

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-4575-N-01]

Privacy Act of 1974; Proposed Amendment of Routine Uses Applicable to Existing Systems of Records, and Establishment of Two New Systems of Records

AGENCY: Office of Inspector General, HUD.

ACTION: Notification of Proposed Amendment of Routine Uses Applicable to Existing Systems of Records, and Establishment of Two New Systems of Records.

SUMMARY: In accordance with the Privacy Act of 1974 (5 U.S.C. 552a), the Office of Inspector General (OIG) gives notice that it proposes to amend the routine uses applicable to its four existing systems of records, and to establish two new systems of records. The amendment adds two new routine uses to the five uses currently applicable to OIG's four existing systems of records. The new routine uses permit disclosure: to State boards of accountancy, for potential disciplinary action against independent public accountants; and to the Department of Justice ("DOJ"), for use in litigation. This two new systems of records established are the AutoAudit (HUD/OIG-5) and the AutoInvestigation (HUD/OIG-6). These systems of records are automated information tracking and storage systems employed in connection with OIG audits and investigations commenced on or after June 1, 2000.

DATES: *Effective Date:* This proposal shall become effective without further notice on June 21, 2000, unless comments are received on or before that date which would result in a contrary determination.

Comment Due Date: June 21, 2000.

ADDRESSES: Interested persons are invited to submit comments regarding this notice to the Rules Docket Clerk, Office of General Counsel, Room 10276, Department of Housing and Urban Development, 451 7th Street, SW, Washington, DC 20410-0500. Communications should refer to the above docket number and title. Comments submitted by facsimile (FAX) will not be accepted. A copy of each communication submitted will be available for public inspection and copying between 7:30 a.m. and 5:30 p.m. weekdays at the above address.

FOR FURTHER INFORMATION CONTACT: For Privacy Act information: Jeanette Smith, Departmental Privacy Act Officer, Telephone Number (202) 708-2374. For

OIG-related information: Bryan Saddler, Acting Counsel to the Inspector General, Office of Inspector General, Telephone Number (202) 708-1613. (These are not toll free numbers). A

telecommunications device for hearing- and speech-impaired persons (TTY) is available at 1-800-877-8339 (Federal Information Relay Services). (This is a toll-free number).

SUPPLEMENTARY INFORMATION:

Revision of Existing Systems of Records

The OIG, pursuant to the Privacy Act of 1974, currently maintains four systems of records: (1) Investigative Files of the Office of Inspector General (HUD/OIG-1); (2) Hotline Complaint Files of the Office of Inspector General (HUD/OIG-2); (3) Name Indices System of the Office of Inspector General (HUD/OIG-3); and (4) Independent Auditor Monitoring Files of the Office of Inspector General (HUD/OIG-4). The notice for these systems of records was last published on June 12, 1992 (57 FR 25069). The two additional routine uses being made applicable to OIG's four existing systems of records will permit disclosure: (1) To State boards of accountancy, for potential disciplinary action against independent public accountants; and (2) to the Department of Justice, for use in litigation. All other aspects of OIG's four existing systems of records remain unchanged and are as published at 57 FR 25069.

Sections 552a(e)(4) and (11) of title 5, United States Code provide that an agency publish a notice of the establishment or revision of a record system which affords the public a 30-day period in which to submit comments. To meet this requirement, the texts of the new routine uses are printed below. Further, a report of the OIG's intention to amend the routine uses applicable to its four existing systems of records has been submitted to the Committee on Government Operations of the House of Representatives, the Committee on Governmental Affairs of the Senate, and the Office of Management and Budget (OMB), pursuant to paragraph 4b of Appendix I of OMB Circular A-130, which is entitled "Federal Agency Responsibilities for Maintaining Records About Individuals" (50 FR 52730, December 24, 1985).

Establishment of New Systems of Records

AutoAudit and AutoInvestigation, OIG's new automated information tracking and storage systems, will effectively consolidate and expand upon information included in OIG's four existing systems of records. AutoAudit

and AutoInvestigation are designed to function as tools to create, maintain and manage audits and investigations in a centralized, paper-less environment. Records maintained in AutoAudit and AutoInvestigation may be accessed by reference to any information field entered into such systems, including name, alias, social security number, address, etc.

The AutoAudit and AutoInvestigation systems notices required under section 552a are also printed below.

Additionally, a report of the OIG's intention to establish the two new systems has been submitted to the Committee on Government Operations of the House of Representatives, the Committee on Governmental Affairs of the Senate, and OMB.

Accordingly, the notice, pursuant to 5 U.S.C. 552a(e)(4) and (11), of revisions to OIG's four existing systems of records and the establishment of two new systems of records follows:

HUD/OIG-1

SYSTEM NAME:

Investigative Files of the Office of Inspector General.

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ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under subsection (b) of the Privacy Act of 1974, 5 U.S.C. 552a(b), records may also be disclosed routinely to other users under the following circumstances:

1. In the event that records indicate a violation or potential violation of law, whether criminal, civil or regulatory in nature, the relevant records may be disclosed to the appropriate federal, State or local agency charged with the responsibility for investigating or prosecuting such violation or enforcing or implementing such statute, rule or regulation.

2. Records may be disclosed to a congressional office in response to an inquiry from that congressional office made at the request of the individual who is the subject of the records.

3. Records may be disclosed to HUD contractors, Public Housing Authorities or management agents of HUD-assisted housing projects, in order to assist such entities in taking action to recover money or property, where such recovery serves to promote the integrity of the programs or operations of HUD.

4. Records may be disclosed during the course of an administrative proceeding where HUD is a party to the

litigation and the disclosure is relevant and reasonably necessary to adjudicate the matter.

5. Records may be disclosed to any source, either private or governmental, to the extent necessary to elicit information relevant to an OIG investigation.

6. Records may be disclosed to appropriate State boards of accountancy for possible administrative or disciplinary sanctions such as license revocation. These referrals will be made only after the independent auditor has been notified that the OIG is contemplating disclosure of its findings to an appropriate State board of accountancy, and the independent auditor has been provided with an opportunity to respond in writing to the OIG's findings.

7. Records may be disclosed to DOJ for litigation purposes associated with the representation of OIG and/or HUD before the courts.

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HUD/OIG-2

SYSTEM NAME: HOTLINE COMPLAINT FILES OF THE OFFICE OF INSPECTOR GENERAL

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ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under subsection (b) of the Privacy Act of 1974, 5 U.S.C. 552a(b), records may also be disclosed routinely to other users under the following circumstances:

1. In the event that records indicate a violation or potential violation of law, whether criminal, civil or regulatory in nature, the relevant records may be disclosed to the appropriate federal, State or local agency charged with the responsibility for investigating or prosecuting such violation or enforcing or implementing such statute, rule or regulation.

2. Records may be disclosed to a congressional office in response to an inquiry from that congressional office made at the request of the individual who is the subject of the records.

3. Records may be disclosed to HUD contractors, Public Housing Authorities or management agents of HUD-assisted housing projects, in order to assist such entities in taking action to recover money or property, where such recovery serves to promote the integrity of the programs or operations of HUD.

4. Records may be disclosed during the course of an administrative proceeding where HUD is a party to the litigation and the disclosure is relevant

and reasonably necessary to adjudicate the matter.

5. Records may be disclosed to any source, either private or governmental, to the extent necessary to elicit information relevant to an OIG investigation.

6. Records may be disclosed to appropriate State boards of accountancy for possible administrative or disciplinary sanctions such as license revocation. These referrals will be made only after the independent auditor has been notified that the OIG is contemplating disclosure of its findings to an appropriate State board of accountancy, and the independent auditor has been provided with an opportunity to respond in writing to the OIG's findings.

7. Records may be disclosed to DOJ for litigation purposes associated with the representation of OIG and/or HUD before the courts.

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HUD/OIG-3

SYSTEM NAME:

Name Indices System of the Office of Inspector General.

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ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under subsection (b) of the Privacy Act of 1974, 5 U.S.C. 552a(b), records may also be disclosed routinely to other users under the following circumstances:

1. In the event that records indicate a violation or potential violation of law, whether criminal, civil or regulatory in nature, the relevant records may be disclosed to the appropriate federal, State or local agency charged with the responsibility for investigating or prosecuting such violation or enforcing or implementing such statute, rule or regulation.

2. Records may be disclosed to a congressional office in response to an inquiry from that congressional office made at the request of the individual who is the subject of the records.

3. Records may be disclosed to HUD contractors, Public Housing Authorities or management agents of HUD-assisted housing projects, in order to assist such entities in taking action to recover money or property, where such recovery serves to promote the integrity of the programs or operations of HUD.

4. Records may be disclosed during the course of an administrative proceeding where HUD is a party to the litigation and the disclosure is relevant

and reasonably necessary to adjudicate the matter.

5. Records may be disclosed to any source, either private or governmental, to the extent necessary to elicit information relevant to an OIG investigation.

6. Records may be disclosed to appropriate State boards of accountancy for possible administrative or disciplinary sanctions such as license revocation. These referrals will be made only after the independent auditor has been notified that the OIG is contemplating disclosure of its findings to an appropriate State board of accountancy, and the independent auditor has been provided with an opportunity to respond in writing to the OIG's findings.

7. Records may be disclosed to DOJ for litigation purposes associated with the representation of OIG and/or HUD before the courts.

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HUD/OIG-4

SYSTEM NAME:

Independent Auditor Monitoring Files of the Office of Inspector General.

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ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under subsection (b) of the Privacy Act of 1974, 5 U.S.C. 552a(b), records may also be disclosed routinely to other users under the following circumstances:

1. In the event that records indicate a violation or potential violation of law, whether criminal, civil or regulatory in nature, the relevant records may be disclosed to the appropriate federal, State or local agency charged with the responsibility for investigating or prosecuting such violation or enforcing or implementing such statute, rule or regulation.

2. Records may be disclosed to a congressional office in response to an inquiry from that congressional office made at the request of the individual who is the subject of the records.

3. Records may be disclosed to HUD contractors, Public Housing Authorities or management agents of HUD-assisted housing projects, in order to assist such entities in taking action to recover money or property, where such recovery serves to promote the integrity of the programs or operations of HUD.

4. Records may be disclosed during the course of an administrative proceeding where HUD is a party to the litigation and the disclosure is relevant and reasonably necessary to adjudicate the matter.

5. Records may be disclosed to any source, either private or governmental, to the extent necessary to elicit information relevant to an OIG investigation.

6. Records may be disclosed to appropriate State boards of accountancy for possible administrative or disciplinary sanctions such as license revocation. These referrals will be made only after the independent auditor has been notified that the OIG is contemplating disclosure of its findings to an appropriate State board of accountancy, and the independent auditor has been provided with an opportunity to respond in writing to the OIG's findings.

7. Records may be disclosed to DOJ for litigation purposes associated with the representation of OIG and/or HUD before the courts.

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HUD/OIG-5

SYSTEM NAME:

AutoAudit of the Office of Inspector General.

SYSTEM LOCATION:

Headquarters, District Offices, and Field Offices.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals covered consist of: (1) HUD program participants and HUD employees who are associated with an activity that OIG is auditing or reviewing; (2) requesters of an OIG audit or other activity; and (3) persons and entities performing some other role of significance to the OIG's efforts, such as relatives or business associates of HUD program participants or employees, potential witnesses, or persons who represent legal entities that are connected to an OIG audit or other activity. The system also tracks information pertaining to OIG staff handling the audit or other activity, and may contain contact names for relevant staff in other agencies.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records consist of materials compiled and/or generated in connection with audits and other activities performed by OIG staff. These materials include information regarding the planning, conduct and resolution of audits and

reviews of HUD programs and participants in those programs, internal legal assistance requests, information requests, responses to such requests, reports of findings, etc.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

The Inspector General Act of 1978 (5 U.S.C. App. 3) authorizes the Inspector General to conduct, supervise and coordinate audits and investigations relating to the programs and operations of HUD, to engage in other activities that promote economy and efficiency in the programs and operations of HUD, and to receive and investigate complaints concerning possible violations of law, rules, or regulations, or mismanagement, gross waste of funds, abuse of authority, or a substantial or specific danger to the public health or safety.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under subsection (b) of the Privacy Act of 1974, 5 U.S.C. 552a(b), records may also be disclosed routinely to other users under the following circumstances:

1. In the event that records indicate a violation or potential violation of law, whether criminal, civil or regulatory in nature, the relevant records may be disclosed to the appropriate federal, State or local agency charged with the responsibility for investigating or prosecuting such violation or enforcing or implementing such statute, rule or regulation.

2. Records may be disclosed to a congressional office in response to an inquiry from that congressional office made at the request of the individual who is the subject of the records.

3. Records may be disclosed to HUD contractors, Public Housing Authorities or management agents of HUD-assisted housing projects, in order to assist such entities in taking action to recover money or property, where such recovery serves to promote the integrity of the programs or operations of HUD.

4. Records may be disclosed during the course of an administrative proceeding where HUD is a party to the litigation and the disclosure is relevant and reasonably necessary to adjudicate the matter.

5. Records may be disclosed to any source, either private or governmental, to the extent necessary to elicit information relevant to an OIG investigation.

6. Records may be disclosed to appropriate State boards of accountancy

for possible administrative or disciplinary sanctions such as license revocation. These referrals will be made only after the independent auditor has been notified that the OIG is contemplating disclosure of its findings to an appropriate State board of accountancy, and the independent auditor has been provided with an opportunity to respond in writing to the OIG's findings.

7. Records may be disclosed to DOJ for litigation purposes associated with the representation of OIG and/or HUD before the courts.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM: STORAGE:

Records are stored electronically in office automation equipment and manually in file jackets.

RETRIEVABILITY:

Records may be retrieved by computer search of the AutoAudit software, and/or by reference to a particular file number.

SAFEGUARDS:

Records are maintained in a secure computer network, and in locked file cabinets or in metal file cabinets in rooms with controlled access.

RETENTION AND DISPOSAL:

Retention and disposal is in accordance with (1) Records Disposition Schedule 3 (Administrative Records), Item Nos. 79-1 to 86, Appendix 3, HUD Handbook 2225.6 Rev 1; and (2) General Records Schedules, Appendix 22 (Inspector General Records), HUD Handbook 2228.2 Rev. 4.

SYSTEM MANAGERS AND ADDRESS:

Assistant Inspector General for Audit, Office of the Inspector General, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410.

NOTIFICATION PROCEDURE:

The System Manager will accept inquiries from individuals seeking notification of whether the system contains records pertaining to them.

RECORD ACCESS PROCEDURES:

The procedures for requesting access to records appear in 24 CFR parts 16 and 2003.

CONTESTING RECORD PROCEDURES:

The procedures for requesting amendment or correction of records appear in 24 CFR part 16.

RECORD SOURCE CATEGORIES:

The OIG collects information from a wide variety of sources, including from HUD, other federal agencies, the General Accounting Office ("GAO"), law enforcement agencies, program participants, subject individuals, complainants, witnesses and other non-governmental sources.

EXEMPTIONS FROM CERTAIN PROVISIONS OF THE ACT:

None.

HUD/OIG-6**SYSTEM NAME:**

AutoInvestigation of the Office of Inspector General.

SYSTEM LOCATION:

Headquarters, District Offices, and Field Offices.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals covered consist of: (1) HUD program participants and HUD employees who are associated with an activity that OIG is investigating or evaluating; (2) requesters of an OIG investigative or other activity; and (3) persons and entities performing some other role of significance to the OIG's efforts, such as relatives or business associates of HUD program participants or employees, potential witnesses, or persons who represent legal entities that are connected to an OIG investigation or other activity. The system also tracks information pertaining to OIG staff handling the investigation or other activity, and may contain contact names for relevant staff in other agencies.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records consist of investigatory material compiled and/or generated for law enforcement purposes in connection with investigations and other activities performed by OIG staff. These materials include information regarding the planning, conduct and prosecution of investigations of HUD program participants and employees, legal assistance requests, information requests, responses to such requests, reports of investigations, etc.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

The Inspector General Act of 1978 authorizes the Inspector General to conduct, supervise and coordinate audits and investigations relating to the programs and operations of HUD, to engage in other activities that promote economy and efficiency in the programs and operations of HUD, and to receive and investigate complaints concerning possible violations of law, rules, or

regulations, or mismanagement, gross waste of funds, abuse of authority, or a substantial or specific danger to the public health or safety.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under subsection (b) of the Privacy Act of 1974, 5 U.S.C. 552a(b), records may also be disclosed routinely to other users under the following circumstances:

1. In the event that records indicate a violation or potential violation of law, whether criminal, civil or regulatory in nature, the relevant records may be disclosed to the appropriate federal, State or local agency charged with the responsibility for investigating or prosecuting such violation or enforcing or implementing such statute, rule or regulation.

2. Records may be disclosed to a congressional office in response to an inquiry from that congressional office made at the request of the individual who is the subject of the records.

3. Records may be disclosed to HUD contractors, Public Housing Authorities or management agents of HUD-assisted housing projects, in order to assist such entities in taking action to recover money or property, where such recovery serves to promote the integrity of the programs or operations of HUD.

4. Records may be disclosed during the course of an administrative proceeding where HUD is a party to the litigation and the disclosure is relevant and reasonably necessary to adjudicate the matter.

5. Records may be disclosed to any source, either private or governmental, to the extent necessary to elicit information relevant to an OIG investigation.

6. Records may be disclosed to appropriate State boards of accountancy for possible administrative or disciplinary sanctions such as license revocation. These referrals will be made only after the independent auditor has been notified that the OIG is contemplating disclosure of its findings to an appropriate State board of accountancy, and the independent auditor has been provided with an opportunity to respond in writing to the OIG's findings.

7. Records may be disclosed to DOJ for litigation purposes associated with the representation of OIG and/or HUD before the courts.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM: STORAGE:

Records are stored electronically in office automation equipment and manually in file jackets.

RETRIEVABILITY:

Records may be retrieved by computer search of the AutoInvestigation software, and/or by reference to a particular file number.

SAFEGUARDS:

Records are maintained in a secure computer network, and in locked file cabinets or in metal file cabinets in rooms with controlled access.

RETENTION AND DISPOSAL:

Retention and disposal is in accordance with (1) Records Disposition Schedule 3 (Administrative Records), Item Nos. 79-1 to 86, Appendix 3, HUD Handbook 2225.6 Rev 1; and (2) General Records Schedules, Appendix 22 (Inspector General Records), HUD Handbook 2228.2 Rev. 4.

SYSTEM MANAGER(S) AND ADDRESS:

Assistant Inspector General for Investigation, Office of the Inspector General, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410.

NOTIFICATION PROCEDURE:

Records are generally exempt from Privacy Act access. However, the System Manager will accept and give consideration to a request from an individual for notification of whether the system contains records pertaining to that individual.

RECORD ACCESS PROCEDURES:

Records are generally exempt from Privacy Act access. However, the System Manager will accept and give consideration to a request from an individual for access to records pertaining to that individual that are indexed and retrieved by reference to that individual's name and/or social security number. The procedures for requesting access to records appear in 24 CFR parts 16 and 2003.

CONTESTING RECORD PROCEDURES:

Records are generally exempt from Privacy Act amendment or correction. However, the System Manager will accept and give consideration to a request from an individual for amendment or correction of records pertaining to that individual that are indexed and retrieved by reference to that individual's name and/or social

security number. The procedures for requesting amendment or correction of records appear in 24 CFR part 16.

RECORD SOURCE CATEGORIES:

The OIG collects information from a wide variety of sources, including from HUD, other federal agencies, GAO, law enforcement agencies, program participants, subject individuals, complainants, witnesses and other non-governmental sources.

EXEMPTIONS FROM CERTAIN PROVISIONS OF THE ACT:

This system of records, to the extent that it consists of information compiled for the purpose of criminal investigations, has been exempted from

the requirements of subsections (c)(3), (d)(1), (d)(2), (e)(1), (e)(2) and (e)(3) of the Privacy Act pursuant to 5 U.S.C. 552a(j)(2). In addition, this system of records, to the extent that it consists of other investigatory material compiled or generated for law enforcement purposes, has been exempted from the requirements of subsections (c)(3), (d)(1), (d)(2) and (e)(1) of the Privacy Act pursuant to 5 U.S.C. 552a(k)(2). Finally, this system of records, to the extent that it consists of investigatory material compiled or generated for the purpose of determining suitability, eligibility, or qualifications for Federal civilian employment or Federal contracts, the release of which would

reveal the identity of a source who furnished information to the government under an express promise that the identity of the source would be held in confidence, has been exempted from the requirements of subsection (d)(1) of the Privacy Act pursuant to 5 U.S.C. 552a(k)(5). Rules have been promulgated in accordance with the requirements of 5 U.S.C. 553(b), (c) and (e) and have been published in the **Federal Register**.

Dated: April 25, 2000.

Susan Gaffney,

Inspector General.

[FR Doc. 00-12712 Filed 5-19-00; 8:45 am]

BILLING CODE 4210-01-P