

Farm Credit Administration

Guidelines for Ensuring Quality of Disseminated Information and Procedures for Correction by the Public

I. Background

Section 515 of the Treasury and General Government Appropriations Act for fiscal year 2001 (Public Law 106-554; H.R. 5658; hereafter referred to as section 515) directed the Office of Management and Budget (OMB) to issue Government-wide guidelines that “provide policy and procedural guidance to Federal agencies for ensuring and maximizing the quality, objectivity, utility, and integrity of information (including statistical information) disseminated by Federal agencies.” Section 515 required agencies to issue their own guidelines and to include in them administrative mechanisms allowing affected persons to seek and obtain correction of information maintained and disseminated by the agency.

FCA obtains much of the financial information that it uses to evaluate the safety and soundness of the Farm Credit System (FCS) through public filings by FCS institutions of the Uniform Financial Reports of Condition and Performance (Call Reports). Although the Call Report data are available on the FCA Web site, the information is exempt as a public filing from the information quality requirements of section 515. In addition, FCA’s examination and supervision of FCS institutions’ documents (including financial stress reports) are released only to individual institutions and are not disseminated to the public. Therefore, FCA does not disseminate a great deal of information that is subject to section 515. Information subject to section 515 includes the Agency’s annual performance and accountability reports, general information about the Agency, and rulemaking notices published in the Federal Register. Most of this information is available on FCA’s Web site as well as in paper format.

II. Policy

FCA will ensure that the information it disseminates to the public is objective (accurate, clear, complete, and unbiased) and has utility (usefulness) and integrity. This basic quality standard will be used by the Agency as a continuing performance goal. Additional levels of quality standards may be adopted as appropriate for specific categories of disseminated information. The Chief Information Officer (CIO) serves as the Agency official responsible for compliance with OMB guidelines on the quality of information disseminated by FCA.

III. Guidelines

Scope

FCA will review all information products for their quality before they are disseminated. The Agency recognizes that the quality of its information is integral to every step in the creation,

collection, maintenance, and dissemination of the information. FCA will ensure that the quality of its disseminated information and its pre-dissemination review process can be substantiated through documentation or other means appropriate to the information.

These guidelines apply to FCA information products in all media and formats, including print, electronic, audiovisual, or any other form. “Information products” include books, papers, CD-ROMs, electronic documents, or other documentary material disseminated to the public by FCA. The guidelines apply to information disseminated by FCA from a Web page, but they do not apply to hyperlinks from the FCA Web site to information that others disseminate. Nor do the guidelines apply to opinions that make clear what is being offered is someone’s opinion, rather than fact or the Agency’s views. Finally, these guidelines do not apply to products disseminated by the Office of Inspector General.

“Dissemination” means Agency-initiated or sponsored distribution of information to the public. Dissemination does not include distribution intended only for Federal Government employees or Agency contractors or grantees; intra- or interagency use or sharing of Federal Government information; and responses to requests for Agency records under the Freedom of Information Act, the Privacy Act, the Federal Advisory Committee Act, or other similar law. This definition also does not include distribution limited to correspondence with individuals, press releases announcing information that the Agency has already disseminated elsewhere, archival records, public filings, subpoenas, adjudicative processes, and information presented to Congress as part of the legislative or oversight process that is not simultaneously disseminated to the public.

Process for Ensuring Quality of Information at the Basic Standard

All FCA information products are expected to meet the basic quality standard (objectivity, utility, and integrity). **Objectivity** involves two distinct elements: presentation and substance. Objective presentation means the information is presented within a proper context to ensure an accurate, clear, complete, and unbiased presentation. Objective substance means the data, the analytical process, and the resulting reports are accurate, reliable, and unbiased. To the extent possible, FCA will identify the source of disseminated information so that the public can assess whether the information is objective.

The **utility** of information refers to its usefulness to its intended users, including the public. **Integrity** refers to the security of information; that is, the protection of information from unauthorized access or revision. Integrity helps ensure that the information is not compromised through unauthorized revision, falsification, corruption, and intentional or inadvertent destruction. FCA has adopted each aspect of these definitions as Agency information quality standards. As an ongoing performance goal, FCA intends to achieve each of these standards.

Information products requiring the basic quality standard include the Agency’s annual performance and accountability report; general information about Agency authorities, activities, and programs; and contact information for the public to interact with the Agency and to access information or services. In developing its definitions, FCA made extensive use of OMB’s “Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of

Information Disseminated by Federal Agencies” (effective January 3, 2002). (These OMB guidelines are available online at <http://www.whitehouse.gov/omb/fedreg/reproducible2.pdf>.)

The Chief Executive Officer (CEO) of FCA is responsible for ensuring that all disseminated information meets the basic quality standard. This responsibility is generally delegated to the office directors. The responsible office directors ensure that the pre-dissemination review process is performed and documented at a level appropriate for the type of information disseminated. The costs and benefits of using a higher quality standard or a more extensive review process will be considered in deciding the appropriate level of quality for a given type of information and the appropriate level of review and documentation.

Each originating office will document its approval of information products before dissemination according to the internal procedures of the appropriate office. Routing slips, clearance forms, e-mails, or other approval mechanisms may be used to document the approval process.

Each originating office is responsible for ensuring that information products disseminated by the office can be retrieved. Therefore, office directors should ensure that sufficient metadata are associated with information published on the Web to help the public retrieve the information.

The security and integrity of Agency information is addressed in the FCA Policies and Procedures Manual (PPM) sections 902 and 903, “Computer Security Program” and “Records Management,” respectively. Office directors are responsible for ensuring that the record copies of information products are filed in the appropriate official recordkeeping system and included in an approved records retention schedule.

All FCA employees are responsible for following security procedures intended to safeguard sensitive information. Sponsors of information systems are required to review and update the security plans for their systems each year. The CIO provides an ongoing security training program for Agency staff. FCA also has a very comprehensive internal control program (including management, operational, and technical controls) designed to protect the integrity of Agency systems and information. The CIO, the Security Officer, and the Records Officer of FCA advise the office directors and other employees periodically on the implementation of appropriate security and records management procedures.

PPM section 201, “Information Release Policy,” provides for the uniform release and distribution of public information. It states that the Office of Congressional and Public Affairs (OCPA) must approve all information produced for external audiences before the information product is disseminated. These products include new or revised publications and information placed on the FCA Web site. OCPA reviews the information products for editorial and design integrity and consistency with Agency policy. It ensures that the proper public is identified; the information is properly structured for the intended public; the proper medium is used; the design of printed material facilitates the communication; and an effective dissemination process is used. OCPA maintains a current inventory of FCA brochures, publications, and periodicals and their related mailing lists. It coordinates the release and distribution of information by FCA in a manner consistent with applicable laws, regulations, and Agency policy.

The originating office director and the Director of OCPA will review information presented to the public on an annual basis to ensure that the information is current, timely, and correct. In particular, information on the FCA Web site will be removed by the CIO 12 months after placement on the Web unless the originating office director and the Director of OCPA concur that it should continue to be displayed.

Process for Ensuring Quality of Information at a Level Higher Than the Basic Standard

1. Information Related to Rulemaking

Regulations and policies of FCA are developed under the operational direction of the Chairman and CEO. The FCA Board has ultimate approval authority for regulations and policies. The Director of the Office of Regulatory Policy is responsible for managing and supervising FCA's regulatory and public policy development activities and works in conjunction with the Office of General Counsel, which ensures that the rules are legally sufficient. All rulemaking requires Board action. The Board approves proposed and final regulations before their submission to Congress and publication in the Federal Register.

Senior management at FCA believes that the highest-quality products and decisions are produced by an interdisciplinary approach. Employees assigned to a regulatory development project represent a variety of skills, knowledge, and experience. Collaboration and teamwork among the regulation development team members and senior management are necessary ingredients of each project. Members of senior management are responsible for reviewing issue papers, proposed and final regulations, and other documents to assess the material consequences of the proposals and the impact on their respective office's operations and responsibilities.

Consensus and agreement are desirable on regulation and policy recommendations. Consideration of the views of all interested parties is essential to develop the best regulations and policies. FCA's regulation and policy development process will consider alternative views of commenters, both internal and external to the Agency, in making final recommendations to the FCA Board.

A comprehensive reporting process provides substantial information and control over the regulation and policy development process. Electronic media will continue to be used extensively to expedite and route material. PPM section 601, "Regulation and Public Policy Development of the Farm Credit Administration," provides guidance to FCA staff on developing regulations and policy positions.

2. Influential Financial Statistical Information

OMB guidelines for implementing section 515 recognize that some Government information may need to meet a higher quality standard than the basic standard. The more important the information, the higher the quality standards to which it should be held. In particular, OMB guidelines require "influential scientific, financial, or statistical information" to meet a high standard of quality. FCA defines "influential" in this phrase to mean the Agency can

reasonably determine that dissemination of the information will have or does have a clear and substantial impact on important public policies or important private-sector decisions.

OMB directs agencies disseminating influential scientific, financial, or statistical information to ensure that the original or supporting data are generated and the analytical results are developed using sound statistical methods. Agencies must provide sufficient information about their data and methods so that an independent reanalysis could be made by a qualified member of the public. This independent reanalysis should produce substantially the same results as the original research. OMB refers to this as the “reproducibility standard.”

FCA applies the reproducibility standard to original or supporting data in accordance with commonly accepted scientific, financial, or statistical standards. FCA also ensures that analytical results it disseminates are capable of being substantially reproduced; that is, an independent analysis of the original or supporting data using identical methods would generate similar analytical results subject to an acceptable degree of imprecision or error.

OMB requires “reproducibility” only for analytical results, not for all original data. OMB states that making the data and models publicly available assists in determining that the analytical results are capable of being substantially reproduced. FCA defines “reproducibility” to mean that the information is capable of being substantially reproduced, subject to an acceptable degree of imprecision. Depending on the importance of the impact of the information, the degree of imprecision that is tolerated is reduced or increased.

Because of the confidential nature of the Agency’s work in examining and supervising FCS institutions, most of FCA’s financial analyses are not disseminated to the public. However, regulations sometimes contain mathematical calculations or are developed using them. In these cases (or in any other situation in which analyses are disseminated to the public), FCA ensures that the analyses are based on sound statistical methods and meet the reproducibility standard defined above. FCA will provide public access to the data and methods used in the analyses or, in situations where public access will not occur because of confidentiality issues, FCA will apply especially rigorous robustness checks to analytical results and document what checks were undertaken. FCA will in all cases disclose the specific data sources used and the specific quantitative methods and assumptions employed.

For example, part 650 of FCA’s regulations contains a Risk-Based Capital Stress Test. This test calculates the level of regulatory capital that the Federal Agricultural Mortgage Corporation (Farmer Mac) is required to maintain during periods of economic stress. When proposing the rule, FCA requested comments from the public on this stress test and published it on the FCA Web site. On the Web site, FCA stated that only Farmer Mac data available through public financial statements were included in the financial model. In addition, FCA provided the spreadsheets, definitions, methods, parameters, and guidelines used to develop and implement the stress test. Therefore, a person with financial modeling experience should be able to produce results like those produced by FCA.

IV. Administrative Mechanisms for Correcting Information

Any “affected person” (which includes groups, organizations, and corporations) may request the timely correction of information disseminated by FCA that does not comply with OMB or FCA guidelines. The Agency will ask complainants to describe how they are affected by the information error. However, the focus of FCA’s complaint process is on the merits of the complaint, not on the possible interests or qualifications of the complainant.

If a complainant believes that information disseminated by FCA is not accurate, clear, complete, or unbiased, the individual may submit a written request for correction to the CIO. The request should clearly identify the information product and the information that is incorrect. The request should describe the requested changes and the reasons for the changes. Complainants should be aware that they bear the “burden of proof” with respect to the necessity for correction as well as to the type of correction they seek.

The CIO will respond to requests in writing within 60 calendar days. If the request requires more than 60 calendar days to resolve, the CIO will inform the requester why more time is needed and when he or she may expect a response. Circumstances that might require additional time include a need to receive additional information, review many records identified in a single request, or consult with another Federal agency or with two or more FCA offices having a substantial interest in the request. If the CIO’s response contains a request for additional information, the Agency’s 60-calendar-day response time will begin anew on the date that the Agency receives the additional information.

The CIO will coordinate with the originating office director, the Director of OCPA, the General Counsel, and other senior officials in determining whether to correct information. FCA may reject claims made in bad faith or without justification. The Agency will correct information in a manner appropriate to the nature and extent of the complaint and the information involved. For example, a mass mailing and a press release might be used to correct a widely disseminated error, whereas personal contacts by letter or telephone might be used for less widely disseminated errors.

If the person who requested the correction does not agree with the Agency’s decision (including the corrective action, if any), the person may file for reconsideration with the Agency. The written request for appeal should be submitted to the General Counsel within 30 calendar days of the date of the denial letter. If FCA believes other agencies may have an interest in the resolution of the appeal, the General Counsel will consult with them about their possible interest. The General Counsel will review the Agency’s decision and act on an appeal within 60 calendar days of receipt. If the request requires more than 60 calendar days to resolve, the General Counsel will inform the appellant that more time is required and indicate the reason and an estimated decision date. In all cases, the General Counsel will notify the appellant if his or her request was granted or denied and what corrective action, if any, the Agency will take.

These administrative mechanisms for correcting information will apply to information that the Agency disseminates on or after October 1, 2002, regardless of when the Agency first

disseminated the information. Requests to correct information contained in notices of proposed rulemaking by FCA will be handled in accordance with this guidelines document.

V. Annual Reports to OMB on Requests for Correction of Information

FCA will submit a report annually to the Director of OMB on the number and nature of complaints received by the Agency regarding the accuracy of the information it disseminates and how such complaints were resolved. The report will include a description of information the Agency has decided to correct and an explanation of Agency decisions to deny or limit corrective action.

The report will be submitted on an annual fiscal year (October 1 to September 30) basis no later than January 1 of the following year.