

JUNE 30, 2014

Privacy Impact Assessment

CONSUMER EXPERIENCE RESEARCH

Contact Point:
Claire Stapleton
Chief Privacy Officer
1700 G Street, NW
Washington, DC 20552
202-435-7220
claire.stapleton@cfpb.gov



Consumer Financial
Protection Bureau

DOCUMENT PURPOSE

The Privacy Impact Assessment or “PIA” provides the public with information about the Consumer Financial Protection Bureau’s (“CFPB” or “Bureau”) collection and use of personally identifiable information (“PII”). PII is any information “that can be used to distinguish or trace an individual’s identity”¹ like a name, address, Social Security number, or place and date of birth. The CFPB uses PIAs to document how the PII it collects is used, secured, and destroyed in a way that protects each individual’s privacy. Each PIA is broken out into sections that reflect the CFPB’s Privacy Principles. The CFPB’s Privacy Principles are a set of nine rules the CFPB follows when it collects or uses PII.

OVERVIEW

PROJECT / SYSTEM NAME: Consumer Experience Research

PROJECT/SYSTEM INCLUDES INFORMATION ABOUT:

- Federal Employees
- Contractors
- Consultants
- The Public

PROJECT/SYSTEM INCLUDES:

- Name and other biographic information (e.g. date of birth)
- Contact Information (address, zip code, telephone number, email address)
- Social Security number (“SSN”) or other identifier
- Financial Information
- User and Online Information
- Third Party Information
- Other Information (including biometric information and health or medical information)

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”), Public Law No. 111-203, Title X, established the CFPB. The CFPB administers, enforces, and implements federal consumer financial protection laws, and, among other powers, has authority to protect consumers from unfair,

¹ Office of Management and Budget (“OMB”) Memorandum 07-16, *Safeguarding Against and Responding to the Breach of Personally Identifiable Information*, May 22, 2007, (OMB M-07-16) defines PII as “information which can be used to distinguish or trace an individual’s identity, such as his or her name, social security number, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother’s maiden name, etc.”

deceptive, and abusive practices when obtaining consumer financial products or services.

The Act also authorizes the CFPB to conduct research to understand consumer financial markets; to monitor for risks to consumers in the offering or provision of consumer financial products and services; and to follow developments in markets for such products or services.² The Act also directs the Bureau to conduct research related to financial education and counseling, and develop initiatives intended to educate and empower consumers to make better-informed financial decisions.³ Some provisions of the Act call for specific types of research involving consumers; for example, the Bureau must test any model form before issuing it in a rulemaking pursuant to § 1032 of the Act.⁴

In some of its research initiatives, the Bureau uses primary data collection in controlled settings with minimal impact to the consumer outside those settings (“Consumer Experience Research”). Consumer Experience Research provides the CFPB with information on consumers’ perceptions, use, and valuations of consumer financial products, services, and regulations; and on CFPB services and communications. It also helps the CFPB evaluate consumers’ financial literacy, the success of outreach methods, and consumers’ financial challenges and educational needs. Consumer Experience Research is often conducted in the context of consumer financial product markets, including mortgages, car loans, student loans, installment loans, small dollar loans and credit, debit, and prepaid cards. In addition, such research furthers understanding of consumers’ knowledge, perceptions, goals, challenges and experiences in their financial lives, and financial planning and money management behaviors, including savings and spending behavior.

Consumer Experience Research techniques include:

- Cognitive Testing—Cognitive testing enables the CFPB to gauge the effectiveness of research questions and whether individuals understand each question, prior to beginning the core of a research study.
- Focus Groups/Interviews—Focus groups and interviews enable the CFPB to collect information on consumers’ experiences, including consumer awareness, understanding, and behaviors with respect to consumer financial products, and financial decision-making and well-being broadly. Focus groups and interviews also help the CFPB better understand how consumers make decisions about using different financial products or other financial choices.

² 12 U.S.C. 5512(c).

³ 12 U.S.C. 5493(d).

⁴ 12 U.S.C. 5532(b)(3).

- **Ethnographic Interviews**—Ethnographic interviews are a type of qualitative research that combines immersive observation and directed one-on-one interviews. Such interviews treat the respondent as the expert, from whom the researcher learns an insider’s perspective. This approach is particularly well suited to discovering, in their own language, what issues and concepts are meaningful to consumers.

- **Surveys**—Surveys can provide information on consumers’ or firms’ expectations, perceptions, or experiences; yield estimates that are representative for a well-defined population of interest; test the reliability and validity of new survey items; and provide comprehensive data on a range of topics. Different kinds of surveys can include:
 - **CFPB Surveys**—Data may be collected by the CFPB or its contractors through new surveys of consumers or entities focused on a specific market, financial product, population, or specific subgroup of consumers or entities;

 - **Co-Sponsored Surveys**—Data may be collected as part of existing, ongoing surveys of households, individuals, or entities to enable the CFPB to rapidly obtain data from consumers that are representative of a specified population and reduce the burden on the public;

 - **Surveys derived from Administrative Data**— “Administrative Data” is data that the CFPB collects from third parties, such as those that offer or provide consumer financial products or services, from commercial sources, and from public databases. The CFPB may use Administrative Data to identify potential recipients of surveys and then use those surveys to solicit information on consumer experiences with consumer financial products and services. Surveys derived from Administrative Data enable the CFPB to solicit additional information in order to evaluate conditions in consumer credit markets and to study consumer credit behavior, evaluate the effects of consumer regulations, or other issues in support of the Bureau’s research, monitoring, and supervisory missions. These surveys are conducted in a way such that the CFPB does not have access to direct identifying PII.

- **Laboratory Trials**—Laboratory trials are controlled studies where participants are asked questions in a uniform way, usually on a computer. In these standardized environments, researchers can ask questions in different ways and systematically vary other features of the environment. If participants respond differently to these different treatments, then the researcher can attribute that difference to the way the question was asked, or how the environment was altered.

- **User Testing**—User testing enables the CFPB to evaluate the effectiveness and understandability of model forms, disclosures, financial products or services, tools, educational programs, and other similar related materials.

Results of User Testing are then used to revise the materials between subsequent rounds of study.

Topic areas of Consumer Experience Research include:

- Consumer awareness and decision-making, for example, to understand what products or features people are aware of and why they choose one product over another;
- Consumer financial literacy, perception of different information sources and effectiveness of educational programs, materials and/or tools;
- Consumer behaviors relative to information disclosures and other market conditions;
- Saving, spending and other money management and financial behavior by consumers;
- The effect of product complexity or features on consumers' behaviors and decisions when selecting financial products;
- The effect of product complexity or features on consumers' behaviors and decisions when selecting financial products; and
- The effect of new financial products or developments in consumer markets on consumers.

Consumer Experience Research may be conducted using a variety of interactions, such as hard-copy or online forms; telephone or in-person interviews; and online discussion forums, social media or meeting facilitators. The type of interaction used for a given Consumer Experience Research project is determined by weighing several factors, including cost, response rates, quality of responses, and data format.

Products of Consumer Experience Research may include qualitative thematic analyses and reports; descriptive tabulations; or quantitative results from econometric modeling or other statistical analyses. These data and analyses inform:

- Internal reports to support policy development, including rulemaking and any related considerations of the benefits, costs, and impact of particular rules; the development of model disclosures; and internal program or content development; and
- External projects, such as white papers and CFPB studies.

The CFPB may make anonymous versions of the data generated in the course of Consumer Experience Research available if it can protect the privacy of the individuals or entities.

Consumer Experience Research is performed as authorized by law and as relevant to the CFPB's mission. Consumer Experience Research must be conducted in accordance with applicable federal laws, including provisions of the Act, the Paperwork Reduction Act, the Right to Financial Privacy Act, and the Privacy Act of 1974, as well as the CFPB's [information quality guidelines](#).

All Consumer Experience Research participation is voluntary. The Bureau uses standard social science research practices, including use of research review boards, informed consent, and security protections.

When conducting Consumer Experience Research, the CFPB may contract or partner with a third party. When it does so, the CFPB uses contracts or data sharing agreements to ensure that the third party meets applicable privacy and security requirements. Individuals are recruited to participate in Consumer Experience Research through approved recruitment and screener protocols—developed in accordance with widely accepted social science research practices—that outline the purpose of, and the demographics relevant to, the Consumer Experience Research. Individuals may be recruited through a variety of means, such as social media, fliers, cold calling, or consumer financial products or service providers. Individuals who respond expressing a desire to participate and can demonstrate that they meet the selection criteria may be selected for the Consumer Experience Research (“Respondents”). During Consumer Experience Research, the CFPB often collects information regarding a) an individual's experience with a consumer financial product, service, or its providers; b) their general financial literacy, skills, or knowledge; or c) their financial decision-making through observation, note taking, or actual responses (“Response Data”).

Most Consumer Experience Research requires a single interaction between the CFPB and Respondents, but some Consumer Experience Research could require multiple interactions, such as in a longitudinal study. In cases where multiple interactions are necessary, individuals are provided notice that participation in the study requires multiple interactions or the collection of information about Respondents over an established period of time. Likewise, Respondents are informed of their opportunities to consent to future interactions or ongoing information collection. The CFPB may follow-up with a Respondent for the purposes of concluding a single Consumer Experience Research project.

Consumer Experience Research implicates privacy because it presents risks related to confidentiality, related to misuse of information, and related to opportunities for notice and informed consent.

A risk related to confidentiality might exist during the recruitment, selection, and administration phases of Consumer Experience Research. Recruitment materials often disclose the purpose of the research that, if not phrased

appropriately, might associate potentially sensitive information, such as a foreclosure or debt collections with a specific individual. Data demonstrating that an individual meets the selection criteria, e.g. age, race/ethnicity, income or education level, gender, etc., might also disclose potentially sensitive information about an individual. Lastly, contact information for Respondents, such as name, email, home address, and phone number, which is collected for such purposes as scheduling participation in the Consumer Experience Research, conducting follow-up or providing compensation for participation, might be used or disclosed in an unauthorized manner. Such breaches in the confidentiality could make the individual more vulnerable to economic harm or embarrassment. To reduce the risk of breaches of confidentiality, the CFPB designs recruitment materials so as not to disclose sensitive information about those it seeks to recruit, and uses appropriate security controls to protect information used in Consumer Experience Research.

There is also risk related to misuse of information collected for Consumer Experience Research. Misuse might involve secondary types of research that are incompatible with the purposes of the initial collection, or a use of the information that individuals do not understand or to which they have not provided consent. To reduce the risk of misuse, the CFPB minimizes access to PII based on need-to-know. Typically, direct identifying PII is kept separate from Response Data, and only Response Data are used to conduct analyses. When the CFPB does use direct identifying PII in analyses, it does so in order to a) match across datasets; b) update data sets; and c) contact potential recipients of surveys and then use those surveys to solicit information on consumer experiences with consumer financial products and services. Other PII that does not directly identify an individual may be used to a) proxy based on population characteristics; and b) weight datasets in order to make generalizations regarding a given population.

Finally, while all Consumer Experience Research participation is voluntary, there is a risk that individuals may not understand how their information may be used. This risk is mitigated by appropriate notice and consent opportunities. For example, in informal online polls, individuals would be notified of the purpose of the Consumer Experience Research project and how the information may be shared through the online introduction, and, by their ability to not participate, infer that participation is voluntary. Alternatively in formal phone, online or mail surveys, the CFPB or a third party would inform individuals that participation in Consumer Experience Research is voluntary and explain how their information will be used through appropriate vehicles, such as Privacy Notices, Privacy Act Statements or Informed Consent forms.

There is no single system supporting Consumer Experience Research. Information used for Consumer Experience Research purposes are maintained within the CFPB's authorized computing environments, including but not limited to the General Support System ("GSS") with a number of Linux and Microsoft OS environments that host flat files or SQL databases. Information not contained within this GSS are contained in authorized contractor environments, where all system details are documented and reported to CFPB on a recurring basis.

SECTION 1.0

PURPOSE OF COLLECTION

The CFPB will state the purpose and legal authority for collecting PII.

1.1 Why is the information being collected?

Direct identifying PII is used in Consumer Experience Research, where applicable, to schedule participation in the Consumer Experience Research, conduct follow-up, provide compensation for participation, or match across data sets, as appropriate. Other PII that does not directly identify an individual, such as race/ethnicity, age, income level, and other demographics may be used in combination with Response Data to conduct Consumer Experience Research.

1.2 What legal authority and/or agreements allow the information to be collected?

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Act), Public Law No. 111-203, Title X provides authority for Consumer Experience Research. Specifically, Pub. L. No. 111-203, Title X, Section 1013 and 1022, codified at 12 U.S.C. §§ 5493 and 5512.

1.3 Is the information searchable by a personal identifier – like a name or Social Security number? If so, what Privacy Act System of Records Notice(s) apply/applies to the information being collected?

Generally, Consumer Experience Research does not rely on direct identifying PII for analysis. When direct identifying PII is collected and that information is retrieved by personal identifiers, the information is covered by CFPB.021 – Consumer Education and Engagement Records; or CFPB.022 – Market and Consumer Research Records, as appropriate.

1.4 Is there a records retention schedule that has been approved by the National Archives and Records Administration (NARA) for the information system(s)? Explain how long and for what reason the information is retained.

The CFPB maintains computer and paper records indefinitely until NARA approves the CFPB's records disposition schedule. The CFPB will continue to retain these records until a CFPB records schedule is approved by the National Archives and Records Administration. Records that fall under a general records schedule will be disposed of according to the applicable schedule.

1.5 Are there any forms or surveys that are associated with the collection of the information that would be covered by the Paperwork Reduction Act (PRA)?

In conducting Consumer Experience Research, the CFPB may seek OMB approval under the PRA through one of the Bureau's generic information collection plans or standard clearances, including: OMB Control Number 3170-0003, "Research in Development of Disclosure Forms;" OMB Control Number 3170-0022, "Generic Clearance for Development and/or Testing of Model Forms, Disclosures, Tools, and Other Similar Related Materials;" OMB Control Number 3170-0024, "Generic Clearance for the Collection of Qualitative Feedback on the Service Delivery of the Consumer Financial Protection Bureau;" OMB Control Number 3170-0029, "Credit Card Agreement Testing Survey;" OMB Control Number 3170-0033, "Quantitative Testing of Integrated Mortgage Loan Disclosure Forms;" OMB Control Number 3170-0034, "Consumer Attitudes, Understanding, and Behaviors with Respect to Financial Services and Products;" OMB Control Number 3170-0036, "Generic Clearance for Qualitative Consumer Education, Engagement, and Experience Information Collections;" OMB Control Number 3170-0038 "Generic Information Collection Plan for the Evaluation of Financial Empowerment Training Programs;" and OMB Control Number 3170-0043, "Development of Metrics to Measure Financial Well-being of Working-age and Older American Consumers." The CFPB has also published for public comment, "CFPB Generic Information Collection Plan for Studies of Consumers using Controlled Trails in Field and Economic Laboratory Settings;"⁵ "Telephone Survey Exploring Consumer Awareness of and Perceptions Regarding Dispute Resolution Provisions in Credit card Agreements;"⁶ and "Debt Collection Survey from the Consumer Credit Panel,"⁷ which, pending approval by OMB will be covered by this PIA. This PIA will be updated as additional PRA packages are cleared and made available at [Reginfo.gov](http://www.reginfo.gov).

⁵ The "CFPB Generic Information Collection Plan for Studies of Consumers using Controlled Trails in Field and Economic Laboratory Settings" public notice for comment is available at <http://www.gpo.gov/fdsys/pkg/FR-2014-04-14/pdf/2014-08266.pdf>.

⁶ The "Telephone Survey Exploring Consumer Awareness of and Perceptions Regarding Dispute Resolution Provisions in Credit card Agreements" public notice for comment is available at <http://www.gpo.gov/fdsys/pkg/FR-2014-05-29/pdf/2014-12412.pdf>.

⁷ The "Debt Collection Survey from the Consumer Credit Panel" public notice for comment is available at <http://www.gpo.gov/fdsys/pkg/FR-2014-03-07/pdf/2014-05010.pdf>.

1.6 Are there any privacy risks for this system that relate to the purpose of the collection? If so, how will the CFPB mitigate these risks?

Consumer Experience Research presents privacy risk related to inappropriate collection of PII. The CFPB mitigates this risk by conducting reviews of existing literature and limiting Consumer Experience Research to topics where sufficient research or analysis does not already exist, or where there is opportunity to validate conclusions or develop new insights. Limiting the amount of data collected for Consumer Experience Research to what is necessary effectively reduces the risk that such research might result in inappropriate collection of PII. Further, the CFPB evaluates the authority and purpose that justify the conduct of Consumer Experience Research and approves projects only when such projects are consistent with applicable law and CFPB policies. When the CFPB partners with a third party, the CFPB outlines the appropriate uses and access controls for PII in data sharing agreements or contracts. For example, contracts typically include language that the third party will not furnish direct identifying PII to the CFPB. To the extent that the CFPB receives more PII than necessary in the course of Consumer Experience Research, it minimizes retention to reduce the possibility that it may be misused subsequent to collection. Further, the CFPB will only retain the information for as long as it is necessary to support authorized purposes in accordance with approved records retention schedules.

SECTION 2.0 OPENNESS AND TRANSPARENCY

The CFPB will be open and transparent. We should tell individuals about the PII we collect and how we will protect it, use it, and share it. We will provide an easy way for individuals to learn about what is happening to their PII.

2.1 Will individuals be given notice prior to the collection of personal information about them? If not, please explain.

The CFPB provides a Privacy Act Statement, as required by the Privacy Act of 1974, when information is collected from Respondents either by the CFPB or by contractors acting on behalf of the CFPB, and the information will be retrieved by personal identifier. The Privacy Act Statement is generally provided during recruitment, when individuals provide information demonstrating that they meet the selection criteria, (e.g., race/ethnicity, age, income, gender, etc.) and contact information (e.g., name, email, phone number, address) in order to facilitate scheduling and administration of Consumer Experience Research. In the case of mail or web surveys that are not conducted in person, the Privacy Act Statement is generally provided with the survey instrument.

The Privacy Act Statement cites the applicable SORN; the authority under which the information is collected; whether disclosure of such information is

mandatory or voluntary; the principal purpose or purposes for which the information is intended to be used; any routine uses which may be made of the information; and any effect of not providing all or any part of the requested information.

When the Privacy Act does not apply, the CFPB provides Respondents with a Privacy Notice– for example, when the CFPB contracts with a third party to conduct Consumer Experience Research and that third party already maintains information on Respondents as part of an existing pool of volunteers. The Privacy Notice generally includes the same information as the Privacy Act Statement. However, the Privacy Notice does not cite a SORN as no SORN would be applicable, and the Privacy Notice refers to the applicability of a third party privacy policy when appropriate.

The Bureau, or a third party acting on behalf of the Bureau, may provide Privacy Act Statements or Privacy Notices in different ways. For example, notice may be provided on the screening form that is used to determine whether individuals meet the selection criteria, the informed consent form, the information collection form, or upon request. The notice is written in a language accessible to the Respondents and may be provided orally, telephonically, in hard copy, or online. In some cases, Respondents may be provided an opportunity to request a hard copy of the notice in addition to having it provided orally, telephonically, or online.

When a Privacy Act Statement is not required and when the provision of a complete Privacy Notice could undermine the validity of the Consumer Experience Research, a modified Privacy Notice may be provided. For example, in limited circumstances, when CFPB sponsorship would compromise the validity of Consumer Experience Research and the Consumer Experience Research does not legally require a Privacy Act Statement or a Paperwork Reduction Act Statement, Respondents are informed of the CFPB's role after the Consumer Experience Research has concluded, in accordance with best practices from social science research.

2.2 Will individuals be given notice prior to their information being shared? If not, please explain.

The CFPB generally provides individuals with notice prior to their information being shared. In accordance with the Privacy Act, a Privacy Act Statement describes whether information may or may not be shared in accordance with the Routine Uses listed in the relevant SORN; and when the Privacy Act does not apply, a Privacy Notice is provided, which explains whether the information will be shared and, where applicable, how and with whom. (Privacy Act Statements and Privacy Notices are discussed in more detail in Section 2.1). Furthermore, in accordance with 5 CFR 1320.8(b)(3)(v), where applicable, CFPB information collections inform potential Respondents about the nature and extent of confidentiality to be provided, (citing authority), including the CFPB's rules on the disclosure of confidential information, including 12 CFR 1070.41(c), when they apply.

Generally, the CFPB also explains to individuals whether the results of Consumer Experience Research will be made publicly available and, if so, whether the public version of information that will be shared includes direct identifying PII or aggregated, anonymous information. To the extent that the CFPB seeks to publish information that directly identifies individuals, it does so after obtaining the individual's consent.

2.3 Are there any privacy risks for this system that relate to openness and transparency? If so, how will the CFPB mitigate these risks?

There is a risk that individuals recruited for Consumer Experience Research may not understand that the CFPB is conducting the Consumer Experience Research, especially when third parties are involved. To mitigate this risk, the CFPB identifies itself as sponsoring or co-sponsoring, as appropriate, Consumer Experience Research in the research materials, including but not limited to recruitment flyers, informed consent forms, and information collection instruments. In limited circumstances, when CFPB sponsorship would compromise the validity of Consumer Experience Research and the Consumer Experience Research does not legally require a Privacy Act Statement or a Paperwork Reduction Act Statement, Respondents are informed of the CFPB's role after the Consumer Experience Research has concluded. Furthermore, the CFPB has published this PIA and, when the Paperwork Reduction Act requires, obtains approval of the Office of Management and Budget for information collections involved in Consumer Experience Research.

SECTION 3.0 DATA MINIMIZATION

The CFPB will limit the collection of PII to what is needed to accomplish the stated purpose for its collection. The CFPB should keep PII only as long as needed to fulfill that purpose.

3.1 Whose information is included in the system?

The Respondents for Consumer Experience Research vary depending on the research question addressed and method of data collection employed.

Populations of particular interest include:

- Current and former military members;
- Students;
- Working-age consumers;
- Older consumers;
- Lower-income and vulnerable consumers;
- Practitioners and other service providers who provide financial education and capability programs and services;
- Practitioners who provide services to older Americans; and
- Other service providers, such as social workers, teachers, etc., who interact with consumers on topics related to financial education.

3.2 What PII will the system include?

Consumer Experience Research typically uses the following direct identifying PII to facilitate and administer Consumer Experience Research:

- Names
- Phone number
- Email address
- Mailing address
- Social Security number

Consumer Experience Research typically analyzes Response Data without direct identifying PII. Response Data generally contain consumers' understanding, perceptions and valuations of consumer financial products, services, and regulations, or general financial behavior and/or experiences. Response Data may also contain demographic information, such as race/ethnicity, gender, age, education level, income; and other sensitive information, such as a consumer's experience with foreclosure or debt collections; existing health condition that impacts access to types of products/services; or status of enrollment in public benefits.

Consumer Experience Research may also be associated with Administrative Data, such as:

- Type of product/service, including financial education products and services
- Type and amount of debt
- Other products or services a consumer uses or that a firm offers
- Participation rates
- Participation terms
- Experience with product/service
- Fees
- Type of remediation
- Geographic location
- Unique record locators
- Balances
- Type of financial institution
- Market share of financial institution
- Credit score
- Demographic information, such as race/ethnicity, gender, age, education level, income

3.3 Why is the collection and use of the PII necessary to the project or system?

Consumer Experience Research does not typically rely on direct identifying PII for analysis. Direct identifying PII is typically collected in order to schedule participation in the Consumer Experience Research, conduct follow-up research, or provide compensation for participation in the Consumer Experience Research, as appropriate. Direct identifying PII is generally kept

separate from Response Data. The Response Data is used to generate insight into consumers' awareness, experiences, and decision-making. When Consumer Experience Research uses other sources of data, such as Administrative Data, that may contain direct identifying PII, those direct identifying PII are generally stripped. Other PII in Administrative Data may be used to weight datasets in order to make generalizations regarding a given population; to conduct modeling; or to identify statistically significant differences among population groups. The CFPB conducts Consumer Experience Research involving questions of race/ethnicity only when necessary and in accordance with the OMB standards for Classification of Federal Data on Race and Ethnicity, 62 Fed. Reg. 58,782 (Oct. 30, 1997).

3.4 Will the system aggregate previously unavailable data about the individual or create new data about the individual? If so, how will this data be maintained and used?

In some cases, Consumer Experience Research may involve the matching of records, such as credit score to Response Data, creating new assemblies of information about the Respondent. After the matching is complete, a de-identified copy of the matched dataset is used for conducting research and analysis. CFPB may also match Administrative Data to contact information in order to identify potential recipients of surveys and then use those surveys to solicit information on consumer experiences with consumer financial products and services.

3.5 What controls exist to protect the consolidated data and prevent unauthorized access?

The CFPB protects information relevant to Consumer Experience Research as described in Section 6, Security, below.

3.6 Will the system monitor the public?

To the extent that the CFPB follows an individual's behavior in the course of conducting Consumer Experience Research, the CFPB obtains the individual's consent. At times, the CFPB may use Administrative Data to analyze nonresponse bias or evaluate control groups.

3.7 Will the system monitor employees or contractors?

The technology that maintains the information for Consumer Experience Research monitors CFPB personnel access and use of the information.

3.8 What kinds of reports can be produced on individuals? Will the data included in the reports produced be made anonymous?

Consumer Experience Research does not produce reports on individuals. Products of Consumer Experience Research may include internal reports to support policy development, including rulemaking and any related considerations of the benefits, costs, and impact of particular rules; or the effectiveness of model forms being developed; and external projects, such as white papers and CFPB studies. Generally, these products do not contain direct identifying PII. In some cases where the CFPB seeks to share direct identifying PII in an external product, e.g. case study or quote, the CFPB will obtain consent of the appropriate Respondents prior to disclosure.

3.9 Are there any privacy risks for this system that relate to data minimization? If so, how will the CFPB mitigate these risks?

Consumer Experience Research is voluntary, and Respondents may choose what information they wish to provide.

The CFPB works to minimize the risk of collecting unnecessary PII by only collecting necessary information. The CFPB reduces the privacy risk of over-collection by conducting reviews of existing literature and limiting Consumer Experience Research to topics where sufficient research or analysis does not already exist prior to data collection, or where there is opportunity to validate conclusions or develop new insights. For example, when OMB's approval is required for an information collection pursuant to the PRA, the CFPB is usually required to demonstrate that the collection does not duplicate information otherwise available to the CFPB. Furthermore, the CFPB uses sampling methods, as appropriate, when it is not necessary to conduct a universal collection. The CFPB also evaluates and reduces the privacy sensitivity of the information under consideration for collection, using best practices from the OMB and the National Institute of Standards and Technology (NIST).

SECTION 4.0 LIMITS ON USES AND SHARING OF INFORMATION

The CFPB will publish a notice about how we plan to use and share the PII that we collect from you. We will only share your PII in ways that are compatible with the notice or as stated in the Privacy Act.

4.1 Is the information in the project limited to only the information that is needed to carry out the purpose of the collection?

The CFPB conducts Consumer Experience Research to carry out its statutory mandates. When direct identifying PII is necessary to facilitate Consumer Experience Research rather than necessary to the analysis, the direct identifying PII is stored and secured separately.

4.2 Will the CFPB share any of the information with other individuals, Federal and/or state agencies, or private sector organizations? If so, how will the CFPB share the information?

The CFPB does not typically share the Response Data generated in the course of Consumer Experience Research in un-aggregated form, unless it is stripped of direct identifying PII and subject to disclosure-protection procedures. The CFPB may share products of Consumer Experience Research externally, including by disseminating research results to the general public. These external products are subject to disclosure-protection procedures such as aggregation of response categories, rounding, exclusion of some variables, or exclusion of observations, and typically do not include direct identifying PII. If the CFPB seeks to share direct identifying PII in an external product, it will obtain consent of the appropriate Respondents prior to disclosure.

To the extent that information is contained in a Privacy Act system of records, the CFPB may share information as outlined in the Routine Uses of each applicable SORN. Where applicable, information is treated in accordance with the CFPB's rules on the disclosure of confidential information, including 12 CFR 1070.41(c).

4.3 Is the information collected directly from the individual or is it taken from another source?

Consumer Experience Research primarily relies on information collected directly from the individual and subject to the individual's consent for the CFPB to collect additional information from third parties, such as those that offer or provide consumer financial products or services. In some instances, the CFPB may use Administrative Data collected from a third party to identify potential recipients of surveys, to provide auxiliary information for research, and to support nonresponse analyses.

4.4 Will the project interact with other systems, whether within the CFPB or outside of the CFPB? If so, how?

Most systems, such as contractor systems supporting Consumer Experience Research, are not directly integrated with any other CFPB system. Any system interactions are pushed, non-automated data transfers between contractor systems and/or vendor websites and CFPB internal systems, which take place via encrypted tunnels. These transfers can also take place via an encrypted email client.

Some data that supports the Consumer Experience Research will come from internal systems, and the outside interactions of those systems will be documented in those systems' Security Plans.

4.5 Are there any privacy risks for this project that relate to use limitation? If so, how will the CFPB mitigate these risks?

Although Consumer Experience Research does not generally rely on direct identifying PII for its analysis, to the extent that it contains PII, risk exists related to unauthorized use.

To mitigate the risk of unauthorized use, the CFPB restricts the collection of and access to direct identifying PII. For example, when partnering with a third party the CFPB typically restricts the third party from furnishing direct identifying PII to the Bureau through contract provisions and requires the direct identifying PII to be stored separately from the Response Data. To mitigate the risk of inappropriate re-identification and monitoring of individuals, the CFPB limits personnel access to direct identifying PII using technical access controls, and provides privacy and security training so that personnel know how to handle and protect data appropriately. CFPB personnel do not attempt to re-identify information stripped of direct identifying PII in Consumer Experience Research, and may, in some instances, be contractually prohibited from doing so. The CFPB also employs qualified personnel with the necessary academic credentials and subject matter expertise to conduct Consumer Experience Research.

The CFPB also reduces the privacy risk of unauthorized disclosures under Consumer Experience Research by reviewing Consumer Experience Research products in light of legal requirements, including the Privacy Act, Section 1022(c)(8) of the Dodd-Frank Act, and 12 C.F.R. 1070.41(c), so that information is not inappropriately disclosed and made vulnerable to subsequent misuse. The CFPB may also use disclosure-protection procedures such as aggregation of response categories, rounding, exclusion of some variables, or exclusion of observations, to reduce disclosure risk.

SECTION 5.0 DATA QUALITY AND INTEGRITY

The CFPB will make reasonable efforts to ensure that all PII it maintains is accurate, relevant, timely, and complete.

5.1 How will the information collected be verified for accuracy and completeness?

The CFPB primarily collects information directly from Respondents who participate in the Consumer Experience Research. This ensures that the information provided is as accurate as possible. The CFPB also uses the best practices from social science research to design Consumer Experience Research projects and manage the associated data. In addition, when the CFPB partners with a third party, the CFPB outlines in contracts appropriate standards for data accuracy and completeness.

5.2 Are there any privacy risks for individuals whose information is collected or used by the project that relate to data quality and integrity? If so, how will the CFPB mitigate these risks?

Risk exists related to data quality and integrity. To reduce the risk related to data quality and integrity, the CFPB uses best practices of social science research design and data management techniques to reduce the impact of errors or bias in Consumer Experience Research. The Bureau does not use the results of Consumer Experience Research in a way that negatively impacts the individual.

SECTION 6.0 SECURITY

The CFPB must protect PII from loss, unauthorized access or use, destruction, modification, or unintended or inappropriate disclosure.

6.1 Who will have access to the data in the project? What is the authorization process for access to the project?

The CFPB only grants access to the information collected for Consumer Experience Research to CFPB personnel with a need to know. When the CFPB collaborates with other researchers, such as those at other federal agencies or academic institutions, legal agreements and non-disclosure agreements are used to restrict access to the data, as appropriate. In the event that the CFPB shares information collected for Consumer Experience Research publicly, that information is generally stripped of direct identifying PII and subject to disclosure-protection procedures.

6.2 Has the CFPB completed a system security plan for the information system(s) supporting the project?

CFPB does not maintain the information used for Consumer Experience Research within an omnibus system. CFPB categorizes all of its systems using Federal Information Processing Standard Publication 199, Standards for Security Categorization of Federal Information and Information Systems (FIPS 199). Typically, Consumer Experience Research is conducted on systems rated “moderate impact.” Based on this categorization, CFPB implements security controls from NIST Special Publication 800-53, “Recommended Security Controls for Federal Information Systems and Organizations” to secure its systems and data. Any subsequent CFPB policies, processes, and procedures, including those related to access, are based on these standard federally-practiced controls, industry best practices, as well as other guidelines and mandates issued for government agencies. A System Security Plan (“SSP”) has been completed for the internal CFPB GSS receiving Consumer Experience Research information and contractor systems are reviewed according to CFPB’s CS-P-08: Risk Management Process: Appendix D - Risk Assessment Process for Third-Party Change.

6.3 How will the system be secured?

The CFPB assesses information and systems for compliance risk, reputational risk, strategic risk, situational/circumstantial risk, and operational risk. In order to mitigate these risks to an acceptable level the CFPB implements extensive security controls for information collected or maintained on behalf of the CFPB, and conducts third-party assessments of vendors and services procured by the CFPB.

The CFPB implements the following controls for internally maintained systems:

- CFPB policies and procedures governing privacy and information security;
- Background checks on all personnel with access to the system;
- Initial and follow-on privacy and security awareness training for each individual with access to the system;
- Physical perimeter security safeguards;
- Security Operations Center to monitor antivirus and intrusion detection software;
- Risk and controls assessments and mitigation;
- Technical access controls, such as role-based access management and firewalls; and
- Appropriate disaster mitigation strategies, breach notification processes and plans, and secure channels for submitting transactional information.

The CFPB implements controls relevant to third party vendors and services according to risks identified the following types of third party reviews: Third-Party Security Assessment & Authorization (SA&A) Package; Statements on

Standards for Attestation Engagements (SSAE) 16 Review; Risk Assessments by Independent Organization; or a complete Risk Assessment by the CFPB.

6.4 Are there mechanisms in place to identify security breaches? If so, what are they?

The CFPB has an incident-reporting plan and procedures for handling a security incident involving Consumer Experience Research. The CFPB Computer Security Incident Response Team (“CSIRT”) monitors daily use of the system and is responsible for reporting any incidents directly to the CFPB’s Information Systems Security Officer. This Officer coordinates all escalation, reporting and response procedures on behalf of the Bureau.

6.5 Are there any privacy risks for this system that relate to security? If so, how will the CFPB mitigate these risks?

There is risk that privacy incidents could occur, resulting in unauthorized use or disclosure of PII. The CFPB mitigates the risk of privacy incidents by providing privacy and security training to CFPB personnel on the appropriate use of information and implementing breach notification processes and plans. Access is limited on a need to know basis, with logical controls limiting access to data stored on CFPB GSS’s.

SECTION 7.0 INDIVIDUAL PARTICIPATION

The CFPB will give individuals, in most cases, the ability to access their PII, and allow them to correct or amend their PII if it is inaccurate.

7.1 What opportunities are available for individuals to consent to uses, decline to provide information, or opt out of the project? If no opportunities are available to consent, decline or opt out, please explain.

Consumer Experience Research is voluntary and individuals can choose whether or not they want to participate. Typically, individuals are informed of their opportunities to consent via a Privacy Act Statement or a Privacy Notice, as appropriate. Individuals may also receive an Informed Consent Form, which they sign, acknowledging their choice to participate in Consumer Experience Research. The Informed Consent Form may include, in whole or in part, the Privacy Act Statement or Privacy Notice. Following the best practices from social science research, Informed Consent Forms contain the following information: a statement that the study involves research; an explanation of the purposes of the research; the expected duration of the subject’s participation; a description of the procedures to be followed; identification of any procedures; a description of any reasonably foreseeable risks or

discomforts to the subject; a description of any benefits to the subject or to others which may reasonably be expected from the research; a statement describing the extent, if any, to which confidentiality of records identifying the subject is maintained; a point of contact to address any questions; and a statement that participation is voluntary, refusal to participate involves no penalty, and the subject may discontinue participation at any time without penalty. Once individuals choose to participate, they generally cannot restrict the use or sharing of their information. In some instances, the CFPB conducts nonresponse analyses to understand how individuals who choose not to participate may impact the results of the research. A nonresponse analysis involves comparing the characteristics of Respondents with the characteristics of non-respondents.

When a Privacy Act Statement is not required and when the provision of a complete Privacy Notice could undermine the validity of the Consumer Experience Research, a modified Privacy Notice may be provided. For example, in limited circumstances, when CFPB sponsorship would compromise the validity of Consumer Experience Research and the Consumer Experience Research does not legally require a Privacy Act Statement or a Paperwork Reduction Act Statement, Respondents are informed of the CFPB's role after the Consumer Experience Research has concluded.

7.2 What procedures will allow individuals to access their information?

Where applicable, individuals may request access to their information in accordance with the Privacy Act and the CFPB's Privacy Act regulations, at 12 C.F.R. 1070.50 et seq.

7.3 Can individuals amend information about themselves in the system? If so, how?

Where applicable, individuals may seek to amend information about themselves in accordance with the Privacy Act and the CFPB's Privacy Act regulations, at 12 C.F.R. 1070.50 et seq.

7.4 Are there any privacy risks for this system that relate to individual participation? If so, how will the CFPB mitigate these risks?

Some risk exists related to individual participation in Consumer Experience Research. Individuals who choose to participate in Consumer Experience Research are typically informed about the nature of the Consumer Experience Research so that the individual may make an informed decision about whether to participate as Respondents. However, when Consumer Experience Research uses Administrative Data, there is a risk that individuals may not be able to control what information is being used. Further, when individuals choose not to participate, Administrative Data pertaining to them may be used in order to analyze potential nonresponse bias in Consumer Experience Research. The

CFPB seeks to mitigate these risks by promoting transparency through this PIA and through public comments to Information Collection Requests published in the Federal Register, as appropriate.

SECTION 8.0 AWARENESS AND TRAINING

The CFPB will train all personnel about the proper treatment of PII.

- 8.1 Describe what privacy training is provided to users, either generally or specifically relevant to the project.

The CFPB requires privacy and security training for all CFPB personnel. In addition, CFPB personnel engaged in Consumer Experience Research receive additional role-based privacy training.

- 8.2 Are there any privacy risks for this system that relate to awareness and training? If so, how will the CFPB mitigate these risks?

Since the CFPB requires privacy and security training for all CFPB personnel, and specific privacy training for personnel conducting research, Consumer Experience Research poses minimal risks regarding privacy awareness and training.

SECTION 9.0 ACCOUNTABILITY AND AUDITING

The CFPB is accountable for complying with these principles. We will regularly check that we are meeting the requirements and take appropriate action if we are not doing so.

- 9.1 How does the system ensure that the information is used in accordance with the stated practices in this PIA?

The CFPB provides its personnel with appropriate privacy and security training to ensure information is used and secured appropriately. The CFPB also has implemented a rigorous set of security controls for all its systems, including those that support Consumer Experience Research, and has limited access to those CFPB personnel with a need to know the information. Further, privacy protections are documented and referenced in documentation submitted in the Information Collection Requests processed under the Paperwork Reduction Act.

Additionally, all CFPB systems are subject to periodic external audits to ensure that the CFPB protects and uses information appropriately.

9.2 Are there any privacy risks for this system that relate to accountability and auditing? If so, how will the CFPB mitigate these risks?

The CFPB has mitigated risks related to accountability and auditing by limiting who has access to the information, clearly defining and assigning user roles with limited permissions, and providing users with training on use of the system, including privacy, security, and confidentiality.