

PRIVACY IMPACT ASSESSMENT

Warranties and Representations Account Processing (WRAPS)

March 2006

FDIC Internal System

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System Overview

The Federal Deposit Insurance Corporation (FDIC) Division of Resolutions and Receiverships (DRR) promotes confidence in the nation's financial system by paying insured depositors quickly, effectively managing failed/failing banks, and providing Receivership services. FDIC/DRR utilizes the Warranties and Representations Account Processing System (WRAPS) to process, track, and maintain data on claims made by asset purchasers under the terms of loan sales agreements.

The primary data that is input to WRAPS includes Asset Sale information, claim information, and payment information. Asset Sale data within WRAPS is received from the DRR Asset Sales Team. Claims information is received in hard copy from claimants and manually entered into the system by authorized DRR employees. WRAPS interfaces with the FDIC New Financial Environment (NFE) Accounts Payable module to exchange vendor and payment information. WRAPS also interfaces with the National Asset Inventory System (NAIS) and the Service Costing System (SCS).

Personally Identifiable Information (PII) in WRAPS

WRAPS was not designed to convey specific fields containing Personally Identifiable Information (PII) pertaining to borrowers. Typically, the key elements of data in WRAPS are: contract number, claim number, claim status, payment number (invoice number), vendor number, repurchased asset number, and payment amount. However, the comments field in WRAPS allows for free-form typing and may contain limited PII, such as the borrower's name and home address. These data elements support information located in NAIS and assure that the system is updated following a claim being settled and an asset being reacquired. WRAPS uses the NAIS Control Number to support users' ability to locate assets in NAIS if necessary.

Purpose & Use of Information in WRAPS

The primary purpose of the WRAPS system design is to support the processing, tracking, and maintenance of claims under the terms of loans sales agreements. Data in WRAPS can be retrieved by using the search function and using a variety of fields, including the contract number, claim number, payment number, vendor number, and/or repurchased asset number. Data can also be retrieved using the borrower's name. The system is not used to monitor individuals, nor can it be used to create reports on individuals.

Sources of Information in WRAPS

WRAPS is designed to support the DRR Claims Office's processing, tracking and maintenance of claims made by asset purchasers under the terms of loan sales agreements. The data in the system is derived from those claims and from loan sales agreements. Additional data may be acquired from other sources, such as NFE and the FDIC Automated Corporate Tracking System (FACTS). The FDIC Division of Finance (DOF) provides payment data from NFE to update WRAPS. These updates reflect the amount and date of payment of claims. Types of data received from

FACTS generally include legal opinions regarding claims and payment. The system does not derive any PII.

Notice & Consent

The main purpose of WRAPS is to process, track, and maintain data on claims; therefore, it is not possible for individuals to opt-out of having their data in the system. Although WRAPS is not designed to specifically contain PII, the comments field in WRAPS may, from time to time, contain personal identifiers on borrowers including customer name and full address. The name and address identifiers in WRAPS are used to maintain a level of accuracy in researching and processing claims for the correct customers.

Access to Data in WRAPS

Users of the system include: authorized FDIC DRR staff, supervisory personnel, management officials, system administrators and other employees of the Corporation who have a need to know the information contained in this system in order to carry out their duties. In certain instances, contractors performing work on the Corporation's behalf may have access to records in WRAPS.

Developers have access to the data in the non-Production environments. They use this data to test application corrections and changes. Developers have access to the data in the Production environment through the use of an On Call ID. Access to this ID is tracked and reviewed and its use is justified each time it is activated. This access is used to research and resolve production processing problems.

Access to the data by a user (i.e., FDIC employee or contractor who is responsible for updating WRAPS data or responding to inquiries regarding the data) is determined by the "need-to-know" requirements of the Privacy Act. The user's profile is based on their job requirements and managerial position. The system is only accessible by those individuals who have been authorized, and then only for the processing location to which they have been associated. All individuals that have access to WRAPS must complete a Contractor Confidentiality Agreement and Non-Disclosure Agreement on an annual basis.

Data Sharing

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

System Name	System Description	Type of Information Processed
New Financial Environment (NFE)	The NFE system consists of a unified set of financial systems that are managed together and operated in an integrated fashion to process and record financial, budgetary, procurement, contractual, and investment data both at the Corporate and Receivership levels.	Vendor name and payment information

System Name	System Description	Type of Information Processed
National Asset Inventory System (NAIS)	NAIS houses information on sold and unsold assets managed by the FDIC and is used by DRR to respond to inquiries from the public, investigate assets involved in legal actions, and to help in the marketing of loans, loan pools, and real estate.	Asset repurchase information
Service Costing System (SCS)	A Division of Finance (DOF) system that maintains cost and billing information.	Cost of services information

Data Accuracy in WRAPS

Data is verified by users while providing support to customers. The FDIC has controls in place to ensure that any data input to WRAPS is free from viruses. Software controls ensure that the data complies with processing requirements before it is introduced to WRAPS.

The WRAPS Program Manager/Data Owner is responsible for assuring the completeness and accuracy of the data contained in WRAPS. Completeness in WRAPS is measured on a per-claim basis.

Data Security for WRAPS

The WRAPS Program Manager/Data Owner is responsible for the management and decision authority over a specific area of corporate data. The WRAPS Program Manager/Data Owner and IT Security Manager serve as the source of information for data definition and data protection requirements and are collectively responsible for supporting a corporate-wide view of data sharing.

Additionally, it is every user's responsibility to abide by FDIC data protection rules, as outlined in the Annual Security Awareness training, which all employees take and certify that they will abide by the corporation's Rules of Behavior for data protection. All authorized employees and contractors who have access to information in a Privacy Act System of Record bear some responsibility for protecting personal information covered by the Privacy Act.

Access to WRAPS is limited to authorized personnel whose official duties require such access, i.e., on a "need-to-know" basis. Electronic data is protected through user identification, passwords and software controls. Such security measures establish different access levels for different types of users.

In accordance with OMB Circulars A-123 and A-130, WRAPS has controls in place to prevent the misuse of the data by having access to the data. Such security measures and controls consist of passwords, user identification, user profiles and software controls. All users, including contractors, must meet the requirements for securing Privacy Act protected information. Users that are approved for access to

WRAPS are deemed to have the authorization to access and review any data maintained. The controls are applied during the process of approving a user for access. In addition, if an authorized user does not utilize their access on a regular basis, the login is inactivated and access is not permitted. Users who are inactivated must reapply for access.

Although all employees who have access to information in a Privacy Act System of Record bear some responsibility for protecting personal information covered by the Privacy Act, the information owner and system manager share overall responsibility for protecting the privacy rights of individuals by developing data access guidelines and standards which must be followed.

System of Records Notice (SORN)

WRAPS currently operates under the FDIC Privacy Act System of Records Notice (SORN) 30-64-0013, *Insured Bank 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 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.

