

FEDERAL RESERVE SYSTEM

[Docket No. OP-1177]

Privacy Act of 1974

Notice of Amendment of System of Records

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice; amendment of systems of records.

SUMMARY: In accordance with the Privacy Act, the Board of Governors of the Federal Reserve System (Board) is amending three systems of records, entitled Payroll and Leave (BGFRS-7), Biographical File of Federal Reserve Bank Officers (BGFRS-12), and Federal Reserve System Bank Supervision Staff Qualifications (BGFRS-13) to include new routine uses, as well as reflect changes in the format and maintenance of some records. We invite public comment on this publication.

DATES: Comment must be received on or before January 22, 2004.

ADDRESSES: Comments should refer to Docket No. OP-1177, and should be mailed to Ms. Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, D.C. 20551. However, because paper mail in the Washington area and at the Board of Governors is subject to delay, please consider submitting your comments by e-mail to regs.comments@federalreserve.gov, or faxing them to the Office of the Secretary at 202/452-3819 or 202/452-3102. Members of the public may inspect comments in Room MP-500 of the Martin Building between 9:00 a.m. and 5:00 p.m. on weekdays pursuant to § 261.12, except as provided in § 261.14, of the Board's Rules Regarding Availability of Information, 12 CFR 261.12 and 261.14.

FOR FURTHER INFORMATION CONTACT: Elaine M. Boutilier, Managing Senior Counsel, (202/452-2418), Legal Division. For the hearing impaired only, contact Telecommunications Device for the Deaf (TDD)(202/263-4869).

SUPPLEMENTARY INFORMATION: Neither of the systems for Payroll and Leave and Biographical Files of Federal Reserve Officers had been updated for several years. The current revisions to these two systems reflect changes in records retained and the increasing use of electronic storage of Board records. In addition, the system managers have been changed to reflect an internal reorganization at the Board.

The system of records on Federal Reserve System Bank Supervision Staff Qualifications has been revised to reflect the inclusion of Board employees as well as Federal Reserve Bank employees in the files, and the use of electronic data bases to record the qualifications and assignments of the employees.

All three systems of records were reviewed for their routine uses and appropriate amendments to those routine uses have been made.

In accordance with 5 U.S.C. 552a(r), a report of these amended systems of records is being filed with the President of the Senate, the Speaker of the House of Representatives, and the Director of the Office of Management and Budget. These amendments will become effective on February 16, 2004, without further notice, unless the Board publishes a notice to the contrary in the Federal Register.

Accordingly, the systems of records entitled Payroll and Leave (BGFRS-7), Biographical File of Federal Reserve Bank Officer Personnel (BGFRS-12), and Federal Reserve System Bank Supervision Staff Qualifications (BGFRS-13).

BGFRS-7

System name: Payroll and Leave

Security classification: None.

System location:

Board of Governors of the Federal Reserve System, 20th and Constitution, N.W., Washington, D.C. 20551. Some information is electronically stored off-site on behalf of the Board by a contractor.

Categories of individuals covered by the system:

Past and present employees and members of the Board.

Categories of records in the system:

Payroll records, including pay statements; requests for deductions; tax and social security withholdings; Board retirement deductions; voluntary withholdings for the Board's Thrift Plan or FERS, savings bonds, CFC, and insurance; tax forms; W-2 forms; overtime requests; leave data; and worker's compensation data. Leave records, including compensatory time, and codes indicating reasons for taking leave, such as family illness, or military leave.

Authority for maintenance of the system:

Section 11 of the Federal Reserve Act (12 U.S.C. 248(i) and 248(l)).

Purpose(s):

These records are used by the Board for payroll, attendance, leave, insurance, tax, retirement, budget, and cost accounting programs, and to facilitate compliance with statutory requirements.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

The information in the records may be used for the following purposes.

- a. By the National Archives and Records Administration in connection with records management inspections and its role as Archivist.
- b. To disclose to contractors, agents, or volunteers performing or working on a contract, service, cooperative agreement, or job for the Board.
- c. To disclose information to Federal, State, local, and professional licensing boards, Board of Medical Examiners, or to the Federation of State Medical Boards or a similar non-government entity which maintains records concerning individuals' employment histories or concerning the issuance, retention or revocation of licenses, certifications or registration necessary to practice an occupation, profession or specialty, in order to obtain information relevant to a Board decision concerning the hiring, retention or termination of an employee or to inform a Federal agency or licensing boards or the appropriate non-government entities about the health care practices of a terminated, resigned or retired health care employee whose professional health care activity so significantly failed to conform to generally accepted standards of professional medical practice as to raise reasonable concern for the health and safety of patients in the private sector or from another Federal agency.
- d. To disclose pertinent information to the appropriate Federal, State, or local agency responsible for investigating, prosecuting, enforcing, or implementing a statute, rule, regulation, or order, when the Board becomes aware of an indication of a violation or potential violation of civil or criminal law or regulation.
- e. To disclose information to any source from which additional information is requested (to the extent necessary to identify the individual, inform the source of the purpose(s) of the

request, and to identify the type of information requested), when necessary to obtain information relevant to a Board decision to hire or retain an employee, issue a security clearance, conduct a security or suitability investigation of an individual, classify jobs, let a contract, or issue a license, grant, or other benefits.

f. To disclose to a Federal agency or to a Federal Reserve Bank, in response to its request, or at the initiation of the Board, information in connection with the hiring of an employee, issuing a security clearance, conducting a security or suitability investigation of an individual, classifying positions, letting a contract, or issuing a license, grant, or other benefit by the requesting agency or Federal Reserve Bank, or the lawful statutory, administrative, or investigative purpose of the agency to the extent that the information is relevant and necessary to the requesting agency's or Federal Reserve Bank's decision.

g. To provide information to a congressional office from the record of an individual in response to an inquiry from the congressional office made at the request of the individual.

h. To disclose information to another Federal agency, a court, or a party in litigation before a court or in an administrative proceeding being conducted by a Federal agency, when the Board or United States is a party to the judicial or administrative proceeding.

i. To disclose information to the Department of Justice or in a proceeding before a court, adjudicative body, or other administrative body before which the Board is authorized to appear, when:

- (1) The Board or any employee of the Board in his or her official capacity; or
- (2) Any employee of the Board in his or her individual capacity where the Department of Justice or the Board has agreed to represent the employee; or

(3) The United States (when the Board determines that the litigation is likely to affect the Board) is a party to litigation or has an interest in such litigation, and the use of such records by the Department of Justice or the Board is deemed by the Board to be relevant and necessary to the litigation provided, however, that in each case it has been determined that the disclosure is compatible with the purpose for which the records were collected.

j. To disclose, in response to a request for discovery or for appearance of a witness, information that is relevant to the subject matter involved in a pending judicial or administrative proceeding.

k. To disclose information to the Equal Employment Opportunity Commission when requested in connection with investigations of alleged or possible discrimination practices in the Federal sector, examination of Federal affirmative employment programs, or other functions vested in the Commission.

l. To disclose information to the Merit Systems Protection Board or the Office of Special Counsel in connection with appeals, special studies of the civil service and other merit systems, review of Office rules and regulations, investigation of alleged or possible prohibited personnel practices, and such other functions, e.g., as prescribed in 5 U.S.C. chapter 12, or as may be authorized by law.

m. To disclose information in connection with the investigation and resolution of allegations of unfair labor practices before the Federal Reserve Board Labor Relations Panel when requested.

n. To provide information to a federal agency, in response to its request, in connection with the hiring or retention of an employee, the letting of a contract, or issuance of a license,

grant, or other benefit by the requesting agency to the extent that the information is relevant and necessary to the requesting agency's decision on that matter.

o. To provide information to the Office of Child Support Enforcement, Administration for Children and Families, Department of Health and Human Services Federal for the purposes of locating individuals to establish paternity, establishing and modifying orders of child support, identifying sources of income, and for other child support enforcement actions as required by the Personal Responsibility and Work Opportunity Reconciliation Act (Welfare Reform Law, Pub. L. 104-193.)

p. To appropriate Federal and State agencies to provide required reports including data on unemployment insurance.

q. To the Social Security Administration to report FICA deductions.

r. To charitable institutions to report contributions.

s. To the Internal Revenue Service and to State, local, tribal and territorial governments for tax purposes.

t. To the Office of Personnel Management in connection with programs administered by that office.

u. To an employee, agent, contractor, or administrator of any Board, Federal Reserve System, or Federal government employee benefit or savings plan, any information necessary to carry out any function authorized under such plan, or to carry out the coordination or audit of a benefit or savings plan.

v. To officials of labor organizations recognized under applicable law when relevant and necessary to their duties of exclusive representation concerning personnel policies, practices, and

matters affecting working conditions.

w. To a Federal agency for the purpose of collecting a debt owed the Federal government through administrative or salary offset or the offset of tax refunds

x. To other Federal agencies conducting computer matching programs to help eliminate fraud and abuse and to detect unauthorized overpayments made to individuals.

y. To the Department of Defense, National Oceanic and Atmospheric Administration, U.S. Public Health Service, Department of Veterans Affairs, and the U.S. Coast Guard needed to effect any adjustments in retired or retained pay required by the dual compensation provisions of 5 U.S.C. 5532.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage. Electronic and paper files.

Retrievability. Filed by name, Social Security number, and employee number.

Safeguards. Access to and use of these records is limited to those persons whose official duties require such access. Personnel screening is employed to prevent unauthorized access.

Electronic files are protected by passwords. Paper records are stored in cabinets and a safe.

Retention and disposal: Various; minimum of one year from date of annual audit; maximum of indefinite.

System manager(s) and address:

Associate Director, Human Resources Function, Management Division, Board of Governors of the Federal Reserve System, 20th and Constitution, N.W., Washington, D.C. 20551.

Notification procedure:

Inquiries should be sent to the Secretary of the Board, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, D.C. 20551.

Record access procedures:

Same as "Notification procedure" above.

Contesting record procedures:

Same as "Notification procedure" above.

Record source categories:

Internal personnel forms, federal, state, and local tax forms, employee authorizations and directive forms, insurance forms, leave and overtime reports, federal and state garnishment forms.

Systems exempted from certain provisions of the Act:

None.

BGFRS---12

System name: Biographical File of Federal Reserve Bank Officers

Security Classification: None

System location:

Board of Governors of the Federal Reserve System, 20th and Constitution Ave., N.W., Washington, D.C. 20551.

Categories of individuals covered by the system:

Current and former Federal Reserve Bank officers.

Categories of records in the system:

The system contains a variety of biographical information on the Reserve Bank officers, as well

as personnel actions that occurred during that officer's employment by the Federal Reserve System. The biographical information includes System employment date; birth date; tenure; medical; education; gender; ethnicity; veteran status; past and present salaries, group levels, department, and position titles. Personnel actions include, but are not limited to: appointment, promotion, reassignment, transfer, demotion, awards, and separation.

Authority for maintenance of the system:

Sections 11 and 21 of the Federal Reserve Act (12 U.S.C. 248 and 12 U.S.C. 485).

Purpose(s):

These records are collected and maintained to assist the Board in its role as supervisor of the Federal Reserve Banks.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

Information in these records may be used:

- a. By the National Archives and Records Administration in connection with records management inspections and its role as Archivist.
- b. To disclose to contractors, agents, or volunteers performing or working on a contract, service, cooperative agreement, or job for the Board.
- c. By Federal Reserve System officials for purposes of review in connection with appointments, transfers, promotion, function reassignments, adverse actions, reassignment to non-officer status, and determination of qualifications of an individual.
- d. To publish name, title and department/function data for the directory of officers of the Federal Reserve Banks.

e. To provide reports to Congress, agencies, and the public on characteristics of the work force.

f. As a data source for management information for production of summary descriptive statistics and analytical studies in support of the function for which the records are collected and maintained, or for related personnel management functions or man-power studies. May also be utilized to respond to general requests for information (without personal identification of individuals) under the Freedom of Information Act or to locate specific individuals for personnel research or other personnel management functions.

g. To disclose pertinent information to the appropriate Federal, State, or local agency responsible for investigating, prosecuting, enforcing, or implementing a statute, rule, regulation, or order, when the Board becomes aware of an indication of a violation or potential violation of civil or criminal law or regulation.

h. To disclose information to another Federal agency, a court, or a party in litigation before a court or in an administrative proceeding being conducted by a Federal agency, when the Board or United States is a party to the judicial or administrative proceeding.

i. To provide information to a congressional office from the record of an individual in response to an inquiry from the congressional office made at the request of the individual.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Records are maintained in file folders, loose-leaf notebooks, and an electronic database.

Retrievability: Electronic records are indexed by combination of name or identification

number. Records in file folders and notebooks are maintained by Federal Reserve Districts.

Safeguards: Records are maintained in lockable metal file cabinet or metal file cabinets in secured rooms with access limited to those whose official duties require access. Access to the electronic database is controlled through assignment of security clearances to appropriate personnel.

Retention and disposal: Records are retained by the system manager until the officer separates from the Federal Reserve System, at which time they are sent to the Board's Records for permanent file, where they are maintained indefinitely.

System manager(s) and address:

Director of Reserve Bank Operations and Payment Systems, Board of Governors of the Federal Reserve System, 20th and Constitution Ave, N.W., Washington, D.C 20551.

Notification procedure:

Inquiries should be sent to the Secretary of the Board, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, D.C. 20551.

Record access procedures:

Same as "Notification procedure" above.

Contesting record procedures:

Same as "Notification procedure" above.

Record source categories.

Information in this system of records comes from either the individual to whom it applies, or data provided by Federal Reserve System officials and employees.

Systems exempted from certain provisions of the act: None.

BGFRS-13

System name: Federal Reserve System Bank Supervision Staff Qualifications

Security classification: None.

System location:

Board of Governors of the Federal Reserve System, 20th and Constitution Avenue, N.W., Washington, D.C. 20551; and the twelve Federal Reserve Banks, located in Boston, MA; New York, NY; Philadelphia, PA; Cleveland, OH; Richmond, VA; Atlanta, GA; Chicago, IL; St. Louis, MO; Minneapolis, MN; Kansas City, MO; Dallas, TX; and San Francisco, CA.

Categories of individuals covered by the system:

Past and present bank supervision staff employed by the Federal Reserve System, who are located at the Board of Governors and the twelve Federal Reserve Banks. Bank supervision staff includes bank examiners and selected supervision staff in the Federal Reserve System.

Categories of records in the system:

This system of records contains information relating to the skills, qualifications, training, and experience of bank supervision staff. It also contains information regarding past and present assignments and current availability of individual bank supervision staff employees.

Authority for maintenance of the system:

Section 11 of the Federal Reserve Act, (12 U.S.C. 248(a) and 248(l)).

Purpose(s):

These records are collected and maintained to assist the Board in performing its statutory duty to examine state member banks, bank holding companies, financial holding companies and affiliates of such institutions. The information is used to assist in career development of

examiners and other bank supervision staff. The information also aids the Board and the Reserve Banks in selecting qualified bank supervision staff for particular assignments.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

The information in the records may be used:

- a. To disclose information to Federal Reserve Banks, contractors, or agents in connection with work performed on behalf of the Board.
- b. To disclose information to the National Archives and Records Administration in connection with records management inspections and its role as Archivist.
- c. To disclose pertinent information to the appropriate federal, state, or local agency responsible for investigation, prosecuting, enforcing, or implementing a statute, rule, regulation, or order, where the Board becomes aware of an indication of a violation or potential violation of civil or criminal law or regulation.
- d. To disclose to a Federal Reserve Bank or a federal agency in the executive, legislative, or judicial branch of government, in response to its request, information in connection with the hiring of an employee, the issuance of a security clearance, the conducting of a security or suitability investigation of an individual, the classifying of jobs, or the lawful statutory, administrative, or investigative purpose of the Federal Reserve Bank or agency to the extent that the information is relevant or necessary to the requesting Federal Reserve Bank's or agency's decision or action.
- e. To provide information to a congressional office from the record of an individual in response to an inquiry from that congressional office made at the request of that

individual.

f. To disclose, in response to a request for discovery or for appearance of a witness, information that is relevant to the subject matter involved in a pending judicial or administrative proceeding.

g. To disclose information to another federal agency, to a court, or to a party in litigation before a court or in an administrative proceeding being conducted by a federal agency when the Board or Federal government is a party to the judicial or administrative proceeding.

h. To disclose to an authorized appeal grievance examiner, formal complaints examiner, administrative judge, equal employment opportunity investigator, arbitrator, mediator or other duly authorized official engaged in investigation, administrative resolution or settlement of a grievance, complaint or appeal filed by an employee.

i. To disclose information to officials of state or local bar associations or disciplinary boards or committees when they are investigating complaints against attorneys in connection with their representation of a party before the Board, Equal Employment Opportunity Commission, or a court.

Disclosure to consumer reporting agencies:

Not applicable.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: These records are maintained in file folders and in electronic media.

Retrievability: These records are retrievable by the name of and/or a unique assigned identification number for the individual on whom they are maintained.

Safeguards: Access to, and use of, these records is limited to those persons whose official duties require such access.

Retention and disposal: Records regarding training are removed from the active file when the employee leaves the Federal Reserve System and deleted five years later. Records in other parts of this system are currently under review to determine the appropriate retention period and will be retained until the appropriate retention period has been established.

System manager(s) and address:

Director, Division of Banking Supervision and Regulation, and Director, Consumer and Community Affairs, Board of Governors of the Federal Reserve System, 20th and Constitution, N.W., Washington, D.C. 20551.

Notification procedure:

Inquiries should be sent to the Secretary of the Board, Board of Governors of the Federal Reserve System, 20th and Constitution Avenue, N.W., Washington, DC 20551. The request should contain the individual's name, date of birth, Social Security number, identification number (if known), approximate date of record, and type of position.

Record access procedures:

Same as "Notification procedure" above.

Contesting record procedures:

Same as "Notification procedure" above.

Record source categories:

The records come from the individual to whom the record pertains, and personnel and training records regarding the individual that are maintained by the Board and Federal Reserve Banks.

Systems exempted from certain provisions of the act:

None.

By order of the Board of Governors of the Federal Reserve System, acting
through the Secretary of the Board under delegated authority, December 17, 2003.

 /signed/
Jennifer J. Johnson
Secretary of the Board