



# **Bank Secrecy Act E-Filing**

## **Privacy Impact Assessment (PIA)**

# **Bank Secrecy Act E-Filing**

Version 1.5

August 13, 2014

## Revision History

<b>Revision Number</b>	<b>Change Effective Date</b>	<b>Description of Change</b>	<b>Change Entered By</b>
1.1	7/2/14	Section F updated.	Quentin Robinson
1.2	07/03/14	Responded to questions in Sections C, D, E. Track changes on.	Ken Janoski
1.3	07/28/14	Consolidating comments from 7/24 meeting	Gayle Rucker
1.4	7/31/14	Consolidating comments from Sections C, D, E.	Gayle Rucker
1.5	8/11/14	Legal review, primarily of SORN language	Al Zarate

## Table of Contents

<b>Privacy Impact Assessment (PIA) for E-Filing .....</b>	<b>3</b>
A. CONTACT INFORMATION .....	3
B. SYSTEM APPLICATION/GENERAL INFORMATION .....	4
C. DATA IN THE SYSTEM .....	5
D. ATTRIBUTES OF THE DATA .....	7
E. MAINTENANCE AND ADMINISTRATIVE CONTROLS .....	9
F. ACCESS TO DATA .....	11
<b>Approval Page .....</b>	<b>14</b>

## Privacy Impact Assessment (PIA) for E-Filing

**Name of Project:** Bank Secrecy Act Information E-Filing

**Bureau:** Financial Crimes Enforcement Network (FinCEN)

**Name of the system:** E-Filing

**Unique System Identifier:** 015-04-01-12-01-1018-00

### A. CONTACT INFORMATION

- 1) **Who is the person(s) completing this document?** (Name, title, organization and contact information).

Name: Gayle Rucker  
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- 2) **Who is the system owner?** (Name, organization and contact information).

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Organization: FinCEN  
Email: kenneth.o'brien@fincen.gov

- 3) **Who is the system manager for this system or application?** (Name, organization, and contact information).

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- 4) **Who is the IT Security Manager that reviewed this document?** (Name, organization, and contact information).

Name: Quentin Robinson  
Organization: FinCEN  
Email: [Quentin.Robinson@fincen.gov](mailto:Quentin.Robinson@fincen.gov)

- 5) **Who is the Bureau General Counsel that reviewed this document?** (Name, organization, and contact information).

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Organization: FinCEN

Email: [albert.zarate@fincen.gov](mailto:albert.zarate@fincen.gov)

- 6) **Who is the Bureau Privacy Administrator who reviewed this document?** (Name, organization, and contact information).

Name: Gayle Rucker  
Organization: FinCEN  
Email: [Gayle.Rucker@fincen.gov](mailto:Gayle.Rucker@fincen.gov)

- 7) **Has organizational privacy management information previously been provided with another PIA?**

Yes  No  N/A  Enclosed Reference

Details\* \_\_\_\_\_ Published PIA in 2008\_\_\_\_\_

- 8) **If 'Yes' to Question 6, has any of this information changed since the previous PIA was submitted? If NO, please provide the title & date of the previous PIA and proceed to Section B of the questionnaire.**

Yes  Partial  No  N/A  Enclosed Reference

Details\* \_\_\_\_\_

- 9) **Who is the Reviewing Official?**

Name: Amy Taylor, Chief Information Officer (CIO)  
Organization: FinCEN  
E-mail: [Amy.Taylor@fincen.gov](mailto:Amy.Taylor@fincen.gov)

**B. SYSTEM APPLICATION/GENERAL INFORMATION**

- 1) **Does this system contain any information about individuals?** *Individual* - means a citizen of the United States or an alien lawfully admitted for permanent residence.

Yes  Partial  No  N/A  Enclosed Reference

Details\*

The categories of individuals covered in the system include individuals identified in reports filed under the Bank Secrecy Act and its implementing regulations at 31 CFR Chapter X, including customers of banks, broker dealers in securities, casinos, money services businesses, and other financial institutions. In addition, individual filers file the Foreign Bank and Financial Accounts (FBAR) report using the BSA E-Filing System. Individual filers download an Adobe PDF version of the FBAR, fill it out, and then upload the report to the system.

**a. Is this information identifiable to the individual<sup>1</sup>?**

Yes.

**b. Is this information about individual members of the public?**

Yes

**c. Is this information about employees?**

No.

**2) What is the purpose of the system/application?**

Pursuant to the USA Patriot Act of 2001, the Financial Crimes Enforcement Network (FinCEN) was tasked with developing a highly secure network to allow filing institutions to electronically file certain Bank Secrecy Act (BSA) forms (reports). The BSA E-Filing system portal provides the electronic filing capability to financial institutions for meeting their BSA reporting responsibilities and also makes the information available to law enforcement more rapidly.

**3) What legal authority authorizes the purchase or development of this System/application?**

The information contained in BSA E-Filing is collected under the authority of the Bank Secrecy Act, the popular name for Titles I and II of Public Law 91-508, as amended, and codified at 12 U.S.C. 1829b, 12 U.S.C. 1951-1959, and 31 U.S.C. 5311-5314; 5316-5332. The regulations implementing the authority contained in the Bank Secrecy Act are found at 31 CFR Chapter X. The authority to administer 31 CFR Chapter X has been delegated to FinCEN.

**C. DATA IN THE SYSTEM****1) What categories of individuals are covered in the system?**

Categories of individuals include taxpayers and this data comes from BSA forms that are filed on individuals.

**2) What are the sources of the information in the system?****a. Is the source of the information from the individual or is it taken from another source? If not directly from the individual, then what other source?**

Yes  Partial  No  N/A  Enclosed Reference

**Details\***


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<sup>1</sup> "Identifiable Form" - This means information in an IT system or online collection: (i) that directly identifies an individual (e.g., name, address, social security number or other identifying number or code, telephone number, email address, etc.) or (ii) by which an agency intends to identify specific individuals in conjunction with other data elements, i.e., indirect identification. (These data elements may include a combination of gender, race, birth date, geographic indicator, and other descriptors).

The sources for the information in the system are from the records of participating organizations required to file reports with FinCEN, which include financial institutions, brokerages, casinos, and money services businesses. Data may be collected from other third party sources when individuals conduct financial transactions on behalf of other individuals or institutions and need to file the information appropriately.

**b. Are Federal agencies providing data for use in the system?**

Yes  Partial  No  N/A  Enclosed Reference

**Details\*** The majority of the information in the system is data taken from the individual and not from federal, state, tribal, and local agencies. The U.S. Customs and Border Protection Agency provides data collected from individuals and other persons filing the REPORT OF INTERNATIONAL TRANSPORTATION OF CURRENCY OR MONETARY INSTRUMENTS (CMIR) report. This data is transmitted to the BSA E-Filing System on a daily cycle.

**c. Will Tribal, State and local agencies provide data for use in the system?**

Yes  Partial  No  N/A  Enclosed Reference

**Details\***

The majority of the information in the system is data taken from the individual and not from federal, state, tribal, and local agencies.

**d. Will data be collected from other third party sources?**

Yes  Partial  No  N/A  Enclosed Reference

**Details\***

Some information in the system is taken from federal, state, tribal, and local agencies.

**e. What information will be collected from the employee and the public?**

PII that may be collected includes:

- Name
- Social Security Number (SSN)
- Address
- Phone
- Date of Birth
- Bank Account Number
- Country
- Passport Number
- Driver's License Identification (ID)
- Financial Institutions

- Employer Identification Number (EIN)
- Individual Tax Identification Number (ITIN)
- Issuer Identification Number (IIN)

### 3) Accuracy, Timeliness, and Reliability

The Privacy Act of 1974 requires that agencies only maintain data that is accurate, relevant, timely, and complete about individuals. These requirements are statutory and need to be addressed.

#### a. How are data collected from sources other than FinCEN records verified for accuracy?

To ensure the data is complete and accurate, the system has error-checking and form and batch validation functionality. This includes ensuring number fields are entered in numeric format and text fields entered in text format. In addition, lengths of some fields (SSN for example) are validated to ensure they are the proper length.

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

To ensure the data is complete and accurate, the system has error-checking and form and batch validation functionality.

#### c. Is the data current? What steps or procedures are taken to ensure the data is current and not out-of-date? Name the document (e.g., data models).

Yes  Partial  No  N/A  Enclosed Reference

##### Details\*

Any information received is current. The schedule design includes processing more than one batch cycle within 24 hours.

#### d. Are the data elements described in detail and documented? If yes, what is the name of the document?

Yes  Partial  No  N/A  Enclosed Reference

##### Details\*

The data elements are defined in the database data dictionary.

## D. ATTRIBUTES OF THE DATA

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



Yes  Partial  No  N/A  Enclosed Reference

**Details\***

Pursuant to the USA Patriot Act of 2001, the Financial Crimes Enforcement Network (FinCEN) was tasked with developing a highly secure network to allow filing institutions to electronically file certain Bank Secrecy Act (BSA) forms (reports). The BSA E-Filing system portal provides the electronic filing capability to financial institutions for meeting their BSA reporting responsibilities and also makes the information available to law enforcement more rapidly.

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

Yes  Partial  No  N/A  Enclosed Reference

**Details\***

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

Yes  Partial  No  N/A  Enclosed Reference

**Details\***

As new data on an individual is received through the BSA E-Filing System and from third party data sources, it will be associated with an individual record in the E-FILING System of Record component.

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

Yes  Partial  No  N/A  Enclosed Reference

**Details\***

Data from the BSA E-Filing System and from third party data sources will disseminate to downstream applications for analytical purposes and/or to support financial crime investigations.

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

To ensure the data is complete and accurate, the system has error-checking and form and batch validation functionality. This includes ensuring number fields are entered in numeric format and text fields entered in text format. In addition, lengths of some fields (SSN for example) are validated to ensure they are the proper length.

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

**Details\* Not Applicable (N/A)**

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

Yes  Partial  No  N/A  Enclosed Reference

**Details\***

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

Yes  Partial  No  N/A  Enclosed Reference

**Details\***

The data received by the BSA E-Filing System is transferred downstream to the FinCEN Query System . This system can be accessed by authorized individuals using an identifier and password.

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

**The BSA E-Filing System collects reports on individuals who participate in monetary transactions at financial institutions that are reportable based on BSA regulations. These reports are reviewed by law enforcement, regulators, and external agencies to validate compliance with the BSA and also determine if any criminal activity is present.**

**10) Do individuals have an opportunity and/or right to decline to provide information?**

Yes  Partial  No  N/A  Enclosed Reference

**Details\***

It is a Federal mandate to submit this information.

**11) Do individuals have an opportunity to consent to particular uses of the information, and if so, what is the procedure by which an individual would provide such consent?**

Yes  Partial  No  N/A  Enclosed Reference

See answer above to #10.

**E. MAINTENANCE AND ADMINISTRATIVE CONTROLS**

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

**Not Applicable (N/A)**

**2) What are the retention periods of data in this system?**

**Details\***

The system complies with the Department of the Treasury Directive (TD) 80-50, *Records and Information Management Manual*. In accordance with TD 80-50, records are not destroyed or otherwise alienated from the system except in accordance with procedures prescribed in 36 CFR, Part 1228.

**3) What are the procedures for disposition of the data at the end of the retention period? How long will the reports produced be kept? Where are the procedures documented?**

**Details\***

Records retention information for the system, its contents and any reports generated will be approved by the National Archives and Records Administration (NARA) and existing agency file plans will be revised to incorporate records information for the new system. The data will be disposed of in accordance with approved records retention instructions and procedures.

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

Yes  Partial  No  N/A  Enclosed Reference

N/A; the system is not using technologies in ways that the Bureau/Office has not previously employed.

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

N/A; the system is not using technologies in ways that the Bureau/Office has not previously employed.

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

Yes  Partial  No  N/A  Enclosed Reference

**Details\***

FinCEN will use the data to identify and monitor the activities of individuals who are potentially committing financial crimes.

**7) What kinds of information are collected as a function of the monitoring of individuals?**

The BSA E-Filing System has identity and authentication management controls, access control, role based security, access auditing, network security and security zones implemented to protect the data and prevent any unauthorized access.

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

The BSA E-Filing System has identity and authentication management controls, access control, role based security, access auditing, network security and security zones implemented to protect the data and prevent any unauthorized access.

**9) Under which Privacy Act systems of records notice does the system operate? Provide number and name.**

Pursuant to the Privacy Act of 1974, 5 U.S.C. § 552a, as amended, records filed through BSA E-Filing are covered by FinCEN's Privacy Act system of records notices Treasury/FinCEN .001—FinCEN Investigations and Examinations System, Treasury/FinCEN .002—Suspicious Activity Report System and Treasury/FinCEN .003-Bank Secrecy Act Reports System. A new system of records or further alteration to our existing system of records will not be required for BSA E-Filing.

**10) If the system is being modified, will the Privacy Act system of records notice require amendment or revision? Explain.**

Yes  Partial  No  N/A  Enclosed Reference

**Details\***

A new system of records or further alteration to our existing system of records will not be required for BSA E-Filing.

**F. ACCESS TO DATA****1) Who will have access to the data in the system?** (E.g., contractors, users, managers, system administrators, developers, tribes, other)**Details:**

Only users with a need to know and with privileged access, such as system and database administrators, have direct access to the data contained within the BSA E-Filing system.

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

FinCEN maintains policies and procedures to restrict access to privacy data within BSA E-filing. The principles of least privilege and need to know are applied.

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

Access to records in the system is limited to authorized personnel whose official duties require such access, i.e., on a “need to know” basis. Electronic data is protected through user identification, passwords, database permissions and software controls. Such security measures establish different access levels for different types of users.

- 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)

**Details:**

No direct end-user access to the BSA E-Filing system is permitted. Least privilege is employed.

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

Yes  Partial  No  N/A  Enclosed Reference

**Details\***

Contractors having system access are required to have appropriate security clearances. Their contracts include non-disclosure agreements and agreements to comply with all applicable FinCEN policies and laws, including the Privacy Act.

- 6) Do other systems share data or have access to the data in the system? If yes, explain.**

Yes  Partial  No  N/A  Enclosed Reference

**Details\***

Internal FinCEN systems access and obtain data from the BSA E-Filing System and present that data ultimately to authorized users with a need to know.

- 7) Who will be responsible for protecting the privacy rights of the public and employees affected by the interface?**

All authorized FinCEN personnel, as well as authorized personnel from designated federal, state, and, local law enforcement, intelligence, and regulatory agencies that have signed a Memorandum of Understanding (MOU) with FinCEN to allow access to the BSA information will be responsible for protecting the data. The information owner and system manager (identified in the Privacy Act System Notice) share overall responsibility for protecting the privacy rights of individuals by developing guidelines and standards which must be followed. The external users will also be responsible for protecting the information that they submit via BSA E-Filing.

- 8) Will other agencies share data or have access to the data in this system (Federal, State, Local, Other (e.g., Tribal))?**

The majority of the information in the system is data taken from the individual and not from federal, state, tribal, and local agencies.

**9) How will the data be used by the other agencies?**

**These data collected by the BSA E-Filing System is reviewed by external agencies to validate compliance with the BSA and also determine if any criminal activity is present.**

**10) Who is responsible for assuring proper use of the data?**

Data providers are responsible for assuring proper use of the data through various agreements and statutory mandates [i.e., the Privacy Act]. The individual applicants, as data providers, are responsible to ensure the data entered is correct.

## Approval Page

The following Officials have approved this document –

/S/

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Quentin Robinson  
Information System Security Officer (ISSO), FinCEN

September 2014

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Date

/S/

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Gregory Sohn,  
Chief Information Security Officer (CISO), FinCEN

September 2014

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Date

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Kenneth O'Brien  
Information System Owner (ISO), FinCEN

September 2014

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Date

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Gayle Rucker  
Privacy Program Administrator (Privacy Officer), FinCEN

September 2014

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Date

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Amy Taylor  
Reviewing Official

September 2014

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Date