

Tracking and Reporting Examination National Documentation
System (TRENDS) Cloud

PRIVACY IMPACT ASSESSMENT (PIA)



January 25, 2022

Division of Examinations

Privacy Impact Assessment

Tracking and Reporting Examination National Document System (TRENDS) Cloud

Section 1: System Overview

1.1 Name of Project or System

Tracking and Reporting Examination National Documentation System (TRENDS) Cloud

1.2 Is the system internally or externally hosted?

☐ Internally Hosted (SEC)

Externally Hosted

☒ (Contractor or other
agency/organization)

1.3 Reason for completing PIA

☐ New project or system

☒ This is an existing system undergoing an update

First developed: 12/10/2012

Last updated: 1/10/2020

Description of update:

1.4 Does the system or program employ any of the following technologies?

☒ Enterprise Data Warehouse (EDW)

☐ Social Media

☐ Mobile Application (or GPS)

☒ Cloud Computing Services

☐ Web Portal

☐ None of the Above

Section 2: Authority and Purpose of Collection

2.1 Describe the project and its purpose or function in the SEC's IT environment

TRENDS Cloud, used by the SEC Division of Examinations (EXAMS) National Examination Program (NEP) Program, is a web-based system hosted in the Cloud. The migration of TRENDS from a previous platform to Cloud consists of the following phases:

- Setup a secured NEP- Cloud environment
- Establish TRENDS in the Cloud environment
- Migrate data from the old TRENDS platform to the TRENDS Cloud NEP environment

TRENDS Cloud is used to conduct and manage examinations and inspections of registered entities, which includes processing stages, examination approval process, communication management, and document management. The system provides the following capabilities:

- Document management using OpenText Content Suite (upload, editing, deletion, version control for documents and work papers)
- Work paper organization
- Program reporting
- Data tracking and analysis
- Risk assessment with an Exam Manager/Assistant Director (AD) approval of risk assessments

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2.2 What specific legal authorities, arrangements, and/or agreements allow the information to be collected?

The Securities Exchange Act of 1934, 15 U.S.C. 78a et seq., The Investment Company Act of 1940, 80a-1 et seq., and The Investment Advisers Act of 1940, 80b-1 et seq.

2.3 Does the project use, collect, or maintain Social Security numbers (SSNs)? *This includes truncated SSNs.*

- ☐ No
☒ Yes

If yes, provide the purpose of collection:

The SSN may be included on client account statements or client lists that are routinely reviewed as part of an exam. The SSN is not requested from the registrant.

If yes, provide the legal authority:

The information is collected pursuant to our examination authority as outlined under the various securities laws, 15 U.S.C. 78a et seq., 80a-1 et seq., 80b-1 et seq.

2.4 Do you retrieve data in the system by using a personal identifier?

- ☐ No
☐ Yes, a SORN is in progress
☒ Yes, there is an existing SORN

[SEC-25](#), Information Pertaining or Relevant to SEC Registrants and Their Activities

2.5 Is the information covered by the Paperwork Reduction Act of 1995 (PRA)?

- ☒ No
☐ Yes

2.6 Considering the purpose of the collection, what privacy risks were identified and how were those risks mitigated?

The privacy risk related to the collection include personal information is collected without a clear purpose or without clear legal authority. This risk is mitigated by collecting information as authorized and in accordance with the collection purpose identified in SORN SEC-25.

Section 3: Data Collection, Minimization, and Retention

3.1 What information is collected, maintained, used, or disseminated about individuals? *Check all that apply.*

- ☐ The system does not collect, maintain, use, or disseminate information about individuals.

Identifying Numbers

- | | | |
|--|--|--|
| ☒ Social Security Number | ☒ Alien Registration | ☒ Financial Accounts |
| ☒ Taxpayer ID | ☒ Driver's License Number | ☒ Financial Transactions |
| ☒ Employee ID | ☒ Passport Information | ☒ Vehicle Identifiers |
| ☒ File/Case ID | ☒ Credit Card Number (Exam staff does not request but may inadvertently collect) | ☒ Employer ID |

- ☐ Other: [Click here to enter text.](#)

General Personal Data

- | | | |
|---|--|---|
| ☒ Name | ☒ Date of Birth | ☒ Marriage Records |
| ☒ Maiden Name | ☒ Place of Birth | ☒ Financial Information |

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- | | | |
|---|---|--|
| ☒ Alias | ☒ Home Address | ☐ Medical Information |
| ☒ Gender | ☒ Telephone Number | ☒ Military Service |
| ☒ Age | ☒ Email Address | ☒ Mother's Maiden Name |
| ☒ Race/Ethnicity | ☒ Education Records | ☐ Health Plan Numbers |
| ☐ Civil or Criminal History | ☒ Zip Code | |
| ☒ Other: Documents provided by a Registrant to the SEC for an exam may contain PII that is not required. During the process of conducting examinations, brokerage statements or other custodian information containing PII may be uploaded to the system. | | |

Work-Related Data

- | | | |
|---|--|---|
| ☒ Occupation | ☒ Telephone Number | ☐ Salary |
| ☒ Job Title | ☒ Email Address | ☐ Work History |
| ☒ Work Address | ☒ Certificate/License Number | ☒ Business Associates |
| ☒ PIV Card Information | ☒ Fax Number | |
| ☐ Other: Click here to enter text. | | |

Distinguishing Features/Biometrics

- | | | |
|---|---|--|
| ☐ Fingerprints | ☐ Photographs | ☐ Genetic Information |
| ☐ Voice Recording | ☐ Video Recordings | ☐ Voice Signature |
| ☐ Other: Click here to enter text. | | |

System Administration/Audit Data

- | | | |
|---|---|---|
| ☒ User ID | ☒ Date/Time of Access | ☒ ID Files Accessed |
| ☒ IP Address | ☒ Queries Ran | ☒ Contents of Files |
| ☐ Other: Click here to enter text. | | |

3.2 Why is the PII listed in Question 3.1 collected, used, shared, or maintained by the system or project?

EXAMS staff may collect PII data during the course of an examination to help ensure compliance with the securities laws overseen by the SEC. The types of PII collected are determined by several factors, such as the type of registrant being examined and the scope of the examination. For example, as documented in the Anti-Money Laundering (AML) Source Tool for Broker-Dealers (Section 4), an Anti-Money Laundering exam may require the exam team to collect driver's license or passport information. EXAMS staff use TRENDS Cloud to search for registrants and non-persons as part of examinations. The intent is not to search for persons or PII.

3.3 Whose information may be collected, used, shared, or maintained by the system?

- ☒ SEC Employees
Purpose: Log on information is recorded in system audit logs.
- ☒ SEC Federal Contractors
Purpose: Log on information is recorded in system audit logs.
- ☐ Interns
Purpose:
- ☒ Members of the Public
Purpose: EXAMS staff performs compliance inspections and examinations of regulated entities to ensure they comply with SEC regulations and ensure a free market.
- ☐ Employee Family Members
Purpose:
- ☐ Former Employees

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Purpose:

- ☐ Job Applicants

Purpose:

- ☐ Vendors

Purpose:

- ☐ Other:

Purpose:

3.4 Describe the PII minimizing mechanisms and if the PII from the system is being used for testing, training, and/or research efforts.

EXAMS' Office of Chief Counsel provides guidance to EXAMS staff to request registrant documents during examinations without including PII, wherever possible. At this time, EXAMS does not request registrants to redact PII from documents, as doing so can burden registrants and significantly extend the examination duration. Only required contact information for individuals is collected by the system. PII is not used for testing, training, or research efforts. Dummy data is used instead.

3.5 Has a retention schedule been established by the National Archives and Records Administration (NARA)?

- ☐ No.

- ☒ Yes.

Documents uploaded to TRENDS Cloud are subject to records retention schedule DAA-0266-2015-0003, "Tracking Reporting Examination National Documentation System (TRENDS)".

3.6 What are the procedures for identification and disposition at the end of the retention period?

TRENDS Cloud data is retained for 10 years after the EXAM is closed. However, when reviewing data that is past retention, EXAMS has the discretion to review the material before approving deletion to ensure there is no current preservation hold, Freedom of Information Act (FOIA) matter, or internal business need. Records are retired or destroyed in accordance with retention schedule identified in 3.5 above.

3.7 Will the system monitor members of the public, employees, and/or contractors?

- ☒ N/A

- ☐ Members of the Public

Purpose:

- ☐ Employees

Purpose:

- ☐ Contractors

Purpose:

3.8 Considering the type of information collected, what privacy risks were identified and how were those risks mitigated?

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The primary risk is inadvertent or unauthorized disclosure of PII. This risk is mitigated by implementing access controls to limit access to those staff with a business need-to-know and by implementing encryption technology for stored and transmitted data.

Section 4: Openness and Transparency

4.1 What forms of privacy notice were provided to the individuals prior to collection of data? *Check all that apply.*

- ☒ Privacy Act Statement
 - SEC Form 1662, “*Supplemental Information for Entities Directed to Supply Information to the Commission Other Than Pursuant to Commission Subpoena*”, is provided to individuals prior to collection,
 - SEC Form 2866, “*Supplemental Information for Persons Requested to Supply Information Voluntarily to the Commission’s Examination Staff*”, is provided to individuals prior to collection,
- ☒ System of Records Notice

SORN SEC-25 is not provided to individuals prior to collection, but is published in the Federal Register and available on the SEC’s [website](#); “Information Pertaining or relevant to SEC Registrants and Their Activities”
- ☒ Privacy Impact Assessment

The TRENDS PIA is not provided to individuals prior to collection, but is available on the SEC’s [website](#).
Date of Last Update: 6/3/2019
- ☐ Web Privacy Policy
- ☐ Other notice:
- ☐ Notice was not provided.

4.2 Considering the method(s) of notice provided, what privacy risks were identified regarding adequate notice and how were those risks mitigated?

The primary privacy risk identified is that individuals may not be aware that their information is being collected in TRENDS without an opportunity for them to consent. To mitigate this risk, the SEC published SORN SEC-25 that provides notice of the nature and types of PII that may be collected on the individuals and the routine uses of the information by the National Examination Program (NEP). Additionally, this PIA serves as notice of the nature and uses of PII collected and the privacy controls implemented to protect the information. Finally, to the extent that the information is collected directly from the individual, Form SEC 1662 provides notice of their rights to withhold PII requested and the consequences of doing so.

Section 5: Limits on Uses and Sharing of Information

5.1 What methods are used to analyze the data?

The system does not analyze data.

5.2 Will internal organizations have access to the data?

- ☐ No
- ☒ Yes

Organizations: Information is shared with the Division of Investment Management (IM) and Division of Enforcement (ENF). Information is also shared with the Division of Economic and Risk

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Analysis (DERA) only if EXAMS staff determines that an information review is required.
Data may be shared via other applications: Enterprise Data Warehouse /TRENDS
DataMart, EXAMS Exam Feedback System (EFS)

5.3 Describe the risk to privacy from internal sharing and describe how the risks are mitigated.

The primary privacy risk associated with internal sharing is that information in TRENDS Cloud could be erroneously disclosed to unauthorized parties. This privacy risk is mitigated as the system limits access to information in the system to only authorized users and the internal SEC divisions and offices identified in section 5.2 above.

5.4 Will external organizations have access to the data?

- ☒ No
☐ Yes

5.5 Describe the risk to privacy from external sharing and describe how the risks are mitigated.

The primary privacy risk associated with external sharing is that information could be erroneously disclosed to unauthorized parties or for an unauthorized purpose. This risk is minimized by ensuring that information is not shared externally, other than with Federal entities or regulators in accordance with the routine uses identified in SORN SEC-25 and SEC Forms 1662 and 2866.

Section 6: Data Quality and Integrity

6.1 Is the information collected directly from the individual or from another source?

- ☒ Directly from the individual.
☒ Other source(s): EDW Entity DataMart database is the source of Entity information for TRENDS. Information may also be obtained from the Registrant pursuant to Form 1661, *“Supplemental Information for Entities Subject to Inspection by the Commission and Directed to Supply Information Other Than Pursuant to Commission Subpoena”* or from other individuals pursuant to SEC Forms 1662 and 2866.

6.2 What methods will be used to collect the data?

Data is collected electronically through Microsoft Word, Excel, Access, and Adobe PDF files. The information from these data sources are loaded in to TRENDS Cloud. Data is also collected through secured transmissions, e.g., KiteWorks, encrypted portable media approved for use within SEC, secure email and subsequently loaded into TRENDS Cloud.

6.3 How will the data collected from individuals, or derived by the system, be checked for accuracy and completeness?

The SEC will rely on the accuracy of the information provided by the registrants. The sources listed in 6.1 provide information that was collected directly from the individual to whom the information relates. The Examination process is built with multiple approval processes within the system, where an Exam Manager/Assistant Director would review the information and approve before moving through the exam and before closing the exam.

6.4 Does the project or system process, or access, PII in any other SEC system?

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- ☒ No
☐ Yes.
System(s):

6.5 Consider the sources of the data and methods of collection and discuss the privacy risk for this system related to data quality and integrity? How are these risks mitigated?

The primary risk to privacy is incomplete or inaccurate information when PII is collected in open field boxes or through document uploads. The risk is minimized because Federal Securities laws hold registrants responsible for reporting accurate information. Also, information provided in TRENDS Cloud may be verified against information from HUB, EDGAR, and FINRA Datamart.

Section 7: Individual Participation

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.

Individuals do not have the opportunity to decline to provide data or consent to particular uses of data. The data collected is from registrants that are required to provide the data to the SEC under the Federal securities laws.

7.2 What procedures are in place to allow individuals to access their information?

Individuals seeking access to their information contained in the system may submit a request in writing to the FOIA/PA Officer, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-2736.

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

Individuals seeking to amend information about themselves contained in the system, or seeking to contest its content, may submit a request in writing to the FOIA/PA Officer, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-2736.

7.4 Discuss the privacy risks related to individual participation and redress. How were these risks mitigated?

The primary risks are lack of access to information and inability to seek redress and correction. This risk is mitigated by providing individual access or correction of the records as expressly permitted by the Privacy Act. Individuals seeking to correct records contained in this system of records, or seeking to contest its content, may submit a request in writing to the FOIA/PA Officer, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-2736.

Section 8: Security

8.1 Can the system be accessed outside of a connected SEC network?

- ☒ No
☐ Yes
- | | | | |
|---|-----------------------------|------------------------------|---|
| If yes, is secured authentication required? | ☐ No | ☐ Yes | ☐ Not Applicable |
| Is the session encrypted? | ☐ No | ☐ Yes | ☐ Not Applicable |

8.2 Does the project or system involve an online collection of personal data?

- ☒ No
☐ Yes

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Public [Click here to enter text.](#)
URL:

8.3 Does the site have a posted privacy notice?

- ☐ No
- ☐ Yes
- ☒ N/A There is no online site at which data is collected.

8.4 Does the project or system use web measurement and/or customization technologies?

- ☒ No
- ☐ Yes, but they do not collect PII
- ☐ Yes, and they collect PII

Section 9: Accountability and Auditing

9.1 Describe what privacy training is provided to users, either general or specific to the system or project.

All SEC staff and contractors receive initial and annual privacy awareness training, which outlines roles and responsibilities for proper handling and protection of PII. SEC Rules of the Road ensure that employees and contractors are aware of their security-related responsibilities and how to fulfill them.

9.2 Does the system generate reports that contain information on individuals?

- ☐ No
 - ☒ Yes
- Reports on registrants may be generated.

9.3 Do contracts for the system include Federal Acquisition Regulation (FAR) and other applicable clauses ensuring adherence to the privacy provisions and practices?

- ☐ No
- ☐ Yes
- ☒ This is not a contractor-operated system

9.4 Does the system employ audit logging or event logging?

- ☐ No
- ☒ Yes

9.5 Given the sensitivity of the PII in the system, manner of use, and established safeguards, describe the expected residual risk related to access.

Although access to this system is limited only to authorized SEC staff, the expected residual risk related to access, given the sensitivity of the PII in the system, can include the inadvertent handling or misuse of data. To mitigate this risk, access to the system is limited to individuals that have a business need, and editing of specific details is limited only to those users that are assigned to the examination and their managers. External access is not permitted.