



EZ Clear Privacy Impact Assessment (PIA)

January 15, 2010

System Information

Name of System, Project or Program: EZ Clear

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

Contact Information

- 1. Who is the person completing this document? (Name, title, organization, phone, email, address).**

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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?

Process redeemed savings bonds and produce supporting files and documentation for the Bureau of the Public Debt.

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.)

The SORN (statement of records notification) for saving securities is BPD.002- United States Savings - Type Securities.

Data in the System

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

Categories include any individual or entity that has redeemed a U.S. Savings Bond.

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

Financial institutions deposit redeemed savings bonds through their Federal Reserve consolidated Check Office or directly to the Federal Reserve Bank of Cleveland, Pittsburgh Branch. Additional sources include items received for reissue and redemption by TRS Bond Servicing in the Minneapolis and Pittsburgh Offices and reissue, redemption and conversion cases from the Bureau of the Public Debt.

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?

The information is taken from the individual's redeemed savings bond.

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

Bureau of the Public Debt.

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?

The savings bond serial number and redemption amount as priced by the financial institution.

3. Accuracy, Timelines, and Reliability

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

- All routing (ABA) numbers used by financial institutions are validated using the accepted method published in the *ABA Key to Routing Numbers*.
- All deposits from valid financial institutions are balanced and adjustments are made back to the financial institution or Federal Reserve Check Office to resolve any out-of-balance conditions.

b. How will data be checked for completeness?

- The check (last) digit of each routing number is validated using the accepted method published in the *ABA Key to Routing Numbers*.
- The data is searched for any anomalies and “proofed” before being transferred to the Bureau of the Public Debt.

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, the EZ Clear Proof Procedures specify how to send an encrypted Redemption file (called an ROI File) for processing by BPD each day.

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

Yes. The EZ Clear Item Master File Layout document.

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.

- 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?**

No new data is derived. The Item Master File and associated files are stored on encrypted hard drives and retained for a rotating 90 day period.

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

No new data is derived.

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

No new data is derived.

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

No new data is derived.

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

- Data security rules are in place to limit access to the data to FRS employees with valid log-on IDs and passwords who are authorized by management to access that data. Semi-annual reviews of the access rights for each employee are conducted. The latest review was completed on March 18, 2009.
- EZ Clear is a FISMA-compliant application that undergoes the full C&A process. A full FISMA review was completed on December 14, 2007. The most recent Continuous Monitoring was completed in December, 2008.

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

Yes. Data security rules are in place to limit access to the data to FRS employees with valid log-on IDs and passwords who are authorized by management to access that data. Semi-annual reviews of the access rights for each employee are conducted.

- 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.**

EZ Clear data is only retrieved using a savings bond serial number and transfer date.

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

EZ Clear does not produce any reports on individuals.

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 main EZ Clear operations are located at the Federal Reserve Bank of Cleveland, Pittsburgh Branch, with a Contingency Site located at the Cleveland Office. All updates to the main systems are transferred to the contingency system each week by the Data Center personnel at both sites.

- 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 and approved by the National Archives and Records Administration (NARA). Paper records ready for disposal are destroyed by shredding. 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?

EZ Clear does not use any technology that would affect privacy.

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

No.

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

EZ Clear does not monitor individuals.

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

EZ Clear does not monitor individuals.

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

The SORN (statement of records notification) for saving securities is BPD.002- United States Savings - Type Securities.

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

The system is not being revised so no update to the SORN is required.

Access to Data

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

Only authorized FRS employees have access to EZ Clear. Those employees are users, managers, developers, security administrators, Data Center Personnel. In addition, authorized temporary agency employees have limited access to data during peak volume periods.

These records may be disclosed to:

- Agents for 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 owing debts to the BPD to other Federal agencies for the purpose of determining whether the debtor is a Federal employee or retiree receiving payments which may be used to collect the debt through administrative or salary offset
- Disclose through computer matching information on holdings of savings-type securities to requesting Federal agencies under approved agreements limiting the information to that which is relevant in making a determination of eligibility for Federal benefits administered by those agencies

- 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 matured, unredeemed 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?

The FRS management team designates employees who can access EZ Clear and their specific access capabilities. Both FRS and Treasury Retail Security (TRS) Department procedures are used to ensure each employee is assigned the EZ Clear access rights commensurate with his/her job responsibilities.

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

Users have limited access based on their job responsibilities. Within EZ Clear, there are four levels of access; User, System User, Privileged User, and Security Admin. At the User and System User levels, further access is controlled by assigning an access menu that only allows access to certain programs. Privileged Users are Data Center and Information Security personnel. An employee's supervisor/manager must authorize all access capabilities before they are submitted to the TRS Department data security contact.

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.)

- All employees are required to (electronically) sign the FRS *Rules of Behavior* document, annually.
- Data security and valuables handling training sessions are conducted annually for all TRS Department employees.
- Semi-annual information security reviews of all EZ Clear access capabilities are completed by TRS Department managers/supervisors.

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 Privacy Act contract clauses inserted in their contracts and other statutory and regulatory measures addressed?

No - Contractors are not involved with the design and development of the system. Contractors are not involved in the maintenance of the software either.

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

- Yes. Various output files are used as input into the Bureau of the Public Debt's SaBRE and Retired Bond Imaging systems in Parkersburg, WV.
- Adjustment settlement information is transferred to the FRS' Integrated Accounting (IAS), Ca\$hLink systems and to the BPD's Public Debt Accounting and Reporting (PARS) system.
- Redemption commission credits for financial institutions are transferred via FRS Automated Clearing House (ACH) system.

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

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

EZ Clear does not share data with any other entities outside of the list provided in Question 6.

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

Data is not used by other agencies.

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

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