

FTC-I-7

SYSTEM NAME:

Office of Inspector General Investigative Files–FTC.

SECURITY CLASSIFICATION:

None.

SYSTEM LOCATION:

Office of Inspector General (OIG), Federal Trade Commission, 600 Pennsylvania Avenue, NW., Washington, DC 20580. See Appendix III for other locations where records may be maintained or accessed.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Subjects of OIG investigations relating to the programs and operations of the Federal Trade Commission. Subject individuals include, but are not limited to, current and former employees; current and former agents or employees of contractors or subcontractors, as well as current and former contractors and subcontractors in their personal capacity, where applicable; and other individuals whose actions affect the FTC, its programs or operations.

CATEGORIES OF RECORDS IN THE SYSTEM:

Correspondence relating to the investigation; internal staff memoranda; copies of subpoenas issued during the investigation, affidavits, statements from witnesses, transcripts of testimony taken in the investigation and accompanying exhibits; documents, records or copies obtained during the investigation; interview notes, documents and records relating to the investigation; opening reports, information or data relating to alleged or suspected criminal, civil or administrative violations or similar wrongdoing by subject individuals and final reports of investigation.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Inspector General Act Amendments of 1988, Pub. L. 100-504, amending the Inspector General Act of 1978, Pub. L. 95-452, 5 U.S.C. app.

PURPOSE(S):

To document the conduct and outcome of investigations; to report results of investigations to other components of the FTC or other agencies and authorities for their use in evaluating their programs and imposition of criminal, civil or administrative sanctions; to report the results of investigations to other agencies or other regulatory bodies for an action deemed appropriate and for retaining sufficient information to fulfill reporting requirements; and to

maintain records related to the activities of the Office of the Inspector General.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

Records in this system may be:

(1) Disclosed to agencies, offices, or establishments of the executive, legislative, or judicial branches of the federal or state government—

(a) Where such agency, office, or establishment has an interest in the individual for employment purposes, including a security clearance or determination as to access to classified information, and needs to evaluate the individual's qualifications, suitability, and loyalty to the United States Government, or

(b) Where such agency, office, or establishment conducts an investigation of the individual for the purposes of granting a security clearance, or for making a determination of qualifications, suitability, or loyalty to the United States Government, or access to classified information or restricted areas, or

(c) Where the records or information in those records are relevant and necessary to a decision with regard to the hiring or retention of an employee or disciplinary or other administrative action concerning an employee, or

(d) Where disclosure is requested in connection with the award of a contract or other determination relating to a government procurement, or the issuance of a license, grant, or other benefit by the requesting agency, to the extent that the record is relevant and necessary to the requesting agency's decision on the matter, including, but not limited to, disclosure to any Federal agency responsible for considering suspension or debarment actions where such record would be germane to a determination of the propriety or necessity of such action, or disclosure to the United States General Accountability Office, the General Services Administration Board of Contract Appeals, or any other federal contract board of appeals in cases relating to an agency procurement;

(2) Disclosed to the Office of Personnel Management, the Office of Government Ethics, the Merit Systems Protection Board, the Office of the Special Counsel, the Equal Employment Opportunity Commission, or the Federal Labor Relations Authority or its General Counsel, of records or portions thereof relevant and necessary to carrying out their authorized functions, such as, but not limited to, rendering advice requested by the OIG, investigations of alleged or prohibited personnel practices (including unfair labor or discriminatory practices), appeals before official agencies, offices, panels or boards, and authorized studies or review of civil service or merit systems or affirmative action programs;

(3) Disclosed to independent auditors or other private firms with which the Office of the Inspector General has contracted to carry out an independent audit or investigation, or to analyze, collate, aggregate or otherwise refine data collected in the system of records, subject to

the requirement that such contractors shall maintain Privacy Act safeguards with respect to such records;

(4) Disclosed to a direct recipient of federal funds such as a contractor, where such record reflects serious inadequacies with a recipient's personnel and disclosure of the record is for purposes of permitting a recipient to take corrective action beneficial to the Government;

(5) Disclosed to any official charged with the responsibility to conduct qualitative assessment reviews of internal safeguards and management procedures employed in investigative operations. This disclosure category includes members of the President's Council on Integrity and Efficiency, Executive Council on Integrity and Efficiency and officials and administrative staff within their investigative chain of command, as well as authorized officials of the Department of Justice and the Federal Bureau of Investigation;

(6) Disclosed to members of the President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency for the preparation of reports to the President and Congress on the activities of the Inspectors General; and

(7) Disclosed to complainants and/or victims to the extent necessary to provide such persons with information and explanations concerning the progress and/or results of the investigation or case arising from the matters of which they complained and/or which they were a victim.

See also Appendix I for other ways that the Privacy Act permits the FTC to use or disclose system records outside the agency.

DISCLOSURE TO CONSUMER REPORTING AGENCIES:

Disclosures may be made from this system, pursuant to 5 U.S.C. 552a(b)(12), to consumer reporting agencies as defined in the Fair Credit Reporting Act, 15 U.S.C. 1681a(f), or the Federal Claims Collection Act of 1966, 31 U.S.C. 3701(a)(3), in accordance with 31 U.S.C. 3711(e).

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

The FTC maintains system records in various electronic and non-electronic formats and media. The OIG Investigative Files consist of paper records maintained in file folders, cassette tapes and CD-ROMs containing audio recordings of investigative interviews, and data maintained on computer diskettes and hard drives. The folders, cassette tapes, CD-ROMs and diskettes are stored in file cabinets in the OIG. The hard drives are retained in the OIG safe.

RETRIEVABILITY:

The records are retrieved by the name of the subject of the investigation or by a unique control number assigned to each investigation.

SAFEGUARDS:

Access is restricted to agency personnel or contractors whose responsibilities require access. Paper records are maintained in lockable rooms or file cabinets, which are kept locked during non-duty hours. Records in file folders are retained as long as needed and then destroyed by shredding or burning. Computer disks and CD-ROMs are cleared, retired or destroyed when no longer useful. Entries on electronic media are deleted or erased when no longer needed. To the extent records or portions thereof are incorporated into e-mails or other electronic communications, access to such electronic records is controlled by "user ID" and password combination and/or other electronic access or network controls (e.g., firewalls). FTC buildings are guarded and monitored by security personnel, cameras, ID checks, and other physical security measures.

RETENTION AND DISPOSAL:

Records are retained and destroyed in accordance with schedules and procedures issues or approved by the National Archives and Records Administration. Cases that are unusually significant for documenting major violations of criminal law or ethical standards are offered to the National Archives for permanent retention.

SYSTEM MANAGER(S) AND ADDRESS:

Inspector General, Federal Trade Commission, 600 Pennsylvania Avenue, NW.,
Washington, DC 20580.

NOTIFICATION PROCEDURE; RECORD ACCESS PROCEDURES; AND CONTESTING RECORD PROCEDURES:

See Appendix II.

RECORD SOURCE CATEGORIES:

Employees or other individuals on whom the record is maintained, non-target witnesses, FTC and non-FTC records, to the extent necessary to carry out OIG investigations authorized by 5 U.S.C. app.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

Pursuant to 5 U.S.C. 552a(j)(2), records in this system are exempt from the provisions of 5 U.S.C. 552(a), except subsections (b), (c)(1) and (2), (e)(4)(A) through (F), (e)(6), (7), (9), (10) and (11) and (i) and corresponding provisions of 16 CFR 4.13, to the extent that a record in the

system of records was compiled for criminal law enforcement purposes.

Pursuant to 5 U.S.C. 552a(k)(2), the system is exempt from 5 U.S.C. 552a(c)(3), (d), (e)(1), (e)(4)(G), (H) and (I) and (f) and the corresponding provisions of 16 CFR 4.13, to the extent the system of records consists of investigatory material compiled for law enforcement purposes, other than material within the scope of the exemption at 5 U.S.C. 552a(j)(2). See 16 CFR 4.13(m).

