



**STATEMENT OF GARY D. BASS  
EXECUTIVE DIRECTOR, OMB WATCH  
REGARDING  
GOVERNMENT'S DISCLOSURE OF PERSONALLY IDENTIFIABLE INFORMATION  
IN DATA ABOUT FEDERAL SPENDING**

April 20, 2007

It has become public information today that the U.S. Department of Agriculture (USDA) has been including Social Security numbers in a data field that identifies certain public financial transactions with government (e.g., loans). In response, OMB Watch has taken two actions. First, we have temporarily redacted the information in the USDA data field, which serves as a unique identifier, from our online service, FedSpending.org. Second, we call on the federal government to immediately remedy the privacy violation by providing a new unique identifier that does not contain personally identifiable information.

This gross negligence on the part of the federal government is unacceptable. What appears to be a longstanding violation of federal law needs to be fixed without delay to protect the privacy rights of our citizens, and new identifiers need to be immediately generated to replace the current data to maintain the public's ability to track and review the government's spending of tax dollars. This fix is not technically difficult to accomplish and should be done immediately.

The data in question appears in the Federal Assistance Award Data System (FAADS), which is a government database of all federally provided financial assistance (not including procurement). FedSpending.org makes FAADS and publicly available data about government contracts accessible to the public in a searchable format in order to shine a light on government spending patterns. Since its launch on October 10, 2006, FedSpending.org has steadily grown in popularity. In March, over one million searches were conducted on databases that FedSpending.org provides, and the month of April is expected to exceed that number.

In addition, the original FAADS files have been freely available for anyone to download from the U.S. Census Bureau's website for years. Thus, it appears the database containing personally identifiable information has been widely distributed for a long time.

The data field at the heart of the security problem, the Federal Award ID, is vitally important to investigators and researchers tracking specific transactions, as it is the only means for identifying a specific loan or grant. For example, in order to file a Freedom of Information request about a financial transaction, the public needs to provide the Federal Award ID. Unfortunately, in response to the problem, the Census Bureau has deleted the Federal Award IDs for all FAADS records from its publicly downloadable files without any public notice on the website about these

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changes and has yet to replace the information, eviscerating a key aspect of the data and lessening its value.

The issue first came to our attention on April 13 when a FedSpending.org user notified OMB Watch that her Social Security number was embedded in the Federal Award ID that was publicly available on our site. We confirmed that the data on FedSpending.org was identical to the information being disseminated by the Census Bureau and suggested she contact the Census Bureau to have the problem corrected. The Census Bureau requested we remove the Federal Award ID for this individual, which we did.

On April 16, the U.S. Department of Commerce requested that OMB Watch redact the Federal Award ID for the entire FAADS database on FedSpending.org for 30 days “so that all Federal Departments and agencies involved in this important matter can be contacted.” OMB Watch responded to the Department of Commerce’s request informing them that we would voluntarily remove the requested information if, within 30 days, we receive a plan on how the Federal Award ID field would be updated without personally identifiable information. Several days then passed with no response from the Department of Commerce.

On April 19, in the wake of pending news stories about this issue, the Office of Management and Budget contacted OMB Watch and indicated we would be receiving a response agreeing to the conditions we identified. If we do receive the letter, we will redact the data field for the entire database on a temporary basis, with the expectation that an adequate plan to correct the problem in a timely manner would be forthcoming from the government within 30 days. If the plan presented by the government is inadequate, we will take appropriate action. (A full chronology of communication with OMB Watch regarding this issue follows this statement.)

Certainly we can expect more from our government in protecting personally identifiable information than what has happened over the past several years. Moreover, when the problem was discovered, there was no excuse for the government not to contact the people involved to inform them of the error. At the same time, addressing the error of disclosing personally identifiable information should not become an excuse for withholding crucial data from the public. The public has a right to know how the government will quickly remedy the situation with corrected Federal Award IDs.

The government must act quickly in providing a unique identifier without personally identifiable information. On Sept. 26, 2006, President George W. Bush signed into law a requirement that the government create an online database like FedSpending.org by Jan. 1, 2008. The Federal Funding Accountability and Transparency Act, sponsored by Sens. Tom Coburn (R-OK) and Barack Obama (D-IL), requires the government to provide a unique federal identifier for each financial transaction. The Coburn-Obama law also requires the government to insure that no personally identifiable information is disclosed.

We will continue to track this problem and will work to keep the government honest about its efforts to deal with the issue in a competent, efficient manner. We will also continue to operate in a transparent manner, providing you with information about actions we take on FedSpending.org. In the meantime, if any FedSpending.org user discovers additional personally

identifiable information on FedSpending.org, please let us and government officials know immediately.

For more information, contact:

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**CHRONOLOGY OF COMMUNICATIONS WITH OMB WATCH  
REGARDING PERSONALLY IDENTIFIABLE INFORMATION  
IN THE FINANCIAL ASSISTANCE AWARD DATA SYSTEM (FAADS)**

*This chronology details major events and communications between OMB Watch and government officials and private citizens concerning the discovery of the public disclosure of personally identifiable information in the government's FAADS database. It runs from Friday, April 13 through Friday, April 20 at noon.*

**FRIDAY, APRIL 13, 2007**

**Around 12:00 pm:** President of Mohr Family Farms, Inc. calls OMB Watch's Matt Lewis to inquire about personally identifiable information (PII) displayed on FedSpending.org regarding her company. Lewis explains the data is taken directly from the federal government and informs Mohr Family Farms, Inc. of OMB Watch policy not to alter data in FedSpending.org unless the government alters data. Lewis suggested appropriate government agencies to contact about the security breach and offers to verify that the Mohr Family Farms, Inc. records are displayed in the original government database – the Federal Assistance Awards Data System (FAADS).

**1:35 pm:** OMB Watch's Matt Lewis e-mails Mohr Family Farms, Inc. to confirm that the data on FedSpending.org matches the government source.

**2:47 pm:** Mohr Family Farms, Inc. replies by e-mail to OMB Watch's Matt Lewis and Adam Hughes informing us they have contacted both the U.S. Census Bureau and the United States Department of Agriculture (USDA) about the problem and that the agencies may be contacting OMB Watch about the issue.

**3:43 pm:** OMB Watch receives information through the [FedSpending.org](http://FedSpending.org) feedback form from William G. Pastos of IT Security at the Census Bureau. Without specifying the individual record or a name (but providing the phone number of the individual affected), he informs OMB Watch that the Census Bureau has received a report of PII being published within government data that has been posted on FedSpending.org, and requests OMB Watch "take action as soon as possible on this matter."

**4:18 pm:** OMB Watch's Craig Jennings learns by phone from Jerry Keffer, Chief of Federal Programs at the Census Bureau, that the agency has taken down all years of the FAADS downloadable files from their website because the Federal Award ID field of one record contains PII and the Census Bureau is researching to try to determine whether this could be a larger problem. Keffer confirms that the Mohr Family Farms, Inc. record contained PII.

**4:28 pm:** OMB Watch's Sean Moulton, unaware of the Keffer discussion, replies to William Pastos asking if he has "confirmed that the PII is contained in the record." Moulton states that the Federal Award ID field is not supposed to contain PII. He then requests additional information about which record in question has sensitive information, noting that we cannot take any action without that information.

**4:42 pm:** OMB Watch's Sean Moulton sends internal email indicating a possible need to remove the Federal Award ID for the Mohr Family Farms, Inc. record, having figured out the specific record and field that is affected.

**7:27 pm:** OMB Watch voluntarily restricts access to the Federal Award ID data field for the specific record relating to Mohr Family Farms, Inc.

## **MONDAY, APRIL 16, 2007**

**8:20 am:** William Pastos of IT Security at the Census Bureau calls and speaks with OMB Watch's Gary Bass asking if the Federal Award ID for the specific record has been redacted. Bass confirms that it has and suggests the problem with this one record may be a symptom of a larger problem. Pastos asks for written confirmation that OMB Watch has redacted the Federal Award ID for Mohr Family Farms, Inc. in order to let the various information security agencies know the correction has been made.

**8:30 am:** Jerry Keffer, Chief of Federal Programs at the Census Bureau, leaves a voicemail for OMB Watch's Craig Jennings to relay that the office of USDA Chief Financial Officer suspects that the problem was happening in data outside the USDA Farm Service Agency, the agency that awarded a loan to Mohr Family Farms, Inc. Keffer says that they are beginning a process to remove the Federal Award ID field from all USDA records in FAADS, starting with FY 2006 and moving backward.

**9:32 am:** OMB Watch's Sean Moulton e-mails William Pastos of IT Security at the Census Bureau informing Pastos that OMB Watch has voluntarily removed the Federal Award ID from the Mohr Family Farms, Inc. record and raises the possibility this problem may be more widespread.

**1:47 pm:** William Pastos e-mails OMB Watch's Sean Moulton and confirms that a record in FAADS data does contain PII without specifically identifying it as the Mohr Family Farm record. Pastos inquires if the entire record has been removed from [FedSpending.org](http://FedSpending.org). OMB Watch had already informed Pastos of the alteration of the record in the 9:32 e-mail, so no response to this e-mail is sent.

**4:10 pm:** Gerald Gates, Privacy Officer at the Census Bureau, and Dave Jarrell, Manager of the Critical Infrastructure Protection Program at the Department of Commerce, call OMB Watch's Sean Moulton to request removal of all FAADS Federal Award IDs from [FedSpending.org](http://FedSpending.org) due to security concerns related to PII being disclosed. Moulton says he must discuss the matter with the OMB Watch executive director and will call back.

**4:30 pm:** OMB Watch's Sean Moulton calls Dave Jarrell, Manager of the Critical Infrastructure Protection Program at the Department of Commerce, asking for a written request for removal of the PII information. Jarrell is unavailable and Moulton leaves a message.

**4:40 pm:** Dave Jarrell, Manager of the Critical Infrastructure Protection Program at the Department of Commerce, calls OMB Watch's Sean Moulton back and agrees to submit the request in writing.

**5:56 pm:** Dave Jarrell, Manager of the Critical Infrastructure Protection Program at the Department of Commerce, submits written request to OMB Watch's Gary Bass by e-mail for removal of all FAADS Federal Award IDs from [FedSpending.org](http://FedSpending.org) for a period of 30 days "so that all Federal Departments and agencies involved in this important matter can be contacted" about the fact that PII has been disclosed through FAADS.

**7:53 pm:** OMB Watch's Gary Bass sends written response to the request of Dave Jarrell, Manager of the Critical Infrastructure Protection Program at the Department of Commerce, for removal of FAADS Federal Award IDs. OMB Watch agrees to remove the requested data if the Department of Commerce agrees to submit a plan for restoring the corrected Federal Award IDs within 30 days. The letter explains why the Federal Award ID is an essential field to track government financial transactions. The letter also indicates if OMB Watch voluntarily redacts the information, it will explain publicly why the data has been temporarily removed and asks for a point of contact within government to which the public can direct its communications.

**8:36 pm:** OMB Watch's Gary Bass receives e-mail from Dave Combs, Chief Information Officer of the USDA, directed to Dave Jarrell of the Department of Commerce (but apparently only sent to Bass), encouraging the Department of Commerce to have its general counsel review OMB Watch's request. Combs notes that Bass must not understand "the legal liability that OMB Watch would be exposing themselves to should they deliberately post the privacy act information back on the web after we have clearly informed them not to do so."

## **TUESDAY, APRIL 17, 2007**

**8:30 am:** Mike Saroni, Chief of Security at the Farm Service Agency within USDA, leaves a message for OMB Watch's Craig Jennings requesting an update to see if we are suppressing the Federal Award ID field for records beyond the Mohr Family Farms, Inc. record. Jennings relays the message to OMB Watch's Adam Hughes.

**9:59 am:** Despite the removal of the Federal Award ID field from the data on the Census Bureau's website, OMB Watch's Sean Moulton discovers original government data from FAADS with PII on the public National Archives website.

**10:30 am:** OMB Watch's Adam Hughes calls Mike Saroni, Chief of Security at the Farm Service Agency, to inform him of previous communications with staff at the Department of Commerce (of which Saroni was not aware) and informs Saroni that we are awaiting a reply to our response from Monday, April 16 to Dave Jarrell of the Department of Commerce.

## **WEDNESDAY, APRIL 18, 2007**

**4:30 pm:** Ron Nixon of the *New York Times* requests information related to communications between OMB Watch and the federal government concerning PII in publicly available data in FAADS.

**8:00 pm:** OMB Watch makes communications between OMB Watch and the federal government available to Ron Nixon of the *New York Times*. OMB Watch provides the same information to Sunlight Foundation, a funder of FedSpending.org.

## **THURSDAY, APRIL 19, 2007**

**Around 8:15 am:** Ron Nixon of the *New York Times* calls OMB Watch's Gary Bass and formally questions OMB Watch about the details of discovery of PII in publicly available data in the FAADS database. Nixon informs OMB Watch of the likelihood of a forthcoming story on Friday, April 20, 2007, on this issue.

**9:00 am:** OMB Watch decides to prepare a public statement that emphasizes the need for the government to correct the data immediately as well as a timeline of communications and events related to the issue.

**Around 10:00 am:** Robert Shea, Associate Director for Management at the Office of Management and Budget (OMB), calls OMB Watch's Gary Bass to discuss the issue. (Shea and Bass have had a constructive, ongoing dialogue over the past few months about implementation of a new law sponsored by Sens. Coburn and Obama that requires the government to implement a website like OMB Watch's FedSpending.org.) Bass notes that the *New York Times* is doing a story; Shea says he already knows. Bass says that it is inexcusable that USDA has been providing PII, and that it is essential that a plan be announced immediately to update the Federal Award ID data field with corrected data. Shea indicates that government officials are working on a solution.

**11:30 am:** In light of the possibility a *New York Times* story might disclose the fact some agencies within USDA have PII embedded in the Federal Award ID data field, OMB Watch decides to redact the field temporarily from USDA records on FedSpending.org.

**12:15 pm:** OMB Watch's Gary Bass e-mails Robert Shea, Associate Director for Management at OMB, to relay information of pitfalls of a possible solution that was discussed earlier over the phone. Bass also informs Shea that the original government data from FAADS with PII is still posted and available on the website of the National Archives.

**Around 12:45 pm:** Robert Shea, Associate Director for Management at OMB, calls OMB Watch's Gary Bass to ask if OMB Watch will redact the Federal Award ID data field for the USDA. Bass says we already began the process to do so in light of the *New York Times* story that is expected. During the call, Shea is joined by Karen Evans, the Chief Information Officer at OMB. Evans asks if OMB Watch will remove the Federal Award ID from the entire database.

Bass reiterates the position from the OMB Watch letter asking for a plan for providing corrected data to the Federal Award ID field within 30 days. Bass says if OMB Watch receives that plan, we will redact the data with public clarification that the government is developing a plan to replace the data. Bass restates his position that we reserve the right to disagree with the plan and take appropriate action.

**2:30 pm:** All non-blank Federal Award ID fields in USDA records are redacted from FedSpending.org.

**4:07 pm:** OMB Watch's Gary Bass e-mails Robert Shea, Associate Director for Management at OMB, to inform him that the Federal Award ID field for USDA has been redacted.

**4:10 pm:** Robert Shea, Associate Director for Management at OMB, responds to e-mail from OMB Watch's Gary Bass thanking him and asking him to call when Bass is out of a meeting. Bass responds, saying the call will be around 5:15 pm.

**Around 5:20 pm:** OMB Watch's Gary Bass and Adam Hughes call Robert Shea, Associate Director for Management at OMB. Shea confirms that OMB Watch will receive a response from the Department of Commerce to our letter of April 16. According to Shea, the Department of Commerce will agree to provide a plan for correcting the Federal Award ID within 30 days. Bass reiterates our right to react to the plan and take appropriate actions if the plan is inadequate.

#### **FRIDAY, APRIL 20, 2007**

**As of Noon:** OMB Watch has not received a response to our April 16 letter. If OMB Watch does receive a response to our letter that includes an agreement to provide a plan within 30 days for correcting the Federal Award ID field, we will temporarily redact the field from the FAADS database on FedSpending.org.

**12:30 pm:** OMB Watch releases a statement and chronology of events and communications related to the disclosure of government data containing PII.

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