

# **U.S. Department of Housing and Urban Development**

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## **Office of Housing**

### **Institution Master File System (IMF)**

Privacy Impact Assessment

**July 22, 2009**

## DOCUMENT ENDORSEMENT

I have carefully assessed the Privacy Impact Assessment (PIA) for **Institution Master File System (IMF)**. This document has been completed in accordance with the requirement set forth by the [E-Government Act of 2002](#) and [OMB Memorandum 03-22](#) which requires that "Privacy Impact Assessments" (PIAs) be conducted for all new and/ or significantly altered IT Systems, and Information Collection Requests.

### ENDORSEMENT SECTION

Please check the appropriate statement.

- The document is accepted.**  
 **The document is accepted pending the changes noted.**  
 **The document is not accepted.**

Based on our authority and judgment, the data captured in this document is current and accurate.

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**JOY HADLEY, SYSTEM OWNER**  
Director, Office of Housing/Single Family Housing  
Office of Lender Activities and Program Compliance  
U.S. Department of Housing and Urban Development

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**Date**

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**PROGRAM/PROJECT AREA MANAGER**  
Office of Housing/Single Family Housing  
Office of Lender Activities and Program Compliance  
U.S. Department of Housing and Urban Development

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**Date**

N/A

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**DEPARTMENTAL PRIVACY ADVOCATE**  
Office of the Chief Information Officer  
U. S. Department of Housing and Urban Development

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**Date**

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**DEPARTMENTAL PRIVACY ACT OFFICER**  
Office of the Chief Information Officer  
U. S. Department of Housing and Urban Development

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**Date**

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**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
PRIVACY IMPACT ASSESSMENT (PIA) FOR:  
Institution Master File System (IMF)**

**(for IT Systems: OMB Unique Identifier: 025-00-01-01-02-0000-00  
and PCAS #00251410)**

**July 22, 2009**

**NOTE: See Section 2 for PIA answers, and Section 3 for Privacy Act Officer's determination.**

## **SECTION 1: BACKGROUND**

### **Importance of Privacy Protection – Legislative Mandates:**

HUD is responsible for ensuring the privacy and confidentiality of the information it collects on members of the public, beneficiaries of HUD programs, business partners, and its own employees. These people have a right to expect that HUD will collect, maintain, use, and disseminate identifiable personal information only as authorized by law and as necessary to carry out agency responsibilities.

The information HUD collects is protected by the following legislation and regulations:

- [Privacy Act of 1974, as amended](#) affords individuals the right to privacy in records that are maintained and used by Federal agencies. (See <http://www.usdoj.gov/foia/privstat.htm>; see also [HUD Handbook 1325.1 at www.hudclips.org](#));
- Computer Matching and Privacy Protection Act of 1988 is an amendment to the Privacy Act that specifies the conditions under which private information may (or may not) be shared among government agencies. (See <http://www.usdoj.gov/foia/privstat.htm>);
- [Freedom of Information Act of 1966, as amended](#) ([http://www.usdoj.gov/oip/foia\\_updates/Vol\\_XVII\\_4/page2.htm](http://www.usdoj.gov/oip/foia_updates/Vol_XVII_4/page2.htm)) provides for the disclosure of information maintained by Federal agencies to the public, while allowing limited protections for privacy. See also [HUD's Freedom of Information Act Handbook \(HUD Handbook 1327.1 at www.hudclips.org\)](#));
- [E-Government Act of 2002](#) requires Federal agencies to conduct Privacy Impact Assessments (PIAs) on its electronic systems. (See [http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=107\\_cong\\_public\\_laws&docid=f:publ347.107.pdf](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=107_cong_public_laws&docid=f:publ347.107.pdf); see also the summary of the E-Government Act at [http://www.whitehouse.gov/omb/egov/pres\\_state2.htm](http://www.whitehouse.gov/omb/egov/pres_state2.htm));
- [Federal Information Security Management Act of 2002](#) (which superseded the Computer Security Act of 1987) provides a comprehensive framework for ensuring the effectiveness of information security controls over information resources that support Federal operations and assets, etc. See also the codified version of Information Security

regulations at [Title 44 U.S. Code chapter 35 subchapter II](http://uscode.house.gov/search/criteria.php) (<http://uscode.house.gov/search/criteria.php>); and

- [OMB Circular A-130, Management of Federal Information Resources, Appendix I](http://www.whitehouse.gov/omb/circulars/a130/appendix_i.pdf) ([http://www.whitehouse.gov/omb/circulars/a130/appendix\\_i.pdf](http://www.whitehouse.gov/omb/circulars/a130/appendix_i.pdf)) defines Federal Agency responsibilities for maintaining records about individuals.

Access to personally identifiable information will be restricted to those staff that has a need to access the data to carry out their duties; and they will be held accountable for ensuring privacy and confidentiality of the data.

### **What is the Privacy Impact Assessment (PIA) Process?**

The Privacy Impact Assessment (PIA) is a process that evaluates issues related to the privacy of personally identifiable information in electronic systems. See background on PIAs and the 7 questions that need to be answered, at: <http://www.hud.gov/offices/cio/privacy/pia/pia.cfm>. Personally identifiable information is defined as information that actually identifies an individual, e.g., name, address, social security number (SSN), or identifying number or code; or other personal/ sensitive information such as race, marital status, financial information, home telephone number, personal e-mail address, etc. Of particular concern is the combination of multiple identifying elements. For example, knowing name + SSN + birth date + financial information would pose more risk to privacy than just name + SSN alone.

The PIA:

- Identifies the type of personally identifiable information in the system (including any ability to combine multiple identifying elements on an individual);
- Identifies who has access to that information (whether full access or limited access rights); and
- Describes the administrative controls that ensure that only information that is necessary and relevant to HUD's mission is included.

### **Who Completes the PIA?**

Both the program area System Owner and IT Project Leader work together to complete the PIA. The System Owner describes what personal data types are collected, how the data is used, and who has access to the personal data. The IT Project Leader describes whether technical implementation of the System Owner's requirements presents any risks to privacy, and what controls are in place to restrict access of personally identifiable information.

### **When is a Privacy Impact Assessment (PIA) Required?**

1. **New Systems:** Any new system that will contain personal information on members of the public requires a PIA, per OMB requirements (this covers both major and non-major systems).

**2. Existing Systems:** Where there are significant modifications involving personal information on members of the public, or where significant changes been made to the system that may create a new privacy risk, a PIA is required.

**3. Information Collection Requests, per the Paperwork Reduction Act (PRA):** Agencies must obtain OMB approval for new information collections from ten or more members of the public. If the information collection is both a new collection and automated, then a PIA is required.

### **What are the Privacy Act Requirements?**

**Privacy Act.** The [Privacy Act of 1974](http://www.usdoj.gov/foia/privstat.htm), as amended (<http://www.usdoj.gov/foia/privstat.htm>) requires that agencies publish a Federal Register Notice for public comment on any intended information collection. Privacy Act Systems of Records are created when information pertaining to an individual is collected and maintained by the Department, and is retrieved by the name of the individual or by some other identifying number, symbol, or other identifying particular assigned to an individual. The [E-Government Act of 2002](#) requires PIAs for electronic systems as well as information collection requests that are automated. So, there is a relationship between the new PIA requirement (when automation is involved) and the long-standing Privacy Act System of Records Notices (for both paper-based and automated records that are of a private nature). For additional information, contact the Departmental Privacy Act Officer in the Office of the Chief Information Officer.

### **Why is the PIA Summary Made Publicly Available?**

The E-Government Act of 2002 requires that the analysis and determinations resulting from the PIA be made publicly available. The Privacy Advocate in HUD's Office of the Chief Information Officer (OCIO) is responsible for publishing the PIA summary on HUD's web site. See: <http://www.hud.gov/offices/cio/privacy/pia/pia.cfm>.

## SECTION 2 – COMPLETING A PRIVACY IMPACT ASSESSMENT

Please submit answers to the Departmental Privacy Act Officer in the Office of the Chief Information Officer (OCIO). If any question does not apply, state Not Applicable (N/A) for that question, and briefly explain why it is not applicable.

**Program Area:** Office of Housing/Single Family Housing/Lender Approval and Recertification Division

**Subject matter expert in the program area:**

**Program/Project Sponsor Manager:** Margaret Butler, 202/402-8239

**Alt Program/Project Sponsor Manager:** Jo Ellen Plummer, 202/402-8253

**Assistant Program/Project Sponsor Representative:** Kalana Thompson, 202/402-8258

**Division Director/Lender Approval and Recertification Division:** Ivery Himes, 202/402-5628

**Branch Chief/Lender Approval:** Jacqueline Jones, 202/402-8246

**IT Project Leader/GTM:** Rachel Dupree, Office of Systems Integration and Efficiency, 202/402-4821

**For IT Systems:**

- **Name of System:** Institution Master File System (IMF)
- **PCAS #:** 00251410
- **OMB Unique Project Identifier #:** 025-00-01-01-02-0000-00
- **System Code:** F51

**For Information Collection Requests:**

- **Name of Information Collection Request:** N/A
- **OMB Control #:** N/A

**Question 1: Provide a brief description of what personal information is collected.**

The Institution Master File System (IMF) maintains a file of institutions (Title I lenders and Title II mortgagees), which have been approved by the U.S. Department of Housing and Urban Development (HUD) to participate in Mortgage Insurance Programs. The personal information collected are the SSNs and Names of the Lenders. The purpose of the information being collected is to ensure that any senior officer (e.g., Chief Executive Officer (CEO), Chief Financial Officer (CFO), etc.), partner, director, or principal is in compliance with Section 203(b) of the Helping Families Save Their Homes Act of 2009, which was enacted on May 20, 2009. The Privacy Impact Assessment is currently being re-visited and updated as necessary to incorporate HUD's new Electronic Annual Certification Process for FHA-approved lenders. Under the former process, lenders certified manually via the submission of a Title II Yearly Verification Report (i.e., V-Form).

If this automated system (or Information Collection Request) involves personally identifiable information on members of the public, then **mark any of the categories that apply below:**

**Personal Identifiers:**

X	Name (Lenders', and Principal employees First and Last Names
X	Social Security Number (SSN) (Lenders', and Principal employees)
X	Other identification number (specify type): Tax ID, Institution ID, Title I ID, GNMA ID
	Birth date
	Home address
	Home telephone
X	Personal e-mail address (Lenders, and Principal employees)
	Fingerprint/ other "biometric"
X	Other (specify): Title of the Lender (e.g., Chief Executive Officer)
	None
	Comment: The other records include the following data elements: Institution Name, Institution Type, Insurance Type, Mortgage Type, Doing Business As, Fiscal Year End, Approval Date, Phone Number, Fax, Email, and Geographical Address.

**Personal/ Sensitive Information:**

	Race/ ethnicity
	Gender/ sex
	Marital status
	Spouse name
	# of children
	Income/ financial data (specify type of data, such as salary, Federal taxes paid, bank account number, etc.):
	Employment history:
	Education level
	Medical history/ information
	Disability
	Criminal record
	Other (specify):
X	None
	Comment:

**Question 2: Will any of the personally identifiable information be accessed remotely or physically removed?**

	Yes	No
If yes, Proceed to answering the following questions.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Have the security controls been reviewed and approved by the Information Security Officer?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<p>What security controls are in place to protect the information (e.g., encryptions)?</p> <p><b>A User ID and Password are required to get through the HUD Lan via FHA Connection to update information in the IMF.</b>  On-line access is controlled by RACF, CA-TOPSECRET, and internal application software.</p>
<p>What HUD approved application is used to grant remote access (e.g., VPN, Citrix)?</p> <p>Lenders use HUD's Web Portal (Internet Explorer) to access HUD's secure system, FHA Connection. To update the IMF, Contractors access IMF via VPN. HUD's employees and tele-workers access IMF via Citrix.</p>
<p>Is there a policy in place restricting remote access from certain locations outside the Department (For example: Policy may permit remote access, but prohibits access from a particular place; such as, Kinko's/Starbuck) or is remote access permitted from all areas outside the Department?</p> <p>There is no policy to restrict access.</p>
<p>Is there a policy that identifies "if" or "if not" downloading and remote storage of this information is allowed (For example: Policy may permit remote access, but prohibit downloading and local storage)?</p> <p>There is no provision in IMF for directly downloading data. The selection of downloading the VFORM is available, but there is no downloading of data in F51/IMF.</p>
<p>Comment:</p>

**Question 3: Type of electronic system or information collection.**

**A. If a new electronic system (or one in development):** Is this a new electronic system (implemented after April 2003, the effective date of the E-Government Act of 2002)?

	Yes	No
If yes, please proceed to answering the following questions.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Does the system require authentication?	<input type="checkbox"/>	<input type="checkbox"/>
Is the system browser-based?	<input type="checkbox"/>	<input type="checkbox"/>
Is the system external-facing (with external users that require authentication)?	<input type="checkbox"/>	<input type="checkbox"/>

**B If an existing electronic system:** Mark any of the following conditions for your existing system that OMB defines as a "trigger" for requiring a PIA (if not applicable, mark N/A):

<b>X</b>	<b>Conversion:</b> When paper-based records that contain personal information are
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	converted to an electronic system. The “draft” Mortgagee Letter indicates that all FHA-approved lenders were required to submit their annual certifications electronically beginning July 1, 2009.
N/A	<b>From Anonymous (Non-Identifiable) to “Non-Anonymous” (Personally Identifiable):</b> When any systems application transforms an existing database or data collection so that previously anonymous data becomes personally identifiable
N/A	<b>Significant System Management Changes:</b> When new uses of an existing electronic system significantly change how personal information is managed in the system. (Example #1: when new “relational” databases could combine multiple identifying data elements to more easily identify an individual. Example #2: when a web portal extracts data elements from separate databases, and thereby creates a more open environment for exposure of personal data)
N/A	<b>Merging Databases:</b> When government databases are merged, centralized, matched, or otherwise significantly manipulated so that personal information becomes more accessible (with special concern for the ability to combine multiple identifying elements)
N/A	<b>New Public Access:</b> When <u>new</u> public access is given to members of the public or to business partners (even if the system is protected by password, digital certificate, or other user-authentication technology)
N/A	<b>Commercial Sources:</b> When agencies systematically incorporate into databases any personal data from commercial or public sources (ad hoc queries of such sources using existing technology does not trigger the need for a PIA)
N/A	<b>New Inter-agency Uses:</b> When agencies work together (such as the federal E-Gov initiatives), the lead agency should prepare the PIA
N/A	<b>Business Process Re-engineering:</b> When altering a business process results in significant new uses, disclosures, or additions of personal data
N/A	<b>Alteration in Character of Data:</b> When adding new personal data raises the risks to personal privacy (for example, adding financial information to an existing database that contains name and address)

**C. If an Information Collection Request (ICR): Is this a new Request that will collect data that will be in an automated system?** Agencies must obtain OMB approval for information collections from 10 or more members of the public. The E-Government Act of 2002 requires a PIA for ICRs only if the collection of information is a new request and the collected data will be in an automated system.

	Yes, this is a new ICR and the data will be automated
X	No, the ICR does not require a PIA because it is not <u>new</u> or <u>automated</u> )
	Comment: N/A – There is no new Information Collection Request associated with IMF.

**Question 4: Why is the personally identifiable information being collected? How will it be used?**

Mark any that apply:

**Homeownership:**

	Credit checks (eligibility for loans)
	Loan applications and case-binder files (via lenders) – including borrower SSNs, salary, employment, race, and other information
	Loan servicing (MIP collections/refunds and debt servicing for defaulted loans assigned to HUD)
	Loan default tracking
	Issuing mortgage and loan insurance
	Other (specify):
	Comment:

**Rental Housing Assistance:**

	Eligibility for rental assistance or other HUD program benefits
	Characteristics on those receiving rental assistance (for example, race/ethnicity, # of children, age)
	Property inspections
	Other (specify):
	Comment:

**Grants:**

	Grant application scoring and selection – if any personal information on the grantee is included
	Disbursement of funds to grantees – if any personal information is included
	Other (specify):
	Comment:

**Fair Housing:**

	Housing discrimination complaints and resulting case files
	Other (specify):
	Comment:

**Internal operations:**

	Employee payroll or personnel records
	Payment for employee travel expenses
	Payment for services or products (to contractors) – if any personal information on the payee is included
	Computer security files – with personal information in the database, collected in order to grant user IDs
	Other (specify):
	Comment:

**Other lines of business (specify uses):**

X	Eligibility for senior officers/officials of lending institutions submitting annual certifications for continued participation in FHA’s mortgage insurance program may be determined by Credit Alert Interactive Voice Response System (CAIVRS) and Excluded Parties’ List data.

**Question 5: Will you share the information with others? (e.g., another agency for a programmatic purpose or outside the government)?**

Mark any that apply:

X	Federal agencies? (only Internal HUD users)
	State, local, or tribal governments?
	Public Housing Agencies (PHAs) or Section 8 property owners/agents?
X	FHA-approved lenders?
	Credit bureaus?
	Local and national organizations?
	Non-profits?
	Faith-based organizations?
	Builders/ developers?
	Others? (specify):
	Comment:

**Question 6: Can individuals “opt-out” by declining to provide personal information or by consenting only to particular use (e.g., allowing their financial information to be used for basic rent eligibility determination, but for not for sharing with other government agencies)?**

	Yes, they can “opt-out” by declining to provide private information or by consenting only to particular use
X	No, they can’t “opt-out” – all personal information is required
	Comment:

If Yes, please explain the issues and circumstances of being able to opt-out (either for specific data elements or specific uses of the data): \_\_\_\_\_

**Question 7: How will the privacy of the information be protected/ secured? What are the administrative and technological controls?**

Mark any that apply and give details if requested:

X	System users must log-in with a password
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	Federal employees and approved lenders must use individually assigned User IDs and Passwords to access IMF.
X	<p>When an employee leaves:</p> <ul style="list-style-type: none"> <li>How soon is the user ID terminated? (1 day, 1 week, 1 month, unknown)? The F51/IMF Security Administrator terminates User IDs in accordance with HUD's termination procedures. System access is deactivated <b>within 1 day</b> of notification by a user's supervisor and/or manager.</li> <li>How do you know that the former employee no longer has access to your system? (explain your procedures or describe your plan to improve): Once a user is removed by the F51/IMF System Administrator, the user is denied access to the system. User account information is also deleted from the system at the time of deactivation. The Security Administrator contacts appropriate managers and/or supervisors for each Agency/program to recertify all employees who are or have access to F51/IMF every Quarter (4 times per year). Specifically, they certify that those employees are still at the Agency, and it is still within their authorized "role" to have system access. The IT Security Office alerts the System Administrator to delete accounts if there are no activities on the certain users within a six (6) month period.</li> </ul>
X	<p>Are access rights selectively granted, depending on duties and need-to-know? If Yes, specify the approximate # of authorized users who have either:</p> <ul style="list-style-type: none"> <li>Full access rights to all data in the system: 2</li> </ul> <p>Limited/restricted access rights to only selected data:</p> <p><b>Estimated Number of F51/IMF Users</b></p> <p><u>Title 1</u> FHA Connection Active 2,242</p> <p><u>Title 2</u> FHA Connection Active 27,957</p> <p><u>Internal F51 Users (online access)</u> 59</p>
N/A	<p>Are disks, tapes, and printouts that contain personal information locked in cabinets when not in use? (explain your procedures, or describe your plan to improve): Data is stored on magnetic discs and tapes. UPS is used to transport tapes. There is a courier log at the data center. As of August 2009, there will be no magnetic discs and tapes. There are no printouts or hardcopies stored, maintained, or generated from the system.</p>
N/A	<p>If data from your system is shared with another system or data warehouse, who is responsible for protecting the privacy of data that came from your system but now resides in another? Explain the existing privacy protections, or your plans to improve:</p>
N/A	<p>Other methods of protecting privacy (specify):</p>
	<p>Comment: IMF receives formal notifications when an employee separates from the U.S. Department of HUD (i.e., as a result of termination, retirement, etc.). . When HUD employees leave the Department, their supervisor of record is required</p>

	to submit a “Revocation” request via CHAMP. Likewise, when an employee ends his/her relationship with a contracting entity doing business with HUD, the HUD-designated GTR/GTM must submit a CHAMP “Revocation” request to remove the contracted employee’s access to all HUD applications. . In addition, HUD employees are to submit a Form HUD-58 (Clearance for Separation of Employee, Part 4) as part of their clearance process to have their system access privileges terminated. This Form is to be completed five days prior to an employee’s separation. The Form HUD-58 is signed by the IT Security Office for the purpose of ensuring that an employees system access privileges are properly revoked. .
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**Question 8: If privacy information is involved, by what data element(s) is it retrieved from the system?**

Mark any that apply

X	Name: (Lenders’ First and Last Name)
X	Social Security Number (SSN) (Lenders)
	Identification number (specify type):
	Birth date
	Race/ ethnicity
	Marital status
	Spouse name
	Home address
	Home telephone
	Personal e-mail address
	Other (specify):
	None
	Comment:

**Other Comments (or details on any Question above):**

The appropriate security safeguards are in place to protect the confidentiality and restrict access to the system that contains the privacy of data collected. HUD’s Security Office has verified the security controls review.

**SECTION 3: DETERMINATION BY HUD PRIVACY ACT OFFICER**

The Institution Master File System maintains the Name, SSN, Title of Lenders, and the personal email address of Title I lenders and Title II mortgagees approved by HUD to participate in its Mortgage Insurance Programs. There are adequate administrative controls in place to ensure the protection of the personal identifiable information contained in the system.

The appropriate security safeguards are in place to protect the confidentiality and restrict access to the personal information collected. The system is covered under the IMS Privacy Act System of Records, published at: <http://www.hud.gov/offices/cio/privacy/fedreg.cfm>.