
A. SYSTEM DESCRIPTION

1. Enter the full name and acronym for the system, project, application and/or database. Employee Plans Master File, EPMF

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.

Employee Plans Master File, EPMF , #1012

Next, enter the **date** of the most recent PIA. 11/7/2014

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

- No Addition of PII
- 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

Were there other system changes not listed above? Yes

If yes, explain what changes were made. We have confirmed there is no active direct connection of any sort for EPMF - specifically there is no interface that connects to Legal Reps (EPMF Extracts to Legal REPS) as incorrectly stated in the previous PIA. This update is to reflect that correction.

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? 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.

EPMF (Employee Plans Master File) is a master file housed at the ECC-MTB (Enterprise Computing Center - Martinsburg W.Va.) which contains characteristic information of non-IRS employee benefit plans, including information on size, funding, operations, etc. The Employee Retirement Income Security Act of 1974 (ERISA) requires that certain employee benefit plans submit this information to the Government each year on 5500-series forms. Accounts on EPMF are identified by Employer Identification Numbers (EINs); plans are identified by a combination of EIN and Plan Number. Batch processing updates the EPMF weekly, although some processing is performed daily (Employee Plans Master File Pre-Posting), and some is real-time Employee Plans Master File Online (EMFOL). All return data and related information pertaining to employee benefit plans are posted to EPMF so that the file reflects a continuously updated and current record of each plans sponsor's account. All data therein is used for answering inquiries, classifying returns for audit, preparing reports, and other matters concerned with the processing and enforcement activities of the IRS. Each plan sponsor account has an entity data structure, one or more optional plan functions, and one or more optional tax module functions. The entity data structure contains data that describes the plan sponsor as an entity, which applies to all the records of that plan sponsor. The entity function contains groups of data including name, address, etc. Each plan function contains data that describe the plan, which apply to all records of the plan. The plan function contains groups of data including plan name, plan effective date, plan administrator, and plan determination information from the Employee Plans/Exempt Organization Determination System (EDS). Each tax function contains groups of data including total assets, number of plan participants, record of examination, and plan period specific information. The return transaction function contains the entire 5500-series return.

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.)? Yes

If **yes**, check who the SSN (or tax identification number) is collected on.

Yes On Primary No On Spouse No On Dependent

If **yes**, check all types SSN s (or tax identification numbers) that apply to this system:

<u>Yes</u>	Social Security Number (SSN)
<u>Yes</u>	Employer Identification Number (EIN)
<u>No</u>	Individual Taxpayer Identification Number (ITIN)
<u>No</u>	Taxpayer Identification Number for Pending U.S. Adoptions (ATIN)
<u>No</u>	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).

Plan participants are identified by name and social security number. Internal Revenue Code section IRC 6057(a)(2) authorizes the use of SSNs. IRC §6057(a)(2) states: "The registration statement required by paragraph (1) shall set forth: A) Name of the plan; B) The name and address of the plan administrator; C) The name and taxpayer identifying number

of each participant in the plan, E) Such other information as the Secretary may require.” It is a requirement that the Annual Registration Statement (Form 8955-SSA) identify the plan participants who are entitled to a deferred vested benefit be identified by taxpayer identifying number (i.e., the Social Security Number (SSN)) so the Social Security Administration (SSA) can match the SSN with the SSN in their Numident Database. There is NO alternative to the SSN at this time. SSA would have to advise the IRS what other identifying number they plan to use for their Notices to retirement benefit plan participants. SSA currently issues: Form SSA L99-C1, SSA Potential Private Retirement Benefit Information based on the SSN received on the Form 8955-SSA, Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits, which is filed with the IRS using the Filing Information Returns Electronically (FIRE) system and the data is transmitted to the EPMF and then to SSA.

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	No	Yes
Yes	Mailing address	No	No	No
Yes	Phone Numbers	No	No	No
No	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
No	Tax Account Information	No	No	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? No

6e. Cite the authority for collecting SBU/PII (including SSN if relevant)

<u>Yes</u>	PII for federal tax administration is generally Internal Revenue Code Sections 6001, 6011, 6012e(a)
<u>Yes</u>	SSN for tax returns and return information is Internal Revenue Code Section 6109
<u>No</u>	SSN for personnel administration (IRS Employees) is 5 USC & Executive Order 9397
<u>No</u>	PII for personnel administration is 5 USC
<u>No</u>	PII about individuals for Bank Secrecy Act compliance 31 USC
<u>No</u>	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.

To conduct tax administration. The name, EIN, and addresses of the Sponsor and Plan Administrator are required to identify the Plan's account. The characteristics and financial statement information are required to determine eligibility for tax-exempt status, and maintain a

record of how these requirements are met. The participant name and SSN is reported by the Plan Administrator on various returns and schedules. After the initial filing of the return, any changes or updates to the Plan information, whether initiated by the Plan Administrator or the IRS, are submitted as a transaction to post to the EPMF Master File so that the file reflects a continuously updated and current record of each Plan's information.

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 EPMF/EMFOL includes transactions that record correspondence with the Plan Administrator regarding compliance with the ERISA reporting requirements. For example, if a 5500-series return is late, As another example, if IRS sends a delinquency notice to a filer because the return has not posted to the EPMF, and if the filer responds with a copy of the filing that was submitted to EFAST that has not yet posted to the EPMF, a transaction is added to the EPMF to prevent further actions. EPMF is unique in that the pre-processing of the IRS forms is performed by another Government entity, the Department of Labor. As of January 2010, Under the Department of Labor's ERISA Filing Acceptance System² (EFAST²), plan sponsors or plan administrators submit Form 5500-series returns electronically directly to the EFAST vendor's processing site. The EFAST system performs initial data validation. This initial validation includes more than 450 tests to ensure the completeness and consistency of data supplied on the forms and to ensure EINs and plan numbers are correct. This validation is done prior to submitting the form and again after the form is submitted. If there are any errors after the form is submitted, the filer is notified of these errors with the acknowledgement that the return was accepted and instructed to submit an amended return to correct any errors. Another layer of validation is done when the returns reach the EPMF, where returns can either be rejected and not processed (for severe errors that might cause IRS systems to crash, like an unexpected record format) or sent to the Generalized Unpostable Framework (GUF) system for manual review and correction (for errors that might result in inaccuracies on the EPMF, like a return transaction where the EIN exists on the EPMF but the sponsor name on the return appears to be different than the sponsor name on the EPMF, indicating a possible EIN problem). GUF users research possible errors using tools like IDRS command codes ERTVU (to view the complete return) and EMFOL (to view the entire EPMF account). Non-EFAST transactions are validated by the systems that generate them (IDRS, AIMS-R, etc.). Non-EFAST transactions are also subjected to another layer of validation when they reach the EPMF, with errors corrected through the GUF. Once return data is in the system, it can only be changed when a filer (the plan administrator) submits an amended return through EFAST. The EPMF can be updated only by custom code tightly controlled by MCC Mainframe Administrators. Adjustments, whether originated by IRS or the Plan Administrator are input through the Integrated Data Retrieval System (IDRS) and transmitted for posting to the master file. If the data is accurate when it is originally added to the system, it will remain accurate. Technical methods ensure that the data remains unchanged throughout its life on the system. Batch processing is performed weekly. The timeliness and completeness of a filer's submission is checked when a return posts to the EPMF. If the return is late, or if certain critical information is missing,. The timeliness of EFAST processing is monitored weekly using an EPMF-generated report.

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 50.222	Tax Exempt/Government Entities (TE/GE) Case Manage
IRS 34.037	Audit Trail and Security Records System

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. N/A

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? Yes

12a. Does this system disseminate SBU/PII to other IRS Systems? No

12b . 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>
Social Security Administration ?		Yes
Department of Labor	?	Yes

Identify the authority and for what purpose? The EFAST Interagency Agreement (IAA) TIRNO-12-M-00016) between IRS and DOL was renewed on May 16, 2011. The ISA provides IRS with Form 5500 filing data from DOL through the DOL EFAST contract with VANGENT (U.S. Department of Labor Contract No. J-9-P-8-0037) for receipt and processing of Form 5500 returns. SSA currently issues: Form SSA L99-C1, SSA Potential Private Retirement Benefit Information based on the SSN received on the Form 8955-SSA, Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits, which is filed with the IRS using the Filing Information Returns Electronically (FIRE) system and the data is transmitted to the EPMF and then to SSA.

12c. Does this system disseminate SBU/PII to State and local agencies? No

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

12e. 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, cloud, 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?

Forms 5500, 5500-SF, and required Schedules and attachments are used for annual returns/report of employee benefit plan that require a plan administrator to report annually at the plan level. As a general practice the plan administrator or will provide the participants with a detailed explanation of the participant's privacy rights. The notice is intended to focus individuals on privacy issues and concerns, and generally illustrates how a covered entity's information may be used and disclosed.

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? Form 5500 series (including Form 5500, 5500-SF, 5500-EZ, and Schedules and attachments) is required to be filed under sections 6058(a) and 6059. IRC Section 6109 requires filers to provide identification number. Failure to provide information in a timely manner or false or fraudulent information may be subject to penalties under sections 6652(d), 6652(e), and 6692. IRC Section 6104(b) makes the information contained in Form 5500 series publicly available

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

The EPMF/EMFOL includes transactions that record correspondence with the Plan Administrator regarding compliance with the ERISA reporting requirements, for example, if a 5500-series return is late. Another example, if IRS sends a delinquency notice to a filer because the return has not posted to the EPMF, and if the filer responds with a copy of the filing that was submitted to EFAST that has not yet posted to the EPMF, a transaction is added to the EPMF to prevent further actions.

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

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

Contractor Employees? No

Contractor Employees?	Yes/No	Access Level	Background Invest.
Contractor Users			
Contractor Managers			
Contractor Sys. Admin.			
Contractor Developers			

21a. How is access to SBU/PII determined and by whom? Data access is granted on a "need to know" basis. The OL5081 (Online 5081) is used to document access requests, modifications, and terminations for all types of users, including System Administrators. When a new user needs access to IRS systems or applications, the user's manager or designated official, completes an OL5081 requesting access for the new user. OL5081 is an online form, which includes information, such as the name of the system or application, type of access, and the manager's signature approving authorization of access. The completed OL5081 is submitted to the Security or User Administrator, who assigns a user ID and an initial password. Before access is granted, the user is required to digitally sign OL5081 acknowledging his/her security responsibilities when using the system. Profiles for users are determined according to access rights granted when the user creates an OL5081 request. The profiles are controlled by pre-set tables. These tables may be changed only by a programmer with a Change Request from a Security Manager. Users are prevented from exceeding their assigned access privileges.

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.

EPMF data is processed in accordance with disposition instructions found in IRS Records Control Schedule (RCS) Document 12990 under RCS 19 (item 31), and RCS 29 (item 122). IRC 6104 relates to the publicity of information as required from certain exempt organizations and certain trusts also cover the EPMF application. It states that one must always follow the agency and the National Archives and Records Administration (NARA) approved record retention schedules. However, once IRS receives a FOIA request for the records, they may not be destroyed, even if the records ought to have been destroyed in accordance with applicable record retention schedules (Reg. 601.702(c) (12) per "Exempt Organizations-Technical Instruction Program for FY 2003").

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)? Yes

23a. If **yes**, what date was it completed? 12/19/2013

23.1 Describe in detail the system's audit trail. In March 2014 EPMF was classified as a level 3 Non-FISMA reportable application. EPMF itself does not have an audit trail. It is a batch processing system and the only employees who have direct access to the EPMF are database administrators (DBAs). Other employees access EPMF data through the following systems. Audit trail information is stored as part of the other systems; it is not stored in EPMF: 1) National Account Profile (NAP) - EPMF sends Taxpayer Entity data to NAP. 2) BMF Notice Comp – EPMF Analysis module sends F5500 access penalty information for tax account updates. excise tax information from Form 5330, including sponsor information, filer information, excise tax abstract number, and excise tax amount. 3) Name Search Facility (NSF) – NSF receives taxpayer and plan data from EPMF. 4) Integrated Production Model (IPM) – IPM receives TC141 data for tracking non-filer data on delinquent returns via EPMF. 5) Integrated Data Retrieval System (IDRS) – IDRS receives taxpayer and plan data from EPMF Analysis modules and EPMF Output Modules. Most employees access the EPMF through IDRS command codes, and most IDRS command codes access a copy of a subset of the EPMF which is extracted each week through a batch run. Users of IDRS CFOL command codes ERTVU and EMFOL have direct read-only access to the EPMF. IRS employees with a "need to know" can access a copy of the data posted to the EPMF using the IDRS command code Employee Plan Master File Online (EMFOL). 6) AIMS-R – AIMS-R receives record of examination data from EPMF Outputs, employees access the EPMF through AIMS-R which also includes information extracted from the EPMF. 7) Return Inventory Classification System (RICS/WebRICS) – RICS and WebRICS receives read-only access return and filer information related to the filing and processing of Employee Plans using DB2 Connect via EPMF RTFOL module. RICS/WebRICS provides users with the ability to query any part of the EPMF, including all return elements, and allows users to print facsimiles of returns or select returns for examination. 8) EPMF Standard Extract – Data extracted on a requested basis to Legal Reps, Taxpayers, etc. 9) Filing Information Returns Electronically (FIRE) - FIRE receives incoming electronic files from external trading partners and passes the files or information to the Automated Magnetic Media Processing System (AMMPS), Chapter 3 Withholdings (CTW), Automated Tips (AMT), Automated Extensions (AWAX-

EAWPMF) or Form 8955 Social Security Administration (SSA). FIRE then receives statistical information back from these downstream programs and posts the data to a SQL database.

J. PRIVACY TESTING

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

24c. If **no**, please explain why. Not applicable

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: More than 1,000,000
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? Yes

End of Report
