

Date of Approval: 04/26/2024
Questionnaire Number: 1141

Basic Information/Executive Summary

What is the name of your project (system, database, pilot, product, survey, social media site, etc.)?

Affordable Care Act Compliance Validation

Business Unit

Information Technology

Preparer

For Official Use Only

Subject Matter Expert

For Official Use Only

Program Manager

For Official Use Only

Designated Executive Representative

For Official Use Only

Executive Sponsor

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Executive Summary: Provide a clear and concise description of your project and how it will allow the IRS to achieve its mission.

To support post-filing compliance, the Affordable Care Act Compliance Validation (ACV) 1.0 system processes and correlates data between Affordable Care Act (ACA) third-party information and tax returns. The ACV project operates an ACA post-filing compliance system that: (1) Performs an analysis and provides information on those individuals who previously received an Advanced Premium Tax Credit (APTC) and failed to file a return, (2) Provides services to the Accounts Management Service (AMS) so that tax examiners can calculate the Individual Shared Responsibility Payment (ISRP) using taxpayer reported data. To support post-filing compliance for ACA Section 4980H(a) and 4980H(b), the ACV 2.0 system also processes and correlates data between ACA third-party information and tax returns. The ACV 2.0 project operates an ACA post-filing compliance system that: (1) Performs an analysis to identify and evaluate potential 4980H(a) or 4980H(b) non-compliant Applicable Large Employers (ALEs), (2) Runs an analysis to determine the initial Employer Shared Responsibility Payment (ESRP) amount.

Personally Identifiable Information (PII)

Will this project use, collect, receive, display, store, maintain, or disseminate any type of Sensitive but Unclassified (SBU), Personally Identifiable Information (PII), or Federal Tax Information (FTI)?

Yes

Please explain in detail how this project uses sensitive data from inception to destruction (data lifecycle).

ACV 1.0 must correlate data between tax returns and Exchange Periodic Data, and the SSN is the only common identifier across these data sources. IPM (Integrated Production Model) contains information from systems such as Individual Returns Transaction File (IRTF), Information Returns System Modernization (IRSM), Coverage Data Repository (CDR), Integrated Master File/Customer Account Data Engine 2 (IMF/CADE 2), and Business Master File (BMF). ACV 2.0 uses these data to perform 4980H(a) and 4980H(b) compliance evaluation analysis and stores results on ACV Correlation database. During the analysis, ACV 2.0 uses Employers' EINs, and their employees' SSNs.

Please select all types of Sensitive but Unclassified data (SBU)/Personally Identifiable Information (PII)/Federal Tax Information (FTI) that this project uses.

Employer Identification Number
Employment Information
Name

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

PII for federal tax administration - generally IRC Sections 6001 6011 or 6012
SSN for tax returns and return information - IRC section 6109

Product Information (Questions)

1.1 Is this PCLIA a result of the Inflation Reduction Act (IRA)?

No

1.3 What type of project is this (system, project, application, database, pilot/proof of concept, power platform/visualization tool)?

System

1.35 Is there a data dictionary for this system?

Yes

1.36 Explain in detail how PII and SBU data flow into, through and out of this system.

ACV 1.0 is applied only to submitted tax returns through IPM database and Cade2 ODS. ACV 2.0 retrieves information from tax returns as well as from ACA Information Returns through IPM database which includes PII data (such as EINs and SSNs), to perform and evaluate ALEs' 4980H(a) and 4980H(b) compliance. This analysis result data is saved in ACV Correlation database in BDA. CDR and ISR-A&R load ACV result data to their systems via ETL Load process.

1.4 Is this a new system?

No

1.5 Is there a Privacy and Civil Liberties Impact Assessment (PCLIA) for this system?

Yes

1.6 What is the PCLIA number?

6108

1.7 What are the changes and why?

The current PCLIA will expire in May 2024. This is for renewal.

1.8 If the system is on the As-Built-Architecture, what is the ABA ID of the system? If this PCLIA covers multiple applications shown on the ABA, please indicate the ABA ID for each application covered separated by a comma.

210009 - ACV 1.0

210010 - ACV 2.0

1.9 What OneSDLC State is the system in (Allocation, Readiness, Execution)?

Execution

1.95 If this system has a parent system, what is the PCLIA Number of the parent system?

Not Applicable - No Parent System

2.1 If this system discloses any PII to any third party outside the IRS, 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. Enter "Yes" or "No". If Exempt, type "Exempt".

No

2.2 Please provide the full name of and acronym of the governance board or Executive Steering Committee (ESC) this system reports to.

Applications Development (AD) Compliance Governance Board

3.1 Does your project/system involve any use of artificial intelligence (AI), including virtual assistant, chat bot, and robotic process automation, as defined in Executive Order 13960?

No

3.3 Does this system use cloud computing?

Yes

3.31 Please identify the Cloud Service Provider (CSP), FedRAMP Package ID, and date of FedRAMP authorization.

AWS GovCloud FedRAMP Package ID #F1603047866 6/21/2016

3.32 Who has access to the CSP audit data (IRS or 3rd party)?

IRS and Accenture who manages AWS GOV Cloud.

3.32 Does the CSP allow auditing?

Yes

3.33 Please indicate the background check level required for the CSP (None, Low, Moderate or High).

Moderate

3.4 Is there a breach/incident plan on file?

No

3.5 Does the data physically reside in systems located in the United States and its territories and is all access and support of this system performed from within the United States and its territories?

Yes

3.6 Does this system interact with the public through a web interface?

No

3.7 Describe the business process allowing an individual to access or correct their information.

The ACV system does not communicate directly with taxpayers or employers. ACV retrieves information from tax returns as well as from ACA Information Returns through IPM database and Cade2 ODS. No end user is involved in ACV to run the job. ACV 1.0 and ACV 2.0 are back-end batch application systems invoked automatically by Control-M scheduler.

4.1 Who owns and operates the system (IRS Owned and Operated, IRS Owned and Contractor Operated, Contractor Owned and Operated)?

IRS Owned and Operated

4.2 If a contractor owns or operates the system, does the contractor use subcontractors?
no

4.5 Identify the roles and their access level to the PII data. For contractors, indicate whether their background investigation is complete or not.

IRS System Administrator and Database administrator. System administrator and Database administrator are granted access for maintenance of server and database. For contractors or employees, background investigation must be completed as per IRS policy.

4.51 How many records in the system are attributable to IRS Employees? Enter "Under 50,000", "50,000 to 100,000", "More than 100,000" or "Not Applicable".
Not Applicable

4.52 How many records in the system are attributable to contractors? Enter "Under 5,000", "5,000 to 10,000", "More than 10,000" or "Not Applicable".
Not Applicable

4.53 How many records in the system are attributable to members of the public? Enter "Under 5,000", "5,000 to 10,000", "More than 10,000" or "Not Applicable".
More than 10,000

4.54 If records are attributable to a category not mentioned above in 4.51 through 4.53, please identify the category and the number of corresponding records to the nearest 10,000. If none, enter "Not Applicable".
Not Applicable

4.6 How is access to SBU/PII determined and by whom?
No end user is involved in ACV to run the job. ACV 1.0 and ACV 2.0 are back-end batch application systems invoked automatically by Control-M scheduler. System administrator and Database administrator are granted access for maintenance of server and database.

5.1 Please describe any privacy risks, civil liberties and/or security risks identified for the system that need to be resolved and what is the mitigation plan?
No

5.11 Is there a Risk Assessment Form and Tool (RAFT) associated with this system on file with your organization or the IRS Risk Office.
No

5.2 Does this system use or plan to use SBU data in a non-production environment?
Yes

5.3 Please upload the approved SBU Data Use Questionnaire or Request. If the request has been recertified, please upload the approved recertification form. Select Yes to indicate that you will upload the SBU Data Use form.

Yes

Interfaces

Interface Type

IRS Systems, file, or database

Agency Name

Customer Account Data Engine 2 Operational Data Store (CADE2 ODS)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Application to Application (A2A)

Interface Type

IRS Systems, file, or database

Agency Name

Information Sharing Reporting Analytics and Reporting (ISR-A&R)

Incoming/Outgoing

Outgoing (Sending)

Transfer Method

Application to Application (A2A)

Interface Type

IRS Systems, file, or database

Agency Name

Coverage Data Repository (CDR)

Incoming/Outgoing

Outgoing (Sending)

Transfer Method

Application to Application (A2A)

Interface Type

IRS Systems, file, or database

Agency Name

Integrated Production Model (IPM)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method
Application to Application (A2A)

Systems of Records Notices (SORNs)

SORN Number & Name

IRS 24.046 - Customer Account Data Engine Business Master File

SORN Number & Name

IRS 34.037 - Audit Trail and Security Records

SORN Number & Name

IRS 24.030 - Customer Account Data Engine Individual Master File

Records Retention

What is the Record Schedule System?

Record Control Schedule (RCS)

What is the retention series title?

RECORDS AND INFORMATION MANAGEMENT RECORDS
CONTROL SCHEDULES

What is the GRS/RCS Item Number?

65

What type of Records is this for?

Electronic

Please provide a brief description of the chosen GRS or RCS item.

The source of this requirement is "RECORDS AND
INFORMATION MANAGEMENT RECORDS CONTROL
SCHEDULES", Schedule 17 (Information Technology), Item 65,
Electronic Tax Administration Marketing Database.

What is the disposition schedule?

Records must be retained for 5 years after cut-off at the end of the
processing year.

Data Locations

What type of site is this?

System

What is the name of the System?

Big Data Analytics (BDA) Greenplum Database

What is the sensitivity of the System?

Personally Identifiable Information (PII) including Linkable Data

Please provide a brief description of the System.

Tables and functions deployed in the Greenplum BDA Enterprise Data Warehouse environment in an ACV schema. The IPM data store within the Greenplum BDA Enterprise Data Warehouse receives data from CDR, DUPTIN, and other systems. The CADE2 data store receives data from IMF. The ACV Correlation component uses this data from IPM as the input to its processing and execute the APTC SQL functions and perform two-phase analysis. The result of the analysis is then stored in the ACV schema for further analysis.

What are the incoming connections to this System?

Integrated Production Model (IPM)

What are the outgoing connections from this System?

Information Sharing Reporting Analytics and Reporting (ISR-A&R), Coverage Data Repository (CDR). Both systems load ACV data to their systems via ETL load process.