

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

**INITIAL PRIVACY ASSESSMENT  
(IPA)**

**[Insert Name of Program Office]**

**Instruction & Template**

[Office of Multifamily Housing Development]

[April 1, 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 both a PIA and a SORN should either or both be required, and will also help to identify any policy concerns.

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

### **When should an IPA be completed?**

An IPA should be completed during the system's design phase, 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. Additionally, an IPA should be completed any time there is a change to the information system 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), and the program-specific office responsible for the system.

### **How is the IPA related to the Capital Planning and Certification and Accreditation 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 process 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 system design. 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 via email to [Donna.Robinson.Staton@HUD.gov](mailto:Donna.Robinson.Staton@HUD.gov) and [Nadine.Craft@HUD.gov](mailto:Nadine.Craft@HUD.gov). 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

## I. INFORMATION ABOUT THE PROJECT/SYSTEM

**Date submitted for review: April 1, 2013**

**Project Name/Acronym: Multifamily Project Construction Contract, Building Loan Agreement, and Construction Change Request**

**System Owner/Contact Information: Theodore K. Toon Director, Office of Multifamily Housing Development**

**Project Leader/Contact Information: [Sylvia Chatman](#)**

**1. Which of the following describes the type of records in the system:**

Paper-Only

Combination of Paper and Electronic

Electronic-Only

**Other:** Please describe the type of project including paper based Privacy Act System of Records

\* **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.

**2. Provide a general description of the system or project that describes:** (a) the functionality of the system and the purpose that the records and/or system serve; (b) who has access to information in the system; (c) how information in the system is retrieved by the user; (d) how information is transmitted to and from the system; and (e) interconnections with other systems.

*Section 207(b) of the National Housing Act (Public Law 479, 48 Stat. 12 U.S.C. 1701, et. seq.), authorizes the Secretary of the Department of Housing and Urban Development to insure mortgages for construction of rental housing projects. Regulations can be found at 24 CFR 200 Subpart A. Regulations authorize the Secretary to conduct periodic inspections and observations of the construction site of a multifamily housing project for the purposes of protecting the Department interests. Contractors, mortgagors, and mortgagees use the information to obtain approval of changes in contract drawings and specifications from the FHA Commissioner. Changes to the scope or the design of a project occur for a variety of reasons. Information from this collection is used by HUD to determine that the respondents are in compliance with Article 1.E of the construction contract, which states "Changes in*

*Drawings and Specifications of any terms of the contract documents, or orders for extra work, or changes by altering or adding to the work, or which will change the design concept, may be effected only with the prior approval of the mortgagor and the FHA Commissioner under such conditions as either the mortgagor or the FHA Commissioner may establish.*

*Inspections are conducted to evaluate the contractor and architect's performance, to obtain construction in accordance with contract documents, and to report on conformance with prevailing wage and other contract requirements. HUD must review all requested changes that may affect the marketability, value, income, maintenance, or operating cost of the project. The Department must also identify and explain any estimated increase or decrease in net project income.*

**Form HUD-92437, Request for Construction Changes on Project Mortgages.** *This form serves as the project's change order involving changes to contract work, contract price, or contract time. All on-site construction changes are submitted on this form. The contractor, architect, mortgagor, and mortgagee must approve the proposed changes before the request is submitted to HUD for approval. The form ensures that viable projects are developed.*

**Form HUD-92441, Building Loan Agreement.** *This form is used to establish responsibilities, conditions, operations, and terms between the mortgagee and mortgagor, including the basis in which insured advances may be made during the construction period. Paragraph 3 of form HUD-92441 reads as follows:*

*Changes in Drawings and Specifications, or changes by altering or adding to the work contemplated, or orders for extra work, or which change the design concept, may be effected only with prior written approval of the Lender and the Commissioner and under such conditions as either the Lender or the Commissioner may establish.*

**Form HUD-92442, Construction Contract Lump Sum.** *This form is used to obtain approval from the FHA Commissioner for contractors and mortgagors to document the terms and conditions of any contract document, or order for extra work, or changes by altering or*

*adding to the work, of which will change the design concept. Form HUD-92442 may be used when there is no identity of interest between the mortgagor and the contractor.*

**Form HUD-92442-A, Construction Contract Cost Plus.** *This form is used by contractors and mortgagors to obtain approval from the FHA Commissioner to document the terms of any contract document, or order for extra work, or changes by altering or adding to the work, of which will change the design concept. Form HUD-92442-A may be used in any case, and shall be used when there is an identity of interest between the mortgagor and contractor.*

*Article I.E. of forms HUD-92442 and HUD-92442A reads as follows:*

*Changes in the Drawings and Specifications, or changes by altering or adding to the work contemplated, or orders for extra work, or which change the design concept, may be effected only with prior written approval of the Lender and the Commissioner and under such conditions as either the Lender or the Commissioner may establish.*

**Form HUD-92442-CA, Construction Contract Lump Sum.** *Contactors and mortgagors use this form to obtain approval from the FHA Commissioner for any changes in the terms of the contract documents, or order for extra work, or changes by altering or adding to the work, or which will change the design concept of the construction contract. This form is used by projects insured under Section 202/811 Program only and where the bidding procedures are not being used.*

**Form HUD-92442-A-CA, Construction Contract Cost Plus. HUD-92442-A-CA –**

*Contractors and mortgagors use this form to document the terms and conditions of the construction contract, i.e. changes for extra work or changes by altering or adding to the work, of which will change the design concept of the construction document for approval of the FHA Commissioner. This form is used by projects insured under Section 202/811 Program only and where competitive bidding is being used.*

***Information is mailed in.***

***There is no interconnection with other systems.***

**3. Have the IPA been reviewed and approved by the Departmental Privacy Officer**

YES

NO (Please contact component privacy official before submitting official IPA.)

**4. Status of System or Project**

This is a new system or project in development

Specify expected production date:

**Do not complete Section II.**

This is an existing system or project.

**After completing Section I, complete Section II.**

**5. System or project personal identifiers/sensitive information**

YES	NO	<b>Does the system or project collect, maintain use or disseminate other personal identifiers/ sensitive information</b> (i.e., name, home address, home telephone number, date of birth, gender status, income/financial data, employment, medical history, criminal record, etc.)?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	

If yes, briefly describe the types of information about individuals in the system.

6. **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

NO (If no, indicate below how the information is not identifiable to specific individuals.)

7. **Does the personally identifiable information in the system pertain only to government employees, contractors, or consultants?**

YES (If yes, specify individual type.) \_\_contractor, mortgagee and mortgagor

NO (If no, indicate below how the information is not identifiable to specific individuals.)

8. **Is there an existing Privacy Act System of Records Notice (SORN) that has been published in the Federal Register to cover the system?** (Please consult with the component's Privacy Act Officer if assistance is needed in responding to this question.)

YES

NO

9. **SSN usage**

YES NO Do the project or system collect, maintain, use, or disseminate Social Security Numbers (SSNs)? (This includes truncated SSNs)

YES  NO

If yes, please provide the purpose/legal authority authorizing the solicitation of SSNs:

10. **Is there a Certification & Accreditation record for your system?**

YES (If yes, indicate the following:)

Confidentiality  Low  Moderate  High  Undefined

Integrity  Low  Moderate  High  Undefined

Availability  Low  Moderate  High  Undefined

NO (If no, please identify the FISMA-reported system whose C&A covers this system.)

DO NOT KNOW

## II. EXISTING SYSTEM OR PROJECT

### 1. When was the system developed?

N/A

### 2. If an existing system, has the system undergone any changes since April 17, 2003?

YES (If yes, explain the nature of those changes and proceed to Question 3.)

NO (If no, proceed to question 5.)

### 3. Do the changes to the system 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?

YES

NO

### 4. 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.

**5. Does a PIA for the system already exist?**

YES (If yes, provide the date and title of the PIA and whether the PIA is posted on the Privacy Office webpage.

X NO.

# IPA Determination/Approval

(To be completed by the Privacy Office)

DATE REVIEWED:
REVIEWERS NAME:

<input type="checkbox"/>	<b>This is <u>NOT</u> a Privacy Sensitive Project - the project contains no personal identifiers/sensitive information</b>
<input type="checkbox"/>	<b>This <u>IS</u> a Privacy Sensitive Project</b>
<input type="checkbox"/>	PTA sufficient at this time
<input type="checkbox"/>	A PIA is required
<b>COMMENTS:</b>	

\_\_\_\_\_  
Program Director Signature  
[Title]

\_\_\_\_\_  
Date

\_\_\_\_\_  
Departmental Privacy Officer Signature

\_\_\_\_\_  
Date