

Privacy Impact Assessment

New Loan Origination (NLO)

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Abstract

The USDA Rural Development relies on information technology systems, including New Loan Originations (NLO) to accomplish its mission of providing cost-effective and reliable services to the USDA, other Federal agencies, and the public at large. New Loan Origination consists of twelve (12) applications. This PIA is required by Section 208 of the E-Government Act of 2002 for NLO because two (2) applications within the system, Guaranteed Underwriting System (GUS) and UniFi, process personally identifiable information (PII) and the PTA determined that a PIA is needed.

Overview

The USDA Rural Development relies on information technology systems, including the New Loan Originations (NLO), to accomplish its mission of providing cost-effective and reliable services to the USDA, other Federal agencies, and the public at large. NLO contains two (2) applications, Guaranteed Underwriting System (GUS) and UniFi, that process personally identifiable information (PII).

GUS facilitated the streamlining and automation of application processing, credit decision-making, and eligibility determination for the Single-Family Housing (SFH) guaranteed rural housing loan program. GUS is in the process of being decommissioned and is limited to inquiry-only functions.

UniFi assists USDA Service Centers in all phases of rural housing direct loan and grant origination, from pre-qualification to loan closing. USDA Service Centers employees use the UniFi application to create new or edit existing loan applications; request a credit report from Equifax; transmit individual application data to LoanServ; and prepare, print, and submit loan application documents.

Section 1.0 Characterization of the Information

The following questions are intended to define the scope of the information requested and/or collected as well as reasons for its collection as part of the program, system, rule, or technology being developed.

1.1 What information is collected, used, disseminated, or maintained in the system?

GUS and UniFi both process the following information: name, address, SSN, financial data, employment history, agency assigned numbers, and demographic data. UniFi also collects driver's licenses with the photograph.

1.2 What are the sources of the information in the system?

GUS used to receive information from program participants, GLS, FSA loan officers, trusted lenders and monthly banking data files from Treasury. It is now inquiry only.

UniFi receives information from program participants, LoanServ, eForms, credit reports, employment verification reports, USDA employees, and vendors.

1.3 Why is the information being collected, used, disseminated, or maintained?

GUS is in the process of being decommissioned and is limited to inquiry only functions.

UniFi processes PII to create new or edit existing loan applications; request a credit reports; transmit individual application data to LoanServ; and prepare, print, and submit loan application documents.

1.4 How is the information collected?

GUS is in the process of being decommissioned and is limited to inquiry only functions of historic information collected directly from program participants.

UniFi collects information from program participants and from daily system updates, exception reports, and daily audit reports.

1.5 How will the information be checked for accuracy?

GUS is in the process of being decommissioned and is limited to inquiry only functions.

UniFi application contains software to allow for internal edits to ensure data integrity, and data is reviewed by area specialists.

1.6 What specific legal authorities, arrangements, and/or agreements defined the collection of information?

- Privacy Act of 1974, as Amended (5 USC 552a)
- Computer Security Act of 1987
- OMB Circular A-130, Management of Federal Information Resources
- Freedom of Information Act, as Amended (5 USC 552)
- The E-Government Act of 2002, 44 U.S.C. 3531 et seq.
- House Resolution 6124, also known as the Food, Conservation, and Energy Act of 2008 (Farm Bill)
- Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq) and Title V of the Housing Act of 1949 as amended (42 U.S.C. 1471 et seq)

1.7 Privacy Impact Analysis: Given the amount and type of data collected, discuss the privacy risks identified and how they were mitigated.

LOW-MODERATE RISK: The risk is associated with the potential unauthorized disclosure or illegal use of this PII and the potential adverse consequences this disclosure or use would have on the client. The risk is low because GUS is now an inquiry-only system. The moderate risk associated with UniFi is based on the type of information held.

MITIGATION: Access controls are in place to reduce unauthorized access. GUS requires Level 1 eAuth and an Application Authorization Security Management (AASM) account as well as an ACF2 account. UniFi requires an Active Directory account and eAuth Level 2 to gain access.

Section 2.0 Uses of the Information

The following questions are intended to delineate clearly the use of information and the accuracy of the data being used.

2.1 Describe all the uses of information.

GUS is an inquiry only application and serves to provide historical data.

UniFi provides loan servicing and support for all rural housing direct loans and grants, including delinquency servicing and risk management.

2.2 What types of tools are used to analyze data and what type of data may be produced?

GUS - none

UniFi application contains software to allow for internal edits to ensure data integrity, and data is reviewed by area specialists.

2.3 If the system uses commercial or publicly available data please explain why and how it is used.

GUS – N/A

UniFi collects information from such sources as Equifax, Employers, Taxing Authorities, Insurance Companies, and other vendors in order to make credit underwriting decisions.

2.4 **Privacy Impact Analysis:** Describe any types of controls that may be in place to ensure that information is handled in accordance with the above described uses.

NLO implements the relevant National Institute of Standards and Technology (NIST) 800-53 controls to prevent unauthorized access. Systems and Communication Protection controls are in place to prevent unauthorized access.

Section 3.0 Retention

The following questions are intended to outline how long information will be retained after the initial collection.

3.1 How long is information retained?

GUS is set to be decommissioned in April 2023. Information will remain in the system until decommissioning is complete.

UniFi – Records are maintained in accordance with Rural Development General Records Schedule, 2033a SFH Exhibit O. Specific types of loan records have different disposition schedules as delineated below:

LOANS: 7 years after Cutoff

Approved:

- Line 6 – Sec 502 (Direct Single Family Housing Loans) DAA-0572-2017-0001-0006
- Line 8 – Sec 502 (Self-Help Housing Loans), DAA-0572-2017-0001-0008
- Line 7 – Sec 504 (Direct Rehabilitation Loans) DAA-0572-2017-0001-0007

Rejected, withdrawn, canceled, or expired: Line 4, DAA-0572-2017-0001-0004

3.2 Has the retention period been approved by the component records officer and the National Archives and Records Administration (NARA)?

Yes

3.3 Privacy Impact Analysis: Please discuss the risks associated with the length of time data is retained and how those risks are mitigated.

LOW-MODERATE RISK: The risk is associated with the potential unauthorized disclosure or illegal use of this PII and the potential adverse consequences this disclosure or use would have on the client. GUS risk is low given it is limited to inquiry-only. UniFi risk is moderate given the type of data collected and the number of years of storage.

MITIGATION: Access controls are in place to reduce unauthorized access. Although GUS is an inquiry only application, GUS still requires Level 1 eAuth and an Application Authorization Security Management (AASM) account as well as an ACF2 account. UniFi security controls in place include eAuth Level 2 access, encryption, timeout, and auditing.

Section 4.0 Internal Sharing and Disclosure

The following questions are intended to define the scope of sharing within the United States Department of Agriculture.

4.1 With which internal organization(s) is the information shared, what information is shared and for what purpose?

GUS is an inquiry only application and does not share data.

UniFi does not share data outside RD.

4.2 How is the information transmitted or disclosed?

GUS is inquiry only.

UniFi does not share data outside RD.

4.3 Privacy Impact Analysis: Considering the extent of internal information sharing, discuss the privacy risks associated with the sharing and how they were mitigated.

LOW RISK: GUS is inquiry only and thus the risk of authorized access and use is low. UniFi does not share outside of RD.

MITIGATION: NLO implements the relevant National Institute of Standards and Technology (NIST) 800-53 controls to prevent unauthorized access. Systems and Communication Protection controls are in place to prevent unauthorized access.

Section 5.0 External Sharing and Disclosure

The following questions are intended to define the content, scope, and authority for information sharing external to USDA which includes Federal, state and local government, and the private sector.

5.1 With which external organization(s) is the information shared, what information is shared, and for what purpose?

GUS – N/A.

UniFi – Equifax: In order to apply for an RD single family housing direct loan, a tri-merge credit report must be obtained for the applicant(s). An Infile credit report may also be requested for pre-qualifications.

5.2 Is the sharing of personally identifiable information outside the Department compatible with the original collection? If so, is it covered by an appropriate routine use in a SORN? If so, please describe. If not, please describe under what legal mechanism the program or system is allowed to share the personally identifiable information outside of USDA.

Yes, under [USDA/RD-1 Current or Prospective Producers or Landowners, Applicants, Borrowers, Grantees, Tenants, and Other Participants in RD Programs](#), Routine Use 7.

5.3 How is the information shared outside the Department and what security measures safeguard its transmission?

GUS – N/A

UniFi - Applicants' credit reports are requested through Equifax Credit Bureau from the communication servers using CommServ software, proprietary software of FiServ. The report is returned to the communication server and parsed to the applicant's record in UniFi.

5.4 Privacy Impact Analysis: Given the external sharing, explain the privacy risks identified and describe how they were mitigated.

LOW-MODERATE RISK: The risk to external information sharing would be the unauthorized disclosure of statement and tax report information, borrower information and accounting information. GUS is inquiry-only and no external sharing is done. UniFi risk is associated with the method of transmission.

MITIGATION: Risk is mitigated using security controls in place to address sharing PII with Equifax. NLO data is sent via VPN through SFTP. Moreover, a signed Interconnection Service Agreement are in place in CSAM and maintained by RD Security Compliance Branch. The NIST 800-53 controls are discussed in the SSP. System and Communication Protection (SC) to prevent unauthorized and unintended information transfer. System and Integrity (SI) controls are in place to provide integrity and confidentiality. The security and control of PII is the responsibility of the System Owner and RD employees. Risk is mitigated with the implementation of RD policies, standards, and procedures. Also, the data is stored in a secure environment behind secured infrastructure.

Section 6.0 Notice

The following questions are directed at notice to the individual of the scope of information collected, the right to consent to uses of said information, and the right to decline to provide information.

6.1 Does this system require a SORN and if so, please provide SORN name and URL.

Yes, under USDA/RD-1 Current or Prospective Producers or Landowners, Applicants, Borrowers, Grantees, Tenants, and Other Participants in RD Programs. <https://www.govinfo.gov/content/pkg/FR-2019-05-14/pdf/2019-09874.pdf>

6.2 Was notice provided to the individual prior to collection of information?

Yes, at application time with Form RD 410-4 contains the Privacy Act notice.

6.3 Do individuals have the opportunity and/or right to decline to provide information?

GUS – N/A, the application is inquiry only and in the process of being decommissioned.

UniFi – Yes, at the time of application.

6.4 Do individuals have the right to consent to particular uses of the information? If so, how does the individual exercise the right?

GUS – N/A, the application is inquiry only and in the process of being decommissioned.

UniFi – No, RD Form 410-4 indicates all possible uses of the information.

6.5 Privacy Impact Analysis: Describe how notice is provided to individuals, and how the risks associated with individuals being unaware of the collection are mitigated.

GUS – N/A, application is inquiry-only and in the process of decommissioning.

UniFi – RD Form 410-4 is provided at the time of loan/grant application. If an individual doesn't sign the application, it will result in the rejection of the loan/grant application. Applicants are aware of the collection of personal information.

Section 7.0 Access, Redress and Correction

The following questions are directed at an individual's ability to ensure the accuracy of the information collected about them.

7.1 What are the procedures that allow individuals to gain access to their information?

GUS – N/A, application is inquiry-only and in the process of decommissioning.

UniFi - Individuals should be instructed to call customer service (800-414-1226) to verify information on their account, they can also apply for an eAuth account and Mortgage Account Information Access which will allow them to view their account on the web.

7.2 What are the procedures for correcting inaccurate or erroneous information?

GUS – N/A, application is inquiry-only and in the process of decommissioning.

UniFi - Individuals should be instructed to call customer service (800-414-1226) to have changes made regarding incorrect information.

7.3 How are individuals notified of the procedures for correcting their information?

GUS – N/A, application is inquiry-only and in the process of decommissioning. Updated information is contained in a separate system, GUS2.

UniFi - Field Office personnel will give the borrower the customer service number to call. The monthly billing statement also provides procedures for correcting their information.

7.4 If no formal redress is provided, what alternatives are available to the individual?

GUS – N/A, application is inquiry-only and in the process of decommissioning.

UniFi – N/A, redress is available.

7.5 Privacy Impact Analysis: Please discuss the privacy risks associated with the redress available to individuals and how those risks are mitigated.

There is no additional risk associated with the redress process available to users.

GUS – N/A, the application is inquiry only and in the process of being decommissioned.

UniFi - Notification to the borrower that a telephone call may be recorded is provided at the onset of the call, notes are entered into the borrower account, and all employees are required to complete annual Information Security and Awareness training. The system uses before and after logging and audit logs to automatically record transactions to borrowers' accounts.

Section 8.0 Technical Access and Security

The following questions are intended to describe technical safeguards and security measures.

8.1 What procedures are in place to determine which users may access the system and are they documented?

Desk Procedures document the process for establishing, activating, and modifying IDs. This process is defined by System Owners. System Owners define Groups and account types. System Point of Contact assigns group membership and determines need-to-know validation.

8.2 Will Department contractors have access to the system?

Yes, Department contractors are required to undergo the same access and authentication procedures that federal employees must adhere to, access procedures are discussed in section 8.1.

8.3 Describe what privacy training is provided to users either generally or specifically relevant to the program or system?

The NIST 800-53 controls for the CLP Originations, New Loan Originations system are discussed in detail in the System Security Plan and specifically the Awareness and Training (AT) controls are in place to provide privacy training. USDA RD requires annual Information Security Awareness Training (ISAT) for all employees and contractors. RD is responsible for ensuring all new employees and contractors have taken the Department Security Awareness Training developed by OCIO-CS. Training must be completed with a passing score prior to access to a USDA RD system. All RD employees/contractors are required to complete ISAT and USDA Privacy Basics on an annual basis.

8.4 Has Certification & Accreditation been completed for the system or systems supporting the program?

Current ATO is valid until 5/20/2023. Undergoing certification and accreditation currently.

8.5 What auditing measures and technical safeguards are in place to prevent misuse of data?

The NIST 800-53 controls for the New Loan Originations system are discussed in detail in the System Security Plan and specifically the Audit and Accountability (AU) controls are in place to prevent misuse of data.

8.6 Privacy Impact Analysis: Given the sensitivity and scope of the information collected, as well as any information sharing conducted on the system, what privacy risks were identified and how do the security controls mitigate them?

MODERATE RISK: There is moderate risk given the sensitivity and scope of the information collected, as well as any information sharing conducted on the system.

MITIGATION: NLO implements the relevant National Institute of Standards and Technology (NIST) 800-53 controls to prevent unauthorized access. Systems and Communication Protection controls are in place to prevent unauthorized access.

Section 9.0 Technology

The following questions are directed at critically analyzing the selection process for any technologies utilized by the system, including system hardware and other technology.

9.1 What type of project is the program or system?

GUS is an application tool that was used to assist RD with eligibility determination. GUS is in the process of being decommissioned and is limited to inquiry only functions.

UniFi is an application that assists USDA Service Centers in all phases of rural housing direct loan and grant origination & qualification.

9.2 Does the project employ technology which may raise privacy concerns? If so please discuss their implementation.

GUS – N/A

UniFi – does not employ technology that raises privacy concerns.

Section 10.0 Third Party Websites/Applications

The following questions are directed at critically analyzing the privacy impact of using third party websites and/or applications.

10.1 Has the System Owner (SO) and/or Information Systems Security Program Manager (ISSPM) reviewed Office of Management and Budget (OMB) memorandums M-10-22 “Guidance for Online Use of Web Measurement and Customization Technology” and M-10-23 “Guidance for Agency Use of Third-Party Websites and Applications”?

Yes, guidance has been reviewed by all parties.

10.2 What is the specific purpose of the agency’s use of 3rd party websites and/or applications?

GUS, UniFi – N/A, neither application uses 3rd party websites or applications.

10.3 What personally identifiable information (PII) will become available through the agency’s use of 3rd party websites and/or applications.

GUS, UniFi – N/A, neither application uses 3rd party websites or applications.

10.4 How will the PII that becomes available through the agency’s use of 3rd party websites and/or applications be used?

GUS, UniFi – N/A, neither application uses 3rd party websites or applications.

10.5 How will the PII that becomes available through the agency’s use of 3rd party websites and/or applications be maintained and secured?

GUS, UniFi – N/A, neither application uses 3rd party websites or applications.

10.6 Is the PII that becomes available through the agency’s use of 3rd party websites and/or applications purged periodically?

GUS, UniFi – N/A, neither application uses 3rd party websites or applications.

10.7 Who will have access to PII that becomes available through the agency’s use of 3rd party websites and/or applications?

GUS, UniFi – N/A, neither application uses 3rd party websites or applications.

10.8 With whom will the PII that becomes available through the agency’s use of 3rd party websites and/or applications be shared - either internally or externally?

GUS, UniFi – N/A, neither application uses 3rd party websites or applications.

10.9 Will the activities involving the PII that becomes available through the agency’s use of 3rd party websites and/or applications require either the creation or modification of a system of records notice (SORN)?

GUS, UniFi – N/A, neither application uses 3rd party websites or applications.

10.10 Does the system use web measurement and customization technology?

New Loan Originations does not use web measurement and customization technology.

10.11 Does the system allow users to either decline to opt-in or decide to opt-out of all uses of web measurement and customization technology?

N/A

10.12 Privacy Impact Analysis: Given the amount and type of PII that becomes available through the agency’s use of 3rd party websites and/or applications, discuss the privacy risks identified and how they were mitigated.

N/A



Approval Signature

Signed copy kept on record.