



PRIVACY IMPACT ASSESSMENT: **ORG NAME – SYSTEM NAME**

PIA Template Version 4– June 2014

Affects Members Of the Public?	<input checked="" type="checkbox"/>
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Department of Energy

Privacy Impact Assessment (PIA)

Guidance is provided in the template. See DOE Order 206.1, *Department of Energy Privacy Program, Appendix A, Privacy Impact Assessments*, for requirements and additional guidance for conducting a

PIA: <http://www.directives.doe.gov/pdfs/doe/doetext/neword/206/o2061.pdf>

Please complete form and return via email to Privacy@hq.doe.gov

No hand-written submissions will be accepted.

This template may not be modified.

MODULE I – PRIVACY NEEDS ASSESSMENT

Date	February 6, 2017	
Departmental Element & Site	USDOE/Bonneville Power Administration (BPA), Chief Administrative Office, Supply Chain Services, Technology and Strategic Planning, Technical Services Support, Vancouver, WA, Ross Complex, Warehouse MODS	
Name of Information System or IT Project	SOVOS Compliance, Convey Compliance Systems, TaxPort A/P – Software as a Service (SaaS) for IRS Third Party Tax Information Reporting	
Exhibit Project UID	US DOE BPA IT Project Management Office – Proposal/Project - #33611	
New PIA Update	<input checked="" type="checkbox"/>	New PIA
	<input type="checkbox"/>	
	Name, Title	Contact Information Phone, Email
System Owner	Greg Eisenach Supervisor, Technical Services Support	(360) 418-8169 gaeisenach@bpa.gov



PRIVACY IMPACT ASSESSMENT: **ORG NAME – SYSTEM NAME**
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MODULE I – PRIVACY NEEDS ASSESSMENT		
Local Privacy Act Officer	Christopher M. Frost FOIA/Privacy Act Officer	cmfrost@bpa.gov 503.230.5602
Cyber Security Expert reviewing this document (e.g. ISSM, CSSM, ISSO, etc.)	Betsy Murray Cyber Assessment & Verification	bjmurray@bpa.gov 503-230-4298
Person Completing this Document	Greg Eisenach Supervisor, Technical Services Support	gaeisenach@bpa.gov (360) 418-8169
Purpose of Information System or IT Project	<p>This system assists BPA in creating and issuing IRS tax forms, including IRS Form 1099 (domestic payees) and IRS Form 1042-S (foreign payees). It also facilitates year-end file transfers to the IRS by creating electronic files according to exact IRS specifications.</p> <p>These forms are mailed in hardcopy format to each payee in scope with electronic versions files en masse sent to the IRS in an electronic file. The IRS uses the electronic file to evaluate BPA's compliance with the U.S. Internal Revenue Code.</p>	
Type of Information Collected or Maintained by the System:	<p><input checked="" type="checkbox"/> SSN - Social Security Number</p> <p><input type="checkbox"/> Medical & Health Information e.g. blood test results</p> <p><input checked="" type="checkbox"/> Financial Information - payment figures for reporting to the IRS</p> <p><input type="checkbox"/> Clearance Information e.g. "Q"</p> <p><input type="checkbox"/> Biometric Information e.g. finger print, retinal scan</p> <p><input type="checkbox"/> Mother's Maiden Name</p> <p><input type="checkbox"/> DoB, Place of Birth</p> <p><input type="checkbox"/> Employment Information</p> <p><input type="checkbox"/> Criminal History</p>	



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	<input checked="" type="checkbox"/> Name, Address <input type="checkbox"/> Other – Please Specify
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<p>Has there been any attempt to verify PII does not exist on the system?</p> <p><i>DOE Order 206.1, Department of Energy Privacy Program, defines PII as any information collected or maintained by the Department about an individual, including but not limited to, education, financial transactions, medical history and criminal or employment history, and information that can be used to distinguish or trace an individual's identity, such as his/her name, Social Security number, date and place of birth, mother's maiden name, biometric data, and including any other personal information that is linked or linkable to a specific individual.</i></p>	No – this system contains PII.
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<p>If “Yes,” what method was used to verify the system did not contain PII? (e.g. system scan)</p>	N/A
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Threshold Questions

<p>1. Does system contain (collect and/or maintain), or plan to contain any information about individuals?</p>	YES
<p>2. Is the information in identifiable form?</p>	YES
<p>3. Is the information about individual Members of the Public?</p>	YES, including sole proprietors and compensated land owners.
<p>4. Is the information about DOE or contractor employees?</p>	NO <input type="checkbox"/> Federal Employees <input type="checkbox"/> Contractor Employees

If the answer to **all** four (4) Threshold Questions is “No,” you may proceed to the signature page of the PIA. Submit the completed PNA with signature page to the CPO.

Module II must be completed for all systems if the answer to any of the four (4) threshold questions is “Yes.” All questions must be completed. If appropriate, an answer of N/A may be entered.

The goal of the threshold questions is to legitimately and efficiently determine whether additional



MODULE I – PRIVACY NEEDS ASSESSMENT

assessment is necessary. If there is doubt, it is in the System Owner’s best interest to complete Module II.

PIAs affecting Members of the Public are posted on the DOE Privacy website. For this reason, PIAs affecting Members of the Public should be written in plain language and at a high level so they are easily understandable and do not disclose sensitive information.

END OF PRIVACY NEEDS ASSESSMENT

MODULE II – PII SYSTEMS & PROJECTS

AUTHORITY, IMPACT & NOTICE

1. AUTHORITY

What specific authorities authorize this system or project, and the associated collection, use, and/or retention of personal information?

- GAO Policy and Procedures Manual
- Statement of Federal Financial Accounting Standards published by GAO and OMB
- 31 USC § 3512 “Debt Collection Improvement Act”
- 26 USC § 1441, et seq. “Withholding of Tax on Nonresident aliens”
- 26 USC §§ 1471 – 1474 “Withholdable Payments to Foreign Financial Institutions”
- 26 USC § 6041 “Information at Source”
- 26 USC § 6041A “Payments of \$600 or More”

2. CONSENT

What opportunities do individuals have to decline to provide information (e.g. where providing information is voluntary) or to consent only to particular uses of the information (other than required or authorized uses)?

Information is required for and authorized for payment and tax reporting. BPA F 4220.01a is submitted by any person or entity doing business with or to be otherwise compensated by US DOE BPA. This form has a Privacy Act Statement on it declaring the authority and use of the required information.



MODULE II – PII SYSTEMS & PROJECTS

3. CONTRACTS

Are contractors involved with the design, development and maintenance of the system? If yes, was the Privacy Order CRD or Privacy Act clauses included in their contracts?

Yes, we have included the privacy clause 5-2 which is a higher level clause.



MODULE II – PII SYSTEMS & PROJECTS

4. IMPACT ANALYSIS:

How does this project or information system impact privacy?

The deliverable will contain, or plan to contain, information about individual members of the public. Private land owners for which BPA has paid beyond the reportability threshold for access to their land to maintain substations and / or transmission lines, as reportable on IRS Form 1099-S. As well, any sole proprietorships with which US DOE BPA does business that file with the IRS on their SSN.

The overall privacy impact is moderate.

Confidentiality Factors	Impact Level		
	Low	Moderate	High
Identifiability			X
Quantity of PII	X		
Date Field Sensitivity			X
Context of Use	X	X	
Obligation to Protect Confidentiality		X	
Access to and Location of PII	X		
Overall PII Confidentiality Level		X	



MODULE II – PII SYSTEMS & PROJECTS

<p>5. SORNs</p> <p>How will the data be retrieved? Can PII be retrieved by an identifier (e.g. name, unique number or symbol)?</p> <p>If yes, explain, and list the identifiers that will be used to retrieve information on the individual.</p>	<p>Data will primarily be retrieved using legal name and taxpayer ID number. These are used to retrieve other information required for IRS Forms 1099 and 1042-S, including payment type and amount.</p>
<p>6. SORNs</p> <p>Has a Privacy Act System of Records Notice (SORN) been published in the <i>Federal Register</i>?</p> <p>If "Yes," provide name of SORN and location in the <i>Federal Register</i>.</p>	<p>Yes, DOE-18 Financial Accounting System Federal Register, Vol 74/No. 6, 1/9/2009, pp. 1020 – 1022.</p>
<p>7. SORNs</p> <p>If the information system is being modified, will the SORN(s) require amendment or revision?</p>	<p>N/A</p>
<p>DATA SOURCES</p>	
<p>8. What are the sources of information about individuals in the information system or project?</p>	<p>Sources of information about individuals in the Taxport A/P are derived from the PeopleSoft component of the HRmis system.</p>
<p>9. Will the information system derive new or meta data about an individual from the information collected?</p>	<p>No</p>



MODULE II – PII SYSTEMS & PROJECTS

<p>10. Are the data elements described in detail and documented?</p>	<p>This would be available from the technical contact from the third party service vendor who authored the information system – Convey Compliance Systems, a SOVOS company. Associated contact information can be supplied upon request, but a great deal of technical information was already submitted to the US DOE BPA IT PMO for evaluation of this proposal and such a document detailing the data elements is likely already in the hands of appropriate US DOE BPA IT Personnel.</p> <p>Required data elements are described at IRS.GOV in the instructions per form in the 1099 series for domestic payees or 1042-S form and instructions for foreign payees obtaining US Source income for providing personal services and are summarized in question 22 of this document.</p>
<p>DATA USE</p>	
<p>11. How will the PII be used?</p>	<p>PII will be used to complete required IRS tax forms and filings.</p>
<p>12. If the system derives meta data, how will the new or meta data be used?</p> <p>Will the new or meta data be part of an individual's record?</p>	<p>N/A</p>
<p>13. With what other agencies or entities will an individual's information be shared?</p>	<p>U.S. Internal Revenue Service (IRS)</p>
<p>Reports</p>	
<p>14. What kinds of reports are produced about individuals or contain an individual's data?</p>	<p>No reports are anticipated beyond the IRS forms and filings described above.</p>



MODULE II – PII SYSTEMS & PROJECTS

<p>15. What will be the use of these reports?</p>	<p>The IRS uses these reports and a check and balance to ensure accurate reporting of income to help control against and close the tax gap. The IRS also uses these reports to monitor and enforce the mandatory Third Party Tax Information Reporting that produces them, as there can be considerable exposure to aggregating fines, penalties and interest for non-compliance. Hence the use of this information system to help ensure deadlines and specifications are met.</p> <p>No internal reports are anticipated.</p>
<p>16. Who will have access to these reports?</p>	<p>US DOE BPA, Chief Administrative Office, Supply Chain Services, Technology and Strategic Planning, Vendor Maintenance - Supervisor and staff – total of 3 resources.</p>
<p>Monitoring</p>	
<p>17. Will this information system provide the capability to identify, locate, and monitor individuals?</p>	<p>No</p>
<p>18. What kinds of information are collected as a function of the monitoring of individuals?</p>	<p>Social Security Numbers and Tax Identification Numbers</p> <p>Payee Name</p> <p>Payee Address</p>
<p>19. Are controls implemented to prevent unauthorized monitoring of individuals?</p>	<p>Only experienced information reporters and any necessary IT resource will have access to this information system. Each individual must be offered a role by the vendor with which to set up a profile with a unique user name and password to be utilized each time the system is accessed.</p>
<p>DATA MANAGEMENT & MAINTENANCE</p>	
<p>20. How will records about individuals be kept current and verified for accuracy, relevance and completeness? Include PII data collected from sources other than DOE records.</p>	<p>Records for this information system are created from our dynamically maintained enterprise vendor master file and payment tables. For each annual reporting cycle, this system of record is queried and data is exhaustively analyzed and validated prior to loading this information system. Additionally, the third party vendor has external screens against the national change of address data base, the death master file and the IRS database. All identified gaps are closed with follow up to update the enterprise system of record where applicable.</p> <p>No metadata is derived by this information system.</p>



MODULE II – PII SYSTEMS & PROJECTS

<p>21. If the information system is operated in more than one site, how will consistent use of the information be ensured at all sites?</p>	<p>Beyond pre-production testing collaboration with DOE BPA IT Project Management Office Lead QA Analyst, all access will be in one site. As it stands, it appears that even the pre-production testing can be done in the same site with status updates to the test plan, such that no multi-site access will come into scope at any time.</p>
<p>Records Management</p>	
<p>22. Identify the record(s).</p>	<p>Payor Name</p> <p>Payor Address</p> <p>Payor EIN</p> <p>Payor Contact Phone Number</p> <p>Payee Name</p> <p>Payee TIN</p> <p>TIN Type Code</p> <p>Payee Address</p> <p>Form Type</p> <p>Payment Amount</p> <p>Payment Category</p> <p>Payee Account Number</p> <p>Retention period is 7 years in line with Finance Standard and IRS Requirements, after which time corresponding records can be destroyed.</p>
<p>23. Identify the specific disposition authority(ies) that correspond to the record(s) noted in no. 22.</p>	<p><input checked="" type="checkbox"/> Unscheduled <input type="checkbox"/> Scheduled</p>
<p>24. Records Contact</p>	<p>Greg Eisenach, gaeisenach@bpa.gov, 360-418-8069</p>



MODULE II – PII SYSTEMS & PROJECTS

ACCESS, SAFEGUARDS & SECURITY

<p>25. What controls are in place to protect the data from unauthorized access, modification or use?</p>	<p>Security Assessment of SOVOS' Taxport A/P system was performed by the US DOE BPA Office of Cyber Security. Results found technological weaknesses to be low with a high trustworthiness score and a low overall risk rating due to SOVOS certified utilization of the best possible technological data security systems and annual independent auditing of system performance and internal controls.</p> <p>Additionally, only 3 individuals on the client side will have access, which is controlled by unique username and password combinations; US DOE BPA, Chief Administrative Office, Supply Chain Services, Technology and Strategic Planning, Vendor Maintenance - Supervisor and staff – total of 3 resources. On the provider side, SOVOS has certified compliance control systems which are independently audited annually for effectiveness.</p>
<p>26. Who will have access to PII data?</p>	<p>US DOE BPA Chief Administrative Office, Supply Chain Services, Technology and Strategic Planning, Technical Services Support:</p> <ul style="list-style-type: none"> • Supervisor • Vendor Maintenance Coordinator • Vendor Maintenance Program Support Specialist
<p>27. How is access to PII data determined?</p>	<p>The 3 users will have access to all data on the information system in order to prevent resource single points of failure and thereby help ensure ongoing compliance with IRS code even should circumstances prevent any of them from being available to execute when needed. This arrangement also helps assure that IRS deadlines are always met by leveraging the ability for concurrent access and joint execution of reporting requirements and compliance procedures.</p>
<p>28. Do other information systems share data or have access to the data in the system? If yes, explain.</p>	<p>There will be no interconnection of systems associated with this initiative.</p>



MODULE II – PII SYSTEMS & PROJECTS

29. For connecting information systems, is there an Interconnection Security Agreement (ISA) or other agreement between System Owners to ensure the privacy of individuals is protected?

ISA is not required, as there will be no interconnection of systems associated with this initiative.


30. Who is responsible for ensuring the authorized use of personal information?

US DOE BPA, Chief Administrative Office, Supply Chain Services, Technology and Strategic Planning, Technical Services Support Supervisor

END OF MODULE II




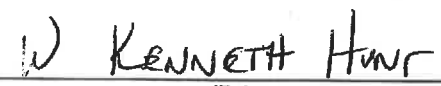

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SIGNATURE PAGE		
	Signature	Date
System Owner	Greg A. Eisenach, USA DOE BPA, Supervisor, Technical Services Support 	01/11/2017
Local Privacy Act Officer	<p style="text-align: center;"><u>Christopher Frost</u> (Print Name)</p> <p>CHRISTOPHER FROST</p> <p style="font-size: small;">Digitally signed by CHRISTOPHER FROST DN: c=US, o=U.S. Government, ou=Department of Energy, cn=CHRISTOPHER FROST, 0.9.2342.19200300.100.1.1=89001000092160 Date: 2017.02.09 08:42:03 -08'00'</p> <hr/> <p style="text-align: center;">(Signature)</p>	<hr/> <hr/>
Jerry Hanley Chief Privacy Officer	<hr/> <p style="text-align: center;">(Print Name)</p> <hr/> <p style="text-align: center;">(Signature)</p>	<hr/> <hr/>



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SIGNATURE PAGE

	Signature	Date
System Owner	<p>Greg A. Eisenach, USA DOE BPA, Supervisor, Technical Services Support</p> 	01/11/2017
Local Privacy Act Officer	<p>Christopher Frost (Print Name)</p> <p>CHRISTOPHER FROST</p> <p><small>Digitally signed by CHRISTOPHER FROST DN: c=US, o=U.S. Government, ou=Department of Energy, cn=CHRISTOPHER FROST, 0.9.2342.19200300.100.1.1=69001000092160 Date: 2017.02.09 08:42:03 -0600</small></p> <p>_____ (Signature)</p>	
Jerry Hanley Chief Privacy Officer	<p> _____ (Print Name)</p> <p> _____ (Signature)</p>	7/5/22