Date of Approval: **March 13, 2019**

PIA ID Number: **3955**

SYSTEM DESCRIPTION

Enter the full name and acronym for the system, project, application and/or database.

Late Reply Tool, LRT

Is this a new system?

No

Is there a PCLIA for this system?

Yes

What is the full name, acronym and milestone of the most recent PCLIA?

Late Reply Tool, LRT, PIA #1412

What is the approval date of the most recent PCLIA?

3/17/2016

Changes that occurred to require this update:

Expiring PCLIA

Were there other system changes not listed above?

No

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

The Late Reply Tool (LRT) program is part of the Return Integrity & Compliance Services (RICS) under the purview of the RICS Director, Wage and Investment (W&I).

Current ELC (Enterprise Life Cycle) Milestones:

Operations & Maintenance (i.e. system is currently operational)

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

No

GENERAL BUSINESS PURPOSE

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.

The Late Reply Tool (LRT) program is part of the Return Integrity & Compliance Services (RICS) under the purview of the RICS Director, Wage and Investment (W&I). The LRT application automates initial Integrated Data Retrieval System (IDRS) research of accounts, systemically establishes IDRS case controls, IDRS Collection and notice suspense activity and automates the issuance of acknowledgement and interim letters. The LRT automation process reduces clerical burden and resources while delivering improved quality and customer satisfaction. Taxpayers receive consistent and timely status updates until case closure. The LRT application allows administrators to import Exam Mail Tool (EMT) data and the Case Control Activity System (CCA) 4243 report. This allows users to complete first read review and accept new audit reconsideration and closed case mail into inventory for continued case processing and management. The application provides the following functionalities: record maintenance on all on accepted, rejected, open, closed and archived inventory; search records to view, edit or delete; issues acknowledgment and interim letters; and suspends collection activity as needed. RICS work is part of an overall revenue protection strategy. RICS' main mission is to protect public interest by improving IRS' ability to detect and prevent improper refunds.

PII DETAILS

Does the system use, collect, receive, display, store, maintain, or disseminate IR Code 6103 taxpayer information; or any other type of Sensitive but Unclassified (SBU) information or PII such as information about IRS employees or outside stakeholders?

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

What types of tax identification numbers (TIN) apply to this system?

Social Security Number (SSN)

List the approved Treasury uses of the SSN:

Interfaces with external entities that require the SSN

Legal/statutory basis (e.g. where collection is expressly required by statute)

When there is no reasonable alternative means for meeting business requirements

Explain why the authorized use(s) above support the new or continued use of SSNs (or tax identification numbers)

The tool interfaces with report CCA4243 and Exam Mail Tool (EMT) output with unique identifier of TIN as SSN.

Describe the planned mitigation strategy and forecasted implementation date to mitigate or eliminate the use of SSN's (or tax identification numbers).

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. LRT 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, "Identifying Numbers", which requires individual taxpayers to include their SSNs on their income tax returns.

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

Yes

Specify the PII Elements:

Name

Standard Employee Identifier (SEID)

Tax Account Information

Does this system use, collect, receive, display, store, maintain, or disseminate SBU information that is not PII?

No

Are there other types of SBU/PII used in the system?

Yes

Describe the other types of SBU/PII that are applicable to this system.

Taxpayer Name Control, Employee Name (first and last), Employee IDRS ID

Cite the authority for collecting SBU/PII (including SSN if relevant

PII for federal tax administration is generally Internal Revenue Code Sections 6001, 6011, & 6012e(a)

SSN for tax returns and return information is Internal Revenue Code Section 6109

Has the authority been verified with the system owner?

Yes

BUSINESS NEEDS AND ACCURACY

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.

The Late Reply Tool (LRT) automates initial Integrated Data Retrieval System (IDRS) research of accounts, systemically establishes IDRS case controls, IDRS Collection and notice suspense activity and automates the issuance of acknowledgement and interim letters.

How is the SBU/PII verified for accuracy, timeliness and completion?

The LRT Application imports all data from the Exam Mail Tool (EMT) and the Case Control Activity System (CCA) 4243 report from Integrated Data Retrieval System (IDRS) on a daily or weekly basis providing for accurate and timely data. The LRT automation process reduces clerical burden and resources while delivering improved Quality, Customer Satisfaction, and Timeliness. Taxpayers receive consistent and timely status updates until case closure. The application provides the following functionalities: 1. Record maintenance and user activity on all accepted, rejected, open, closed and archived inventory 2. Search records to view, edit or delete 3. Issues acknowledgment and interim letters 4. Suspends collection activity as needed.

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.

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

Identify the Privacy Act SORN(s) that cover these records.

IRS 42.021   Compliance Programs and Projects Files

IRS 34.037   Audit Trail and Security Records

IRS 42.001   Examination Administrative Files

RESPONSIBLE PARTIES

Identify the individuals for the following system roles:

Official Use Only

INCOMING PII INTERFACES

Does the system receive SBU/PII from other systems or agencies?

Yes

Does the system receive SBU/PII from IRS files and databases?

Yes

Enter the files and databases:

    System Name: Integrated Data Retrieval System (IDRS)
    Current PCLIA: Yes
    Approval Date: 10/1/2018
    SA&A: Yes
    ATO/IATO Date: 10/14/2018

Does the system receive SBU/PII from other federal agency or agencies?

    No

Does the system receive SBU/PII from State or local agency (-ies)?

    No

Does the system receive SBU/PII from other sources?

    No

Does the system receive SBU/PII from Taxpayer forms?

    No

Does the system receive SBU/PII from Employee forms (e.g. the I-9)?

    No

DISSEMINATION OF PII

Does this system disseminate SBU/PII?

    Yes

Does this system disseminate SBU/PII to other IRS Systems?

    Yes

Identify the full name and acronym of the IRS system(s) that receive SBU/PII from this system.

    System Name: Integrated Data Retrieval System (IDRS)
    Current PCLIA: Yes
    Approval Date: 10/1/2018
    SA&A: Yes
    ATO/IATO Date: 10/14/2018

Identify the authority

The Late Reply Tool utilizes GII (Generalized IDRS Interface) to interact with IDRS.

For what purpose?

IDRS Command Code ACTON is used by GII to place a Tax Module control on IDRS. This allows work to be controlled through the First Read process. Cases must be approved for processing in First Read before the GII will input the control. Also, GII is used to submit information to IDRS to generate the appropriate letters to taxpayers and suspend collection activity.

Does this system disseminate SBU/PII to other Federal agencies?

No

Does this system disseminate SBU/PII to State and local agencies?

No

Does this system disseminate SBU/PII to IRS or Treasury contractors?

No

Does this system disseminate SBU/PII to other Sources?

No

PRIVACY SENSITIVE TECHNOLOGY

Does this system use social media channels?

No

Does this system use privacy-sensitive technologies such as mobile, global position system (GPS), biometrics, RFID, etc.?

No

Does the system use cloud computing?

No

Does this system/application interact with the public?

No

INDIVIDUAL NOTICE AND CONSENT

Was/is notice provided to the individual prior to collection of information?

Yes

How is notice provided? Was the individual notified about the authority to collect the information, whether disclosure is mandatory or voluntary, the purpose for which the information will be used, with whom the information may be shared, and the effects on the individual, if any, if they decide not to provide all or any of the requested information?

The IRS notifies all individuals who file tax returns of such collection via the Privacy Act Notice which provides the legal right to ask for information under Internal Revenue Code sections 6001, 6011, and 6012(a), and their regulations. Under these sections, response is mandatory. Code section 6109 requires the individual provide an identifying number.

Do individuals have the opportunity to decline from providing information and/or from consenting to particular uses of the information?

No

Why not?

The IRS has the legal right to ask for information per IRC sections 6001, 6011, and 6012(a), and their regulations. The regulations state that "taxpayers must file a return or statement with IRS for any tax they are liable for". Their response is mandatory under these sections. Notice, consent and due process are provided pursuant to 5 USC.

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

The system will allow affective parties the opportunity to clarify or dispute negative information that could be used against them. Due process is provided pursuant to 5 USC.

INFORMATION PROTECTION

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

The following people have access to the system with the specified rights:

IRS Employees

    Users: Read Write

    Managers: Read Write

    System Administrators: Administrator

    Developers: Administrator

IRS Contractor Employees

    Contractor System Administrators: Administrator

    Contractor Developers: Administrator

How is access to SBU/PII determined and by whom?

    There are three user access levels associated with the LRT application: (1) Administrators, (2) Managers and (3) Users. To request permission to access the LRT application, all prospective users must follow the Online 5081 process. After user request via Online 5081, the employee manager reviews the Online 5081 and determines whether the user should be permitted access to the requested database as part of their job requirement and the access level requested. Upon manager approval, the RICS Database Administrators provide the requested access to LRT.

RECORDS RETENTION SCHEDULE

Are these records covered under a General Records Schedule (GRS, IRS Document 12829), or has the National Archives and Records Administration (NARA) approved a Records Control Schedule (RCS, IRS Document 12990) for the retention and destruction of official agency records stored in this system?

    No

You must work with the IRS Records and Information Management (RIM) Program Office to address records retention requirements before you dispose of any records in this system.

SA&A OR ASCA

Has the system been through SA&A (Security Assessment and Authorization) or ASCA (Annual Security Control Assessment)?

No

Is the system secured in accordance with all applicable federal, treasury, and IRS security policy, procedures, and requirements?

Yes

Describe the system's audit trail.

LRT was development by a vendor and the system audit trails have been put in place by the vendor. We have specified in the requirements for the project that an audit trail is mandatory and will contain all the audit trail elements as required by IRM 10.8.1. LRT is following the appropriate audit trail elements pursuant to current Audit Logging Security Standards.

PRIVACY TESTING

Does the system require a System Test Plan?

Yes

Is the test plan completed?

Yes

Where are the test results stored (or documentation that validation has occurred confirming that requirements have been met)?

Test results are shared with stakeholders at the end of each Sprint (designated goal). Stakeholders confirm results and approve each requirement as being met. If any requirement is not met, then the issue is resolved and then demonstrated again until the stakeholder confirms requirement as met. No PII is used in testing and all simulated data created is limited to the explicit purpose of testing the change request. Testers are limited to a few designated individuals and access to the development/test system is through the 5081 process thereby providing for accountability and confidentiality of all testing functions and simulated data. All users complete Privacy Awareness training.

Were all the Privacy Requirements successfully tested?

Yes

Are there any residual system privacy, civil liberties, and/or security risks identified that need to be resolved?

No

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?

RICS .Net and Microsoft Access applications have a development (Dev) environment which is used for development and testing activities. This environment does not contain any PII data; all development and testing efforts are completed using simulated data. The development process involves developers releasing new functionality, enhancements, and defect fixes to the development environment. Each release is reviewed by the quality assurance team to ensure that both the business and technical requirements are met. All business requirement verification, functional testing, regression testing, and 508 testing is completed in the Dev environment; issues found are remedied and subsequently released to the Dev environment for further testing and verification. All defects are tracked via project management software where team members can track the defects from opening to closure. The quality assurance team uses automated test scripts for regression and load testing on a secure intranet testing site for the Dev environment to further identify defects and verify against previous builds. Once defects are remedied, the latest code is released to the production (Prod) environment for all application users. The quality assurance team conducts smoke test in the Prod environment to make sure the latest release meets the desired results. Then application users are notified of the new release.

SBU DATA USE

Does this system use, or plan to use SBU Data in Testing?

No

NUMBER AND CATEGORY OF PII RECORDS

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

IRS Employees: Under 50,000

Contractors: Under 5,000

Members of the Public: Under 100,000

Other: No

CIVIL LIBERTIES

Does the system maintain any information describing how any individual exercises their rights guaranteed by the First Amendment?

No

Is the system information used to conduct 'data-mining' as defined in the Implementing Recommendations of the 9/11 Commission Act of 2007, Public Law 110-53, Section 804?

No

Will this system have the capability to identify, locate, and monitor individuals or groups of people?

Yes

Describe the type of information derived from these efforts and the technical (e.g., audit trails) or other processes used to limit unauthorized monitoring.

Monitoring of audit logs are conducted on the system by Cybersecurity. Monitoring through IRS policy checkers are performed as well by Cybersecurity. These tools are used to ensure the system is compliant with IRS IRM regulations. If deficiencies or events are located by these tools, Cybersecurity can derive the circumstances of the incident and works with the system owner to mediate any events. Access to the application or system by users is managed by the 5081 process.

Does computer matching occur?

No

ACCOUNTING OF DISCLOSURES

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