

**FEDERAL ELECTION COMMISSION**

**OFFICE OF INSPECTOR GENERAL**



**FINAL REPORT**

**INSPECTION OF THE COMMISSION'S  
WEB SITE PRIVACY PRACTICES**

MAY 2001  
ASSIGNMENT 01-02

TABLE OF CONTENTS

<u>DESCRIPTION</u>	<u>PAGE</u>
Background.....	1
Objectives, Scope, and Methodology.....	3
Inspection Results.....	4
Conclusions.....	9
Appendix I: FEC Web Site Home Page.....	10
Appendix II: FEC Web Site Privacy Statement.....	11
Appendix III: FEC Conference Registration Web Form.....	12

## Background

The Office of Inspector General (OIG) conducted this inspection as a result of Federal legislation enacted in December 2000. This legislation required each Federal Inspector General to determine whether the agency or any third parties, including other governmental agencies, are obtaining personal information relating to any individual's access of an agency's Internet sites. Dialogue between Congressional staff and the OIG community was held in January 2000 which resulted in an agreed upon deadline of May 2001 for the completion of the Inspectors General reviews. The legislation, titled the *Treasury and General Government Appropriations Act of 2001*, section 646, contained the following language:

"SEC. 646. Not later than 60 days after the date of enactment of this Act, the Inspector General of each department or agency shall submit to Congress a report that discloses any activity of the applicable department or agency relating to-

- (1) the collection or review of singular data, or the creation of aggregate lists that include personally identifiable information, about individuals who access any Internet site of the department or agency;
- and
- (2) entering into agreements with third parties, including other government agencies, to collect, review, or obtain aggregate lists or singular data containing personally identifiable information relating to any individual's access or viewing habits for governmental and nongovernmental Internet sites."

The Internet, i.e. World Wide Web (Web), enables the Federal government to convey information to the public on a wide variety of issues in a quick and effective manner. The Federal Election Commission's (FEC) Web site provides the public with access to information on the mission of the Commission, such as the FEC's enforcement of the Federal Election Campaign Act (FECA) and the disclosure of campaign finance information. The Web site includes Web forms enabling users to provide information to the FEC. A Web form permits political committees required to file electronically with the FEC the capability to download electronic filing software. Another Web form enables interested parties the option to register on-line for FEC sponsored conferences held to discuss various topics related to the FECA. Several e-mail addresses for FEC employees are also available on the Web site to allow the public to communicate with the Commission.

To instill confidence in the technology and encourage the use of Federal Web sites, appropriate privacy policies and practices must be in place to ensure that users' right to privacy is protected.

An appropriate Internet privacy policy helps ensure that individuals have notice and choice about, and thus confidence in, how their personal information is handled when they use the Internet.<sup>1</sup>

The Federal Election Commission (FEC), established in 1975, is an independent regulatory agency that enforces and administers the Federal Election Campaign Act (FECA). Enforcement of FECA includes the following: facilitating public disclosure of finance activity; providing information and policy guidance to the public and elected officials; encouraging voluntary compliance with the disclosure and other requirements of the Act; and enforcing the statute through audits, investigations, and civil litigation. In addition, the Commission manages the public funding programs for Presidential campaigns and conventions. The FEC is located in Washington, D.C., and has approximately 338 permanent and temporary employees.

The FEC Data Systems Development Division (DSDD) is responsible for providing computer support for the Commission. DSDD's responsibilities are divided into two main areas: (1) the Commission's disclosure of campaign finance information and (2) the internal computer support for Commission staff. DSDD, with the assistance of contractors, is generally responsible for the installation, maintenance, training, and on-going technical assistance for the Commission's computer system and the agency's Web sites.

The FEC contracts with two companies to provide Internet, or Web, related services. One contractor provides Web services, including computer hardware, software and communications support for the FEC's Web connection and primary Web site (<http://www.fec.gov>) (**Appendix I**). A second contractor supports the FEC's electronic filing and disclosure system, which enables political committees to electronically submit reports to the FEC. In addition, the contractor supports Web computer servers, which allows the public to electronically access disclosure reports filed by U.S. House of Representatives and Senate campaigns, Presidential campaigns, party committees, and political action committees. The disclosure reports are accessible either from the [www.fec.gov](http://www.fec.gov) Web site or directly at the Web servers maintained by the contractor for the FEC (<http://herndon1.sdrdc.com/>), (<http://herndon2.sdrdc.com/>).

---

<sup>1</sup> Office of Management and Budget (OMB), Memorandum 99-18, Privacy Policies on Federal Web Sites, June 2, 1999, page 1.

## **Objectives, Scope, and Methodology**

The objective of the Inspection was to evaluate the Commission's Web site privacy practices. Specific objectives included the following:

- (1) Determine whether the Commission utilizes Internet cookies or Web bugs, technologies used to monitor, and/or collect personal information about Web users; and whether applicable Federal guidelines are followed; and
- (2) Evaluate the Commission's Web site privacy policy in accordance with Federal guidelines.

The OIG reviewed the following documentation in order to obtain background information and criteria to evaluate the Commission's Web site privacy practices:

- Treasury and General Government Appropriations Act, 2001, section 646.
- U.S. Office of Management and Budget (OMB), M-00-13, Privacy Policies and Data Collection on Federal Web Sites, June 22, 2000.
- OMB, M-99-18, Privacy Policies on Federal Web Sites, June 2, 1999.
- U.S. General Accounting Office (GAO), Internet Privacy: Federal Agency Use of Cookies, (GAO-01-147R), October 20, 2000.
- GAO, Internet Privacy: Agencies' Efforts to Implement OMB's Privacy Policy, (GAO/GGD-00-191) September 5, 2000.
- GAO, Internet Privacy: Comparison of Federal Agency Practices with FTC's Fair Information Principles, September 11, 2000.
- U.S. Department of Energy, Computer Incident Advisory Capability (CIAC), Information Bulletin I-034: Internet Cookies, March 12, 1998.
- FAQ: Web Bugs, Privacy Foundation, URL: <http://www.privacyfoundation.org/education/webbug.html>, (March 20, 2001).

The OIG communicated with several FEC divisions to conduct the Inspection. The OIG interviewed the following FEC staff in order to complete the inspection:

- (1) Webmaster;
- (2) Data Systems Development Division (DSDD) Director;
- (3) Freedom of Information Act (FOIA) Officer and Assistant Press Officer; and
- (4) Office of General Counsel's Legal Review and Administrative Law staff.

The OIG also obtained technical and contract information from the two contractors that provide Web related services to the Commission.

The OIG used specialized computer software to determine whether the Commission's Web site uses Internet cookies or Web bugs. The OIG tested the entire [www.fec.gov](http://www.fec.gov) Web site for the use of cookies. Testing of the FEC's other Web servers used for campaign finance disclosure was performed on a limited basis. Testing for Web bugs was also conducted on the [www.fec.gov](http://www.fec.gov)

Web site on a limited basis. The OIG relied on OMB guidance to evaluate the Commission's Web site privacy policy and general Web privacy practices, including the use of Internet cookies and Web bugs.

The OIG inspection was conducted in accordance with the President's Council on Integrity and Efficiency's *Quality Standards for Inspections*.

## **Inspection Results**

### **Cookie and Web Bug Review**

The OIG's Inspection included a review to determine whether the FEC's Web site utilizes Internet cookies or Web bugs. The FEC's Web site privacy policy specifically states the FEC does not enable cookies on the agency Web site (***Appendix II***).

An Internet cookie is a computer file containing a short string of text that may be sent from a Web server (i.e. Web site) to a Web browser (the user's personal computer hard drive) when the user accesses a particular Web site. Cookies allow Web sites to recognize returning users, customize user settings on a Web site, and can collect information about a Web user. For example, a retailer on the Web may use cookies to keep track of items selected by a Web user to be purchased on-line.

There are two forms of Internet cookies: persistent cookies and session cookies. Persistent cookies track information over time, and across different Web sites, and remain stored on a user's computer hard drive until the specified expiration date. Session cookies are used only during a single Web browser session, and do not raise privacy concerns according to the OMB.

Web bugs are similar to Internet cookies, and are capable of monitoring who is viewing a Web page or e-mail message. Web bugs are very small graphic images on a Web page, or in an e-mail message and are often invisible due to their size. Web bugs are used by some Web sites to track Web usage for advertising purposes, and to provide an independent accounting of how many users visited a particular Web site.

The OMB issued on June 22, 2000, memorandum 00-13, and a follow-up memorandum on September 5, 2000, addressed to the Chief Information Officers. Both touched on privacy policies and data collection on Federal Web sites.

The OMB guidance stated Federal Web sites should not use persistent cookies unless four conditions are met:

- (1) The site gives clear and conspicuous notice;
- (2) There is a compelling need to gather the data on the site;
- (3) Appropriate and publicly disclosed privacy safeguards exist for handling any information derived from the cookies; and
- (4) The agency head gives personal approval for the use.

In addition, OMB memorandum 99-18, Privacy Policies on Federal Web Sites, provides guidance to Federal agencies on appropriate disclosure in Web site privacy policies for both session and persistent cookies.

To determine whether the FEC utilizes cookies or Web bugs, the OIG used specialized computer software programs designed to detect the presence of cookies or Web bugs on a Web site. The OIG also received assurance from the Webmaster that the FEC does not utilize cookies or Web bugs on the FEC Web sites. In addition, the OIG contacted the two contractors who maintain Web servers for the FEC, and received written assurance that the contractors would not modify the FEC Web site to enable cookies or Web bugs, or disclose information to third parties, unless specifically authorized by the FEC.

## **Results**

The OIG found no evidence that Internet cookies or Web bugs are used on the FEC Web sites, which is consistent with the FEC's privacy policy.

During the Inspection testing, the OIG found on the FEC Web site ([www.fec.gov](http://www.fec.gov)) several links to non-FEC Web sites. The FEC Web site provides links to other non-FEC Web sites containing information that is related to the FEC mission. For example, the FEC Web site provides links to several state government Web sites, and to a software company that provides software necessary to view certain files available on the FEC Web site. However, privacy policies of non-FEC Web sites may differ from the FEC, as we found during our testing. A by-product of our testing of the FEC Web site revealed several of the non-FEC Web sites utilized both persistent and session cookies.

The FEC's practice of linking to other Web sites, some of which utilize cookies, is not a violation of any known Federal policy or regulation and does not violate the FEC's privacy policy. However, it is possible users of the FEC Web site may click with their computer mouse on non-FEC links without realizing the link is associated with another organization. This latter organization may use persistent cookies or Web bugs. Therefore, the OIG suggested that the FEC provide a notice to users that the FEC Web site contains links to non-FEC Web sites that may have different Internet privacy policies than does the FEC, such as the use of cookies and Web bugs.

The OIG discussed the issue with management and received agreement that appropriate language would be incorporated into the FEC Web site privacy policy.

### **Privacy Policy Review**

The FEC Web site privacy policy was reviewed to determine (1) whether the policy is adequate based on guidance provided by the Office of Management and Budget and (2) to ensure statements included in the privacy policy are followed.

#### **OMB Guidance**

On June 2, 1999, the OMB issued Memorandum 99-18, Privacy Policies on Federal Web Sites. The memorandum directed agencies to post the following:

- (1) A privacy policy on the agency's principal Web site by September 1, 1999;
- (2) Privacy policies to any other known, major entry points to their Web sites by December 1, 1999, as well as any Web page where they collect substantial personal information from the public;
- (3) Policies that clearly and concisely inform visitors to the Web sites what information the agency collects about individuals, why the agency collects it, and how the agency will use it; and
- (4) Policies that are clearly labeled and easily accessed when someone visits a Web site.

#### ***Posting of Privacy Policy***

OMB memorandum 99-18 directed agencies to post privacy policies on major entry points to their Web sites; also on any Web page where agencies collect substantial personal information from the public. The FEC's major Web site entry point is [www.fec.gov](http://www.fec.gov). The FEC Web site contains a privacy policy as required by OMB. The FEC also has a separate Web presence that supports the FEC's electronic filing and disclosure system enabling political committees to electronically submit reports to the FEC. FEC.gov provides a link to the separate Web servers hosting the disclosure system, however, the Web servers can be reached independent of the FEC.gov Web site at <http://herndon1.sdrdc.com/> and <http://herndon2.sdrdc.com/>.

Data was not readily available to the OIG to provide an indication of the number of users who directly visit the disclosure system without first accessing the [www.fec.gov](http://www.fec.gov), the site containing the FEC's privacy policy. Although a definitive determination could not be made as to whether the disclosure system Web servers should be classified as major Web site entry points in accordance with OMB guidance, the OIG suggested, and management agreed to provide appropriate privacy notice on the disclosure system Web server(s).

FEC.gov also provides a link to an FEC contractor's Web site where interested parties are able to register electronically for FEC sponsored conferences (**Appendix III**). Individuals may register



on-line for FEC conferences by providing personal contact information, including name, address, phone number, etc. The contractor provides the FEC with support for conference planning, including the on-line registration Web form. OMB guidance directs agencies to post a privacy policy on any Web page where substantial personal information is collected from the public. The OIG suggested management provide a link to the FEC privacy policy on the Web page where the personal information is collected to register for the FEC conferences.

Management agreed to provide a link to the FEC's privacy policy on the Web page to ensure conference registrants are aware of the privacy policies.

### ***Privacy Policy Language***

Memorandum M-99-18 also includes guidance to Federal agencies on issues to address in their policies, such as the type of information that is automatically collected when a user visits the agency's Web site, and whether the agency utilizes "cookies." The guidance is intended to be either model language to be used verbatim, or as a starting point for agencies to tailor to their own needs and requirements.

The FEC's Web site privacy statement was generally consistent with the suggested language provided by OMB. However, the FEC privacy policy lacked information related to the receipt of information by the FEC through e-mails and Web forms. The OMB guidance suggests a statement be included in privacy policies regarding how the information received will be used, and then handled by the agency once the purpose of the communication has been fulfilled.

The OIG suggested that the FEC state in the Web site privacy policy how information submitted through e-mail and Web based forms will be handled by the Commission. The OIG discussed the issue with management, and received agreement that appropriate language would be incorporated into the FEC Web site privacy policy.

### **Actual Web Site Privacy Practices**

The OIG also reviewed the FEC's Web site privacy policy to determine whether the statements were followed in practice. Overall, the OIG found the FEC's actual Web site privacy practices are conducted in accordance with the stated privacy policy.

### ***Personally Identifiable Information***

The FEC Web site privacy policy states the following:

*"We do not give, sell or transfer any personal information to a third party."*

The FEC Web site allows visitors to communicate and voluntarily provide information to the FEC. The Web site includes several e-mail addresses of FEC employees, to include the Webmaster responsible for the Web site, and also e-mail addresses for each of the

Commissioners of the FEC. In addition, the OIG Web site contains two Web based forms. The Web forms allow interested parties to register on-line for FEC sponsored conferences, and there is also a Web form for political committees required to file with the FEC the capability to download electronic filing software.

Although we found no evidence the FEC has given, sold, or transferred personal information to third parties, which would be inconsistent with Federal regulations or law, the OIG concluded the privacy policy should be revised to take into consideration instances that would require the release of information obtained by the FEC through e-mail or the Web site. In limited cases, Federal law enforcement actions, and the Freedom of Information Act would compel the disclosure of certain information.

The OIG suggested management revise the privacy statement to take into consideration instances that would require the release of information obtained through e-mail or Web based forms.

Management agreed to revise the privacy statement to address the exceptions requiring disclosure of information.

### ***Web server logs***

In the course of operating a Web server to host a Web site, it is customary for certain information about Web users to be automatically recorded, or logged. Web server logs generally record non-personal data regarding a user's visit to a Web site, such as the date and time the user accessed a Web page. The data contained in the Web server logs can provide useful information on the extent to which the Web site is used by the public, and it is also a means to detect and identify attempts by users to perform improper actions on the Web site.

The FEC privacy policy includes a list of items that are automatically logged by the FEC Web servers. The OIG contacted the two FEC contractors who maintain the Web servers to verify that the information logged about visitors to the FEC Web sites is consistent with the FEC privacy policy. The OIG found the FEC's statements materially accurate, with the exception of two items that are automatically logged by one of the FEC contractor's Web servers, and not disclosed in the FEC privacy policy. One of the Web servers maintained by a contractor logs the type of Web browser software used by the visitor to the Web site, and also the visitor's referring Web page, which is the Web site the user linked from to arrive at the FEC Web site.

The OIG suggested management include the two additional types of information logged by the FEC Web server to the list already in the Web site privacy policy. Management agreed.

## **Conclusions**

The OIG found the FEC to be materially in compliance with applicable Office of Management and Budget guidelines on Web site privacy. In addition, the OIG found the FEC to be adhering to their stated Web site privacy policy.

The OIG found no evidence as a result of the Inspection to indicate that the FEC has:

- (1) Engaged in the inappropriate collection or review of singular data, or the creation of aggregate lists that include personally identifiable information about individuals who access any Internet site of the Commission; or
- (2) Inappropriately entered into agreements with third parties, including other government agencies, to collect, review, or obtain aggregate lists or singular data containing personally identifiable information relating to any individual's access, or viewing habits, of the Commission's Internet sites.

The OIG identified and conveyed several issues related to the FEC's privacy policy that should be improved and received agreement by management that all of the issues would be addressed in an appropriate manner.



# Federal Election Commission

UNITED STATES OF AMERICA

## Welcome to FEC.gov



About the FEC

FEC Services

Campaign Finance Reports and Data

Reporting Forms and Filing Information

Campaign Finance Law Resources

Elections and Voting

News Releases

Site Index

Site Map

En Español

### WHAT'S NEW

- May 25, 2001 -- ADR Program Resolves Cases
- May 15, 2001 -- FEC Reports Increase in Party Fundraising for 2000
- May 15, 2001 -- FEC Reports on Congressional Financial Activity for 2000
- May 9, 2001 -- OEA Advisory Panel Airs Concerns in Conference
- May 4, 2001 -- Compliance Cases Made Public
- May 2, 2001 -- FEC Semi-Finalist in "Innovations" Competition
- May 1, 2001 -- OEA Advisory Panel Meets May 4 - 5 in Baltimore
- April 25, 2001 -- Committees Fined for Filing Reports Late
- April 25, 2001 -- Administrative Fine Program Having Impact on Filings
- April 24, 2001 -- May 2001 Issue of The FEC Record Is Now Available
- April 24, 2001 -- ADR Program Resolves Cases

### HIGHLIGHTS



[Candidate and PAC/Party Summaries](#)  
Search by state, party, office, or name.  
Information covers from January 1, 1999 through the most recently filed report.

Also check the Site Guides and News Releases for Current Information

>> [MORE](#)



Federal Election Commission | 999 E Street, NW | Washington, DC 20463  
(800) 424-9530 | In Washington (202) 694-1100  
For the hearing impaired, TTY (202) 219-3336

Send comments and suggestions about this site to: [webmaster@fec.gov](mailto:webmaster@fec.gov)  
[FEC Privacy Policy](#) | [Viewing Requirements](#) | [Visually Impaired](#)



## Privacy Statement

The privacy of our customers has always been very important to the Federal Election Commission. We have never required individuals to identify themselves when they come to our offices or contact us by phone. Our concern for your privacy continues in the electronic age. That view underlies our policy, stated below:

- You do not have to give us personal information merely to visit our site.
- We collect detailed information about you (i.e. more than your internet address) like your name, email address, affiliation with a political committee, etc. only if you specifically and knowingly provide it to us.
- When we ask you to identify yourself we explain why at the point of collection (e.g. to download recordkeeping software for electronic filing of campaign finance reports).
- Information is collected for statistical purposes and we sometimes perform analyses of user behavior in order to measure customer interest in the various areas of our site. We will disclose this information to third parties only in aggregate form.
- We do not give, sell or transfer any personal information to a third party.
- We do not enable "cookies." (A "cookie" is a file placed on your hard drive by a Web site that allows it to monitor your use of the site, usually without your knowledge.)

If you do nothing during your visit but browse through the website, read pages, or download information, we will gather and store certain information about your visit automatically. This information does not necessarily identify you personally. We automatically collect and store **only** the following information about your visit:

- The Internet domain (such as "xcompany.com" or "yourschool.edu", or "agency.com) and IP address (an IP address is a number that is automatically assigned to your computer whenever you are surfing the Web) from which you access our website;
- The date and time you access our site;
- The pages you visit;
- Whether you successfully received the document or image file you requested;

and

- The size of the document you received.

We use this information to help us make our site more useful to visitors -- to learn about the number of visitors to our site and the types of technology our visitors use. We do not track or record information about individuals, organizations or their visits.



Federal Election Commission | 999 E Street, NW | Washington, DC 20463  
(800) 424-9530 | In Washington (202) 694-1100  
For the hearing impaired, TTY (202) 219-3336

Send comments and suggestions about this site to: [webmaster@fec.gov](mailto:webmaster@fec.gov)  
[FEC Privacy Policy](#) | [Viewing Requirements](#)

**Appendix III: FEC Conference Registration Web Form**



Federal Election Commission

## Registration

**FEC Conference for Labor and Membership Organizations  
June 11-13, 2001  
Hilton Crystal City, Arlington, VA  
Registration Fee \$375**

First Name

Last Name

Badge Name

Organization

Team

Address

City

State

Zip

Phone

Fax

E-mail

### Registration Payment

Name On Card

Card Type

Card Number

Card Expiration (mm/yy)

Amount To Charge

Meeting Code