Date of Approval: 08/01/2025 Questionnaire Number: 2491

Basic Information/Executive Summary

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

Automated Insolvency System

Acronym:

AIS

Business Unit

Small Business and Self Employed

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

For Official Use Only

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

AIS is the IRS's primary tool for tracking legal requirements for dealing with taxpayers under bankruptcy protection, as well as ensuring that the government's interest is protected when these taxpayers have tax obligations. The AIS application is a comprehensive control and processing support application for processing bankruptcy and other insolvency work. It provides case inventory, status control, proofs of claim, and exchange of information with the United States Bankruptcy Court's Case Management/Electronic Case Filing (CM/ECF) system. One of the primary functions of the application is to prepare and file proofs of claim with the U.S. Bankruptcy Court.

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).

The Automated Insolvency System (AIS) is a standardized control and processing application used for processing bankruptcy, decedent, and receivership cases. It provides case inventory, status control, proofs of claim, and exchange of information with the United States Bankruptcy Courts system. AIS receives the bankruptcy cases with PII from BNC (Bankruptcy Noticing Center), then store the PII data in AIS database, so that business users in SB/SE can use the data for their cases. For some cases not received from BNC, SB/SE users will manually create the cases with PII in AIS. All these PII data will be validated with IDRS via IIP (Insolvency Interface Program). In addition, AIS system interface with other IRS systems using PII information, such as Litigation Account Management System (LAMS) and AIMS, to match cases and retrieve case status and details from them. After PII data is processed and stored in AIS, it could be extracted or consumed by other IRS systems, such as Embedded Quality Review System (EQRS) retrieves the taxpayer case data from AIS weekly. Besides the internal systems of IRS, AIS also submits claims with PII data to US courts through Electronic Proof of Claim (EPOC) interface to file the proof of claims for IRS.

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

Address

Employer Identification Number

Federal Tax Information (FTI)

Internet Protocol Address (IP Address)

Name

Social Security Number (including masked or last four digits)

Standard Employee Identifier (SEID)

Tax ID Number

Telephone Numbers

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

PII about individuals for Bank Secrecy Act compliance - 31 USC

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 Is this PCLIA a result of a specific initiative or a process improvement?
- 2 What type of project is this (system, project, application, database, pilot/proof of concept/prototype, power platform/visualization tool)?

 Application
- 3 What Tier designation has been applied to your system? (Number)
- 4 Is this a new system?
- 4.1 Is there a previous Privacy and Civil Liberties Impact Assessment (PCLIA) for this project?

Yes

- 4.11 What is the previous PCLIA number? 1657
- 4.12 What is the previous PCLIA title (system name)? Automated Insolvency System
- 4.2 You have indicated this is not a new system; explain what has or will change and why. (Expiring PCLIA, changes to the PII or use of the PII, etc.)

We needed to add an Outgoing Interface SPLUNK and Incoming Individual Master File (IMF).

- 5 Is this system considered a child system/application to another (parent) system? No
- 6 Indicate what OneSDLC State is the system in (Allocation, Readiness, Execution) or indicate if you go through Information Technology's (IT) Technical Insertion Process and what stage you have progressed to.

OneSDLC is in Execution state.

7 Is this a change resulting from the OneSDLC process?

No

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

Small Business/ Self Employed (SB/SE) Information Technology (IT) Governance Board, Chair: SB/SE Commissioner.

9 If the system is on the As-Built-Architecture (ABA), what is the ABA ID number of the system? If this PCLIA covers multiple applications shown on the ABA, please indicate the ABA ID number(s) for each application covered separated by a comma. If the system is not in the ABA, then contact the ABA (https://ea.web.irs.gov/aba/index.html) for assistance.

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10 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?

Yes

11 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 and 14110?

No

12 Does this system use cloud computing?

No

13 Does this system/application interact with the public?

No

14 Describe the business process allowing an individual to access or correct their information. (Due Process)

Electronic Proof of Claim (EPOC) - EPOC is a sub-system of AIS that is utilized to interface with the U.S. Bankruptcy Courts CM/ECF system for U.S.

Bankruptcy courts that require electronic claim filing. AIS users initiate proof of claim batch processes as needed (daily). Proofs of claims are held in a queue until they are transmitted to a U.S. Bankruptcy court's CM/ECF website through the EPOC sub-system. Notice, consent and due process are provided pursuant to 5 USC.

15 Is this system owned and/or operated by a contractor?

No

16 Identify what role(s) the IRS and/or the contractor(s) performs; indicate what access level (to this system's PII data) each role is entitled to. (Include details about completion status and level of access of the contractor's background investigation was approved for.)

Developer shall have Read on Case File
AI Secretary shall have Read on Case File
Manager shall have Update on Case File
FI Processing shall have Update on Case File
FI Analyst shall have Read on Case File
HQ Analyst shall have Read on Case File
Non-Insolvency shall have Read on Case File
CIO Processing shall have Read on Case File

17 The Privacy Act of 1974 (5 USC § 552a(e)(3)) requires each agency that maintains a system of records, to inform each individual requested to supply information about himself or herself. Please provide the Privacy Act Statement presented by your system or indicate a Privacy Act Statement is not used and individuals are not given the opportunity to consent to the collection of their PII.

AIS WARNING! THIS SYSTEM IS FOR AUTHORIZED USE ONLY! Use of this system constitutes consent to monitoring, interception, recording, reading, copy or capturing by authorized personnel of all activities. There is no right to privacy in this system. Unauthorized use of this system is prohibited and subject to criminal and civil penalties, including all penalties applicable to willful unauthorized access (UNAX) or inspection of taxpayer records (under 18 U.S.C. 1030 and 26 U.S.C. 7213A and 26 U.S.C. 7431).

18 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".

Under 50,000

19 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

20 How many records in the system are attributable to members of the public? Enter "Under 100,000", "100,000 to 1,000,000", "More than 1,000,000" or "Not applicable". More than 10,000

21 Identify any "other" records categories not attributable to the categories listed above; identify the category and the number of corresponding records, to the nearest 10,000; if no other categories exist, enter "Not Applicable".

Not Applicable

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

Access to the data is determined by the manager based on a user's position and need-to-know. The manager will request a user be added. To gain access, an

approved Business Entitlement Access Request System (BEARS). Access is requested via Business Entitlement Access Request System (BEARS). Data access is granted on a need-to-know basis. The BEARS enrollment process requires that an authorized manager approve access requests on a case-by-case basis. Access approval is based on the Users role(s) and responsibilities. Users are given the minimum set of privileges required to perform their regular and recurring work assignments; they are restricted from changing the boundaries of their access without management approval. Write, Modify, Delete, and/or Print) are defined on BEARS and set (activated) by the System Administrator prior to the user being allowed access. User privileges and user roles determine the types of data that each user has access to. Management monitors system access and removes permissions when individuals no longer require access.

23 Is there a data dictionary on file for this system? Note: Selecting "Yes" indicates an upload to the Attachment Section is required.

Yes

- 24 Explain any privacy and civil liberties risks related to privacy controls.

 There are no privacy and civil liberties risks related to privacy controls.
- 25 Please upload all privacy risk finding documents identified for the system (Audit trail, RAFT, POA&M, Breach Plan, etc.); click "yes" to confirm upload(s) are complete.
- 26 Describe this system's audit trail in detail. Provide supporting documents.

 AIS application has implemented system audit requirement by using the template developed by IT, Cybersecurity Architecture & Implementation
 (A&I);Cybersecurity Solutions Development (CSD);Process Design and Improvement (PDI). The server level audit is managed by EOPS. AIS system level audit events include user's log in, log out events, and 134 case record related events, such as add new case, Taxpayer Identification Number (TIN) changes, etc. AIS system records these events in database, then create a file with all these events based on the Audit Record Data Element Definitions daily. Splunk system will pick up the audit file from AIS server.
- 27 Does this system use or plan to use SBU data in a non-production environment?

Interfaces

Interface TypeOther Federal Agencies

Agency Name

US Bankruptcy Courts - Case Management - Electronic Claim

Filing System (CM-ECF)

Incoming/Outgoing

Both

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

IRS Systems, file, or database

Agency Name

Business Master File (BMF)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

IRS Systems, file, or database

Agency Name

Negative Taxpayer Identification Number (NTIN)

Incoming/Outgoing

Both

Transfer Method

Application to Application (A2A)

Interface Type

IRS Systems, file, or database

Agency Name

AIS Data Source (AIS-DS)

Incoming/Outgoing

Both

Transfer Method

Other

Other Transfer Method

SQL

Interface Type

IRS Systems, file, or database

Agency Name

Audit Information Management System (AIMS)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

Other Federal Agencies

Agency Name

Department of Justice - Trustees

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Secure email/Zixmail

Interface Type

IRS Systems, file, or database

Agency Name

Insolvency Interface Program (IIP)

Incoming/Outgoing

Both

Transfer Method

Application to Application (A2A)

Interface Type

IRS Systems, file, or database

Agency Name

Automated Discharge System (ADS)

Incoming/Outgoing

Both

Transfer Method

Application to Application (A2A)

Interface Type

IRS Systems, file, or database

Agency Name

Automated Liens Systems-Entity (ALS)

Incoming/Outgoing

Both

Transfer Method

Application to Application (A2A)

Interface Type

IRS Systems, file, or database

Agency Name

Individual Master File (IMF)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

IRS Systems, file, or database

Agency Name

Servicewide Electronic Research Program (SERP)

Incoming/Outgoing

Outgoing (Sending)

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

IRS Systems, file, or database

Agency Name

SPLUNK

Incoming/Outgoing

Outgoing (Sending)

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

IRS Systems, file, or database

Agency Name

Research, Applied Analytics & Statistics (RAAS)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

IRS Systems, file, or database

Agency Name

Embedded Quality Review System - Field (EQRS-F)

Incoming/Outgoing

Outgoing (Sending)

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

IRS Systems, file, or database

Agency Name

Litigation Transcript System (LTS)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

IRS Systems, file, or database

Agency Name

Individual Master File (IMF)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Secured channel via HTTPS

Interface Type

IRS Systems, file, or database

Agency Name

Integrated Data Retrieval System (IDRS)

Incoming/Outgoing

Both

Transfer Method

Application to Application (A2A)

Systems of Records Notices (SORNs)

SORN Number & Name

IRS 34.037 - Audit Trail and Security Records

Describe the IRS use and relevance of this SORN.

To identify and track any unauthorized accesses to sensitive but unclassified information and potential breaches or unauthorized disclosures of such information or inappropriate use of government computers to access Internet sites for any purpose forbidden by IRS policy (e.g., gambling, playing computer games, or engaging in illegal activity), or to detect electronic communications sent using IRS systems in violation of IRS security policy.

SORN Number & Name

IRS 26.009 - Lien Files

Describe the IRS use and relevance of this SORN.

To identify those individuals on whom a Notice of Federal Tax Lien, discharge, or subordination on lien attachment has been filed.

SORN Number & Name

IRS 26.019 - Taxpayer Delinquent Account Files

Describe the IRS use and relevance of this SORN.

To provide inventory control of delinquent accounts.

Records Retention

What is the Record Schedule System?

Record Control Schedule (RCS)

What is the retention series title?

IRS Electronic Tax Administration

What is the GRS/RCS Item Number?

RCS/32/35, RCS/32/35A, RCS/32/35B

What type of Records is this for?

Both (Paper and Electronic)

Please provide a brief description of the chosen GRS or RCS item. Automated Insolvency System (AIS) AIS contains and processes information on bankruptcy court cases. The database contains information related to bankruptcy and insolvency cases, i.e., basic case and taxpayer account information, case histories, proof of claim data, and payment information (Delete 8 years after case is closed).

What is the disposition schedule?

Delete 8 years after case is closed.

Data Locations

What type of site is this?

Environment

What is the name of the Environment?

IRS Computing Centers

What is the sensitivity of the Environment?

Sensitive But Unclassified (SBU)

Please provide a brief description of the Environment.

All data/documents are stored in the AIS database or AIS servers.