

Ohio Department of Job and Family Services
IV-D CONTRACT SECURITY ADDENDUM

By signing this form, the contractor agrees to comply with all of the terms and conditions described herein.

I. Internal Revenue Service Information

A. Performance

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be done under the supervision of the contractor or the contractor's employees.
- (2) The contractor and the contractor's employees with access to or who use federal tax information (FTI) must meet the background check requirements defined in IRS Publication 1075.
- (3) Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the contractor will be prohibited.
- (4) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
- (5) The contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- (6) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the Agency or his or her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the Agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.
- (7) All computer systems processing, storing, or transmitting Federal tax information must meet ISO STD 15408, called common criteria - functional (Protection Profile) and assurance (EAL). To meet functional and assurance requirements, the operating security features of the system must have the following minimum requirements: a security policy, accountability, assurance, and documentation. All security features must be available and activated to protect against unauthorized use of and access to Federal tax information.
- (8) No work involving Federal tax information furnished under this contract will be subcontracted without prior written approval of the IRS.
- (9) The contractor will maintain a list of employees authorized access. Such list will be provided to the Agency and, upon request, to the IRS reviewing office.
- (10) The Agency will have the right to void the contract if the contractor fails to provide the safeguards described above.

<11> **<Include any additional safeguards that may be appropriate>**

B. Criminal and Civil Sanctions

(1) Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure.

These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

(2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract.

Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action.

These penalties are prescribed by IRC section 7213A and 7431 and set forth at 26 CFR 301.6103 (n)-1.

(3) Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to Agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or Agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

C. Inspections

The IRS and the Agency, with 24 hour notice, shall have the right to send its inspectors into the offices and plants of the contractor performing any work with FTI under this contract for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTI. On the basis of such inspection, corrective actions may be required in cases where the contractor is found to be noncompliant with contract safeguards.

II. Ohio Department of Taxation Information

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

All Ohio Department of Taxation, taxpayer information concerning the residential address and income of taxpayers received by the contractor is needed for the purpose of, and will be used only to the extent necessary in locating obligors, or establishing, enforcing and collecting child support obligations pursuant to Part D, Title IV

of the Social Security Act. None of the information so obtained will be disclosed except for official purposes as described in section 3125.43 of the Revised Code or in compliance with a court order.

III Federal Parent Locator Service Information (FPLS)

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

All information received by the contractor from FPLS is needed for the purpose of, and will be used only to the extent necessary in, establishing and collecting child support obligations pursuant to Part D, Title IV of the Social Security Act. obligations or pursuant to a request in connection with a parental kidnapping or child custody case as described in federal regulations at 45 CFR 303.15 and 303.69. This information shall be treated as confidential.

IV. Department of Job and Family Services, Office of Unemployment Compensation Information

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

All information and records received from the Ohio Department of Job and Family Services, Office of Unemployment Compensation shall be used only for the purposes of establishing and collecting child support obligations from and locating individuals owing such obligations. The contractor maintains security safeguards for location, wage, and benefit information.

Printed Name of Contractor or Company

Signature of Contractor's Representative

Date

Printed Name of Contractor's Representative

Signature of Witness

Date

Printed Name of Witness