

**U.S. DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT**

**INITIAL PRIVACY ASSESSMENT
(IPA)**

[NPDMS]

**[Office of Single Family Program
Development]**

[January 29, 2013]

INTRODUCTION

What is an Initial Privacy Assessment?

An Initial Privacy Assessment (IPA) is designed to assess whether a Privacy Impact Assessment (PIA), a Privacy Act system of records notice (SORN), and/or other related privacy documents are required. The responses to the IPA will provide a foundation for determining if either a PIA or SORN or both will be required, and will also help to identify any policy concerns.

The IPA incorporates the matters previously addressed in the Department's Personally Identifiable Information (PII) Survey, and thus replaces the survey.

When should an IPA be completed?

An IPA should be completed for all information collection activities, whether the system is electronic or contains only records in paper form, and should be completed before commencement of any testing or pilot project of an information system or prior to implementing new information collections requests. Additionally, an IPA should be completed any time there is a change to the information system or collection to determine whether there are any privacy issues as a result of such a change.

Who should complete the IPA?

The IPA should be written and reviewed by a combination of the component's (e.g., Privacy Act Officer, System Owner, Project Leaders, Paperwork Reduction Act Compliance Officers), and the program-specific office responsible for the system, project or information collections.

How is the IPA related to the Capital Planning, Certification and Accreditation, and the Paperwork Reduction Act process?

Upon completion and approval of the IPA by the Privacy Officer the official document may be uploaded into the C&A tool, and provided as part of the IT Capital Planning, and Paperwork Reduction Act package as validation of the completed evaluation. The completed IPA demonstrates that the program components have consciously considered privacy and related requirements as part of the overall information activities. For an IT system that does not require a C&A, such as a minor application that runs on a system that does require a C&A, an IPA still should be completed to determine if other related privacy documentation are required for that system or project.

Where should the completed IPA be sent?

A copy of the completed IPA should be sent to the Office of Privacy Project Leads for review. The Privacy Officer will review the IPA and determine what additional privacy documentation is required, and then will advise the Program component accordingly.

Initial Privacy Assessment

INFORMATION ABOUT THE SYSTEM OR PROJECT

Date Submitted for Review: 3/28/2013

Project Name/Acronym: NPDMS (Nonprofit Data Management System)

System Owner/Contact information: Ivey Himes, Director, Office of SF Asset Management, (202) 402-5628

Project Leader/Contact Information: Shawn Walkey, GTM, (202) 402-3272

Which of the following describes the type of records in the system:

- Paper-Only
- Combination of Paper and Electronic
- System
- Other:** Please describe below the type of project or system, including paper based Privacy Act System of Records, Rules, or Technologies'. Also, indicate whether this is a revision/update for an existing system or project.

100% Electronic. To ease the burden of drafting, photocopying and mailing paper applications and supporting documents to HUD, FHA developed NPDMS. NPDMS serves as a means for nonprofit entities to apply to the program and submit program data required by FHA through the transferring of files. The NPDMS will collect, store and provide web-based access to participants' application and property activity data.

Note: For this form purpose, there is no distinction made between technologies/systems managed by contractors. All technologies/systems should be initially reviewed for potential privacy impact.

Section I: The Entire IPA (Sections I and II) Should be Completed for New Systems or Projects. If this is an Existing System or Project Skip to Section II. Unless requested by the Office of Privacy, this section should not be completed for an existing System or Project.

Question 1: Provide a general description of the system of

Project. The following questions are intended to define the scope of the information in the system, information collection, or project, specifically the nature of the information and the sources from which it is obtained.

- a. From whom is the information collected (i.e., government employees, contractors, or consultants, state, local government entities, or general public)?

Nonprofits entities

- b. What is the functionality of the system, information collection, or project and the purpose that the records and/or system serve?

Information is collected from nonprofit applicants wanting to participate in FHA’s Single Family activities, including purchasing discounted HUD Homes, serving as mortgagors, and offering secondary financing assistance. To ease the burden of drafting, photocopying and mailing paper applications and supporting documents to HUD, FHA has developed NPDMS. NPDMS will serves as a means for nonprofits to apply to the program and submit program data required by FHA. The NPDMS will collect, store and provide web-based access to participants’ application and property activity data. The system will enhance FHA’s ability to manage an organization’s program activities from initial application/re-certification through the entire life cycle of program activities. Additionally, NPDMS will enable nonprofit users to submit required property reports online.

- c. How is information transmitted to and from the system, information collection, or project?

Nonprofit entities are able to access the system and transfer their files through data uploading. Nonprofits can only access their own individual records.

- d. What are the interconnections with other systems or projects?

None. The NPDMS does not interact with other systems

QUESTION 2: Have the IPA been reviewed and approved by the Chief Privacy Officer

In progress.

(If no, please contact component privacy official for official approval)

QUESTION 3: What is the Status of system, information collection, or project

- a. If this is a new system, information collection, or project, specify expected production date.

NA

- b. If an existing system, information collection, or project, specify date of production.

The NPDMS was put into use January 28, 2010.

QUESTION 4: Does this system, information collection, or project collect personal identifiers/sensitive information

YES	NO	Does the system, information collection, or project collect personal/sensitive information? (e.g. name, address, personal email address, gender/sex, race/ethnicity, income/financial data, employment history, medical history, Social Security Number, Tax Identification Number, Employee Identification Number, FHA Case Number). Includes PII that may be part of a registration process?
<input type="checkbox"/>	<input type="checkbox"/>	

If yes, specific data sets collected or provided, and the legal authorities, arrangement, and/or agreement authorize the collection of information (i.e. must include authorities that cover all information collection activities, including Social Security Numbers)?

Authorization to permit HUD to collect and maintain Personally Identifiable information (PII) is located in 42 U.S.C 35449(b). The information collection requirements have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of

1995 (44 U.S.C. Chapter 35). The OMB number issued for this requirement is OMB 2502-0540.

QUESTION 5: Does the information about individuals identify particular individuals (i.e., is the information linked or linkable to specific individuals, often referred to as personally identifiable information?)

Yes. Only authorized HUD staff has access to the requested information and the agency doesn't share this information with the public or other agencies.

QUESTION 6: What type of Notice(s) are provided to the individual on the scope of information collected, the opportunity to consent to uses of said information, the opportunity to decline to provide information. (A notice may include a posted privacy policy, a Privacy Act notice on form(s), and/or a system of records notice published in the Federal Register.)

- a. Was any form of notice provided to the individual prior to collection of information? If yes, please provide a copy of the notice as an appendix. (A notice may include a posted privacy policy, a Privacy Act notice on form(s), and/or a system of records notice published in the Federal Register.) If notice was not published, why not?

Notice to the public is published in the Federal Register routinely along with the required updates to the Information Collection request. Additionally, within Mortgagee Letter (ML) 2002-01 the agency explains to respondents the purpose for which social security numbers will be used and assures respondents that SSNs will be kept confidential.

- b. Do individuals have an opportunity and/or right to decline to provide information?

Yes. If nonprofits make the decision not to comply with FHA policy, they are free not to submit an application and not to participate in FHA's programs. The Department has a responsibility to ensure that no conflict of interest exists between nonprofit agencies, their boards of directors, their principal staff or any other entities that may participate in operating their

affordable housing programs. Therefore, FHA will require that members of the board of directors (excluding non-voting members) and salaried or voluntary principal staff provide their social security numbers (SSN) to FHA. FHA will keep the SSNs confidential. The SSNs will be used only to assure the Department that no conflict of interest relationship exists and the board and staff have no outstanding unpaid government loans, sanctions, foreclosures, inappropriate transfers of real property, business relationships, etc.

- c. Do individuals have an opportunity to consent to particular uses of the information, and if so, what is the procedure by which an individual would provide such consent?

Nonprofit organizations submitting applications are made aware of the requirements through Mortgage Letter 02-01. Nonprofits make the decision to comply and consent when they submit an application to FHA.

QUESTION 7: Is there a Certification & Accreditation record for your system? (This question does not apply to Information Collection Requests)

This question does not apply as it is part of an Information Collection Request (2502-0540) on Nonprofits participating in FHA’s Single Family activities.

Specify below the systems categorization. If not available identify the FISMA-reported system whose Certification and Accreditation covers this system.

Confidentiality	<input type="checkbox"/>	Low	<input type="checkbox"/>	Moderate	<input type="checkbox"/>	High	<input type="checkbox"/>	Undefined
Integrity	<input type="checkbox"/>	Low	<input type="checkbox"/>	Moderate	<input type="checkbox"/>	High	<input type="checkbox"/>	Undefined
Availability	<input type="checkbox"/>	Low	<input type="checkbox"/>	Moderate	<input type="checkbox"/>	High	<input type="checkbox"/>	Undefined

SECTION II - The Entire IPA should be completed for New Systems or Projects. If this is an Existing System or Project Complete Only Complete This Section.

QUESTION 1: When was the system, information collection, or project developed?

The NPDMS was put in use on January 28, 2010.

QUESTION 2: If an existing system, information collection, or project, has the system or project undergone any changes since April 17, 2003?

No.

QUESTION 3: If an existing system, information collection, or project, has the system or project, explain the changes the system or project will be undergoing as part of this renewal/update process.

NONE

QUESTION 4: Do the changes to the system, information collection, or project involve a change in the type of records maintained, the individuals on whom records are maintained, or the use or dissemination of information from the system?

N/A – No changes to system made.

QUESTION 5: Please indicate if any of the following changes to the system or project have occurred: (Mark all boxes that apply.)

- A conversion from paper-based records to an electronic system.
- A change from information in a format that is anonymous or non-identifiable to a format that is identifiable to particular individuals.
- A new use of an IT system, including application of a new technology that changes how information in identifiable form is managed. (For example, a change that would create a more open environment and /or avenue for exposure of data that previously did not exist.)
- A change that results in information in identifiable form being merged, centralized, or matched with other databases.

- A new method of authenticating the use of an access to information in the identifiable form by members of the public.
- A systematic incorporation of databases of information in identifiable form purchased or obtained from commercial or public sources.
- A new interagency use of shared agency function that results in new uses or exchanges of information in identifiable form.
- A change that results in a new use of disclosure of information in identifiable form.
- A change that results in new items of information in identifiable form being added into the system.

QUESTION 6: Does a PIA for the system or project already exist? If yes, please provide a copy of the notice as an appendix.

The NPDMS system was developed under the “Asset Disposition and Management System (P260),” that system had a PIA completed in August 2008.

DOCUMENT ENDORSMENT

DATE REVIEWED:
PRIVACY REVIEWING OFFICIALS NAME:

By Signing below you attest that the content captured in this document is accurate and complete and meet the requirements of applicable federal regulations and HUD internal policies.

SYSTEM OR PROJECT OWNER

**Ivery Himes, Director
Office of Single Family Asset Management**

Date

PROGRAM AREA MANAGER

**Arlene Nunes, Director, Home Mortgage Insurance
Division
Office of Single Family Program Development**

Date

CHIEF PRIVACY OFFICER,

**<<INSERT NAME>>
Office of the Chief Information Officer
U. S. Department of Housing and Urban Development**

Date