

N04066-1

System name:

Bad Checks and Indebtedness Lists (February 23, 2001, 66 FR 11279).

System location:

Navy Exchange Service Command, 3280 Virginia Beach Boulevard, Virginia Beach, VA 23452-5724 (for all Navy exchanges).

Categories of individuals covered by the system:

Patrons of Navy exchanges who have passed bad checks; recruits who have open accounts with Navy exchanges; patrons who have made C.O.D. mail order transactions and those patrons who make authorized charge or credit purchases where their accounts are maintained on the basis of an identifying particular such as name and/or Social Security Number; includes all holders of NEXCARDS.

Categories of records in the system:

Copy of application, monthly statements, dunning notices, DD139s, correspondence from both AAFES and the collection contractor; Bad Check System (including: Returned Check Ledger; Returned Check Report; copies of returned checks; bank advice relative to the returned check(s); correspondence relative to attempt by the Navy exchange to locate the patron and/or obtain payment; a printed report of names of those persons who have not made full restitution promptly, or who have had one or more checks returned through their own fault or negligence); Accounts Receivable Ledger, detailed by patron; C.O.D. Sales Ledger; NEXCARD data base; MILSTAR, the all-service credit card; and TOP (Treasury Offset program) accounts.

Authority for maintenance of the system:

5 U.S.C. 301, Departmental Regulations; 10 U.S.C. 6011; 31 CFR 285.11, Administrative Wage Garnishment; Federal Claims Collection Act of 1966 (Pub.L. 89-508) and Debt Collection Act of 1982 (Pub.L. 97-365); and E.O. 9397 (SSN).

Purpose(s):

To maintain an automated tracking and accounting system for individuals indebted to the Department of the Navy and to collect indebtedness.

Records in this system are subject to use in approved computer matching programs authorized under the Privacy Act of 1974, as amended, for debt collection purposes.

Records may also be used by the Army and Air Force Exchange Service (AAFES) or its contractor for the purpose of recouping fees.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act, these records or information contained therein may specifically be disclosed outside the DoD as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows:

To a commercial credit reporting agency for the purpose of either adding to a credit history file or obtaining a credit history file for use in the administration of debt collection.

To a debt collection agency for the purpose of collection services to recover indebtedness owed to the Department of the Navy.

To the Internal Revenue Service (IRS) to obtain the mailing address of a taxpayer for the purpose of locating such taxpayer to collect or to compromise a Federal claim by Navy against the tax payer pursuant to 26 U.S.C. 6103(m)(2) and in accordance with 31 U.S.C. 3711, 3217, and 3718.

To any State and local governmental agency that employs the services of others and that pays their wages or salaries, where the employee owes a delinquent non-tax debt to the United States for the purpose of garnishment.

To the Department of the Treasury, Financial Management Service, for the purpose of collecting delinquent debts owed to the U.S. Government via administrative offset.

NOTE: Redisdisclosure of a mailing address from the IRS may be made only for the purpose of debt collection, including to a debt collection agency in order to facilitate the collection or compromise of a Federal claim under the Debt Collection Act of 1982, except that a mailing address to a consumer reporting agency is for the limited purpose of obtaining a commercial credit report on the particular taxpayer. Any such address information obtained from the IRS will not be used or shared for any other Navy purpose or disclosed to another Federal, state, or local agency which seeks to locate the same individual for its own debt collection purpose.

The DoD 'Blanket Routine Uses' that appear at the beginning of the Navy's compilation of systems notices also apply to this system.

Disclosure to consumer reporting agencies:

Disclosure pursuant to 5 U.S.C. 552a(b)(12) may be made from this system to consumer reporting agencies as defined in the Fair Credit Reporting Act of 1966 (15 U.S.C. 1681a(f)) or the Federal Claims Collection Act of 1966 (31 U.S.C. 3701(a)(3)).

The disclosure is limited to information necessary to establish the identity of the individual, including name, address, and taxpayer identification number (Social Security Number); the amount, status, and history of the claim; and the agency or program under which the claim arose for the sole purpose of allowing the consumer reporting agency to prepare a commercial credit report.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage:

Mainframe magnetic tapes, disk drives, printed reports, file folders, and PC hard and floppy disks.

Retrievability:

Name and Social Security Number.

Safeguards:

Locked file cabinets, supervised office space, supervised computer tape library which is accessible only through the data center, entry to which is controlled by a 'cardpad' security system, for which only authorized personnel are given the access code. PC entry into the system may only be made through individual passwords.

Retention and disposal:

Records are kept for ten years and then destroyed. NEXCARD customer master records are saved daily for one month after which they become part of the monthly master files which are saved for a year. The administrator of the NEXCARD retains and stores the year-end master files indefinitely.

System manager(s) and address:

Policy Official: Commander, Navy Exchange Service Command, 3280 Virginia Beach Boulevard, Virginia Beach, VA 23452-5724.

Record Holder: Treasurer, Navy Exchange Service Command, 3280 Virginia Beach Boulevard, Virginia Beach, VA 23452-5724 (for Navy exchanges).

Notification procedure:

Individuals seeking to determine whether this system of records contains information about themselves should address written inquiries to the Commander, Navy Exchange Service Command, 3280 Virginia Beach Boulevard, Virginia Beach, VA 23452-5724.

In the initial inquiry, the requester must provide full name, Social Security Number, and the activity where they had their dealings. A list of other offices the requester may visit will be provided after initial contact is made at the office listed above. At the time of a personal visit, requesters must provide proof of identity containing the requester's signature.

Record access procedures:

Individuals seeking access to records about themselves should address written inquiries to the Commander, Navy

Exchange Service Command, 3280 Virginia Beach Boulevard,
Virginia Beach, VA 23452-5724.

In the initial inquiry, the requester must provide full name, Social Security Number, and the activity where they had their dealings. A list of other offices the requester may visit will be provided after initial contact is made at the office listed above. At the time of a personal visit, requesters must provide proof of identity containing the requester's signature.

Contesting record procedures:

The Navy's rules for accessing records, and for contesting contents and appealing initial agency determinations are published in Secretary of the Navy Instruction 5211.5; 32 CFR part 701; or may be obtained from the system manager.

Record source categories:

The individual; the bank involved; activity sales records; Internal Revenue Service; credit bureaus; and the Defense Manpower Data Center.

Exemptions claimed for the system:

None