

**COMPUTER MATCHING AGREEMENT
BETWEEN THE SOCIAL SECURITY ADMINISTRATION
AND
THE U.S. DEPARTMENT OF
EDUCATION**

Match #1051

I. Purpose

This Computer Matching Agreement (CMA) establishes the terms, safeguards, and procedures under which the Social Security Administration (SSA) will provide the U.S. Department of Education (ED) Social Security number (SSN) verification, citizenship status as recorded in SSA records, and death indicators (when applicable) of individuals who initiate the steps associated with accessing programs authorized by Title IV of the Higher Education Act of 1965, as amended (HEA) (20 U.S.C. § 1070 et seq.), or participating in the application process for such assistance, to assist ED in meeting its obligations under this Title, including to ensure that applicants for Title IV, HEA program assistance satisfy eligibility requirements.

II. Legal Authority

This CMA is executed in compliance with the Privacy Act of 1974, as amended by the Computer Matching and Privacy Protection Act of 1988 and the Computer Matching and Privacy Protections Amendments of 1990 (Privacy Act) (5 U.S.C. § 552a), and the regulations and Office of Management and Budget (OMB) guidance promulgated thereunder.

SSA's legal authority to disclose information under this CMA is section 1106 of the Social Security Act (42 U.S.C. § 1306), the regulations promulgated pursuant to that section (20 Code of Federal Regulations (C.F.R.) Part 401). SSA's disclosures are in accordance with subsection (b)(3) the Privacy Act (5 U.S.C. § 552a(b)(3)). Section 7213 of the Intelligence Reform and Terrorism Prevention Act of 2004 provides SSA authority to add a death indicator to verification routines that SSA determines to be appropriate.

ED's legal authority to enter into this CMA includes:

- Section 484(o) of the HEA (20 U.S.C. § 1091(o));
- Section 484(g) of the HEA (20 U.S.C. § 1091(o));
- Section 483(a)(2)(B) of the HEA (20 U.S.C. § 1090(a)(2)(B));

- Section 428B(f) of the HEA (20 U.S.C. § 1078-2(f));
- Sections 427, 432, 451, 483, and 484 of the HEA (20 U.S.C. §§ 1077, 1082, 1087a, 1090, and 1091); and
- Subsection (b)(3) of the Privacy Act (5 U.S.C. § 552a(b)(3)).

III. Definitions

- A. “Contractors and/or Agents” means a third-party entity in a contractual or similar relationship with ED or SSA pursuant to which the third-party entity acts on the respective agency’s behalf to administer, or assist in administering, the program described in this CMA.
- B. “Eligible institution” means an educational institution as defined in accordance with the HEA and 34 C.F.R. Part 600.
- C. “Title IV, HEA program assistance” means the Federal Pell Grant, the Federal Supplemental Educational Opportunity Grant, the Federal Work-Study, the William D. Ford Federal Direct Loan, the Teacher Education Assistance for College and Higher Education (TEACH) Grant, and the Iraq Afghanistan Service Grant programs.
- D. An “output document” is the Free Application for Federal Student Aid (FAFSA) Submission Summary (FSS), an Institutional Student Information Record (ISIR), electronic acknowledgement, or automated data generated by ED as the result of ED processing of an aid application for Title IV, HEA program assistance.

IV. Responsibilities of the Parties

- A. ED Responsibilities:
 - 1. ED, as the recipient agency, will disclose to SSA the SSN, first name, last name, and date of birth (DOB) of individuals covered in Article VI.A for the purposes covered in Article I.
 - 2. In addition to maintaining the responses received from SSA in ED’s FAFSA Processing System (FPS), and in ED’s Person Authentication Service (PAS) system, ED will disclose the responses received from SSA to the Common Origination and Disbursement (COD) System to determine the amounts and types of Title IV, HEA program assistance that an applicant will receive.
 - 3. Under this CMA, ED will use the PAS credentials (namely, a user ID and password) only for purposes directly related to the financial assistance programs authorized under Title IV of the HEA. ED allows individuals to use their PAS

credentials to access their ED accounts electronically, to file electronic applications, and to sign electronically loans and other Federal student aid documents.

4. ED acknowledges that SSA's response code of "match" on the name, DOB, and SSN of an SSN verification request only establishes that the submitted information matches the information contained in SSA records. SSA's verification does not authenticate the identity of the individual or conclusively prove that the individual submitting the information is who they claim to be.
5. ED, as the recipient agency, will report this matching program to the committees of jurisdiction in Congress and to OMB, along with transmitting to them a copy of this CMA, and will publish the required notice of the re-establishment of this matching program in the *Federal Register*.

B. SSA Responsibilities:

1. SSA will compare data that it receives from ED with SSA data recorded in the Master Files of Social Security Number Holders and SSN Applications (Enumeration System), (60-0058), system of records and send ED a coded response indicating whether the applicant's name, DOB, and SSN match a record in the Enumeration System.
2. SSA will verify SSNs and send ED a coded response confirming the citizenship status as recorded in SSA records to ensure that the applicant satisfies the financial aid requirements under Title IV of the HEA. When SSA identifies a match, SSA will provide to ED a death indicator, if applicable. SSA will provide this information to ED in a response file through a batch process, or through a real-time process in response to ED submitted inquiries.
3. SSA will verify the information only when the applicant has, at a minimum, initiated the steps associated with accessing programs authorized by Title IV of the HEA.

V. **Justification and Anticipated Results**

A. Justification:

The HEA requires the Secretary of Education, in cooperation with the Commissioner of Social Security, to verify any SSN provided by an applicant for Title IV, HEA program assistance and authorizes the Secretary of Education to confirm the citizenship status as recorded in SSA records and to use computer matching to accomplish this goal. Computer matching is believed to be the most efficient and comprehensive method of exchanging and processing

this information.

ED anticipates that the matching program under this CMA will assist in the effective verification of the SSN and confirmation of citizenship status as recorded in SSA records of individuals to verify their eligibility for Title IV, HEA program assistance. This matching program will also enhance ED's ability to identify quickly those individuals whose records indicate that they do not have a valid SSN or proof of U.S. citizenship needed to receive Title IV, HEA program assistance, or who fraudulently attempt to receive Title IV, HEA program assistance. There are no other administrative activities that could be employed to accomplish the same purpose with the same degree of efficiency or accuracy.

B. Anticipated Results:

SSA derives no savings from this computer match. *See* the Cost-Benefit-Analysis (attached), which provides a specific estimate of ED's savings and demonstrates that this matching program is likely to be cost effective. The benefit-to-cost for this matching program is estimated to be 11:29.

VI. Description of Matched Records

A. Systems of Records:

SSA's system of records notice entitled "Master Files of Social Security Number Holders and SSN Applications" (Enumeration System), 60-0058, last fully published in the *Federal Register* at 90 Fed. Reg. 10025 (February 20, 2025) maintains records about each individual who has applied for and obtained an SSN. Information provided to ED by the individual who has, at a minimum, initiated the steps associated with accessing programs authorized by Title IV of the HEA, is matched against the Enumeration System, as described in Article IV.B.1 of this CMA.

ED's system of records notice entitled "Aid Awareness and Application Processing" (AAAP) (18-11-21), last fully published in the *Federal Register* at 89 FR 88240-88254 on November 7, 2024 at <https://www.federalregister.gov/documents/2024/11/07/2024-25897/privacy-act-of-1974-system-of-records>, covers the FPS, the ED information system that processes FAFSA data. Routine Use (1)(a) in the AAAP system of records notice permits ED to disclose information under this CMA to assist ED in determining program eligibility.

ED's system of records entitled "Person Authentication Service (PAS)" (18-11-12), last fully published in the *Federal Register* at 88 Fed. Reg. 48817-48824 on July 28, 2023 at <https://www.federalregister.gov/documents/2023/07/28/2023-16001/privacy-act-of-1974-system-of-records>, contains records used for identification purposes on individuals who are covered by the PAS system of

records, in order to apply for Title IV, HEA program assistance. In the PAS system of records, Routine Uses 1(a) and (b) permit ED's disclosure of information under this CMA. These ED files will be matched against SSA's Enumeration System to assist ED in determining program eligibility. A positive verification (the name, SSN, and date of birth submitted by ED match SSA's records) supports the continuation of the student aid application process.

In addition to maintaining the responses received from SSA in ED's FPS and PAS systems, ED will disclose the responses received from SSA to ED's "Common Origination and Disbursement (COD) System" (18-11-02) to determine the amounts and types of Title IV, HEA program assistance that an applicant for Title IV benefits will receive. ED's system of records notice for the COD System was last fully published in the *Federal Register* at 88 Fed. Reg. 41942-41951 on June 28, 2023 at <https://www.federalregister.gov/documents/2023/06/28/2023-13698/privacy-act-of-1974-system-of-records>. (Note: the COD System is the ED information system that determines the amounts and type of Title IV, HEA program assistance that an applicant will receive.)

The information in these systems of records may be updated during the effective period of this agreement as required by the Privacy Act.

The systems of records involved in this computer matching program have routine uses permitting the disclosures needed to conduct this match.

B. Specified Data Elements:

ED will transmit to SSA the data elements of SSN, first name, last name, and DOB for each matching verification request. Under the CMA, ED will provide SSA with records of individuals who begin the process of accessing programs authorized under Title IV of the HEA (by applying for a Federal Student Aid (FSA) ID), meet the criteria of an eligible applicant, and apply for Federal student financial assistance through the FAFSA. These individuals also include the parents of dependent students and applicants for Federal PLUS loans.

Each party shall work to ensure compliance with Federal Information Processing Standard's *Security Requirements for Cryptographic Modules 40-3*. SSA will provide a "match" or "no match" response and in the case of a "no match" response, the reason for the "no match." SSA's Enumeration Verification Service (EVS) outlines the possible verification response codes and other information returned, as well as input and output file specifications. When SSA identifies a match, SSA will provide ED with a citizenship code as well as a death indicator, if applicable.

For purposes of this CMA where data matching is done via batch process, ED will not need nor use multiple SSNs for an individual, even if SSA transmits them. ED's systems covered by this agreement are currently designed to match

only one SSN per person. ED will use the SSN identified by the individual.

C. Number of Records Involved:

As part of the matching program, ED projects that it will make 33.3 million verification requests annually. In the batch file process to the extent that ED intends to submit more than 250,000 verification requests per submitted file, ED must obtain prior authorization from SSA Systems.

D. Frequency of Matching:

ED will transmit data to SSA via multiple daily batch processes. SSA will respond via a multiple batch process. When SSA and ED mutually agree, ED PAS may also begin transmitting to SSA via continuous real-time submissions throughout the day.

VII. Reliability Assessment

Applicants for Title IV, HEA program assistance, and other individuals covered by this CMA, provide ED with the personal identification data contained in the ED systems of records used in this CMA, and, therefore, a high degree of reliability in the information is expected. Later in the application process, the applicant is provided written notice on the FAFSA Submission Summary (FSS) to resolve any citizenship issues with the postsecondary institution by providing appropriate documentation.

The SSA Enumeration System database is used for SSN matching. This includes the citizenship information provided at the time the individual applied for their SSNs. However, there is no obligation for an individual to report to SSA a change in their citizenship or immigration status until they request a replacement card or file a claim for a Social Security benefit. While the citizenship information is accurate for SSA's program purposes, if used later for other purposes, it may not be current. SSA is not the custodian of U.S. citizenship records.

VIII. Procedures for Individualized Notice

ED will publish in the *Federal Register* a notice describing the re-establishment of this matching program, as required by the Privacy Act and OMB guidance. ED will also report the matching program to OMB and the committees of jurisdiction in Congress, along with transmitting to them a copy of this CMA, as required by the Privacy Act and OMB guidance. ED will ensure that each applicant for Title IV, HEA program assistance is provided individual notice that information provided on their application is subject to verification through matching programs. Every time such applicant requests an output document, a periodic notice of computer matching is also included on the output document and provided to the student.

SSA includes notices on all applications that SSA will conduct matching programs. SSA notifies individuals who apply for an SSN on a prescribed application that SSA may use the information provided in matching programs.

IX. Verification Procedure and Opportunity to Contest

A. Verification Procedures:

ED may not suspend, terminate, reduce, or make a final denial of any financial assistance or payment under Title IV of the HEA to an applicant for Title IV, HEA program assistance, or take other adverse action against such applicant, if as a result of information produced by this matching program ED determines that such applicant is ineligible for Title IV, HEA program assistance until such time as such applicant is given notice of the adverse findings and the proposed adverse action based on those findings. ED will provide such applicant with a description of procedures for contesting those findings in advance of the proposed adverse action and with an opportunity to provide the eligible institution with an accurate SSN, proof of U.S. citizenship, or both. Such applicant will have at least 30 days from the date of the notice to provide clear and convincing evidence of the accuracy of such applicant's SSN, proof of such applicant's U.S. citizenship, or both.

ED's notification process is highly automated and requires compression of the verification and the notice and wait procedures because such applicants serve as the best source for verifying the matched data and it is not possible to intervene until after an output document has been issued. Indeed, OMB's "Final Guidance Interpreting the Provisions of Public Law (Pub. L.) 100-503, the Computer Matching and Privacy Protection Act of 1988" anticipates such a situation when it states: "[i]t would be of dubious utility to apply the verification requirements equally to all matches and argue that a match that results in an adverse consequence of the loss of, for example, a tuition assistance payment should receive the same due process procedures as one that results in the loss of an Aid to Families with Dependent Children (AFDC) payment or Food Stamp eligibility." 54 Fed. Reg. 25818, 25827 (June 19, 1989). This OMB guidance also recognizes that "[i]n many cases, the individual record subject is the best source for determining a finding's validity, and he or she should be contacted where practicable." *Id.* Under the matching program, such applicant records are matched at the time such applicant has at a minimum, initiated an application for Title IV, HEA program assistance.

Examples of an unsuccessful match include, but are not limited to, when such applicant's name, DOB, or reported SSN is not found, indication of citizenship status is not available, or the SSN matches that of a deceased person in the SSA database. When an unsuccessful match occurs, ED will notify such applicant and eligible institution via email or mail, or by ED's output document such as the FSS or ISIR.

B. Opportunity to Contest:

Under the Privacy Act, ED may not suspend, terminate, reduce, or make a final denial of Title IV, HEA program assistance, or take other adverse action against an applicant for Title IV, HEA program assistance as a result of the information produced by this matching program unless such applicant is provided with a notice (*e.g.*, an output document as defined in Article III of this CMA) stating the results of the match, and such applicant is given a time period established for the program by statute or regulation, or 30-days in the case of a program for which no such period is established, to contest the adverse match information.

Consistent with sections 483(a)(2)(B) and 484(o) of the HEA (20 U.S.C. § 1090(a)(2)(B) and 20 U.S.C. § 1091(o)) and implementing regulations in 34 C.F.R. § 668.36, when such applicant's data does not match with the data in the SSA's EVS, ED provides notification to such applicant and the institution indicating the match results and the corrective action that needs to be taken by such applicant. ED's regulations require that the institution must give such applicant at least 30-days, or until the end of the award year, whichever is later, to produce evidence of the correct SSN or resolve (including contesting) the results of the matched data (34 C.F.R. § 668.36(a)(3)).

Such applicant has a period of at least 30 days to correct or contest the results of the data match. However, if such applicant's data are not corrected or successfully contested and ED determines that such applicant's data does not yield a successful match with SSA, ED will deny or terminate such applicant's eligibility for Title IV, HEA program assistance.

The FSA Handbook, ISIR Guide, and FSS Comment Codes and Text provide specific guidance to eligible institutions with regard to the processing of inaccurate SSNs and claims of U.S. citizenship status that have not been confirmed through this data match.

ED understands that the only verification of an SSN that SSA provides to individuals is the Social Security card and that SSA is not the custodian of U.S. citizenship records. ED's guidance to institutions will state that:

- Students are not to be referred to SSA to resolve citizenship non-confirmation replies;
- Before referring a student to SSA to resolve an SSN discrepancy, the institution will review the input to detect transcription and keying errors and confirm the input with the student;
- Students referred to SSA to resolve SSN non-verification replies from this matching operation will not be advised to obtain any written verification of the SSN (other than a Social Security card);

and

- Generally, it takes at least 2 weeks after the student's submission of an SSN application and supporting documents to SSA for the student to receive the Social Security card.

X. Procedures for Retention and Timely Destruction of Identifiable Records

A. ED will retain all records with identifiable information received from SSA as follows:

1. ED will maintain the response file received from SSA for no more than 180 days after receipt; and
2. ED will maintain matched records with identifiable information received from SSA in ED's FPS and COD systems in accordance with the requirements of ED Records Schedule 072, FSA Application, Origination, and Disbursement Records (DAA-0441-2013-0002) (ED 072), and ED's PAS system in accordance with the requirements of ED Records Schedule 278, FSA Person Authentication Service (PAS) Records (DAA-0441-2016-0001) (ED 278). (ED has proposed amendments to ED 072 for the National Archives and Records Administration's consideration and will not destroy records covered by ED 072 until such amendments are in effect, as applicable. In addition, ED's retention of PAS records may be subject to change during the effective period of this CMA.)

B. SSA will automatically delete the ED input records upon processing completion and transmission of output records to ED.

XI. Records Usage, Duplication, and Redisclosure Restrictions

A. ED agrees to the following limitations on the access to, disclosure of, and use of identifying information provided by SSA:

1. Other than as permitted in Articles IV.A.2 and IX.B, the file(s) provided to ED will not be duplicated or disseminated within or outside ED without the written authority of SSA, except as necessary within ED for backup to ongoing operations of the matching program, as essential to the conduct of the matching program, or as required by law and where advance notice has been provided to SSA and SSA consented to the redisclosure in writing. In any such case, ED must specify in writing which records are being redisclosed, to whom, and the reasons that justify such redisclosure. SSA will not grant such permission unless the redisclosure is required by law or is essential to the conduct of the matching program. All redisclosures will be made consistent with the Privacy Act and applicable Privacy Act guidelines.

2. The file(s) provided to ED will be destroyed as provided in Article X of this CMA.
 3. The information provided by SSA will be used within ED only to the extent necessary to achieve the purposes as stated in Article I. ED acknowledges that SSA's positive verification of an SSN only establishes that the submitted information matches the information contained in SSA's records. The verification does not, however, authenticate the identity of the individual or conclusively prove that the individual submitting the information is who they claim to be.
 4. ED will not use the SSA files to extract information about non-matched individuals for any purpose not specified by this CMA.
 5. ED will, in its contractual relationship with each contractor and/or agent that will have access to the information that ED obtains through this CMA, obtain the contractor's and/or agent's written agreement that it will abide by all of the use and redisclosure restrictions and security requirements in this CMA.
 6. ED will identify and provide, from its contractors and/or agents and upon request, a current list of contractors' and/or agents' employees who will have access to the information that ED obtains through this CMA. This list will contain the following items: name of contracting firm, list of the contractors' and/or agents' employees who will have access to the information, location of where the work with the information is performed, description of the work that is performed with the information, and contract period (including renewals and extensions). ED further agrees to certify, via a written communication on ED letterhead, to SSA that these contractors are acting on behalf of ED to administer or assist in administering the FSA programs. ED agrees that, upon request, its contractors and/or agents will provide a list of employees who no longer have access to the information under this CMA.
 7. ED employees and contractors and/or agents under contract with ED who access, disclose, or use the information obtained pursuant to this CMA in a manner or for a purpose not authorized by this CMA may be subject to civil and criminal sanctions contained in applicable Federal statutes.
- B. SSA agrees that the information produced by the match may be used by ED for necessary follow-up actions essential to the matching program, as well as when required by law, including to support criminal investigations or prosecutions which may arise in this connection. All redisclosures will be made consistent with the Privacy Act and applicable Privacy Act guidelines.
- C. SSA agrees to the following limitations on the access to, disclosure of, and use

of data provided by ED:

1. The data provided by ED remains the property of ED and will be destroyed by SSA as provided in Article X of this CMA.
2. The information supplied by ED will be used only for the purposes of, and to the extent necessary in, the administration of the purposes covered by this CMA.
3. Other than for the purposes of this CMA, no file will be created that consists of ED information concerning individuals.
4. The information provided by ED will not be duplicated or disseminated within or outside SSA without the written authority of ED except as necessary within SSA for backup to ongoing operations of the matching program. ED will not grant such authority unless the redisclosure is required by law or is essential to the matching program. All redisclosures will be made consistent with the Privacy Act and applicable Privacy Act guidelines.

Duplication will be permitted for backing up the system containing the data as long as it is secured and protected in accordance with the requirements of the Federal Information Security Management Act of 2002, 44 U.S.C. Chapter 35, Subchapter II, as amended by the Federal Information Security Modernization Act of 2014 (Pub. L. 113-283) (FISMA).

5. SSA will, in its contractual relationship with each contractor and/or agent that will have access to the information that SSA obtains through this CMA, obtain the contractor's and/or agent's written agreement that it will abide by all of the use and redisclosure restrictions and security requirements in this CMA.
6. SSA will identify and provide, from its contractors and/or agents and upon request, a current list of contractors' and/or agents' employees who will have access to the information that SSA obtains through this CMA. This list will contain the following items: name of contracting firm, list of the contractors' and/or agents' employees who will have access to the information, location of where the work with the information is performed, description of the work that is performed with the information, and contract period (including renewals and extensions). SSA further agrees to certify, via a written communication on SSA letterhead, to ED that these contractors are acting on behalf of SSA to administer or assist in administering the Social Security Act programs. SSA agrees that, upon request, its contractors and/or agents will provide a list of employees who no longer have access to the information under this CMA.

7. SSA employees and contractors and/or agents under contract with SSA who access, disclose, or use the information obtained pursuant to this CMA in a manner or for a purpose not authorized by this CMA may be subject to civil and criminal sanctions contained in applicable Federal statutes.

XII. Security Procedures

SSA and ED will comply with the requirements of FISMA; related OMB circulars and memoranda, such as Circular A-130, *Managing Information as a Strategic Resource* (July 28, 2016), and Memorandum (M) 17-12, *Preparing for and Responding to a Breach of Personally Identifiable Information (PII)* (January 3, 2017); the most current version of National Institute of Standards and Technology (NIST) directives in the Special Publications (SP) 800 series (e.g., NIST SP 800-53, and NIST SP 800-37); and the Federal Acquisition Regulations (FAR) and the Department of Education Acquisition Regulation (EDAR), including any applicable amendments published after the effective date of this CMA. These laws, directives, and regulations include requirements for safeguarding Federal information systems and controlled unclassified information (CUI) including PII used in Federal agency business processes, as well as related reporting requirements. Both agencies recognize and will implement the laws, regulations, NIST standards, and OMB directives, including those published after the effective date of this CMA.

FISMA requirements apply to all Federal contractors, organizations, or entities that possess or use Federal information, or that operate, use, or have access to Federal information systems on behalf of an agency. Both agencies are responsible for oversight and compliance of their contractors and agents.

Specific security requirements include, but are not limited to, the following:

- Data must be protected at the Moderate system certification criticality level according to FIPS Publication 199, Standards for Security Categorization of Federal Information and Information Systems.
- All systems involved in this matching program have a current Authorization to Operate (ATO) with the appropriate signatures.
- Electronic files are encrypted using the FIPS 140-3 standard. Each party shall work to ensure compliance with FIPS 140-3.
- SSA and ED information systems reside behind a Trusted Internet Connection.

A. Breach Reporting:

If either SSA or ED experiences an incident involving the suspected or confirmed breach (i.e., loss) of PII provided by SSA or ED under the terms of this CMA, they will follow the reporting guidelines issued by OMB. In the event of a suspected or confirmed PII breach, the agency experiencing the breach is responsible for following its established procedures, including notification to the proper organizations. In addition, the agency experiencing the breach will notify the SSA's Breach Contact or ED's Systems Security Contact named in this CMA. If ED is unable to speak with the SSA Office of Privacy and Disclosure Breach Contact within one hour or if for some other reason notifying the SSA Breach Contact is not practicable (e.g., it is outside of the normal business hours), ED will call SSA's National Network Service Center at 1-877-697-4889. If SSA is unable to reach ED/FSA's Education Security Operations Center (EDSOC) at 202-245-6550, SSA will contact the ED/FSA Information System Security Officer (ISSO) Systems Security Contact within one hour.

B. Breach Notification:

SSA and ED will follow PII breach notification policies and related procedures issued by OMB and their respective breach response plans. If the agency that experiences the breach determines that the risk of harm requires notification to potentially affected individuals or other remedies, that agency will carry out these remedies without cost to the other agency.

C. Administrative Safeguards:

SSA and ED will restrict access to the data matched and to any data created by the match to only those users (e.g., employees, contractors, etc.) who need it to perform their official duties in connection with the uses of the data authorized in this CMA. Further, SSA and ED will advise all personnel who have access to the data matched and to any data created by the match of the confidential nature of the data, the safeguards required to protect the data, and the civil and criminal sanctions for noncompliance contained in the applicable Federal laws.

D. Physical Safeguards:

SSA and ED will store the data matched and any data created by the match in an area that is physically and technologically secure from access by unauthorized persons at all times (e.g., door locks, card keys, biometric identifiers, etc.). Only authorized personnel will transport the data matched and any data created by the match. SSA and ED will establish appropriate safeguards for such data, as determined by a risk-based assessment of the circumstances involved.

E. Technical Safeguards:

SSA and ED will process the data matched and any data created by the match under the immediate supervision and control of authorized personnel in a manner that will protect the confidentiality of the data, so that unauthorized persons cannot retrieve any data by computer, remote terminal, or other means. Systems personnel must enter personal identification numbers when accessing data on the agencies' systems. SSA and ED will strictly limit authorization to those electronic data areas necessary for the authorized analyst to perform their official duties.

F. Application of Policies and Procedures:

SSA and ED will adopt policies and procedures to ensure that each agency uses the information contained in their respective records or obtained from each other solely as provided in this CMA. SSA and ED will comply with these guidelines and any subsequent revisions.

G. Security Assessments:

NIST SP 800-37, as revised, encourages agencies to accept each other's security assessments in order to reuse information system resources and/or to accept each other's assessed security posture in order to share information. NIST SP 800-37 further encourages that this type of reciprocity is best achieved when agencies are transparent and make available sufficient evidence regarding the security state of an information system so that an authorizing official from another organization can use that evidence to make credible, risk-based decisions regarding the operation and use of that system or the information it processes, stores, or transmits. Consistent with that guidance, the parties agree (subject to reasonable assurances of confidentiality and security) to make available to each other upon request system security evidence for the purpose of making risk-based decisions. Requests for this information may be made by either party at any time throughout the duration or any extension of this CMA.

XIII. Comptroller General Access

The U.S. Government Accountability Office (Comptroller General) may have access to all ED and SSA records it deems necessary in order to monitor or verify compliance with this CMA.

XIV. Reimbursement

Subject to the availability of appropriations, ED will transfer funds to SSA to support SSA's activities under this CMA. ED will pay SSA for the full amount of costs incurred by SSA in the performance of this CMA notwithstanding the estimated costs included in the attached Cost-Benefit-Analysis.

This CMA does not authorize SSA to incur obligations through the performance of the services described herein. Performance of such services is authorized only by execution of the U.S. Department of the Treasury Forms (e.g., FS Form 7600A and FS Form 7600B and the corresponding General Terms & Conditions (GT&C) and Order forms in the G-Invoicing system). Accordingly, FS Forms 7600A/GT&C and 7600B/Order provide authorization for SSA to incur obligations by performing services under this CMA only on a fiscal year (October 1 through September 30) or partial fiscal year basis coinciding with the initial duration and the renewal of this CMA. Accordingly, the FS Forms 7600A/GT&C and 7600B/Order will provide authorization for SSA to perform services under this CMA in FY 2026 and beyond. Since SSA's performance under this CMA spans multiple fiscal years, the parties will sign the FS Forms 7600A/GT&C and 7600B/Order on or before the commencement of each fiscal year, which will identify reimbursable cost estimates for that fiscal year. SSA's ability to perform work for FY 2026 and beyond is subject to the availability of funds.

SSA will collect funds from ED each fiscal year through Treasury's G-Invoicing system, which will generate an Intragovernmental Payment and Collection (IPAC) transaction on a quarterly basis, sufficient to reimburse SSA for the costs it has incurred for performing services through the date of billing. Additionally, at least quarterly, the parties will reconcile balances related to revenue and expenses for work performed under the CMA. A copy of the IPAC/G-Invoicing billing and all original supporting documentation will be transmitted electronically to ED no later than 5 calendar days following the processing of the IPAC transaction. At least quarterly, but no later than 30 days after an accountable event, SSA will provide ED with a performance report (e.g., a billing statement) that details all work performed to date.

Each party to this CMA will be liable for damages or loss resulting from acts and omissions of its own employees in accordance with Federal statutory authority. All information furnished to ED will be subject to the limitations and qualifications, if any, transmitted with such information. If any errors in information provided to ED or loss or destruction of data is attributable to SSA, SSA will re-perform the services after conferring with ED. Before re-performing the services, SSA will provide ED with written notification of the additional costs for the services and the reason(s) that SSA will incur the additional costs. ED will reimburse SSA for such additional costs as a part of the full costs incurred by SSA in compiling and furnishing data to ED.

XV. Duration and Modification of the CMA

A. Effective Date:

The duration of this CMA is estimated to cover the 12-month period from October 11, 2025, through October 10, 2026, provided that ED reported the proposal to reestablish this matching program to the

Congressional committees of jurisdiction and OMB in accordance with 5 U.S.C. § 552a(o)(2)(A) and OMB Circular A-108 (December 23, 2016), and ED published notice of the matching program in the Federal Register in accordance with 5 U.S.C. § 552a(e)(12).

B. Duration:

This CMA will be in effect for an initial period of 12 months.

C. Renewal:

The Data Integrity Boards (DIB) of ED and SSA may, within 3 months prior to the expiration of this CMA, renew this CMA for a period not to exceed 12 months if:

1. The matching program will be conducted without change; and
2. ED and SSA certify to their DIBs that they have conducted the matching program in compliance with this CMA.

If either party does not want to continue this matching program, it must notify the other party of its intention not to continue at least 90 days before the end of the period of the CMA.

D. Modification:

The parties may modify this CMA at any time by a written modification, agreed to by both parties and approved by the DIB of each agency.

E. Termination:

The parties may terminate this CMA at any time with the consent of both parties. Either party may unilaterally terminate this CMA upon written notice to the other party, in which case the termination will be effective 90-days after the date of the notice, or at a later date specified in the notice.

If the CMA is terminated, ED authorizes SSA to collect costs incurred prior to cancellation of the order plus any termination costs. SSA or ED may make an immediate, unilateral suspension of the data flow and/or a termination of this CMA if either party:

1. Determines that there has been an unauthorized use or disclosure of information;
2. Determines that there has been a violation of or failure to follow the terms of this CMA;

3. Has reason to believe that the other party has breached the terms for security of data; or
4. Failed to make a payment under the reimbursement terms of this CMA.

If so, the parties agree that the party making the immediate, unilateral suspension of the data flow and/or terminating this CMA will immediately notify the other party of the factual basis for its determination or of the factual basis for its concerns of a security or non-reimbursement breach of this CMA and of the unilateral suspension of the data flow and/or the termination of this CMA. If either party suspends the data flow in accordance with this section, there will be an indefinite suspension of the CMA until a definite determination has been made regarding whether there has been a breach.

XVI. Dispute Resolution

Disputes related to this CMA will be resolved in accordance with instructions provided in the Treasury Financial Manual (TFM) Volume I, Part 2, Chapter 4700, Appendix 5, *Intragovernmental Transaction Guide*.

XVII. Persons to Contact

A. SSA Contacts:

Agreement Issues

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Project Coordinator

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Computer Systems Issues

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Systems Security Issues

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Financial Issues

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B. ED Contacts:

Agreement Issues

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Systems Security Issues

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Department of Education Security Operations Center
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Email: edsoc@ed.gov

Corey Johnson
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FAFSA Processing System (FPS)
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Application Development Group
U.S. Department of Education
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Jordan Hughes
Information System Security Officer (ISSO)
FAFSA Processing System
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Information System Security Division, contractor
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System Issues

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Matching Issues

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Email: James.Barthmaier@ed.gov

XVIII. Integration Clause

This agreement, including the attachment, constitutes the entire agreement of the parties with respect to its subject matter and supersedes all other data exchange agreements between SSA and ED that pertain to the disclosure of the specified SSA SSN and citizenship data for the purposes described in this agreement. SSA and ED have made no representations, warranties, or promises outside of this agreement. This agreement takes precedence over any other agreements that may conflict with it, including any conflicting terms in any Interconnection Security Agreement (ISA) entered into in accordance with NIST SP 800-47 governing the interconnections between information technology systems that will be utilized for the transfer of information under this agreement.

XIX. Disclaimer

SSA is not liable for any damages or loss resulting from errors in information provided to ED under this CMA. SSA is not liable for damages or loss resulting from the destruction of any materials or data provided by ED. All information furnished to ED is subject to the limitations and qualifications, if any, transmitted with such information. If, because of any such error, loss, or destruction, SSA must re-perform the services, ED will treat the additional cost as a part of the full costs incurred in compiling and furnishing such information and will pay for such additional costs.

The performance or delivery by SSA of the goods and/or services described herein and the timeliness of said delivery are authorized only to the extent that they are consistent with proper performance of the official duties and obligations of SSA and the relative importance of this request to others. If for any reason SSA delays or fails to provide services, or discontinues the services or any part thereof, SSA is not liable for any damages or loss resulting from such delay or for any such failure or discontinuance.

XX. Authorized Signatures

A. SOCIAL SECURITY ADMINISTRATION:

Source Agency Certification:

As the authorized representatives of the source agency named above, I certify that I have competent authority on behalf of SSA to enter into the obligations set forth in this agreement.

Electronic Signature Acknowledgement: The signatories may sign this document electronically by using an approved electronic signature process. By signing this document electronically, the signatories agree that the signature they provide has the same meaning and legal validity and effect as a handwritten signature.

Jennifer Karangelen
Digitally signed by
Jennifer Karangelen
Date: 2025.07.08
15:05:03 -04'00'

Date _____

Jennifer Karangelen
Acting Deputy Executive Director
Office of Privacy and Disclosure
Office of Law and Policy

SSA Data Integrity Board Certification:

Matthew Ramsey
Digitally signed by
Matthew Ramsey
Date: 2025.07.14
14:58:18 -04'00'

Date _____

Matthew D. Ramsey
Chair
Data Integrity Board

B. DEPARTMENT OF EDUCATION:

Recipient Agency Certification:

As the authorized representatives of the recipient agency named above, I certify that I have competent authority on behalf of ED to enter into the obligations set forth in this agreement.

Electronic Signature Acknowledgement: The signatories may sign this document electronically using an approved electronic signature process. By signing this document electronically, the signatories agree that the signature they provide has the same meaning and legal validity and effect as a handwritten signature.

**JAMES
BERGERO
N**

Digitally signed by
JAMES BERGERON
Date: 2025.07.17
17:11:19 -04'00'

Date _____

James Bergeron
Acting Chief Operating Officer
Federal Student Aid
U.S. Department of Education

ED Data Integrity Board Certification:

**FRANK
MILLER**

Digitally signed by
FRANK MILLER
Date: 2025.07.18
09:18:22 -04'00'

Date _____

Frank E. Miller
Senior Agency Official
for Privacy Chair
Data Integrity Board
U.S. Department of Education

Attachment: Cost Benefit Analysis



Cost-Benefit Analysis for the Matching Program Between the
U.S. Department of Education
and the Social Security Administration Processing Cycle
Year – 2023-2024

The U.S. Department of Education (ED) implemented in the 1994-1995 academic year¹ a direct match with the Social Security Administration (SSA) to identify students submitting incorrect or invalid Social Security numbers (SSNs) on their Free Application for Federal Student Aid (FAFSA). This match was later expanded to match the applicant’s reported citizenship status and to provide an indicator of death based on SSA records (death notification). The match was subsequently expanded to confirm the validity of the SSNs of parents of dependent students who apply for financial assistance such as Federal PLUS loans under the applicable programs administered under Title IV of the Higher Education Act of 1965, as amended (HEA).

Information from the Person Authentication Service (PAS) application is also sent to SSA for verification. If the PAS registrant’s information does not match SSA’s records, the PAS account information will immediately be updated to reflect that there was a mismatch.

The following is an analysis of the various costs and benefits for the 2023-2024 processing cycle of performing the data match between SSA and ED’s student financial aid application processing system, known as the FAFSA Processing System (FPS) and the PAS registration system. Since the student financial aid application processing cycle for any given award year is approximately 24 months in duration, this analysis seeks to estimate costs and benefits associated with a time period roughly corresponding to calendar years 2023 and 2024. ED and SSA expect the period covered by the upcoming computer matching agreement (CMA) to have similar costs and benefits.

A. Costs

The following sections summarize the calculations estimating the costs of performing the SSN match with the CPS (for the 2023-2024 award year), FPS (for the 2024-2025 award year) and the PAS registration system. The estimated costs are broken out as those incurred by SSA, ED, and institutions of higher education.

¹ The terms “academic year” and “processing cycle” cover the same period. They are used interchangeably throughout this Cost-Benefit Analysis.

1. SSA Costs

SSA incurs processing and administrative costs, including SSA's staff costs (work hours, volume, and central processing unit's runtime) as a result of the SSN matches with ED. We estimate SSA costs for matching ED SSNs for the 2023-2024 processing cycle were \$62,606.

2. ED Costs

To perform the matches with SSA, ED incurs costs in several areas: the cost to ED's contractor for processing the match records (creating the matching files, receiving the results of the matches from SSA, and reprocessing corrected SSNs, citizenship statuses, and death notifications) and the cost to ED for staff who administer and participate in the development of the matches.

a. ED Contractor Processing Costs

i. Contractor Application Processing Costs

The 2023-2024 costs estimated for the ongoing processing of the SSNs and citizenship status of applicants, as defined in the CMA, sent to SSA for matching are based on processing 21,559,244 records, of which 20,458,050 were initial applications. The contractor already performs considerable activities in the normal processing of applications, and the cost of the additional requirement to send records to and receive records from SSA for the match is estimated at \$0.01 per record. Therefore, the total estimated cost of processing initial CPS and FPS application records for the match is: $20,458,050 \times \$0.01 = \$204,580$.

ED or the institution require some student aid applicants (or dependent student's parents) whose SSNs fail to match, or citizenship status cannot be confirmed, or for whom an erroneous death indicator was generated to update their application data in the CPS or FPS (*i.e.*, submit corrections to the SSN or citizenship status on their FAFSA Submission Summary). In other cases, institutions request that students update their records, even though ED does not require them to do so.

When corrections are made to an applicant's record that could impact the results of the initial SSA match, the record is sent to SSA for reprocessing. In 2023-2024, 1,101,194 correction records were sent to SSA from the CPS. For 2023-2024, the cost of processing corrections (factoring in the cost of producing a new SAR and Institutional Student Information Record (ISIR) that otherwise would not be produced had the match not existed) is estimated at \$0.08 per record. The total cost of processing CPS and FPS correction records is estimated to be $1,101,194 \times \$0.08 = \$88,096$.

The total CPS and FPS processing cost is the sum of processing original records plus corrections: $\$204,580 + \$88,096 = \$292,676$.

ii. Contractor PAS System Processing Costs

The 2023-2024 costs estimated for the ongoing processing of PAS registration records are based on 14,381,877 PAS records created as a result of positive SSA matches. Again, assuming a processing cost of \$0.01, similar to that of the CPS and FPS, the estimated cost of matching the PAS initial applications in 2023-2024 is: $14,381,877 \times \$0.01 = \$143,819$.

As with other matches performed by ED, PAS registrants whose data do not match (or otherwise provide erroneous results) have the opportunity to resubmit and correct the necessary information. There were 145,711 PAS correction records submitted in 2023-2024.

This analysis further assumes the same cost for processing PAS corrections as that for application corrections. As a result, the cost of processing these corrections and subsequently providing the applicants with a PAS (factoring in the cost of producing a new SAR and ISIR that otherwise would not be produced had the match not existed) is estimated to be: $145,711 \times \$0.08 = \$11,657$.

The estimated total processing cost for the PAS match is the sum of the cost for processing the initial match records and processing the corrections: $\$143,819 + \$11,657 = \$155,476$.

b. Total Contractor Processing Costs

The total estimated ED contractor processing costs for the two matches is the sum of the development cost, the cost of processing the match between SSA and the CPS and the FPS and the PAS registration system: $\$292,752 + \$155,476 = \$448,228$.

c. ED Staff Costs

ED staff members are required to: assist in developing computer system requirements for the matching program; develop, negotiate, and clear a computer matching agreement with SSA; monitor the matches; evaluate their effectiveness; and serve as interlocutors between the two agencies. A number of ED staff are involved, but for this analysis they are “averaged” into the level of effort required by one full-time equivalent employee of General Schedule (GS) grade 13, step 5, devoting two work years to the match. The processing cycle extends for 24 months, beginning on October 1, 2022, and ending on September 30, 2024. For ease of calculation, this analysis is using the salary of a GS-13, step 5 for each calendar year January 1 through December 31 for each of the years 2023 and 2024. The annual salary of a GS-13, step 5 for 2023 was \$ 126,949 and of a GS-13, step 5 for 2024 was \$133,692 (from the Office of Personnel Management’s (OPM’s) 2023 and 2024 Salary Schedules for the Washington-Baltimore area). Next, the additional cost to ED associated with benefits, health insurance, etc., is estimated. The latest data from OPM’s Federal workforce statistics indicate that ED’s benefits pay cost is equal to 30 percent of its base salary cost. Therefore, increasing the basic salary by 30 percent results in a total personnel cost to ED of: $\$126,949 \times 130\% = \$165,034$. The same procedure is used to calculate the benefits-adjusted salary of a GS-13, step 5, for 2024: $\$133,692 \times 130\% = \$173,800$.

To estimate the total administrative cost for the entire 24 months, add the estimated 2023 and 2024 calendar year personnel costs: $\$165,034 + \$173,800 = \$338,834$.

d. Total of All ED Costs

Total costs to ED for the SSA matches are the sum of the contractor costs for processing and the administrative staff cost: $\$448,228 + \$338,834 = \$787,062$.

3. Institutions of Higher Education Costs

Institutions of higher education require each student flagged by the match between SSA and ED's CPS or FPS to provide a Social Security card indicating their correct SSN and official documentation proving their actual citizenship status (if necessary). A copy of the Social Security card and other documentation must be retained in the student's file at the school. Financial Aid Administrators (FAAs) may direct the student to submit a correction to the CPS or the FPS, or the institution may make the correction to the CPS or FPS itself. Consequently, schools incur administrative costs due to the match between SSA and ED.

To calculate institutional costs, this analysis assumes that schools devote an average level of effort to match related activities equivalent to one full-time employee of grade GS-9, step 1, for performing one-half hour of work per student correction. The hourly salary of a GS-9, step 1 for 2023 was \$31.12 (from OPM's hourly basic rates by grade and step). Next, the additional cost to ED associated with benefits, health insurance, etc., associated with this salary is used as a surrogate for the benefits for institutional employees. As noted above, the latest workforce data from OPM indicates that ED's benefits pay cost is equal to 30 percent of its base salary cost. Assuming a similar cost for schools, the basic hourly rate is increased by 30 percent, resulting in an estimated total hourly personnel cost to institutions of: $\$31.12 \times 130\% = \40.46 . The estimated cost per half hour is \$20.23 per correction.

To increase this amount to the 2024 level, the total hourly personnel cost is \$32.78. The basic hourly rate for 2024 is increased by 30 percent, resulting in an estimated total hourly cost of $\$32.78 \times 130\% = \42.61 . The estimated cost per half hour is \$21.31 per correction.

In the 2023-2024 processing year, there were 10,099,537 initial student FPS SSA matches and 1,074,528 corrections made to those initial applications. Assuming that 80 percent of the corrections were made by FAAs ($1,074,528 \times 80\%$), FAAs made 859,622 corrections to student data.

Over the course of a 24-month application cycle, this averages to 35,818 corrections per month ($859,622 / 24$ months). The estimated institutional cost for 2023 for one-half hour of activity per applicant is $35,818 \times 12$ months \times \$20.23, which equals \$8,695,178. The estimated institutional cost for 2024 for one-half hour of activity per applicant is $35,818 \times 12$ months \times \$21.31, which equals \$9,159,379.

The total estimated cost to institutions for 2023-2024 is \$17,854,557 (\$8,695,178 for 2023 + \$9,159,379 for 2024).

4. Intangible Costs

In addition to the measurable costs calculated above, there are intangible costs that cannot be accurately calculated and therefore are not included in the calculations estimating the costs of performing the matching program. The first of these costs affects a number of applicants who were identified by the match as possibly providing erroneous SSNs, or failed to match as United States citizens, or had a positive date of death, but were able to verify that the information originally submitted on their application was accurate. These students and parents of dependent students were needlessly inconvenienced by a failure in the data entry process either during the application process with ED or by erroneous records at SSA.

A second intangible cost is the further burden placed on institutions. ED currently requires institutions to perform a number of activities, such as verification, intended to reduce error, fraud and abuse when awarding aid under Title IV of the HEA. The cumulative effect of all these activities adds up to considerable effort on top of the school's normal financial aid functions of aid packaging, record keeping, etc.

5. Total Costs

The total estimated costs of the SSN and citizenship status matches between ED and SSA is the sum of the measurable costs incurred by SSA, ED, and the institutions.

SSA Costs:	\$62,606
ED Costs:	\$787,062
Institutional Costs:	\$17,854,557
Total Costs:	\$18,704,225

B. Benefits

Although performing a match of applicants for financial aid under Title IV of the HEA has considerable tangible and intangible costs to the Federal government and institutions of higher education, and intangible costs to individuals, the opportunity for considerable benefits also exists. The quantifiable benefits come in two basic forms: cost avoidance by ED and improved collection on defaulted student loans.

1. Cost Avoidance

The CPS (for the 2023-24 award year) and the FPS (for the 2024-25 award year) and PAS matches with SSA could help reduce the amount of erroneously disbursed student financial aid. By identifying discrepancies in the information provided by individuals on their FAFSAs or in their PAS applications, some individuals who otherwise would have received Federal student aid would be deterred or prevented from seeking and receiving some of the nearly \$120 billion in Federal student aid that was disbursed in processing cycle 2023-2024.

Two forms of cost avoidance can be identified. The match between SSA and ED's CPS and FPS could reduce the amount of Federal student aid disbursed to ineligible applicants, and the match between SSA and the ED PAS registration system could reduce the amount of Federal PLUS loans awarded.

a. Savings From the CPS and FPS Match

By matching the SSNs, citizenship statuses, and the death indicator of applicants under Title IV of the HEA to SSA records, ED can identify students who attempt to receive student aid by use of false SSNs or citizenship statuses. Thus, the government can avoid disbursing aid funds to individuals who would otherwise receive aid had the match with SSA not existed. For the 2023-2024 application cycle, 8,481,805 student CPS records were submitted to SSA for matching. Of these student records, 73,566 did not match on their first transaction, but 15,513 matched as of their last transaction, leaving 58,053 ($73,566 - 15,513$) students who were prevented from participating in Federal student aid because they have no match with SSA.

Had these students been eligible, it is reasonable to assume that virtually all of them would have exhibited financial need, enrolled at a school, and received some form of Federal student aid. Some students, however, do not receive Federal student aid for any number of reasons (*e.g.*, they do not enroll in higher education at all, enroll in ineligible institutions, or enroll in ineligible programs). To adjust the estimated number of students who did not match as of their last transaction to account for this “show up” rate, we used the rate observed in the Federal Pell Grant program. The Pell Grant show-up rate remains fairly constant from year-to-year and is 65.9 percent for 2023-2024. Applying this rate to the number of SSA match applicants who did not match as of their last transaction yields an estimated total of 38,257 students who would otherwise have received some form of Federal aid: ($58,053 \times 65.9\%$). While these estimated 38,257 students could have otherwise received some form of Federal student aid, this analysis will focus on Pell Grant recipients for estimating savings from aid not disbursed as discussed below.

Figures provided by ED's Budget Service for fiscal year (FY) 2024 from the President's Fiscal Year 2026 Proposed Budget show that the average amount of Federal Pell Grant received by all recipient types for 2023-2024 is \$5,907 and the Pell Grant eligibility rate for 2023-24 is 45.81 percent. Based on these figures, the estimated amount of Federal Pell Grants not disbursed in the 2023-2024 processing year is \$103,523,316 ($38,257 \times 45.81\% \times \$5,907$). In addition to savings within the Federal Pell Grant program, there is likely to be an effect on Federal outlays within the Federal student loan programs depending on the mix of and amount of loans taken by those SSA match applicants who neither correct nor verify and the extent to which they would repay loans in the expected pattern of the overall borrower population. Because we do not have information on the likelihood of these applicants to take out loans, the mix and amount of loans they would borrow, and the repayment pattern of these potential borrowers, we have not quantified the effect on all Federal Loan programs. Therefore, the total estimated amount of Federal student aid *not* disbursed in 2023-2024 from the Federal Pell Grant program as a result of the CPS match with SSA is \$103,523,316.

b. Savings From ED PAS Registration System Match

Individuals could potentially use false information provided in the ED PAS registration process to,

for instance, fraudulently obtain a PLUS loan. This analysis assumes that the proportion of parents represented in the ED PAS match who receive PLUS loans is similar to the proportion of PLUS loan borrowers in the overall dependent student aid applicant population. Consequently, approximately 6.89 percent (approximately 565,000 Parent PLUS loan borrowers in the 2022-2023 processing cycle divided by the approximately 8,200,000 dependent applicants, as estimated by ED's Budget Service) of the parents registering in the ED PAS system received PLUS loans. Note: This is the latest information available.

As determined in the Cost section of this analysis, 145,711 ED PAS registration records were sent to SSA to correct data in the 2023-2024 processing year. If we assume that one correction was submitted per applicant, and that 50% of the corrections resulted in a positive SSA match, we could also estimate that 72,856 ($145,711 \times 50\%$) applicants were unsuccessful in correcting their data, and, therefore, were ineligible to receive Title IV, HEA funds. The 6.89 percent rate of PLUS loan borrowers to dependent applicants is then applied to the ED PAS registrants who did not match with SSA and who did *not* correct their data: $72,856 \times 6.89\% = 5,020$. The result is an estimated number of ED PAS registrants who would have received PLUS loans had they not failed to match with SSA. If these 5,020 individuals received the typical average PLUS loan amount (stated by ED's Budget Service for the President's FY 26 Proposed Budget as \$19,860 in the 2023-2024 processing cycle) and we assume these borrowers represent cases of fraud and would not repay the loans, the estimated amount saved by not awarding PLUS loans to these individuals is: $5,020 \times \$19,860 = \$99,697,200$.

The total estimated savings due to cost avoidance is the sum of the savings from Federal student aid programs in general and savings to the PLUS loan program: $\$103,523,316 + \$99,697,200 = \$203,220,516$.

2. Improved Loan Collection

A match of SSNs with the SSA may also present the opportunity for ED and guaranty agencies to improve their collection efforts on defaulted loans. A match of SSNs improves the accuracy of the SSNs used in all the Title IV, HEA data systems (primarily NSLDS) to track student loan defaulters through the Internal Revenue Service, credit bureaus, employment records, etc.

ED's Budget Service, in the President's FY25 Proposed Budget, states that \$678,977,000 was collected on defaulted Federal Family Education Loan Program loans by ED and guaranty agencies in FY 2023. Similarly, \$77,461,000 was collected on Federal Direct Student Loan Program loans in FY 2024. Total collections on defaulted loans in FY 2023 were therefore: $\$678,977,000 + \$77,461,000 = \$756,438,000$.

In this analysis we assume that the improved SSNs collected as a result of the match with SSA enhances the ability to track students by 1 percent and that this improved tracking leads to increased collections from those students. If we assume that the 1 percent improvement in tracking results in 1 percent of collections being attributable to the SSA match, a maximum of \$756,438,000 in collections on defaulted loans could be considered a benefit of the SSA match ($\$756,438,000 \times 1\% = \$7,564,380$).

3. Intangible Benefits

The matches between SSA and ED may have a deterrent effect for those who intended to apply for Title IV, HEA aid or for a PAS using fraudulent SSNs or citizenship statuses. Knowing that their information will be shared with SSA may deter some individuals from ever submitting their applications.

4. Total Benefits

The total estimated measurable benefits of the SSN and citizenship status matches are the sum of the costs avoided plus the defaulted student loan amounts collected due to more accurate SSNs is:

Cost Avoidance:	\$203,220,516
Improved Loan Collection:	+ \$7,564,380
Total Benefits:	\$210,784,896

C. Cost/Benefit Ratio

The ratio of total estimated costs to total estimated benefits is the sum of the measurable estimated costs divided by the sum of measurable estimated benefits:

Total Benefits:	\$210,784,896
Total Costs:	\$18,704,225
Cost to Benefit Ratio:	11.29*

* When the amount of the total estimated benefits is divided by the amount of the total estimated costs the ratio is 11.29. In other words, for every \$1 of cost, the benefit equals \$11.29.