

# PRIVACY IMPACT ASSESSMENT

## Flexible Environment Project (FLEX) DRR-CFI Large Bank Analysis (FLEX DRR)

December 2015

FDIC External Services

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## System Overview

The Federal Deposit Insurance Corporation (FDIC) is an independent agency of the U.S. government that protects the funds depositors place in financial institutions (FI) and saving associations. FDIC insurance covers all deposit accounts, including checking and savings accounts, money market deposit accounts, certificates of deposit, and pension funds. During the bank closing process, the FDIC's Division of Resolutions and Receiverships (DRR) has the primary responsibility for gathering and maintaining failed FI customer and depositor information to assist with the resolution of assets.

The Flexible Environment (FLEX) has been established to examine the existing operational and governance structure and to recommend a more responsive and capable data analysis environment. This environment supports datasets of various sizes and formats, quickly processes large amounts of data, and rapidly incorporates new datasets for analysis. FLEX offers a range of analytical tools to support analytical efforts. Ultimately, FLEX will improve the ability of FDIC analysts and researchers to conduct research and analysis across the broadest possible range of data using the most appropriate and supported tools for the task.

DRR will use FLEX to analyze large FI deposit and customer information referred to herein as "DRR Complex Financial Institutions (CFI) Large Bank Analysis Data." Other FDIC divisions may request access to the data, such as the Division of Insurance and Research (DIR), to perform analytical studies. Access to specific divisional data within FLEX requires an approved memorandum of understanding (MOU) which details how the data can be used, timeframe for use, as well as responsible parties for data protection and governance. The data for this dataset is received from failing or failed FIs via a secure file transfer protocol and sent to DRR Business Program Management Section (BPMS) Business Information Systems Unit (BIS) for formatting and input into FLEX.

## Personally Identifiable Information (PII) - FLEX

FLEX collects personally identifiable information (PII) that may include: customer/depositor name, date of birth (DOB), Social Security number (SSN), home address, home phone, financial information including account numbers, and personal e-mail address.

## Purpose & Use of Information - FLEX

The CFI Operational Readiness and Assurance (ORA) staff within DRR and the Banking Research Section within DIR requires the customer and depositor data for research and analytics purposes, such as to determine how to perform closing activities related to complex FIs. The PII is specifically required to determine account owners insurance coverage, because without information such as account number, name and address, this process cannot be performed. However, no PII will be listed on reports; it will only be visible in FLEX. The reports that will be provided to staff and managers will contain only summary information.

## Sources of Information - FLEX

Authorized DRR BIS personnel will securely transfer into FLEX a copy of the customer/depositor data file received from FIs.

## Notice & Consent

Individuals do not have an opportunity to decline or opt out of the use of their data because it is gathered or received during the FI closing process and is necessary to support FDIC's research and analytics purposes related to complex FI closing activities. The Resolution Case grants FDIC the authority to use the data for bank resolutions as well as analysis purposes.

## Access to Data – FLEX

Authorized FDIC internal users of the CFI dataset will consist of DRR and DIR staff, specifically:

- The DRR CFI ORA staff and the DIR Banking Research Section require the data received from failing or failed FIs to conduct research and perform analytics to determine how to perform closing activities related to complex institutions.
- The DRR BIS will have access to the data to perform information uploads to FLEX for use by the DRR CFI ORA staff and DIR Banking Research Section.

No external users will have access to the dataset in FLEX.

## Data Sharing

**Other Systems that Share or Have Access to Data in the System:**

System Name	System Description	Type of Information Processed
N/A	N/A	N/A

## Data Accuracy – FLEX

The data is received from failing or failed FIs and is not verified for accuracy, as this data is not used to make determinations on accounts for an individual depositor or customer of the FI, but instead is used to analyze large volumes of FI accounts to determine how to perform closing activities related to complex or large FIs.

## Data Security – FLEX

Access to the data is completed via an online process through FDIC's access control application (Identity Automated Management System – IAMS). Requests for access

to the system are granted on a “need to know” and “least privilege” basis and must be approved by the user’s manager and the DRR FLEX Program Manager before access can be granted. When users leave FDIC, the DRR FLEX Program Manager receives a request from FDIC’s IAMS, and the user’s access to the FLEX is removed immediately.

In addition, prior to access being granted, the DRR Information Security Manager (ISM), Information Security Unit (ISU), requires that a MOU be completed or updated to provide guidance on the protection and use of the data. The MOU includes reasons for the use of the data, data retention periods, trust behavior for using the data, and points of contacts for each division.

The FDIC/DRR Deputy Director of Field Operations, DRR Assistant Director of Business Program Management, and the DRR ISM share overall responsibility for protecting the privacy rights of individuals by developing data access guidelines and standards which must be followed to gain access to the CFI dataset in FLEX. In addition, all users of the dataset must comply with the specific data use requirements noted in the FLEX CFI Large Dataset MOU, as well as with the general data protection rules outlined in the FDIC’s Corporate Information Security and Privacy Awareness Training, which all employees must take and certify compliance with the Corporation’s Rules of Behavior for data protection. This makes it the responsibility of every user to ensure the proper use of corporate data.

## System of Records Notice (SORN)

FLEX operates under the FDIC Privacy Act SORN 30-64-0013, *Insured Financial Institution Liquidation Records*.

## Contact Us

To learn more about the FDIC’s Privacy Program, please visit:  
<http://www.fdic.gov/about/privacy/>.

If you have a privacy-related question or request, email [Privacy@fdic.gov](mailto:Privacy@fdic.gov) or one of the [FDIC Privacy Program Contacts](#). You may also mail your privacy question or request to the FDIC Privacy Program at the following address: 3501 Fairfax Drive, Arlington, VA 22226.

