



# *The Bureau of the Fiscal Service*

## *Privacy Impact Assessment*

The mission of the Bureau of the Fiscal Service (Fiscal Service) is to promote the financial integrity and operational efficiency of the federal government through exceptional accounting, financing, collections, payments, and shared services.

This Privacy Impact Assessment is a Public document and will be made available to the general public via the Fiscal Service Privacy Impact Assessment (PIA) webpage (shown below).

Fiscal Service Privacy - FMS Impact Assessments (PIA): <http://www.fms.treas.gov/pia.html>

Fiscal Service Privacy – Public Debt Impact Assessments  
(PIA): [http://www.treasurydirect.gov/privacy\\_impactassessment.htm](http://www.treasurydirect.gov/privacy_impactassessment.htm)

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**Name of System: Treasury Offset Program**

**SYSTEM GENERAL INFORMATION:**

**1) System Overview: Describe the purpose of the system.**

The Treasury Offset Program (TOP) is a centralized debt collection program developed by the Financial Management Service (FMS) and operated through its Regional Financial Centers (RFCs). TOP is designed to assist agencies in the collection of delinquent debt owed to the Federal government. The collection of delinquent debt is mandated in the Debt Collection Improvement Act of 1996 (DCIA), Public Law 104-134.

**2) Under which Privacy Act Systems of Records Notice (SORN) does the system operate? Provide number and name.**

.014 Debt Collection Operations System

**3) If the system is being modified, will the SORN require amendment or revision?**

Yes, explain.

No

**4) Does this system contain any personal information about individuals?**

Yes

No

**a. Is the information about members of the public?**

Yes

**b. Is the information about employees or contractors?**

No

**5) What legal authority authorizes the purchase or development of this system?**

On April 26, 1996, President Clinton signed legislation known as the Debt Collection Improvement Act of 1996 (public Law 104-134). The Debt Collection Improvement Act (DCIA) requires Federal Agencies to refer debts to the Department of the Treasury in order to offset Federal Payments to collect delinquent debts owed to the Federal Government.

**DATA in the SYSTEM:**

**1) Identify the category of individuals in the system**

**Check all that apply:**

**Employees**

**Contractors**

**Taxpayers**

**Others (describe) Individuals who have delinquent Federal and State Debts**

**2) Identify the sources of information in the system**

**Check all that apply:**

**Employee**

**Public**

**Federal agencies**

**State and local agencies**

**Third party**

**a. What information will be collected from employees or contractors?**

None

**b. What information will be collected from the public?**

None.

**c. What Federal agencies are providing data for use in the system?**

Administrative Office of the U.S. Courts

Air Force Services Agency - HQ

American Battle Monuments Commission

Appalachian Regional Commission

Architect of the Capitol

Armed Forces Retirement Home

Army and Air Force Exchange Service

Bureau of Engraving & Printing

Bureau of Indian Affairs

Centers for Medicare Services (NGS)

Central Intelligence Agency

Commodity Futures Trading Commission

Corporation for National & Community Service

Court of Appeals for Veterans Claim

Court Services and Supervision Agency

Defense Finance and Accounting Service

Defense Logistics Information Services

Defense Threat Reduction

Denali Commission

Department of Agriculture - Animal Plant Health Inspection Service

Department of Agriculture - Food and Nutrition Service

Department of Agriculture - National Finance Center

Department of Agriculture - Risk Management Agency

Department of Agriculture - Rural Development  
Department of Agriculture, Farm Service Agency  
Department of Commerce  
Department of Defense Dependent Schools  
Department of Education  
Department of Energy  
Department of Health & Human Services  
Department of Homeland Security  
Department of Housing & Urban Development  
Department of Immigration Health Service  
Department of Justice  
Department of Justice - Bureau of Prisons  
Department of Justice - Drug Enforcement Administration  
Department of Labor  
Department of State  
Department of the Interior  
Department of the Navy  
Department of the Treasury  
Department of the Treasury - Financial Management Service  
Department of the Treasury / Bureau of the Public Debt  
Department of Transportation  
Department of Veterans Affairs  
DHHS Food and Drug Administration  
DOI - Office of Surface Mining  
Domestic Nuclear Detection Office  
Environmental Protection Agency  
Equal Employment Opportunity Commission  
Executive Office of the President  
Export Import Bank of the U.S.  
Farm Credit Administration  
Federal Communications Commission  
Federal Deposit Insurance Corporation  
Federal Election Commission  
Federal Emergency Management Agency  
Federal Energy Regulatory Commission  
Federal Housing Finance Board  
Federal Labor Relations Authority  
Federal Maritime Commission  
Federal Mediation & Conciliation  
Federal Mine Safety  
Federal Retirement Thrift Investment Board  
Federal Trade Commission  
Financial Management Service  
General Accounting Office  
General Services Administration  
Health and Human Service  
Immigration & Naturalization Services.  
Inter-American Foundation

Internal Revenue Service  
International Boundary & Water Commission  
International Broadcasting Bureau  
Marine Corps Exchange  
Merit System Protection Board  
Millennium Challenge Corporation  
National Aeronautics and Space Administration - Headquarters  
National Capital Planning Commission  
National Credit Union Administration  
National Endowment for the Arts  
National Labor Relations Board  
National Mediation Board  
National Science Foundation  
National Security Education Program  
National Transportation Safety Board  
Navy Exchange Service Command NEXCOM  
Occupational Safety & Health Review  
Office of Personnel Management  
Overseas Private Investment Corporation  
Pension Benefit Guaranty Corporation  
Presidio Trust  
Railroad Retirement Board  
Securities and Exchange Commission  
Selective Service System  
Small Business Administration  
Smithsonian Institution  
Social Security Administration  
Transportation Security Administration  
Treasury Offset Program  
U. S. Agency for International Development  
U.S. Army Corps of Engineers  
U.S. Chemical Safety and Hazard Inv  
U.S. Commission on Civil Rights  
U.S. Consumer Product Safety Commission  
U.S. Customs & Border Protection  
U.S. Holocaust Memorial Museum  
U.S. House of Representatives  
U.S. Information Agency  
U.S. International Trade Commission  
U.S. Naval Hospital Naples Italy  
U.S. Naval Hospital Yokota Japan  
U.S. Nuclear Regulatory Commission  
U.S. Office of Govt. Ethics  
U.S. Peace Corps  
U.S. Secret Service  
United States Capitol Police  
United States Department of Justice  
United States Postal Service

United States Tax Court  
USDA - Valles Caldera Trust

**d. What State and local agencies are providing data for use in the system?**

Alabama Department of Revenue  
Arizona Department of Revenue  
Arkansas DFA - Revenue  
California Department of Revenue  
California Franchise Tax Board  
Colorado Department of Revenue  
Commonwealth of Kentucky  
Connecticut Department of Labor  
Connecticut Department of Revenue  
Delaware Department of Revenue  
District of Columbia  
Georgia Department of Revenue  
Hawaii Department of Taxation  
Idaho State Tax Commission  
Illinois Department of Revenue  
Indiana Department of Revenue  
Iowa Department of Revenue  
Kansas Department of Revenue  
Louisiana Department of Revenue  
Massachusetts Department of Revenue  
Michigan Department of Labor  
Minnesota Department of Revenue  
Mississippi State Tax Commission  
Missouri Department of Revenue  
Montana Department of Revenue  
Nebraska Department of Revenue  
New Jersey Division of Taxation  
New Mexico Taxation & Revenue Department  
New York State Department of Labor  
New York State Department of Taxation & Finance  
North Carolina Department of Revenue  
North Dakota State Tax  
Ohio Department of Taxation  
Oklahoma Tax Commission  
Oregon Department of Revenue  
Pennsylvania Department of Revenue  
Rhode Island Department of Revenue  
South Carolina Department of Revenue  
State of Maryland  
State of Maine Revenue Services  
State of New Jersey  
State of Wisconsin DWD-UI  
Utah Department of Workforce Services

Utah State Tax Commission  
Vermont Department of Taxes  
Virginia Department of Taxation  
West Virginia State Tax Department  
Wisconsin Department of Revenue

**e. From what other third party sources will data be collected?**

Lexis/Nexis

**3) Accuracy, Timeliness, and Reliability**

**a. How will data collected from sources, other than FMS records, be verified for accuracy?**

Agencies are required to submit a certification agreement certifying all debts transmitted by the Creditor Agency to TOP for collection. The certification agreement covers all debts, including updates, changes and modifications submitted on or after the date of the Certification Agreement. The agreement certifies that the debts are valid and legally enforceable. Payment agencies certify the payment files to FMS as well. Both creditor and payments agencies are responsible for the validity of the information provided to FMS.

**b. How will data be checked for completeness?**

Each participating agency is responsible for certifying and validating the data submitted to TOP.

**c. What steps or procedures are taken to ensure the data is current?**

TOP can be updated daily via batch transmission or using the TOP Web Client by the creditor agencies with current information.

**d. In what document(s) are the data elements described in detail?**

The data elements are described in the *TOP Security Plan*, *TOP Agency Guide*, and *TOP Technical Reference Manual*. These documents can be referenced by contacting the DMS Privacy Act Liaison

**ATTRIBUTES OF THE DATA:**

**1) How is the use of the data both relevant and necessary to the purpose for which the system is being designed?**

The data in use is both relevant and necessary for the purpose of fulfilling the Debt Collection Improvement Act of 1996.

**2) Will the system derive new data or create previously unavailable data about an individual through aggregation from the information collected? How will this be maintained and filed?**

The TOP System creates new transactional data based on matching delinquent debts in TOP with outgoing payments. Offset and partial match data is created from the matching of debts to payments which also creates new transactional data. TOP also

creates new information from Lexis/Nexis when partial match data is successfully added to the original debt record.

**3) Will the new data be placed in the individual’s record?**

Match and partial match data is placed in with the individual’s record.

**4) Can the system make determinations about employees or members of the public that would not be possible without the new data?**

No, the TOP System cannot perform its function without creating new transactional data.

**5) How will the new data be verified for relevance and accuracy?**

Analysts review TOP System operations to verify that the system is operating properly and creating accurate transactional data.

**6) If the data is being consolidated, what controls are in place to protect the data from unauthorized access or use?**

TOP consolidates debt and debtor information from various Federal and state agencies. TOP sends this information to the DMS Datamart for additional consolidation and analysis. FMS and TOP System security protects the data from unauthorized access or use.

**7) If processes are being consolidated, are the proper controls remaining in place to protect the data and prevent unauthorized access? (Explain.)**

TOP consolidates debt and debtor information from various Federal and state agencies. TOP send this information to the DMS Datamart for additional consolidation and analysis. FMS and TOP System security protects the data from unauthorized access or use.

**8) How will the data be retrieved? (If personal identifiers are used to retrieve information on the individual, explain and list the identifiers that will be used to retrieve data.)**

The TOP user will enter a Taxpayer Identification Number (TIN), Employee Identification Number (EIN) or debt number to retrieve debt and debtor information.

**9) What kind of reports can be produced on individuals? What will be the use of these reports? Who will have access to them?**

<b>Report</b>	<b>Description</b>	<b>Access</b>
Individual Inquiry by TIN, Creditor Agency View	Lists offset and reversal activity for a specified TIN.	Creditor Manager Creditor Staff Creditor View TOP Administrator TOP Analyst TOP Accounting TOP View TOP INACT

		TOP Staff
Individual Inquiry by Debt Number, Creditor Agency View	Lists offset and reversal activity for a specified Debt Number.	Creditor Manager Creditor Staff Creditor View TOP Administrator TOP Analyst TOP Accounting TOP View TOP INACT TOP Staff
Individual Inquiry by TIN, Payment Agency View	Lists offset activity for a specified TIN.	Payment Staff TOP Administrator TOP Analyst TOP Accounting TOP View TOP INACT TOP Staff
Debtor Locator, Creditor Agency Only	Lists detailed debtor locator information by creditor ALC.	Creditor Manager Creditor Staff Creditor View TOP Administrator TOP Analyst TOP Accounting TOP View TOP INACT TOP Staff TOP Alias

**10) What opportunities do individuals have to decline to provide information (i.e., where providing information is voluntary) or to consent to particular uses of the information (other than required or authorized uses)? How can individuals grant consent?**

Individuals do not provide information to TOP. The information is provided by the federal and state government agencies that participate in TOP, who make the final decision on the referral of the debt to TOP.

Prior to the debt being referred to TOP for collection by a Federal or state agency, the debtor will receive a due process notice and will have the opportunity to dispute debt and/or make payment arrangements with the creditor agency.

**MAINTENANCE AND ADMINISTRATIVE CONTROLS:**

- 1) **What are the retention periods of data in this system? How long will the reports produced be kept?**

Currently there are no retention guidelines in place. The data is retained indefinitely.

- 2) **What are the procedures for disposition of the data at the end of the retention period? Where are the disposition procedures documented?**

Currently there are no retention guidelines in place. The data is retained indefinitely and stored in the TOP database.

- 3) **If the system is operated in more than one site, how will consistent use of the system and data be maintained at all sites?**

TOP system and data is managed through a mixture of Standard Operating procedures, management oversight, training, and control.

- 4) **Is the system using technologies in ways that FMS has not previously employed (e.g., monitoring software, Smart Cards, Caller-ID)?**

No

- 5) **How does the use of this technology affect employee or public privacy?**

N/A

- 6) **Will this system provide the capability to identify, locate, and monitor individuals? If yes, explain.**

IDS systems are currently deployed at FMS. In addition to IDS, as a guard against intrusions and other unauthorized activity, audit trails from CA-Top Secret are maintained on the Mainframe and are available for investigating signs of intrusions.

- 7) **What kind of information is collected as a function of the monitoring of individuals?**

All updates done through batch or the TOP Web Client are audited. These audit entries are kept in the mainframe database.

- 8) **What controls will be used to prevent unauthorized monitoring?**

The TOP System Administrator is the only role with the privileges to perform the audit trail.

**ACCESS TO DATA:**

- 1) **Who will have access to the data in the system?**

Check all that apply:

Contractors

Users

Managers

System Administrators

**System Developers**  
 **Others (explain)** \_\_\_\_\_

**2) How is access to the data by a user determined? Are criteria, procedures, controls, and responsibilities regarding access documented?**

All users are restricted to only the functions they need for the performance of their duties. For example, regular users cannot access the system audit logs. User level of access is authorized and reviewed regularly to ensure that user access does not exceed position requirements for all systems and applications. Risk levels are associated with job descriptions to determine access levels for the TOP application. Managerial approval is required before a user is granted access to functions within the TOP application.

**3) Will users have access to all data on the system or will the user's access be restricted? Explain.**

TOP users are restricted to only the functions they need for the performance of their duties. Only a limited number of individuals associated with TOP have the highest level of access. Access rights are reviewed for continuing need at each level.

**4) What controls are in place to prevent the misuse (e.g., unauthorized browsing) of data by those having access? (Please list processes and training materials)**

The TOP application management is committed to supporting least privilege and logical access control. TOP application users are restricted to only the functions they need for the performance of their duties. Access rights are reviewed periodically to appropriate levels. In addition, TOP users must consent to the disclosure agreement displayed when logged on before they can proceed to the main menu. TOP users also must sign and submit to the TOP Rules of Behavior to prevent unauthorized monitoring.

**5) If contractors are/will be involved with the design, development or maintenance of the system were Privacy Act contract clauses inserted in their contracts and were other regulatory measures addressed?**

No contractors are involved with the design and development of TOP. The FRB in San Francisco are the TOP developers and are considered Fiscal Agents for FMS.

**6) Do other systems share data or have access to the data in the system?**

**Yes**  
 **No**

**If yes,**

**a. Explain the interface.**

TOP shares data with other FMS Systems. Interface agreements among these systems are not necessary since they operate within the FMS-controlled security environment. The systems with which TOP shares data are listed here:

Debt Check  
Datamart

FedDebt  
Legacy Payments  
Payment Automation Modernization (PAM)  
Secure Payment System (SPS)  
Integrated Document Management System (IDMS)  
Call Tracking System (CTS)  
TOP Control System (TCS)  
Financial, Accounting, Control, Disbursement and Reconciliation System (FACDR)

**b. Identify the role responsible for protecting the privacy rights of the public and employees affected by the interface.**

The Financial Management Service, Information Owners and System Managers will be responsible for protecting the privacy rights of the individuals affected by the interface.

**7) Will other agencies share data or have access to the data in this system?**

Yes  
 No

If yes,

**a. Check all that apply:**

Federal  
 State  
 Local  
 Other (explain) \_\_\_\_\_

**b. Explain how the data will be used by the other agencies.**

TOP information is provided to authorized Federal and state agencies for the purpose of collecting delinquent debt. The TOP system allows the identification of delinquent debtors who are receiving Federal and state payments. Payments certified by Federal payment agencies are compared to the interactive database; and where a match is identified, an offset may occur, reducing or eliminating the existing debt. Funds received due to an offset are provided by FMS to the agency that established the debt.

**c. Identify the role responsible for assuring proper use of the data.**

Each federal bureau head and state agency head is responsible for the proper use of TOP data by their employees.