

Office of Federal Housing Enterprise Oversight
Draft Guidelines for Ensuring Quality of Disseminated Information
and Procedures for Correction by the Public
April 1, 2002

I. Background

Section 515 of the Treasury and General Government Appropriations Act for Fiscal Year 2001 (Public Law 106-554; H.R. 5658; hereafter referred to as Section 515) directs the Office of Management and Budget (OMB) to issue government-wide guidelines that "provide policy and procedural guidance to Federal agencies for ensuring and maximizing the quality, objectivity, utility, and integrity of information (including statistical information) disseminated by Federal agencies." Agencies are required to issue their own implementing guidelines within one year after OMB issued its guidelines. Section 515 also requires the agencies to include in their guidelines "administrative mechanisms allowing affected persons to seek and obtain correction of information maintained and disseminated by the agency" under implementing guidelines. OMB has required agencies to prepare a draft report including their guidelines no later than April 1, 2002. OFHEO developed these draft guidelines to meet this requirement. This draft report will be posted on the agency's web site and a notice of the availability of this report will be published in the Federal Register.

Congress created the Office of Federal Housing Enterprise Oversight (OFHEO) in 1992 to supervise and examine Fannie Mae and Freddie Mac (the Enterprises) so as to ensure the safety and soundness of their operations. These government sponsored enterprises play a critical role in housing finance, keeping funds flowing to mortgage lenders, and in turn, to homeowners. Through effective regulation of the Enterprises, OFHEO contributes to a robust housing sector in the United States and the health of the nation's economy.

OFHEO was established as an independent office within the Department of Housing and Urban Development (HUD) by the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (the Act) (Title XIII of P.L. 102-550). Its operations are funded through assessments on Fannie Mae and Freddie Mac and represent no direct cost to the taxpayer. To fulfill its mission, OFHEO has regulatory authority similar to other Federal financial regulators such as the Office of the Comptroller of the Currency (OCC) and the Federal Reserve Board (FRB). OFHEO's responsibilities include broad rulemaking authorities and specific authorities to conduct annual examinations, set capital standards, take enforcement actions and conduct research.

OFHEO primarily accomplishes its mission by conducting examinations of the Enterprises, assessing their capital adequacy and conducting research and analysis on the Enterprises, the environment in which they operate, and the nature of the risks they face.

As a safety and soundness regulator, the agency obtains much of the information that it uses to evaluate the Enterprises through its examination program and data submissions for Quarterly

Minimum Capital Classification Reports. OFHEO's examination and supervision documents are not disseminated to the public and the data submitted to OFHEO is, in large part, confidential, proprietary information. Therefore, OFHEO disseminates very little information that would be subject to section 515. An example of information subject to section 515 is the quarterly House Price Index. Most of this information is available on OFHEO's Web site as well as in paper format.

II. Policy

OFHEO will undertake to ensure that the information it disseminates to the public is objective (accurate, clear, complete, and unbiased), useful, and has integrity. Additional levels of quality standards may be adopted as appropriate for specific categories of disseminated information. The Chief Information Officer (CIO) of OFHEO serves as the agency official charged with overseeing the agency's compliance with OMB guidelines for the quality of information disseminated by OFHEO.

III. Guidelines

Scope

OFHEO will review all information dissemination products for their quality (including their objectivity, utility, and integrity) before they are disseminated. The agency's pre-dissemination review and the guidelines in this document shall apply to information that the agency first disseminates on or after October 1, 2002. The agency's administrative mechanisms for correcting information shall apply to information that the agency disseminates on or after October 1, 2002, regardless of when the agency first disseminated the information.

OFHEO is to ensure that the quality of its disseminated information, and its pre-dissemination review process, can be substantiated through documentation or other means appropriate to the information.

These guidelines apply to OFHEO information dissemination products in all media and formats, including print, electronic, audio/visual, or some other form. "Information dissemination products" include books, papers, CD-ROMs, electronic documents, or other documentary material disseminated to the public by OFHEO. The guidelines apply to information disseminated by OFHEO from a web page, but they do not apply to hyperlinks from the OFHEO web site to information that others disseminate. Nor do the guidelines apply to opinions if it is clear that what is being offered is someone's opinion, rather than fact or the agency's views. For example, the guidelines do not apply to staff working papers that are preliminary in nature and do not represent the views of the agency.

"Dissemination" means agency-initiated or sponsored distribution of information to the public. Dissemination does not include distribution limited to government employees or agency contractors or grantees; intra- or inter-agency use or sharing of government information; and

responses to requests for agency records under the Freedom of Information Act, the Privacy Act, the Federal Advisory Committee Act or other similar law. This definition also does not include distribution limited to correspondence with individuals or persons, press releases, archival records, library holdings, public filings, subpoenas, or adjudicative processes.

Process for Ensuring Quality of Information at the Basic Standard

The section 515 guidelines issued by OMB focus primarily on the dissemination of substantive information (i.e., reports, studies, summaries) rather than information pertaining to basic agency operations. OFHEO reviews all information dissemination products prior to dissemination and all products are expected to meet the basic quality standard (objectivity, utility, and integrity). Very few products disseminated by OFHEO would require a standard of quality that is higher than the “basic” standard described in the OMB guidelines.

As stated in the “Policy” section of these guidelines, OFHEO’s basic quality standard for information involves objectivity, utility, and integrity. Objectivity involves two distinct elements: presentation and substance. Objective presentation means the information is presented within a proper context to ensure an accurate, clear, complete, and unbiased presentation. Objective substance means the data, the analytical process, and the resulting reports are accurate, reliable, and unbiased. To the extent possible, and consistent with confidentiality protections, OFHEO will identify the source of disseminated information so that the public can assess whether the information is objective. The utility of information refers to its usefulness to its intended users, including the public. Integrity refers to the security of information; i.e., the protection of information from unauthorized access or revision. This helps ensure that the information is not compromised through corruption or falsification.

OFHEO’s Director is responsible for assuring that all disseminated information meets the basic quality standard. This responsibility is generally delegated to the Office Associate Directors. The Office Associate Directors are responsible for ensuring that the pre-dissemination review process is performed and documented at a level appropriate for the type of information disseminated. The costs and benefits of using a higher quality standard or a more extensive review process will be considered in deciding the appropriate level of quality for a given type of information, and the appropriate level of review and documentation.

The originating Offices will utilize internal peer reviews and other review mechanisms to ensure that disseminated information is objective, unbiased, and accurate in both presentation and substance. The approval of information products prior to dissemination will be documented according to the internal procedures of OFHEO. Routing slips, clearance forms, emails, or other approval mechanisms may be used to document the approval process.

OFHEO Guideline No. 109, “Policy and Procedures for Release of Information in OFHEO Publications,” provides for the uniform release and distribution of public information. It states that the Office of General Counsel (OGC) must approve all information produced for external audiences before issuance of the information product to ensure proprietary information is not inadvertently released but does not review information for accuracy. This information includes new or revised publications and information placed on the OFHEO Web site. In addition, the

Office of External Relations (OER) reviews the information products for editorial and design integrity and consistency with Agency policy. It ensures that the proper public is identified; the information is properly structured for the intended public; the proper medium is used; the design of printed material contributes to the communication; and an effective dissemination process is used. OER maintains a current inventory of all brochures, publications, and periodicals and their related mailing lists. OGC and OER coordinate the release and distribution of information by OFHEO in a manner consistent with applicable laws, regulations, and agency policy.

The originating Office Associate Director is also responsible for ensuring the utility and integrity of information products disseminated by his Office. Information is useful only if it can be retrieved. Therefore, the Office Associate Director should ensure that sufficient metadata is associated with information published on the Web to facilitate the retrieval of the information by the public.

The security and integrity of agency information is addressed in OFHEO Guideline No. 107, "The OFHEO Information Systems Security Program" and OFHEO Guideline No. 102, "The OFHEO Records Management Manual." Office Associate Directors and the owners of information systems are responsible for ensuring that information is protected from unauthorized revision, falsification, corruption, and intentional or inadvertent destruction. In particular, the originating Office Associate Director is responsible for ensuring that the record copy of information products are filed in the appropriate official recordkeeping system and included in an approved records retention schedule. All OFHEO employees are responsible for following security procedures intended to safeguard sensitive information. Owners of information systems are required to review and update the security plans for their systems each year. The Chief Information Officer (CIO) provides an ongoing security-training program for agency staff. OFHEO also has a very comprehensive internal control program (including management, operational and technical controls) designed to protect the integrity of agency systems and information. The CIO, the Security Officer, and the Records Officer of OFHEO advise the Office Associate Directors and other employees as needed on the implementation of appropriate security and records management procedures.

The originating Office Associate Director and the Associate Director of OER is to review information presented to the public, including information on the OFHEO Web site, on an annual basis to ensure that the information is current, timely, and correct.

Process for Ensuring Quality of Information at a Level Higher than the Basic Standard

The OMB guidelines for implementing Section 515 recognize that some government information may need to meet higher quality standards than the basic standard. The more important the information, the higher the quality standards to which it should be held. In particular, the OMB guidelines require "influential scientific, financial, or statistical information" to meet a high standard of quality. OMB defines "influential" as meaning "the agency can reasonably determine that dissemination of the information will have or does have a clear and substantial impact on important public policies or important private sector decisions." The quarterly House Price Index is an example of information that would be subject to a higher quality standard.

OMB directs agencies disseminating influential scientific, financial, or statistical information to ensure that the original or supporting data is generated, and the analytical results are developed, using sound statistical methods. Agencies must provide sufficient information about their data and methods that an independent reanalysis could be made by a qualified member of the public. This independent reanalysis should produce substantially the same results as the original research. OMB refers to this as the “reproducibility standard.” OMB requires “reproducibility” only for analytic results, not for the original data. OMB states that making the data and models publicly available assists in determining that the analytical results are capable of being substantially reproduced.

IV. Administrative Correction Mechanisms

In order to facilitate citizen review, this section establishes administrative mechanisms allowing affected persons to seek and obtain, where appropriate, timely correction of information maintained and disseminated by OFHEO. These administrative mechanisms have been designed to be flexible, appropriate to the nature and timeliness of the disseminated information, and incorporated into OFHEO’s information resources management and administrative practices.

An affected person (including a group, organization, or corporation as defined by the Paperwork Reduction Act) may request the timely correction of information disseminated by OFHEO. The term “affected person” means anyone who may benefit or be harmed by the disseminated information. This includes persons who are seeking to address information about themselves as well as persons who use information.

Documents and information disseminated but neither authored by OFHEO nor adopted as representing OFHEO’s views are not covered by these guidelines. In disseminating such materials, OFHEO assumes no responsibility for their accuracy and is simply ensuring that the public can have quicker and easier access to such materials.

If an affected person believes that disseminated information is not accurate, clear, complete, or unbiased, he or she may submit a written request for correction to the CIO (including his or her designee) who will then route the request to the Associate Director of the office that originated the subject information. The request should clearly identify the information dissemination source and the information asserted to be incorrect. The request should describe the suggested specific changes and the reasons for the changes. If the appropriate Associate Director determines that a request does not reasonably describe the disseminated information source and the information the requester asserted to be incorrect, that Associate Director will either advise the requester what additional information is needed to identify the particular information or otherwise state why the request is insufficient.

The Associate Director is to respond to a request within 60 business days. When deemed to be appropriate, the Associate Director may extend the 60-day response time for up to 30 more business days. This interim response is to indicate why more time is needed and when a response may be expected. Such circumstances may include, but are not limited to, a need to: review many records identified in a single request; consult with another Federal agency having a

substantial interest in the request; or consult with two or more OFHEO offices having a substantial interest in the request. The acknowledgment may contain a request for additional information needed to make a determination.

The 60-day response period described above is to begin on the day the request is received. For an improperly addressed request, the 60-day response period is to begin on the latter of the day the request is received or would have been received with the reasonable exercise of diligence by the CIO. Requests shall be made in writing. The envelope and the request both should be clearly marked "CIO Information Correction Request" and addressed to: Chief Information Officer, Office of Federal Housing Enterprise Oversight, 1700 G Street NW., Fourth Floor, Washington, DC 20552.

The Associate Director is to coordinate with such agency officials as appropriate to determine whether or not to correct information. OFHEO will correct information and disseminate such corrected information only to the degree and in the manner that the Associate Director, in consultation with such agency officials as he or she deems appropriate, conclude is appropriate for the nature and timeliness of the information involved. For example, a mass mailing and a press release might be used to correct a widely disseminated error of wide public interest or importance whereas informal communication by letter or telephone might be used for a less widely disseminated inconsequential or trivial error. The Associate Director, when appropriate, may determine a request to be inconsequential or trivial. In such a case the Associate Director may decide that no response may be necessary.

The correction process is designed to address the genuine and valid needs of OFHEO and its constituents without disrupting agency operations. OFHEO, in making a determination of whether or not to correct information, may reject claims made in bad faith or without justification. OFHEO will explain decisions to deny or limit corrective actions in the annual fiscal year reports to the OMB.

If the affected person requesting a correction does not agree with OFHEO's decision (including the corrective action, if any), the person may petition for reconsideration. The written request for reconsideration should be submitted to the CIO within 60 calendar days of the date of the denial letter. Generally, the CIO in consultation with the Office of General Counsel will review OFHEO's decision and basis thereof and act upon a request for reconsideration within 60 business days. The CIO will notify the appellant whether his or her request was granted or denied and what corrective action, if any, the agency will take.

Again, the 60-day response period described above is to begin on the day the reconsideration request is received. An improperly addressed reconsideration request is to begin on the latter of the day the reconsideration request is received or would have been received with the reasonable exercise of diligence by the CIO. Reconsideration requests shall be made in writing. The envelope and the reconsideration request both should be clearly marked "CIO Information Correction Reconsideration Request" and addressed to: Chief Information Officer, Office of Federal Housing Enterprise Oversight, 1700 G Street NW., Fourth Floor, Washington, DC 20552.

These procedures for correcting information shall apply to information that OFHEO disseminates on or after October 1, 2002, regardless of when the agency first disseminated the information.

V. Annual Reports to OMB about Requests to Correct Information

OFHEO is to submit a report annually to the Director of OMB on the number and nature of complaints received by the agency regarding the accuracy of the information it disseminates. The report is to be submitted on an annual fiscal-year basis no later than January 1 of the following year. As appropriate, the report is to contain both quantitative and qualitative information about the complaints received and the resolution of the complaints. The report is to include an explanation of agency decisions to deny or limit corrective action.

The first report will cover Fiscal Year 2003 and is to be submitted to OMB by January 1, 2004.

VI. Definitions

1. "Quality" is an encompassing term comprising utility, objectivity, and integrity. Therefore, the guidelines sometimes refer to these four statutory terms, collectively, as "quality."
2. "Utility" refers to the usefulness of the information to its intended users, including the public. In assessing the usefulness of information that the agency disseminates to the public, the agency needs to consider the uses of the information not only from the perspective of the agency but also from the perspective of the public. As a result, when transparency of information is relevant for assessing the information's usefulness from the public's perspective, the agency must take care to ensure that transparency has been addressed in its review of the information.
3. "Objectivity" involves two distinct elements, presentation and substance.
 - a. "Objectivity" includes whether disseminated information is being presented in an accurate, clear, complete, and unbiased manner. This involves whether the information is presented within a proper context. Sometimes, in disseminating certain types of information to the public, other information must also be disseminated in order to ensure an accurate, clear, complete, and unbiased presentation. Also, the agency needs to identify the sources of the disseminated information (to the extent possible, consistent with confidentiality protections) and, in a scientific, financial, or statistical context, the supporting data and models, so that the public can assess for itself whether there may be some reason to question the objectivity of the sources. Where appropriate, data should have full, accurate, transparent documentation, and error sources affecting data quality should be identified and disclosed to users.
 - b. In addition, "objectivity" involves a focus on ensuring accurate, reliable, and unbiased information. In a scientific, financial, or statistical context, the original and supporting

data shall be generated, and the analytic results shall be developed, using sound statistical and research methods.

- i. If data and analytic results have been subjected to formal, independent, external peer review, the information may generally be presumed to be of acceptable objectivity. However, this presumption is rebuttable based on a persuasive showing by the petitioner in a particular instance. If agency-sponsored peer review is employed to help satisfy the objectivity standard, the review process employed shall meet the general criteria for competent and credible peer review recommended by OMB-OIRA to the President's Management Council (9/20/01) (http://www.whitehouse.gov/omb/inforeg/oira_review-process.html), namely, "that (a) peer reviewers be selected primarily on the basis of necessary technical expertise, (b) peer reviewers be expected to disclose to agencies prior technical/policy positions they may have taken on the issues at hand, (c) peer reviewers be expected to disclose to agencies their sources of personal and institutional funding (private or public sector), and (d) peer reviews be conducted in an open and rigorous manner."
- ii. If an agency is responsible for disseminating influential scientific, financial, or statistical information, agency guidelines shall include a high degree of transparency about data and methods to facilitate the reproducibility of such information by qualified third parties.
 - A. With regard to original and supporting data related thereto, agency guidelines shall not require that all disseminated data be subjected to a reproducibility requirement. Agencies may identify, in consultation with the relevant scientific and technical communities, those particular types of data that can practicably be subjected to a reproducibility requirement, given ethical, feasibility, or confidentiality constraints. It is understood that reproducibility of data is an indication of transparency about research design and methods and thus a replication exercise (i.e., a new experiment, test, or sample) shall not be required prior to each dissemination.
 - B. With regard to analytic results related thereto, agency guidelines shall generally require sufficient transparency about data and methods that an independent reanalysis could be undertaken by a qualified member of the public. These transparency standards apply to agency analysis of data from a single study as well as to analyses that combine information from multiple studies.
 - i. Making the data and methods publicly available will assist in determining whether analytic results are reproducible. However, the objectivity standard does not override other compelling interests such as privacy, trade secrets, intellectual property, and other confidentiality protections.

- ii. In situations where public access to data and methods will not occur due to other compelling interests, agencies shall apply especially rigorous robustness checks to analytic results and document what checks were undertaken. Agency guidelines shall, however, in all cases, require a disclosure of the specific data sources that have been used and the specific quantitative methods and assumptions that have been employed. Each agency is authorized to define the type of robustness checks, and the level of detail for documentation thereof, in ways appropriate for it given the nature and multiplicity of issues for which the agency is responsible.
- C. With regard to analysis of risks to human health, safety and the environment maintained or disseminated by the agencies, agencies shall either adopt or adapt the quality principles applied by Congress to risk information used and disseminated pursuant to the Safe Drinking Water Act Amendments of 1996 (42 U.S.C. 300g-1(b)(3)(A) & (B)). Agencies responsible for dissemination of vital health and medical information shall interpret the reproducibility and peer-review standards in a manner appropriate to assuring the timely flow of vital information from agencies to medical providers, patients, health agencies, and the public. Information quality standards may be waived temporarily by agencies under urgent situations (e.g., imminent threats to public health or homeland security) in accordance with the latitude specified in agency-specific guidelines.
- 4. "Integrity" refers to the security of information -- protection of the information from unauthorized access or revision, to ensure that the information is not compromised through corruption or falsification.
 - 5. "Information" means any communication or representation of knowledge such as facts or data, in any medium or form, including textual, numerical, graphic, cartographic, narrative, or audiovisual forms. This definition includes information that an agency disseminates from a web page, but does not include the provision of hyperlinks to information that others disseminate. This definition does not include opinions, where the agency's presentation makes it clear that what is being offered is someone's opinion rather than fact or the agency's views.
 - 6. "Government information" means information created, collected, processed, disseminated, or disposed of by or for the Federal Government.
 - 7. "Information dissemination product" means any book, paper, map, machine-readable material, audiovisual production, or other documentary material, regardless of physical form or characteristic, an agency disseminates to the public. This definition includes any electronic document, CD-ROM, or web page.
 - 8. "Dissemination" means agency initiated or sponsored distribution of information to the public (see 5 C.F.R. 1320.3(d) (definition of "Conduct or Sponsor")). Dissemination does not

include distribution limited to government employees or agency contractors or grantees; intra- or inter-agency use or sharing of government information; and responses to requests for agency records under the Freedom of Information Act, the Privacy Act, the Federal Advisory Committee Act or other similar law. This definition also does not include distribution limited to correspondence with individuals or persons, press releases, archival records, public filings, subpoenas or adjudicative processes.

9. "Influential", when used in the phrase "influential scientific, financial, or statistical information", means that the agency can reasonably determine that dissemination of the information will have or does have a clear and substantial impact on important public policies or important private sector decisions. Each agency is authorized to define "influential" in ways appropriate for it given the nature and multiplicity of issues for which the agency is responsible.
10. "Reproducibility" means that the information is capable of being substantially reproduced, subject to an acceptable degree of imprecision. For information judged to have more (less) important impacts, the degree of imprecision that is tolerated is reduced (increased). If agencies apply the reproducibility test to specific types of original or supporting data, the associated guidelines shall provide relevant definitions of reproducibility (e.g., standards for replication of laboratory data). With respect to analytic results, "capable of being substantially reproduced" means that independent analysis of the original or supporting data using identical methods would generate similar analytic results, subject to an acceptable degree of imprecision or error.