

U.S. Securities and Exchange Commission

**Administrative Proceeding Tracking System
(APTS)/Administrative Law Judge (ALJ) System**

PRIVACY IMPACT ASSESSMENT (PIA)



February 1, 2022

Office of the Secretary

Privacy Impact Assessment

Administrative Proceeding Tracking System (APTS) Administrative Law Judge (ALJ)

Section I: System Overview

1.1 Name of Project or System

Administrative Proceeding Tracking System (APTS)/Administrative Law Judge (ALJ) System

1.2 Is the system internally or externally hosted?

- Internally Hosted (SEC)
- Externally hosted (Contractor or other agency/organization):

1.3 Reason for completing PIA

- New project or system
- This is an existing system undergoing an update
 - First developed: 1/1/1998
 - Last updated: 3/30/2007
 - Description of update: APTS-ALJ replaced retired legacy system Administrative Proceedings Tracking System and Administrative Law Judges Case Tracking System (ALJCTS).

1.4 Does the system or program employ any of the following technologies?

- Electronic Data Warehouse (EDW)
- Social Media
- Mobile Application (or GPS)
- Cloud Computing Services
- www.sec.gov Web Portal
- None of the Above

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Section 2: Authority and Purpose of Collection

2.1 Describe the project and its purpose or function in the SEC's IT environment.

APTS-ALJ, is the case tracking system used by the Office of the Secretary (OS) and Office of Administrative Law Judges (OALJ) to manage Administrative Proceeding (AP) cases and track receipt, issuance, and service of documents. The system enables the OS staff to enter case information and related information such as participant (name, address, phone, fax, and email), service of orders, and receipt of filings. Issuance of orders and receipt of filings are considered "events" in the system. Office of General Counsel Adjudications (ADJ) and Office of General Counsel Appellate (Appellate) users may view information in the system.

APTS-ALJ includes two modules. The APTS module is used to manage AP cases; which includes creating, searching, updating, and closing existing cases. In addition, the APTS module processes the assignment of cases to other SEC Offices. The ALJ module maintains records on AP cases assigned to the Office of Administrative Law Judges (OALJ).

2.2 What specific legal authorities, arrangements, and/or agreements allow the information to be collected?

This system is covered by the following authorities: 5 U.S.C. § 556; 15 U.S.C. §§ 78d, 78d-1; Pub. L. 87-592, 76 Stat. 394; 17 CFR 200.30-9.200.30-10; 17 CFR 201.100-900; 17 CFR 201.1100-1106; 15 U.S.C. 77h(e), 77u, 78v, 78o(b), 80a-40, and 80b-12; the Commission's Rules of Practice, 17 CFR 201.100-900, and the Commission's Rules of Fair Fund and Disgorgement Plans.

2.3 Does the project use or collect Social Security numbers (SSNs)? *This includes truncated SSNs.*

- No
- Yes

If yes, provide the purpose of collection:

If yes, provide the legal authority:

2.4 Do you retrieve data in the system by using a personal identifier?

- No
- Yes, a SORN is in progress
- Yes, there is an existing SORN

2.5 Is the information covered by the Paperwork Reduction Act of 1995 (PRA)?

- No
- Yes

2.6 Considering the purpose of the collection, what privacy risks were identified and how were those risks mitigated?

The purpose of the collection is to facilitate creating, searching, updating, and closing existing AP cases. The privacy risk identified is inadvertent disclosure of case information. To mitigate this risk system users are assigned specific roles that provide system access and privileges as needed to perform specific job duties.

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Section 3: Data Collection, Minimization, and Retention

3.1 What information is collected, maintained, used, or disseminated about individuals? *Check all that apply.*

- The system does not collect, maintain, use, or disseminate information about individuals.

Identifying Numbers

- | | | |
|--|--|---|
| <input type="checkbox"/> Social Security Number | <input type="checkbox"/> Alien Registration | <input type="checkbox"/> Financial Accounts |
| <input type="checkbox"/> Taxpayer ID | <input type="checkbox"/> Driver's License Number | <input type="checkbox"/> Financial Transactions |
| <input type="checkbox"/> Employee ID | <input type="checkbox"/> Passport Information | <input type="checkbox"/> Vehicle Identifiers |
| <input checked="" type="checkbox"/> File/Case ID | <input type="checkbox"/> Credit Card Number | <input type="checkbox"/> Employer ID |
| <input type="checkbox"/> Other: | | |

General Personal Data

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> Name | <input type="checkbox"/> Date of Birth | <input type="checkbox"/> Marriage Records |
| <input type="checkbox"/> Maiden Name | <input type="checkbox"/> Place of Birth | <input type="checkbox"/> Financial Information |
| <input type="checkbox"/> Alias | <input checked="" type="checkbox"/> Home Address | <input type="checkbox"/> Medical Information |
| <input type="checkbox"/> Gender | <input checked="" type="checkbox"/> Telephone Number | <input type="checkbox"/> Military Service |
| <input type="checkbox"/> Age | <input checked="" type="checkbox"/> Email Address | <input type="checkbox"/> Mother's Maiden Name |
| <input type="checkbox"/> Race/Ethnicity | <input type="checkbox"/> Education Records | <input type="checkbox"/> Health Plan Numbers |
| <input type="checkbox"/> Civil or Criminal History | <input checked="" type="checkbox"/> Zip Code | |
| <input type="checkbox"/> Other: | | |

Work-Related Data

- | | | |
|--|--|--|
| <input type="checkbox"/> Occupation | <input checked="" type="checkbox"/> Telephone Number | <input type="checkbox"/> Salary |
| <input type="checkbox"/> Job Title | <input checked="" type="checkbox"/> Email Address | <input type="checkbox"/> Work History |
| <input checked="" type="checkbox"/> Work Address | <input type="checkbox"/> Certificate/License Number | <input type="checkbox"/> Business Associates |
| <input type="checkbox"/> PIV Card Information | <input type="checkbox"/> Fax Number | |
| <input type="checkbox"/> Other: | | |

Distinguishing Features/Biometrics

- | | | |
|--|---|--|
| <input type="checkbox"/> Fingerprints | <input type="checkbox"/> Photographs | <input type="checkbox"/> Genetic Information |
| <input type="checkbox"/> Voice Recording/Signature | <input type="checkbox"/> Video Recordings | |
| <input type="checkbox"/> Other: | | |

System Administration/Audit Data

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> User ID | <input checked="" type="checkbox"/> Date/Time of Access | <input checked="" type="checkbox"/> ID Files Accessed |
| <input type="checkbox"/> IP Address | <input type="checkbox"/> Queries Run | <input type="checkbox"/> Contents of Files |
| <input type="checkbox"/> Other: | | |

3.2 Why is the PII listed in Question 3.1 collected, used, shared, or maintained by the system or project?

PII information is collected, used, shared, and maintained to allow OS and OALJ to contact participants involved in administrative cases and proceedings.

3.3 Whose information may be collected, used, shared, or maintained by the system?

- SEC Employees
Purpose: Identification of SEC attorneys and judges assigned to a case.
- SEC Federal Contractors
Purpose:
- Interns
Purpose:
- Members of the Public

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Purpose: Collection of information on applicants, respondents, petitioners, and attorneys to enable the SEC to forward legal notices to members of the public.

Employee Family Members

Purpose:

Former Employees

Purpose:

Job Applicants

Purpose:

Vendors

Purpose:

Other:

Purpose:

3.4 What mechanisms are in place to minimize the use of PII for testing, training, and research efforts?

PII is not used for training and research efforts. In order to test the migration of data, an approved Authority to Test (ATT) was obtained authorizing use of PII. The PII was masked.

3.5 Has a retention schedule been established by the National Archives and Records Administration (NARA)?

No.

Yes.

The data retention schedule used is General Records Schedule (GRS) [4.1](#), Item 010 *Tracking and Control Records* with corresponding disposition authority DAA-GRS2013-00020016.

3.6 What are the procedures for identification and disposition at the end of the retention period?

The system stores tracking information for cases while they are pending appeal and after they have been resolved by decision or settlement. Records are identified and disposed in accordance with procedures defined in GRS 4.1 schedule referenced in Section 3.5.

3.7 Will the system monitor members of the public, employees, and/or contractors?

N/A

Members of the Public

Purpose:

Employees

Purpose:

Contractors

Purpose:

3.8 Considering the type of information collected, what privacy risks were identified and how were those risks mitigated?

There is a potential risk of inadvertent disclosure of PII contained in APTS-ALJ case records. This risk is mitigated by ensuring access to the system is restricted to authorized users assigned specific roles. Users can

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only access the system if they are a member of specific collaborative platform groups, whose membership is managed by OS and ALJ site owners.

Section 4: Openness and Transparency

4.1 What forms of privacy notice were provided to the individuals prior to collection of data? *Check all that apply.*

- Privacy Act Statement
- System of Records Notice
[SEC-08](#) - Administrative Law Judge, Case Tracking System
[SEC-14](#) - Administrative Proceeding Files.
- Privacy Impact Assessment
Date of Last Update:
- Web Privacy Policy
- Other notice:
Information is collected by Enforcement (ENF) Division or provided to the SEC by the individuals in a filing as discussed in Section 6.2. If collected by ENF, notice to individuals is provided by ENF.
- Notice was not provided.

4.2 Considering the method(s) of notice provided, what privacy risks were identified regarding adequate notice and how were these risks mitigated?

Insufficient notice of the routine uses of the data collected is an identified privacy risk. This risk is mitigated by the published SORNs, [SEC-08](#) and [SEC-14](#) and this privacy impact assessment (PIA). These documents are published on the SEC's website to provide notice of how the SEC uses the information collected by the system.

Section 5: Limits on Uses and Sharing of Information

5.1 What types of methods are used to analyze the data?

Data is aggregated to report on case volume and resolution metrics.

5.2 Will internal organizations have access to the data?

- No
- Yes
Organizations: OS, OALJ, Appellate, ADJ

5.3 Describe the risk to privacy from internal sharing and describe how the risks are mitigated.

A potential privacy risk associated with internal sharing is that PII could be inadvertently disclosed to persons who do not have a need to access case proceedings information to perform their official duties. Access control is implemented to restrict system access to individuals and offices who need such information to perform their job duties.

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5.4 Will external organizations have access to the data?

- No
- Yes

Organizations: N/A

5.5 Describe the risk to privacy from external sharing and describe how the risks are mitigated.

There is no risk to privacy because there is no external sharing of information from the system.

Section 6: Data Quality and Integrity

6.1 Is the information collected directly from the individual or from another source?

- Directly from the individual.
- Other source(s): The Commission (usually based on a recommendation by ENF) officially initiates administrative proceedings with an order instituting proceedings. That order may contain individual names and allegations, but it usually does not contain any PII. Enforcement may collect data during an investigation, such as an individual's address, which it then provides to OS to effectuate legal notice. Enforcement provides OS with the participant's contact information via the Office of the Secretary Content Automation Resource (OSCAR) system. For Self-Regulatory Organization (SRO) cases, participants provide their contact information to the SEC in a filing.

6.2 What methods will be used to collect the data?

Information in APTS-ALJ is received from OSCAR, emailed to OS by ENF, or is provided by the individuals themselves in previous filings with the SEC. Per Rule 102(d), information is collected from Respondents or their filing representative to keep information updated in Administrative Proceedings. Per Rule 420(c) for SRO appeals, the applicant provides information in their initial filing. Filings are submitted by mail or courier, hand delivered, facsimile submission, or emailed to APfilings@sec.gov

6.3 How will the data collected from individuals, or derived by the system, be checked for accuracy and completeness?

OS users manually verify the data matches the information provided. Users submit filings outside of the system, and APTS users then update any pertinent information in the system when received. The ALJ system reflects these changes automatically.

6.4 Does the project or system process, or access, PII in any other SEC system?

- No
- Yes.

System(s):

6.5 Consider the sources of the data and methods of collection and discuss the privacy risk for this system related to data quality and integrity? How are these risks mitigated?

The identified privacy risk is potentially inaccurate or outdated information resident within the system. This risk is mitigated by collecting information directly from the source. Additional information can be submitted to

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correct any inaccuracies, and certain authorized users can perform manual updates or corrections to records if requested.

Section 7: Individual Participation

7.1 What opportunities are available for individuals to consent to uses, decline to provide information, or opt out of the project? If no opportunities are available to consent, decline or opt out, please explain.

Information in the system pertains to individuals involved in legal proceedings with the SEC and is essential for the SEC to proceed with a case. Due to the legal nature of the system, participants are not able to opt-out of having their information collected.

7.2 What procedures will allow individuals to access their information?

Individuals seeking notification of and access to any record contained in this system of records may submit a request in writing to the FOIA/PA Officer, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-2736.

7.3 Can individuals amend information about themselves in the system? If so, how?

Individuals seeking to correct records contained in this system of records, or seeking to contest its content, may submit a request in writing to the FOIA/PA Officer, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-2736.

7.4 Discuss the privacy risks related to individual participation and redress. How were these risks mitigated?

The primary risks are lack of access to information and inability to seek redress and correction. Legal notices for ongoing cases may be sent by the SEC to associated parties with incorrect addresses on file. This risk is mitigated by providing individual access or correction of the records as expressly permitted by the Privacy Act and provided by the FOIA.

Section 8: Security

8.1 Can the system be accessed outside of a connected SEC network?

- No
 Yes
- | | | | |
|---|-----------------------------|------------------------------|---|
| If yes, is secured authentication required? | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> Not Applicable |
| Is the session encrypted? | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> Not Applicable |

8.2 Does the project or system involve online collection of personal data?

- No
 Yes
- Public
URL:

8.3 Does the site have a posted privacy notice?

- No
 Yes
 N/A

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Section 9: Accountability and Auditing

9.1 Describe what privacy training is provided to users, either generally or specifically relevant to the system or project.

All SEC staff and contractors receive initial and annual privacy awareness training, which outlines roles and responsibilities for proper handling and protection of PII. SEC Rules of the Road ensure that employees and contractors are aware of their security-related responsibilities and how to fulfill them.

9.2 Does the system generate reports that contain information on individuals?

- No
- Yes

Ad-hoc reports may be created. For Reporting purposes information is shared internally within SEC using email. No reports are shared externally.

9.3 Do contracts for the system include Federal Acquisition Regulation (FAR) and other applicable clauses ensuring adherence to the privacy provisions and practices?

- No
- Yes
- This is not a contractor operated system

9.4 Does the system employ audit logging or event logging?

- No
- Yes

9.5 Given the sensitivity of the PII in the system, manner of use, and established safeguards, describe the expected residual risk related to access.

Although access to this system is limited only to authorized SEC staff, the expected residual risk related to access, given the PII in the system, can include the inadvertent handling or misuse of data. To mitigate this risk, user accounts for employees are synched with SEC's Active Directory and system privileges are granted based on defined roles.