



**Federal Trade Commission
Privacy Impact Assessment**

ONLINE FAX SERVICE

July 2019

1 System Overview

The Federal Trade Commission (FTC, Commission or the agency) is an independent federal government law enforcement and regulatory agency with authority to promote consumer protection and competition through the prevention of unfair, deceptive and anti-competitive business practices; to enhance informed consumer choice and public understanding of the competitive process; and to accomplish these missions without unduly burdening legitimate business activity.

The Online Fax Service provides an effective and efficient alternative to the traditional manual fax method using existing agency fax machines. Particularly for faxes that are being sent to multiple destinations, that contain a high volume of information, or that are transmitting material that is already in electronic format, the Online Fax Service reduces the time, effort, cost, and risks associated with more traditional manual fax methods. Currently, FTC users can use the Online Fax Service to send, but not receive, faxes.

The Online Fax Service permits authorized FTC employees and contractors to use their web browser to securely upload materials to the contractor's fax portal for fax transmission to designated recipients.

The Online Fax Service stores PII from fax senders and fax recipients. In addition, some of the information sent via the Online Fax Service (i.e. the content of the documents, themselves) may include nonpublic or otherwise sensitive information, including personally identifiable information about members of the public (e.g., individual defendants, consumers, or others) or FTC employees or contractors. Accordingly, we have conducted this privacy impact assessment (PIA) and are making it available to the public, as required by section 208 of the E-Government Act of 2002.

2. Information Collected and Stored within the System

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

There are three main categories of information collected, used, disseminated, or maintained by the system: fax content, sender data, and recipient data.

Fax content may include many kinds of information, including any type of PII .Information uploaded to, transmitted by and temporarily maintained in the Online Fax Service is not restricted to a specific category or subset of FTC matters, and may relate to any authorized, official FTC matter, such as an FTC law enforcement investigation, lawsuit, or study. Information uploaded to, transmitted by, and temporarily maintained in the Online Fax Service may include materials that the FTC has previously collected voluntarily (e.g., access letter or discovery) or through compulsory process (e.g., subpoenas, civil investigatory demands, court orders) from various businesses or individuals (see section 2.2 below), as well as materials that the FTC staff themselves have compiled or generated (e.g., drafts of joint motions or briefs, attachments, or exhibits, being uploaded and shared with opposing counsel for review). These materials will frequently consist, in whole or part, of nonpublic information, including confidential business data or other privileged or internal matters. In addition, the materials may contain personal information about specific defendants, consumers, or other individuals, some of which could raise privacy issues if they were to be improperly handled or disclosed (e.g., personal financial statements, bank records, credit card numbers, customer lists, consumer

complaints or affidavits, personal contact data).

Sender data consists of information related to FTC staff that access the Online Fax Service to send faxes. Information regarding each credentialed user includes username, password, name, job title, email address, and the applicable FTC bureau or office.

Recipient data consists of the following types of PII belonging to the fax recipient, which the sender enters before sending a fax to the recipient:

- Fax number
- Name
- Business affiliation

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

Fax Content:

The information uploaded to, transmitted by, and temporarily maintained in the Online Fax System may include copies of materials that have been collected, gathered, or generated in connection with the FTC's legal, investigatory, administrative, and other activities, as well as orders issued by courts in connection with FTC litigation. Sources of materials include targets of investigations (businesses and individuals) and their lawyers and representatives; companies or organizations not under investigation; consumers, witnesses, and informants; and others (e.g., data acquired by the FTC from commercial, academic or governmental sources); and FTC staff (e.g., nonpublic drafts or memoranda, briefs, attachments, exhibits authored by FTC attorneys).

Sender Data:

Designated FTC administrators create user profiles for credentialed FTC staff that includes a username, name, job title, email address, and the applicable FTC bureau or office. Staff creates their own passwords and can populate/determine user preference information.

Recipient Data:

The PII pertaining to the recipient that is uploaded to the Online Fax System is limited to fax number, name, and business affiliation. The way the agency obtained the fax number or any other recipient PII will depend on the case or circumstance. Sources of this information may include targets of investigations (businesses and individuals) and their lawyers and representatives; companies or organizations not under investigation; consumers, witnesses, and informants; and others (e.g., data acquired by the FTC from commercial, academic or governmental sources); and FTC staff.

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

Fax Content:

Information uploaded to, transmitted by, and temporarily maintained in the Online Fax Service is used for law enforcement and other agency activities. As noted earlier, Online Fax Service provides a secure alternative to traditional manual fax methods used by the FTC, particularly when transmitting material to multiple recipients or sending voluminous materials or materials that already exist in electronic form.

Sender Data:

User account information is collected to allow users to securely use the Online Fax Service.

Recipient Data:

Recipient data is used to allow senders to securely send messages via the Online Fax Service to the correct recipients.

2.4. How is the information collected?

Fax Content:

Materials to be transmitted by the Online Fax Service will be securely uploaded from the FTC network by authorized users to the contractor's portal, together with the transmission information for the recipient(s). Documents are encrypted in transit and at rest.

Sender Data:

User IDs created by the FTC System Administrator. Staff enter their own passwords and user preferences directly into the secure system.

Recipient Data:

The PII pertaining to the recipient that is uploaded to the Online Fax System is limited to fax number, name, and business affiliation. The way the agency obtained the fax number or any other recipient PII will depend on the case or circumstance. Sources of this information may include targets of investigations (businesses and individuals) and their lawyers and representatives; companies or organizations not under investigation; consumers, witnesses, and informants; and others (e.g., data acquired by the FTC from commercial, academic or governmental sources); and FTC staff.

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

Fax Content:

Files are uploaded to the Online Fax Service's secure storage area "as is" without verifying their accuracy or timeliness. Instead, the underlying information that is used by the FTC as part of its law enforcement and other activities is reviewed for accuracy and timeliness as required by, and in the course of, the particular activity.

Sender Data:

System administrators are responsible for adding senders to, or removing senders from, the system. The agency relies on the vendor to maintain accurate user metadata pertaining to the senders.

Recipient Data:

The sender is responsible for ensuring that the recipient data is accurate when entering it into the system. The agency relies on the vendor to maintain accurate user metadata pertaining to the recipients.

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 use of this technology affect individuals' privacy?

No.

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

The Federal Trade Commission Act, 15 U.S.C. §§ 41-58, the Commission Rules of Practice, and other statutes and regulations enforced by the agency authorizes the FTC to collect the information that is sent, received, and maintained temporarily in the system.

For system user information, see the Federal Information Security Management Act, 44 U.S.C. 3541 *et seq.*

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

The FTC has identified several risks that could affect the privacy of individuals whose information may be uploaded to, transmitted by, and temporarily maintained in the Online Fax Service.

Such information could be intercepted in transit over the Internet. The web-based application addresses this risk by using enhanced encryption and authentication methods. The Online Fax Service's configuration requires information to be transferred from the authorized FTC user to the fax portal in encrypted form using secure socket layer (SSL) technology. AES256 encryption is used when documents are in transit, and AES128 encryption is used when documents are at rest. In addition, the contractor's storage of uploaded materials is temporary. After the contractor transmits the fax, confirms its receipt by the recipient(s), and notifies the FTC sender that the fax has been received by its intended recipient(s), the contractor securely and irreversibly deletes the uploaded material from its system.

There is a risk that users may inadvertently transfer sensitive data (including Sensitive PII) to unintended recipients, but this risk also exists with manual fax transmission. This risk is addressed by administrative and technical controls adopted by the FTC as well as security and process controls inherent in the Online Fax Service. To become an authorized FTC user of the Online Fax Service, FTC employees must be approved by their supervisor.

In addition, to help ensure that materials are sent to the correct recipient, the Online Fax Service requires manual entry of the recipient fax number(s). Therefore, when users type the recipient fax number(s) into the "To" field in the Online Fax Service's portal, there is no "auto-complete" function unless the user has previously sent a fax to the same recipient using the Online Fax Service system.

Furthermore, all FTC Online Fax Service users are instructed to verify that the recipient fax number(s) that appear in a confirmation box on the user's screen are correct before the fax can be sent from the system, and after the fax is sent, the user receives e-mail confirmation that the fax was sent and may verify that the fax was sent to the correct recipient.

To prevent FTC users and administrative users from exceeding their authorized access and viewing documents or files from other accounts, FTC users cannot access other accounts and system administrators do not have access to files that have been uploaded to the Online Fax Service. Administrators have access to information about which senders have sent faxes on which days for auditing, access control, and billing purposes.

3. Use and Access to Data in the System

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

Fax Content:

As discussed in the introduction and system overview (see Section 1), information in the system may be used to support the FTC's law enforcement and other activities, including to investigate and enforce statutes and regulations protecting consumers against fraudulent, deceptive, or unfair practices in the marketplace; to locate victims; to assist with redress; to investigate internal matters; and to defend against suits brought against the agency.

Sender Data:

User account information will be used to allow approved FTC staff to securely access and use the Online Fax Service.

Recipient Data:

Fax recipient data will be used to ensure the fax is transmitted to the correct recipient.

3.2 Which internal entities will have access to the information?

User IDs can only be created by an FTC System Administrator, and authorized users will retain access rights until they no longer have a business need for the Online Fax Service or they leave the agency. The system owner for the Online Fax Service is the Office of the Chief Information Officer. The system owner, the system administrators in the bureaus, and appropriate IT fund managers, may have access to information about which senders have sent faxes on which days for auditing, access control, and billing purposes.

3.3 Which external entities will have access to the information?

None. Only authorized FTC employees and contractors (including the vendor), have access to the FTC's account and the information it contains. All FTC materials uploaded to and transmitted by the Online Fax Service are transmitted telephonically as ordinary faxes to the intended recipient(s), and those recipients cannot access the information while it is in the fax portal.

To perform system administration, the Online Fax Service vendor (who is considered to be a contractor), has access to system data that may include sender and recipient PII. For example the vendor could access FTC user "address books" within the system if needed for system administration or troubleshooting purposes. However, system administrators who work for the vendor do not have access to files that have been uploaded to the Online Fax Service, but can only view logs of each transaction for auditing and billing purposes. After the vendor transmits the fax, confirms its receipt by the recipient(s), and notifies the FTC sender that the fax has been received by its intended recipient(s), the vendor securely and irreversibly deletes the uploaded material from its system.

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?

Fax Content:

Wherever required, the FTC provides notice to individuals about its policies regarding the use and disclosure of information at the time information is collected (e.g., in voluntary access

letters, civil investigatory demands, or agency forms or questionnaires that were originally used to request or collect the information uploaded to the system). On those occasions where the FTC cannot provide notice at the time information is collected (e.g., information collected and maintained by other entities that have then shared such information with the FTC), the FTC provides notice via its privacy policy, its Privacy Act Systems of Records (SORNs), and its PIAs, including this one.

Sender Data:

For the Online Fax Service users, appropriate notice is given at the secure webpage where their user login information is collected. On those occasions where the FTC cannot provide notice at the time information is collected (e.g., information collected and maintained by other organizations that have then shared such information with the FTC), the FTC provides notice via its privacy policy, its Privacy Act Systems of Records (SORNs), and its PIAs, including this one.

Recipient Data:

Wherever required, the FTC provides notice to individuals about its policies regarding the use and disclosure of information at the time information is collected (e.g., in voluntary access letters, civil investigatory demands, or agency forms or questionnaires that were originally used to request or collect the information uploaded to the system). On those occasions where the FTC cannot provide notice at the time information is collected (e.g., information collected and maintained by other entities that have then shared such information with the FTC), the FTC provides notice via its privacy policy, its Privacy Act Systems of Records (SORNs), and its PIAs, including this one.

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).

The FTC does not use any persistent tracking technology. The vendor provides users with the option of being remembered for future sessions. If the user chooses this option, then the vendor will utilize a cookie that remembers the particular user over multiple sessions. The vendor does not share this data with the FTC.

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?

The FTC follows all applicable Federal Information Security Management Act (FISMA) requirements with regard to the Online Fax Service.

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

Not applicable.

6.3 Has a risk assessment been conducted on the system?

This PIA serves as the risk assessment for the Online Fax Service.

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

Yes, the Online Fax Service uses the Internet to transmit information from the FTC to the contractor before converting that material into a traditional fax that is transmitted by telephone line. Use of the Internet potentially poses a privacy concern, however, as discussed in section 2.8, the Online Fax Service incorporates a number of measures to minimize the risks. The Online Fax Service uses several layers of authentication to ensure that only authorized recipients can access the files and that transmissions between the FTC and the contractor are encrypted, and a secure transfer protocol is used. In addition, the system utilizes various administrative and technical controls.

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

As documented in the 'Rules of Behavior' form, the designated Online Fax Service Administrator(s) shall add users to the system only when their access has been authorized and approved by the appropriate supervisory official(s). In addition, all authorized users must read and sign a 'Rules of Behavior' form, acknowledging their responsibilities while using the Online Fax Service.

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

All FTC staff are required to complete computer security and privacy awareness training annually. The interactive online training covers topics such as properly handling Sensitive PII and other data, online threats, social engineering, and the physical security of documents.

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

The Online Fax Service system tracks each fax that is sent, from whom the file is sent, to whom the file is sent, and the name of the file that was uploaded for transmission. There is also a documented list of authorized FTC users who can access the Online Fax Service and a comprehensive use log that can be filtered to identify file transfers, senders and recipients. FTC system administrators are responsible for only adding authorized users to the system, and for removing users from the system when they no longer require access.

6.8 Questions regarding the security of the system.

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?

After the information is uploaded to the Online Fax Service, the vendor transmits the fax, confirms its receipt by the recipient(s), and notifies the FTC sender that the fax has been received by its intended recipient(s). Once transmission is confirmed, the vendor securely and

deletes the uploaded material from its system. If transmission cannot be completed for any reason, the uploaded material is deleted after the maximum retry attempts of five. Therefore, the Online Fax Service never maintains files for a lengthy period of time. Uploaded files are not duplicated or transferred to other storage media during the normal course of transmitting the facsimile(s). Transmission information collected for the purpose of monitoring Online Fax Service usage, including access, system event, and device usage logs do not contain any message content. If a user sends a fax using the Online Fax Service user portal, information about that transmission will be stored in the user portal log for up to a year. If a user uses the Online Fax Service to send a fax from somewhere outside the user portal (i.e. via e-mail), information about that transmission/metadata will be stored for 72 hours/7 days.

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

See the response to Question 7.1

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

An overall discussion of the privacy risks associated with the Online Fax Service and the steps that the FTC has taken to mitigate those risks is provided in section 2.8, above. The privacy risk in disposal of information uploaded to and transmitted by the Online Fax Service is relatively low, because the uploaded information is only maintained temporarily and is deleted directly from the Online Fax Service system; the contractor does not retain the uploaded materials in other locations or formats.

8. Privacy Act

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

Documents temporarily awaiting transmission in the system are not (and will not be) retrievable by a personal identifier (e.g., name or other personally assigned number or identifier). The system does, however maintain user accounts that a system administrator can retrieve by a unique user ID (e.g., e-mail address).

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

Although the FTC, as noted in 8.1 above, does not maintain and cannot retrieve documents transmitted through the Online Fax Service by any subject individual's name or other personal identifier, the FTC maintains many of these documents as part one or more Privacy Act systems for which the FTC has published SORNs. *See, e.g.*, FTC I-1 (Nonpublic Investigational and Other Nonpublic Legal Program Records). The FTC has also published a SORN for computer systems user ID and access records maintained by or on behalf of the agency. *See* SORN FTC VII-3. All of the FTC's SORNs are available at <http://www.ftc.gov/foia/listofpaysystems.shtm>."

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 information in this system is consistent with the FTC's Privacy Policy.

