

U.S. Securities and Exchange Commission

Chenega Scanning Facility
PRIVACY IMPACT ASSESSMENT (PIA)



October 11, 2022

Office of Information Technology

Privacy Impact Assessment

Chenega Scanning Facility

GENERAL INFORMATION - Project/System Information

The Securities and Exchange Commission (SEC) Division of Enforcement (ENF), in coordination with the SEC's Office of Information Technology (OIT), has implemented a Records Management Production Processing and Scanning Program (RMPPS) to collect, receive, process, and store paper and electronic submissions from Federal securities inspections, examinations, investigations, and litigation, across all SEC locations/regions. Chenega Healthcare Services (CHS) has been contracted to image the evidentiary submissions received. The scope of work includes the handling and processing of document imaging requests, investigative, and litigation productions, and records management on site at the SEC or at CHS's offsite scanning facility. OIT is conducting this Privacy Impact Assessment (PIA) of the CHS offsite scanning facility and the CHS Scanning Network to assess the privacy controls.

CHS will process electronic and physical case materials (e.g., paper, CDs, DVDs) submitted by government and non-government parties related to criminal investigations, judicial hearings, legal investigations, and legal prosecution and litigation at the offsite facility. Per ENF's delivery standards, physical case materials are shipped to the SEC Headquarters for initial processing, and thereafter transported to CHS by a CHS courier. Electronic materials received across the SEC locations/regions are emailed to the ENF Centralized Processing Unit (CPU) Team¹ and then transferred to CHS using an SEC Accellion Account - (file transfer protocol) for processing. CHS creates a digitized file of case materials and uploads the file to an SEC repository for document collections on the SEC network using Accellion.

1. Name of Project or System.

Chenega Offsite Scanning Facility

2. What is the purpose of the Project or System?

CHS directly supports the Division of Enforcement's (ENF) Records Management Production Processing and Scanning efforts to collect, receive, process, and store paper and electronic submissions from Federal securities inspections, examinations, investigations, and litigation, across all SEC locations/regions. The scope of work includes the handling and processing of document imaging requests, investigative, and litigation productions, and records management of the large volumes of information ENF receives each year.

3. Requested Operational Date?

At the time the SEC awarded a contract to CHS, the full Authorization to Operate (ATO) process was not required. CHS offsite facility is now going through the full lifecycle. Actual date: 9/16/2021.

4. System of Records Notice (SORN) number?

Information subject to the Privacy Act of 1974, as amended, collected in paper and electronic submissions from Federal securities inspections, examinations, investigations, and litigation are covered under SORN SEC-17 Enforcement Files 85 FR 85440 (January 27, 2021).

¹ Centralized Processing Unit [CPU] team is responsible for the initial intake/receipt, tracking and logging of all ENF productions for all SEC locations.

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SECTION I - Data Purpose Specification

SEC should specifically articulate the authority which permits the collection of PII and specifically articulate the purpose or purposes for which the PII is intended to be used.

The legal authority for the collection of information is 15 U.S.C.77s, 77t, 78u, 77uuu, 80a-41, and 80b-9.17 CFR 202.5. The Division of Enforcement (ENF) staff has the primary responsibility to enforce Federal Securities Laws. The staff conducts investigations into possible violations of the Federal securities laws, and prosecute the Commission's civil suits in the Federal courts as well as its administrative proceedings. Information collected is considered evidentiary material and some documents are used in litigation. RMPPS supports ENF's business process for handling and processing investigative and litigation material.

SECTION II – Data Minimization

SEC should only collect PII that is directly relevant and necessary to accomplish the specified purpose(s) and only retain PII for as long as is necessary to fulfill the specified purpose(s). PII should be disposed of in accordance with SEC records disposition schedules as approved by the National Archives and Records Administration (NARA).

The retention of all SEC ENF electronic and physical materials collected is tracked and managed by the RMPPS workgroup storage unit. CHS is required to follow the records management procedures established by the workgroup. These records will be maintained until they become inactive, at which time they will be retired or destroyed in accordance with records schedules of the United States Securities and Exchange Commission and as approved by the National Archives and Records Administration. CHS will maintain a copy of any final end product created for the SEC until approved for deletion by the SEC. Upon approval, CHS will permanently delete all images and data copied or produced from electronic media, including backup copies.

SECTION III – Data Sharing Practices

SEC should use PII solely for the purpose(s) specified in the notice. Sharing PII outside the SEC should be for a purpose compatible with the purpose for which the PII was collected.

CHS does not make the materials processed and stored available to any external entities. Access to materials and information is limited to a need-to-know basis when in the possession of CHS. Administrative, physical, and technical controls are implemented to limit access to the information and prevent inadvertent or unauthorized disclosure to individuals without a need to know.

The disclosure of materials processed by CHS may be disclosed by ENF in accordance with SORN SEC-17 Enforcement Files and the routine uses prescribed within the SORN.

SECTION IV – Individual Participation

SEC should involve the individual in the process of using PII. SEC should, to the extent practical, seek individual consent for the collection, use, dissemination, and maintenance of PII and should provide mechanisms for appropriate access, correction, and redress regarding SEC's use of PII.

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Individuals are not generally permitted to access or correct records about themselves in ENF materials. The materials are exempted from the Privacy Act insofar as it contains investigatory materials.² However, subject to the exemption above, individuals may make a Privacy Act request for appropriate access, correction, and redress under the procedures described in 17 C.F.R. Subpart H-Regulations Pertaining to the Privacy of Individuals and Systems of Records Maintained by the Commission.

SECTION V – Data Quality and Integrity

SEC should, to the extent practical, ensure that PII is accurate, relevant, timely, and complete, within the context of each use of the PII.

ENF receives materials from many sources during investigations. In some instances information may be provided directly by the individual that the information pertains to. ENF relies on the source to submit accurate information. CHS staff uploads the information in its original form and does not review/read the materials. CHS does not perform accuracy or completeness checks.

SECTION VI – Privacy Impact Analysis

Privacy Risk related to Uses of Information: There is a risk that unauthorized users may access the information in the scanning system and use it for purposes that are inconsistent with the purposes for which it was collected or that authorized users may use the information for an unauthorized purpose.

Mitigation: This risk is mitigated through the use of role-based access controls in a secure web portal, which only permits authorized individuals from the vendor and SEC program management office to access information in the vendor's system, and through the vendor contract, which identifies the vendor's responsibility with respect to the records in its possession. In addition, SEC requires all vendor personnel who support the Scanning facility to sign a non-disclosure agreement. Vendor personnel also receive a Public Trust background investigation, computer security and privacy training, and agree to rules of behavior to indicate they understand and will adhere to appropriate data use.

Privacy Risk related to Notice: There is a risk that individuals may not be aware that their information will be sent to the Scanning Facility and then on to the SEC system.

Mitigation: This risk is mitigated through the publication of this PIA, which is adequate notice given the limited function and purpose of the Scanning Facility. Individuals are provided appropriate notice at the point of collection of their information regarding the use of their information more generally and are also provided as appropriate with the opportunity to decline to provide information or otherwise consent to its use.

² Under 5 U.S.C. 552a(k)(2), this system is exempted from the following provisions of the Privacy Act, 5 U.S.C. 552a(c)(3), (d), (e)(1), (e)(4)(G), (H), and (I), and (f) and 17 CFR 200.303, 200.304, and 200.306, insofar as it contains investigatory materials compiled for law enforcement purposes. This exemption is contained in 17 CFR 200.312(a) (1).

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Privacy Risk related to Sharing : There is a risk that the information will be disclosed and used for a purpose that is not consistent with the purposes for which it was originally collected.

Mitigation: This risk is mitigated through various controls including initial intake/receipt, tracking and logging of all ENF productions for all SEC locations conducted by SEC's Central Processing Unit team and access to a secure web portal requiring appropriate authentication, all governed by various SEC clauses and requirements in the vendor's contract.

Privacy Risk related to Redress: There is a risk that individuals will not have the ability to access and amend records that the Scanning Facility holds.

Mitigation: This risk is mitigated because although there is no ability to access and amend records at the Scanning Facility there are clear processes in place and notice provided to individuals at the point of collection regarding accessing and amending records provided to the SEC.