



## **HH/H Privacy Impact Assessment (PIA)**

**January 15, 2010**

## **System Information**

**Name of System, Project or Program:** Series HH/H Savings Bond System

**OMB Unique Identifier:** 015-35-01-14-02-1011-00

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## **System Application/General Information**

**1. Does this system contain any information in identifiable form?**

Yes.

**2. What is the purpose of the system/application?**

Information in this system of records is collected and maintained to enable Bureau of the Public Debt (BPD) and its agents to issue savings bonds, to process transactions, to make payment, and to identify owners and their accounts.

**3. What legal authority authorizes the purchase or development of this system/application?**

5 U.S.C.301; 31 U.S.C. 3101, *et seq.*

**4. Under which Privacy Act SORN does the system operate? (Provide the system name and unique system identifier.)**

Treasury/BPD.002 – United States Savings-Type Securities-Treasury/BPD.

## **Data in the System**

**1. What categories of individuals are covered in the system?**

Present and former owners of, claimants to, persons entitled to, and inquirers concerning current income United States savings-type securities and interest thereon.

**2. What are the sources of the information in the system?**

**a. Is the source of the information from the individual or is it taken from another source? If not directly from the individual, then what other source?**

Individual.

**b. What Federal agencies are providing data for use in the system?**

- Federal Reserve Banks – Minneapolis, Pittsburgh, Philadelphia
- Bureau of the Public Debt
- Legacy Treasury Direct® – Federal Reserve Bank of Philadelphia

**c. What State and/or local agencies are providing data for use in the system?**

None.

**d. From what other third party sources will data be collected?**

None.

**e. What information will be collected from the employee and the public?**

Issuance: Records relating to registration, issuance and correspondence in connection with issuance of savings-type securities.

- Name of Registered Owner or First Named Co-owner
- Taxpayer Identification Number (TIN) of the registered owner or first named co-owner
- Name of Beneficiary or Second Named Co-owner
- Taxpayer Identification Number (TIN) of the beneficiary or second named co-owner
- Inscription Address
- Bank Account information

Holdings: Records documenting ownership, status, payments by date and account number, inscription information, interest activity, non-receipt or over-or-underpayments of interest and principal and numerical registers of ownership.

Transactions (redemptions, payments and reissues): Records, which includes securities transaction requests; interest activity; legal papers supporting transactions; applications for disposition or payment of securities and/or interest thereon of deceased or incapacitated owners; records of retired securities; and payment records.

Records of issuance, holdings, and transactions include records of current income savings bonds processed under an automated system, which permits access by selected Federal Reserve Banks and Branches.

Claims: Records including correspondence concerning lost, stolen, destroyed, or mutilated savings-type securities; bonds of indemnity; legal documents supporting claims for relief; and records of caveats entered.

Inquiries: Records of correspondence with individuals who have requested information concerning savings-type securities and/or interest thereon.

**3. Accuracy, Timelines, and Reliability**

**a. How will data collected from sources other than bureau records be verified for accuracy?**

The certifying officer must require the person presenting a bond, or appropriate BPD transaction form, to establish his or her identity in accordance with Department of Treasury instructions and identification guidelines.

**b. How will data be checked for completeness?**

The HH/H system will edit each field to see that the data has the correct type and number of characters and is in the correct format.

**c. Is the data current? What steps or procedures are taken to ensure the data is current and not out-of-date? Name the document (e.g., data models.)**

Yes. System edits are applied to ensure data is current. Processing errors in the system involving incorrect information are handled quickly.

**d. Are the data elements described in detail and documented? If yes, what is the name of the document?**

Yes. Data elements are described in detail and documented in the Savings Bond Handbook and E-Source Guides with cross-references to the Federal Register, Department Circular (Treasury) and Code of Federal Regulations. The HH/H Database Specifications manual lists data elements, field types and sizes.

**Attributes of the Data**

**1. Is the use of the data both relevant and necessary to the purpose for which the system is being designated?**

Yes. Information in this system of records is collected and maintained to enable BPD and its agents to issue savings bonds, to process transactions, to make payment, and to identify owners and their accounts.

**2. Will the system derive new data or create previously unavailable data about an individual through aggregation from the information collected, and how will this be maintained and filed?**

Yes. Data collected will be used to document ownership, status, payment date, inscription information, interest activity, non-receipt or over or under payments of interest and principle and numerical register of ownership. Data is stored on paper, microfilm or electronic media.

**3. Will the new data be placed in the individual's record?**

The data is placed in an existing file system with information on the individual (e.g. taxpayer identification number, inscription address, etc.).

**4. Can the system make determinations about employees/public that would not be possible without the new data?**

Yes, new data will update an individual's records of issuance, holdings, transactions or claims.

**5. How will the new data be verified for relevance and accuracy?**

Yes. System edits are applied to ensure data is current. Processing errors in the system involving incorrect information are handled quickly.

**6. If the data is being consolidated, what controls are in place to protect the data from unauthorized access or use?**

HH/H data is contained in secure buildings and processing environment. Employees or agents of BPD are subject to the Treasury Department Code of Conduct and must undergo periodic personnel screening procedures.

Numerous steps are involved in the data retrieval process; unauthorized persons would be unable to retrieve information in meaningful form. Information stored in electronic media is safeguarded by automatic data processing security procedures in addition to physical security measures.

**7. If processes are being consolidated, are the proper controls remaining in place to protect the data and prevent unauthorized access? Explain.**

Yes. Security controls are reviewed annually. Every three years the HH/H system undergoes a full certification and accreditation following NIST SP 800-37 guidelines.

During the three-year cycle security controls are reviewed and tested annually. If the system undergoes a change that would impact security then a full new certification and accreditation would be completed.

**8. How will the data be retrieved? Does a personal identifier retrieve the data? If yes, explain and list the identifiers that will be used to retrieve information on the individual.**

Data can be retrieved in a number of ways using a personal identifier. Information can be retrieved by bond serial number or by taxpayer identification number (social security number or employer identification number). To a limited extent, information can be retrieved by name and address of the registered owner or first named coowner.

**9. What kinds of reports can be produced on individuals? What will be the use of these reports? Who will have access to them?**

Reports are produced based on records of correspondence with individuals who have requested information concerning savings-type securities and/or interest thereon. Only those employees who have been preauthorized for the inquiry functional capabilities can access the reports.

## **Maintenance and Administrative Controls**

**1. If the system is operated in more than one site, how will consistent use of the system and data be maintained in all sites?**

The system is maintained at the Bureau of the Public Debt's (BPD) facility and at our off-site backup facility. BPD uses remote copy technology for data replication to our backup facility.

**2. What are the retention periods of data in this system?**

Records of holdings, forms, documents and other legal papers which constitute the basis for transactions subsequent to original issue are maintained for such time as is necessary to protect the legal rights and interests of the United States Government and the person affected or otherwise until they are no longer historically significant.



**3. What are the procedures for disposition of the data at the end of the retention period? How long will the reports produced be kept? Where are the procedures documented?**

Other records are disposed of at varying intervals in accordance with records retention schedules reviewed, approved, and documented by the National Archives and Records Administration (NARA). Paper and microform records ready for disposal are destroyed by shredding or maceration. Records in electronic media are electronically erased using accepted techniques.

**4. Is the system using technologies in ways that the bureau/office has not previously employed (e.g., monitoring software, Smart Cards, Caller-ID)?**

No.

**5. How does the use of this technology affect public/employee privacy?**

The HH/H System does not use any technologies that the bureau/office has not previously employed. Safeguards are in place to allow users of the HH/H System to only have access to the data they need to perform their job duties.

**6. Will this system provide the capability to identify, locate, and monitor individuals? If yes, explain.**

Yes. Information in this system of records is collected and maintained to enable BPD and its agents to issue savings bonds, to process transactions, to make payments, and to identify owners and their accounts.

**7. What kinds of information are collected as a function of the monitoring of individuals?**

Information in this system of records is collected and maintained to enable BPD and its agents to issue savings bonds, to process transactions, to make payments, and to identify owners and their accounts.

**8. What controls will be used to prevent unauthorized monitoring?**

Information is contained in secure buildings or in areas, which are occupied either by officers and responsible employees of BPD who are subject to personnel screening procedures and to the Treasury Department Code of Conduct or by agents of BPD who are required to maintain proper control over records while in their custody. Additionally, since in most cases, numerous steps are involved in the retrieval process, an unauthorized person would be unable to retrieve information in meaningful form. Information stored in electronic media is safeguarded by automatic data processing security procedures in addition to

physical security measures. For those categories of records stored in computers with online terminal access, the information cannot be accessed without proper passwords and preauthorized functional capability.

**9. Under which Privacy Act SORN does the system operate? Provide number and name.**

Treasury/BPD.002 – United States Savings-Type Securities-Treasury/BPD.

**10. If the system is being modified, will the Privacy Act SORN require amendment or revision? Explain.**

The existing Privacy Act system of records, which covers this system, was not substantially revised.

### **Access to Data**

**1. Who will have access to the data in the system? (e.g., contractors, users, managers, system administrators, developers, others.)**

The primary users of data in the system will be:

- BPD employees
- Treasury Retail Security Sites, FRB Pittsburgh and FRB Minneapolis

These records may be disclosed to:

- Agents or contractors of the Department for the purpose of administering the public debt of the United States
- Next-of-kin, voluntary guardian, legal representative or successor in interest of a deceased or incapacitated owner of securities and others entitled to the reissue, distribution, or payment for the purpose of assuring equitable and lawful disposition of securities and interest
- Either co-owner for bonds registered in that form or to the beneficiary for bonds registered in that form, provided that acceptable proof of death of the owner is submitted
- The Internal Revenue Service (IRS) for the purpose of facilitating collection of the tax revenues of the United States
- The Department of Justice in connection with lawsuits to which the Department of the Treasury is a party to trustees in bankruptcy for the purpose of carrying out their duties
- The Veterans Administration and selected veterans' publications for the purpose of locating owners or other persons entitled to undeliverable bonds held in safekeeping by the Department
- Other Federal agencies to effect salary or administrative offset for the purpose of collecting debts
- A consumer reporting agency, including mailing addresses obtained from the IRS to obtain credit reports

- A debt collection agency, including mailing addresses obtained from the IRS, for debt collection services
- Contractors conducting Treasury-sponsored surveys, polls, or statistical analyses relating to the marketing or administration of the public debt of the United States
- Appropriate Federal, State, local, or foreign agencies responsible for investigating or prosecuting the violations of, or for enforcing or implementing, a statute, rule, regulation, order, or license
- A court, magistrate, or administrative tribunal in the course of presenting evidence, including disclosures to opposing counsel or witnesses in the course of civil discovery, litigation, or settlement negotiations or in connection with criminal law proceedings or in response to a subpoena
- A Congressional office in response to an inquiry made at the request of the individual to whom the record pertains
- Disclose through computer matching, information on individuals with whom the Bureau of the Public Debt has lost contact, to other Federal agencies for the purpose of utilizing letter-forwarding services to advise these individuals that they should contact the Bureau about returned payments and/or undeliverable securities
- Debtor information is also furnished, in accordance with 5 U.S.C. 552a(b)(12) and section 3 of the Debt Collection Act of 1982, to consumer reporting agencies to encourage repayment of an overdue debt

**2. How is access to the data by a user determined? Are criteria, procedures, controls, and responsibilities regarding access documented?**

Information is contained in secure buildings or in areas, which are occupied either by officers and responsible employees of BPD who are subject to personnel screening procedures and to the Treasury Department Code of Conduct or by agents of BPD who are required to maintain proper control over records while in their custody. Additionally, since in most cases, numerous steps are involved in the retrieval process, an unauthorized person would be unable to retrieve information in meaningful form. Information stored in electronic media is safeguarded by automatic data processing security procedures in addition to physical security measures. For those categories of records stored in computers with online terminal access, the information cannot be accessed without proper passwords and preauthorized functional capability. BPD maintains documented procedures concerning controls and responsibilities regarding access.

**3. Will users have access to all data on the system or will the user's access be restricted? Explain.**

User access is restricted. Safeguards are in place to only allow users of the system to have access to the data they need to perform their job duties.

**4. What controls are in place to prevent the misuse (e.g., unauthorized browsing of data by those having access)? (list processes and training materials.)**

- Security Plan
- Certification and Accreditation Process
- Security Matrix
- Rules of Behavior
- Mandatory Periodic training in Computer Security Awareness
- Audit Trails/Logs
- Continuous Monitoring Process

**5. Are contractors involved with the design and development of the system and will they be involved with the maintenance of the system? If yes, were a Privacy Act contract clause inserted in their contracts and other statutory and regulatory measures addressed?**

No contractors are involved with the maintenance of the system.

**6. Do other systems share data or have access to the data in the system? If yes, explain.**

Yes.

The HH/H system classification process creates a file of classified issue and retirement transactions for input to the SaBRe system. This information is used to update the security ledger within SaBRe.

The HH/H system interfaces with the HH/H Bond Internet Transaction Services (HBITS) Edify Web Application. This application provides HH/H bond owners limited access, via the Internet, to their HH/H bond account information. Bond owners are able to view 1099-INT statements, change their mailing address and view account information.

The Retired Bond Imaging System (RBI) interfaces with the HH/H system to provide images of retired securities and documents.

HH/H also provides accounting files to the Public Debt Accounting and Reporting System (PARS).

**7. Who will be responsible for protecting the privacy rights of the public and employees affected by the interface?**

All BPD employees who have access to information in a Privacy Act system are responsible for protecting personal information covered by the Privacy Act. The information owner, system manager, and ultimately the BPD Chief Information

Officer (CIO) have the responsibility to see that the data is protected from all threats.

**8. Will other agencies share data or have access to the data in this system (e.g. Federal, State, Local, and Others)?**

- Legacy Treasury Direct® – FRB Philadelphia
- Internal Revenue Service (IRS)

**9. How will the data be used by the other agency?**

BPD payment files and tax statement files are transmitted to Legacy Treasury Direct® – FRB Philadelphia for processing. Return payment files are also received from Legacy Treasury Direct. BPD transmits tax-reporting data to IRS. BPD also sends taxpayers identification numbers to IRS to locate owners of undeliverable bonds and interest. IRS compares the data against its database, identifies potential matches and mails a letter (provided by BPD) to each match asking the owner of record to contact BPD.

**10. Who is responsible for assuring proper use of the data?**

All BPD employees who have access to the system, the system manager, system owner, and ultimately the BPD Chief Information Officer are responsible for assuring the proper use of data in the system.

The BPD Disclosure Officer is responsible for administering requests for system data submitted to BPD involving the Privacy Act. BPD fully complies with the provisions of the Freedom of Information Act (FOIA), Title 5 U.S.C. Section 552, and the Privacy Act, Title 5 U.S.C. Section 552a. BPD provides an established procedure to solicit requests to review and correct information recorded, and we have a dedicated Disclosure Officer who manages and administers the program.