DEFENSE FINANCE AND ACCOUNTING SERVICE

Defense Industrial Financial Management System (DIFMS)

Unique Project (Investment) Identifier – 007-97-01-01-02-1271-00

PRIVACY IMPACT ASSESSMENT (PIA)

Point of Contact

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PREPARED BY:

February 2009

PRIVACY IMPACT ASSESSMENT

1. **Department of Defense Component**. Defense Finance and Accounting Service

2. **System Title**. Defense Industrial Financial Management System (DIFMS)

3. **Budget System Identification Number**. 1271

4. **System Identification Number(s) (IT Registry/Defense IT Portfolio Repository (DITPR)).** DITPR ID No. 12

5. **IT Investment (OMB Circular A-11) Unique Identifier (if applicable).** 007-97-01-01-02-1271-00

6. **Privacy Act System of Records Notice Identifier (if applicable).** T-7040a dated October 1, 2008, 73 FR 57065

7. **OMB Information Collection Requirement Number (if applicable) and Expiration Date**. N/A

8. **Type of authority to collect information (statutory or otherwise).** 5 U.S.C. 301, Departmental regulations; Department of Defense Financial Management Regulation (DoDFMR) 7000.14-R, Vol. 4, 31 U.S.C. Sections 3511 and 3513, and E.O. 9397 (SSN)

9 **Provide a brief summary or overview of the IT system (activity/purpose, present life cycle phase, system owner, system boundaries and interconnections, location of system and components, and system backup).**

   a. **Activity/Purpose.**
   DIFMS is a financial management/accounting system supporting the Navy, Air Force, and Marine Corps Depot Maintenance (DM) and Navy Research and Development (R&D) business areas. DIFMS replaced legacy systems with a migratory system that meets Federal and DoD regulations and requirements.

   b. **Present Life Cycle Phase**. Operations and Support

   c. **System Owner**. Defense Finance and Accounting Service

   d. **System boundaries and interconnections.**

      Input Interfaces:
      1. Centralized Master Edit Table (CMET)
      2. Defense Civilian Payroll System (DCPS)

      Output Interfaces:

1. Business Enterprise Information Services (BEIS)
2. Defense Cash Accountability System (DCAS)
3. Defense Departmental Reporting System (DDRS)

Both Input/Output Interfaces:

1. Air Force Depot Maintenance Accounting and Production System (DMAPS)
2. Sponsor Order System (SOS)
3. Defense Civilian Payroll System (DCPS)
4. Defense Travel System (DTS)
5. Industrial Logistics Support Management Information System (ILSMIS)
6. Navair Depot Maintenance System (NDMS)
7. Standard Accounting Budgeting and Reporting System (SABRS)
8. Standard Labor Data Collection & Distribution (SLDCADA)
9. Standard Accounting and Reporting System (STARS)
10. Time and Attendance (TAA)

e. **System Location and Components.**
Defense Information Systems Agency, Defense Enterprise Computing Center, Ogden, UT

Defense Information Systems Agency, Defense Enterprise Computing Center, Mechanicsburg, PA

10. **Describe what information in identifiable form will be collected and the nature and source of the information (e.g., names, Social Security Numbers, gender, race, other component IT systems, IT systems from agencies outside DoD, etc.)**

a. **Information in Identifiable Form** – Names, and Social Security Numbers
b. **DFAS IT systems** – DCPS
c. **DoD Component IT systems** –SLDCADA, TAA, and DTS
d. **IT systems from agencies outside DoD** – N/A

11. **Describe how the information will be collected (e.g. via the Web, via paper-based collection, etc.)**
File are transfers from other systems.

12. **Describe the requirement and why the information in identifiable form is to be collected (e.g., to discharge a statutory mandate, to execute a Component program, etc.)**
To execute a Component program.

13. **Describe how the information in identifiable form will be used (e.g., to verify existing data, etc.)**

The data in identifiable form will be used to verify existing data that is fed through other systems into DIFMS. The system provides financial systems management, financial reporting, funds control, general ledger management, receipts management, payments management, and cost management functions for Navy, Marine Corps, and Air Force activities. The system enables the customers to produce auditable financial statements.

14. **Describe whether the system derives or creates new data about individuals through aggregation.**
System derives data from file transfers, and no new data is created.

15. **Describe with whom the information in identifiable form will be shared, both within the Component and outside the Component (e.g., other DoD Components, Federal agencies)**
Information is available to Navy, Marine Corps, Air Force activities. In addition, information may be shared with U.S. Treasury and the Government Accounting Office.

16. **Describe any opportunities individuals will have to object to the collection of information in identifiable form about themselves or to consent to the specific uses of the information in identifiable form. Where consent is to be obtained, describe the process regarding how the individual is to grant consent.**
Feeder systems (DCPS, DTS, TAA and SLDCADA) collect the personal information and individuals are provided the opportunity to object to the collection of personal information when they fill out the electronic or hard copy forms that contain a Privacy Act Statement. The Privacy Act Statement informs the individual that providing the information is voluntary unless by law it is mandatory.

17. **Describe any information that is provided to an individual, and the format of such information (Privacy Act Statement, Privacy Advisory) as well as the means of deliver (e.g., written, electronic, etc.), regarding the determination to collect the information in identifiable form.**
Feeder systems (DCPS, TAA, DTS and SLDCADA) provide this information through the use of electronic or hard copy forms that contain a Privacy Act Statement.

18. **Describe the administrative/business, physical, and technical processes and controls adopted to secure, protect, and preserve the confidentiality of the information in identifiable form.**
Access to records is limited to individuals who are properly screened and cleared on a need to know basis in the performance of their duties. Passwords and user identifications are used to control access to the system data, and procedures are in place to detect and deter browsing and unauthorized access. Physical and electronic access are limited to persons responsible for servicing and authorized to

use the system. Records are in a building protected by guards and controlled by screenings and registering of visitors.

19. **Identify whether the IT system or collection of information will require a System of Records(SOR) notice as defined by the Privacy Act of 1974, and as implemented by DoD Directive 5400.11-R, "DoD Privacy Program," November 11, 2004. If so, and a SOR notice has been published in the Federal Register, the Privacy Act System of Records Identifier must be listed in question 6 above. If not yet published, state when publication of the Notice will occur.**
A Privacy Act system of record notice was published in the Federal Register (FR) on October 1, 2008 (73 FR 57065). The system of record notice number is T7040a.

20. a. **Describe/evaluate any potential privacy risks regarding the collection, use, and sharing of the information in identifiable form.**
N/A

b. **Describe/evaluate any privacy risks in providing individuals an opportunity to object/consent or in notifying individuals.**
Feeder systems (DCPS, TAA and SLDCADA) provide individuals with opportunity to object to the collection of information. If SSN is not provided for DCPS, TAA or SLDCADA, it could delay the establishment of a payroll account. By law, DFAS must provide the SSN or employee identification number to the Internal Revenue Service for reporting wages and tax purposes. DCPS, TAA and SLDCADA feed data into the DIFMS system, and without the proper SSN or Employee Identification Number (EIN), the payroll information may not be properly accounted for and posted in this system.

c. **Describe/evaluate further any risks posed by the adopted security measures.**
No risks exist at this time. Security controls are reviewed annually and the system is re-certified and re-accredited at least every three years. Risks are evaluated and mitigated when discovered or identified.

21. **State classification of information/system and whether the PIA should be published or not. If not, provide rationale. If a PIA is planned for publication, state whether it will be published in full or summary form.**
System is unclassified with data classified as 'sensitive.' PIA should be published in full.

SIGNATURE PAGE

Defense Industrial Financial Management System (DIFMS)

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