
A. SYSTEM DESCRIPTION

1. Enter the full name and acronym for the system, project, application and/or database. Examination Operational Automation Database, EOAD

2. Is this a new system? No

2.a. If **no**, is there a Privacy Civil Liberties Impact Assessment (PCLIA) for this system? Yes

If **yes**, enter the full name, acronym, and milestone of the most recent PCLIA.

Examination Operational Automation Database (EOAD) PCLIA #1465

Enter the approval **date** of the most recent PCLIA. 09/14/2015

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

- No Addition of Personally Identifiable Information (PII) (PII is any information that is linked or linkable).
- 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
- Yes Expiring PCLIA

Were there other system changes not listed above? No

3. What governance board or Executive Steering Committee (ESC) does this system report to? Full name and acronym.

Small Business/Self-Employed (SB/SE) Governance Board

3.a. Check the current Enterprise Life Cycle (ELC) 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? 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.

EOAD captures examination results by issue. This data is used to enhance the ability to identify specific areas of non-compliance based upon examination results and track the effectiveness of the examination classification process. EOAD is used to track examination results for National Research Project examinations. In addition, EOAD data is used to fulfill disclosure of examination results under agreements with state and local taxation agencies. Data is captured by SB/SE, Large Business & International, and Wage & Investment examiners for examinations of all Forms 1040, 1120, 1120-S, and 1065 using Report Generation Software (RGS) and Issue Management System (IMS) software.

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

6.a. 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 all types of tax identification numbers (TIN) that apply to this system:

<u>Yes</u>	Social Security Number (SSN)
<u>Yes</u>	Employer Identification Number (EIN)
<u>No</u>	Other Taxpayer Identification Number

If SSNs apply, which of the following approved Treasury uses of the SSNs applies:

<u>No</u>	Security background investigations
<u>Yes</u>	Interfaces with external entities that require the SSN
<u>No</u>	Legal/statutory basis (e.g. where collection is expressly required by statute)
<u>Yes</u>	When there is no reasonable alternative means for meeting business requirements
<u>Yes</u>	Statistical and other research purposes
<u>No</u>	Delivery of governmental benefits, privileges, and services
<u>No</u>	Law enforcement and intelligence purposes
<u>No</u>	Another compelling reason for collecting the SSN

Explain why one or more of the eight authorized uses above support the new or continued use of SSNs.

The Office of Management and Budget Memorandum M-17-12 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 EOAD 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.

Describe the planned mitigation strategy and forecasted implementation date to mitigate or eliminate the use of SSN s (or tax identification numbers). None

6.b. Does this system use, collect, receive, display, store, maintain, or disseminate other (non-SSN) PII (i.e. Names, addresses, etc.)? Yes

If **yes**, specify the information.

<u>Selected</u>	<u>PII Element</u>
Yes	Name
Yes	Mailing address
No	Phone Numbers
No	E-mail Address
No	Date of Birth
No	Place of Birth
No	Standard Employee Identifier (SEID)
No	Mother's Maiden Name
No	Protection Personal Identification Numbers (IP PIN)
No	Internet Protocol Address (IP Address)
No	Criminal History
No	Medical Information
No	Certificate or License Numbers
No	Vehicle Identifiers
No	Passport Number
No	Alien Number
No	Financial Account Numbers
No	Photographic Identifiers
No	Biometric Identifiers
No	Employment Information
Yes	Tax Account Information
No	Centralized Authorization File (CAF)

6.c. 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.
Yes	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
Yes	Criminal Investigation Information	Information concerning IRS criminal investigations or the agents conducting the investigations.

6.d. 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.

The system contains return preparer identification (name, identification number, firm name, and address), and return information, including partner's names, capital percent, profit percent and loss percent.

6.e. 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

6.f. 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.

It is necessary to capture PII in order to identify the examined taxpayers. The specific identification of taxpayers is necessary to provide audit results to state and local tax agencies and to link the records to other IRS databases to validate certain fields on the data file. No alternative solutions have/or will be applied to the system. Access to data is limited to least privileges.

8. How is the SBU/PII verified for accuracy, timeliness, and completeness?

EOAD electronically extracts data from RGS collected by Correspondence Examination Automation Support (CEAS) and IMS at the time cases are closed electronically. There is no opportunity for manipulation of the data collected from RGS, IMS, CEAS, and Audit Information Management System (AIMS). After the monthly data download, the EOAD programmer performs additional processing to overwrite various data fields (e.g. – Source Code, Project Code, Post of Duty Code) with AIMS data because AIMS data is considered more reliable. The data collection process from RGS is tested annually. The closed cases on EOAD are matched against closed cases on AIMS monthly to determine the rate of collection of EOAD data. Collection rates below 95% are investigated further to determine if systemic issues are preventing data collection.

C. PRIVACY ACT AND SYSTEM OF RECORDS

The Privacy Act requires Federal agencies that maintain a system of records to publish systems of records notices (SORNs) in the Federal Register for records from which information is retrieved by any personal identifier for an individual who is a US citizen or an alien lawfully admitted for permanent residence. The Privacy Act also provides for criminal penalties for intentional noncompliance.

9. Does your application or this PCLIA system pertain to a group of any record from which information is retrieved by any personal identifier for an individual who is a US citizen or an alien lawfully admitted for permanent residence? An identifier may be a symbol, voiceprint, SEID, or other personal identifier that is used to retrieve information. Yes

If **yes**, enter the SORN number(s) and the complete the name of the SORN(s).

<u>SORNS Number</u>	<u>SORNS Name</u>
IRS 42.021	Compliance Programs and Project Files
IRS 34.037	Audit Trail and Security Records System
IRS 42.001	Examination Administrative Files

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

11.a. 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 PCLIA</u>	<u>Approval Date</u>	<u>SA&A?</u>	<u>Authorization Date</u>
AIMS Related Reports	Yes	08/11/2015	Yes	05/07/2012
Correspondence Examination Automation Support (CEAS)	Yes	02/14/2018	Yes	11/09/2017
Issue Management System	Yes	08/24/2016	Yes	03/04/2018

11.b. Does the system receive SBU/PII from other federal agency or agencies? No

11.c. Does the system receive SBU/PII from State or local agencies? No

11.d. Does the system receive SBU/PII from other sources? No

11.e. Does the system receive SBU/PII from **Taxpayer** forms? No

11.f. Does the system receive SBU/PII from **Employee** forms (such as the I-9)? No

F. DISSEMINATION OF PII

12. Does this system disseminate SBU/PII? Yes

12.a. 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 PCLIA</u>	<u>Approval Date</u>	<u>SA&A?</u>	<u>Authorization Date</u>
Compliance Data Warehouse	Yes	03/18/2016	Yes	11/12/2014

Identify the authority. Authority and purpose is pursuant to section 6103(h)(1) of the IRC. IRC 6103(h)(1) provides for disclosure of returns and return information to officers and employees of the Department of the Treasury (including IRS) whose official duties require access for tax administration.

For what purpose? Access is needed for tax administration.

- 12.b. 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>
Government Accountability Office	Electronic File Transfer Utility (EFTU)	Yes

Identify the authority. Authority and purpose is pursuant to section 6103(h)(1) of the IRC. IRC 6103(h)(1) provides for disclosure of returns and return information to officers and employees of the Department of the Treasury (including IRS) whose official duties require access for tax administration.

Identify the routine use in the applicable SORN (or Privacy Act exception). Internal and external stakeholders need access to the PII data fields since these fields identify the taxpayer.

For what purpose? Access is needed for tax administration.

- 12.c. 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>Transmission method</u>	<u>ISA/MOU</u>
New Hampshire Department of Revenue Administration	EFTU	Yes
New Mexico Taxation & Revenue Department	EFTU	Yes
Nevada Department of Taxation	EFTU	Yes
New York Department of Taxation and Finance	EFTU	No
South Carolina Department of Revenue	EFTU	Yes
South Dakota Department of Revenue	EFTU	Yes
Tennessee Department of Revenue	EFTU	Yes
Texas Comptroller of Public Accounts	EFTU	Yes
Kansas Department of Revenue	EFTU	Yes
New Jersey Division of Taxation	EFTU	Yes
Wisconsin Department of Revenue	EFTU	Yes
West Virginia State Tax Department	EFTU	Yes
Ohio Regional Income Tax Agency (RITA)	EFTU	Yes
Ohio Central Collection Agency (CCA)	EFTU	Yes
City of St. Louis Collector of Revenue	EFTU	Yes
New York City Department of Finance	EFTU	Yes
City of Toledo	EFTU	Yes
City of Cincinnati	EFTU	Yes
City of Columbus	EFTU	Yes
City of Portland, Revenue Division	EFTU	Yes
Delaware Division of Unemployment Ins.	EFTU	Yes
Georgia Department of Labor	EFTU	Yes
Department of Labor & Industrial Relations, Unemployment Ins	EFTU	Yes
Iowa Workforce Development Unemployment Insurance Division	EFTU	Yes
Idaho Department of Labor	EFTU	Yes
Illinois Department of Employment Security	EFTU	Yes
Indiana Department of Workforce Development	EFTU	Yes
Louisiana Workforce Commission	EFTU	Yes
Maryland Department of Labor, Licensing & Regulation	EFTU	Yes
Maine Department of Labor	EFTU	Yes
Michigan Unemployment Insurance Agency	EFTU	Yes
Minnesota Dept. of Employment & Economic Development	EFTU	Yes
Missouri Division of Employment Security	EFTU	Yes
California Department of Tax and Fee Administration	EFTU	Yes
California Employment Development Department	EFTU	Yes
Alaska Department of Revenue	EFTU	Yes
Alabama Department of Revenue	EFTU	Yes
Arkansas Department of Finance and Administration	EFTU	Yes
Arizona Department of Revenue	EFTU	Yes
Colorado Department of Revenue	EFTU	Yes
Connecticut Department of Revenue Service	EFTU	Yes
District of Columbia Office of Tax and Revenue	EFTU	Yes
Delaware Division of Revenue	EFTU	Yes
Florida Department of Revenue	EFTU	Yes
Georgia Department of Revenue	EFTU	Yes
Hawaii Department of Taxation	EFTU	Yes
Iowa Department of Revenue	EFTU	Yes
Idaho State Tax Commission	EFTU	Yes
Illinois Department of Revenue	EFTU	Yes
Michigan Department of Treasury	EFTU	Yes
Minnesota Revenue	EFTU	Yes
Missouri Department of Revenue	EFTU	Yes
Mississippi Department of Revenue	EFTU	Yes

Montana Department of Revenue	EFTU	Yes
North Carolina Department of Revenue	EFTU	Yes
North Dakota Tax Commissioner	EFTU	No
Nebraska Department of Revenue	EFTU	Yes
New Hampshire Department of Revenue Administration	EFTU	Yes
Ohio Department of Taxation	EFTU	Yes
Oklahoma Tax Commission	EFTU	Yes
Oregon Department of Revenue	EFTU	Yes
Pennsylvania Department of Revenue	EFTU	Yes
Rhode Island Division of Taxation	EFTU	Yes
Utah State Tax Commission	EFTU	Yes
Virginia Department of Taxation	EFTU	Yes
Virgin Islands Bureau of Internal Revenue	EFTU	Yes
Vermont Department of Taxes	EFTU	Yes
Washington Department of Revenue	EFTU	Yes
Louisville Metro Revenue Commission	EFTU	Yes
Lexington-Fayette Urban County	EFTU	Yes
City of Detroit, Office of Treasury	EFTU	Yes
Kansas City Department of Finance	EFTU	Yes
Philadelphia Department of Revenue	EFTU	Yes
Alabama Department of Labor	EFTU	Yes
Arizona Department of Economic Security, Unemployment Tax	EFTU	Yes
Colorado Department of Labor and Employment	EFTU	Yes
District of Columbia Department of Employment Services	EFTU	Yes
Indiana Department of Revenue	EFTU	Yes
Kentucky Department of Revenue	EFTU	Yes
Louisiana Department of Revenue	EFTU	Yes
Massachusetts Department of Revenue	EFTU	Yes
Comptroller of Maryland	EFTU	Yes
Maryland Department of Assessments & Taxation	EFTU	Yes
Maine Revenue Services	EFTU	Yes
Mississippi Department of Employment Security	EFTU	Yes
North Dakota Job Service	EFTU	Yes
Nebraska Department of Labor	EFTU	Yes
New Hampshire Employment Security	EFTU	Yes
Utah Department of Workforce Services	EFTU	Yes
Virginia Employment Commission	EFTU	Yes
Washington Employment Security Department	EFTU	Yes
Wisconsin Department of Workforce Development, Unemployment Insurance Division	EFTU	Yes
Workforce West Virginia	EFTU	Yes
New Jersey Department of Labor and Workforce Development	EFTU	Yes
New York State Department of Labor	EFTU	Yes
Ohio Department of Job & Family Services	EFTU	No
Oklahoma Employment Security Commission	EFTU	Yes
Pennsylvania Department of Labor & Industry	EFTU	Yes
South Carolina Department of Employment & Workforce	EFTU	Yes
South Dakota Department of Labor	EFTU	Yes
Tennessee Department of Labor	EFTU	Yes
California Franchise Tax Board	EFTU	Yes

Identify the authority. Authority and purpose is pursuant to section 6103(d)of the IRC. IRC 6103(d)provides for disclosure of returns and return information to officers and employees of the Department of the Treasury (including IRS) whose official duties require access for tax administration. Dissemination of EOAD data to 104 state and local taxation agencies is done through EFTU. The participation of the agencies is incorporated into the annual Governmental Liaison Data Exchange Program enrollment and coordinated by the Office of Governmental Liaison & Disclosure.

Identify the routine use in the applicable SORN (or Privacy Act exception.) Internal and external stakeholders need access to the PII data fields since these fields identify the taxpayer.

For what purpose? Tax administration

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

12.e. 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, global position system (GPS), biometrics, Radio Frequency Identification (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 (or is) notice provided to the individual prior to collection of information? Yes

17.a. 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?

The IRS notifies all individuals who file tax returns of such collection via the Privacy Act Notice in tax return instructions. See Treasury Directive Publication (TDP) 25-07 Section 4.4 for further details on notice. When a return is selected for examination the taxpayer is sent Notice 609, Privacy Act Notice, Pub 3498, The Examination Process, Pub 5, Your Appeals Rights and How to Prepare a Protest Publication 4227, Overview of the Appeals Process.

18. Do individuals have the opportunity to decline from providing information and/or from consenting to particular uses of the information? No

18.b. If individuals do not have the opportunity to give consent, why not?

Information is collected from returns filed, procedural fields, and examination results. The IRS notifies all individuals who file tax returns of such collection via the Privacy Act Notice in tax return instructions. See TDP 25-07 Section 4.4 for further details on notice.

19. How does the system or business process ensure due process regarding information access, correction and redress?
The EOAD Database does NOT make determinations. All determinations are completed through the Examination process with no direct correlation to the EOAD system. IRS policy allows affected parties the opportunity to clarify or dispute negative determinations per the examination appeals.

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	No	
Managers	No	
Sys. Administrators	Yes	Administrator
Developers	Yes	Read and Write

Contractor Employees? No

21.a. How is access to SBU/PII determined and by whom? EOAD relies on the General Support Systems (GSS) common controls associated with the IRS Enterprise Active Directory domain structure to uniquely identify and verify the identity of each user. Direct access to the server is currently limited to the System Administrators and EOAD programmers. All access is approved by IRS Program Managers.

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

22.a. 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.

EOAD data is approved for destruction after 25 years in accordance with Document 12990. Internal Revenue Service Records Control Schedule 23 Tax Administration - Administrative Record item 1, Examination Subject Files.

I.2 SA&A OR ASCA

23. Has the system been through Security Assessment and Authorization (SA&A) or Annual Security Control Assessment (ASCA)? No

23.c. 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 system is covered under GSS common controls, including auditing. Dissemination of EOAD data to internal customers is done via a shared drive controlled by Information Technology (IT). Password protected data files for respective business operating divisions are placed in separate folders on the shared drive. Each data file has a unique password. Requests to access the data are submitted to the EOAD business contact for approval. Upon approval, the EOAD programmer submits an IT ticket to allow the employee to map to the drive. Once IT grants access, the mapping instructions and password are shared with the customer. There is no audit trail documenting the details of when customers access the shared drive.

J. PRIVACY TESTING

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

24.b. If **no**, please explain why. All software is tested by IT.

K. SBU Data Use

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. 06/06/2018
If **no**, explain why not.

25.b. 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

L. NUMBER AND CATEGORY OF PII RECORDS

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

26.a. IRS Employees:	Not Applicable
26.b. Contractors:	Not Applicable
26.c. Members of the Public:	More than 1,000,000
26.d. 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 Recommendations of the 9/11 Commission 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

30. Does Computer matching occur? No

N. ACCOUNTING OF DISCLOSURES

31. 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

31.a. 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
