



**Privacy Impact Assessment (PIA)
for
Framework for Oversight of Compliance and CRA
Activities User Suite (FOCUS)**



August 12, 2023

PURPOSE OF THE PRIVACY IMPACT ASSESSMENT

An FDIC Privacy Impact Assessment (PIA) documents and describes the personally identifiable information (PII) the FDIC collects and the purpose(s) for which it collects that information; how it uses the PII internally; whether it shares the PII with external entities, and the purposes for such sharing; whether individuals have the ability to consent to specific uses or sharing of PII and how to exercise any such consent; how individuals may obtain access to the PII; and how the PII will be protected. The FDIC publishes its PIAs, as well as its System of Records Notices (SORNs), on the FDIC's public-facing website,¹ which describes FDIC's activities that impact privacy, the authority for collecting PII, and the procedures to access and have PII amended or corrected if necessary.

SYSTEM OVERVIEW

The Federal Deposit Insurance Corporation (FDIC) Division of Depositor and Consumer Protection (DCP) promotes compliance with federal consumer protection laws through its supervisory program. Compliance examinations are the primary means the FDIC uses to determine whether a financial institution is meeting its responsibility to comply with the requirements and proscriptions of federal consumer protection laws and regulations. The purposes of compliance examinations are to: (1) assess the quality of an FDIC-supervised institution's compliance management system for implementing federal consumer protection statutes and regulations; (2) review compliance with relevant laws and regulations; and (3) initiate effective supervisory action when elements of an institution's compliance management system are deficient and/or when violations of law are found.

The FDIC conducts Consumer Compliance, Fair Lending, and/or Community Reinvestment Act supervisory activities. Financial institutions submit information and documentation, which can contain personally identifiable information (PII). These submissions allow FDIC authorized personnel to conduct transactional reviews, identify scope and universe of activities, complete reconciliations, and provide support for findings. The Financial Services Regulatory Relief Act of 2006² gives all Federal banking agencies the authority to share confidential supervisory information concerning an examined entity with another supervisory authority, an officer, director, or receiver of the examined entity, or any other institution affiliated party determined by the Federal banking agency to be appropriate. Sharing of PII is provided as required for official determinations and functions only. FDIC does not share

¹ www.fdic.gov/privacy

² Pub. L. No. 109-351 (2006)

confidential supervisory information including PII with unauthorized FDIC personnel and other entities.

FOCUS replaced the legacy System of Uniform Reporting of Compliance and CRA Exams (SOURCE). It provides functionality for DCP users to perform CRA and consumer compliance activities for financial institutions that the FDIC is the primary federal regulator. In support of this purpose, FOCUS provides enhanced supervisory capabilities to schedule, plan, document, and report on DCP supervisory activities for consumer compliance and CRA. The FOCUS solution tracks the following processes:

- Examining and supervising insured financial institutions;
- Evaluating financial institutions efforts to help meet the credit needs of their communities; and
- Monitoring emerging issues to better anticipate potential risks and opportunities for banks and consumers.

FOCUS is the authoritative source for DCP examination and supervision activities. It includes two new modules: Pre-Examination Planning and Banker Engagement Site. These modules extend the lifecycle of the examination activities captured within FOCUS to include the pre-examination planning (scoping) phase of the process, which includes an exchange of information and documents with the supervised institutions.

FOCUS also supports the publishing of Community Reinvestment Act (CRA) Performance Evaluations (PEs) and quarterly CRA examination schedules. Specifically, FOCUS provides Washington, Regional, and Field Office staff with an automated ability to review, approve, and publish monthly CRA PEs and quarterly CRA examination schedules. In support of the DCP business functions, FOCUS has several distinct modules that collect and maintain information about financial institutions and individuals. This privacy impact assessment (PIA) is focused on the modules that contain personally identifiable information (PII) related to DCP's Compliance and CRA activities. The three FOCUS modules are:

- **FOCUS Main Module:** This is composed of:
 - **Publishing Component:** The Publishing component in FOCUS facilitates the publishing of the quarterly CRA examination schedules and CRA PEs. These CRA examination schedules and CRA PEs are published on the FDIC.gov external facing website for general public consumption. No PII is contained in this module.
 - **Financial Institution Profile (FIP) Component:** The FIP component provides a comprehensive view of a financial institution by consolidating data from various systems to support the DCP users during their examination and

supervisory process. This component assists DCP staff in planning for Compliance and CRA examinations by providing an overall view of a financial institution. The FIP component provides DCP staff with the ability to review complaints, violations, Home Mortgage Disclosure Act (HMDA) data, financial reporting, community contacts, DCP and the Division of Risk Management and Supervision (RMS) examination documents, and past enforcement actions. The FIP component contains the following PII: basic contact information, HMDA data, financial information, unique employee identifiers, military status, and education records.

- **Examination Component:** The Examination component enables the DCP users to schedule, conduct and complete an examination for a financial institution under the purview of FDIC. It captures consultations, examination data, and collects information on special programs. The Examination component affords DCP users the ability to: (1) generate exam schedules to support workload projections by incorporating quarterly planning and benchmark hours; (2) create templates; (3) attach examination documents for divisional sharing and historical reference; (4) record institution and activity data, and; (5) support legislatively mandated reporting. The Examination component has the functionality to permit the attachment of the following types of examination documents: Compliance Report of Examination; CRA PEs; Compliance Examination Scoping Memorandum; Fair Lending Scoping and Conclusions (FLSC) Memorandum; and Consultation Memorandum. The Examination component contains the following PII: basic contact information, unique employee identifiers, financial information, military status, and education records.
- **Banker Engagement Site (BES) Module** – The BES module provides new online capabilities for authorized FDIC-supervised institution staff to efficiently and securely exchange information, documents, and communication with the DCP exam team. This allows authorized financial institution users to respond to DCP examiners' requests for information, view and upload pre-examination planning documents, and communicate with the DCP exam team throughout the pre-examination planning process. The BES module allows financial institution personnel to collaborate and respond to the questionnaire in a web form. Data and documents entered into BES are sent to the Pre-Examination Planning (PEP) module and document repository for the institution's activity.
- **Pre-Examination Planning (PEP) Module** – The PEP module provides new capability to enable DCP staff to scope the examination based on risks of consumer harm and other regulatory requirements. It collects status data and supporting documents,

including the Pre-Examination Questionnaire (PEQ), Compliance Document and Information Request (CIDR), and Transaction Testing Request (TTR).

Home Mortgage Disclosure Act (HMDA)

As stated above, FOCUS utilizes HMDA data. The Home Mortgage Disclosure Act of 1975, 12 U.S.C. 2801-2810, requires most mortgage lending institutions to collect, report to federal regulators, and make public certain data about mortgage loan applications and originations and purchases of mortgage loans. The Federal Financial Institutions Examination Council (FFIEC) has made this loan-level data, with certain fields redacted to protect applicant and borrower privacy, available to the public since 1991. This dataset is referred to as the HMDA Public Use Dataset.

FOCUS utilizes the HMDA Public Use Dataset to visualize the applications reported by the financial institution by Metropolitan Statistical Area, Loan Purpose and Action Types (Race/ Sex and Ethnicity) in the form of charts and graphs within FOCUS. This provides an overall perspective of HMDA activity for the most recent reporting year for covered institutions. This information supports supervisory activities and examination scope planning.

The HMDA Public Use Dataset does not include any PII that directly identifies an individual, such as an individual's name, address, or Social Security number. The HMDA Public Dataset includes information that, when combined with or linked to other publicly available information, may become identifiable. However, the FDIC does not use the dataset to re-identify individuals.

PRIVACY RISK SUMMARY

In conducting this PIA, we identified potential privacy risks, which are outlined below. As indicated, recommendations to mitigate those risks were addressed with stakeholders during the assessment. The privacy risks are categorized within the following privacy functional areas:

- Purpose and Use Limitation;
- Data Minimization; and
- Data Quality and Integrity.

Purpose and Use Limitation Risk:

Privacy Risk: FDIC may utilize the HMDA Public Use Dataset to re-identify individuals.

Mitigation: FOCUS utilizes the HMDA Public Use Dataset to visualize the applications reported by the financial institution by Metropolitan Statistical Area, Loan Purpose and Action Types (Race/ Sex and Ethnicity) in the form of charts and graphs within FOCUS. The

HMDA Public Use Dataset does not include any PII that directly identifies an individual, such as an individual's name, address, or Social Security number. The HMDA Public Dataset includes information that, when combined with or linked to other publicly available information, may become identifiable. However, the FDIC does not use the dataset to re-identify individuals. FDIC has instituted procedural safeguards to ensure it protects the continued confidentiality of individuals.

Data Minimization Risk:

Privacy Risk: There is a potential risk that PII could be used in the test or lower environments beyond what is necessary.

Mitigation: The FDIC has developed an enterprise test data strategy to mask or utilize synthetic data in the test and lower environments whenever possible, and ensure all environments are secured appropriately based on the impact level of the information and the information system. Additionally, the project team is required to consult the FDIC Privacy Program to identify PII and ensure it is adequately protected or transformed before using it in test or lower environments.

Data Quality and Integrity Risk:

Privacy Risk: The FDIC collects information from financial institutions and other financial regulators and cannot attest directly to data quality that it receives. There is a risk that the information provided to the FDIC lacks sufficient data quality, and that there is a risk to data integrity in the transfer of the data between the FDIC and financial institutions.

Mitigation: Since the FDIC does not use individuals' data provided from financial institutions and other financial regulators to deprive those individuals of a right or benefit, the privacy-related data quality and integrity risks associated with data exchanges between those entities and the FDIC are minimal. No mitigation actions are recommended.

Section 1.0: Information System

1.1 What information about individuals, including PII (e.g., name, Social Security number, date of birth, address) and non-PII, will be collected, used or maintained in the information system or project?

The FOCUS solution modernized and replaced the legacy SOURCE system. It provides enhanced capabilities to support scheduling, planning, documenting and reporting on DCP supervisory activities for Compliance and Community Reinvestment Act (CRA). It is used by compliance field supervisors, examiners, review examiners, regional and

Washington office employees, and other FDIC stakeholders. Financial institution staff use the Banker Engagement Site to submit information and documents for pre-examination planning processes. FOCUS is also used to support reporting requirements, provides substantial task support for staff, and is a management support and decision tool. FOCUS contains the following PII: basic contact information, HMDA data, financial information, unique employee identifiers, military status, and education records.

PII Element	Yes
Full Name	<input checked="" type="checkbox"/>
Date of Birth	<input type="checkbox"/>
Place of Birth	<input type="checkbox"/>
Social Security number (SSN)	<input type="checkbox"/>
Employment Status, History or Information	<input checked="" type="checkbox"/>
Mother's Maiden Name	<input type="checkbox"/>
Certificates (e.g., birth, death, naturalization, marriage)	<input type="checkbox"/>
Medical Information	<input type="checkbox"/>
Address	<input checked="" type="checkbox"/>
Phone Number(s)	<input checked="" type="checkbox"/>
Email Address	<input checked="" type="checkbox"/>
Employee Identification Number (EIN)	<input checked="" type="checkbox"/>
Financial Information (e.g., checking account #/PINs/passwords, credit report)	<input checked="" type="checkbox"/>
Driver's License/State Identification Number	<input type="checkbox"/>
Vehicle Identifiers (e.g., license plates)	<input type="checkbox"/>
Legal Documents, Records, or Notes (e.g., divorce decree, criminal records)	<input type="checkbox"/>
Education Records	<input checked="" type="checkbox"/>
Criminal Information	<input type="checkbox"/>
Military Status and/or Records	<input checked="" type="checkbox"/>
Investigation Report or Database	<input type="checkbox"/>
Biometric Identifiers (e.g., fingerprint, voiceprint)	<input type="checkbox"/>
Photographic Identifiers (e.g., image, video)	<input type="checkbox"/>

User Information (e.g., User ID, password)	<input type="checkbox"/>
Specify other: HMDA Public Dataset	<input checked="" type="checkbox"/>

1.2 What are the sources of the PII in the information system or project?

Data Source	Description of Information Provided by Source
Virtual Supervisory Information on the Net (VISION) ³	Enforcement Actions, Case Information, Safety and Soundness Information/Bank Officers
Structure Information Management System (SIMS) ^{Error! Bookmark not defined.}	Financial Institution look-up and structure data, which include PII of officers.
Enterprise Public Inquiry and Complaints (EPIC) ^{Error! Bookmark not defined.}	Complaints and resolution of received from external stakeholders, which includes PII information on individuals and transactions.
Community Contacts Database (CCD) ⁴	Contains summary of interviews from external stakeholders that provide information on opportunities and challenges for lending opportunities and the form includes PII on the interviewee.
Regional Document Distribution and Imaging System (RADD) ⁴	Examination Documents, Correspondence, Enforcement Actions, and other documents, which contains PII and other sensitive data.
Corporate Business Information System (CBIS) ^{Error! Bookmark not defined.}	Compliance Examination Data that is used for daily reporting to FRB and to facilitate data transfer to VISION data warehouse.
Federal Financial Institutions Examination Council (FFIEC) ^{Error! Bookmark not defined.}	Home Mortgage Disclosure Act data
DSC Hours ⁵	DCS Hours provides hours by grade and examination staff, which includes PII.
DocuSign	Contains digital signatures, which is PII.
Financial Institutions	Financial institution users will provide basic contact information to get access to FOCUS.
Enterprise Data Warehouse(EDW)	Office Location Address
Extranet Identity Management (EIDM) ⁴	Banker User Profile Data

³ FDIC Virtual Supervisory Information on the Net PIA (July 4, 2021), <https://www.fdic.gov/policies/privacy/documents/fdic-vision-pia.pdf>

⁴ FDIC Correspondence Tracking and Approval Tools (July 11, 2021), <https://www.fdic.gov/policies/privacy/documents/fdic-correspondence-tracking-and-approval-tools-pia.pdf>

⁵ FDIC System of Records Notice (SORN) FDIC-015, Personnel Records, 84 FR 35184 (July 22, 2019) <https://www.fdic.gov/policies/privacy/documents/fdic-15-personnel-records.pdf>

If applicable, the PIA or SORN coverage for each system are identified in the footnotes.

1.3 Has an Authority to Operate (ATO) been granted for the information system or project?

The ATO was issued on December 2, 2020, and is periodically reviewed as part of the FDIC Ongoing Authorization process.

Section 2.0: Transparency

Agencies should be transparent about information policies and practices with respect to PII, and should provide clear and accessible notice regarding creation, collection, use, processing, storage, maintenance, dissemination, and disclosure of PII.

2.1 How does the agency revise its public notices to reflect changes in practice or policy that affect PII or changes in its activities that impact privacy, before or as soon as practicable after the change?

Through the conduct, evaluation and review of PIAs and SORNs, the FDIC ensures notices are revised to reflect changes in practice or policy that affect PII or changes in activities that may impact Privacy as soon as practicable.

2.2 In the Federal Register, under which Privacy Act Systems of Record Notice (SORN) does this information system or project operate? Provide number and name.

FDIC-041, Personal Information Allowing Network Operations (PIANO) provides SORN coverage for this system. The information in FOCUS is being collected to support and facilitate the approval, monitoring, and disabling of access for individuals that interact with FDIC info tech resources.

2.3 If the information system or project is being modified, will the Privacy Act SORN require amendment or revision? Explain.

No, the PIANO SORN is current and up to date. Generally, the FDIC conducts reviews of its SORNs every five years or as needed.

2.4 If a Privacy Act Statement⁶ is required, how is the Privacy Act Statement provided to individuals before collecting their PII? Explain.

Not applicable, information is not provided by financial institution users to the FDIC. Financial institutions have FDIC-authorized, registered coordinators who can approve access to FOCUS for their users. Once approved and granted transaction permission, the user may perform transactions on behalf of their institution.

Not applicable, information is not provided by financial institution customers to the FDIC.

The FDIC ensures that its forms, whether paper-based or electronic, that collect PII display an appropriate Privacy Act Statement in accordance with the Privacy Act of 1974 and FDIC Directive 1213.01, Forms Management Program.

2.5 How does the information system or project ensure that its privacy practices are publicly available through organizational websites or otherwise? How does the information system or project ensure that the public has access to information about its privacy activities and is able to communicate with its Senior Agency Official for Privacy (SAOP)/Chief Privacy Officer (CPO)? Explain.

The FDIC Privacy Program page provides access to agency SORNs, PIAs, Privacy Policy, and contact information for the SAOP, the Privacy Program Chief, and the Privacy Program (Privacy@fdic.gov). For more information on how FDIC protects privacy, please visit www.fdic.gov/privacy.

Privacy Risk Analysis: Related to Transparency

Privacy Risk: There is a risk that individuals are not aware that their data is collected and provided to FDIC. Financial institutions and regulators collect and provide FDIC with records and documents that are considered to be artifacts in support of FI examination, supervision and compliance activities, and contain PII. As such, the FDIC does not have the ability to provide notice to these individuals prior to the collection and use of their PII.

Mitigation: In instances where financial institutions provide FDIC with records containing PII, it is incumbent upon the financial institutions and regulators to provide any applicable,

⁶ See 5 U.S.C. §552a(e)(3). The Privacy Act Statement provides formal notice to individuals of the authority to collect PII, the purpose for collection, intended uses of the information and the consequences of not providing the information.

required notices to the individuals from whom they collected the information. Additionally, this PIA serves as notice of the information collection.

Section 3.0: Access and Amendment

Agencies should provide individuals with appropriate access to PII and appropriate opportunity to correct or amend PII.

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

For financial institution users, the FDIC provides individuals the ability to have access to their PII maintained in its systems of records as specified by the Privacy Act of 1974 and FDIC Directive 1360.20, Privacy Program. Access procedures for this information system or projected are detailed in the SORN(s) listed in Question 2.2 of this PIA. The FDIC publishes its System of Records Notices (SORNs) on the FDIC public-facing website, which includes rules and regulations governing how individuals may request access to records maintained in each system of records, as specified by the Privacy Act and FDIC Directive 1360.20. The FDIC publishes access procedures in its SORNs, which are available on the FDIC public-facing website. The FDIC adheres to Privacy Act requirements and OMB policies and guidance for the proper processing of Privacy Act requests.

For financial institution customers, the FDIC does not have procedures for individual access. Rather, the data is provided by financial institutions and other financial regulators, which may include information about Financial Institution (FI) customers, FI employees and FDIC employees collected in conjunction with FDIC's examination, supervision, and compliance authorities. Individuals should contact the appropriate FI directly for access to their personal information. Additionally, this PIA serves as notice with respect to the collection, use, and disclosure of PII. Further, the FDIC does not make decisions regarding individuals based on the PII received from third parties.

3.2 What procedures are in place to allow the individuals to correct inaccurate or erroneous information?

For financial institution users, the FDIC provides individuals the ability to have access to their PII maintained in its systems of records as specified by the Privacy Act of 1974 and FDIC Directive 1360.20. Access procedures for this information system or projected are detailed in the SORN(s) listed in Question 2.2 of this PIA. The FDIC publishes its System of Records Notices (SORNs) on the FDIC public-facing website, which includes rules and regulations governing how individuals may request access to

records maintained in each system of records, as specified by the Privacy Act and FDIC Directive 1360.20. The FDIC publishes access procedures in its SORNs, which are available on the FDIC public-facing website. The FDIC adheres to Privacy Act requirements and OMB policies and guidance for the proper processing of Privacy Act requests.

For financial institution customers, the FDIC does not have procedures for individual access. Rather, the data is provided by financial institutions and other financial regulators, which may include information about FI customers or FI employees collected in conjunction with FDIC's examination, supervision, and compliance authorities. Individuals should contact the appropriate FI directly for access to their personal information. Additionally, this PIA serves as notice with respect to the collection, use, and disclosure of PII. Further, the FDIC does not make decisions regarding individuals based on the PII received from third parties.

3.3 How does the information system or project notify individuals about the procedures for correcting their information?

For financial institution users, the FDIC has a process for disseminating corrections or amendments of collected PII to other authorized users, the procedures for which are published in the SORN(s) listed in Section 2.2 of this PIA. This is in accordance with the Privacy Act and FDIC Directive 1360.20.

FOCUS does not notify financial institution customers about the procedures for correcting their information. Rather, the data is provided by other FDIC information systems and other financial regulators. Individuals should contact the appropriate FI directly to correct any inaccurate information. Additionally, this PIA serves as notice with respect to the collection, use, and disclosure of PII. Further, the FDIC does not make decisions regarding individuals based on the PII received from FDIC business partners that conduct business with the FDIC.

Privacy Risk Analysis: Related to Access and Amendment

Privacy Risk: FOCUS does not have procedures or provide notification to financial institution customers about how to access or amend their information.

Mitigation: Financial institution customer information is collected and provided to FDIC by financial institutions and regulators. Records and documents provided to FDIC are considered to be artifacts in support of FI examination, supervision and compliance activities.

The FIs that initially collect PII that is provided to the FDIC have a vested interest in ensuring that the PII they collect is correct to preclude compliance issues with Federal mandates, such as the Home Mortgage Disclosure Act.

Section 4.0: Accountability

Agencies should be accountable for complying with these principles and applicable privacy requirements, and should appropriately monitor, audit, and document compliance. Agencies should also clearly define the roles and responsibilities with respect to PII for all employees and contractors, and should provide appropriate training to all employees and contractors who have access to PII.

4.1 Describe how FDIC's governance and privacy program demonstrates organizational accountability for and commitment to the protection of individual privacy.

FDIC maintains a risk-based, enterprise-wide privacy program that is based upon sound privacy practices. The FDIC Privacy Program is compliant with all applicable laws and is designed to build and sustain public trust, protect and minimize the impacts on the privacy of individuals, while also achieving the FDIC's mission.

The FDIC Privacy Program is led by the FDIC's Chief Information Officer (CIO) and Chief Privacy Officer (CPO), who also has been designated as FDIC's Senior Agency Official for Privacy (SAOP). The CIO/CPO reports directly to the FDIC Chairman, and is responsible for ensuring compliance with applicable Federal privacy requirements, developing and evaluating privacy policy, and managing privacy risks. The program ensures compliance with Federal privacy law, policy and guidance. This includes the Privacy Act of 1974, as amended; Section 208 of the E-Government Act of 2002, Section 522 of the 2005 Consolidated Appropriations Act, Federal Information Security Modernization Act of 2014, OMB privacy policies, and standards issued by the National Institute of Standards and Technology (NIST).

The FDIC's Privacy Program Staff supports the SAOP in carrying out those responsibilities through the management and execution of the FDIC's Privacy Program. The Privacy Program has been fully integrated throughout the agency and is supported on a part-time basis by divisional Information Security Managers located within the agency's divisions and offices.

4.2 Describe the FDIC privacy risk management process that assesses privacy risks to individuals resulting from the collection, sharing, storing, transmitting, use, and

disposal of PII.

Risk analyses are an integral component of FDIC's Privacy program. Privacy risks for new and updated collections of PII are analyzed and documented in Privacy Threshold Analyses (PTAs) and PIAs. A PTA is used to determine whether a PIA is required under the E-Government Act of 2002 and the Consolidated Appropriations Act of 2005. A PIA is required for: (1) a new information technology (IT) system developed or procured by FDIC that collects or processes PII; (2) a substantially changed or modified system that may create a new privacy risk; (3) a new or updated rulemaking that may affect the privacy of PII in some manner; or (4) any other internal or external electronic collection activity or process that involves PII.

4.3 Does this PIA capture privacy risks posed by this information system or project in accordance with applicable law, OMB policy, or any existing organizational policies and procedures?

Yes, this PIA captures privacy risks posed by the FOCUS through the privacy risk analysis sections throughout the document. PIAs are posted on FDIC's public-facing website, <https://www.fdic.gov/policies/privacy/index.html>.

4.4 What roles, responsibilities and access will contractors have with the design and maintenance of the information system or project?

Contractors are primarily responsible for building the FOCUS application and providing operation support once the application is released in production for DCP usage.

Due to contractors' access to PII, contractors take mandatory annual information security and privacy training. Privacy and security-related responsibilities are specified in contracts and associated Risk Level Designation documents. Privacy-related roles, responsibilities, and access requirements are documented in relevant PIAs.

4.5 Has a Contractor Confidentiality Agreement or a Non-Disclosure Agreement been completed and signed for contractors who work on the information system or project? Are privacy requirements included in the contract?

Yes, appropriate Confidentiality Agreements have been completed and signed for contractors who work on FOCUS. Privacy and security requirements for contractors and service providers are mandated and are documented in relevant contracts.

4.6 How is assurance obtained that the information in the information system or project is used in accordance with the practices described in this PIA and, if applicable, the associated Privacy Act System of Records Notice?

Through the conduct, evaluation and review of PIAs and SORNs, the FDIC monitors and audits privacy controls. Internal privacy policies are reviewed and updated as required. The FDIC Privacy Program implements a Privacy Continuous Monitoring (PCM) program in accordance with OMB Circular A-130.

4.7 Describe any privacy-related training (general or specific) that is provided to users of this information system or project.

Annual Security and Privacy Training is mandatory for all FDIC employees and contractors and they are required to electronically certify their acceptance of responsibilities for privacy requirements upon completion. Specified role-based privacy training sessions are planned and provided by the FDIC Privacy Program as well.

4.8 Describe how the FDIC develops, disseminates, and updates reports to the Office of Management and Budget (OMB), Congress, and other oversight bodies, as appropriate, to demonstrate accountability with specific statutory and regulatory privacy program mandates, and to senior management and other personnel with responsibility for monitoring privacy program progress and compliance.

The FDIC Privacy Program develops reports both for internal and external oversight bodies through several methods, including the Annual Senior Agency Official for Privacy Report (SAOP) as required by FISMA, and regular reporting to the SAOP, the CISO, and the Information Technology Risk Advisory Committee.

4.9 Explain how this information system or project protects privacy by automating privacy controls?

Privacy has been integrated within the FDIC Systems Development Life Cycle (SDLC), ensuring that stakeholders are aware of, understand, and address Privacy requirements throughout the SDLC, including the automation of privacy controls when possible. Additionally, FDIC has implemented technologies to track, respond, remediate, and report on breaches, as well as to track and manage PII inventory.

4.10 Explain how this information system or project maintains an accounting of disclosures held in each system of records under its control, including: (1) Date, nature, and purpose of each disclosure of a record; and (2) Name and address of

the person or agency to which the disclosure was made?

The FDIC maintains an accurate accounting of disclosures of information held in each system of record under its control, in accordance with the Privacy Act of 1974 and 12 C.F.R. § 310. Disclosures are tracked and managed using the FDIC’s FOIA solution.

4.11 Explain how the information system or project retains the accounting of disclosures for the life of the record or five years after the disclosure is made, whichever is longer?

The FDIC retains the accounting of disclosures as specified by the Privacy Act of 1974 and 12 C.F.R. § 310.

4.12 Explain how the information system or project makes the accounting of disclosures available to the person named in the record upon request?

The FDIC makes the accounting of disclosures available to the person named in the record upon request as specified by the Privacy Act of 1974 and 12 C.F.R. § 310.

Privacy Risk Analysis: Related to Accountability

Privacy Risk: There are no identifiable privacy risks related to accountability for [name of system or project].

Mitigation: No mitigation actions are recommended.

Section 5.0: Authority

Agencies should only create, collect, use, process, store, maintain, disseminate, or disclose PII if they have authority to do so, and should identify this authority in the appropriate notice.

5.1 Provide the legal authority that permits the creation, collection, use, processing, storage, maintenance, dissemination, disclosure and/or disposing of PII within the information system or project. For example, Section 9 of the Federal Deposit Insurance Act (12 U.S.C. 1819).

The FDIC ensures that collections of PII are legally authorized through the conduct and documentation of Privacy Impact Assessments (PIA) and the development and review of SORNs. FDIC Directive 1360.20 “FDIC Privacy Program” mandates that the collection

of PII be in accordance with Federal laws and guidance. FOCUS maintains PII pursuant to the following legal authority: 12 U.S.C. § 2801; 12 U.S.C. § 2901; 12 U.S.C. § 1819; 12 U.S.C. 1831; 12 C.F.R. 345; 12. C.F.R. 366.

Privacy Risk Analysis: Related to Authority

Privacy Risk: There are no identifiable privacy risks related to authority, as FDIC ensures that collections of PII are legally authorized through the conduct and documentation of PIAs and the development and review of SORNs.

Mitigation: No mitigation actions are recommended.

Section 6.0: Minimization

Agencies should only create, collect, use, process, store, maintain, disseminate, or disclose PII that is directly relevant and necessary to accomplish a legally authorized purpose, and should only maintain PII for as long as is necessary to accomplish the purpose.

6.1 How does the information system or project ensure that it has identified the minimum PII that are relevant and necessary to accomplish the legally authorized purpose of collection?

The PII elements contained within FOCUS are relevant and necessary to support various FDIC business functions, including financial institution user access, ongoing examination, supervision and compliance activities, and are dictated on FDIC business requirements.

Additionally, through the conduct, evaluation, and review of privacy artifacts,⁷ the FDIC ensures that the collection of PII is relevant and necessary to accomplish the legally authorized purpose for which it is collected.

6.2 How does the information system or project ensure limits on the collection and retention of PII to the minimum elements identified for the purposes described in the notice and for which the individual has provided consent?

⁷ Privacy artifacts include Privacy Threshold Analyses (PTA), Privacy Impact Assessments (PIA), and System of Record Notices (SORN).

FOCUS collects basic contact information from financial institution users to create their access to FOCUS. This allows them to provide requested documents and information an ongoing examination.

FOCUS does not collect data directly from financial institution customers. Rather, the data is provided by other FDIC information systems and other financial regulators. The PII elements contained within FOCUS are relevant and necessary to support various FDIC business functions, including ongoing examination, supervision and compliance activities, and are dictated by FDIC business requirements.

Additionally, through the conduct, evaluation, and review of privacy artifacts, the FDIC ensures that the collection of PII is relevant and necessary to accomplish the legally authorized purpose for which it is collected.

6.3 How often does the information system or project evaluate the PII contained in the information system or project to ensure that only PII identified in the notice is collected and retained, and that the PII continues to be necessary to accomplish the legally authorized purpose?

The FDIC maintains an inventory of systems that contain PII. The Privacy Program reviews information in the systems at the frequency defined in the FDIC Information Security Continuous Monitoring Strategy. New collections are evaluated to determine if they should be added to the inventory.

6.4 What are the retention periods of the data in this information system or project? What are the procedures for disposition of the data at the end of the retention period? Under what guidelines are the retention and disposition procedures determined? Explain.

The retention period and disposition procedures for examinations records in FOCUS are covered by the following FDIC records retention schedule: Electronic Information Systems (EIS) 1045, Framework for Oversight of Compliance and CRA Activities User Suite. Accordingly, records are maintained in FOCUS for thirty (30) years after the close of the examination.

The retention period and disposition procedures for financial institution user access are covered by the Personal Information Allowing Network Operations SORN. Accordingly, these records are maintained for six (6) years following the termination of an individual's FDIC user account.

Procedures for disposition of the data at the end of the retention period are established in accordance with FDIC Records Schedules in conjunction with National Archives and Records Administration (NARA) guidance. For example, hard copies of any paper materials scanned into the system will be retained in accordance with FDIC Records Schedules or returned to the originating Division or Office for retention.

Additionally, records are retained in accordance with the FDIC Circular 1210.1 FDIC “Records and Information Management Program,” which is informed by the Federal Records Act and NARA regulations Management Policy Manual and NARA-approved record retention schedule. Information related to the retention and disposition of data is captured and documented within the PIA process. The retention and disposition of records, including PII, is addressed in Circulars 1210.1 and 1360.09.

6.5 What are the policies and procedures that minimize the use of PII for testing, training, and research? Does the information system or project implement controls to protect PII used for testing, training, and research?

The FDIC is in the process of developing an enterprise test data strategy to reinforce the need to mask or use synthetic data in the lower environments whenever possible, and ensure all environments are secured appropriately based on the impact level of the information and the information system.

Privacy Risk Analysis: Related to Minimization

Privacy Risk: There is a potential risk that PII could be used in the test or lower environments beyond what is necessary.

Mitigation: The FDIC has developed an enterprise test data strategy to mask or utilize synthetic data in the test and lower environments whenever possible, and ensure all environments are secured appropriately based on the impact level of the information and the information system. Additionally, the project team is required to consult the FDIC Privacy Program to identify PII and ensure it is adequately protected or transformed before using it in test or lower environments.

Section 7.0: Data Quality and Integrity

Agencies should create, collect, use, process, store, maintain, disseminate, or disclose PII with such accuracy, relevance, timeliness, and completeness as is reasonably necessary to ensure fairness to the individual.

7.1 Describe any administrative and technical controls that have been established to ensure and maximize the quality, utility, and objectivity of PII, including its accuracy, relevancy, timeliness, and completeness.

The FDIC reviews privacy artifacts for adequate controls to ensure the accuracy, relevance, timeliness, and completeness of PII in each instance of collection or creation.

7.2 Does the information system or project collect PII directly from the individual to the greatest extent practicable?

The system or project receives third-party data from financial institutions. The FDIC does not have the ability to implement procedures to correct inaccurate or erroneous information. Individuals should contact their financial institution directly to correct any erroneous or inaccurate information. Additionally, the FDIC does not make decisions regarding individuals based on the PII received from the financial institutions.

7.3 Describe any administrative and technical controls that have been established to detect and correct PII that is inaccurate or outdated.

The FDIC reviews privacy artifacts to ensure adequate controls to check for and correct any inaccurate or outdated PII in its inventory.

7.4 Describe the guidelines ensuring and maximizing the quality, utility, objectivity, and integrity of disseminated information.

The FDIC's guidelines for the disclosure of information subject to Privacy Act protections are found in Part 310 of the FDIC Rules and Regulations.

7.5 Describe any administrative and technical controls that have been established to ensure and maximize the integrity of PII through security controls.

Through the PTA adjudication process, the FDIC Privacy Program uses the Federal Information Processing Standards Publication 199 (FIPS 199) methodology to determine the potential impact on the FDIC and individuals should there be a loss of confidentiality, integrity, or availability of the PII. The Office of the Chief Information Security Officer validates the configuration of administrative and technical controls for the system or project based on the FIPS 199 determination.

7.6 Does this information system or project necessitate the establishment of a Data Integrity Board to oversee a Computer Matching Agreements and ensure that such an agreement complies with the computer matching provisions of the Privacy Act?

The FDIC does not maintain any Computer Matching Agreements under the Privacy Act of 1974, as amended, by the Computer Matching and Privacy Protection Act of 1988. Consequently, the FDIC does not need to establish a Data Integrity Board.

Privacy Risk Analysis: Related to Data Quality and Integrity

Privacy Risk: The FDIC collects information from financial institutions and other financial regulators and cannot attest directly to data quality that it receives. There is a risk that the information provided to the FDIC lacks sufficient data quality, and that there is a risk to data integrity in the transfer of the data between the FDIC and financial institutions.

Mitigation: Since the FDIC does not use individuals' data provided from financial institutions and other financial regulators to deprive those individuals of a right or benefit, the privacy-related data quality and integrity risks associated with data exchanges between those entities and the FDIC are minimal. No mitigation actions are recommended.

Section 8.0: Individual Participation

Agencies should involve the individual in the process of using PII and, to the extent practicable, seek individual consent for the creation, collection, use, processing, storage, maintenance, dissemination, or disclosure of PII. Agencies should also establish procedures to receive and address individuals' privacy-related complaints and inquiries.

8.1 Explain how the information system or project provides means, when feasible and appropriate, for individuals to authorize the collection, use, maintenance, and sharing of PII prior to its collection.

FOCUS receives data from third-parties. The FDIC is unable to provide Privacy Act Statements or privacy notices prior to the Agency's processing of individuals' PII. Individuals should review the relevant third party's privacy notices. Additionally, this PIA and the SORN(s) listed in 2.2 serve as notice of the information collection. Lastly, the FDIC does not make decisions regarding individuals based on the PII received from

third-parties.

8.2 Explain how the information system or project provides appropriate means for individuals to understand the consequences of decisions to approve or decline the authorization of the collection, use, dissemination, and retention of PII.

The system or project receives data from third-parties. The FDIC is unable to provide Privacy Act Statements or privacy notices prior to the Agency's processing of individuals' PII. Individuals should review the relevant third party's privacy notices. Additionally, this PIA and the SORN(s) listed in 2.2 serve as notice and implicit consent with respect to the collection, use, and disclosure of PII. Lastly, the FDIC does not make decisions regarding individuals based on the PII received from third-parties.

8.3 Explain how the information system or project obtains consent, when feasible and appropriate, from individuals prior to any new uses or disclosure of previously collected PII.

It is not feasible or appropriate to get direct consent prior to any new use or disclosures of previously collected PII. If applicable, the FDIC Privacy Program will update the relevant SORN(s) as well as the relevant PIA.

8.4 Explain how the information system or project ensures that individuals are aware of and, when feasible, consent to all uses of PII not initially described in the public notice that was in effect at the time the FDIC collected the PII.

FOCUS only uses PII for the purposes listed in Section 9.1. FOCUS receives data from third-parties. The FDIC is unable to provide Privacy Act Statements or privacy notices prior to the Agency's processing of individuals' PII. Individuals should review the relevant third party's privacy notices. Additionally, this PIA and the SORN(s) listed in 2.2 serve as notice and implicit consent with respect to the collection, use, and disclosure of PII. Lastly, the FDIC does not make decisions regarding individuals based on the PII received from third-parties.

8.5 Describe the process for receiving and responding to complaints, concerns, or questions from individuals about the organizational privacy practices?

The FDIC Privacy Program website, <http://www.fdic.gov/privacy/>, instructs individuals to direct privacy questions to the FDIC Privacy Program through the Privacy@fdic.gov email address. Complaints and questions are handled on a case-by-case basis.

Privacy Risk Analysis: Related to Individual Participation

Privacy Risk: Because the FDIC collects individuals' data directly from financial institutions and other financial regulators, there is limited opportunity for individual participation.

Mitigation: This PIA provides transparency to the public and general notice to the individual regarding the processing of their PII. No additional mitigation actions are recommended.

Section 9.0: Purpose and Use Limitation

Agencies should provide notice of the specific purpose for which PII is collected and should only use, process, store, maintain, disseminate, or disclose PII for a purpose that is explained in the notice and is compatible with the purpose for which the PII was collected, or that is otherwise legally authorized.

9.1 Describe the purpose(s) for which PII is collected, used, maintained, and shared as specified in the relevant privacy notices.

FOCUS provides enhanced capabilities to support scheduling, planning, documenting and reporting on DCP supervisory activities for Compliance and Community Reinvestment Act (CRA). It is used by compliance field supervisors, examiners, review examiners, regional and Washington office staff, and other FDIC stakeholders. Financial institution staff use FOCUS to submit information and documents for pre-examination planning processes. FOCUS is also used to support reporting requirements, provides substantial task support for staff, and is a management support and decision tool.

FOCUS utilizes the HMDA Public Use Dataset to visualize the applications reported by the financial institution by Metropolitan Statistical Area, Loan Purpose and Action Types by Race/ Sex and Ethnicity in the form of charts and graphs within FOCUS. This provides an overall perspective of HMDA activity for the most recent reporting year for covered institutions. This information supports supervisory activities and examination scope planning.

9.2 Describe how the information system or project uses PII internally only for the authorized purpose(s) identified in the Privacy Act and/or in public notices? Who is responsible for assuring proper use of data in the information system or project and, if applicable, for determining what data can be shared with other parties and information systems? Have policies and procedures been established for this responsibility and accountability? Explain.

Through the conduct, evaluation, and review of privacy artifacts, and in conjunction with the implementation of applicable privacy controls, the FDIC ensures that PII is only used for authorized uses internally in accordance with the Privacy Act and FDIC Circular 1360.09 “Protecting Information.” Additionally, annual Information Security and Privacy Awareness Training is mandatory for all employees and contractors, which includes information on rules and regulations regarding the sharing of PII with third parties.

Access to all FOCUS information is based on a business need to know and the principle of least privilege. Users are responsible for assuring proper use of the data in the application and, if applicable, for determining what data can be shared with other parties.

When contractors have access to PII, contractors are required to take mandatory annual Information Security and Privacy Awareness Training. Privacy and security-related responsibilities are specified in contracts and associated Risk Level Designation documents. Privacy related roles, responsibilities, and access requirements are documented in relevant PIAs.

9.3 How is access to the data determined and by whom? Explain the criteria, procedures, security requirements, controls, and responsibilities for granting access.

Access to data is governed via roles for the FOCUS application. For the FDIC authorized users, these roles are requested via an ARCS process and go through proper authorization by the business owner before access is granted. For the financial institution users, these roles are requested via the FDICconnect process and go through proper authorization by the designated financial institution coordinator.

All access is granted on a need-to-know basis. FDIC follows Guidelines established in the Corporation’s Access Control Policies and Procedures document are also followed. Controls are documented in the system documentation and a user’s access is tracked in the Corporation’s access control tracking system.

9.4 Do other internal information systems receive data or have access to the data in the information system? If yes, explain.

- No
- Yes

Internal FDIC Information System	Description of Data
Community Reinvestment Act Performance Ratings (CRAPES)	CRA Examination Schedule and Performance Evaluation publishing for general public consumption
Virtual Supervisory Information on the Net (ViSION)	Examination information, ratings and comments
DocuSign	Examination Reports and Digital Signatures
Enterprise Data Warehouse (EDW)	CRA & Compliance Examination Data
Extranet Identity Management (EIDM)	BES user authentication credential token request

9.5 Will the information system or project aggregate or consolidate data in order to make determinations or derive new data about individuals? If so, what controls are in place to protect the newly derived data from unauthorized access or use?

No, FDIC does not aggregate data to make program-level decisions. FOCUS ingests already aggregated HMDA data from the FFIEC.

9.6 Does the information system or project share PII externally? If so, is the sharing pursuant to a Memorandum of Understanding, Memorandum of Agreement, or similar agreement that specifically describes the PII covered and enumerates the purposes for which the PII may be used? Please explain.

Yes. FOCUS shares Reports of Examination, per federal statute, with state and federal financial regulators. This external sharing is memorialized in relevant MOUs.

Additionally, through the conduct, evaluation, and review of PIAs and SORNs, the FDIC ensures that PII shared with third parties is used only for the authorized purposes identified or for a purpose compatible with those purposes, in accordance with the Privacy Act of 1974, FDIC Circular 1360.20 “Privacy Program,” and FDIC Circular 1360.17 “Information Technology Security Guidance for FDIC Procurements/Third Party Products.” The FDIC also ensures that agreements regarding the sharing of PII with third parties specifically describe the PII covered and specifically enumerate the purposes for which the PII may be used, in accordance with FDIC Circular 1360.17 and FDIC Circular 1360.09.

9.7 Describe how the information system or project monitors, audits, and trains its staff on the authorized sharing of PII with third parties and on the consequences of unauthorized use or sharing of PII.

Annual Information Security and Privacy Awareness Training is mandatory for all employees and contractors, which includes information on rules and regulations

regarding the sharing of PII with third parties.

9.8 Explain how the information system or project evaluates any proposed new instances of sharing PII with third parties to assess whether the sharing is authorized and whether additional or new public notice is required.

The FDIC reviews privacy artifacts to evaluate any proposed new instances of sharing PII with third parties to assess whether the sharing is authorized and whether additional or new public notice is required.

Privacy Risk Analysis: Related to Use Limitation

Privacy Risk: FDIC may utilize the HMDA Public Use Dataset to re-identify individuals.

Mitigation: FOCUS utilizes the HMDA Public Use Dataset to visualize the applications reported by the financial institution by Metropolitan Statistical Area, Loan Purpose and Action Types (Race/ Sex and Ethnicity) in the form of charts and graphs within FOCUS. The HMDA Public Use Dataset does not include any PII that directly identifies an individual, such as an individual's name, address, or Social Security number. The HMDA Public Dataset includes information that, when combined with or linked to other publicly available information, may become identifiable. However, the FDIC does not use the dataset to re-identify individuals. FDIC has instituted procedural safeguards to ensure the continued confidentiality of individuals is protected.

Section 10.0: Security

Agencies should establish administrative, technical, and physical safeguards to protect PII commensurate with the risk and magnitude of the harm that would result from its unauthorized access, use, modification, loss, destruction, dissemination, or disclosure.

10.1 Describe the process that establishes, maintains, and updates an inventory that contains a listing of all information systems or projects identified as collecting, using, maintaining, or sharing PII.

The FDIC Privacy Program maintains an inventory of all programs and information systems identified as collecting, using, maintaining, or sharing PII.

10.2 Describe the process that provides each update of the PII inventory to the CIO or information security official to support the establishment of information security requirements for all new or modified information systems or projects containing PII?

The FDIC Privacy Program updates the CISO on PII holdings via the PTA adjudication process. As part of the PTA adjudication process, the FDIC Privacy Program reviews the system or project's FIPS 199 determination. The FDIC Privacy Program will recommend the appropriate determination to the CISO should the potential loss of confidentiality be expected to cause a serious adverse effect on individuals.

10.3 Has a Privacy Incident Response Plan been developed and implemented?

FDIC has developed and implemented a Breach Response Plan in accordance with OMB M-17-12.

10.4 How does the agency provide an organized and effective response to privacy incidents in accordance with the organizational Privacy Incident Response Plan?

Responses to privacy breaches are addressed in an organized and effective manner in accordance with the FDIC's Breach Response Plan.

Privacy Risk Analysis: Related to Security

Privacy Risk: There are no identifiable privacy risks associated with Security.

Mitigation: No mitigation actions are recommended.