

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

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## **OFFICE OF HOUSING**

### **Debt Collection and Asset Management System**

Privacy Impact Assessment

**August 2008**

## DOCUMENT ENDORSEMENT

I have carefully assessed the Privacy Impact Assessment (PIA) for **Debt Collection and Asset Management System**. 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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**SYSTEM MANAGER, DIRECTOR, FINANACIAL  
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**Date**

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**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
PRIVACY IMPACT ASSESSMENT (PIA) FOR:  
“DEBT COLLECTION AND ASSET MANAGEMENT SYSTEM”**

**(for IT Systems: OMB Unique Identifier #: 025-00-01-01-02-1080-00-307-116  
and PCAS # 00251310)**

**August 2008**

**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](http://www.usdoj.gov/foia/privstat.htm) 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](http://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](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 \(HUD Handbook 1327.1 at www.hudclips.org\)](http://www.hudclips.org));
- [E-Government Act of 2002](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=107_cong_public_laws&docid=f:publ347.107.pdf) 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](http://www.fis.gov) (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, 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

**Subject matter expert in the program area:** Lester West, Albany Financial Operations Center, Office of Housing, (518) 862-2806

**Program Area Manager:**

**IT Project Leader:** Tom Snyder, Computer Specialist, Office of Systems Integrations and Efficiency, Office of the Chief Information Officer; John Mentis, Albany Financial Operations Center, Office of Housing, (518) 862-2815

**For IT Systems:**

- **Name of system:** Debt Collection and Asset Management System (DCAMS)
- **PCAS #:** 00251310
- **OMB Unique Project Identifier #:** 025-00-01-01-02-1080-00-307-116
- **System Code:** F71

**For Information Collection Requests:**

- **Name of Information Collection Request:**
- **OMB Control #:**

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

The revisions to the system have been minor in scope and relate to changing requirements related to debt collections activities and do not involve risks concerning privacy protection.

This system is a debt collection system used to recover debts owed to HUD. Data about the debtors is transferred from an insurance and claims system within HUD (TIIS-F72). When a Title I insurance claim is paid to the lender, the loan documents are assigned to HUD, along with the responsibility for collecting the debt. The data collected within the system relates to debt collection activities and includes, borrower name, SSN, address, debt amount, loan information, etc. The information is necessary in order to pursue the debtor for collection. This data is used to establish contact with the debtor and to pursue collection action (either administrative or active) and is used as part of the debt recovery process.

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 <b>Borrower and Lender</b>
X	Social Security Number (SSN) .
X	Other identification number (specify type): <b>Loan case number</b>
X	Birth date
X	Home address
X	Home telephone
X	Personal e-mail address
	Fingerprint/ other "biometric"
	Other (specify):
	None
	Comment:

**Personal/ Sensitive Information:**

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

**Question 2: Type of electronic system or information collection.**

Fill out Section A, B, or C as applicable.

- 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)? **If yes, fill out subsections a, b, and c.**

	Yes	Yes	No
	a. Does the system require authentication?	<input type="checkbox"/>	<input type="checkbox"/>

	b. Is the system browser-based?	<input type="checkbox"/>	<input type="checkbox"/>
	c. Is the system external-facing (with external users that require authentication)?	<input type="checkbox"/>	<input type="checkbox"/>
X	No		
	Comment		

A. 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):

N/A	<b>Conversion:</b> When paper-based records that contain personal information are converted to an electronic system
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.

<input type="checkbox"/>	Yes, this is a new ICR and the data will be automated
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X	No, the ICR does not require a PIA because it is not <u>new</u> or <u>automated</u> )
	Comment:

**Question 3: Why is the personally identifiable information being collected? How will it be used?**

Mark any that apply:

**Homeownership:**

	Credit checks (eligibility for loans)
X	Loan applications and case-binder files (via lenders) – including borrower SSNs, salary, employment, race, and other information
X	Loan servicing (MIP collections/refunds and debt servicing for defaulted loans assigned to HUD)
X	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):**


**Question 4: Will you share the information with others? (e.g., another agency for a programmatic purpose or outside the government)?**

Mark any that apply:

<input checked="" type="checkbox"/>	Federal agencies? <a href="#">Treasury - FMS and Treasury - IRS</a>
<input type="checkbox"/>	State, local, or tribal governments?
<input type="checkbox"/>	Public Housing Agencies (PHAs) or Section 8 property owners/agents?
<input type="checkbox"/>	FHA-approved lenders?
<input checked="" type="checkbox"/>	Credit bureaus?
<input type="checkbox"/>	Local and national organizations?
<input type="checkbox"/>	Non-profits?
<input type="checkbox"/>	Faith-based organizations?
<input type="checkbox"/>	Builders/ developers?
<input type="checkbox"/>	Others? (specify):
	Comment: <a href="#">The information is only shared to perform debt recovery or reporting activities. Examples of this are reporting data to the Treasury- IRS for 1098 and 1099 reporting, reporting of debtor data to the Treasury- FMS for debt collection (as required by the Debt Collection Improvement Act), reporting of debt data to major credit bureaus for credit reporting purposes, etc.</a>

**Question 5: 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)?**

<input type="checkbox"/>	Yes, they can “opt-out” by declining to provide private information or by consenting only to particular use
<input type="checkbox"/>	No, they can’t “opt-out” – all personal information is required
<input checked="" type="checkbox"/>	Comment: <a href="#">N/A. The data is provided as part of an insurance/debt recovery process. The original note signed by the borrower describes the potential use of their data. They can choose not to sign the note (and not get the loan).</a>

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): \_\_\_\_\_

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**Question 6: 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
X	When an employee leaves: <ul style="list-style-type: none"> <li>• How soon is the user ID terminated? (<b>1 day</b>, 1 week, 1 month, unknown)? <b>One day.</b></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): <b>The user is immediately removed from the systems administrators log</b></li> </ul>
X	Are access rights selectively granted, depending on duties and need-to-know? If Yes, specify the approximate # of authorized users who have either: <ul style="list-style-type: none"> <li>• Full access rights to all data in the system: <b>75</b></li> <li>Limited/restricted access rights to only selected data: <b>75</b></li> </ul> <p><b>All users have read-access to the personal identifiers and personal and sensitive information. A limited number of users (some 50) have update-access to personal identifiers and personal and sensitive information. The data is maintained in a mainframe system with built-in security layers that have been tested and approved by HUD.</b></p>
X	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): <b>Disks and tapes containing personal information are supposed to be stored in locking cabinets and filing systems. Our procedures for guaranteeing the security of this information include quarterly reminders to staff.</b>
X	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? <b>Explain the existing privacy protections, or your plans to improve: Treasury – FMS, Treasury – IRS, HUD - FHA Data Warehouse, and Credit Bureaus are each responsible for protecting the data transmitted by DCAMS.</b>
	Other methods of protecting privacy (specify):
	Comment:

**Question 7: If privacy information is involved, by what data elements can it be retrieved?**

Mark any that apply:

X	Name:
X	Social Security Number (SSN)
X	Identification number (specify type): <b>Case Number</b>
	Birth date
	Race/ ethnicity
	Marital status
	Spouse name
X	Home address
	Home telephone
	Personal e-mail address
	Other (specify):
	None
X	Comment: <b>The Data can be retrieved within the system mainly by case number, but can also be retrieved by name, SSN, or address</b>

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

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

DCAMS is a concern for privacy protection due to the sensitive nature of the data elements collected and maintained by the system. Based on the responses provided for question #6 we have determined that adequate protection and security controls are in place for protecting the personal identifiable information contained in the system. Additionally, as system modifications are made the PIA will be reviewed and updated to reflect all risks concerning privacy protection.