Acquisition and Protection of Administrative Records: 
A Census Bureau Perspective

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Abstract
The U.S. Census Bureau’s use of administrative records plays a vital role in accomplishing work in support of its mission. Use of these data is mandated under Title 13 of the United States Code that provides for the acquisition and use of administrative records maintained by other entities to improve and enhance its programs.

The processes for acquisition and management of administrative records are governed by policies and principles developed under the auspices of the Census Bureau’s Data Stewardship Program. This paper will discuss the acquisition of administrative records under a data stewardship construct, focusing on the steps we take to ensure that the commitments we make to the data suppliers are honored while maintaining our own high standards and integrity for data management. Specifically, we will discuss the data acquisition life cycle—from initial negotiations and development of terms and conditions for access to the data with a source agency (agreements), to the internal management of the data upon receipt (security measures and reporting requirements), through the ultimate disposition of the data.

Keywords: administrative records, data acquisition, data agreements, data stewardship

1. Introduction
Vital to the U.S. Census Bureau’s livelihood is the proper management, support, and use of administrative records data. The term “administrative records data” refers to microdata records contained in files collected and maintained by administrative or program agencies and commercial entities. These files are maintained for the purpose of administering government or private sector programs and providing government or private sector services. The benefits of using administrative records are far reaching. Using administrative records data reduces data collection costs, which tend to be quite hefty. Also, administrative records data reduce respondent burden. Thus, the use of administrative records data is more cost-effective as well as consumer-effective. Currently, various programs throughout the Census Bureau depend on administrative records for data production.

In addition to the benefits of administrative records, their application also requires the Census Bureau to employ caution and, as such, the Census Bureau has developed policies to guide in their usage. Our concerns for privacy and confidentiality have led to increased safeguarding and data protection measures within the Census Bureau. In order to facilitate this, legal guidelines and agency policies have been implemented at the Census Bureau. These tools assist us as we strive to ensure the successful management of administrative records data.

This paper describes the legal and policy requirements that relate to the acquisition, use, and protection of administrative records data and subsequent record linkages.

2. Background
The use of administrative records has been integral to important Census Bureau programs for many years. The Census Bureau has routinely utilized administrative records since the 1940s to support its mission to collect and provide timely, relevant, and quality data about the people and economy of the United States. Title 13, United States Code (U.S.C), Section 6 provides the Census Bureau authority to do this by directing the Census Bureau to acquire and use information in lieu of conducting direct inquires of the general public. Use of administrative records data is essential for evaluating, editing, and analyzing the Census Bureau’s census and survey data; they also help the Census Bureau improve the content and coverage of its data collections, permit cross-sectional and longitudinal analyses of populations and establishments, and ultimately provide quality data products that would otherwise be infeasible without adding cost or burden to the public.

The proper management, support, and use of these administrative records data are essential to the Census Bureau’s ongoing programs. In the spring of 2001, Census Bureau management formed the Data Stewardship Executive Policy Committee (DSEP). Data Stewardship encompasses the legal and ethical framework for the Census Bureau’s programs, throughout their whole
lifecycle, from planning what to collect to ensuring the confidentiality of data releases and archived data. In so doing, Data Stewardship is the Census Bureau’s strategy for maintaining public trust, so we can continue to meet our mission. The DSEP is composed of the Census Bureau executives who are the most integrally involved in data collection, processing, analysis, dissemination, and protection of data. As such, the DSEP consists of the Associate Directors for Decennial, Demographic, Economic Programs, Field, Information Technology, and Methodology and Standards, and is chaired by the Census Bureau Deputy Director. The DSEP is charged with identifying and developing policy issues related to data stewardship.

3. Data Stewardship and the Use of Administrative Records

Administrative records are microdata records contained in files collected and maintained by administrative agencies and commercial entities for the purpose of administering programs and providing services. The Census Bureau’s guiding statute, Title 13 U.S.C., Section 6, directs the agency to use administrative records information as extensively as possible in lieu of conducting direct inquiries of the public. Several National Academy of Science panels have encouraged the expansion of administrative records to support and enhance statistical programs. Further, the Census Bureau’s strategic plan emphasizes use of administrative records data to produce new information using existing data sources to meet emerging customer product needs, to minimize cost to taxpayers, and alleviate respondent burden.

Within the last decade, the Census Bureau’s administrative record activities have increased with advancements in linkage methodologies and computer technology and the greater availability of administrative data. Current administrative record activities are identified in the Demographic, Economic, Decennial, and Methodology and Standards Directorates. Many of these projects are well established and have been conducted over two or more decades. These include the development of the Business Register (formerly called the Standard Statistical Establishment List); the National Longitudinal Mortality Study; and the Internal Migration Estimates, used in the development of annual population estimates. Other more recent projects include the Statistical Administrative Records System (StARS); the Longitudinal Employer-Household Dynamics Program (LEHD); the Master Address File (MAF); and many projects taking place in the Center for Economic Studies. A number of these more recent projects are enabled by the Census Bureau’s acquisition of important administrative record sources, including the Social Security Administration’s (SSA) 100 percent Numident File, state-level Unemployment Insurance and ES-202 files, and the U.S. Postal Service’s Delivery Sequence File.

The current uses of administrative records by the Census Bureau also include extensive use of data about businesses from the IRS, and, to a lesser degree, information from the SSA and the Bureau of Labor Statistics (BLS) in the Economic Census and survey programs. For the demographic programs, the use has remained predominately centered on individuals and households to produce population estimates and evaluate and enhance survey data. Administrative records are used to improve survey coverage; assist in the development of better questionnaires; evaluate, edit, and analyze census and survey data; conduct new policy-relevant cross-sectional and longitudinal analyses; and create new lower-cost data products without incurring additional respondent burden.

4. Legal Guidance and Protections for the Use of Administrative Records

In addition to the Census Bureau’s own history with regard to administrative records use and record linkage – the method used to combine information for the same entity from two or more sources, there are legislation and policy documents that guide the Census Bureau in its work. This use of administrative records and record linkages have received a significant amount of consideration from the United States federal statistical community, the U.S. General Accounting Office (GAO), and data collection agencies in other nations. Some of the most relevant guidance is summarized below.

5. Relevant Legal Authorities

Title 13, U.S.C., Section 6 – Directs the agency to use administrative records data as extensively as possible to avoid conducting direct inquiries via censuses and surveys. Section 6 of Title 13, U.S.C. permits the Secretary “whenever he considers it advisable” to call on other agencies of the federal government for “information pertinent to the work provided for in [Title 13].” Subsection (c), added to the statute in 1976, makes this directive mandatory: “To the maximum extent possible and consistent with the kind, timeliness, quality and scope of the statistics required, the Secretary shall acquire and use information available…instead of conducting direct inquiries.”

Title 13, U.S.C., Section 9 – Strictly prohibits disclosure of individually identifiable data, is also salient to the Census Bureau’s record linkage activities. Given this mandate, the “compounding” of information on individuals that occurs with record linkage and the increasing availability of other data sources and technologies available in the public domain creates special challenges for the Census Bureau to ensure that the confidentiality of data is protected.
Title 15 U.S.C., Section 1525 – Authorizes the Census Bureau to receive payment for services rendered to other agencies. Data acquired under Title 15 do not have the confidentiality protections afforded under Title 13, U.S.C., Section 9, but they are subject to the provisions of the Privacy Act (see below) and the legal authorities of the sponsoring agency. The Privacy Act was amended in 1988 to include the Computer Matching and Privacy Protection Act, which set forth procedural requirements for agencies engaging in computer-matching activities. These include having agencies enter into agreements with other agencies before disclosing records for use in computer matching programs, providing individuals with opportunities to receive notice and refute adverse information before having a benefit denied or terminated, and requiring agencies to establish Data Protection Boards to oversee matching activities. The Census Bureau’s statistical activities are exempted from these requirements.

Title 26, U.S.C., Section 6103(j)(1)(a) – Requires the Internal Revenue Service (IRS) to release selected data to the Census Bureau for statistical use as detailed in the Code of Federal Regulations. Data acquired under this title are subject to the privacy and confidentiality provisions of the IRS as well as Census Bureau protections.

Paperwork Reduction Act of 1995 (PRA) – Serves to “minimize the paperwork burden…resulting from the collection of information by and for the Federal Government.” In addition, the Act mandates that agencies “minimize the cost…of creation, collection, maintenance, use dissemination and disposition of information.” The growth in administrative records activities at the Census Bureau is, in part, due to the fact that technology and new methodologies have demonstrated that these data are an effective means for reducing taxpayer cost and burden. Finally, the Act requires that individuals and businesses be informed of the reasons for the data collection; the way the data will be used; the estimated burden to them; and whether responses to the collection of information are voluntary or mandatory.

The Privacy Act of 1974 – Serves to regulate the collection, maintenance, use and dissemination of personal information by federal agencies. It is primarily concerned with the confidentiality and accuracy of personal information and seeks to restrict both the amount of personal information collected by federal agencies and the amount that is transferred or disseminated to other agencies and third parties. Specifically, it prohibits agencies from disclosing records to any person or agency without the specific written consent of the individuals to whom the records pertain. Agencies are exempted from this requirement, however, if they are providing such individual records to the Census Bureau “for purposes of planning or carrying out a census or survey or related activity pursuant to the provisions of Title 13.”

The Privacy Act also dictates how agencies may conduct “matching programs.” Excluded from the definition of “matching program,” however, are “matches performed to produce aggregate statistical data without any personal identifiers” and “matches performed to support any research or statistical project, the specific data of which may not be used to make decisions concerning the rights, benefits or privileges of specific individuals.”

6. Relevant Census Bureau Policies and Procedures

There are a number of Census Bureau policies and procedures that lay a foundation for our work with administrative records. The Census Bureau’s Strategic Plan sets forth a direction for acquisition and use of administrative records in Strategic Objective 4.1:

Reduce reporting burden and minimize cost to taxpayer by acquiring and developing high-quality data from sources maintained by other government and commercial entities.

Data Stewardship policies developed to address administrative records access and use begin with the Census Bureau’s Administrative Records Handbook: A Compilation of Policies, Procedures, and Practices. This policy sets forth the procedures for the acquisition, custodianship, access, and use of administrative records. This policy standardized the administrative, technical, and programmatic controls that govern the Census Bureau’s use of administrative records. It has provided a means for tracking and controlling administrative records projects and administrative records data uses within the Census Bureau. It establishes a number of controls on the use of these records. These include:

Developing a centralized custodianship of administrative record data;

- Requiring that personal identifiers (i.e., name and SSN) be removed from the administrative file before it is released to a project contact in one of the Census Bureau’s program areas;
- Determining that if the administrative file is to be linked to other records, the custodian will place a Protected Identification Key (PIK) on the records in lieu of the personal identifiers. The PIK serves as the linking mechanism;
- Recognizing that names and SSNs on business records are business identifiers and not protected by the Privacy Act;
- Permitting project contacts to apply to the DSEP for an exception to the policy if there is a compelling business need why the personal identifiers must remain on the file; and
- Developing standardized project review and approval process.

The primary objective of this policy is to ensure the Census Bureau’s reputation as a data collection agency that places the highest premium on the confidentiality of respondents’ data and its use of data solely for statistical purposes. The policy requires that Census Bureau staff involved in the negotiation process weigh the effect on public perception of providing a particular product or service to another source in exchange for acquiring administrative records.

In 2003, the Census Bureau implemented a Privacy Impact Assessment (PIA) process, which ensures that no collection, storage, access, use, or dissemination of identifiable personal or business information will take place that is not needed or permitted. This process was developed due to the convergence of the beliefs of the Census Bureau’s Data Stewardship Program and several legislative mandates. These mandates include the E-Government Act of 2002 and the Office of Management and Budget’s (OMB) Circular No. A-11 and OMB Exhibit 300, “Capital Asset Plan and Business Case,” that links privacy considerations with executive agency funding requests. Though the preliminary guidelines for PIAs refer specifically to “privacy,” the Census Bureau broadened its assessments to also cover confidentiality, access to data, and use of data.

On February 5, 2004, the DSEP adopted the Census Bureau policy statement on Record Linkage. This policy establishes guidelines as to what type of linkage activities may occur at the Census Bureau and establishes internal controls governing these activities. It guides linkage activities at the Census Bureau involving demographic, business, and address/geographic data with a corporate requirement for openness. An underlying premise of this policy is that the Census Bureau will communicate with the public about its record linkage activities, the purposes and public benefits thereof, the implications for individuals and businesses, and how the Census Bureau mitigates privacy risks by protecting data confidentiality. The policy sets forth six principles for record linkage activities:

1) **Mission Necessity.** The linkage must be necessary and consistent with the Census Bureau’s legal authority and mission;

2) **Best Alternative.** The Census Bureau will examine alternatives for meeting the project objectives and determine that record linkage is the best alternative, given considerations of cost, respondent burden, timeliness, and data quality;

3) **Public Good Determination.** The Census Bureau will weigh the public benefits to be gained by the information resulting from the

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2 Economic administrative data are centrally maintained and controlled by the Economic Planning and Coordination Division (EPCD); demographic administrative data are centrally maintained and controlled by the Planning, Research and Evaluation Division (PRED). The Geography (GEO) Division maintains records relevant to the maintenance of the Census Bureau’s Master Address File (MAF).

3 SSS individuals are individuals hired under authority of Title 13, Section 23(c) to help the Census Bureau perform its Title 13 program activities and who are sworn to uphold the confidentiality requirements of Title 13, Section 9.

record linkage against any risks to individual privacy that may be created by the linkage and determine that the benefits clearly outweigh any risks. In addition, the Census Bureau will proactively implement procedures to mitigate any risks. The confidentiality of the resulting information is protected under Title 13, U.S.C.;

4) Sensitivity. The Census Bureau will assess the public perception of the level of risk to individual privacy of a particular linkage and create an appropriate level of review and tracking;

5) Openness. The Census Bureau will communicate with the public about its record linkage activities, how they are conducted, and the purpose and benefits derived from them; and

6) Consistent Review and Tracking. Record linkage activities will undergo a consistent review process, using the criteria set forth in this policy, and be centrally tracked by the Census Bureau.

As the policy statements and guidance described above demonstrate, the Census Bureau takes very seriously its role as data steward – assuring that we can effectively collect and our customers can use high quality data about the Nation's people and economy while fully meeting legal and ethical obligations to respondents to respect privacy and protect confidentiality.

7. Administrative Records Control

To support its administrative records infrastructure, the Census Bureau developed and implemented the Administrative Records Tracking System (ARTS), to serve as the central repository for capturing and maintaining information about and tracking the status of all administrative records files that are acquired and used in Census Bureau programs. The information in this system does not include the administrative records data that are acquired; rather, it serves to describe the nature of the data on the acquired files (metadata). The system is designed to facilitate documenting and managing administrative records provider agreements, the review and authorization processes for projects that require access to administrative records data, and the authorization for the acquisition of administrative records data. In addition to facilitating the Census Bureau’s project review process, it also contains information on authorized users of each administrative records project and serves as a repository of information that supports required training activities, and the Census Bureau’s reporting requirements.

The Administrative Records Handbook serves as a basic reference on administrative-record use for Census Bureau staff and SSS individuals and includes five component processes as illustrated in Figure 1, below:

Figure 1. Administrative Records Process Components

8. Data Agreement Negotiation

The agreement negotiation and data acquisition process usually begins after the informal conception and development stage when an administrative record project has been submitted for review and approval. However, time constraints or other concerns may call for the initiation of this process before review begins.

The acquisition process varies considerably from one provider to another; however, for all acquisitions of administrative records, we require some form of documentation of our arrangements. The documentation may be as simple as a data agreement letter or as complex as a formal agreement, which we refer to here as a Memorandum of Understanding (MOU). Sometimes the acquisition is pro forma; other times, the process involves concerted negotiations. In addition, there are instances where we must pay for the data files, other times they are offered freely. Finally, there are situations where the provider requests some form of exchange of services. The Negotiating Collaborative Agreements policy statement, described earlier in this paper, provides guidance for negotiating the terms of these types of arrangements. MOU’s authorizing the acquisition of administrative records must have clearance from the Census Bureau’s Policy Office, the Information Technology Security Office, and the Legal Office.

Due to the range of data files available and the sensitivity of individual person data, the process for negotiating and acquiring demographic data can be slightly more complex than the process for obtaining other types of administrative records. The Census Bureau and the source agency determine, and explicitly specify, all responsibilities and deliverables required under the agreement during the negotiation and sign-off phase of the process. These include such issues as data required, period of agreement; data ownership, retention period, access requirements, custodianship, and frequency and method of delivery/transmission; type of product, statement of disclosure-avoidance procedures (as needed),
security and reporting requirements; quality assurance measures; and terms for the ultimate disposition of data.

9. Project Review Process

As described in the Administrative Records Handbook, unless specifically exempted, all projects using administrative records must be submitted through ARTS for the formal review and approval process. This review ensures projects provide ample confidentiality and privacy controls, and are in compliance with Title 13 of the United States Code and all relevant data agreements. New projects cannot commence until they are reviewed and approved in accordance with the procedures defined in the handbook.

After initial approval, recurring projects containing existing or updated data are exempt from further reviews. However, projects that require new administrative records or significant modifications must be reviewed again in accordance with the defined procedures.

9.1 For Proposed Projects Requiring the Use of ‘Person’ or Demographic Administrative Record Data

When a project begins review, the Administrative Records Coordinator facilitates a meeting involving the analyst and the appropriate custodian to develop a strategy for negotiating an MOU with the source agency, as well as any contractual arrangements necessary to acquire the required data. As necessary, the strategy team reconvenes to assess progress on negotiations or to revise the approach.

The analyst then is able to begin working on the approved project with the requisite administrative records data in accordance with technical and security controls.

9.2 For Proposed Projects Requiring the Use of ‘Business’ or Federal Economic Administrative Record Data

The analyst contacts the economic data custodian staff to discuss the possibility of obtaining administrative record data that falls outside the scope of those normally acquired in support of the Business Register—which is the primary purpose for acquisition of federal economic data by the Census Bureau. After the initial consultation, steps similar to those described above for the acquisition of demographic data are replicated for the acquisition of economic data. Upon approval of a project requiring data from the Business Register, the analyst may access the Business Register for purposes explicitly related to the project.

9.3 For Proposed Projects Requiring the Use of Other Types of Administrative Record Data

There may be instances where a project requires administrative records data that are outside the scope of the demographic and federal economic categories noted above, or there may be instances when analysts do not have immediate access to the Business Register and require use of data in that frame. In this event the analyst contacts the Administrative Records Coordinator, who will work with all interested parties to determine how to best negotiate and acquire the necessary data.

10. Date Access and Agreement Administration

Here, we discuss the specific steps and documentation requirements associated with the implementation of administrative records agreements between the Census Bureau and other agencies. An internal Census Bureau commitment to an administrative record agreement is normally established during the negotiation phase. The formal administration of data agreements begins immediately after the negotiation phase and continues throughout the life of the agreement and project implementation. It ends when the MOU expires.

The Census Bureau and the source agency determine all responsibilities and deliverables required and explicitly specified under the agreement during the negotiation and sign-off phases of the process. Responsibilities and deliverables may include such issues as custodianship of the data, period of agreement, security and reporting requirements, quality assurance, data or service delivery, and the disposition of data at the conclusion of the retention period.
The Census Bureau’s designated Custodian for the administrative data is responsible for ensuring that the data remain secure (in accordance with technical controls for physical and information technology security), and accessible to authorized users only. The Custodian is responsible for meeting the reporting requirements of the agreement.

The source agency delivers the data to Census Bureau facilities, where it may reside for a period of time as specified in the agreement. The tracking of access to the data is handled differently for demographic and economic files.

10.1 For ‘Person’ or Demographic Files

When the analyst accesses the ARTS to complete a project description record, ARTS allows the analyst to generate a data request record and electronically submits it to the administrative records custodian.

The administrative records custodian--

- Reviews the data request to (1) determine if the data are in-house; (2) confirm that the use complies with the license or agreement; (3) determine if further research is required; and (4) determine if processing by the administrative records custodian staff is required;
- Works with the program area to ensure that all data items on the request record are complete and interpreted correctly; and
- Upon approval of the project, generates a release document in the ARTS. All individuals accessing the file must receive a copy of the release letter detailing the authorities for acquiring the data, references to the approved projects (approved uses) in the ARTS, and the penalties for disclosure and misuse.

10.2 For ‘Business’ or Federal Economic Files

The analyst is responsible for completing a project description in the ARTS for any project using federal tax returns and return information (FTI). This includes any project using the primary economic datasets, including the Business Register, the Nonemployer Register, or the Quarterly Financial Report extract.

The administrative records custodian –

- Reviews the request record to (1) confirm that the use complies with the interagency agreement; (2) confirm the project is approved; and (3) confirm that requested data resides on a primary or subsidiary economic dataset; and
- Upon approval of the project, notifies the office with direct control of the dataset to provide access.

All users of “business” data will receive an annual data release document in conjunction with Title 26 awareness training. The data release document details the authorities for acquiring data, the penalties for disclosure or misuse, and the IRS data elements contained in the primary economic datasets.

New projects involving existing administrative record data must verify that all data uses are permissible under the terms of the MOU. This is accomplished during the Project Review phase when the administrative records custodian completes their review of the project. During this review, they additionally note whether the source agency requires written notification of the project, if an agreement amendment must be developed or approved before the project can be approved, or if the project is consistent with approved uses.

When the file retention date expires, the Census Bureau is required to either destroy or return the data as specified in the agreement with the source agency. In the case of demographic data, the appropriate administrative records custodian’s staff will notify the analyst in writing about destruction requirements. In the case of federal economic data, the appropriate administrative records custodian will notify the Bowie Computer Center to blank and degauss data. The administrative records custodians keep records of file disposition and their status is reported to the source agency on an annual basis.

The respective administrative record custodians, in consultation with the analysts, assess the need to extend an agreement as its expiration approaches. Typically, the agreement is renewed, but in some cases a new MOU may be warranted.

11. Conclusions

The Census Bureau has defined data stewardship as a management approach to decision making that facilitates meeting our core mission to collect and publish high quality data about our Nation’s people and economy and satisfies our ethical and legal requirements to respect the privacy and protect the confidentiality of all Census Bureau respondents, customers, and employees. It is the trust of these constituent groups that ensures our viability and continued ability to serve as the Nation’s “leading source of quality data about the Nation’s people and economy.” Data stewardship supports this trust by ensuring that program decisions are grounded on a strong legal and ethical base and supported by Privacy Principles that reflect our values and those of our profession.

Administrative records data stewardship means making special commitments to protect the data that we acquire, work with, and depend on at the Census Bureau. To our data providers it means a commitment to manage and safeguard data in accordance with their legal authorities.
and policy requirements, and to use the data only as specified in our agreements. To the data user community it means a commitment that access to administrative records will result in relevant high-quality products. To the public it means a commitment to respect the privacy of individuals and maintain the confidentiality of these records by ensuring that they will be used solely for approved statistical purposes.