



FEDERAL HOUSING FINANCE AGENCY

[No. 2023-N-14]

Privacy Act of 1974; System of Records

AGENCY: Federal Housing Finance Agency.

ACTION: Notice of a modified system of records.

SUMMARY: In accordance with the requirements of the Privacy Act of 1974, as amended, (Privacy Act), the Federal Housing Finance Agency (FHFA or Agency) is proposing to modify the current FHFA system of records titled, “FHFA-15, Payroll, Retirement, Time and Attendance, and Leave Records” (System). The system of records allows FHFA to manage human resources and payroll functions for the Agency. This modification is to: update the categories of records collected to include information related to work agreements; update the service provider used to maintain the payroll, retirement, and leave records contained in the system; correct and update the authority for maintaining the system; expand the system’s purpose for the records collection; add new record source categories to be compatible with the new categories of records collected; revise and modify the routine uses to be consistent with FHFA’s standard routine uses and those specific to this collection; and make other minor corrections and administrative updates to the remaining sections in the notice in accordance with OMB Circular A-108.

DATES: In accordance with 5 U.S.C. 552a(e)(4) and (11), this modified system of records will go into effect without further notice on **[INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**, unless otherwise revised pursuant to comments received. Comments must be received on or before **[INSERT DATE 30 DAYS AFTER PUBLICATION IN THE *FEDERAL REGISTER*]**. FHFA will publish a new notice if the effective date is delayed in order for the Agency to review the

comments or if changes are made based on comments received.

ADDRESSES: Submit comments to FHFA, identified by “No. 2023-N-14,” using any one of the following methods:

- *Agency Web site:* www.fhfa.gov/open-for-comment-or-input.
- *Federal eRulemaking Portal:* <https://www.regulations.gov>. Follow the instructions for submitting comments. If you submit your comments to the Federal eRulemaking Portal, please also send it by e-mail to FHFA at RegComments@fhfa.gov to ensure timely receipt by FHFA. Please include “Comments/No. 2023-N-14” in the subject line of the message.
- *Hand Delivered/Courier:* The hand delivery address is: Clinton Jones, General Counsel, Attention: Comments/No. 2023-N-14, Federal Housing Finance Agency, 400 Seventh Street, SW, Washington, DC 20219. The package should be delivered to the Seventh Street entrance Guard Desk, First Floor, on business days between 9 a.m. and 5 p.m., EST.
- *U.S. Mail, United Parcel Service, Federal Express, or Other Mail Service:* The mailing address for comments is: Clinton Jones, General Counsel, Attention: Comments/No. 2023-N-14, Federal Housing Finance Agency, 400 Seventh Street, SW, Washington, DC 20219. *Please note that all mail sent to FHFA via the U.S. Postal Service is routed through a national irradiation facility, a process that may delay delivery by approximately two weeks. For any time-sensitive correspondence, please plan accordingly.*

See **SUPPLEMENTARY INFORMATION** for additional information on submission and posting of comments.

FOR FURTHER INFORMATION CONTACT: Stacy Easter, Privacy Act Officer, privacy@fhfa.gov or (202) 649-3803; or Tasha Cooper, Senior Agency Official for Privacy, privacy@fhfa.gov or (202) 649-3091 (not toll-free numbers), Federal Housing

Finance Agency, 400 Seventh Street, SW, Washington, DC 20219. For TTY/TRS users with hearing and speech disabilities, dial 711 and ask to be connected to any of the contact numbers above.

SUPPLEMENTARY INFORMATION:

I. Comments

FHFA seeks public comments on the revisions to the system of records and will take all comments into consideration. *See* 5 U.S.C. 552a(e)(4) and (11). In addition to referencing “Comments/No. 2023-N-14,” please reference “FHFA-15, Payroll, Retirement, Time and Attendance, and Leave Records.”

FHFA will make all comments timely received available for examination by the public through the electronic comment docket for this notice, which is located on the FHFA website at <https://www.fhfa.gov>. All comments received will be posted without change and will include any personal information you provide, such as name, address (mailing and email), telephone numbers, and any other information you provide.

II. Introduction

This notice informs the public of FHFA’s proposed revisions to an existing system of records. This notice satisfies the Privacy Act requirement that an agency publishes a system of records notice in the *Federal Register* when there is an addition or change to an agency’s system of records. Congress has recognized that application of all requirements of the Privacy Act to certain categories of records may have an undesirable and often unacceptable effect upon agencies in the conduct of necessary public business. Consequently, Congress established general exemptions and specific exemptions that could be used to exempt records from provisions of the Privacy Act. Congress also required that exempting records from provisions of the Privacy Act would require the

head of an agency to publish a determination to exempt a record from the Privacy Act as a rule in accordance with the Administrative Procedure Act. Records and information in this system of records are not exempt from the requirements of the Privacy Act.

As required by the Privacy Act, 5 U.S.C. 552a(r), and pursuant to section 7 of Office of Management and Budget (OMB) Circular No. A-108, "*Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act*," prior to publication of this notice, FHFA submitted a report describing the system of records covered by this notice to the OMB, the Committee on Oversight and Government Reform of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate.

III. Revised System of Records

The revised system of records notice is set out in its entirety and described in detail below. The proposed modification to the System makes the following substantive and non-substantive changes:

- (1) Adds new categories of records collected in the system to allow FHFA to collect and maintain information related to employee work agreements.
- (2) Updates the service provider used to maintain the payroll, retirement, and leave records system from the National Finance Center to the Interior Business Center.
- (3) Adds a new authority, Telework Enhancement Act of 2010 (5 U.S.C. 6501-6506), to allow for the collection and maintenance of the new proposed category, and corrects other authorities listed.
- (4) Expands the system's purpose for collecting the information to include the collection of employee work agreements.
- (5) Expands the system's record source categories to include employee work agreements.
- (6) Revises the existing routine uses to be consistent with FHFA's standard

routine uses and those specific to this collection. Routine use 1 has been revised but remains in the same numerical position; a new routine use 2 has been added and the former routine use 2 has been revised and is now routine use 3; former routine use 3 has been revised and is now routine use 4; former routine uses 4-6 have been deleted; new routine uses 6, 8-9 have been added; routine use 7 has been revised but remains in the same numerical position; former routine use 8 has been deleted; former routine use 9 has been revised and is now routine use 5; former routine uses 10-14 have been deleted; and former routine uses 15-24 remain unchanged in text but are now numerically routine uses 10-19.

(7) Makes minor corrections and other administrative updates to the remaining sections of the notice in accordance with OMB Circular A-108.

SYSTEM NAME AND NUMBER:

Payroll, Retirement, Time and Attendance, and Leave Records, FHFA-15.

SECURITY CLASSIFICATION:

Sensitive but unclassified.

SYSTEM LOCATION:

Federal Housing Finance Agency, 400 Seventh Street SW, Washington, DC 20219, and any alternate work site utilized by employees of FHFA, including contractors assisting agency employees, and Department of the Interior, Interior Business Center, 7301 W. Mansfield Avenue, Lakewood, CO 80235.

SYSTEM MANAGER(S):

Office of Human Resources Management, 400 Seventh Street SW, Washington, DC 20219, and any alternate work site utilized by employees of FHFA, including contractors assisting agency employees; General Counsel, Office of General Counsel, (202) 649-3065, Federal Housing Finance Agency; and Department of the Interior, Interior Business Center, 7301 W. Mansfield Avenue, Lakewood, CO 80235.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

5 U.S.C. 301; Telework Enhancement Act of 2010 (5 U.S.C. 6501-6506); The Federal Home Loan Bank Act (12 U.S.C. 1421–1449) and Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501, *et seq.*), as amended by the Housing and Economic Recovery Act of 2008, Public Law No. 110-289, 122 Stat. 2654.

PURPOSE(S) OF THE SYSTEM:

The purpose of the system of records is for FHFA’s operations for payroll, time and attendance, leave, insurance, tax, retirement, qualifications, and benefits; to prepare related reports to other federal agencies including the Department of Treasury and the Office of Personnel Management; and to locate FHFA employees and determine such matters as their position, period of service, type of leave, qualifications, benefits, pay, work history, and work agreements.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

The system contains records on current and former employees, detailees, interns, fellows, political appointees, and other persons who work at FHFA under the Intergovernmental Personnel Act. This system may also include limited information regarding employees’ spouses, dependents, emergency contacts, beneficiaries, or estate trustees who meet the definition of “individual” as defined in the Privacy Act.

CATEGORIES OF RECORDS IN THE SYSTEM:

The records in the system include the individual’s name; home address and alternate work location; telephone numbers; Social Security number; organization code; pay rate; salary; grade; length of service; pay and leave records; source documents for posting time and leave attendance; deductions for Medicare; Old-Age, Survivors, and Disability Insurance (OASDI, also known as Social Security); bonds; Federal Employee Group Life Insurance; union dues; taxes; allotments; retirement; charities; Federal and

commercial health benefits; Flexible Spending Account; Long Term Care Insurance; Thrift Savings Plan contributions; 401k plan contributions; award; shift schedules; pay differential; tax lien data; wage garnishments; work agreements, locations, and schedules; and any other information pertaining to payroll, retirement, time and attendance, and leave. The payroll, retirement, and leave records described in this notice form a part of the information contained in the Federal Personnel and Payroll System (FPPS) in the Interior Business Center (IBC). Personnel and payroll records contained in IBC are covered under the government-wide system of records notices published by the Office of Personnel Management (OPM/GOVT-1 and OPM/GOVT-5).

RECORD SOURCE CATEGORIES:

Records source is from individuals on whom the records are maintained, official personnel and payroll records of individuals on whom the records are maintained, work agreements, time and attendance records, withholding certificates, third-party benefit providers, and other pay-related records prepared by the individual or the Office of Human Resources. Records and information covered by this SORN are obtained directly from the individual and the individual's supervisor.

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

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act, these records and information contained therein may specifically be disclosed outside of FHFA as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows, to the extent such disclosures are compatible with the purposes for which the information was collected:

(1) To appropriate agencies, entities, and persons when—(a) FHFA suspects or has confirmed that there has been a breach of the system of records; (b) FHFA has determined that as a result of a suspected or confirmed breach there is a risk of harm to

individuals, FHFA (including its information systems, programs, and operations), the Federal Government, or national security; and (c) the disclosure made to such agencies, entities, and persons as reasonably necessary to assist with FHFA's efforts to (i) respond to a suspected or confirmed breach or (ii) prevent, minimize, or remedy harm caused by such breach.

(2) To a federal agency or federal entity, when FHFA determines information from this system of records is reasonably necessary to assist the recipient agency or entity in: (a) responding to a suspected or confirmed breach or; (b) preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs, and operations), the Federal Government, or to national security, resulting from a suspected or confirmed breach.

(3) When there is an indication of a violation or potential violation of law (whether civil, criminal, or regulatory in nature, and whether arising by general statute or particular program statute or by regulation, rule, or order issued pursuant thereto), the relevant records in the system of records may be referred, as a routine use, to the appropriate agency (*e.g.*, federal, state, local, tribal, foreign, or a financial regulatory organization) charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing a statute, rule, regulation, or order issued pursuant thereto.

(4) To any individual during the course of any inquiry or investigation conducted by FHFA, or in connection with civil litigation, if FHFA has reason to believe the individual to whom the record is disclosed may have further information about the matters related thereto, and those matters appeared to be relevant and necessary at the time to the subject matter of the inquiry.

(5) To any contractor, agent, or other authorized individual performing work on a contract, service, cooperative agreement, job, or other activity on behalf of FHFA who

has a need to access the information in the performance of their official duties or activities.

(6) To appropriate third parties contracted by FHFA to facilitate mediation or other dispute resolution procedures or programs.

(7) To outside counsel contracted by FHFA, the U.S. Department of Justice (DOJ) (including United States Attorney Offices), or other federal agencies conducting litigation or in proceedings before any court, or adjudicative or administrative body, when it is relevant and necessary to the litigation and one of the following is a party to the litigation or has an interest in such litigation:

a. FHFA;

b. Any employee of FHFA in his/her official capacity;

c. Any employee of FHFA in his/her individual capacity where DOJ or FHFA has agreed to represent the employee; or

d. The United States or any agency thereof that is a party to the litigation or has an interest in such litigation, and FHFA determines that the records are both relevant and necessary to the litigation.

(8) To the National Archives and Records Administration or other federal agencies pursuant to records management inspections being conducted under the authority of 44 U.S.C. 2904 and 2906.

(9) To an agency, organization, or individual for the purpose of performing audit or oversight operations as authorized by law, but only such information as is relevant and necessary to such audit or oversight functions.

(10) To the Department of the Treasury, Bureau of the Public Debt to provide financial management services and systems, including local and temporary duty travel, involving FHFA employees.

(11) To the Internal Revenue Service and appropriate State and local taxing

authorities.

(12) To appropriate Federal agencies to effect salary or administrative offsets, or for other purposes connected with the collection of debts owed to the United States.

(13) To the Office of Child Support Enforcement, Administration for Children and Families, Department of Health and Human Services for purposes of locating individuals to establish paternity and establish and modify orders of child support enforcement actions as required by the Personal Responsibility and Work Opportunity Reconciliation Act, the Federal Parent Locator System, and the Federal Tax Offset System.

(14) To the Office of Child Support Enforcement for release to the Social Security Administration for verifying Social Security numbers in connection with the operation of the Federal Parent Locator System by the Office of Child Support Enforcement.

(15) To the Office of Child Support Enforcement for release to the Department of Treasury for purposes of administering the Earned Income Tax Credit Program and verifying a claim with respect to employment in a tax return.

(16) To commercial benefit providers, carriers, vendors, contractor personnel, and agents to process claims and provide related administrative services involving FHFA employees.

(17) To any Federal, state, or local government agency compiling tax withholding, retirement contributions, or allotments to charities, labor unions, wage garnishments, and other authorized recipients.

(18) To any member of the public for employment verification at an employee's written request.

(19) To any judgment creditor for the purpose of wage garnishment.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

The records are maintained in electronic format. Electronic records are stored in computerized databases on FHFA's secured network. All paper and magnetic disk or tape records previously collected in the system have been moved offsite to Federal Records Centers.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:

The records are retrieved by the individual's name, Social Security number, birthdate, or some other personal identifier.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

The records are retained and managed in accordance with FHFA's Comprehensive Records Schedule (CRS) Item 1.3a - Administrative Policies for 30 years and the National Archives and Records Administration's General Records Schedule (GRS) 2.4 - Employee Compensation and Benefits Records. Records are destroyed or deleted according to the retention schedule associated with the GRS Item, but longer retention is authorized for business use.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

The electronic records are safeguarded in a secured environment and protected by controlled access procedures through the use of access codes and other information technology security measures. Buildings where records and computerized systems are stored have security cameras and 24-hour security guard service. Access to records is restricted to only FHFA staff (and FHFA contractors assisting such staff) in the performance of official duties related to the purposes for which the system is maintained. The System Owner controls access to this System and limits access in accordance with the above.

RECORD ACCESS PROCEDURES:

Individuals seeking access to and/or amendment of records about themselves

contained in this System should follow the “Notification Procedures” below.

CONTESTING RECORD PROCEDURES:

Individuals seeking access to and/or amendment of records about themselves contained in this System should follow the “Notification Procedures” below.

NOTIFICATION PROCEDURES:

Individuals seeking notification of any records about themselves contained in this System should address their inquiry to the Privacy Act Officer via email to privacy@fhfa.gov, by mail to the Federal Housing Finance Agency, 400 Seventh Street SW, Washington, DC 20219, or in accordance with the procedures set forth in 12 CFR part 1204. *Please note that all mail sent to FHFA via the U.S. Postal Service is routed through a national irradiation facility, a process that may delay delivery by approximately two weeks. For any time-sensitive correspondence, please plan accordingly.*

EXEMPTIONS PROMULGATED FOR THE SYSTEM:

None.

HISTORY:

The system of records was last published in full in the *Federal Register* at 77 FR 499 (Jan. 5, 2012), revised at 80 FR 60900 (Oct. 8, 2015).

Clinton Jones,
General Counsel,
Federal Housing Finance Agency.

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