

## PRIVACY IMPACT ASSESSMENT (PIA)

**PRESCRIBING AUTHORITY:** DoD Instruction 5400.16, "DoD Privacy Impact Assessment (PIA) Guidance". Complete this form for Department of Defense (DoD) information systems or electronic collections of information (referred to as an "electronic collection" for the purpose of this form) that collect, maintain, use, and/or disseminate personally identifiable information (PII) about members of the public, Federal employees, contractors, or foreign nationals employed at U.S. military facilities internationally. In the case where no PII is collected, the PIA will serve as a conclusive determination that privacy requirements do not apply to system.

**1. DOD INFORMATION SYSTEM/ELECTRONIC COLLECTION NAME:**

DoD Flexible Spending Account Program for Service members

**2. DOD COMPONENT NAME:**

Under Secretary of Defense for Personnel and Readiness

**3. PIA APPROVAL DATE:**

06/26/24

Assistant Secretary of Defense for Manpower and Reserve Affairs, Military Personnel Policy

### SECTION 1: PII DESCRIPTION SUMMARY (FOR PUBLIC RELEASE)

**a. The PII is:** (Check one. Note: Federal contractors, military family members, and foreign nationals are included in general public.)

- |  |  |
|--|--|
| <input type="checkbox"/> From members of the general public                            | <input checked="" type="checkbox"/> From Federal employees               |
| <input type="checkbox"/> from both members of the general public and Federal employees | <input type="checkbox"/> Not Collected (if checked proceed to Section 4) |

**b. The PII is in a:** (Check one.)

- |  |  |
|--|--|
| <input type="checkbox"/> New DoD Information System                    | <input type="checkbox"/> New Electronic Collection                 |
| <input type="checkbox"/> Existing DoD Information System               | <input checked="" type="checkbox"/> Existing Electronic Collection |
| <input type="checkbox"/> Significantly Modified DoD Information System |  |

**c. Describe the purpose of this DoD information system or electronic collection and describe the types of personal information about individuals collected in the system.**

The Department of Defense (DoD) established the Flexible Spending Accounts Program to provide Service members a tax-advantaged way to pay for eligible dependent and health care expenses. The Department provides the benefit to military members and pays the U.S. Office of Personnel Management (OPM) to administer the benefit on behalf of the DoD through the Federal Flexible Spending Account (FSAFEDS) program.

All personally identifiable information used for enrollment is, therefore, collected by OPM in accordance with System of Records Notice OPM/Central-26, "FEDVIP, FLTCIP, and FSAFEDS Records." This includes: Employing Agency, Subagency/Bureau, Hire Date, First Name, Last Name, Date of Birth, Social Security Number, Address, Email, and Phone Number. Following enrollment, OPM then provides a prenote file to the DoD payroll providers in order to verify the existence of new enrollees within the DoD pay systems and establish the required allotments from the individual's pay. The OPM prenote file includes: Subagency/Bureau, Date of Birth, and Social Security Number. The DOD payroll provider prenote return file includes Subagency/Bureau, First Name, Last Name, Date of Birth, and Social Security Number.

As of January 1, 2024, only Service members in the Regular (Active) Component and Reserve Component members in the Active Guard Reserve on Title 10 duty are eligible for the benefit. Therefore, the prenote return file is also provided to the Office of the Under Secretary of Defense for Personnel and Readiness (OUSD(P&R)) by the DoD payroll providers so that OUSD(P&R) can confirm the member is not only within the DoD pay systems, but also eligible for the benefit.

**d. Why is the PII collected and/or what is the intended use of the PII?** (e.g., verification, identification, authentication, data matching, mission-related use, administrative use)

Identification and verification.

**e. Do individuals have the opportunity to object to the collection of their PII?**  Yes  No

(1) If "Yes," describe the method by which individuals can object to the collection of PII.

(2) If "No," state the reason why individuals cannot object to the collection of PII.

Service members may object to the collection of their PII by not enrolling in a Flexible Spending Account on OPM's FSAFEDS website. However, once enrolled they do not have the opportunity to object to the collection and maintenance of their information by OUSD(P&R) for the purpose of eligibility verification.

**f. Do individuals have the opportunity to consent to the specific uses of their PII?**  Yes  No

(1) If "Yes," describe the method by which individuals can give or withhold their consent.

(2) If "No," state the reason why individuals cannot give or withhold their consent.

Service members enrolled in the program cannot give or withhold their consent to specific uses of their PII once submitted. PII, however, will only be used for the purpose stated above and within the Privacy Act Statement on OPM's FSAFEDS program.

**g. When an individual is asked to provide PII, a Privacy Act Statement (PAS) and/or a Privacy Advisory must be provided.** (Check as appropriate and provide the actual wording.)

Privacy Act Statement       Privacy Advisory       Not Applicable

A PAS/PA is not provided by OUSD(P&R), as it is not the initial point of collection.

**h. With whom will the PII be shared through data/system exchange, both within your DoD Component and outside your Component?**  
(Check all that apply)

- |  |          |  |
|--|----------|--|
| <input checked="" type="checkbox"/> Within the DoD Component   | Specify. | <input type="text" value="DMDC"/>                        |
| <input checked="" type="checkbox"/> Other DoD Components (i.e. Army, Navy, Air Force)  | Specify. | <input type="text" value="Army, Navy, Air Force, DFAS"/> |
| <input type="checkbox"/> Other Federal Agencies (i.e. Veteran's Affairs, Energy, State)  | Specify. | <input type="text"/>                                     |
| <input type="checkbox"/> State and Local Agencies  | Specify. | <input type="text"/>                                     |
| <input type="checkbox"/> Contractor (Name of contractor and describe the language in the contract that safeguards PII. Include whether FAR privacy clauses, i.e., 52.224-1, Privacy Act Notification, 52.224-2, Privacy Act, and FAR 39.105 are included in the contract.) | Specify. | <input type="text"/>                                     |
| <input type="checkbox"/> Other (e.g., commercial providers, colleges).   | Specify. | <input type="text"/>                                     |

**i. Source of the PII collected is:** (Check all that apply and list all information systems if applicable)

- |  |   |
|--|---|
| <input type="checkbox"/> Individuals                       | <input checked="" type="checkbox"/> Databases |
| <input type="checkbox"/> Existing DoD Information Systems  | <input type="checkbox"/> Commercial Systems   |
| <input type="checkbox"/> Other Federal Information Systems |   |

DFAS/OPM Prenote Data

**j. How will the information be collected?** (Check all that apply and list all Official Form Numbers if applicable)

- |  |  |
|--|--|
| <input type="checkbox"/> E-mail  | <input type="checkbox"/> Official Form (Enter Form Number(s) in the box below) |
| <input type="checkbox"/> In-Person Contact   | <input type="checkbox"/> Paper   |
| <input type="checkbox"/> Fax   | <input type="checkbox"/> Telephone Interview                                   |
| <input type="checkbox"/> Information Sharing - System to System                              | <input type="checkbox"/> Website/E-Form  |
| <input checked="" type="checkbox"/> Other (If Other, enter the information in the box below) |  |

Secure file transfer from DFAS

**k. Does this DoD Information system or electronic collection require a Privacy Act System of Records Notice (SORN)?**

A Privacy Act SORN is required if the information system or electronic collection contains information about U.S. citizens or lawful permanent U.S. residents that is retrieved by name or other unique identifier. PIA and Privacy Act SORN information must be consistent.

Yes     No

If "Yes," enter SORN System Identifier   

SORN Identifier, not the Federal Register (FR) Citation. Consult the DoD Component Privacy Office for additional information or <http://dpcl.d.defense.gov/Privacy/SORNs/>  
or

If a SORN has not yet been published in the Federal Register, enter date of submission for approval to Defense Privacy, Civil Liberties, and Transparency Division (DPCLTD). Consult the DoD Component Privacy Office for this date

If "No," explain why the SORN is not required in accordance with DoD Regulation 5400.11-R: Department of Defense Privacy Program.

**i. What is the National Archives and Records Administration (NARA) approved, pending or general records schedule (GRS) disposition authority for the system or for the records maintained in the system?**

(1) NARA Job Number or General Records Schedule Authority. OSD 103-13 (GRS 5.2, item 010 (DAA-GRS-2022-0009-0001))

(2) If pending, provide the date the SF-115 was submitted to NARA.

(3) Retention Instructions.

Temporary. Cut off annually upon completion of Open Season. Destroy 1 year after cutoff.

**m. What is the authority to collect information? A Federal law or Executive Order must authorize the collection and maintenance of a system of records. For PII not collected or maintained in a system of records, the collection or maintenance of the PII must be necessary to discharge the requirements of a statute or Executive Order.**

- (1) If this system has a Privacy Act SORN, the authorities in this PIA and the existing Privacy Act SORN should be similar.
- (2) If a SORN does not apply, cite the authority for this DoD information system or electronic collection to collect, use, maintain and/or disseminate PII. (If multiple authorities are cited, provide all that apply).
  - (a) Cite the specific provisions of the statute and/or EO that authorizes the operation of the system and the collection of PII.
  - (b) If direct statutory authority or an Executive Order does not exist, indirect statutory authority may be cited if the authority requires the operation or administration of a program, the execution of which will require the collection and maintenance of a system of records.
  - (c) If direct or indirect authority does not exist, DoD Components can use their general statutory grants of authority ("internal housekeeping") as the primary authority. The requirement, directive, or instruction implementing the statute within the DoD Component must be identified.

10 U.S.C. 136, Under Secretary of Defense for Personnel and Readiness; DoD Financial Management Regulation 7000.14-R Volume 7A, Chapter 51, "Savings Programs and Flexible Spending Accounts (FSA)"

**n. Does this DoD information system or electronic collection have an active and approved Office of Management and Budget (OMB) Control Number?**

Contact the Component Information Management Control Officer or DoD Clearance Officer for this information. This number indicates OMB approval to collect data from 10 or more members of the public in a 12-month period regardless of form or format.

Yes     No     Pending

- (1) If "Yes," list all applicable OMB Control Numbers, collection titles, and expiration dates.
- (2) If "No," explain why OMB approval is not required in accordance with DoD Manual 8910.01, Volume 2, " DoD Information Collections Manual: Procedures for DoD Public Information Collections."
- (3) If "Pending," provide the date for the 60 and/or 30 day notice and the Federal Register citation.

Information is not collected or maintained on members of the public.