



Privacy Impact Assessment

for the

**Federal Annuity Claim Expert System
(FACES)**

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Contact Point

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Abstract

The U.S. Office of Personnel Management Office of Retirement Services manages the Federal Annuity Claims Expert System (FACES). FACES is a mission critical application that Retirement Services uses to compute Civil Service and Federal Employees Retirement Systems benefits for federal retirees and their survivors. This Privacy Impact Assessment is being conducted because FACES collects, maintains, and uses personally identifiable information about federal retirees and their survivors.

Overview

FACES is an information technology tool that assists the Office of Personnel Management's (OPM) Office of Retirement Services (RS) in calculating annuities based on federal employees' records of federal service. It is comprised of two components: the Retirement Benefits Calculator (RBC) and the Retirement Benefits Estimator (RBE).

The Retirement Benefits Calculator (RBC) is used to calculate annuities based on federal employees' records of federal service from either the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS). These retirement annuities are based on payroll and personnel documents submitted by the federal employee's agency.

Legal Administrative Specialists (LAS) compute annuities from paper based records submitted by the retiring employee's agency. RBC computational data, once adjudicated and reviewed, is encrypted and sent from FACES to the Annuity Roll System (ARS) for payment, tracking, and other appropriate actions needed for benefits management. A print out of the computation is also placed in the individual's retirement case file.

The RBC provides a web interface to access the Service Credit Redeposit (SCRD) system, which provides federal employees an opportunity to make payments into their retirement funds for periods of service during which they either did not contribute, or for which they previously received a refund of their contributions. It allows the LAS to view, print and close SCR D accounts when the federal employee retires. When the LAS closes out the retiree's



SCRD account, a printout is added to the retirement case file before the case has been triggered and processed through to ARS. The Retirement Benefits Estimator (RBE) is a web-based FACES component. Federal Retirement Benefits Officers and Human Resource Specialists outside of OPM use the RBE to compute retirement annuity estimates for federal employees considering retirement. These estimates are computed by using the federal employee's personnel records. These estimates are not passed to the RBC and are considered the agency's information, until the employee retires.

Section 1. Authorities and Other Requirements

1.1. What specific legal authorities and/or agreements permit and define the collection of information by the project in question?

The Civil Service Retirement System (CSRS) is administered pursuant to 5 U.S.C. Chapter 83 and the Federal Employee Retirement System (FERS) is administered pursuant to 5 U.S.C. Chapter 84. The authority for maintenance of the system includes the following with any revisions or amendments: Section 3301 and chapters 83, 84, 87, 89 and 90 of title 5, United States Code, Pub. L. 83-598, 84-356, 86-724, 94-455, and 106-265; and Executive Order 9397, as amended by 13478.

1.2. What Privacy Act System of Records Notice(s) (SORN(s)) apply to the information?

The SORN that applies to the information in FACES is OPM/Central-1, Civil Service Retirement and Benefits Records.

1.3. Has a system security plan been completed for the information system(s) supporting the project?

The system security plan was completed as part of the Authority to Operate that was granted to FACES on October 24, 2016.



1.4. Does a records retention schedule approved by the National Archives and Records Administration (NARA) exist?

A schedule is under review by NARA. In accordance with NARA regulations, these records are considered permanent until the schedule has been approved.

1.5. If the information is covered by the Paperwork Reduction Act (PRA), provide the OMB Control number and the agency number for the collection. If there are multiple forms, include a list in an appendix.

Standard Forms

- SF-2800, Application for Death Benefits (Civil Service Retirement System), OMB No. 3206-0156
- SF-2802, Application for Refund of Retirement Deductions (CSRS), OMB No. 3206-0128
- SF-2803, Application to Make Deposit or Redeposit, OMB No. 3206-0134
- SF-2817, Life Insurance Election: Federal Employees' Group Life Insurance Program, OMB No. 3206-0230
- SF-3104 and SF-3114, Application for Death Benefit (FERS), OMB No. 3206-0172
- SF-3106, Application for Refund of Retirement Deductions (Federal Employees Retirement System)

OPM Form

OPM 1496, Application for Deferred Retirement, Civil Service Retirement System (Separations on or after October 1, 1956), OMB No. 3206-0121

Retirement Services Forms

- RI 20-7, Representative Payee Application, OMB No. 3206-0140
- RI 20-120, Request for Change to Unreduced Annuity, OMB No. 32206-0245



- RI 38-45, We Need the Social Security Number of the Person Named Below, OMB No. 3206-0144
- RI 92-19, Application for Deferred or Postponed Retirement-Federal Employees Retirement System (FERS), OMB No. 3206-0190

Section 2. Characterization of the Information

2.1. Identify the information the project collects, uses, disseminates, or maintains.

FACES collects, uses, disseminates, or maintains the following information: name, claim number, date of birth, social security number, address, marital status, financial and banking information and key values to compute annuity, and health care insurance information (plan and carrier details).

2.2. What are the sources of the information and how is the information collected for the project?

Data in FACES originates primarily from the annuitant's paper application for benefits and from the employment records submitted by the annuitant's former agency. Additionally, LAS's use information printed from SCRD via the FACES web interface.

2.3. Does the project use information from commercial sources or publicly available data? If so, explain why and how this information is used.

No, FACES does not use information from commercial sources.

2.4. Discuss how accuracy of the data is ensured.

The individual's agency certifies the periods of federal service along with the relevant retirement documents (such as the certification of FEGLI status) while the agency's payroll provider audits and certifies the individual's payroll documents known as the Individual Retirement Record (IRR). The certified documentation is included in the retirement application file signed by the applicant that is sent to OPM for retirement processing. The accuracy



of the data is enforced through the separation of duties between the LAS and an LAS reviewer. The LAS enters data from the paper based records into FACES to compute the retirement annuity. An LAS reviewer verifies the computational data against the paper based records before the computational data is authorized for payment.

The FACES computational data is then set up to create transactions to ARS. These transactions are used for payment processing to the annuitant through the U.S. Treasury.

Additionally, every month a sample of active retirement claims is pulled from our retirement operations center and reviewed for quality and accuracy. The results of these monthly audits are provided to Retirement Operations for resolution.

2.5. Privacy Impact Analysis: Related to Characterization of the Information

Privacy Risk: There is a risk that the information in FACES is not accurate.

Mitigation: This risk is mitigated by the detailed procedures FACES has in place, described in Section 2.4, to ensure that the information is as accurate as possible. OPM also assumes that information regarding the Federal employees that comes directly from other agencies is correct and has been validated by the employing agency then submitted appropriately.

Privacy Risk: There is a risk regarding the accuracy of information that comes from the paper-based form (completed by the annuitant) which might be input incorrectly or improperly transcribed.

Mitigation: This risk is mitigated by the separations of duties between the LAS and the LAS reviewer. There are two levels of verification built into these two roles as described in Section 2.4. Additionally, there are monthly audits conducted by the RS QA Division, which validate and verify the information processed by the LAS and LAS reviewer.



Section 3. Uses of the Information

3.1. Describe how and why the project uses the information.

FACES uses the annuitant information listed in Section 2.1 to process Civil Service and Federal Employees' Retirement System retirement and survivor benefits. These annuity benefits are based on either a retired or a deceased federal employee's service and salary history..

3.2. Does the project use technology to conduct electronic searches, queries, or analyses in an electronic database to discover or locate a predictive pattern or an anomaly? If so, state how OPM plans to use such results.

FACES does not use any special technology or tools for electronic searches, queries or analysis of its data.

3.3. Are there other programs/offices with assigned roles and responsibilities within the system?

Yes, the Office of the Chief Information Office (OCIO) has access to FACES in order to provide the following IT system services for FACES: System Development and Lifecycle Support, System Maintenance, Patch Management, and System Security. .

3.4. Privacy Impact Analysis: Related to the Uses of Information

Privacy Risk: There is a risk that the system will be accessed by unauthorized individuals who do not have a need to know the information or by authorized individuals for an unauthorized purpose.

Mitigation: This risk is mitigated through the use of assigned roles with specific responsibilities including the use of access controls that restrict the ability to retrieve data based on an individual's authorization and access permissions that are built into the system. The system maintains access roles that restrict and grant access to information and functionality to support the unique business process needs.



Section 4. Notice

4.1. How does the project provide individuals notice prior to the collection of information? If notice is not provided, explain why not.

FACES cannot be accessed by retirees and survivors and, therefore, there is no direct notice to individuals from the system. However, individuals applying for benefits are provided with notice concerning the collection of their information through Privacy Act statements on the forms that they complete. In addition, notice is provided via the OPM/CENTRAL 1 SORN and this PIA..

4.2. What opportunities are available for individuals to consent to uses, decline to provide information, or opt out of the project?

Once they have completed their application for retirement benefits, individuals do not have the opportunity to consent to the use of their information, to decline to provide their information to FACES, nor to opt out of having their information in FACES. However, the Privacy Act statements on the relevant forms explain that provision of information is voluntary but that declining to provide information may result in the inability of OPM to process retirement benefits.

4.3. Privacy Impact Analysis: Related to Notice

Privacy Risk: There is a risk that individuals will not know that their information is being collected, used, and maintained in FACES in order to compute their retirement benefits.

Mitigation: This risk is mitigated through publication of this PIA and, while not directly referencing FACES, through the Privacy Act statements on relevant forms that explain why information is being collected and how it will be used.



Section 5. Data Retention by the project

5.1. Explain how long and for what reason the information is retained.

Annuity calculations made in FACES are printed and placed in the retirement case files. The electronic record of these calculations is currently retained as a permanent record until a records schedule is approved by NARA, as required by law. The new schedule will have the retention mandated by 5 U.S.C. § 8345(i): We will destroy the records 30 years after the date of the employee's death or 115 years after the date of the employee's birth, whichever is sooner.

5.2. Privacy Impact Analysis: Related to Retention

Privacy Risk: There is a risk that information will be retained for longer than is necessary to meet the business need of the system.

Mitigation: OPM is working to mitigate this risk through the process required to establish a new records schedule in order to mitigate this risk as soon as possible.

Section 6. Information Sharing

6.1. Is information shared outside of OPM as part of the normal agency operations? If so, identify the organization(s) and how the information is accessed and how it is to be used.

Authorized Human Resource Specialists and Federal Benefits Officers from external federal agencies enter data in the RBE to create retirement estimates for employees considering retirement. Each federal agency benefit officer can only view employee data from their respective agency prior to the employee leaving the agency. OPM does not have access to these records until the employee dies or retires. Once the data is marked as OPM's, the RBE record becomes a RBC record. FACES records are not shared externally unless OPM is directed to do so by court order.



6.2. Describe how the external sharing noted in 6.1 is compatible with the SORN noted in 1.2.

OPM does not disclose FACES records externally unless directed to do so by court order.

6.3. Does the project place limitations on re-dissemination?

OPM does not disclose FACES records externally unless directed to do so by court order.

6.4. Describe how the project maintains a record of any disclosures outside of OPM.

OPM does not disclose FACES records externally unless directed to do so by court order.

6.5. Privacy Impact Analysis: Related to Information Sharing

Privacy Risk: There is a risk that information in the system will be shared externally for a purpose that is inconsistent with the purpose for which it was collected.

Mitigation: This risk is mitigated because RS does not disclose the information in FACES unless required to do so by court order, and through access controls that permit only those with a need to know and who have been trained on the proper use of the information in FACES to access the system.

Section 7. Redress

7.1. What are the procedures that allow individuals to access their information?

Individuals do not have direct access to FACES. However, individuals have access to their retirement information through retirement booklets that are mailed to annuitants when regular recurring payments are authorized or as requested, after the final computational results have been sent to ARS. In addition, annuity statements are sent to individuals when adjustments to



recurring monthly payments occur. Individuals can also access their information through Services Online (<https://www.servicesonline.opm.gov>) and annual notices are sent at the beginning of each calendar year.

In addition, individuals may request access to their records by contacting the system owner identified in the OPM/CENTRAL 1 SORN and providing the following information: name, including all former names; date of birth; Social Security number; the name and address of the office in which he or she is currently or was formerly employed in the Federal service; and annuity, service credit, or voluntary contributions account number, if assigned. Individuals requesting access must also follow OPM's Privacy Act regulations, 5 C.F.R. part 297, regarding verification of identity and access to records.

7.2. What procedures are in place to allow the subject individual to correct inaccurate or erroneous information?

Individuals do not have direct access to FACES but may contact Retirement Services directly to notify the agency of changes to personal information. Based on the type of change, RS may require the individual submit evidence to prove identity and/or the validity of change.

In addition, individuals may request that their records be corrected by contacting the system owner identified in the OPM/CENTRAL 1 SORN and providing the following information: name, including all former names; date of birth; Social Security number; the name and address of the office in which he or she is currently or was formerly employed in the Federal service; and annuity, service credit, or voluntary contributions account number, if assigned. Individuals requesting access must also follow OPM's Privacy Act regulations, 5 C.F.R. part 297, regarding verification of identity and access to records.

7.3. How does the project notify individuals about the

Individuals are notified at the time of retirement and through subsequent notifications via mail about mechanisms for accessing and correcting their information. In addition, the OPM/CENTRAL 1 SORN provides notification concerning correcting records, as does this PIA.



7.4. Privacy Impact Analysis: Related to Redress

Privacy Risk: There is a risk that individuals may not be able to access their information in FACES nor be afforded adequate opportunity to correct that information.

Mitigation: This risk is mitigated by affording an opportunity to request modifications of records via Services Online (<https://www.serviceline.opm.gov/>) or calling Retirement Services directly.

Privacy Risk: There is a risk that individuals will not be notified concerning their ability to access and amend their records.

Mitigation: This risk is mitigated through notification that is provided to individuals at the time of retirement, as well as through subsequent mailings. In addition, the OPM/CENTRAL 1 SORN and this PIA provide notice regarding the procedures for accessing and correcting information.

Section 8. Auditing and Accountability

8.1. How does the project ensure that the information is used in accordance with stated practices in this PIA?

By utilizing separation of duties to review and authorize computations; annuity computations are compared to the paper-based retirement records; and then reviewed and authorized by RS personnel prior to payment of benefits.

8.2. Describe what privacy training is provided to users either generally or specifically relevant to the project.

All OPM employees and contractors must take the annual Security and Privacy Awareness Training.

All RBE users are required to take their agency's Security and Privacy Awareness Training. Their supervisor, Agency Benefit's officer and the RS BOTD representative must certify the training. If an agency does not have



such a training, their RBE users can take the OPM training to fulfill this requirement.

8.3. What procedures are in place to determine which users may access the information and how does the project determine who has access?

All federal employees requesting access to FACES must be approved by a Federal supervisor. Contractor access is based on contractor functional business purpose to handle FACES data and the Contracting Officer Representative's (COR) approval. OPM RS personnel, External Agency Benefits Officers and Independent Auditors are required to complete RBC and RBE forms. The RBC and RBE forms are processed and reviewed through the RS authorization process. These forms are sent to the FACES Help Desk. The FACES Help Desk processes these applications and manages user account access.

There are three types of administrative roles that can update FACES User Accounts: FACES Administrator, Administrative Assistant, or a Password Reset Only Role.

8.4. How does the project review and approve information sharing agreements, MOUs, new uses of the information, new access to the system by organizations within OPM and outside?

Any new information sharing agreements or memoranda of understanding, and any new uses of the FACES information or new access to the FACES system, must be approved by the FACES System Owner in coordination with the requesting Agency and the appropriate OPM offices.

Responsible Officials

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Retirement Operations
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Approval Signature

Signed Copy on File with the Chief Privacy Officer

Kellie Cosgrove Riley
Chief Privacy Officer