



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-4704

JUN 14 2001

Mr. Joseph Kull
Deputy Controller
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Kull:

Section 646 of the Treasury-Postal Appropriations Act for Fiscal Year 2001 requires the Inspector General of each department or agency to submit to Congress a report that discloses any activity relating to the collection of data about individuals who access any Internet site of the department or agency. Collection devices may include persistent cookies and web bugs. Persistent cookies are small software files placed on computers that can track the movement of a person on an Internet site over a specified period of time. Web bugs are invisible graphics included on the web site or in an e-mail designed to monitor who visits the web site or reads the e-mail. The President's Council on Integrity and Efficiency has asked this office to summarize the reviews conducted by the Inspectors General.

In general the reviews focused on:

- reviewing the agencies' use of persistent cookies and web bugs to collect information on individuals based on their visits to a web site, and determining whether the Head of the Agency personally approved the use of the collection device,
- determining whether the agencies' web sites used or entered into third-party agreements to obtain personnel information using collection devices, and
- determining whether the agencies' major web entry points have privacy statements posted that adequately reflect what, if any, personal information is collected, why it is collected, and how that information is used.

We received reports from 51 Inspectors General. Based on the results of reviews presented in these reports, we concluded that compliance with applicable policies has been inadequate.

The individual Inspector General reports make recommendations for corrective actions at the department or agency level. A summary of the results is included in the following table.

Issue	President's Council on Integrity and Efficiency Agencies (27) Not Addressed			Executive Council on Integrity and Efficiency Agencies (24) Not Addressed		
	Yes	No	Addressed	Yes	No	Addressed
Used Persistent Cookies	17	10	0	5	18	1
Used Web Bugs	3	4	20	0	4	20
Approval to Use Persistent Cookies	2*	15	10	0	0	24
Third-Party Agreements	5	14	8	1	15	8
Compliant Privacy Act Statements	3	20	4	13	7	4

* Two agencies had approved and unapproved cookies.

Charts that illustrate in greater detail the results of the reviews for each agency and list the reports are enclosed.

If you have any questions regarding this matter, please contact me or Mr. John R. Crane, Director, Office of Congressional Liaison, at (703) 604-8324.

Sincerely,



Robert J. Lieberman
Deputy Inspector General

Enclosures

cc: Mr. Gaston Gianni, Vice Chair, PCIE
Mr. Barry R. Snyder, Vice Chair, ECIE

President's Council on Integrity and Efficiency Reports on Section 646

	Agency	Persistent Cookies Found	Web Bugs Found	Agency Head Approval	Third-Party Commercial Agreements	Compliant with Privacy Policy
1	Agency for International Development	yes	N/A	no	no	yes
2	Agriculture, Department of	yes	N/A	no	N/A	no
3	Commerce, Department of	yes	yes	no	N/A	no
4	Corporation for National and Community Service	no	N/A	N/A	no	N/A
5	Defense, Department of	yes	yes	no	N/A	no
6	Education, Department of	yes	no	no	no	no
7	Energy, Department of	yes	N/A	no	N/A	no
8	Environmental Protection Agency	yes	N/A	no	no	no
9	Federal Deposit Insurance Corporation	no	N/A	N/A	no	N/A
10	Federal Emergency Management Agency	yes	no	no	no	no
11	General Services Administration	yes	N/A	yes/no	yes	no
12	Health and Human Services, Department of	yes	N/A	yes/no	N/A	no
13	Housing and Urban Development	no	N/A	N/A	N/A	no
14	Interior, Department	yes	yes	no	yes	no
15	Justice, Department of	no	N/A	N/A	no	N/A
16	Labor, Department of	no	N/A	N/A	yes	no
17	National Aeronautics and Space Administration	yes	N/A	no	no	no
18	Nuclear Regulatory Commission	no	N/A	N/A	no	yes
19	Office of Personnel Management	yes	no	no	no	no
20	Railroad Retirement Board	no	N/A	N/A	no	no
21	Small Business Administration	no	N/A	N/A	no	no
22	Social Security Administration	no	N/A	N/A	yes	no
23	State, Department of	yes	N/A	no	N/A	no
24	Transportation, Department of	yes	N/A	no	yes	N/A
25	Treasury, Department of the	yes	N/A	no	no	no
26	Treasury Inspector General for Tax Administration	no	no	N/A	no	yes
27	Veterans Affairs, Department of	yes	N/A	no	N/A	no

Executive Council on Integrity and Efficiency Reports on Section 646

	Agency	Persistent Cookies Found	Web Bugs Found	Agency Head Approval	Third-Party Commercial Agreements	Compliant with Privacy Policy
1	Appalachian Regional Commission	no	N/A	N/A	no	yes
2	Commodity Futures Trading Commission	no	N/A	N/A	no	yes
3	Consumer Product Safety Commission	no	N/A	N/A	no	no
4	Corporation for Public Broadcasting	yes	N/A	N/A	no	no
5	Equal Employment Opportunity Commission	yes	N/A	N/A	N/A	yes
6	Farm Credit Administration	no	no	N/A	no	yes
7	Federal Communications Commission	no	no	N/A	no	no
8	Federal Housing Finance Board	no	no	N/A	no	no
9	Federal Labor Relations Authority	no	N/A	N/A	no	yes
10	Federal Maritime Commission	no	N/A	N/A	no	N/A
11	Federal Reserve Board	no	no	N/A	no	yes
12	Federal Trade Commission	no	N/A	N/A	no	N/A
13	Government Printing Office	no	N/A	N/A	N/A	yes
14	National Archives	no	N/A	N/A	N/A	yes
15	National Credit Union Administration	no	N/A	N/A	N/A	no
16	National Endowment for the Arts	no	N/A	N/A	N/A	no
17	National Endowment for the Humanities	yes	N/A	N/A	N/A	yes
18	National Labor Relations Board	no	N/A	N/A	no	yes
19	National Science Foundation	yes	N/A	N/A	no	yes
20	Pension Benefit Guaranty Corporation	no	N/A	N/A	no	N/A
21	Securities and Exchange Commission	yes	N/A	N/A	yes	yes
22	Smithsonian Institution ¹	N/A	N/A	N/A	N/A	N/A
23	Tennessee Valley Authority	no	N/A	N/A	no	yes
24	U.S. International Trade Commission	no	N/A	N/A	N/A	no

N/A - Not addressed in report

1. The Smithsonian Institution reported the collection of personally identifiable information at several of their web sites but did not report the use of persistent cookies or web bugs.

Agencies Which Used Persistent "Cookies"

President's Council on Integrity and Efficiency Agency	Web Servers	Web Sites	Web Pages	Number of Cookies	Agency Head Approval
1 Agency for International Development	N/A	N/A	N/A	2	no
2 Agriculture, Department of	N/A	N/A	10,067	12	no
3 Commerce, Department of	N/A	N/A	N/A	12	no
4 Defense, Department of	N/A	400	N/A	128	no
5 Education, Department of	64	111	4,056	4	no
6 Energy, Department of	N/A	93	N/A	11	no
7 Environmental Protection Agency	N/A	N/A	N/A	6	no
8 Federal Emergency Management Agency	N/A	N/A	126	3	no
9 General Services Administration	N/A	N/A	858	15	yes/no
10 Health and Human Services, Department of	N/A	81	N/A	11	yes/no
11 Interior, Department	N/A	598	N/A	18	no
12 National Aeronautics and Space Administration	N/A	49	600	3	no
13 Office of Personnel Management	N/A	N/A	750	1	no
14 State, Department of	N/A	206	N/A	9	no
15 Transportation, Department of	N/A	177	1,270	23	no
16 Treasury, Department of the	N/A	30	100	6	no
17 Veterans Affairs, Department of	N/A	988	N/A	29	no
Total	64	2,733	17,827	293	

Executive Council on Integrity and Efficiency Agency	Web Servers	Web Sites	Web Pages	Number of Cookies	Agency Head Approval
1 Corporation for Public Broadcasting	N/A	2	N/A	1	N/A
2 Equal Employment Opportunity Commission	N/A	1	N/A	1	N/A
3 National Endowment for the Humanities	N/A	3	N/A	2	N/A
4 National Science Foundation	N/A	1	N/A	1	N/A
5 Securities and Exchange Commission	N/A	4	N/A	2	N/A
Total		11		7	

Agencies Which Used Third-Party Agreements

President's Council on Integrity and Efficiency Agency		Web Servers	Web Sites	Web Pages	Number of Third-Party Agreements
1	General Services Administration	N/A	N/A	858	1
2	Interior, Department of	N/A	598	N/A	5
3	Labor, Department of	N/A	N/A	143	1
4	Social Security Administration	N/A	N/A	N/A	2
5	Transportation, Department of	N/A	177	1,270	3
Total		0	775	1,270	12

Executive Council on Integrity and Efficiency Agency		Web Servers	Web Sites	Web Pages	Number of Third-Party Agreements
1	Securities and Exchange Commission	N/A	4	N/A	2
Total			4		2

Agencies Which Used Web Bugs

President's Council on Integrity and Efficiency Agency		Web Servers	Web Sites	Web Pages	Number of Web Bugs
1	Commerce, Department of	N/A	N/A	N/A	23
2	Defense, Department of	N/A	400	N/A	7
3	Interior, Department	N/A	598	N/A	12
Total		0	998	0	42

President's Council on Integrity and Efficiency Reports on Section 646

Agency	Title of Report	Report Number	Agency's Web Site
1 Agency for International Development	Audit of USAID's Compliance with Internet Privacy Policies, (May 14, 2001)	A-0001-001-P	www.usaid.gov
2 Agriculture, Department of	Privacy Considerations Within USDA Agency Internet Sites, (May 4, 2001)	50099-30-FM	www.usda.gov
3 Commerce, Department of	Use of Internet "Cookies" and "Web Bugs" on Commerce Web Sites Raises Privacy and Security Concerns, (April 2001)	OSE-14257	www.doc.gov
4 Corporation for National and Community Service	Letter only (February 13, 2001)	none	www.cns.gov
5 Defense, Department of	DoD Internet Practices and Policies, (May 31, 2001)	D-2001-130	www.dodig.osd.mil
6 Education, Department of	Audit of the Collection of Personally Identifiable Information Through ED Internet Sites, (February 20, 2001)	ED-OIG/A11-B0002	www.ed.gov
7 Energy, Department of	Internet Privacy, (February 2001)	DOE/IG-0493	www.id.doe.gov
8 Environmental Protection Agency	Letter only	none	www.epa.gov
9 Federal Deposit Insurance Corporation	Letter only, (February 12, 2001)	none	www.fdic.gov
10 Federal Emergency Management Agency	Audit of FEMA's Collection of Personal Information About Internet Web Site Visitors, (May 2001)	H-08-01	www.fema.gov
11 General Services Administration	Review of GSA's Activities Related to Cookies, (February 22, 2001)	A0101070/T/F01008	www.gsa.gov
12 Health and Human Services, Department of	Monitoring of Personally Identifiable Information on Users of Departmental Internet Sites, (April 2001)	A-01-01-03000	www.dhhs.gov
13 Housing and Urban Development	Memorandum, (February 21, 2001)	none	www.hud.gov
14 Interior, Department	Department of Interior Activities to Collect, Review, and Use Information That Identifies Individuals Who Access the Department's Internet Sites, (April 2001)	01-I-340	www.doi.gov
15 Justice, Department of	Review of Department of Justice Internet Sites, (February 2001)	01-05	www.usdoj.gov
16 Labor, Department of	OIG Results on Privacy Policies and Data Collections on DOL Web Sites,	17-01-002-01-010	www.dol.gov
17 National Aeronautics and Space Administration	Review of the Collection of Personally Identifiable Information on NASA's Web Sites, (February 18, 2001)	IG-01-008	www.nasa.gov
18 Nuclear Regulatory Commission	Review of NRC's Web Site Privacy Policy: Internet Cookies, (February 16, 2001)	OIG-01-A-08	www.nrc.gov
19 Office of Personnel Management	OPM Internet Privacy Review, (May 9, 2001)	4A-CI-00-01-038	www.opm.gov
20 Railroad Retirement Board	RRB-OIG Report on Collection of Internet User Information Pursuant to the FY 2001 Consolidated Appropriations Bill, H.R. 4577	none	www.rrb.gov
21 Small Business Administration	Letter, (February 20, 2001)	none	www.sba.gov
22 Social Security Administration	The Social Security Administration's Internet Data Collection Activities, (February 14, 2001)	31045-23-126	www.ssa.gov
23 State, Department of	Department Wide Web Site Management Needs to be Strengthened, (March 2001)	01-IT-M-017	www.state.gov
24 Transportation, Department of	Report on Web Privacy, (February 26, 2001)	FI-2001-034	www.dot.gov
25 Treasury, Department of the	Information Technology: Treasury Web Sites Substantially Comply With OMB Privacy Policies and Data Collection Standards, (February 17, 2001)	OIG-01-044	www.ustreas.gov
26 Treasury Inspector General for Tax Administration	The Internal Revenue Service Complied with Federal Privacy Policies Regarding the Collection of Personal Information on Federal Web Sites, April 18, 2001	none	www.ireas.gov
27 Veterans Affairs, Department of	Review of Department of Veterans Affairs Activities to Collect, Review, and Use Information That Identifies Individuals Who Access the Department's Internet Sites, (May 21, 2001)	00-02707-78	www.va.gov

Executive Council on Integrity and Efficiency Reports on Section 646

Agency	Title of Report	Report Number	Agency's Web Site
1 Appalachian Regional Commission	E-mail, (May 14, 2001)	none	www.arc.gov
2 Commodity Futures Trading Commission	Letter, February 13, 2001)	none	www.cftc.gov
3 Consumer Product Safety Commission	Review of CPSC's Web Site Privacy Policy May 15, 2001	none	www.cpsc.gov
4 Corporation for Public Broadcasting	Letter-February 9, 2001	none	www.cpb.org
5 Equal Employment Opportunity Commission	Letter-FY2001 Consolidated Appropriations Act Language Concerning an Agency's Practice of Obtaining Personally Identifiable Information	none	www.eeoc.gov
6 Farm Credit Administration	Letter-March 1, 2001	none	www.fca.gov
7 Federal Communications Commission	Special Review of Internet Privacy and Web Cookies April 10, 2001	01-AUD-05-12	www.fcc.gov
8 Federal Housing Finance Board	Review of the Finance Board's Web Site Privacy Policy And Its Use Of Web Site Cookies and Bugs May 2001	01-A-03-ORM	www.fhfb.gov
9 Federal Labor Relations Authority	Letter-January 24, 2001	none	www.flra.gov
10 Federal Maritime Commission	Letter-March 1, 2001	none	www.fmmc.gov
11 Federal Reserve Board	Letter-February 20, 2001	none	www.frb.gov
12 Federal Trade Commission	Letter-April 20, 2001	none	www.ftc.gov
13 Government Printing Office	Letter-February 20, 2001	none	www.gpo.gov
14 National Archives and Records Administration	Letter-Public Law 106-554, Section 646 - Collection of Personally Identifiable Information by Federal Internet Web Sites a.k.a. Cookie Legislation, February 16, 2001	none	www.nara.gov
15 National Credit Union Administration	NCUA Website Privacy and "Cookies" Review, May 31, 2001	OIG-01-06	www.ncua.gov
16 National Endowment for the Arts	Review of NEA's Web Site Privacy and Cookies Policy, April 19, 2001	R-01-02	www.nea.gov
17 National Endowment for the Humanities	Letter-April 11, 2001	none	www.neh.gov
18 National Labor Relations Board	Letter-January 29, 2001	none	www.nlrb.gov
19 National Science Foundation	National Science Foundation (NSF) Data Collection on Web Site Visitors	none	www.nsf.gov
20 Pension Benefit Guaranty Corporation	Letter-Agency Collection of Certain Information from Individuals February 13, 2001	none	www.pbgc.gov
21 Securities and Exchange Commission	Letter- Report on Collection of Personally Identifiable Information, February 16, 2001	none	www.sec.gov
22 Smithsonian Institution	Letter-Personally Identifiable Information Collected by Smithsonian Websites	none	www.si.gov
23 Tennessee Valley Authority	TVA's Compliance with Public Law 106-554-The Treasury and General Government Appropriations Act, 2001, February 15, 2001	2001-909T	www.tva.gov
24 U.S. International Trade Commission	Information Collection on USITC Internet Servers, February 16, 2001	OIG-IR-02-01	www.usitc.gov