

**Department of the Treasury
BUREAU OF ENGRAVING AND PRINTING**

**BEP Background Information Request
Form**



January 16, 2015

Privacy Impact Assessment (PIA)

B. System Application/General Information

1. Does this system contain any PII? [] No [X] Yes

2. What is the purpose of the system/application?

The BEP Background Investigation Form (Form) is used by the Office of Security (OS), Security & Investigations Division, Product & Investigations Branch to collect information from Banknote Equipment Manufacturers (BEM) and Currency Reader Manufacturers (CRM) receiving new designs and production samples of Federal Reserve Notes (FRN) for purposes of updating their products to denominate and/or authenticate genuine currency. The OS uses this information to perform a security background investigation of BEM and CRM and their personnel. BEM/CRM personnel are neither employees nor contractors of the BEP. The agreements that the BEP and BEMs and CRMs enter into are generally limited to nondisclosure and security agreements. These agreements govern only the BEM/CRM's treatment of information and property provided by the BEP.

A BEM or CRM will be considered "BEP-Approved" when the company has been determined to meet the definition of BEM and CRM in accordance with BEP Circular No. 82-00.13, Policy and Procedures for Banknote Equipment Manufacturers and Currency Reader Manufacturers Receiving Federal Reserve Notes (May 16, 2014), and the company and pertinent personnel have passed satisfactorily a background investigation.

The Office of Product Development (OPD) sends by email the Form as a PDF document to BEMs or CRMs requesting access to samples or test decks of FRN. The Form requests PII of BEM or CRM personnel. The BEM or CRM completes the Form and returns it to the OPD either as a PDF attached to an email or by standard mail delivery services. The OPD provides a hard copy of the Form to the OS requesting a background investigation of BEMs or CRMs.

The OS assigns a task number to the request, enters the task number in an excel spreadsheet for tracking purposes and establishes a hardcopy working folder (i.e. background investigation file) under the task number which includes the completed Form.

The OS conducts a background investigation on the BEM and CRM and their personnel based on the information provided in the Form. The OS uses external electronic and paper database systems, such as Lexis Nexis, Thomson Reuters Special Services (TRSS), and the National Crime Information Center (NCIC) administered by the Federal Bureau of Investigation (FBI) as part of the background investigation process. The results are annotated in the folder stored by task number.

The OS provides OPD with a recommendation of approval or disapproval after the background investigation is completed. The OS will also provide OPD with the contact

Privacy Impact Assessment (PIA)

information of the BEM/CRM liaison. The OPD stores the contact information in the Manufacturer Cash Handling and Equipment (MCHE) IT system.

3. What legal authority authorizes the purchase or development of this system/application?

31 U.S.C. § 321, 5 U.S.C. § 3301 et. seq., 5 C.F.R. § 731, 732, and 736; Exec. Order No. 10,450, 3 C.F.R. § 1949-1953 Comp., p. 936 (April 27, 1953) as amended.

4. Under which SORN does the system operate? (Provide name and number)

Treasury/BEP .021 Investigative Files, 73 Fed. Reg. 22604 (April 16, 2013).

SORN will be updated to reflect additional data element.

C. Data in the System

1. What categories of individuals are covered in the system? (e.g., employees, contractors, taxpayers, other)

Personnel of BEM and CRM are covered in the Form. These are employees or contractors of third party companies who receive sample FRN or test decks from BEP. These third party companies are not contractors or service providers to the BEP, but BEP will provide sample notes and securities to their employees or contractors.

2. What are the sources of 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 sources?

The source of the information is from the BEM or CRM liaison providing the Form.

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

No Federal agency is providing data used to complete the Form.

c. What state and/or local agencies, tribal governments, foreign governments, or international organizations are providing data for use in the system?

No state and/or local agencies, tribal governments, foreign governments, or international organizations are providing data for use in the Form.

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

Privacy Impact Assessment (PIA)

Data is not collected from any third party source. Data is only requested from the BEM and CRM requesting access to testing notes.

e. What information will be collected from employees, government contractors and consultants, and the public?

The Form requests PII data for three classes of BEM or CRM personnel:

- Company Executives;
- Company Representatives (Personnel responsible for the FRN); and
- Company Designees (Personnel who will be handling/testing the FRN).

The Form requests the following PII for each individual identified in the three classes of personnel listed above:

- Name (Last, First, Middle);
- Title;
- Date of Birth;
- Country of Birth;
- Social Security Number;
- Passport Number;
- Home Address;
- Business Address;
- Business Phone Number; and
- Business E-mail Address.

3. Accuracy, Timeliness, and Reliability

a. How is data collected from sources other than from Treasury records going to be verified for accuracy?

The data provided in the Form is validated when performing the background investigations on the BEM or CRM personnel.

b. Is completeness required? [] No [X] Yes

c. What steps or procedures are taken to ensure the data is current and not out-of-date?

The BEM and CRM are required to update their information when changes occur to ensure that it is current and not out of date.

There are several types of events that prompt a BEM or CRM to submit an updated Form: change to company name, address, or individuals covered by the Form (add, delete, or change). An updated Form leads to re-investigation of the

Privacy Impact Assessment (PIA)

information that has not changed as well as the investigation of the new information.

- d. Are the data elements described in detail and documented? [] No [X] Yes**

If yes, what is the name of the document?

The Form describes all of the data elements collected.

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?**

The OS is responsible for conducting background investigations on potential BEMs and CRMs. The data gathered via the Form is pivotal to the mission of the office.

- 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? [] No [X] Yes**

The data on the Form is static. The information provided by BEM/CRM will be used by the OS to confirm the accuracy of the information through the BEP background investigation process. During this process the OS may have access to PII while using external sources. However, the OS will not derive or collect new PII data from any external sources.

- 3. Will the new data be placed in the individual's record? [] No [X] Yes**

Any data received about an individual is added to the folder created for this background investigation task for the BEM or CRM. Data in this folder is sorted by the date it is received and not by individual.

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

Yes. The purpose of the background investigation is to make a determination about the suitability of a BEM or CRM to receive samples or test decks of FRN based on background investigations performed on company personnel.

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

A company individual inputs the initial data set. The background investigation process incorporates multiple layers of information validation.

Privacy Impact Assessment (PIA)

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

Access is limited to OS's personnel. Records are maintained in locked file cabinets. Only authorized users have access to the area that houses the file cabinets.

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

N/A. Processes are not being consolidated.

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

Yes. The data can be retrieved by the task number or name of the BEM or CRM. The OS maintains an excel spreadsheet that tracks the task number and the name of the BEM or CRM. This then allows the OS to find the investigation file in the filing cabinet. Access to the data in this folder is achieved by looking at individual pieces of paper that have been added to the file in the chronological order in which they were received.

- 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 OS informs OPD of the results of the background investigation. OPD will send a letter informing the result of the background investigation process to the BEM or CRM personnel. If the individual does not pass the background investigation a letter is generated and sent to the individual stating that they have not been approved and to contact the OS, if further information is required.

The OS discloses only to the individual the reasoning behind why access to samples or test decks of FRN was denied. The BEM or CRM will only be notified that the individual did not meet the requirements and is not permitted to work on the project.

These letters are stored in the BEM/CRM correspondence folder maintained by OPD. Only personnel of the OPD have access to these folders.

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 be maintained in all sites?**

The background investigation files of BEM and CRM are stored at the BEP Eastern Currency Facility (ECF).

- 2. What are the retention periods of data in the system?**

Privacy Impact Assessment (PIA)

Records are retained and disposed in accordance with the National Archives and Records Administration (NARA), General Records Schedule No. 18.

- 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?**

Paper records for disposal are shredded and electronic records are permanently deleted, in accordance with 36 C.F.R. § 1226.24. Reports are maintained in accordance with the NARA GRS No. 18. Procedures are documented in BEP Circular 80-05, Records Management Program, dated December 18, 2006, and BEP Circular 80-05.4, Policies and Procedures for Electronic Records and Email, December 18, 2006.

- 4. Is the system using technology in ways the office or bureau has not previously employed (e.g., monitoring software, Smart Cards, Caller-ID)? If yes, explain.**

No, the system does not use any previously unemployed technologies.

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

N/A.

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

Yes.

The Form captures the name and identifying information on individuals included on the form by the BEM or CRM. This would provide the capability to identify but not locate or monitor these individuals.

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

N/A.

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

N/A.

- 9. Under which SORN does the system operate? (Provide name and number)**

Treasury/BEP .021 Investigative Files, 73 Fed. Reg. 22604 (April 16, 2013).

- 10. If the system is being modified, will the SORN require amendment or revision? Explain.**

Privacy Impact Assessment (PIA)

The SORN requires an update to include the existing "Country of Birth" data point. The OS will not collect this data element until the SORN is amended.

F. Access to Data

1. **Who will have access to the data in the system? (e.g., contractors, users, managers, system administrators, developers, others).**

Access is limited to BEP employees in the OS and employees and contractor of the OPD.

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

BEP personnel in the OPD interacting with the BEM and CRM will have access to the data on the Form in a need-to-know basis for the performance of their official duties.

BEP personnel in the OS will have access to the data in the background investigation file and the Form provided to them by the OPD.

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

The OS personnel will have access to all of the information contained in the background invitation file including the Form in a need-to-know basis for the performance of their official duties.

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

Users participate in the mandatory Annual Privacy Awareness Training sponsored by the Department of the Treasury, Office of Privacy and Civil Liberties (OPCL) and the Records Management-Employees and Contractors Training sponsored by the Department of the Treasury, Office of Privacy, Transparency, and Records (OPTR).

5. **Are contractors involved with the design and development of the system and will they be involved with the maintenance of the system?**

No. BEP's employees designed and developed the Form.

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

The data elements provided in the Form are shared with external sources during the background investigation process.

Privacy Impact Assessment (PIA)

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

Chief, Office of Security.

- 8. Will other agencies share data or have access to the data in this system?**

Federal **State** **Local** **Other**

The data elements provided in the Form are shared with external sources during the background investigation process. For example, a person's name and SSN would be sent to the NCIC to request background information.

- 9. How will the data be used by the other agency?**

Agencies receiving requests for background information will use the information provided to identify the person in their database in order to provide the requested information.

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

Chief, Office of Security

