

**Small Business Administration  
Privacy Impact Assessment**

**For**

**Electronic 8a Annual Review System**

**August 2007**

**SMALL BUSINESS ADMINISTRATION**  
**ELECTRONIC 8A ANNUAL REVIEW SYSTEM**  
**PRIVACY IMPACT ASSESSMENT**

**Name of Project: Electronic 8a Annual Review System**

**Program Office: Government Contracting & Business Development**

**Project's Unique ID: 02800010301300400301093**

**A. CONTACT INFORMATION:**

**1. Who is the person completing this document?**

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Project Manager  
Office of Business Development  
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(202) 205-6032

**2. Who is the system owner?**

Calvin Jenkins  
Deputy Associate Deputy Administrator, GC/BD

**3. Who is the system manager for this system or application?**

Stan Fujii  
Associate Administrator (Acting), Office of Program Review

**4. Who is the IT Security Manager who reviewed this document?**

Dave McCauley  
Chief Information Security Officer

**5. Who is the Bureau/Office Privacy Act Officer who reviewed this document?**

Ethel Matthews

**6. Who is the Reviewing Official?**

Christine Liu,  
Chief Information Officer

**B. SYSTEM APPLICATION/GENERAL INFORMATION:**

**1. Does this system contain any information about individuals?**

**Yes**

**(a) Is this information identifiable to the individual? Yes**

(If there is **NO** information collected, maintained, or used that is identifiable to the individual in the system, the remainder of the Privacy Impact Assessment does not have to be completed past this section. **Note:** Clearance sheet must be signed and copies to IT Security and Chief FOI/PA must be provided).

**(b) Is the information about individual members of the public?**

**Yes**

The following information is collected from the public: name, address, social security number, spouse name, address and social security number, and proof of US Citizenship. Personal and corporate financial information, e.g., bank account numbers and balances, assets, liabilities, lien holders, etc.

**(c) Is the information about employees? No**

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

The 8a SDB Certification process and related federal statute(s) were established by Congress to assist American citizens who own small businesses and belong to certain designated groups considered socially and economically disadvantaged. This assistance is intended to help these individuals overcome deeply entrenched social and economic obstacles to their success by providing limited preference in the federal procurement process. The 8a SDB Certification process is the vehicle that allows individual small business owners to claim and obtain eligibility for this preference. The eligibility lasts nine years, during which time an Annual Review process is carried out by the SBA to ensure that the applicant continues to meet the statutory and regulatory criteria for continued participation in the program. This Annual Review process is intended for future release in the system considered for review in this document. It involves the same individuals, data and related security issues.

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

§§7(j), 8(a) and 8(d) of the Small Business Act of 1953 (Public Law 85536) as amended.

### **C. DATA in the SYSTEM:**

#### **1. Generally describe the type of information to be used in the system and what categories of individuals are covered in the system?**

The Electronic 8a Annual Review is an initiative undertaken pursuant to the President's Management Agenda for E Government, under the auspices of the Integrated Acquisition Environment (IAE). The Electronic 8a Annual Review supports the 8(a) Business Development Program and the Small Disadvantage Business certification program. It replaces three systems and consolidates their functionality on a single platform (Contractor Tracking System [CTS], SDBTS, and SACS/MEDCOR). This system automates key business processes that are currently manual and hard-copy based. The system provides online form creation and processing, content management, as well as automated alert and email capabilities. Small Business owners benefit from the Electronic 8a Annual Review system via reduced processing time and faster approval rates. The SBA benefits from labor productivity improvements which allow resources to be redeployed to areas requiring additional attention.

#### **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?**

The initial information is loaded by the applicant into to the Central Contractor Registry (CCR) and uploaded within 72 hours to the 8a certification system. The applicant is then provided a Transaction Personal Identification Number (TPIN) which is utilized to enter the 8aSDB MIS. All subsequent information required for certification required by the 8a certification system is provided by the applicants with one exception. The applicants are required to sign and submit standard forms that request copies of the three years prior federal tax returns from the IRS. These copies are forwarded directly from the IRS to the Office of Business Development of the SBA.

##### **(b) What Federal agencies are providing data for use in the system?**

The initial data load by the applicant is to the Central Contractor Registry (CCR). This system is managed by GSA and a component of the Integrated Acquisition Environment that is controlled by the U.S. Department of Defense. The Internal Revenue Service provides applicant tax return information.

**(c) What State and local agencies are providing data for use in the system?**

None

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

Data is collected from the Central Contractor Registration (CCR). This system is managed by the U.S. Department of Defense under the IAE. Data also collected from private credit checking agencies, such as Experian.

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

Name, Birth Date, Address, Tax ID Number, SSN, EIN, Email Address, Primary North American Industry Classification Code (NAIC), Date the firm was established, Type of Business, 2 Years Tax information (Business & Personal), Ethnicity, Gender, Duns Number, Business Legal Structure, Ownership Percentage, Net Worth, Owners Net Compensation, Business Revenues, Business Liabilities, and Business Assets. Proof of US Citizenship is also required from the applicant.

**3. Accuracy, Timeliness, and Reliability**

**(a) How will data collected from sources other than SBA records be verified for accuracy?**

Data received from CCR is subject to internal logic edits and error checks. The certification and annual re-certification processes also require the applicant to provide a signed, sworn statement of data accuracy, under penalty of law if the information proves fraudulent.

**(b) How will data be checked for completeness?**

The data uploaded from CCR contains logical edits and error checks that ensure completeness of data. The SBA system also contains logical edits and error checks that prevent incomplete submission of data in the application or annual review processes. The data also is reviewed by a trained and qualified SBA/BD Business Opportunity Specialist for completeness and accuracy. A checklist is used to ensure completeness. If any data appears missing, the applicant is asked to supply the missing information.

**(c) Is the data current?**

Data from CCR is received on a daily basis.

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

The CCR system provides ongoing maintenance and logical edits to ensure that data is complete and correct.

On first applying for certification, the applicant must provide data for the last three calendar years. For the annual review process, the applicant must update the information on file to keep it current.

**(e) Are the data elements described in detail and documented?**

Data elements are a subset of what is described in detail and documented in the "8aSDB MIS Data Dictionary".

**D. ATTRIBUTES OF THE DATA:**

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

Yes, the 8(a) Program Participation is based on eligibility and is included in the Small Business Act (Public Law 85536).

**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?**

The system does not derive new data or create previously unavailable data about an individual through aggregation from the information collected.

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

Not Applicable. (See 2a above).

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

Not applicable.

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

Each year, program participants are required to submit current documentation for continuing eligibility in the 8(a) Program.

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

SBA maintains and operates internal security controls and authentication. These security controls ensure that data is fully secured against unauthorized access. They also prevent the loss of confidentiality and integrity, as well as unauthorized modification or destruction of data.

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

SBA maintains Internal Management Controls through periodic auditing from the Office of the Inspector General and the Office of Program Review. Certification and Accreditation of the system is provided by the Chief Information Office and includes a System Security Plan, Risk Assessment, and Security Test & Evaluation every three years for existing systems and each instance the system is upgraded or enhancement.

**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.**

SBA employees are given access and roles for access such as administrative, approval, legal, and field staff user. Data is also retrieved by applicant Userid, applicant small business name, DUNS number, and case number.

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

The following reports may be produced on individuals:

Congressional District

Location

NAIC Code

Contract Awards

Ethnicity

Gender

Revenues

Net Worth

This information is provided to Congress in the annual Report to Congress on Minority Capital Ownership Development as required by the Small Business Act Of 1988 [15 U.S.C. 636(j) 16(A) &(B)]. This information may also be requested under the Freedom of Information Act. However, distinct identifiers such as Name, EIN, SSN etc, are redacted to alleviate disclosure of private information.

The system can also produce reports on the numbers of applicants in each stage of the approval process, as well as their overall eligibility for certification by the 8a SDB program. The reports are used to track the rate of applicant throughput through the system, as well as the rate of declines versus approvals.

**10. What opportunities do individuals have to decline to provide information (i.e., where providing information is voluntary) or to consent to particular uses of the information (other than required or authorized uses and how individuals can grant consent.)**

On an annual basis, Individuals may decline to provide information or their consent for particular uses of the information, but both are conditions for initial acceptance and continuing eligibility in the SBA 8a and SDB Business Development Program. All information is provided on a voluntary basis by individuals. The information is not used for any other purpose than to evaluate the applicant for eligibility for 8a SDB certification, so no consent for any other use is solicited.

**E. 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?**

Information is hosted and processed on the premises of the SBA.

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

Retention of the information provided is indefinite. Upon completion of the nine year program participation term all data relating to the participant is archived in the system for an indefinite period.

**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?**

No data is deleted, so there is no retention period.

**4. Is the system using technologies in ways that the SBA has not previously employed (e.g., monitoring software, Smart Cards, CallerID)?**

No.

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

NA

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

Yes, as data is collected and updated over a period of several years, for purposes of original certification, then annual review.

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

Monitoring requires the applicant to provide annual financial and tax data for a period of nine years to ensure continuing eligibility in the program.

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

Information is both role and userid protected. Only authorized SBA employees have access to the roles in the system that allows monitoring. These roles are granted by the System Administrator and the Sys Admin PO for GLS.

**9. Under which Privacy Act systems of records notice does the system operate? Provide number and name.**

The Electronic 8a Annual Review System operates under Privacy Act 30 for the Serving and Contracting System/Minority Enterprise Development Central Repository.

**10. If the system is being modified, will the Privacy Act system of records notice require amendment or revision?**

No, the Privacy Act system of records notice will not require amendment or revision.

**F. ACCESS TO DATA:**

**1. Who will have access to the data in the system?)**

Users include the following: Officials of SBA, Office of Government Contracting and Business Development, responsible for reviewing and approving small businesses for participation in the SBA Business Development Program.

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

Access is limited by User ID's, password controls, and the assignment of a

responsibility profile to all User ID's. The system has predetermined access roles and responsibilities for each user. Access is granted to screens, functions and reports based on an individual's role and responsibility in the application processing and approval workflow. Access is provided by the SBA Office of IT security upon receipt of a written authorization and approval of an SBA manager with specified authorization approval levels. Access is regulated formally via the GLS system.

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

General Public users have no access to this system. Only authorized GCBD personnel have access, limited by role, userid and need to know.

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

The controls operate at three levels. First, access to the system is limited by userid and password, which keeps the mass of unauthorized individuals from entering the system. Second, an individual with authority to access the system has his/her access limited to the roles defined in a profile tied to his/her specific userid. Third, each authorized GCBD user is required to sign the SBA Rules of Behavior and Confidentiality Agreement. Training on Privacy Act rules and prohibitions on the dissemination or use of nonpublic information is mandatory and ongoing for SBA staff and contractors. Agency network logon procedures mandate viewing and acknowledgement of a posted Privacy notice prior to entry. SBA Privacy Act System of Records defines routine uses of this information and serves as a control by defining acceptable uses.

**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, are Privacy Act contract clauses inserted in their contracts and other regulatory measures addressed?**

Yes, contractors are involved in the design, development, and maintenance of the system. Certain contractors are bound by the SBA Rules of Behavior and Confidentiality Agreement.

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

No other systems have access to the data in the system.

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

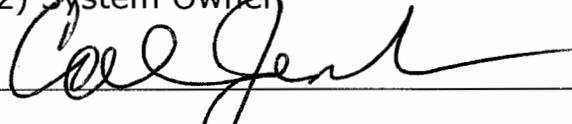
The SBA IT Security Manager is responsible.

The following officials have approved this document:

1) System Manager

 (Signature) 8/24/07 Date  
Name: Joseph Loddo,  
Title: AA (Acting), Business Development

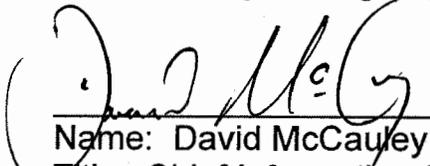
2) System Owner

 (Signature) 8/22/07 Date  
Name: Calvin Jenkins  
Title: Deputy Associated, GC/BD

3) Privacy Official

 (Signature) 8/23/07 Date  
Name: Christine H. Liu  
Title: Chief Privacy Officer

4) IT Security Manager

 (Signature) 8/22/07 Date  
Name: David McCauley  
Title: Chief Information Security Officer