

**COMPUTER MATCHING AGREEMENT
BETWEEN
THE SOCIAL SECURITY ADMINISTRATION (SSA)
AND
THE U. S. DEPARTMENT OF EDUCATION (ED)
Federal Student Aid (FSA)**

Match #1100

I. Purpose

This Computer Matching Agreement (CMA or Agreement) sets forth the terms, safeguards, and procedures under which the Social Security Administration (SSA) will disclose the Medical Improvement Not Expected (MINE) disability data of beneficiaries and recipients under Title II and Title XVI of the Social Security Act (Act) to the Department of Education (ED), Federal Student Aid (FSA). ED will use the MINE disability data to contact individuals who have balances on loans under Title IV of the Higher Education Act (HEA) of 1965, as amended, have had a Title IV loan written off due to default, or have an outstanding service obligation under the Teacher Education Assistance for Higher Education (TEACH) Grant Program and inform those borrowers and TEACH Grant recipients of the total and permanent disability (TPD) discharge process.

This matching program will assist ED in allowing borrowers of Title IV loans and recipients of TEACH Grants with service obligations who have disabilities, should they wish to do so, to more efficiently and effectively apply for TPD discharge of their Title IV loans or TEACH Grant Service obligations. ED will proactively send notices to Title IV borrowers and TEACH Grant recipients whom SSA has identified as disabled informing them that they may qualify for TPD discharge. The notices also will inform these borrowers and TEACH Grant recipients that ED will accept their matched MINE information in lieu of the submission of a MINE award letter with the borrower's or TEACH grant recipient's TPD application, thereby making it easier for them to submit a TPD application to ED. If Title IV student loan borrowers and TEACH Grant recipients do not apply for the TPD loan discharge, their SSA benefits may be offset to repay their Title IV loans or TEACH Grant.

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 Privacy Protections Amendments of 1990 (Privacy Act) (5 U.S.C. § 552a), and the regulations and guidance promulgated thereunder.

SSA's legal authority to disclose information under this CMA is section 1106 of the Act (42 U.S.C. § 1306), the regulations promulgated pursuant to that section (20 C.F.R Part 401), and the Privacy Act (5 U.S.C. § 552a(b)(3)).

ED's legal authority to enter into this CMA and to disclose information under this CMA is sections 420N(c), 437(a) (1), 455(a)(1), and 464(c)(1)(F)(ii & iii) of the HEA (20 U.S.C. §§ 1070g-2(c), 1087(a)(1), 1087e(a)(1)), and 1087dd((c)(1)(F)(ii & iii), the regulations promulgated pursuant to those sections (34 C.F.R §§ 674.61(b), 682.402(c) 685.213, and 686.42(b)), and the Privacy Act (5 U.S.C. § 552a(b)(3)).

III. Definitions

- A. "Borrower" means a person who has had a loan disbursed and is fully responsible to pay the loan and interest back to the loan holder under applicable student loan programs administered under the authority of Title IV of the HEA (20 U.S.C. § 1070, et seq.) or who have a Title IV Loan written off due to default. For purposes of this Agreement, the term "borrower" also includes an individual who is responsible for completing a service obligation in exchange for having received a TEACH Grant under the TEACH Grant Program authorized under Title IV of the HEA, Part A, Subpart 9 (20 U.S.C. § 1070g et seq.).
- B. "Contractor and/or Agent" 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.
- C. "Title IV Loan" means a loan made under Title IV of the HEA for the Federal Perkins Loan Program (20 U.S.C. § 1087aa et seq.), the William D. Ford Federal Direct Loan Program (20 U.S.C. § 1087a et seq.), the Federal Family Education Loan (FFEL) Program (20 U.S.C. § 1071 et seq.), or the Federal Insured Student Loan (FISL) Loan Program (20 U.S.C. § 1071 et seq.). For purposes of this Agreement, "Title IV Loan" also includes a TEACH Grant under the TEACH Grant Program authorized under Title IV of the HEA, Part A, Subpart 9 (20 U.S.C. § 1070g et seq.) if the TEACH grant recipient fails to complete their service obligation and the grant converts to a loan.

IV. Responsibilities of the Parties

- A. ED's Responsibilities:
1. ED will disclose to SSA the name, date of birth (DOB), and Social Security number (SSN) of borrowers who owe a balance on one or more Title IV Loans, from the National Student Loan Data System (NSLDS) (18-11-06), last published in full on June 28, 2013 (78 Federal Register (Fed. Reg.) 38963-38969) and last updated on April 2, 2014 (79 Fed. Reg. 18534-18536).
 2. ED will use the information obtained from SSA only for purposes set forth in this CMA, which are to contact borrowers with disabilities and inform those borrowers of the TPD process.

3. ED will request SSA verification only for those borrowers who have an outstanding Title IV Loan as identified in the NSLDS.
4. ED, as the recipient agency, will provide the appropriate Congressional committees and the Office of Information and Regulatory Affairs (OIRA) within the Office of Management and Budget (OMB) with notice of this matching program and will publish in the Federal Register the required notice of this matching program.

B. SSA's Responsibilities:

1. SSA will compare the data provided by ED with SSA data recorded in the following systems of records:
 - The Disability Control File (DCF), which originates from the Supplemental Security Income Record and Special Veterans Benefits (SSR/SVB), 60-0103, published at 71 Fed. Reg. 1830 on January 11, 2006 and updated on December 10, 2007, published at 72 Fed. Reg. 69723.
 - The Master Beneficiary Record (MBR) 60-0090, published at 71 Fed. Reg. 1826 on January 11, 2006 and updated on December 10, 2007 at 72 Fed. Reg. 69723 and on July 5, 2013 at 78 Fed. Reg. 40542.

An SSN must exist on the SSR or MBR for it to exist on DCF. The MBR is not directly involved in this process.

2. After such comparison:
 - If SSA matches a record based on SSN, name, and DOB in the DCF and the medical data indicates MINE status, SSA will provide ED the SSN, name, DOB, and an indicator of "Y."
 - If SSA matches a record based on SSN, name, and DOB in the DCF and the medical data does not indicate MINE status, SSA will not return any information to ED concerning that record.
 - If SSA matches a record based on SSN, but not on name or date of birth in the DCF, SSA will return an "N" indicator to ED.
 - If the SSN does not match any records contained in SSA's DCF, SSA will not return any information in the return file to ED. See the specified data elements described below in Article VI.B for more detail.

V. Justification and Anticipated Results

A. Justification:

The HEA requires the Secretary of Education to discharge Title IV Loans for borrowers who can demonstrate that they meet the statutory definition of being TPD.

Under the regulations implementing this statutory provision, to establish their eligibility for a TPD discharge, borrowers may document that SSA has designated their condition as MINE. Sharing information on MINE status for Title IV Loan borrowers would streamline the process for determining eligibility for this loan discharge, and for identifying and contacting borrowers who are eligible for the discharge, but have not applied to receive it. 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 reduce the time and administrative resources needed to review, and approve applications for a TPD Title IV Loan discharge. In addition, ED anticipates that the matching program will support outreach efforts to borrowers who are eligible for the discharge, but have not applied to receive it. This outreach better fulfills the statutory intent of releasing TPD borrowers from their obligation to repay their Title IV Loans and reduces ED's administrative costs by eliminating the need for ongoing loan servicing and collection efforts for these borrowers, who are often delinquent or in default due to their conditions. This method has been determined to be the most accurate and efficient means of accomplishing these purposes.

While there is no direct benefit from this matching program to SSA, the match will benefit SSA's beneficiaries and recipients whose Title IV Loans are eligible for TPD discharge because those individuals will not be subject to offset of their SSA benefits to repay the Title IV Loans.

B. Anticipated Results:

The match with SSA has streamlined the discharge approval process, easing the burden on borrowers who otherwise would need to formally document their eligibility. The match lessens the burden on disabled borrowers substantially. The match allows ED to identify borrowers who are potentially eligible for a TPD discharge, but unaware of their status. This information enables more borrowers to take advantage of this statutory discharge.

As a result of the match from December 2015 through October of 2017, ED discharged 124,000 borrowers with 376,000 loans totaling more than \$2,956,323,052. Under ED contracts as of September 2017, ED's Title IV Loan servicers receive \$1.51 a month for a borrower in repayment and current, even if that borrower is making a \$0 payment under an Income-Driven Repayment plan. Under the contract in place in September 2017, the contractor operating the Debt Management and Collection System receives \$0.97 a month for each defaulted borrower maintained on the system, regardless of whether payments are being made. We assume the number of TPD discharges per month remain at a consistent 2017 average of 11,184 borrowers per month or 134,206 annually. We split the 134,206 evenly between the servicing and collection systems and would remain active an average of 10 years-the standard budget scoring window-before being forgiven or written off as

uncollectable, discharging these loans in 2018 would reduce future operational and servicing and/or collection costs by \$12,159,245 (\$1.51 times 120 months times 67,103 borrowers) and reduce debt collection costs by \$7,810,906 (\$0.97 times 120 months times 67,103 borrowers). The total avoided operational and servicing and/or collection cost of \$19,970,151 over ten years, or \$1,997,015 per year of avoided costs per year far outweighs the administrative costs of the matching agreement. (For additional information on the Cost Benefit Analysis, see Attachment A).

VI. Description of Matched Records

A. Systems of Records:

SSA will disclose to ED information from the following systems of records:

- DCF, which originates from the SSR/SVB, 60-0103, published at 71 Fed. Reg. 1830 on January 11, 2006 and updated on December 10, 2007, published at 72 Fed. Reg. 69723.
- MBR, 60-0090, published at 71 Fed. Reg. 1826 on January 11, 2006 and updated on December 10, 2007 at 72 Fed. Reg. 69723 and on July 5, 2013 at 78 Fed. Reg. 40542.

ED will disclose to SSA information from, and maintain information obtained from SSA in, its system of records entitled "National Student Loan Data System (NSLDS) (18-11-06)", as last published in the Fed. Reg. in full on June 28, 2013 (78 Fed. Reg. 38963) and last updated on April 2, 2014 (79 Fed. Reg. 18534).

SSA and ED have determined that their systems of records contain appropriate routine use disclosure authority and that the use is compatible with the purpose for which the information was collected. ED will notify all borrowers in writing who match the SSA with a MINE rating equal to Y by an acknowledgement or letter informing them that their information matched in accordance with Article VIII of this CMA.

B. Specified Data Elements:

ED will transmit to SSA the name (last and first), DOB, and SSN for each borrower request. ED will send identifying information from the NSLDS database via Secure File Transfer Protocol (SFTP) using encryption that meets the requirements of Federal Information Processing Standards (FIPS) publication 140-2, "Security Requirements for Cryptographic Modules."

SSA will process the verification request and send a response to ED via SFTP using the FIPS-140-2 standards.

- If SSA matches a record based on SSN, name, and DOB in the DCF and the medical data indicates MINE status, SSA will provide ED the SSN, name, DOB and a “Y” indicator.
- If SSA matches a record based on SSN, name, and DOB in the DCF, but the medical data does not indicate MINE status, SSA will not return any information to ED.
- If SSA matches a record based on SSN, but not on name or DOB in the DCF, SSA will return an “N” indicator to ED.
- If the SSN does not match any records contained in SSA’s DCF, SSA will not return any information to ED.

C. Number of Records Involved:

ED projects that it will send requests to SSA each quarter for matching 45 million individual identifiers for those borrowers who have an outstanding Title IV Loan.

D. Frequency of Matching:

ED will transmit data to SSA via batch process on a quarterly basis. SSA will respond via a batch process within a week of receipt of the file.

VII. Accuracy Assessments

SSA does not have an accuracy assessment specific to MINE disability data alone; however, SSA annually conducts statistically valid quality assurance (QA) reviews. The quality review standard for QA reviews is a full review of all documents to ensure all aspects of the disability determination adhere to policy, including an evaluation of the diary. During the quality review process, if any diary is incorrect SSA will correct it to reflect the correct diary at the time of adjudication. Using this study, a review of Fiscal Year (FY)17 and FY18 data samples shows diary accuracy at approximately 98%-99% before our correction.

NSLDS is a large repository of student grant and loan information. The data reported to NSLDS comes from multiple entities including other FSA systems, schools, guaranty agencies, and Federal loan servicers. Before data is loaded to NSLDS, it must go through a series of edit validations to ensure the data being reported meets the published reporting requirements. For all NSLDS data providers who reported for both 2012 and 2013, the combined edit pass rate was 96.11 percent and for all NSLDS data providers who reported for both 2013 and 2014, the combined edit pass rate was 95.78 percent. These passage rates are based on the NSLDS 2013 Annual Data Quality Report, Version 1.0, dated April 14, 2014 and NSLDS 2014 Annual Data Quality Report, Version 0.1 Draft, dated March 27, 2015, respectively, published by NSLDS.

VIII. Procedures for Individualized Notice

ED will publish in the Federal Register a notice describing the matching program, as required by the Privacy Act. ED will also submit notice of the matching program to the OIRA within OMB and to appropriate Congressional committees, as required by the Privacy Act and implementing OMB guidance. ED will ensure that, each applicant for, or recipient of, applicable Title IV program assistance is provided with individualized notice that information provided on his or her application is subject to verification through matching programs. ED will send all borrowers who match the SSA data an acknowledgement or letter informing them that their information matched.

Not all applicants for/beneficiaries of Title IV Loans apply for, or are in receipt of, SSA program benefits such as Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) payments. SSA will notify all individuals who apply for, or are in receipt of, benefits that SSA will conduct computer matching. SSA will provide subsequent direct notice of computer matching to beneficiaries via annual cost of living notices.

IX. Verification Procedure and Opportunity to Contest

Once SSA identifies a borrower who is receiving SSI or SSDI disability payments as having a disability status of MINE, ED will contact borrowers of Title IV Loans and inform those individuals of the TPD discharge process .

If a borrower completes a TPD loan discharge application, ED will accept the MINE data matched information in lieu of requiring the borrower to submit SSA's award letter with a MINE designation.

ED will accept SSA's award letter with a MINE designation as evidence of TPD, rather than requiring a physician's certification.

ED cannot discharge a Title IV Loan, which may have tax consequences for the borrower, until/unless the borrower officially requests the discharge by completing a TPDdischarge application.

If a borrower is not identified by SSA as having a MINE status, the borrower still will have the option to submit a TPD loan discharge application and provide the required physician's certification in order to determine his or her eligibility for a TPD.

X. Procedures for Retention and Timely Destruction of Identifiable Records

A. ED will retain all records received from SSA data file(s) with identifiable information for 15 years after (annual) cut off following the payment, in full, of an applicable student loan account in accordance with the requirements of ED's Comprehensive Records Retention and Disposition Schedule, 051 National Student Loan Data System (NSLDS) (N1-441-09-20). At the conclusion of the mandatory retention

period, ED will destroy these records by electronic purging. This procedure is consistent with legal retention requirements established by ED in conjunction with the National Archives and Records Administration.

- B. SSA will automatically delete the ED input records upon processing completion and transmission of output records to ED and will record an indicator that the query was received and processed for auditing purposes.

XI. Records Usage, Duplication, and Redislosure Restrictions

- A. ED agrees to the following limitations on the access to, the disclosure of, and use of identifying information provided by SSA:
1. The information provided by SSA will be used within ED only to the extent necessary to achieve the purpose of notifying borrowers of potential disability discharge as stated herein and will not be used to extract information concerning individuals therein for any purpose not specified in this CMA.
 2. 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 he or she claims to be.
 3. ED will not use the SSA files to extract information about non-matched individuals for any purpose.
 4. ED will, in its contractual relationship with each contractor and/or agent, obtain the contractor's and/or agent's written agreement that it will abide by all of the use and redislosure restrictions and security requirements in this CMA.
 5. ED will identify and provide, upon request, a current list of contractors' and agents' employees who will have access to the information 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 will certify, via a written communication on ED letterhead, to SSA that these contractors and/or agents are acting on behalf of ED to administer or assist in administering the FSA programs. ED agrees that its contractors and/or agents will, upon request, provide a list of employees who no longer have access to the information under this CMA.

6. 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 TPD program, as well as when required by law, including to support criminal investigations or prosecutions based on applications 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, the disclosure of, and use of name, DOB, and SSN data provided by ED:
1. The data provided by ED remains the property of ED and will be destroyed by SSA when no longer needed to provide information to ED.
 2. The information supplied by ED will be used within SSA only for the purposes of, and to the extent necessary in, the administration of the TPD discharge process covered by this CMA.
 3. Other than for the purposes of this CMA, SSA will not store or create additional files of ED information. SSA will only mark a matching record where the name, SSN, DOB, and MINE data matched.
 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 for which purpose SSA will keep a copy of the ED file for approximately six months. 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.
 5. SSA will be permitted to duplicate records only where the name, DOB, SSN, and MINE data matched the information provided by ED for the sole purpose of backing up SSA's system containing the data.
 6. SSA will obtain from any contractor or agent that has access to ED's data a written agreement that it will abide by all of the use and redisclosure restrictions and security requirements in this CMA.
 7. SSA will identify and provide, upon request, a current list of contractors' and agents' employees, who will have access to the information 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 will certify, via a written communication on SSA letterhead, to ED that these contractors and/or agents are acting on behalf of SSA to administer or assist in administering the Act programs. SSA agrees that its contractors and/or agents will, upon request, provide a list of employees who no longer have access to the information under this CMA.

8. 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 the Federal Information Security Management Act (FISMA), 44 U.S.C. Chapter 35, Subchapter II, as amended by the Federal Information Security Modernization Act of 2014 (Pub. L. 113-283); related Office of Management and Budget (OMB) circulars and memoranda, such as Circular A-130, Managing Information as a Strategic Resource (July 28, 2016); OMB M 17-12, "Preparing for and Responding to a Breach of Personally Identifiable Information;" the Privacy Act; National Institute of Standards and Technology (NIST) directives related to cybersecurity (the SP-800 series); and the Federal Acquisition Regulations (FAR), 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 personally identifiable information (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 subsequent to 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.

A. Incident Reporting:

Upon detection of a security incident or PII breach related to this CMA, the agency experiencing the incident will promptly notify the other agency's System Security Contact(s) named in this CMA. SSA will promptly notify the following FSA contacts in the order listed, until a successful notification has been made: National Student Loan Data System Owner's Primary Representative or National Student Loan Data System Information System Security Officer (ISSO).

If the agency experiencing the incident is unable to speak with the other agency's System Security Contact within one hour or if for some reason contacting the System

Security Contact is not practicable (e.g., outside of normal business hours), then the following contact information shall be used:

SSA:

- National Network Service Center: 1-877-697-4889

ED/FSA:

- EDCIRC: EDSOC@ed.gov: 202-245-6550

If either SSA or ED experience a loss or breach of PII provided by SSA or ED under the terms of this CMA, they will follow the incident reporting guidelines issued by OMB. In the event of a reportable incident under OMB guidance involving PII, the agency experiencing the incident is responsible for following its established procedures, including notification to the proper organizations (e.g., United States Computer Emergency Readiness Team, the agency's privacy office). ED and SSA also will notify the security contact(s) named in this CMA as soon as possible, but no later than one hour after the discovery of a breach involving PII. The agency that experienced the incident will be responsible for following its established procedures, including notifying the proper organizations (e.g., United State Computer Emergency Readiness Team (US-CERT), the ISSOs and other contacts listed in this document), conducting a breach and risk analysis, and making a determination of the need for notice and/or remediation to individuals affected by the loss. If the agency's analysis indicates that an individual notice and/or remediation is appropriate, the agency that experienced the incident will be responsible for providing such notice and/or remediation without cost to the other agency.

B. Administrative Safeguards:

SSA and ED will restrict access to the data matched and to any data created by the match to only those authorized employees and officials 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.

C. 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. 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.

D. 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 his or her official duties.

E. Application of Policy 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

F. Onsite Inspection:

SSA and ED have the right to monitor the other agency's compliance with FISMA and OMB requirements. Both agencies have the right to make onsite inspections for auditing compliance, if necessary, for the duration or any extension of this CMA. If either party elects to complete an onsite inspection, the auditing agency will provide the other advanced written notice of any onsite inspection and the parties will set a mutually agreeable date for such inspection.

XIII. Comptroller General Access

The Government Accountability Office (Comptroller General) may have access to all ED and SSA records, as necessary, in order to verify compliance with this CMA.

XIV. Reimbursement

Subject to availability of appropriations for fiscal years beyond FY 2019, 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 Attachment A, the Cost Benefit Analysis. Transfer of funds will be by means of the Intragovernmental Payment and Collection (IPAC) system.

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 Forms ED 7600A, 7600B and SSA 1235. Accordingly, executed ED 7600A, 7600B and SSA1235 provide authorization for SSA to incur obligations by performing services under this CMA only on a FY (October 1 through September 30) or partial FY basis coinciding with the initial duration and the renewal of this CMA. Accordingly, executed ED7600A, 7600B and SSA 1235 provide authorization for SSA to perform services

under this CMA in FY 2019. Since SSA's performance under this CMA spans multiple FYs, the parties will sign another SSA-1235 and ED-7600A and 7600B on or before the commencement of each FY, which will identify reimbursable cost estimates for that FY. SSA's ability to perform work for FYs beyond FY 2019 is subject to the availability of funds.

SSA will collect funds from ED during FY 2019 through the IPAC system on a quarterly basis, sufficient to reimburse SSA for the costs it has incurred for performing services through the date of billing. A copy of the IPAC billing or invoice and all original supporting documentation will be emailed to ED no later than five 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. Additionally, at least quarterly, the parties will reconcile balances related to revenue and expenses for work performed under the CMA.

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 Agreement

A. Effective Date:

The life of this CMA is estimated to cover the 18-month period from June 14, 2018, through December 13, 2019. However, the effective date of this CMA and the date when the match may begin shall be whichever date is the latest of the following three dates: (1) the date of the last signatory to this CMA as set forth in Article XIX, below; (2) at the expiration of the 30-day public comment period following ED's publication of notice of this matching program in the Federal Register, assuming that ED receives no public comments or receives public comments but makes no changes to the Matching Notice as a result of the public comments, or 30 days from the date on which ED publishes a Revised Matching Notice in the Federal Register, assuming that ED receives public comments and revises the Matching Notice as a result of public comments; or (3) at the expiration of the 60-day period following ED's transmittal of a report concerning the matching program to OMB and to the appropriate Congressional Committees, along with a copy of this agreement, unless OMB waives any of this 60-day review period for compelling reasons, in which case,

60 days minus the number of days waived by OMB from the date of ED's transmittal of the report of the matching program. If the latest date occurs on a non-business day, then that date will be counted for purposes of this paragraph as occurring on the next business date.

B. Duration:

This CMA will be in effect for an initial period of 18 months.

C. Renewal:

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

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

If either party does not want to continue this program, it must notify the other party of its intention not to continue at least 90 days before the expiration 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 later specified in the notice.

If ED cancels the agreement, 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 of this Agreement 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; or
3. Has reason to believe that the other party has breached the terms of this CMA for security of data. If so, the parties agree that they will immediately notify the party

believed to have breached the terms for security as to the basis of the belief and the intent to unilaterally suspend this CMA. The notice provided will ensure that the two agencies discuss the suspected violation, thereby preventing an unintended denial of Federal benefits to applicants based solely upon a belief of a violation or failure to abide by the terms of the CMA. If either party suspends the Agreement 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 shall be resolved in accordance with instructions provided in the Treasury Financial Manual Volume I, Part 2, Chapter 4700, Appendix 10, *Intragovernmental Transaction Guide*.

XVII. Persons to Contact

A. SSA Contacts:

Matching Agreement Issues

Kim Cromwell, Government Information Specialist
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Project Coordinator

Rona Demb, Project Coordinator
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Office of Data Exchange
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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:

Computer Security Issues

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U.S. Department of Education
Federal Student Aid
Technology Office
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Washington, DC 20202-5454
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Email: Daniel.Commons@ed.gov

Systems Security Issues

Dev Nayak, System Owner's Primary Representative
Business Technical Lead, NSLDS
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Federal Student Aid, Business Operations
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Tammy Morton, ISSO
NSLDS
U.S. Department of Education
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Billing Financial Issues

ED Finance Office
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Program Agreement Issues Contact

Brenda Seidel, Management and Program Analyst
Operations Services Division
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XVIII. Integration

This CMA, including Attachment A, and the accompanying Forms SSA-1235, ED 7600A, and ED 7600B constitute the entire Agreement of the parties with respect to its subject matter and supersede all other data exchange agreements made between SSA and ED that pertain to the disclosure of the specified SSA data for the purposes described in this CMA. SSA and ED have made no representations, warranties, or promises outside of this Agreement. This CMA takes precedence over any other agreements that may be in conflict with it.

XIX. Authorized Signatures

The signatories below warrant and represent that they have the competent authority on behalf of their respective agencies to enter into the obligations set forth in this CMA.

SOCIAL SECURITY ADMINISTRATION

Norma Sallowell for

Monica Chyn

Monica Chyn
Acting Deputy Executive Director
Office of Privacy and Disclosure
Office of the General Counsel

5-14-2018

Date

SSA's DIB has reviewed and approves this CMA. In accordance with OMB's Final Guidance Interpreting the Provisions of Public Law 100-503, the Computer Matching and Privacy Protection Act of 1988," 54 Fed. Reg. 25818 (June 19, 1989), the Board also has determined that it is appropriate to compress the due process steps of verification and notice and wait into a single step.

Norma Sallowell for

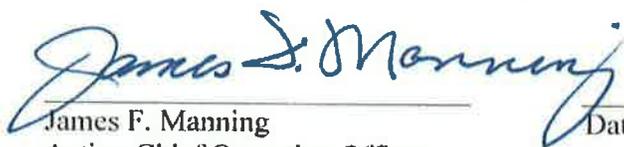
Mary Ann Zimmerman

Mary Ann Zimmerman
Acting Chair, Data Integrity Board
Social Security Administration

6-8-18

Date

U. S. DEPARTMENT OF EDUCATION

 5/25/18
Date
James F. Manning
Acting Chief Operating Officer
Federal Student Aid
U.S. Department of Education

ED's DIB has reviewed and approves this CMA. In accordance with OMB's Final Guidance Interpreting the Provisions of Public Law 100-503, the Computer Matching and Privacy Protection Act of 1988," 54 Fed. Reg. 25818 (June 19, 1989), the Board also has determined that it is appropriate to compress the due process steps of verification and notice and wait into a single step.

 5/31/18
Date
Angela Arrington
Acting Senior Agency Official for Privacy
Chair, Data Integrity Board
U.S. Department of Education

Attachment:

Attachment A: Cost Benefit Analysis

Attachment A

COST BENEFIT ANALYSIS – COMPUTER MATCHING PROGRAM

This Cost Benefit Analysis estimates the costs and benefits associated from matching Social Security Administration (SSA) and the U.S. Department of Education (ED) records. More specifically, names, date of birth, and Social Security numbers of Title IV Loan borrowers, will be submitted by ED to SSA, which will then return information on borrowers who have received a disability designation of Medical Improvement Not Expected (MINE) under the Social Security Act (Act), Title II Federal Old-Age, Survivors and Disability Insurance Benefits (42 U.S.C §§ 401-434) and Title XVI Supplemental Income for the Aged, Blind and Disabled (42 U.S.C §§ 1381-1383f). ED will use the MINE disability data to identify and reach out to borrowers who could be eligible for a total and permanent disability (TPD) discharge, as well as to expedite the processing of TPD applications.

Analytical Data and Assumptions

The costs of this matching program consist of processing costs at SSA to produce the match, and management, documentation, tracking activities, and certain fixed costs (supplies, phone, postage, etc.). It is assumed that one (1) analyst—listed as the Operational Subject Matter Expert (SME) in the table below—will spend approximately ten (10) percent of his/her time on work related to this computer matching program. This evaluation is based on other, similar matches performed during fiscal year (FY) 2017.

A. ADMINISTRATIVE COSTS

I.	FY 2017 SSA PROCESSING COSTS:	\$26,477
II.	FY 2017 ED STAFF COSTS:	\$17,912
	FY17 ED Reimbursement to SSA for quarterly match	\$ 5,800

STAFF	HOURS/YEAR	RATE	TOTAL
System Security Officer	16	\$43	\$688
Operational SME	210	\$47	\$9,870
Operational Manager	12	\$65	\$780
FSA Contracts	50	\$52	\$2,600
FSA Contracts	50	\$37	\$1,850
OCIO/IA	24	\$56	\$1,344
		\$	\$
Office of General Counsel	10	\$78	\$780
TOTAL			\$17,912

TOTAL ADMINISTRATIVE COSTS: \$50,189

B. BENEFITS

Under the student loan programs authorized under Title IV of the HEA, borrowers are eligible to have their loans discharged if they are determined to be totally and permanently disabled. Under FSA old paper process, 24,592 TPD discharges were approved based on a borrower's SSA disability status between September 1, 2014, and August 31, 2015. The match with SSA has streamlined the discharge approval process, easing the burden on borrowers who otherwise need to formally document their eligibility through the provision of SSA disability determinations or doctor's certifications. In 2017, ED discharged 134,206 borrowers with a total of 480,766 loans totaling more than \$3,355,319,479 in outstanding loans. The match process lessens the burden on disabled borrowers substantially, as the process for obtaining documentation materials to certify their eligibility from SSA regional offices can be difficult and time-consuming.

In addition, the match allows ED to identify borrowers who are potentially eligible for a TPD discharge, but unaware of their status. This information is used to inform outreach efforts that have led to an increased awareness of the TPD discharge process and enabled more borrowers to take advantage of this statutory discharge. In the absence of the SSA data, we do not have a basis for estimating the size of the potentially eligible borrower population; if we assume a 25 percent increase over our most recent annual TPD discharge data, the match would result in an additional 33,552 borrowers receiving a TPD discharge based on their SSA disability status in 2018. The average Title IV Loan amount discharged during 2017 was \$25,001. Multiplying this figure by the estimated increase in the number of TPD discharges results in anticipated additional discharge costs of \$838,833,552. Because borrowers qualifying for a TPD discharge are highly unlikely to have sufficient income to successfully repay their loans, in virtually all cases the additional loans discharged as a result of a match would otherwise either default or be forgiven under an income-driven repayment (IDR) plan. As a result, the additional amounts discharged via TPD do not represent new costs, but rather a shift of anticipated costs from one category to another.

In addition, a TPD discharge is preferable for the government to either a default or IDR-related forgiveness as it will eliminate years of servicing and/or collection costs on loans for which payments are not being made and cannot reasonably be expected to be made. Under ED contracts as of September 2017, Title IV Loan servicers receive \$1.51 a month for a borrower in repayment and current, even if that borrower is making a \$0 payment under an IDR plan. Under the contract in place in September 2017, the vendor operating the Debt Management and Collection System receives \$0.97 a month for each defaulted borrower maintained on the system, regardless of whether payments are being made. If we assume the number of discharges per month remain at a consistent 2017 average of 11,184 borrowers per month or 134,206 annually, we split the 134,206 evenly between the servicing and collection systems and would remain active an average of 10 years—the standard budget scoring window—before being forgiven or written off as uncollectable, discharging these loans in 2018 would reduce future servicing costs by \$12,159,245 (\$1.51 times 120 months times 67,104 borrowers) and reduce debt collection costs by \$7,810,906 (\$.97 times 120 months times 67,104 borrowers). The total avoided servicing and/or collection cost of \$19,970,151 over ten years or \$1,997,015 of avoided costs per year outweighs the

administrative costs of the matching agreement, including the cost of the quarterly match with SSA. (This amount would change if the match is more or less successful than assumed in increasing the number of TPD discharges, or if the future terms of the servicing and collection contracts differ from those reflected in this analysis.)

C. COST/BENEFIT RATIO

For the purposes of the cost/benefit ratio, the benefit calculation includes the estimated servicing and collection costs avoided as a result of the match (\$19,970,151 divided by 10 years or \$1,997,015 per year).

$$\frac{\text{TOTAL ANNUAL COSTS}}{\text{AVERAGE ANNUAL BENEFITS}} = \frac{\$50,189}{\$1,997,015}$$

$$\text{Cost to Benefit Ratio} = 0.03$$