



PRIVACY IMPACT ASSESSMENT

SYSTEM OR APPLICATION NAME: Railroad Employees' Annual Gross Earnings Master File

DATE: 10-1-2007

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Overview

The Railroad Employees' Annual Gross Earnings Master File is used by the Bureau of the Actuary to determine tax amounts involved in the financial interchange with the Social Security Administration and the Centers for Medicare and Medicaid Services. Railroad employers are required by Section 209.13 of the Railroad Retirement Board (RRB) regulations to submit Form BA-11, Report of Gross Earnings. Gross earnings information is collected from railroad employers for railroad employees on a one percent sample basis. The gross earnings sample is based on earnings of employees whose social security number ends with the digits "30". The following sections describe what steps the RRB took to limit the risk of exposure during collection and how the information is secured once collected.

The gross earnings reports contain employee name, Social Security Number, earnings and employer identification number. To limit the risk of exposing private information, the BA-11 gross earnings data is stored on a password-protected personal computer located on the secure RRB server. The personal computer spreadsheet is only accessible by a limited number of employees with even fewer employees having access to mainframe computer datasets used to process gross earnings.

New electronic methods of reporting and processing the BA-11 gross earnings reports have led to a reduction of risk. The addition of secure e-mail and File Transfer Protocol (FTP) offers an alternative to railroads that previously mailed electronic media to the RRB. The secure electronic transmission to SSA has replaced the Federal Express mailing of cartridges and provides for a more secure transfer of data. The use of on screen personal computer editing also limits the exposure of gross earnings data. This change in editing processing eliminated the need for some computer listings and the possible exposure during the delivery process.

The paper reporting of BA-11's still exists with privacy and security methods in place to protect the data. All paper reports are kept in a secure location and disposed of properly.

Individuals still maintain the right to request information regarding the use of individual gross earnings data.

Section 1.0 -- The System and the Information Collected and Stored within the System

1.1 What information is to be collected?

The Railroad Retirement Board (RRB) obtains annually from railroad employers the gross earnings for their employees on a one percent basis, i.e., 1% of each employer's railroad employees. The gross earnings sample is based on the earnings of employees whose social security numbers end with the digits "30." Employers report gross earnings by means of computer prepared magnetic media, secure e-mail or by completing a Form BA-11, Report of Gross Earnings manually. The information contained in the collection includes the employee's name, Social Security Number (SSN), earnings and the employer identification number.

1.2 From whom is the information collected?

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The information is obtained from railroad employers covered under the Railroad Retirement Act (RRA). Employers send gross earnings reports to the RRB only for employees whose social security numbers end with the digits "30."

1.3 Privacy Impact Analysis: What are the privacy risks associated with the information collected?

The Report of Gross Earnings contains sensitive information which needs to be protected while being collected from railroads and stored by the RRB. All sources of collection from railroads are processed in a secure manner to insure employee privacy. The number of employees needing protection is greatly reduced by only collecting information on a one percent sample basis.

Section 2.0 -- The Purpose of the System and the Information Collected and Stored within the System

2.1 Why is the information being collected?

The gross earnings information is essential in determining the tax amounts involved in the financial interchange with the Social Security Administration and the Centers for Medicare and Medicaid Services. In addition, cash-flow projections of the social security equivalent benefit account and railroad retirement account and cost estimates made for proposed amendments to laws administered by the Railroad Retirement Board (RRB) are dependent upon input developed from the information collected.

2.2 What specific legal authorities, arrangements, agreements authorize the collection of information?

The requirement for each employer to submit a report of gross earnings is contained in 20 CFR CH II under section 209.13.

2.3 Privacy Impact Analysis: Given the amount and type of information collected, as well as the purpose, discuss what privacy risks were identified and how they were mitigated.

The gross earnings reports contain employee name, SSN, earnings and employer identification numbers. Internal access to these records by non-approved personnel represents a risk. Access to the BA-11 gross earning reports is limited on both the personal and mainframe computer. Only secure e-mails may contain identifying information. All processed reports are kept in a secure location.

Section 3.0 -- Uses of the System and the Information

3.1 Describe all uses of the information.

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The gross earnings information is essential in determining the tax amounts involved in the financial interchange with the Social Security Administration and the Centers for Medicare and Medicaid Services. Besides being necessary for current financial interchange calculations, the gross earnings file tabulations are also an integral part of the data needed to estimate future tax income and corresponding financial interchange amounts. These estimates are made for internal use and to satisfy requests from other government agencies and interested groups. In addition, cash-flow projections of the social security equivalent benefit account and railroad retirement account and cost estimates made for proposed amendments to laws administered by the RRB are dependent upon input developed from the information collection.

3.2 Does the system analyze data to assist users in identifying previously unknown areas of note, concern, or pattern? (Sometimes referred to as data mining.)

No.

3.3 How will the information collected from individuals or derived from the system, including the system itself be checked for accuracy?

Gross earnings amounts reported by railroad employers are compared to Employment Data Maintenance (EDM) amounts derived from the BA-3. A personal computer spreadsheet determines discrepancies between the BA-11 gross earnings reporting and EDM. Initial discrepancies are resolved. A later spreadsheet compares earnings amounts along with service month and employer data to eliminate incorrect entries. This spreadsheet contains an audit log to track automated and manual editing.

3.4 What is the retention period for the data in the system? Has the applicable retention schedule been approved by the National Archives and Records Administration (NARA)?

The BA-11 (gross earnings) paper reports are retained for 6 years. The BA-11 (gross earnings) computer cartridges are returned 2 years after determination. Other magnetic media are destroyed after 2 years. Secure e-mail BA-11's will also be deleted after 2 years. The BA-11 input files are currently scheduled with the National Archives and Records Administration (NARA). The gross earnings master file records are retained for 5 years and not scheduled with NARA.

3.5 Privacy Impact Analysis: Describe any types of controls that may be in place to ensure that information is handled in accordance with the above described uses.

The gross earnings information is essential in determining the tax amounts involved in the financial interchange with the Social Security Administration and the Centers for Medicare and Medicaid Services. Besides being necessary for current financial interchange calculations, the gross earnings file tabulations are also an integral part of the data needed to estimate future tax income and corresponding financial interchange amounts. In order to insure accuracy of the BA-11 report, the Gross earnings amounts reported by railroad employers are compared to Employment Data Maintenance (EDM) amounts reported derived from the BA-3. Once processed by the RRB the BA-11 (gross earnings) data is stored on a password-protected personal computer,

which is located on the secure RRB server. The personal computer spreadsheet is only accessible by a limited number of employees with even fewer employees having access to mainframe computer datasets used to process gross earnings. All paper and diskette BA-11's as well as electronic media from recent years are located in locked storage. Old BA-11 paper reports and magnetic media other than computer cartridges are retained for a specified period of time before being shredded. Computer cartridges are also retained for a specified period of time before being returned to the railroad employers. The Federal Express mailing of computer cartridges has been replaced with secure electronic transmissions in an effort to further protect privacy.

Section 4.0 -- Internal Sharing and Disclosure of Information within the System

4.1 With which internal components of the RRB is the information shared?

The private information contained in the BA-11 is collected by the Benefit and Employment Analysis (BEA) division of the Bureau of the Actuary and is not shared with RRB components outside of the bureau. Information is provided to the Financial Interchange (FI) division within the Actuary's office.

4.2 For each recipient component or office, what information is shared and for what purpose?

To carry out the financial interchange provisions of section 7(c)(2) of the Railroad Retirement Act, the RRB obtains annually from railroad employers the gross earnings for their employees on a one percent basis. SSN's and earnings are provided to FI to accomplish this provision. The FI only uses statistical totals without any detail beyond this point.

4.3 How is the information transmitted or disclosed?

The gross earnings data is provided to FI on Excel spreadsheets and also on paper tables. The paper tables are returned to BEA after use by FI.

4.4 Privacy Impact Analysis: Given the internal sharing, discuss what privacy risks were identified and how they were mitigated.

Once processed by the RRB the BA-11 (gross earnings) data is stored on a password-protected personal computer, which is located on a secure server. The shared personal computer spreadsheets are only accessible by a limited number of employees within the bureau with even fewer employees having access to mainframe computer datasets used to process gross earnings. The shared gross earnings paper tables are kept in locked storage.

Section 5.0 -- External Sharing and Disclosure

5.1 With which external (non-RRB) is the information shared?

The gross earnings file containing SSN's and earnings information is sent via a secure electronic transmission to the Social Security Administration (SSA). A copy with scrambled social security numbers and deleted names is sent annually to the American Association of Railroads (AAR).

5.2 What information is shared and for what purpose?

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The file is sent to SSA to perform a dual coverage match. The AAR file is used to create a required statistical index for the Surface Transportation Board.

5.3 How is the information transmitted or disclosed?

A secure electronic transmission is used to send the file to SSA. The file is then returned from SSA via a secure electronic transmission. The scrambled AAR file is sent using e-mail since all identifying information has been altered or removed.

5.4 Are there any agreements concerning the security and privacy of the data once it is shared?

No new information is being disclosed since the RRB is only providing SSN's to match with SSA records and is not providing any information that SSA doesn't already have on file. SSA then returns the file via a secure electronic transmission.

5.5 What type of training is required for users from agencies outside RRB prior to receiving access to the information?

SSA and RRB personnel are required to complete specific security and privacy certifications when handling each agency's information. No identifying information is disclosed to AAR, and no special training is required.

5.6 Are there any provisions in place for auditing the recipients' use of the information?

No.

5.7 Privacy Impact Analysis: Given the external sharing, what privacy risks were identified and describe how they were mitigated.

A secure electronic transmission is now sent to SSA and has replaced the Federal Express mailing of cartridges. This provides for a more secure transfer of data. The AAR file has the name eliminated and the social security numbers scrambled which removes all identifying individual information from the file.

Section 6.0 – Notice

6.1 Was any form of notice provided to the individual prior to collection of information? If yes, please provide a copy of the notice as an appendix. (A notice may include a posted privacy policy, a Privacy Act notice on forms, or a system of records notice [link] published in the Federal Register Notice.) If notice was not provided, explain why not.

Yes, in compliance with the Paperwork Reduction Act of 1995, a notice of collection using the BA-11 is posted in the Federal Register. A notice is also posted on the rrb.gov web site under [RRB Privacy Act Systems of Records](#) using text link RRB-29 *Railroad Employees' Annual Gross Earnings Master File*.

6.2 Do individuals have an opportunity right to decline to provide information?

No. Employers are required by Section 209.13 of the RRB's regulations to submit Form BA-11, Report of Gross Earnings, for all employees whose social security number ends with the digits "30".

6.3 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?

No. The information is only used for determining the tax amounts involved in the financial interchange with SSA and CMS and for preparing cash flow projections.

6.4 Privacy Impact Analysis: Given the notice provided to individuals above, describe what privacy risks were identified and how you mitigated them.

Employers are required by Section 209.13 of the RRB's regulations to submit Form BA-11, Report of Gross Earnings, for all employees whose social security number ends with the digits "30". Notices of collection using the BA-11 are posted in the Federal Register and on the rrb.gov web site under RRB Privacy Act Systems of Records using text link RRB-29. Once processed by the RRB the BA-11 (gross earnings) data is stored on a password-protected personal computer, which is located on a secure server. The shared personal computer spreadsheets are only accessible by a limited number of employees within the bureau with even fewer employees having access to mainframe computer datasets used to process gross earnings. The shared gross earnings paper tables are kept in locked storage. A secure electronic transmission is now used to send the file to SSA in an effort to further protect privacy. The file is then returned from SSA via a secure electronic transmission. The scrambled AAR file is sent using e-mail since all identifying information has been altered or removed. The Financial Interchange group only uses statistical totals without any detail beyond this point.

Section 7.0 -- Individual Access and Redress

7.1 What are the procedures which allow individuals the opportunity to seek access to or redress of their own information?

Requests for information regarding an individual's record should be in writing addressed to the System Manager (Bureau of the Actuary, U.S. Railroad Retirement Board, 844 Rush Street, Chicago, Illinois 60611-2092), including the full name and social security account number and claim number of the individual. Before information about any record will be released, the System Manager may require the individual to provide proof of identity or require the requester to furnish an authorization from the individual to permit release of information.

7.2 How are individuals notified of the procedures for seeking access to or amendment of their information?

Notification procedures for gross earnings can be found in the Federal Register and on www.rrb.gov under the RRB Privacy Act System of Records using text link RRB-29.

7.3 If no opportunity to seek amendment is provided, are any other redress alternatives to the individual?

N/A

7.4 Privacy Impact Analysis: Discuss any opportunities or procedures by which an individual can contest information contained in this system or actions taken as a result of agency reliance on information in the system.

Requests for information regarding an individual's record should be in writing addressed to the System Manager (Bureau of the Actuary, U.S. Railroad Retirement Board, 844 Rush Street, Chicago, Illinois 60611-2092), including the full name and social security account number and claim number of the individual. Before information about any record will be released, the System Manager may require the individual to provide proof of identity or require the requester to furnish an authorization from the individual to permit release of information.

Section 8.0 -- Technical Access and Security

8.1 Which user will have access to the system?

The BEA section within the Bureau of the Actuary is the only group allowed access to the gross earnings files. The FI division receives a copy of the file but has no direct access.

8.2 Will contractors to the RRB have access to the system? If so, please submit a copy of the contract describing their role with this PIA?

No

8.3 Does the system use "roles" to assign privileges to users of the system?

Yes, access is limited to the BEA section and not the entire Bureau of the Actuary.

8.4 What procedures are in place to determine which users may access the system and are they documented?

Permissions have been placed on the gross earnings Excel folders as well as mainframe files. The section supervisor determines who has shared access to the Excel folders and approves mainframe file access. The Bureau of Information Services (BIS) controls the actual access to mainframe files.

8.5 How are the actual assignments of roles and rules verified according to established security and auditing procedures?

The roles and rules pertaining to the RRB domain in which the Actuary information resides are determined and verified by the IT security specialist in the Bureau of Information Services.

8.6 What auditing measures and technical safeguards are in place to prevent misuse of data?

Restricted permissions have been placed on the Excel gross earnings folders to prevent any misuse of data. The Excel gross earnings edit file contains an audit log to track any changes made to the file.

8.7 Describe what privacy training is provided to users either generally or specifically relevant to the functionality of the program or system?

Security awareness training and privacy awareness training has been provided to users. Instructions for performing the gross earnings update are located on a shared Word document in BEA. These instructions also address some security and privacy issues.

8.8 Is the data secured in accordance with FISMA requirements? If yes, when was Certification and Accreditation last completed?

The data is secured with comparable requirements to those of FISMA.

8.9 Privacy Impact Analysis: Given access and security controls, what privacy risks were identified and describe how they were mitigated.

The gross earnings reports contain employee name, Social Security Number, earnings and employer identification number. Any possible internal access to these records by non-approved personnel is mitigated by limiting access to the BA-11 gross earning reports on both the personal and mainframe computer. Only secure e-mails may contain identifying information and all processed reports are kept in a secure location.

Section 9.0 -- Technology

9.1 Were competing technologies evaluated to assess and compare their ability to effectively achieve system goals?

After competing technologies were evaluated, the edit portion of the gross earnings reports processing was developed for use on a personal computer. This change in processing eliminated the need for computer listings during the edit process. These listings contained personal identifiers, which could possibly be exposed in delivery.

9.2 Describe how data integrity, privacy, and security were analyzed as part of the decisions made for your system.

The addition of secure e-mail offers an alternative to railroads that previously mailed diskettes to the RRB. The secure electronic transmission to SSA replaced the Federal Express mailing of cartridges and provides for a more secure transfer of data. The use of personal computer editing also limits the exposure of gross earnings data. This change in processing eliminated the need for computer listings during editing. These listings contained personal identifiers, which could possibly be exposed in delivery.

9.3 What design choices were made to enhance privacy?

Access permissions are needed for both mainframe and personal computer files associated with the reporting of gross earnings. The change to personal computer editing has eliminated the need for computer listings during the editing process. A secure electronic transmission to SSA has replaced the Federal Express mailing of cartridges. The addition of secure e-mail offers an alternative to railroads that previously mailed diskettes to the RRB.

9.4 Privacy Impact Analysis: Given the technology and design choices, what privacy risks were identified and describe how they were mitigated?

After competing technologies were evaluated, the edit portion of the gross earnings reports processing was developed for use on a personal computer. This change in processing eliminated the need for computer listings during the edit process. These listings contained personal identifiers, which could possibly be exposed in delivery. Secure electronic transmissions to and from SSA have replaced the Federal Express mailing of cartridges in an effort to further protect privacy. The addition of secure e-mail and File Transfer Protocol (FTP) offers an alternative to railroads that previously mailed electronic media to the RRB.