comparable #1, picture of comparable art work with researcher's notes. Comparable #2, picture of comparable art work with researcher's notes. Comparable #3, picture of comparable art work with researcher's notes.

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)
No	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. Art Appraisal Services (AAS), a department within the Office of Appeals function of the Internal Revenue Service. AAS produces and provides appraisal reviews/reports of tangible personal property appraisals associated with federal income, estate, and gift taxes. To accomplish this, AAS performs extensive research of available external databases to acquire both images and text pertaining to various works of art. AAS uses CollectorPro to their document research and to produce appraisal reports. CollectorPro is a commercial software product purchased by the IRS. CollectorPro does not capture SSNs. CollectorPro does capture from the case tracking number from our case management system called Appeals Centralized Database System (ACDS).
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 art valuation process, which is documented by CollectorPro, is an information verification process. As part of an Exam audit, the taxpayer submits a claimed value for an art object. The art appraiser develops information on the claimed art object plus three comparable art objects. The research and conclusions are entered into CollectorPro. CollectorPro produced reports which are reviewed by the Commissioner's Art Panel to validate the appraiser's research. This review in turns validates or corrects the information in CollectorPro. The following are the rights for the taxpayer to refute the information in CollectorPro. The art appraisal reports are an appendix in the taxpayer's audit report. The taxpayer has the right to appeals the Exam audit. This right to appeals also covers the art appraisal report produced by CollectorPro.

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>
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

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? No

F. PII SENT TO EXTERNAL ORGANIZATIONS

12. Does this system disseminate SBU/PII? 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, 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? During the course of an Exam audit the taxpayer is give multiple Request For Information (RFI) requesting the claimed value of an art object(s) and the supporting documentation. This would be an example of a mandatory request. The taxpayer also could voluntary provide art object in when filling out private or corporate tax returns. In other words, the taxpayer's claimed art work information comes the Exam audit.

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? The information is collected while carrying out the Internal Revenue laws of the United States; an individual cannot decline providing the information.

19. How does the system or business process ensure due process regarding information access, correction and redress? The application does not replace any individual taxpayer's right to due process, as dictated by the Internal Revenue Manual guidelines. IRS policy allows individual taxpayers 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

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

Contractor Employees? No

21a. How is access to SBU/PII determined and by whom? Access to the Appeals CollectorPro Web Version, is requested via an Online (OL) Form 5081. Access is granted on a need-to-know basis. The OL5081 enrollment process requires that an authorized manager approve access requests on a case by case basis. Access approval is based on the Users role(s) and responsibilities. Users are given the minimum set of privileges required to perform their regular and recurring work assignments, they are restricted from changing the boundaries of their access without management approval. The employee's access will be terminated once they no longer require access to the Database. Deletion from the active access role is also performed through the OL5081.

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 Ap-CPro Web system will be erased or purged from the system in accordance with approved retention periods. It is the official repository for data and documents and has National Archives approval to affect data disposition. Any records generated and maintained by the system will be managed according to requirements under IRM 1.15.1 and 1.15.6, and will be destroyed using IRS Records Control Schedule (RCS) 10 for Appeals, Item 18 Art Appraisal Services Records. Files consist of taxpayer case files that include appraisal review requests from Examination, Appeals, and District Counsel Offices support and background data, forms, work papers, Art Advisory Panel recommendations, and final appraisal reports for art and cultural property listed on tax returns. Except for working papers and background data, the files consist of copies of records, returned to district offices. (Job No. N1-58-06-10) AUTHORIZED DISPOSITION Cut off upon close of case. Destroy 6 years after Cut off.

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? Do not know

23.1 Describe in detail the system s audit trail. The system is using the auditing services of the file server. We will follow the provision of IRM 10.8.22, Information Technology (IT) Security, Web Server Security Policy.

J. PRIVACY TESTING

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? 6/15/2018

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? Quality Acceptance Testing and COTs security testing per Standards, Change and Release Management (SCRM).

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: Not Applicable
26b. Contractors: Not Applicable
26c. Members of the Public: Not Applicable
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
