U.S. Department of Housing and Urban Development

Office of Housing

Disposition Program Compliance System DPCS-P177

Privacy Impact Assessment

September 2005

DOCUMENT ENDORSEMENT

I have carefully assessed the Privacy Impact Assessment (PIA) for the Disposition Program Compliance 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.

MANAGEMENT ENDORSEMENT

Please check the appropriate statement.

X 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.

/s/ Eric M. Stout — **Sept. 29, 2005**
DEPARTMENTAL PRIVACY ADVOCATE — **Date**
Office of the Chief Information Officer
U. S. Department of Housing and Urban Development

/s/ Jeanette Smith — **Sept. 29, 2005**
DEPARTMENTAL PRIVACY ACT OFFICER — **Date**
Office of the Chief Information Officer
U. S. Department of Housing and Urban Development

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APPROVED/ FINAL

U.S. DEPARTMENT OF HOUSING AND URBAN DEVLEOPMENT
PRIVACY IMPACT ASSESSMENT (PIA) FOR:
"DISPOSITION PROGRAM COMPLIANCE SYSTEM (DPCS/P177)"
(For IT Systems: PCAS # 712890)

September 29, 2005

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 Handbook1325.1 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) 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; see also the summary of the E-Government Act at http://www.whitehouse.gov/omb/egov/pres_state2.htm);
- Federal Information Security Management Act of 2002 (which superceded 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); and
- OMB Circular A-130, Management of Federal Information Resources, Appendix I (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 HUD staff who have been authorized because of their duties; and they will be held accountable for ensuring privacy and confidentiality.

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?

The Privacy Act of 1974, 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

Program Area: Housing, Office of Single Family Housing
Subject matter expert in the program area: James Everett, ext. 2133
Program area manager: Wanda Sampedro, Director, Asset Management and Disposition Division, ext. 2324
IT Project Leader: Sheila Alpers, ext. 7610

For IT Systems:

- **Name of system:** Disposition Program Compliance System (DPCS/P177), formerly Officer Next Door/Teacher Next Door (OND/TND) Management Controls
- **PCAS #: 712890**
- **OMB Unique Project Identifier # (if submitting an Exhibit 300 to OMB): N/A**

For Information Collection Requests: N/A

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

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

DPCS will collect information related to the sale of single-family assets to individuals submitting offers to purchase and, for those offers accepted by HUD, purchasing through the Officer Next Door/Teacher Next Door Sales programs**.** Offers are received and processed electronically and may be submitted directly by an individual or by a real estate broker on behalf of an individual. Prospective purchasers submit personally identifying information to aid in determining individual eligibility to participate in the program and to provide documentation for use in compliance assurance. In transactions where real estate brokers submit offers on behalf of purchasers, the broker will use a Name/Address Identifier (NAID) number obtained from HUD through other processes.

All individuals who register to participate in the programs by directly submitting offers (rather than using broker services) input their email account and are issued a personal profile number (PPN) in DPCS to use as a password. This number is valid for 90 days after its last use. If an individual's PPN expires, the individual may re-register to continue submitting offers until a property is awarded and purchased.

The registration process for obtaining a PPN requires an individual to disclose detailed, personally identifiable information, described below.

Once an individual is awarded a home, the registration information is produced as a printed document that transfers beyond the business scope of DPCS.

The screen shot below shows the first information collection event, which is disclosing a personal social security number to access the registration process:

Once the law enforcement officer or teacher enters their personal Social Security Number (SSN), a registration form becomes available for the registrant to enter personal identification including name, address, home and work phone number, e-mail, fax number, employer name, address, contact person and phone number. The table below shows this second information collection event:

Personal Contact and Employer Information

* **First Name**	
* **Middle Name or Initial**	
* **Last Name**	
* **Residential Street Address**	
* **City**	
* **State**	Pick your State

* **Zip Code + Plus4**
* **Home Phone Number**
* **Current Residence** ☐ **Own** ☐ **Rent** ☐ **Other**
* **Contact E-Mail Address**

  Contact Fax Number
* **Work Phone Number**
* **Employer/Agency Name**
* **Employer Street Address**
* **City**
* **State** Pick your State
* **Zip Code + Plus4**
* **Human Resources/ Point of Contact Full Name**
* **Human Resources/ Point of Contact Phone Number**

  Human Resources/ Point of Contact Fax Number

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
X	Social Security Number (SSN)
X	Other identification number (specify type): We require the real estate broker to list a unique Name/Address Identifier (NAID) in order to submit a bid on behalf of the law enforcement officer or teacher. NAID's are issued by a separate process to real estate brokers who wish to do business with HUD property sales.
	Birth date
X	Home address
X	Home telephone
X	Personal e-mail address
	Fingerprint/ other "biometric"
X	Other (specify): Employer/ agency name, address, human resources/ point of contact name and phone number
	None
	Comment:

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):
	None
	Comment:

Question 2: 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)?

X	Yes
	No

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):

N/A

	Conversion: When paper-based records that contain personal information are converted to an electronic system
	From Anonymous (Non-Identifiable) to "Non-Anonymous" (Personally Identifiable): When any systems application transforms an existing database or data collection so that previously anonymous data becomes personally identifiable
	Significant System Management Changes: 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)
	Merging Databases: 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)
	New Public Access: When new 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)
	Commercial Sources: 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)
	New Inter-agency Uses: When agencies work together (such as the federal E-Gov initiatives), the lead agency should prepare the PIA
	Business Process Re-engineering: When altering a business process results in significant new uses, disclosures, or additions of personal data
	Alteration in Character of Data: 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
	No, the ICR does not require a PIA because it is not new or automated)
N/A	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)
	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
X	Other (specify): Data is collected to determine eligibility of individual to purchase HUD-owned foreclosed homes through programs available exclusively to law enforcement officers and teachers and at substantial discounts. DPCS documents this information for enforcement action support where required.
	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?

For Example, another agency for a programmatic purpose, or outside the government.
Mark any that apply:

X	Federal agencies? (specify): Enforcement agencies may request reports related to possible compliance enforcement efforts. For example, as part of an investigation, a U.S. Attorney (Department of Justice) or HUD Office of Inspector General (OIG) officer, or HUD Departmental Enforcement Center staff may request from the HUD National Servicing Center in Oklahoma City a copy of the participant's personal information questionnaire. HUD program officials who are responsible for program monitoring can also access data collected by DPCS or related systems.
	State, local, or tribal governments?
	Public Housing Agencies (PHAs) or Section 8 property owners/agents?
	FHA-approved lenders?
	Credit bureaus?
	Local and national organizations?
	Non-profits?
	Faith-based organizations?
	Builders/ developers?
X	Others? (specify): HUD management and marketing (M&M) contractors will receive information from DPCS in connection with their contractual responsibilities to market and sell single-family properties.
	Comment:

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)?

	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: Participation in the program is optional to any qualified citizen.

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 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: Individual offerors use email account and PPN, brokers use NAID, HUD users and M&M contractors use user id and password. DPCS will use HUD's Web Access Security System (WASS) protocols.
X	When an employee leaves: •1 How soon is the user ID terminated (1 day, 1 week, 1 month, unknown)? Per HUD termination procedures. •2 How do you know that the former employee no longer has access to your system? (Explain your procedures or describe your plan to improve): User account is deactivated.
X	Are access rights selectively granted, depending on duties and need-to-know? If Yes, specify the approximate # of authorized users who have either: •1 Full access rights to all data in the system (1-4, 5-10, over 10)? 1-4 system administrators. •2 Limited/ restricted access rights to only selected data (1-10, 20-100, over 100)? o Approximately 10,000 individual offerors have access to only their personal data and lottery results. o Approximately 45,000 brokers have access to personal data and lottery results for individuals for whom they submit offers. o Approximately 72 M&M contractors and 9 HOC GTRs have access to data of offerors within their jurisdiction and may make changes to personal data. o Approximately 30 HUD representatives (NSC, HOC, HUD Headquarters) have read access to data of all offerors and occupants. o Approximately 81 HUD OIG representatives have read access to data of occupants under compliance review.
	Does a contractor maintain the system? If so, explain their access to the data in the system: A contractor provides system maintenance services. System administrators have full access rights.
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): HUD's Management and Marketing contractors (M&M) will print certain information for use in the property purchasing transaction process. The M&M contract provides: ***5.1.1.5. Information Security*** *- Neither the Contractor nor any of its employees or affiliates shall disclose or cause to be disseminated any information relating to the services hereunder to any person not entitled to receive it. Failure to safeguard any*

	sensitive information that may come to the Contractor or any person under his/her control in connection with work under this PWS, may subject the Contractor or its agents or employees to criminal liability or termination for default. A copy of the M&M contract is available for inspection at: http://www.hud.gov/offices/cpo/contract/mnm/current/contract.cfm or at the Office of Single Family Housing, Asset Management and Disposition Division
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? Explain the existing privacy protections, or your plans to improve: DPCS will share personally identifying information voluntarily provided by prospective purchasers of homes through the Officer Next Door/Teacher Next Door Sales programs. The information sharing occurs through an interface with subcontractors of M&M contractors (see, immediately preceding question). The subcontractors provide an electronic functionality to the public for use by prospective purchasers who submit offers to purchase properties through these programs. M&M contractors and their subcontractors are governed by contractual terms (see previous question). The information is currently collected by the subcontractors. Therefore, new business procedures are not involved.
	Other methods of protecting privacy (specify):
	Comment:

Question 7: If private 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):
	Birth date
	Race/ ethnicity
	Marital status
	Spouse name
X	Home address
X	Home telephone
X	Personal e-mail address
	Other (specify):
	None
X	Comment: System administrators would be able to retrieve private information using any of the above data elements. HUD users and M&M contractors would retrieve data by case

	number.

Other Comments (or details on any Question above):

None.

SECTION 3: DETERMINATION BY HUD PRIVACY ADVOCATE

DPCS is a system to implement stricter controls on Officer Next Door (OND)& Teacher Next Door (TND)sales, which is sponsored by Housing's Single Family Asset Management & Disposition Division. DPCS does collect personal and sensitive information that retrievable in identifiable form and subject to the Privacy Act.

Because of the vast amount of personal and sensitive information, we will annually monitor this system to ensure that adequate privacy protections continue to be in place.