



# EXCHANGE

## PRIVACY IMPACT ASSESSMENT (PIA)

Exchange Customer Databases  
(Patron Authentication, Exchange Retail, Exchange Credit Program)

Army and Air Force Exchange Service

Questions relative to this document should be directed to the Exchange Office of General Counsel, Compliance Division, ATTN: Privacy Manager by mail to 3911 S. Walton Walker Blvd., Dallas, TX 75236 or through e-mail to [PrivacyManager@aafes.com](mailto:PrivacyManager@aafes.com).

**OBJECTIVE:** The objective of a PIA is to determine the scope, justification, and Privacy Act applicability for systems collecting, storing, or processing sensitive, personal data that may be concerned to be private. **A PIA should be completed prior to development/procuring any new IT system which collects/maintains such information or updated when a significant change is made to the system.** The OGC-C Privacy Manager for the Exchange will track, monitor, and approval all finalized PIA and compliance with the E-Government Act of 2002. Completed and approved PIAs will be forwarded to the system owner and to the IT-Government (IT-G) representative.

### SECTION 1: IS A PIA REQUIRED?

**A. Will this Exchange information system or electronic collection of information collect, maintain, use, and/or disseminate Personal Identifiable Information (PII) about members of the public, federal personnel, contractors or foreign nationals employed at U.S. military facilities internationally? (Mark all that apply).**

**Members of the General Public.**

**Foreign Nationals**

**Federal Personnel / Exchange Associates**

**Federal Contractors and/or Vendors**

**B. If no items are marked in question A, you may stop here. Have this PIA signed and return it to the Privacy Manager.**

C. If any item in A is marked, proceed to Section 2.

**SECTION 2: PIA SUMMARY INFORMATION**

A. Why is this PIA being created or updated? Choose one:

- New Information System
- Existing Information System
- Significantly Modified Information System
- New Electronic Collection
- Existing Electronic Collection

If unsure, consult OGC-C Privacy Manager.

B. Does this information system or electronic collection require a Privacy Act System of Records Notice (SORN)? [if unknown, please contact OGC-C]

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 should be consistent.

- Yes
- No, a SORN is not required for this system.

If "Yes," enter Privacy Act SORN Identifier

DoD-00XX "Patron Authorization, Retail and Services" (Pending Publishing)[Replaces AAFES 0207.02, AAFES 0702.34]

Date of submission for approval to Defense Privacy Office  
Consult the OGC-C Privacy Manager for this date.

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C. Does this information system or electronic collection have an Office of Management & Budget (OMB) Control Number? [If unknown, contact OGC-C Privacy Manager].

- Yes

Enter OMB Control Number

0702-0130; 0702-0137

Enter Expiration Date

02/28/22; 09/30/22 (respectfully)

- No

D. Authority to collect information. Please list the Federal law, Executive Order of the President (EO), or regulation which authorizes the collection and maintenance of a system of records. [If unknown, contact OGC-C Privacy Manager]

(1) If this system has a Privacy Act SORN, the authorities in this PIA and the existing Privacy Act SORN should be the same.

(2) Cite the authority for this information system or electronic collection to collect, use, maintain and/or disseminate PII. (If multiple authorities are cited, provide all that apply.) i.e. Title 10 U.S.C. § 7013, "Secretary of the Army".

(a) Whenever possible, cite the specific provisions of the statute and/or EO that authorizes the operation of the system and the collection of PII.

(b) If a specific statute or EO does not exist, determine if an indirect statutory authority can be cited. An indirect 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) The Exchange may use Exchange Operating Procedures, Exchange Standards of Operations, or CEO Guidance as the primary authority. The requirement, directive, or instruction implementing the statute within the Exchange should be identified.

Federal Claims Collection Act of 1966 (Pub.L. 89-508, as amended) and Debt Collection Act of 1982 (P. L. 97-365, as amended), as amended by the Debt Collection Improvement Act of 1996 (P.L. 104-134, section 31001) as codified in 31 U.S.C. §3711, Collection and Compromise; P.L. 106-554, Children's Internet Protection Act; 10 U.S.C. §2481, Defense Commissary and Exchange Systems: Existence and Purpose; 10 U.S.C. §1146, Commissary and Exchange Benefits; 10 U.S.C §2488, Combined Exchange and Commissary Stores; 14 U.S.C. §152, Nonappropriated Fund Instrumentalities; DoD Directive 5124.02, Paragraph 4.1.7, Under Secretary of Defense for Personnel and Readiness (USD(P&R)); DoD Instruction (DoDI) 1330.21, Armed Services Exchange Regulation; DoD Instruction 1330.17, DoD Commissary Program; DoD Instruction 1015.10, Military Morale, Welfare, and Recreation (MWR) Programs; DoD Instruction 1015.08, DoD Civilian Employee Morale, Welfare and Recreation (MWR) Activities and Supporting Nonappropriated Fund Instrumentalities (NAFI); DoDI 1330.09, Armed Services Exchange Policy; DoD Instruction 1330.21, Armed Services Exchange Regulations; DoD 7000.14-R, Department of Defense Financial Management Regulation Volume 13: "Nonappropriated Funds Policy" and Volume 16: "Department of Defense Debt Management"; and E.O. 9397 (SSN), as amended.

**E. Summary of information system or electronic collection. Answers to these questions should be consistent with security guidelines for release of information to the public.**

(1) Describe the purpose of this information system or electronic collection.

- A. To identify and authenticate individuals who are authorized to obtain DoD privileges for goods and/or services as authorized by Congress and applicable service regulations.
- B. To create individual market and demographic profiles to better understand the patron base, in order to provide better services and enhance the quality of life for authorized patrons.
- C. To manage and oversee transactional records associated with DoD -provided goods or services.
- D. To interact with financial institutions for the processing of payments received.
- E. To monitor restricted items or services purchased overseas, prevent issues of black marketing, and to comply with rules concerning age -restricted services or purchases to minors or those under an allowable age.
- F. To process applications for credit; administer and monitor account information; and perform required reports as regulated by statutes or regulations.
- G. To detect and prevent criminal activity; identify potential abuse of privileges; and collect debts due to the United States .
- H. To address and respond to individual's comments or complaints concerning the DoD military exchanges

above and other vendors located on military installations .

I. To administer DoD programs devoted to mental and physical well-being.

(2) Briefly describe the types of personal information about individuals collected in this system.

A. Personal and Account Information, such as: individual's full name, date of birth, Social Security Number (SSN); age; gender; marital status; contact information, such as mailing/physical address, e-mail address, phone numbers (home and business); answers to account security questions Website log-in information answers (i.e. mother's maiden name); personal automobile license plate number; user name for Internet and/or mobile ordering; social media contact information (e.g. Facebook, Twitter, Flickr, YouTube) username; household size.

B. Employment Information, such as current/past employer's name and contact information; position/grade/rank; salary/wages; Department of Defense Identification Number (DoD ID Number); branch of service; projected future station of assignment.

C. Financial Information, such as bank name, bank account number, routing number, check number; credit and debit card numbers; benefit transfer cards (Women, Infants and Children Programs (WIC) and Supplemental Nutritional Assistance Program (SNAP)); credit bureau reports.

D. Transaction/Account Information, such as: charges or refunds associated with receipt or the collection of debts for goods or services; claim data for returns or damages of goods/services; copies of returned checks; debt statements and communication; garnishment orders; video/audio recordings; registrations and registry logs.

(3) Briefly describe the privacy risks associated with the PII collected and how these risks are addressed to safeguard privacy.

Risk involved includes data leakage. Safeguards in place to protect PII include the following. Records are maintained in a controlled facility. Physical entry is restricted by the use of locks, guards, and is accessible only to authorized personnel. Access to records is limited to person(s) with an official "need to know" who are responsible for servicing the record in performance of their official duties. Persons are properly screened and cleared for access. Access to computerized data is role-based and further restricted by passwords, which are changed periodically. Credit card information is also subject to the Data Security Standards (DSS) promulgated by the Payment Card Industry (PCI) Security Council.

**F. With whom will the PII maintained in this system be shared? (i.e., other DoD Components, Federal Agencies)?** Indicate all that apply. Questions should be coordinated with OGC-C Privacy Manager.

**Within the Exchange.**

Specify.

Exchange Directorates/Associates: Fraud, Attorneys, Paralegals, FA Associates/Mgr., HRM, HRSC, Loss Prevention, Inspector General, Information Technology, Marketing, Customer Services and Relations, e-Commerce, Logistics.

**Other DoD Components.**

Specify.

DOA IG, DOAF IG; DoD Manpower Data Center (DMDC), Offices of Special Investigators, Department of the Navy, NexCom, Marines, MWR, Office of Inspector Generals, Office of Special Investigators, Defense Commissary Agency (DeCA) other military exchanges.

**Other Federal Agencies.**

Specify. Dept of Justice, US Attorney, Internal Revenue Service, Dept of Treasury, FBI, U.S. Postal Service Inspectors, Dept. of the Coast Guard, Dept. of Veterans Affairs.

**State and Local Agencies.**

Specify. Employers, State and Local Government, State Employment Offices, Child Support Services, State and Local Law Enforcement Entities.

**Contractor** (Enter name and describe the language in the contract that safeguards PII.)

Specify. Transworld Systems, Inc. (TSI) or other third party debt collection organizations; Special Provisions provided in contract to safeguard personally identifiable information.

**Other** (e.g., commercial providers, colleges).

Specify. Private collection agencies; employers; consumer reporting agencies, former spouses for use in payments under Title 10 U.S.C. 1408; Legal Authorities, Civilian attorneys, U.S. Bankruptcy Courts, vendors and manufactures of merchandise sold, Consumer Credit Bureaus, Financial Institutions.

**G. Do individuals have the opportunity to object to the collection of their PII (opt-out)?**

**Yes**  **No**

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

Individuals are provided a Privacy Act Statement along with the routine disclosures. Individuals have an option of halting application process. This is available through the on-line, paper application, or through an authorized/designated Exchange point of sale register. Failure to provide all the requested information or halting the application process may result in the denial of credit. Information collected may be only triggered by the individual's desire to communicate to the Exchange for the purpose of verification of patronage or to gain Exchange and MWR privileges. Collection is done "as needed" or "on occasion" and provides feedback or for obtaining services as a patron, MWR, or benefits from any other military exchange.

(2) If "No," state the reason why individuals cannot object.

n/a

**H. 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.

In some cases, such as patronage, individuals may have the opportunity to address how their information is shared with an "opt-in", "opt-out" feature. However, in most cases the individual does not have the option of objecting as out lined in criteria of the Routine Uses addressed in the SORN. Otherwise, disclosure is only granted with a written consent from the individual to disclose to third parties in accordance with the Privacy Act of 1974.

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

Pursuant to the Privacy Act of 1974, information collected may be disclosed and used for government debt purposes, legal issues, regulated reporting to the credit bureaus, to the Department of Treasury for tax purposes and treasury offsets relative to debt or for any of the approved Routine Uses as identified in the SORN.

**I. What information is provided to an individual when asked to provide PII data? Indicate all that apply.**

- Privacy Act Statement**                       **Privacy Advisory**  
 **Exchange Privacy Policy**                       **None**  
 **Other**

Describe each applicable format listed above.

**PRIVACY ACT STATEMENT:**  
**AUTHORITY:** Federal Claims Collection Act of 1966 (Pub.L. 89-508, as amended) and Debt Collection Act of 1982 (P.L. 97-365, as amended), as amended by the Debt Collection Improvement Act of 1996 (P.L. 104-134, section 31001) as codified in 31 U.S.C. §3711, Collection and Compromise; P.L. 106-554, Children's Internet Protection Act; 10 U.S.C. §2481, Defense Commissary and Exchange Systems: Existence and Purpose; 10 U.S.C. §1146, Commissary and Exchange Benefits; 10 U.S.C §2488, Combined Exchange and Commissary Stores; 14 U.S.C. §152, Nonappropriated Fund Instrumentalities; DoD Directive 5124.02, Paragraph 4.1.7, Under Secretary of Defense for Personnel and Readiness (USD (P&R)); DoD Instruction (DoDI) 1330.21, Armed Services Exchange Regulation; DoD Instruction 1330.17, DoD Commissary Program; DoD Instruction 1015.10, Military Morale, Welfare, and Recreation (MWR) Programs; DoD Instruction 1015.08, DoD Civilian Employee Morale, Welfare and Recreation (MWR) Activities and Supporting Nonappropriated Fund Instrumentalities (NAFI); DoDI 1330.09, Armed Services Exchange Policy; DoD Instruction 1330.21, Armed Services Exchange Regulations; DoD 7000.14-R, Department of Defense Financial Management Regulation Volume 13:, "Nonappropriated Funds Policy" and Volume 16: "Department of Defense Debt Management"; and E.O. 9397 (SSN), as amended.

**PRINCIPAL PURPOSES(S):** To identify and authenticate individuals who are authorized to obtain DoD privileges for goods and/or services as authorized by Congress and applicable service regulations. To create individual market and demographic profiles. To manage and oversee transactional records associated with DoD provided goods and/or services. To interact with financial institutions for the processing of payments received. To monitor restricted items or services purchased overseas, prevent issues of black marketing, and to comply with rules concerning age-restricted services or purchases to minors or those under an allowable age. To process applications for credit. To administer and monitor account information. To perform required reports as regulated by statutes or regulations. to detect and prevent criminal activity. to identify potential abuse of privileges. to collect debts due to the United States. To address and respond to individual's comments or complaints. To administer DoD programs devoted to mental and physical well-being.

**ROUTINE USE(S):** Your records may be disclosed outside of DoD pursuant to Title 5 U.S.C. §552a(b)(3). This includes disclosure to the Department of the Treasury, and a debt collection agency with which the United States has contracted for collection services to



recover debts owed to the United States. To any employer (person or entity) that employs the services of others and that pays their wages or salaries, where the employee owes a delinquent nontax debt to the United States. The term employer includes, but is not limited to, State and local governments, but does not include any agency of the Federal Government. To consumer reporting agencies pursuant to 5 U.S.C. 552a(b)(12) as defined in the Fair Credit Reporting Act (14 U.S.C. 1681a(f)) or the Federal Claims Collection Act of 1966 (31 U.S.C. 3701(a)(3)). The purpose of this disclosure is to aid in the collection of outstanding debts owed to the Federal government; typically to provide an incentive for debtors to repay delinquent Federal government debts by making these debts part of their credit report. The disclosure is limited to information necessary to establish the identity of the individual, including name, address, and taxpayer identification number (Social Security Number); the amount, status, and history of the claim; and the agency or program under which the claim arose for the sole purpose of allowing the consumer reporting agency to prepare a commercial credit report. This disclosure will be made only after the procedural requirement of 31 U.S.C. 3711(f) has been followed. Or to any other Routine Use identified in SORN listed in SECTION 2.

DISCLOSURE: Voluntary, however, failure to provide all the requested information may result in the denial of your application or patron benefits for inadequate data.

AGENCY DISCLOSURE NOTICE is provided for to collections associated with this system of records. One being the Customer Satisfaction Survey; The public reporting burden for the collection of information, 0702-0130 is 2 minutes per response. Two, Exchange Accounts Receivable Files; The public reporting burden for the collection of information, 0702-0137 is estimated at 6 minutes. Response time includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or burden reduction suggestions to the Department of Defense, Washington Headquarters Services, at [whs.mc-alex.esd.mbx.dd-dod-information-collections@mail.mil](mailto:whs.mc-alex.esd.mbx.dd-dod-information-collections@mail.mil). Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.

SPECIFICALLY FOR AAFES, authority is granted in U.S.C 7013 & 9013, AR 215-8/AFI 34-211(I), and E.O. 9397.

Website Terms and Conditions Legal Disclaimer:

The Exchange reserves the right to correct any errors or omissions (including after an order has been submitted) and to change or update information at any time without prior notice. Please note that such errors or omissions may relate to product descriptions, pricing and availability, and we reserve the right to cancel or refuse to accept any order placed based on incorrect pricing or availability information. We apologize for any inconvenience.

**NOTE:**

**Sections 1 and 2 above will be posted to the Exchange's Web site. Posting of these Sections indicates that the PIA has been reviewed to ensure that appropriate safeguards are in place to protect privacy.**

**The Exchange may restrict the publication of Sections 1 and/or 2 if they contain information that would reveal sensitive information or raise security concerns.**