



Office of the Chief Information Officer
U.S. DEPARTMENT OF AGRICULTURE

USDA Privacy Impact Assessment

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Privacy Division (PD)
Cybersecurity and Privacy Operations Center (CPOC)
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Privacy Impact Assessment for the USDA IT System/Project

Detail	Information
System/Project Name	RD Direct Pro
Program Office	Technology Office Information Assurance
Mission Area	Rural Development
CSAM Number	
Date Submitted for Review	

Mission Area System/Program Contacts

Role	Name
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Abstract

RD DirectPro will be the loan origination system for the Single-Family Housing Direct Division loan and grant programs. This system stores application information, orders credit reports, generates application documentation, supplies pertinent application information to the loan servicing system (LoanServ) and document repository (ECF), provides reporting capabilities (through the system and an integration with the Data Warehouse), allows imports of third-party packager loan applications, allows for external packaging entities and borrowers to submit applications to the agency, performs numerous calculations for underwriting, applicant and program eligibility, generates workflows for accurate process following, creates notifications to all different systematic users, allows for electronic document use by applicants (including signature), assists the loan servicing system with obligation functions and other data integrations.

Overview

The system will be used by the Single-Family Housing Direct Loan Division as their new loan origination system. This system completes processing for borrower applications for various loan and grant programs provided by this division. This system will be utilized by RD Staff, applicants, and external users such as loan packaging entities and others providing services within the mortgage industry process (appraisals, construction, title information, etc.). This system will also integrate with existing internal Rural Development systems, other government systems (external to RD) and external services supported within Rural Development.

Section 1: Authorities and Other Requirements

The following questions are intended to identify all statutory and regulatory authority for operating the project, including the authority for collection, what SORN applies, if an ATO has been completed and if there is Paperwork Reduction Act coverage.

What legal authorities and/or agreements permit the collection of information by the project or system?

- 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)
- Consolidated Farm and Rural Development Act (7 U.S.C. §1981, et. seq.) and Title V of the Housing Act of 1949 as amended (42 U.S.C. §1471, et. seq.)
- Farm Bill 2018 (P.L. 115-334, Section 6417)
- Fair Credit Reporting Act, 15 U.S.C. §1681f
- Consumer Credit Protection Act, 15 U.S.C. §1601, et. seq.
- Equal Credit Opportunity Act, 15 U.S.C. §1691, et. seq.
- The Fair Debt Collection Practices Act, 15 U.S.C. §162, et. seq.
- 7 CFR Part 3550, Direct Single Family Housing Loans and Grants
- 7 CFR Part 3555, Guaranteed Rural Housing Program
- 7 CFR Part 3560, Direct Multi-Family Housing Loans and Grants

Has Authorization and Accreditation (A&A) been completed for the system?

No, an ATO has not been completed.

What System of Records Notice(s) (SORN(s)) apply to the information?

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

Is the collection of information covered by the Paperwork Reduction Act?

No

Section 2: Characterization of the Information

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

What information is collected, used, disseminated, or maintained in the system/program? PII is defined as information that can be used to distinguish or trace an individual's identity, either alone or when combined with other information that is linked or linkable to a specific individual.

Identifying Numbers:

- Social Security number
- File/Case ID number
- Employee Identification number
- Credit/Debit Card number
- Truncated or Partial Social Security number
- Alien Registration number
- Taxpayer Identification number
- Business Credit Card number (sole proprietor)
- Personal Bank Account number
- Business Mobile number (sole proprietor)
- Driver's License number
- Business Taxpayer Identification number (sole proprietor)
- Business Bank Account number (sole proprietor)
- Personal Mobile number

Biographical Information:

- Name (Including Nicknames)
- Ethnicity
- Citizenship
- Home Address
- Spouse Information
- Race
- Personal Email Address
- Employment Information
- Education Information
- Professional/Personal References
- Business Mailing Address (sole proprietor)
- Business Phone or Fax Number (sole proprietor)
- Immigration Status
- ZIP Code
- Children Information
- Nationality

- Business Email Address
- Alias (Username/Screename)
- Date of Birth (MM/DD/YY)
- Country of Birth
- Home Phone or Fax Number
- Marital Status
- Military Service Information
- Personal Financial Information (Including loan information)
- Business Financial Information (Including loan information)

Distinguishing Features:

- Photos
- Signatures

Medical /Emergency Information

- Disability Information
- Emergency Contact Information

Specific Information/File Types

- Credit History Information
- Taxpayer Information/Tax Return Information

What are the sources of the information in the system/program?

System collects PII directly from program participants. This information would be entered into our system by either the applicants\borrowers and household members, packaging entities or RD staff depending on application submittal path.

How is the information collected?

Online and hard copy.

Does the project/program or system use information from commercial sources or publicly available data. If so, explain why this is used?

Yes, RD DirectPro collects information from commercial sources, namely Equifax. The information is used to determine credit worthiness.

How will the information be checked for accuracy? How often will it be checked?

The application underwriting process review is where accuracy is confirmed. This is checked at a minimum, at the time of application, at the time of obligation (if any data changes) and just before closing.

Does the system/program use third-party websites?

No

What is the purpose of the use of third-party websites?

N/A

What PII will be made available to the agency though the use of third-party websites?

SAVE – RD provides First Name, Last Name, Date of Birth at a minimum. May also include Alien Number, SEVIS Identifier, I-94 Number, Passport Number, Naturalization/Citizenship Number, Card Number, Visa Number. In return, if the SAVE system has information, RD would receive Case Verification Number, COA Code, Country of Birth back from the SAVE system. [add link]

Privacy Impact Analysis: Related to characterization of the information.**Privacy Risk**

- **Misclassification of Data:** Incorrectly categorizing PII which can lead to inadequate protection measures, exposing sensitive data to unauthorized access or misuse.
- **Inadequate Security Controls:** If PII is not properly identified and characterized, it may not receive the necessary security measures, increasing the risk of data breaches.
- **Over-collection of Data:** Misunderstanding classification of information may result in collecting more data than necessary, violating principles of data minimization and increasing exposure to risk.

Mitigation

- **Data Classification Policy:** Adhere to departments data classification policy that categorizes PII based on sensitivity and the potential impact of unauthorized access or disclosure.
- **Regular Data Inventory:** Conduct regular inventories of personal information to identify and categorize the types of data collected, stored, and processed by the organization.
- **Contextual Information Use:** Ensure that the context in which personal information is collected and used is considered when characterizing data, recognizing how this affects privacy risks.
- Risk is also mitigated with internal security and privacy controls outline in the System Security Plan. Access is limited to authorized personnel using E-Authentication. Audit logs are maintained to monitor activity. System Owners define access roles to ensure separation of duties, privileged access, and the concept of least privilege. Access to a system is requested and authorized via UAM.

Section 3: Uses of the Information

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

Describe why and how the information collected, used, disseminated and/or maintained will support the program's business purpose?

The purpose of the program is to provide affordable housing products to rural areas. The information collected, which can be submitted via paper application, imports of third-party packager loan applications, external packaging entities submission within the system and borrowers using a borrower portal to submit applications to the agency, is used in the application process for loans and/or grant processing. This review includes any underwriting necessary to determine applicant, property and processing eligibility.

Does the system/project/program use technology to conduct electronic searches, queries, or analysis in an electronic database to discover or locate a predictive pattern or anomaly? If so, state how USDA plans to use such results.

No

Privacy Impact Analysis: Related to uses of the information.

Privacy Risk

- **Unauthorized Use of Data:** PII may be used for purposes other than those for which it was collected, violating privacy principles and user expectations.
- **Data Misuse:** Employees or third parties may misuse PII, either intentionally or unintentionally, leading to breaches of confidentiality and trust.
- **Inadequate Consent:** If individuals are not adequately informed about how their data will be used, or if consent is not appropriately obtained, it can result in legal non-compliance and ethical concerns.

Mitigation

- **Purpose Limitation:** Clearly define and communicate the specific purposes for which PII is collected and used, ensuring that it is not used for unrelated purposes without consent.
- **Data Minimization:** Collect and use only the minimum amount of PII necessary to achieve the intended purpose, reducing the risk of misuse.
- **User Consent:** Obtain explicit consent from individuals before using their personal information, particularly for purposes that go beyond the original intent of collection.
- **Transparency:** Inform individuals about how their personal information will be used, including any potential secondary uses, through clear and accessible privacy notices.
- **Regular Training:** Provide regular training for employees on privacy laws and the importance of adhering to the defined uses of personal information to ensure compliance.

Section 4: Notice

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

How does the project/program/system provide notice to individuals prior to collection?

Yes, at application time individuals are provided with Form RD-3550-1, Authorization to Release Information that describes the process. If we do not receive a signed copy of this, we cannot process the application.

What options are available for individuals to consent, decline, or opt out of the project?

Consent, if we do not receive a signed copy of this, we cannot process the application.

Privacy Impact Analysis: Related to notice.

Privacy Risk

- **Inadequate Disclosure:** Notices may fail to adequately inform individuals about how their personal information will be collected, used, and shared, leading to misunderstandings about privacy practices.
- **Ambiguity:** If notices are unclear or overly complex, individuals may not fully understand their rights or the mission area's data practices, leading to a lack of informed consent.
- **Non-compliance with Regulations:** Failing to provide required notices as stipulated by the Privacy Act can result in legal penalties and regulatory scrutiny.

Mitigation

- **Clear Communication:** Ensure that privacy notices are written in clear, accessible language. Avoid legal jargon to make it understandable for all users.
- **Regular Updates:** Review and update privacy notices regularly to reflect changes in data practices, regulations, or business operations.
- **User Consent:** Implement mechanisms for obtaining explicit user consent for data collection and processing and provide options for users to withdraw consent easily.

Section 5: Data Retention

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

What information is retained and for how long?

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

Has the retention schedule been approved by the USDA records office and the National Archives and Records Administration (NARA)? If so, please indicate the name of the records retention schedule.

Yes, listed in 5.1.

Privacy Impact Analysis: Related to retention of information.

Privacy Risk

- **Excessive Data Retention:** Retaining PII longer than necessary can violate data minimization principles, increasing the risk of unauthorized access and exposure.
- **Data Breaches:** The longer PII is retained, the greater the risk of data breaches occurring, whether through hacking, accidental disclosures, or insider threats.
- **Non-compliance with Regulations:** Failing to adhere to legal requirements regarding data retention periods can lead to regulatory penalties and legal liabilities.
- **Obsolescence of Data:** Retained data may become outdated or irrelevant, leading to inaccuracies in decision-making or service delivery, which can affect individuals negatively.

Mitigation

- Conduct regular reviews of stored data to ensure compliance with retention policies and to identify information that is no longer necessary for business purposes.
- **Secure Disposal Procedures:** Establish secure methods for the disposal of personal information that is no longer needed, such as shredding paper documents or using data-wiping software for electronic files.

Section 6: Information Sharing

The following questions are intended to define the content, scope, and authority for information sharing.

With which internal organizations and/or systems is information shared/received/transmitted? What information is shared/received/transmitted, and for what purpose? How is the information transmitted?

System	Purpose	Transmission
ECF	The information shared and transmitted are specific documents associated with the loan origination phase.	API
LoanServ	Loan information is shared, received and transmitted between the LOS and Servicing system to push the loan file through the origination phase.	API and SFTP
Data Warehouse	Loan information is shared, received and transmitted between the POS (Salesforce) and Data Warehouse to push the loan file through the origination phase.	API and Bulk Data Pipeline / ETL API

Privacy Impact Analysis: Related to internal sharing and disclosure.

Privacy Risk

- **Unauthorized Access:** Employees may access PII without proper clearance, leading to potential misuse.
- **Data Breaches:** Internal systems can be vulnerable to breaches, compromising PII.
- **Insider Threats:** Employees with malicious intent may exploit their access to PII for personal gain.
- **Data Misuse:** PII can be misused for purposes other than intended, leading to privacy violations.
- **Lack of Data Minimization:** Sharing excessive PII that isn't necessary for a specific task can increase exposure risk.
- **Compliance Issues:** Sharing PII without following legal and regulatory requirements can lead to penalties.

Mitigation

- **Access Controls:** Implement role-based access controls to limit who can access PII based on their job responsibilities.
- **Encryption:** Use encryption for data in transit and at rest to protect PII from unauthorized access.
- **Regular Training:** Provide ongoing training for employees on data privacy policies, the importance of protecting PII, and how to handle it securely.

- Monitoring and Auditing:** Regularly monitor access logs and conduct audits to detect any unauthorized access or anomalies in data handling.

With which external organizations (outside USDA) is information shared/received/transmitted? What information is shared/received/transmitted, and for what purpose? How is the information transmitted?

Yes

System	Purpose	Transmission
Pay.gov	to allow applicants to pay fees	transmitted via token secure connection
DoNotPay	to make sure applicants are not on the list (federal requirements)	MuleSoft API
Equifax	to obtain credit reports/determine credit worthiness	connector via Encompass
Corelogic	to obtain flood information	connector via Encompass

Privacy Impact Analysis: Related to external sharing and disclosure.

Privacy Risk

- Moderate Risk:** Privacy risks include the potential compromise and unauthorized access of PII data.

Mitigation

- This risk is mitigated with internal security and privacy controls outline in the System Security Plan and the ISAs. These measures enforce user authentication and authorization.
- The system is designed to confirm the identity of authorized LoanServ users prior to granting the appropriate system access based on the user’s pre-defined access level.
- Audit logs are maintained to monitor activity.

Section 7: Redress

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

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

Throughout the loan application process, 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.

Post application and requests are made using the USDA FOIA Express and PAL site.

What are the procedures for correcting inaccurate or erroneous information?

See Section 7.1

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

See Section 7.1

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

See Section 7.1

Privacy Impact Analysis: Related to redress.

Privacy Risk

- **Unauthorized Access:** Employees may access PII without proper clearance, leading to potential misuse.
- **Data Breaches:** Internal systems can be vulnerable to breaches, compromising PII.
- **Insider Threats:** Employees with malicious intent may exploit their access to PII for personal gain.
- **Data Misuse:** PII can be misused for purposes other than intended, leading to privacy violations.
- **Lack of Data Minimization:** Sharing excessive PII that isn't necessary for a specific task can increase exposure risk.
- **Compliance Issues:** Sharing PII without following legal and regulatory requirements can lead to penalties.

Mitigation

- **Access Controls:** Implement role-based access controls to limit who can access PII based on their job responsibilities.
- **Encryption:** Use encryption for data in transit and at rest to protect PII from unauthorized access.
- **Regular Training:** Provide ongoing training for employees on data privacy policies, the importance of protecting PII, and how to handle it securely.

Section 8: Auditing and Accountability

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

How is the information in the system/project/program secured?

Desk Procedures document the process for establishing, activating, and modifying individual users for RD DirectPro. The group and account types are defined by the System Owner for RD DirectPro.

Data is Encrypted at rest and in transit.

What procedures are in place to determine which users may access the program or system/project, and are they documented?

Desk Procedures document the process for establishing, activating, and modifying individual users for RD Direct Pro. The group and account types are defined by the System Owner for the RD Direct Pro.

How does the program review and approve information sharing requirements?

In accordance with National Institute of Standards and Technology (NIST) Special Publication (SP) 800-47, Security Guide for Interconnecting Information Technology Systems, Interconnections and ISAs are reviewed annually and will be re-signed every three years.

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

RD employees and contractors are required to complete annual USDA provided information security and awareness training, which includes privacy training.