



September 27, 2002

MEMORANDUM FOR: ALL EMPLOYEES

FROM: J. Steven Landefeld
Director

SUBJECT: Updated Security and Release Procedures

In order to continue to guarantee that the hard work in generating our sensitive economic statistics¹ is not compromised by unauthorized pre-release of any statistics, this memorandum organizes, updates and clarifies the longstanding security procedures at the Bureau of Economic Analysis.

To protect its sensitive estimates, BEA must:

- 1) Limit access to an estimate to those with a clear need to know.
- 2) Provide physical and computer security necessary to limit access to those with a need to know.
- 3) Ensure that no BEA employee uses (or gives the appearance of using) pre-release information for personal gain or inadvertently provides pre-release information to the media or other unauthorized individuals.
- 4) Release the data according to an announced schedule that minimizes the risk of pre-release access, provides a clear separation of statistical agency and policy officials' statements, and ensures simultaneous release to all of the public.

¹Sensitive estimates are separated into three classes: (1) Principal economic indicators; (2) other sensitive indicators; and (3) estimates from analytical studies, special tabulations, and products that need approval before release. See Attachment A for specific releases and examples of Class 3 topics.

The specifics of the BEA security procedures follow.

1) Employees with a Need to Know

In order to minimize the number of individuals with access to an estimate -- especially the sensitive aggregate estimates for Gross Domestic Product (GDP), personal income and outlays, corporate profits, trade in goods and services, and the International Transactions Accounts -- everyone in the production process shall have access only to such protected information necessary to prepare their estimate or lower-level aggregates. Such information may include estimates for other related components of GDP that would help in understanding and estimating their own component.

The estimates are reviewed for accuracy and consistency at each level of the organization producing the estimates and by BEA senior management. As the review process moves to higher levels within the Bureau only those individuals with a need to know will have access to the more comprehensive aggregates. (Comprehensive aggregates are estimates that provide a comprehensive view of the overall set of estimates.) The estimates are not finalized until they have undergone final review and approval by a designated group of top management officials. For the principal economic indicators, this review is conducted under "lock-up" conditions (see Attachment B)

Access to a component of a Class 1 sensitive estimate by BEA employees who do not normally have a need to know it as part of their regular responsibilities must be approved on a case-by-case basis by the Division Chief responsible for that estimate in consultation with the responsible Associate Director. Justifications for such approval include: Assistance in resolving anomalies in the estimates or source data, changes in estimating methods, resolving inconsistencies across units of the Bureau, and advice on handling difficult problems. Also, in some cases, such as annual or comprehensive revisions, the Associate Director (in consultation with the Director/Deputy Director) may authorize employees in other divisions within BEA to receive pre-release data for purposes of preparing related estimates, such as State personal income or GDP by Industry. The employees receiving such pre-release data are required to follow the security procedures of the originating division. Further, for pre-release or confidential data files of information provided to BEA under an agreement with another agency, BEA personnel are required to abide by all restrictions pertaining to confidentiality of data.

Once an employee knows a submitted estimate, he or she must not reveal or disclose that estimate to anyone other than an authorized employee. (A submitted estimate is defined as the value of an estimate prepared by a BEA employee and given to an authorized BEA employee for incorporation into a release of a set of estimates--for example, a component of personal consumption expenditures that will ultimately be included in a quarterly GDP release. An authorized employee is defined as the employee's supervisor or employee

authorized by the Division Chief.) Unless permission is given by senior management, an employee is prohibited from disclosing an estimate to anyone outside of BEA.

Once an employee knows a submitted estimate, he or she must not reveal or disclose how source data affected the estimate to anyone other than an authorized employee. Exceptions to this restriction (that is, disclosing how source data affected the estimate) must be authorized by the Director/Deputy Director.

Projections of missing source data prepared by BEA employees for a forthcoming estimate are not to be discussed with anyone other than an authorized BEA employee at any time before the estimate is officially released to the public.

During the three working days before official release of any estimate, no one may talk to any non-BEA staff (e.g., reporters) about the estimates, except the Director, Deputy Director, Associate Directors, and specifically authorized staff.

Estimates released to the public by one program that are an input to another program may be discussed within the context of the publicly-released material. However, an employee may neither reveal nor discuss how the released data may affect the estimate that has not yet been released. In addition, an employee of one program may neither reveal nor discuss data prepared by another program used in its production of estimates prior to its release by that program. For example, estimates related to imports, exports, or their components prepared as part of the quarterly international transactions accounts may not be revealed or discussed until the data are officially made available to the public. Estimates related to net exports prepared solely for NIPA purposes may not be revealed or discussed before the official release of the NIPA estimates.

It is important to note that the above restrictions are not intended to impede careful review and analysis of estimates. As stated in the memorandum on "Policy on Contacts and Discussion Before NIPA Estimates Are Released" (September 10, 1986), **before** a BEA employee knows the value of a submitted estimate, he/she:

- (a) May contact anyone inside or outside BEA on matters pertaining to source data or other information necessary for preparing the estimate; and
- (b) May discuss with anyone the following subjects related to a forthcoming estimate:
 - (1) The source data and methodology used to prepare the estimate;
 - (2) How a development, such as a new Federal program, may or will be handled in the estimate.

In the event anomalies in the data are discovered **after** an estimate is submitted and given proper authorization, source data suppliers and outside experts can be contacted. In addition, higher-

level aggregates and preliminary results for other series can be shared, given proper authorization, with lower-level analysts to check the reasonableness of estimates. Proper authorization can be obtained from the employee's supervisor, the Division Chief, or from any employee so designated by the Division Chief.

2) Physical and Computer Security

Physical Security: All employees with access to Class 1 or 2 sensitive materials must store these materials in a locked office or locked container, such as a file drawer or safe. If the employee does not have an office or container that may be locked, he/she must contact his/her supervisor to make arrangements to lock up the sensitive materials. Employees who regularly have access to comprehensive aggregates must be provided with office locks with lock-able containers and must keep their office containers locked when they are not present. When employees have finished working with sensitive materials, the materials must be stored in a locked container or within a locked office. In the three days immediately preceding the release of Class 1 sensitive indicators, access to the Divisions preparing those estimates will be sharply restricted, and BEA policy requiring that all outside visitors (that is, non-BEA employees) be escorted at all times will be firmly enforced. Outside contractors, unless authorized by the Director or Deputy Director, must never be allowed to view or receive information about sensitive data.

Computer Security: All sensitive materials will be stored in files on the LAN system. All files containing sensitive data must be protected by the LAN security system in such a manner as to ensure that only authorized employees shall have access to such files. A list of authorized employees must be maintained and regularly monitored, and authorization for access must be removed as soon as an employee no longer has a need to know. Periodic reviews of the in-place LAN access controls must be conducted. During periods when an employee has access via computer to sensitive data, he or she must not leave that computer unattended without closing all files containing sensitive data and either logging off or invoking a password-protected screen saver. All sensitive printed materials must be shredded or disposed of in designated containers. Any sensitive information written to removable storage media (diskettes, cartridges, etc.) must be stored in locked containers or in locked rooms. Sensitive aggregates must never be sent in (or attached to) an e-mail message.

3) Use of Pre-release Information for Personal Gain or Aggrandizement

Use of government information for personal gain is prohibited under Federal law, and Federal ethics laws are designed to prevent the appearance that governmental information is used for personal gain. **BEA will take steps to immediately remove any employee from Federal service who uses pre-release information for personal gain.** Once an employee knows a submitted estimate for a Class 1 indicator, he or she must refrain from entering into financial transactions to avoid the appearance of personal gain. Financial transactions include, but are not limited to, transactions involving stocks, bonds, derivative instruments,

loan commitments, and foreign currency transactions. (Should this restriction present a problem, an employee must notify his/her supervisor prior to gaining access to a submitted estimate.)

An employee is also prohibited from using information pertaining to any class of estimates to secure gains for friends, relatives, or any other persons. Additionally, personal aggrandizement through the release of such information to the press, private entities (research organizations, investment companies) or to senior officials is prohibited.

To ensure that employees understand their responsibility and accountability for the security of sensitive data, the following statement from the BEA Standard for Handling Sensitive Data must appear in all BEA performance plans: “The employee complies with Departmental, Bureau, and Division instructions regarding the handling of classified data, proprietary data, and data subject to pre-release restrictions.”

4) Release Schedule and Procedures

Release dates and times for the principal economic indicators published by BEA (GDP, corporate profits, trade in goods and services, the International Transactions Accounts, and personal income and outlays) and other agencies are published each year in September by the Office of Management and Budget. BEA also publishes a schedule of its news releases, including national, international, regional, and industry accounts estimates for the upcoming year in the October issue of the Survey of Current Business and on its Web site <www.bea.gov>. In addition, each BEA news release includes the time and date of the next release.²

In accordance with the OMB “Statistical Policy Directive on the Compilation, Release, and Evaluation of Principal Federal Economic Indicators,” pre-release access to principal economic indicators is provided to the President. As soon as the estimates for principal economic indicators have been approved and finalized and copies of materials for public release have been prepared, the estimates are transmitted to the President, through the Chairman of the Council of Economic Advisers.

Within one hour before the scheduled time of a news/public release, the information to be released may be provided to the Under Secretary for Economic Affairs and other Department policy officials in a “lock-up” environment. There shall be no external communication of information received in the lock-up until the time of public release, and there will be no public comment by policy officials until at least one hour after the official release time.

² Changes in the release schedule may occur only if special unforeseen circumstances arise, and they must be announced and fully explained as soon as it has been determined that they are unavoidable.

Within one hour before the scheduled time of a release, representatives of the news media may be permitted to read and review the news release and related documentation in a “lock-up” environment under the direction of the Economics and Statistics Administration’s (ESA) Economic Information Officer. The ESA Economic Information Officer may use the designated phone number at BEA to call the appropriate division chief or division chief’s designee for elaboration on information in the press release, if necessary. Also, BEA sends representatives to answer questions at some of these media lock-ups. External communication of information received in the media lock-up is not permitted until the announced time of public release.

Within 30 minutes prior to public release (no later than 8:15am), the BEA web manager/assistant will be permitted to obtain an electronic version of the release files via diskette (or other removable media) for the purposes of preparing the release for posting to the BEA web site. During this pre-release period, the BEA web manager/assistant will be in a “lock-up” environment accompanied by an official of the program releasing the estimates as described in Attachment B of this document.

Under certain and extremely limited situations, the Director/Deputy Director may authorize the disclosure of data prior to their release to government policy officials or representatives of the news media. The individuals receiving the data must be listed in a log by name, data item name, and time when the data was provided. The disclosed data cannot be indicators of the current condition or direction of the economy. An example of such data includes the revisions to major aggregates for years prior to the current year. The data are provided on an embargoed basis until the official release time. The Director/Deputy Director shall ensure that any person granted access has been fully informed of (and agreed to) the condition that there is no unauthorized dissemination or use.

Attachment A. Classes of Sensitive Economic Estimates

Class 1. Principal Economic Indicators

A. BEA Review/Lock-up

Gross Domestic Product
Personal Income and Outlays
Corporate Profits

U.S. International Transactions

B. BEA Review and Joint Release with Census

U.S. International Trade in Goods and Services

Class 2. Other Sensitive Indicators

Foreign Investors' Spending to Acquire or Establish U.S. Businesses
International Investment Position of the United States
Establishment-Level Data on Foreign Direct Investment in the United States

Local Area Personal Income
State Per Capita Personal Income
State Personal Income
Gross State Product by Industry

Input-Output Accounts
Gross Domestic Product by Industry

Fixed Assets and Consumer Durable Goods

Class 3. Estimates from Special Articles, Special Tabulations, and Reimbursables that Need Review before Release

Analytical articles
New methodologies
Satellite Accounts
All other estimates that need review before release

Attachment B: Review/Lock-up Procedures

Review/Lock-up Procedures for Advance GDP and Personal Income and Outlays

1. The review will take place the day before the release at a time designated by the Director, Deputy Director or the Associate Director for National Economic Accounts.

In addition to the top management officials and other staff in the lock-up, the Associate Director for National Economic Accounts (in consultation with the Director/Deputy Director) may authorize a few employees outside of the lock-up to have access to the higher-level aggregates in order to process and prepare the data for dissemination. These employees must be listed in a log by name and the time of first having access to these aggregates.

2. All participants in the lock-up will sign in on a sheet located at the entrance to the restricted area (room 6009). After the initial sign-in, all procedures for the lock-up will be enforced, and participants will not leave the lock-up area until officially dismissed.
3. Communication with persons outside the lock-up is restricted. A telephone in the lock-up area will be staffed by the lock-up manager to take emergency incoming messages and relay outgoing messages. A log of these messages will be kept with each month's audit trail. Also, the Director/Deputy Director may authorize the lock-up participants to leave the lock-up for purposes of completing the estimates if accompanied by another lock-up participant until return to the lock-up.
4. Prior to lock-up, the lock-up manager will disable all PC, LAN, and telephone connections (except the lock-up manager's) in the lock-up area. The connections will be visibly displayed on the tops of each machine, secured by velcro strips. The LAN and telephone connections will be reconnected only after the lock-up is officially over.
5. Any notes passed out of the lock-up via the lock-up manager (e.g., requesting information from staff not in the lock-up) will be copied and retained by the lock-up manager and will become part of the official audit trail.
6. Copying of the news release will be performed in the copy center located in the lock-up area. The copy center will be officially closed no later than 9:30 AM the day of the lock-up (or as soon as the machines have been serviced by a copy-machine technician) with only persons involved in the lock-up having access to it.
7. All worksheets, notes, rough drafts, unused copies, single-strike ribbons or laser cartridges, etc. (except those to be used in the briefings the next morning) will be locked up as the lock-up ends and held until after release of the estimates. "Burn bags" for trash and envelopes for material to be retained will be available for this purpose. Materials needed for next-morning briefings are to be locked up or otherwise secured by the person using those materials.

8. All incoming FAX transmissions to the lock-up will be held until the following day for distribution. No FAX transmissions are to go out; the lock-up manager will generate a copy of the FAX Activity Report to verify that no outgoing messages were FAXed during the lock-up.
9. Tapes prepared for the telephone response system or diskettes prepared for the Economics and Statistics Administration's Economic Bulletin Board will be locked in secure containers located in locked rooms.
10. News releases for delivery outside BEA (i.e., Council of Economic Advisers, Commerce News Room, and the Office of the Under Secretary) will be transmitted in sealed envelopes, and receipt for their delivery will be obtained and delivered to the lock-up manager as early as possible the day of the release. One person designated by the Director/Deputy Director will leave the lock-up to carry the secured news release to the Council of Economic Advisers (see "Release Schedule and Procedures" section of the "Updated Security and Release Procedures"). The delivery person is required to know the person receiving the release or ask for identification to ensure that the person receiving the release is approved.
11. Lock-ups will end no earlier than 6 PM, upon dismissal by the Director or Deputy Director. Individual sign-out is required.
12. After signing out of the lock-up, all discussions of the estimates (the actual numbers, ranges, difficulty at arriving at the estimates, etc.) with non-designated persons prior to their release are strictly prohibited.
13. In case of an emergency evacuation of the building during lockup:
 - ! All sensitive materials will be secured and office doors and the copy center will be locked by lock-up manager.
 - ! Persons will leave the lock-up area in pairs and remain so until either it is safe to return to the building or the lock-up has been dismissed.
 - ! Discussion of the estimates outside the lock-up area is strictly prohibited.
14. In case of a medical or other emergency involving either a member of the lock-up, or a member of their immediate family, the following procedures will be followed:
 - ! If a member of the lock-up experiences an acute medical condition during the lock-up, that individual will be accompanied by the lock-up manager to the nurse and follow such advice as the nurse provides (e.g., go to a medical facility, go home, or rest in the nursing unit). In any event, before leaving the lock-up, the individual will sign a non-disclosure statement (see attachment C).

- ! If a member of the lock-up is informed by the lock-up manager that a member of their immediate family has experienced an emergency, the member of the lock-up may leave the lock-up after signing a non-disclosure statement (see attachment C).
15. Within 30 minutes prior to public release (no later than 8:15am):
- ! BEA's Web Manager/Assistant will receive in the designated web staff office copies of the release files on diskettes (or other portable media) so that the release files may be prepared for posting to the BEA web site immediately at 8:30am. This designated web office will then be under lock-up conditions.
 - ! All PC LAN and telephone connections will be disabled in the office and the office door locked (cipher lock installed).
 - ! Communication with the Web Manager/Assistant and a National Economic Accounts official who will be with the web staff will be restricted. Only the Director/Deputy Director can approve any additional access to the office.
 - ! All web site file preparations will be performed on the standalone PC in the designated web staff office.
 - ! At time of release, the Web Manager will reconnect the PC LAN connection and immediately post the prepared files to the BEA web site.

Review Procedures for Preliminary and Final GDP, Personal Income and Outlays, and Corporate Profits Estimates

1. The review will take place the day before the release at a time and place designated by the Director, Deputy Director or the Associate Director for National Economic Accounts.

In addition to the top management officials and other staff in the review, the Associate Director for National Economic Accounts (in consultation with the Director/Deputy Director) may authorize a few employees outside of the review to have access to the higher-level aggregates in order to process and prepare the data for dissemination. These employees must be listed in a log by name and the time of first having access to these aggregates.

2. The review will take place in a secure room.

The review will end no earlier than 6 PM, upon dismissal by the Director or Deputy Director. Individual sign-out is required.

3. News releases for delivery outside BEA (i.e., Council of Economic Advisers, Commerce News Room, and the Office of the Under Secretary) will be transmitted in sealed envelopes, and receipt for their delivery will be obtained and delivered to the review manager as early as possible the day of the release. One person designated by the Director/Deputy Director will

leave the review to carry the secured news release to the Council of Economic Advisers (see "Release Schedule and Procedures" section of the "Updated Security and Release Procedures"). The delivery person is required to know the person receiving the release or ask for identification to ensure that the person receiving the release is approved.

4. Prior to their public release, the estimates may only be discussed between designated persons (that is, participants in the review, the Council of Economic Advisors and the Office of the Under Secretary for Economic Affairs at Commerce). All discussions of the estimates (the actual numbers, ranges, difficulty at arriving at the estimates, etc.) before their release with non-designated persons are strictly prohibited.
5. Within 30 minutes prior to public release (no later than 8:15am):
 - ! BEA's Web Manager/Assistant will receive in the designated web staff office copies of the release files on diskettes (or other portable media) so that the release files may be prepared for posting to the BEA web site immediately at 8:30am. This designated web office will then be under lock-up conditions.
 - ! All PC LAN and telephone connections will be disabled in the office and the office door locked (cipher lock installed).
 - ! Communication with the Web Manager/Assistant and a National Economic Accounts official who will be with the web staff will be restricted. Only the Director/Deputy Director can approve any additional access to the office.
 - ! All web site file preparations will be performed on the standalone PC in the designated web staff office.
 - ! At time of release, the Web Manager will reconnect the PC LAN connection and immediately post the prepared files to the BEA web site.

Review Procedures for the Monthly International Trade in Goods and Services Estimates and the Quarterly Balance of Payments Estimates

1. The review will take place at a designated time before the release (for the monthly estimates 3 days before the release in order to coordinate the release with the Census Bureau) and at a place designated by the Director, Deputy Director or the Associate Director for International Economics.

In addition to the top management officials and other staff in the review, the Associate Director for International Economics (in consultation with the Director/Deputy Director) may authorize a few employees outside of the review to have access to the higher-level aggregates in order to process and prepare the data for dissemination. These employees must be listed in a log by name and the time of first having access to these aggregates.

Individuals attending the review must sign in and out and acknowledge that after leaving, they cannot disclose sensitive data, nor make any reference- - direct or indirect - - to any estimates reviewed. This prohibition extends to all visits, conversations, phone calls, or other communications.

2. The review will take place in a secure room.
3. Prior to their public release, the estimates may only be discussed between designated persons (that is, participants in the review and the Office of the Under Secretary for Economic Affairs at Commerce.) All discussions of the estimates (the actual numbers, ranges, difficulty at arriving at the estimates, etc.) with non-designated persons prior to their release are strictly prohibited.
4. Within 30 minutes prior to public release (no later than 8:15am):
 - ! BEA's Web Manager/Assistant will receive in the designated web staff office copies of the release files on diskettes (or other portable media) so that the release files may be prepared for posting to the BEA web site immediately at 8:30am. This designated web office will then be under lock-up conditions.
 - ! All PC LAN and telephone connections will be disabled in the office and the office door locked (cipher lock installed).
 - ! Communication with the Web Manager/Assistant and a Balance of Payments Division official who will be with the web staff will be restricted. Only the Director/Deputy Director can approve any additional access to the office.
 - All web site file preparations will be performed on the standalone PC in the designated web staff office.
 - ! At time of release, the Web Manager will reconnect the PC LAN connection and immediately post the prepared files to the BEA web site.

Attachment C. Non-Disclosure Statement³

As a result of a medical or other family emergency, I must leave the lock-up at _____ am/pm, on _____. After leaving the lock-up, I will not disclose sensitive data, nor make any reference- - direct or indirect - - to any estimates that I may have seen in the lock-up. This prohibition extends to all visits, conversations, phone calls, or other communications.

Member's signature/date: _____

Approval signature/date: _____
(Director or Deputy Director)

³If the member of the lock-up is so debilitated that the member cannot sign the form, the lock-up manager will sign for that member and explain the conditions to that member. If necessary, another staff member will be asked to accompany the lock-up member insofar as is necessary to provide reasonable assurances that pre-release information is not inadvertently disclosed.