



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

Initial Privacy Assessment

**Validating Estimates of CPD Grantee Accrued Expenses
Office of Technical Assistance and Management**

February 2016

INITIAL PRIVACY ASSESSMENT (IPA)

The Initial Privacy Assessment (IPA) is used to determine whether a Privacy Impact Assessment (PIA) is required under the E-Government Act of 2002. The IPA is also used to determine if a System of Records Notice (SORN) is required under the Privacy Act of 1974.

The IPA is an administrative form created by the Privacy Branch to efficiently and effectively identify the use of Personally Identifiable Information (PII) across the Department. The IPA focuses on three areas of inquiry:

- Business data and business processes within each HUD program.
- Potential connections with individuals including the use of PII – any use of social security numbers must be specifically identified.

HUD's program and support offices should ensure that its respective IPA is completed and sent to the Privacy Branch for approval. If SSNs are to be used, the IPA specifically identifies the justification and authority for using SSNs. Upon receipt of the IPA, the Privacy Branch determines the applicability of other privacy compliance requirements including the PIA and SORN. The IPA is complete when the Privacy Branch signs it and sends the final copy back to the identified point of contact.

Please complete this form and send it to the HUD Privacy Branch staff.

Janice Noble
Acting, Branch Chief
Privacy Branch
U.S. Department of Housing and Urban Development

Privacy@hud.gov

If a PIA or SORN is required, a copy of the Privacy Impact Assessment and System of Records Notice form is available on the HUD Privacy Branch website, <http://hudatwork.hud.gov/HUD/cio/po/i/privacy>, on HUD@Work or directly from the HUD Privacy Branch via email: privacy@hud.gov to complete and return.

INITIAL PRIVACY ASSESSMENT (IPA) SUMMARY INFORMATION

Date Submitted for Review:

Name of System or Project: Validating Estimates of CPD Grantee Accrued Expenses

System Name in CSAM:

Name of Program Office: Office of Community Planning and Development, Office of Technical Assistance and Management

Name of Project Manager or System Owner: David Enzel

Email for Project Manager or System Owner: David.H.Enzel@hud.gov

Phone Number for Project Manager or System Owner: 202-402-5557

Type of Project:

- Information Technology and/or System
- A Notice of Proposed Rule Making or a Final Rule:
- Form or other Information Collection:
- Other:

SPECIFIC QUESTIONS

1. Describe the project and its purpose:

Generally Accepted Accounting Principles (GAAP) requires CPD to account for expenses accrued by its grantees that have not yet been expended. CPD does not require its grantees to report accrued expenses. Accordingly, CPD has developed methodologies for estimating accrued expenses for each of its programs. HUD OIG audits our financial reports. OIG has stated that CPD must validate these estimates of accrued expenses periodically, pursuant to Federal Financial Accounting Technical Release 12 (TR12) dated August 4, 2010¹ (TR12)

TR12 addresses materiality considerations, risk assessment, and procedures for estimating accruals for grant programs, including acceptable procedures until sufficient relevant and reliable historical data is available for new grant programs or changes to existing programs. TR12 also provides guidance on acceptable sources of documentation for grant accrual estimates; internal controls, including monitoring of internal controls and validation of grant accrual estimates; training of grantees; and monitoring of grantee reporting.

2. Status of Project:

This is a new development effort.

This is an existing project.

Date first developed:

Date last updated:

3. From whom do you collect, process, or retain information on: (Please check all that apply)

HUD Employees

Contractors working on behalf of HUD

The Public

The System does not contain any such information.

4. Do you use or collect Social Security Numbers (SSNs)? (This includes truncated SSNs)

No.

Yes. Why does the program collect SSNs? Provide the function of the SSN and the legal authority to do so:

5. What information about individuals could be collected, generated or retained?

CPD would request items such as:

¹ http://fasab.gov/pdffiles/tr12_final.pdf

1. Source documentation to support each sampled disbursement, or to support the combination of payments that amount to the sampled disbursements;
2. A separate summary of payments for each sampled disbursement item. The total of the amounts in the summary should equal the sampled disbursement amount in the attached file. If the amounts do not equal please provide an explanation which details how the sampled disbursement total was calculated. The summary should detail for each expense listed the following information. The summary should include:
 - a. Vendor/Contractor
 - b. Invoice Date
 - c. Date when goods/services were received
 - d. For payroll expenses please provide the date range over which the expense was incurred
 - e. Amount of expense
 - f. Description of expense (a description of the goods/services fulfilled. For example: Pencils)
 - g. Type of expense – We would like each expense identified as construction, payroll or other.

We will store annotated electronic copies of all information provided in the event that confirmation of calculations is required in the future. If supporting data cannot be located for a disbursement, we will resample another disbursement from the same stratum if feasible.

6. If this project is a technology/system, does it relate solely to infrastructure? [For example, is the system a Local Area Network (LAN) or Wide Area Network (WAN)]?

- No. Please continue to the next question.
- Yes. Is there a log kept of communication traffic?
 - No. Please continue to the next question.
 - Yes. What type of data is recorded in the log? (Please choose all that apply.)
 - Header

Payload Please describe the data that is logged.

<Please list the data elements in the log.>

7. **Does the system connect, receive, or share Personally Identifiable Information with any other HUD systems?**

No.

Yes. Please list the systems:

Is this external sharing pursuant to new or existing information sharing access agreement (MOU, MOA, LOI, etc.)? NO

8. Does the system meet all of the following requirements?

There will be a group of records under the control of an agency that contains a personal identifier (such as a name, date of birth, SSN, Employee Number, fingerprint, etc.) of U.S. citizens and lawful permanent residents;

Contains at least one other item of personal data (such as home address, performance rating, blood type, etc.); and

The data about the subject individual IS retrieved by the name or unique identifier assigned to the individual.

No.

Yes.

If yes is there an existing System of Record Notice?

No.

Yes.

9. Is there an Authorization to Operate record within OCIO's FISMA tracking system CSAM?

Unknown

No

Yes. Please indicate the determinations for each of the following:

Confidentiality: Low Moderate High

Integrity: Low Moderate High

Availability: Low Moderate High

**PRIVACY DETERMINATION
(TO BE COMPLETED BY THE HUD PRIVACY BRANCH)**

Date reviewed by the HUD Privacy Branch: <Insert Date.>

Name of the HUD Privacy Branch Reviewer: <Please enter name of reviewer.>

DESIGNATION

This is NOT a Privacy Sensitive System – the system contains no Personally Identifiable Information.

This IS a Privacy Sensitive System
Category of System

- IT System
- Legacy System
- HR System
- Rule
- Other: _____

Determination

- IPA sufficient at this time
- Privacy compliance documentation determination in progress
- PIA is not required at this time
- PIA is required
 - System covered by existing PIA:
 - New PIA is required
 - PIA update is required
- SORN not required at this time
- SORN is required
 - System covered by existing SORN:
 - New SORN is required

HUD PRIVACY BRANCH COMMENTS:

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 OWNER _____
Date

David H. Enzel, Director
Office of Technical Assistance and Management,
CPD

CHIEF PRIVACY OFFICER _____
Date

<<INSERT NAME/TITLE>>
OFFICE OF ADMINISTRATION