



**Federal Trade Commission**

**Privacy Impact Assessment**

**for the**

*Registration Web Site for FTC's National Study of Credit Report Accuracy*

**October 2010**

## 1. System Overview

The Federal Trade Commission (FTC) is conducting a nationwide study on the accuracy of information contained in consumer credit reports, as required by Section 319 of the Fair and Accurate Credit Transactions Act of 2003. Researchers at the University of Missouri-St. Louis (the “University” or “UMSL”), which is serving as lead contractor for the FTC for this study, will be creating and using a Web site to register individuals who volunteer to participate (“registration Web site”).<sup>1</sup> Researchers will also create and maintain a database of anonymized credit reporting data obtained with the consent of such individuals. Researchers will use this data to analyze the accuracy of such credit reports, and to summarize their research results (without disclosure of any individual data) for the FTC’s report to Congress. As required by the E-Government Act of 2002, the FTC is posting this privacy impact assessment (PIA) to explain to the public what information its researchers will be collecting and maintaining electronically about individuals, why it is being collected, and how it will be safeguarded to protect its privacy.

The study will review certain credit report information, and various procedures are in place to protect consumer privacy as much as possible. Notably, the employed procedures ensure that the study will not collect, maintain, or review any sensitive information in identifiable form. A summary of the procedures and safeguards is given here, along with references to sections where specific matters are addressed.

As noted above, the FTC’s researchers will be using a Web site in order to register individuals who will have been previously invited by mail to participate voluntarily in the FTC’s study. (A similar registration method was used in the second pilot study, which prepared for this national study.<sup>2</sup>) The purpose of the Web site presently being created is three-fold: (1) to determine that the individual is eligible to participate (e.g., 21 or older); (2) to confirm that the individual knows and consents to the terms of participation (e.g., to have their credit reports reviewed for accuracy by the FTC’s research team), and (3) to register the individuals who qualify and consent. The study group will comprise approximately 1,000 individuals.

By enrolling for the study at UMSL’s registration Web site, an individual will be authorizing the FTC’s researchers to obtain that individual’s credit report data – which will be redacted as explained below – from a private third-party industry entity, Fair Isaac Corporation (FICO), and to use such data to perform the Congressionally mandated study.<sup>3</sup>

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<sup>1</sup> See note 6 regarding the members of the research team.

<sup>2</sup> This Privacy Impact Assessment is similar to one performed earlier for a second pilot study; *Registration Web Site for the FACTA Credit Report Accuracy Study— Privacy Impact Assessment (February 2008)*. It may be accessed at <http://ftc.gov/os/2008/02/08022pia.pdf>.

<sup>3</sup> FICO maintains individual credit reporting data compiled from the national credit reporting agencies, and will be the source of the credit report data to be used in this study.

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Participation in the study is voluntary, and there is no consequence for not participating. Study participants will provide very limited personal information to the registration Web site, mainly contact information such as name, address, telephone number, and email address (see Section 2.1 below). At the registration Web site, the person must also enter his or her assigned study ID number – a unique number communicated to the consumer in the FTC’s invitation letter – thereby identifying that individual as a solicited consumer. The individual is informed that this study ID, the individual’s email address, and an assigned password, randomly generated by the site, will be used (see detail in Sections 2.1 and 2.3) at FICO’s Web site ([www.myfico.com](http://www.myfico.com)) operated by FICO in cooperation with national credit reporting agencies, so that researchers and the study participant will have access to the individual’s credit report data. Through that site, study participants will also receive copies of their credit reports and scores free of charge.

The University researchers assigned to the study will print a copy of a participant’s credit reports from *myFICO.com* so that they may review these reports for accuracy with the consumer. These credit reports are partially redacted; i.e., date of birth is suppressed and most of the digits of the consumer’s SSN and of any account numbers are also suppressed in printing the report. In preparation for the review, University researchers will mail copies of these same reports to the participants. Credit report information that a participant alleges to be erroneous and that is material to creditworthiness is entered into a separate *research database* (Section 2.1) in the same redacted form in which it was received. This information will be provisionally re-scored (see note 6), and the challenged information will also be disputed by the study participant through a formal industry dispute process.<sup>4</sup> Both the outcome of these disputes and the re-scoring of the challenged information are entered into the research database.

Critical to the protection of the consumer’s privacy and the safeguarding of information is the separation between the registration Web site database and the research database of redacted credit report data to be used in the study.<sup>5</sup> The only information common to both databases is the set of study IDs. Each database is encrypted and password-protected.<sup>6</sup>

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<sup>3</sup>(...continued)

Neither the FTC, nor its research team, controls or operates the FICO Web site, which is funded and maintained by private sources. FICO will not be collecting or maintaining credit report data on behalf of the FTC, and their privacy practices and policies are not covered by this PIA.

<sup>4</sup> The study employs a dispute process set forth by the Fair Credit Reporting Act (FCRA), which allows consumers to dispute credit report items that they believe to be erroneous. The methodology for the study is set forth in a Federal Register Notice of July 20, 2009, 74 Fed. Reg. 35193, which includes a description of the FCRA dispute process.

<sup>5</sup> Additional information stored in this database is discussed in Section 2.1.

<sup>6</sup> Access to the registration database is granted to designated University researchers, who receive administrative passwords to perform their assigned work. Certain of these researchers  
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Only the University researchers and no other individuals or entities will have access to the data collected by the registration Web site or to the credit report database. Registration Web site data will associate participants' study IDs with their respective names and addresses, but this database does not contain information such as financial account numbers, SSNs, drivers' license numbers, or similarly sensitive information. The separate research database containing credit report data will associate such data with individual study IDs, but it will contain no other direct personal identifiers. Any electronic transmission of the information in these databases between persons assigned to the study, i.e., between or among University researchers, FTC staff, and FICO staff involved in the re-scoring process, will occur only in an encrypted and password-protected form. The handling and storage of data has also been designed to minimize a risk to participants from illegal hacking or intrusion.

At the conclusion of the study, the contractor will transfer the data from the research database to the FTC, identified only by study IDs and no other personal identifiers that could be used to re-identify individual participants. Importantly, the registration database, which relates a person's study ID to his or her personal identifying information, is not provided to the FTC (nor to anyone; see Section 3.3), and the contractor will be instructed to destroy the registration database. At the conclusion of the study, no personal identifiers that could be used to re-identify individual study participants will exist. (Section 7 addresses the destruction of the study's mailing list, to further eliminate the possibility of re-identification.)

## **2. Information Collected and Stored within the System**

### **2.1 What information is to be collected, used, disseminated, or maintained by the system?**

Regarding individuals who meet the study criteria<sup>7</sup> and who give consent to have their

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<sup>6</sup>(...continued)

are located at the University of Arizona (hereinafter, UA); the UA researchers are formally subcontracted under the lead contractor, UMSL. The UA researchers assist in reviewing credit reports with participants. All procedures for researchers who review reports with consumers are the very same, whether researchers are at UMSL or UA (hereinafter, collectively *University researchers*). Regarding the research database, each university has its local component, again with identical procedures. Over the course of the study, and by means of encrypted and password-protected files, UA's research database is progressively merged with the one at UMSL; collectively *the research database*. By separate agreement with FICO, the University researchers will also be working with FICO staff who will provisionally re-score material credit report information that study participants allege to be erroneous. FICO will have no access to any of data collected by the researchers other than redacted credit report data that the researchers will transmit to FICO for such provisional re-scoring (see Section 2.1.)

<sup>7</sup> At a screen that occurs before consent to the study is requested, the consumer is asked  
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credit reports reviewed for accuracy with the research team (explained further below), the registration Web site will collect (or generate) and maintain the following information: (a) first name, (b) last name, (c) address (street, city, state, zip code), (d) phone number, (e) best time for calling (evenings, mornings, etc.), (f) email address, (g) a study ID number, and (h) an assigned password (randomly generated by the site and to be used subsequently in the study; see below).

The participant's study ID, which is provided in the FTC's invitation letter, is used by an individual to enter the registration Web site and is collected by this site. As explained below in Sections 2.3 and 2.8, the participant's email address, the password generated and assigned by the site, and the study ID are subsequently used for obtaining credit reports and scores at FICO's Web site, *myFICO.com*.

Certain credit report information is collected in the course of the study. As noted earlier, University researchers print copies of participant credit reports from *myFICO.com* in order to review the reports for accuracy with the consumer. These reports are obtained by the researchers in a partially redacted form (i.e., date of birth is suppressed and most of the digits of the consumer's SSN and of any account numbers are also suppressed upon printing the reports).<sup>8</sup>

Items that affect creditworthiness and that are alleged to be in error by a participant are placed, in the redacted form received, in the collective *research database*.<sup>9</sup> Additional items recorded there are: a provisional rescoring by FICO of the challenged items;<sup>10</sup> the

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<sup>7</sup>(...continued)

to confirm ("yes / no") that the person is 21 or older, has a credit card or has used some form of credit, and is currently not employed by a credit bureau.

<sup>8</sup> Printed copies of these credit reports, along with any notes taken during the telephone interview, are maintained in a locked filing cabinet, further placed in a locked University office.

<sup>9</sup> Over the course of the study, two local components of the research databases are maintained; one at UMSL, another at UA. The type and format of data which UMSL researchers place in their local component of the database are the same as for UA. All data placed in either database are recorded only by study IDs. Periodically, via encrypted and password-protected files, the anonymized data under the study IDs from UA are *row-added* to UMSL's database.

<sup>10</sup> As noted earlier, see note 6, files with consumer alleged errors are subject to rescoring by Fair Isaac. University researchers will electronically transmit to Fair Isaac copies of files with any alleged "corrections" imposed. Before transmitting such files, the researchers ensure that all identifying information, if any, such as names, addresses, employer names, have been removed (further, the information is already redacted as described above). Only a study ID is used as the file identifier. Fair Isaac electronically returns the rescored file to University

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outcome of disputes<sup>11</sup>; the participant's original credit scores from the three national credit bureaus upon drawing the reports; discrepancies among the three reports;<sup>12</sup> brief notes about a consumer that critically affected participation (e.g., moved out of the country, illness, divorce, death of a family member); and certain demographic information collected at the conclusion of the study.<sup>13</sup> Again, all data placed in the research database are recorded only under study IDs. The database (both the UMSL and UA components) are encrypted and password-protected, and they do not contain any personal identifying information.

The University server for the registration Web site collects log information (e.g., IP address, date and time of visit) of individuals who visit the Web site, with or without registering for the study.

## **2.2 What are the sources of the information in the system?**

The contact information collected at the registration Web site (listed in Section 2.1) is obtained from individuals who voluntarily submit that information upon agreeing to participate in the study. The source for the consumer's assigned password (to be used at FICO's Web site) is the registration Web site, which randomly generates a unique password for each study participant. The source for a participant's study ID is the FTC invitation letter to the consumer. The source for demographic and similar information discussed in Section 2.1 is the participant, who again voluntarily submits the information. The source for the collected credit report information is *myFICO.com*, a Web site where study participants (as well as the public) may access their credit reports. The source for any re-scored data is also FICO. The source for miscellaneous notes that may added to

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<sup>10</sup>(...continued)

researchers. These transmissions occur in small batches; they are password-protected and do not involve personal identifying information, sensitive or otherwise. The resulting rescored items are entered in the research database.

<sup>11</sup> Outcomes of disputes are recorded as follows: item(s) deleted from a credit report by lender or data furnisher; item(s) changed in the report (with specific changes); item(s) kept as originally reported; and item(s) deleted by CRA due to the expiration of a statutory time frame.

<sup>12</sup> Examples are the following: one report lists an account as open and active, another report lists it as closed; one report lists a certain payment as late, another lists it as on time; one report lists a stated lien as discharged, another lists it as undischarged; and more generally, any information that is clearly discrepant among the three reports.

<sup>13</sup> There is a concluding survey that collects a participant's gender, ethnicity, income level, educational level, and similar such demographic information.

the research database are the FTC's researchers and the participants.<sup>14</sup>

### **2.3 Why is the information being collected, used, disseminated, or maintained?**

The reasons or purpose(s) of information collection at the registration Web site all relate to executing the FTC's national study: (1) to determine that an individual is eligible to participate (e.g., is 21 or older); (2) to confirm that the individual knows and consents to the terms of participation (e.g., to have their credit reports reviewed for accuracy by the FTC's research team), and (3) to register those individuals who qualify and consent.

The collected contact information will allow the FTC's researchers to communicate with study participants. Once the information has been collected by the registration Web site, a screen informs the participant they will be hyperlinked to the *myFICO.com* Web site maintained by Fair Isaac in order to obtain credit reports and scores. Before being hyperlinked from the registration site to FICO's Web site, the person's study ID is electronically transferred to FICO's site; the ID authenticates the person to FICO as a valid study participant who is also eligible for free reports and scores. Thus, an important purpose of the study ID is to ensure that the registration Web site, as well as the related site at FICO, is used only by solicited consumers.

Although procedures at *myFICO.com* are not covered by this PIA, they are presented for a fuller understanding of the steps in the study. In order to set up an account at FICO's Web site, a person (whether study participant or not), needs to enter the following: name, address, SSN, age, a login ID, a password, and also answer certain security questions before any credit reports are provided (e.g., latest mortgage payment, car payment, or similar such questions tailored to the consumer's credit report). Study participants have been told at the registration site that their login ID at FICO is their email address and that their password is the one pre-assigned at registration. Upon completion of this procedure participants may view their credit reports and scores on line for 35 days at no charge and may also download these reports.

In agreeing to the study, the consumer has given permission to the University researchers to draw their credit reports and to review them with the consumer.<sup>15</sup> A further purpose of the study ID is to enable University researchers to obtain (i.e., print) duplicate copies of the participant's credit reports and scores by entering their study ID and an administrative

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<sup>14</sup> Distinctions between participant access and public access are discussed below.

<sup>15</sup> This agreement is confirmed twice; first at the registration Web site (further discussed in Section 4.1) and then at FICO. As part of setting up a participant account at *myFICO.com*, there is a screen that again requests the consumer's consent to the terms of the study. The person responds by clicking either "I agree" or "I do not agree." If a person chooses "I do not agree," a new screen informs them that they are not eligible to receive free reports and scores through the study, and refers them back to FICO's home page.

password. This latter password, which pertains uniquely to the study, is created and administered by FICO. The purpose of the credit report and other data in the research database is to analyze the accuracy of such data and for reporting to Congress (without disclosure of individual data).

#### **2.4 How is the information collected?**

All information collected at the registration Web site is collected electronically through various screens at the site, and similarly so for information collected at *myFICO.com* in connection with the study. Some information in the research database is manually entered by the FTC's researchers (e.g., notes).

For consumers who do not have Internet access but wish to participate in the study, a special procedure is planned. The invitation letter provides a toll-free number that solicited consumers may call if they have questions. This call center is administered by University research associates, who can assist consumers with the registration process. If a solicited consumer has no Internet access, a research associate may complete the registration procedure over the telephone with the consumer's permission, inclusive of establishing their account at *myFICO.com*.<sup>16</sup> In view of the Internet's ubiquitous presence, we expect this special procedure would apply to at most a small minority of participants, if any.

#### **2.5 How will the information be checked for accuracy and timeliness (currency)?**

After the registration procedure and the consumer's receipt of their credit reports, a University researcher telephones the individual to review the credit report information and the contact information. If, at some subsequent point, individuals believe that their registration information is incorrect or out-of-date, they may simply communicate the new information to the FTC's research team at [busresc2@umsl.edu](mailto:busresc2@umsl.edu) or by calling the toll free number.

#### **2.6 Is the system using technologies in ways that the FTC has not previously employed (e.g., monitoring software, Smart Cards, etc.)? If so, how does the**

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<sup>16</sup> When a solicited consumer calls for assistance with registration, the associate will confirm that the person has received the FTC invitation letter (and ask for the study ID) and also confirm that the person has no Internet access (e.g., via a friend, neighbor, or public library). Upon confirmation, and with the consumer's permission, the associate would enter the contact information at the registration Web site on the consumer's behalf, and also enter the information required at FICO's Web site (described earlier). To confirm the consumer's permission for this enrollment, the individual would mail back a signed (prepared) consent form, where the latter is included in all FTC invitation letters. No credit report would be accessed until the associate has received the signed consent form. The consumer's SSN would be used once in setting up the account at *myFICO.com* and no record of the SSN would be kept.

## **use of this technology affect individuals' privacy?**

The system does not use technology that has not been previously employed, save at one point: in contrast to the pilot studies, the national study will use an electronic transfer of a participant's study ID to FICO's portal, which will identify the person as having enrolled at the University's registration Web site (a study participant). This transfer is encrypted and poses no appreciable threat to a participant's privacy or information collected by the study.<sup>17</sup>

### **2.7 What law or regulation permits the collection of this information?**

The Fair and Accurate Credit Transactions Act of 2003, which directs the FTC to do a study of credit report accuracy, permits the collection of information for the purpose of the study.

### **2.8 Considering the type of information collected and sources of collection, what privacy risks were identified and how were these risks mitigated?**

This study involves a review of certain credit report information. As noted throughout, various procedures are in place to protect consumer privacy as much as possible, recognizing that the consumer has given permission for this review. An important mitigation of privacy risk is the fact that the study will not collect or review any sensitive personal identifying information.

As noted earlier, the registration Web site collects consumer contact information (name, address, telephone number, email address, best time to call), a study ID, and an assigned password. After credit reports have been drawn and printed<sup>18</sup> and reviewed with the consumer over the telephone, certain credit data (see earlier Section 2.1) are placed by University researchers in the *research database* after having removed all personal identifying information from that data, which is further partially redacted as described earlier. The resulting information is maintained and associated only with study ID. Also, the procedures and contractual obligations ensure that only the researchers who are assigned to interview consumers about their credit reports, and no other researchers (e.g., FTC staff assigned to the study or FICO staff who will re-score credit data), will know the personal identity of any participant. To further mitigate privacy risks, any communications about participant information between University researchers and FTC staff, or between University researchers and FICO staff, will occur only via study IDs.

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<sup>17</sup> Study IDs are transferred, one at a time, to FICO's portal after a person enrolls at the registration Web site. If any study ID were captured by an unwanted source, it would not be sufficient (see Section 2.3) to obtain any participant credit report information.

<sup>18</sup> As noted earlier, printed copies are stored in a locked filing cabinet, that is further located in a locked office.

Regarding credit report information that is downloaded from *myFICO.com*, this avenue is provided by *myFICO.com* to any consumer who has set up an account at that site.<sup>19</sup> The privacy risk associated with participants obtaining their credit report information in this study via *myFICO.com* is essentially the same as what may apply to any consumer who would use that site.<sup>20</sup> Consumers may visit *myFICO.com* to read the site's privacy policy and learn more about FICO's privacy and security procedures and practices.

As noted earlier, critical to the protection of consumer privacy and safeguarding the information collected by the FTC's researchers in this study is the separation between two types of data: individual registration data and credit report data. Each type is maintained in a separate, encrypted, and password-protected database. Access is granted only to those who need to use the information in the course of the study. There are also specific contractual obligations about the collection, storage, transmission, and disposal of all information pertaining to the study. The procedures regarding the collection, storage, transmission, and disposal of data have been designed to minimize the risk from illegal hacking, intrusion, or misuse of data. (See Section 6 (Security).)

### **3. Use and Access to Data in the System**

#### **3.1 Describe how information in the system will or may be used.**

Contact information collected by the registration Web site from study participants (name, address, telephone number, and email address) will be used to establish and maintain contact with participants in the study. The study ID is used by a person to enter the registration Web site and also (as one element) in establishing an account at *myFICO.com* to obtain credit reports and scores. The University researchers also use the study ID at FICO's Web site, along with an administrative password, to print a copy of participant credit reports in preparation for a review of the reports with the consumer. The study ID is thus used to relate a participant to his or her credit report information. The resulting credit data will be analyzed for accuracy and used by researchers in

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<sup>19</sup> The privacy and security of FICO's Web site is not covered by this PIA, since neither the FTC nor its researchers are using that site to collect or maintain information on individuals for the FTC. Nonetheless, the FTC notes that the information accessible on that site can only be viewed or downloaded; there is no avenue on that site by which researchers (or consumers) are permitted to change the information stored there by FICO. Consumers may seek to change their credit information through normal credit reporting procedures that affect any consumer's credit history, or through the FCRA dispute process, which allows a consumer to dispute his or her credit report information.

<sup>20</sup> For study participants, there is an electronic transfer of study ID (discussed above), the risk of which is being mitigated by security controls (e.g., encryption); also, participant date of birth will be suppressed when the credit reports are printed from the site, which further enhances privacy protection.

preparing the FTC's required report to Congress.

### **3.2 Which internal entities will have access to the information?**

The registration Web site data will be accessed by University researchers for the purposes described above and will not be transferred to the FTC or become part of any agency (or government) records. Likewise, Web site logs maintained by the University researchers will not be transferred to the FTC or made any part of FTC records.

The research database (discussed in Section 2.1) will be accessible by University researchers assigned to the study. Over the course of the study this information will also be shared with certain FTC staff (i.e., those assigned to the study) by means of participant study IDs. These shared data will thus be anonymous in nature; nonetheless, they will be electronically transferred in encrypted and password-protected files.

FICO will not be given access to participant contact information collected through the registration Web site, even though participants themselves will need to provide certain personal identifying information (described earlier) in order to establish an account at FICO's Web site to receive credit reports and scores. Further, FICO has no access (nor any need for access) to the research database.

### **3.3 Which external entities will have access to the information?**

There are no external entities that will have access to any of the information collected or maintained by the study, except for disclosures, if any, that may be required by law, e.g., subpoena or other legal process. Although the FTC's will use the data in the preparation of the report that the FTC is mandated to submit to Congress, the report will not include or disclose any individually identifiable data.

## **4. Notice and Access for Individuals**

### **4.1 How will individuals be informed about what information is collected, and how this information is used and disclosed?**

Participants receive several forms of notice before their consent to the collection of any information is requested. First, the FTC's invitation letter used to solicit consumers outlines the major steps of the study and provides a copy of the consumer consent form, which further highlights the type of information to be collected, how it would be used, and what the consumer agrees to in connection with the study. Further, the registration Web site, to which the consumer is directed via the letter, provides the FTC's privacy policy that is employed in the study. The policy is accessible by a hyperlink from the top bar placed at every screen of the site. The policy explains what information is collected by the site, why it is collected, how it will be used, how the information is secured, and other matters. Third, also at the registration Web site, the first three screens – which cannot be skipped by the consumer in moving through the site – provide a summary of

the study and various steps that a participant would agree to. All of this information is provided before the individual is requested to agree to the terms of the study or to give any contact information.

**4.2 Do individuals have the opportunity and/or right to decline to provide information?**

Participation is voluntary and anyone may decline to provide the requested information. Consumers are informed that if they decline to provide information that is needed for the study, then they cannot qualify to be participants.

**4.3 Do individuals have the right to consent to particular uses of the information? If so, how would an individual exercise this right?**

No. At the registration screen that requests the consumer's consent to the study, the consumer responds by clicking "I agree" or "I do not agree." Should a person forget to click one of these options, a special prompt is given and the person cannot proceed until this action is completed. For those who click "I agree," a new screen requests the contact information (discussed earlier).

**4.4 What are the procedures that allow individuals to gain access to their own information?**

As noted earlier, individuals who believe that their contact information is incorrect or out-of-date during the course of the study may simply communicate this to the FTC's research team at [busresc2@umsl.edu](mailto:busresc2@umsl.edu) (or, absent email, call a toll free number to talk to a research associate). Further, paper copies of participant credit reports (as described earlier) are mailed to participants by University researchers for the subsequent review of credit report accuracy over the telephone, but consumers will not have direct access to the research database maintained by the research team.<sup>21</sup> (See also Section 8 regarding Privacy Act procedures for requesting access to agency records, if any, containing an individual's data.)

**4.5 Discuss the privacy risks associated with the process of providing individuals access to their own records and how those risks are mitigated.**

Consumers do not have direct electronic access to their data in the registration Web site, except to enter registration data. (Likewise, as noted above, they have no direct electronic access to the credit report database containing their redacted credit report data, which is accessible only to researchers.) Regarding a person's access to the registration information that they have provided, the privacy risk is negligible. The consumer's

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<sup>21</sup> Although *myFICO.com* is not covered by this PIA, we note that a participant's account at *myFICO.com* permits participants to view their credit reports online for 35 days.

provided information consists of name, address, email address, phone number, and best time to call. If the latter were changed/captured by an unwanted person, it would not be sufficient to change or grant access to a participant's credit reports at FICO's Web site.<sup>22</sup> Further, regarding the mailed credit reports to a participant, these reports are redacted in the manner described earlier, which mitigates privacy risk regarding unwanted interception of this information.<sup>23</sup>

## 5 Web Site Privacy Issues

- 5.1 Describe any tracking technology used by the Web site and whether the technology is persistent or temporary (e.g., session cookie, persistent cookie, Web beacon). Currently, persistent tracking technology is not approved for use by the FTC (see 5.2).**

The University server for the registration Web site collects (i.e., preserves) "log" information (e.g., IP address, date and time of visit) of individuals who visit the Web site. "Cookies" (i.e., small text files placed and stored on the user's computer by the Web site, which can be used to collect and maintain information about the user's activities on the Web site) are non-persistent; they are deleted automatically when the user closes the Web browser by which the information is collected.

- 5.2 If a persistent tracking technology is used, ensure that the proper issues are addressed (issues outlined in the FTC's PIA guide).**

No persistent tracking technology is used.

- 5.3 If personal information is collected through a Web site, page, or online form accessible through the Internet, is appropriate encryption used? If not, explain.**

All collected information is encrypted under *https* (a secure Internet protocol).

- 5.4 Explain how the public will be notified of the Privacy Policy.**

The privacy policy is posted at the registration Web site; it is accessible by a hyperlink from the top bar at every screen of the site. It is machine readable (P3P-compliant).

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<sup>22</sup> As noted above, any consumer who requests credit reports at *myFICO.com* needs to enter the person's name, address, age, SSN, a login ID, a password (as well as answer certain security questions). As also explained earlier, neither SSN nor age is collected by this study.

<sup>23</sup> First class mail is normally used for credit reports that are mailed by national CRAs; first class mail is also used by the study contractor.

**5.5 Considering any Web site or Internet issues, please describe any privacy risks identified and how they have been mitigated.**

This matter is addressed in Sections 2.8 and 4.5.

**5.6 If the Web site will collect personal information from children under 13, or be directed at such children, explain how it will comply with the Children's Online Privacy Protection Act (COPPA).**

The Web site will solicit and collect information only from those who identify themselves as 21 years or older; thus, COPPA does not apply.

**6 Security of Information in the System**

**6.1 Are all IT security requirements and procedures required by federal law being followed to ensure that information is appropriately secured?**

Yes. The contractor warrants and agrees that it shall not use any non-FTC network or facility (e.g., commercial, corporate, university) to store or process Sensitive Information on behalf of the FTC, unless such network or facility is an information system currently certified and accredited under the Federal Information Security Management Act (FISMA), or such network or facility otherwise has adequate administrative, technical, physical and procedural controls, including a program of continuous monitoring to ensure such controls remain in place and fully operational, to ensure the security (i.e., confidentiality, integrity and availability) of Sensitive Information stored or processed for the FTC using such network or facility.

**6.2 Has a Certification & Accreditation been completed for the system or systems supporting the program?**

No. The registration Web site and the related screen at FICO's site that validates certain consumers as study participants (via the secure transfer of study IDs) are designed solely for the purpose of this study and their use will end within six months from the initiation of participant enrollment.

**6.3 Has a risk assessment been conducted on the system?**

A risk assessment in association with a Certification and Accreditation has not been completed. However, information security procedures to be used during this national study, covering both the registration and research database, were successfully tested and employed during the second pilot study of credit report

accuracy which involved its own PIA.<sup>24</sup> Interested parties may also consult FTC *December 2008 Report to Congress*, which reviews the procedures and findings of the second pilot study and is accessible at: <http://www.ftc.gov/opa/2008/12/factareport.shtm>).

**6.4 Does the project employ technology that may raise privacy concerns? If so, please discuss its implementation.**

Privacy concerns are not raised by the project's technology, which employs no unusual technology.

**6.5 What procedures are in place to determine which users may access the system and are they documented?**

Access to both the registration and research databases is granted on a need-to-know basis within the FTC and the Universities conducting this study. There are also specific and detailed policy and procedures attached to the contract concerning safeguards for all data collected during the course of this study.

**6.6 Describe what privacy training is provided to users either generally or specifically relevant to the program or system.**

The contract requires that privacy training be provided to all University researchers prior to their participation in the study. The contractor provided a description of the privacy training, and the FTC has determined that the course content is commensurate to the categorization of the data to be handled during the study. Additionally, the contractor shall verify the successful completion of the privacy training for all University researchers involved in this study.

**6.7 What auditing measures and technical safeguards are in place to prevent the misuse of data?**

The University has an Information Security Program, which is described at <http://infosec.missouri.edu/>.<sup>25</sup> To the extent possible, the FTC has reviewed the documents available at this website. These documents describe policies which

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<sup>24</sup> *Registration Web Site for the FACTA Credit Report Accuracy Study—Privacy Impact Assessment (February 2008)*; it may be accessed at <http://ftc.gov/os/2008/02/08022pia.pdf>. In terms of technology, the main point of difference is that the national study will employ a secure electronic transfer of a study ID number, which identifies a person as a solicited consumer. No such electronic transfer was used in the second pilot study. For the rest, the technology and study procedures are the same.

<sup>25</sup> An audit of this security system was performed by Price Waterhouse three years ago.

are commensurate with the sensitivity level of the data being created, used, stored, and transmitted by the University.

**6.8 State that any questions regarding the security of the system should be directed to the FTC's Chief Information Security Officer.**

Any questions regarding the security of the system should be directed to the FTC's Chief Information Security Officer.

**7 Data Retention**

**7.1 For what period of time will data collected by this system be maintained?**

Data will be collected throughout the course of the study, which (by contract) is expected to run 66 weeks; the data would be maintained for this same period.

**7.2 What are the plans for destruction or disposal of the information?**

At the conclusion of the study, the FTC will require that the registration database, as well paper copies of credit reports and related notes, be destroyed; electronic data to be permanently deleted and data in paper form to be shredded. Credit data from the research database will be securely transferred to the FTC, and such data are anonymized, associated only with individual study IDs and no other personal identifiers. Further, the FTC's third party mailer, hired to send the invitation letters to consumers, will be instructed to destroy the mailing list when it is no longer needed. (All mailings are expected to be finished by six months from the initiation of the study; thereafter, the mailing list has no further use and it will be destroyed.)

**7.3 Describe any privacy risks identified in the data retention and disposal of the information, and describe how these risks have been mitigated.**

Any retention of data would occur only in de-identified form, so that such data cannot be tied to any individual. The data disposal methods to be used will not require transfer to or access by others that could present specific privacy risks. Importantly, the FTC never receives a copy of the registration database, which contains the consumer's contact information associated with their study IDs. Thus, the FTC will not have any ability to re-identify the participants, as the agency will not receive any information that could allow it to do so. Such re-identification is not necessary for this study. All analysis of the study will address only the anonymous and redacted data in the research database.

**8 Privacy Act**

**8.1 Will the data in the system be retrieved by a personal identifier?**

Yes. As noted above, contact information in the registration database is associated with study ID number, as well as a person's name and address. Study participants who believe that their contact information is incorrect or out-of-date can communicate new information to the research team (see Section 2.5). Likewise, credit data in the research database will be associated with and retrieved by individual study ID, where necessary.

## **8.2 Is the system covered by an existing Privacy Act System of Records notice (SORN)?**

Although registration data and the credit report data can be retrieved by certain anonymized personal identifiers, the FTC is not taking custody and control of individuals' data in identifiable form. Nonetheless, to the extent that such records are deemed legally subject to the Privacy Act as agency records, those records would be covered by the SORN that applies to the agency's nonpublic legal program records (FTC I-1). <http://www.ftc.gov/foia/listofpaysystems.shtml> In addition, to the extent that the data are deemed to be system user data, the SORN covering such records (VII-3) would apply.

Moreover, the FTC's invitation letter and the registration Web site present appropriate privacy notices, consistent with the Privacy Act. This disclosure (notice) is the following.

*Privacy Act Statement.* Congress has directed the FTC to do this study, and The Fair and Accurate Credit Transactions Act of 2003 permits the collection of information from you for the purpose of this study. The FTC's researchers will be collecting this information, but the FTC does not intend to make any of your personal information part of its own records. To the extent that the Privacy Act of 1974 applies, your information would be treated as part of the agency's legal records system. You can read about routine uses of such records on the FTC's Web site (<http://www.ftc.gov/foia/sysnot/i-1.pdf> or <http://www.ftc.gov/foia/sysnot/i-1.wpd>). Your participation is completely voluntary, but please understand that if you choose not to provide information that we need for the study, then you cannot qualify to be a participant.

## **9 Privacy Policy**

**9.1 Confirm that the collection, use, and disclosure of the information in this system has been reviewed to ensure consistency with the FTC's privacy policy.**

The collection, use, and disclosure of the information in this system has been reviewed to ensure consistency with the FTC's privacy policy.

**10 Approval and Signature Page**

Prepared for the Business Owners of the System by:

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