

**AMENDED INFORMATION EXCHANGE AGREEMENT
BETWEEN
THE DEPARTMENT OF EDUCATION
AND
THE SOCIAL SECURITY ADMINISTRATION
FOR AGGREGATE EARNINGS DATA**

**ED Agreement No. 10012
SSA IEA No. 325**

I. Purposes

This Amended Information Exchange Agreement establishes the conditions, safeguards, and procedures under which the Social Security Administration (SSA) will disclose to the Department of Education (ED) certain aggregate earnings information, in a form that cannot be associated with, or otherwise identify, directly or indirectly, a particular individual. ED will use this information to provide aggregate disclosures of earnings information to the public to assist them in evaluating institutions that participate in the federal student aid programs authorized under Title IV of the Higher Education Act of 1965, as amended (HEA), and programs at those institutions that enroll students who receive HEA funds. ED will also use the information to consider policy options for revising the regulations for programs that are required to prepare students for gainful employment in recognized occupations, and through those regulations to determine each educational aid program's institutional eligibility as measured under 34 C.F.R. Part 600.

Because SSA will provide ED with aggregate, statistical data without any personal identifiers, this information exchange is not a "matching program" as that term is defined in the Privacy Act of 1974, as amended (5 U.S.C. 552a(a)(8)).

The responsible component in SSA for this data exchange is the Office of Data Exchange Programs.

The responsible component in ED for this data exchange is the Office of Federal Student Aid, Policy Liaison and Implementation.

II. Legal Authority

The legal authority for ED to enter into this agreement is Section 431 of the General Education Provisions Act (GEPA) (20 U.S.C. § 1231a) (gathering program data and informing the public); Section 111(b)(1)(C) of the Education Sciences Reform Act of 2002 (20 U.S.C. § 9511(b)(1)(C)) (evaluating effectiveness of educational programs); Section 132(i) of the HEA (20 U.S.C. § 1015a(i)) (promoting availability of institutional information); and Sections 101 and 102 of the HEA (20 U.S.C. § 1101) (evaluating programs preparing students for gainful employment in recognized occupations).

The legal authority for SSA to provide the information and services under this agreement is section 1106 of the Social Security Act (42 U.S.C. § 1306). The earnings information disclosed under this agreement is in form that cannot be associated with, or otherwise identify, directly or indirectly, a particular individual or taxpayer and, therefore, is not "return information" as defined in the Internal Revenue Code, 26 U.S.C. § 6103(b)(2).

III. Definitions

- A. "EARN" is a process to extract earnings information from the Master Earnings File.
- B. "EVS" is the Enumeration Verification System that accesses the NUMIDENT file and validates the incoming Social Security Number (SSN), name, and date of birth (DOB).
- C. "Mean" is the mathematical average of all numbers in a set. This computation includes the use of \$0 earnings.
- D. "Median" is the middle value in a set of numbers. This value includes the use of \$0 earnings.
- E. "MEF" is the Master Earnings File containing the amount of an individual's earnings from wages and self-employment, which constitutes the individual's return information.
- F. "NUMIDENT" is a sub- file of the Master Files of SSN Holders and SSN Applications containing information on all individuals who have ever submitted an application for an SSN.

IV. Responsibilities of the Parties

- A. ED
 - 1. ED will provide SSA with the names, DOB, SSN, and requested earnings report year of students who were enrolled in, or graduated from educational institutions that participate in the federal student aid programs. ED will provide this information in a file or files, approximately four (4) times a year, pursuant to the procedures set out in the Business Requirements Social Security Interface document Version 2.0, dated April 15, 2013, **Attachment A** to this agreement. This file or files will contain a minimum of 10 individuals per group provided to SSA.
 - 2. ED will submit information for approximately 17,500 programs or groupings, and for approximately 6,000 institutions that participate in the federal student aid programs.

B. SSA

1. SSA will verify the submitted SSNs via EVS using the name, DOB, and SSN for individuals in the file(s) provided by ED. If SSA cannot verify the SSNs via EVS, it will not use the data set for those individuals in extracting the earnings data.
2. Using the verified SSNs, SSA will extract their earnings data from the MEF and compute aggregate earnings data by specific group as provided by ED for the requested earnings report year. Verified SSNs with the presence of a death indicator will not be included in the aggregate computations. From the computation, SSA will provide ED with a file of ED identified groups, the number of verified individuals in each group, the number of verified individuals with \$0 earnings in each group, the number of unverified individuals in each group, the earnings report year, the mean and median income information of individuals in each group, and the threshold indicators, each of which can be provided so long as the numbers and mean and median information is in a form that cannot be associated with, or otherwise identify, directly or indirectly, a particular individual.
3. If SSA determines that any errors were made in the data provided to ED under this agreement, SSA will notify ED as soon as possible, but no later than 3 business days thereafter, and include with that notification a description of the error in enough detail to enable ED to determine whether to request a new calculation of the earnings data.

V. **Description of the Records to be Matched**

A. Systems of Records (SOR)

1. SSA

SSA will match ED data with the Master Files of Social Security Number (SSN) Holders and SSN Applications (Numident), System No. 60-0058, last published 75 Federal Register (FR) 82121 (December 29, 2010) and the Earnings Recording and Self-Employment Income System, SSA/OEEAS 09-60-0059.

2. ED

ED will provide SSA with a finder file from the ED SOR, entitled the National Student Loan Data System (18-11-06), last published in the Federal Register on June 24, 2011 (76 FR 37095-37100). ED will amend this SOR before disclosing to SSA a finder file for the purpose of calculating aggregate earnings information for institutions based on students who enrolled in their Title IV, HEA programs.

Prior to any disclosure of a record from the SORs specified in this Section, the SORs associated with that disclosure will have routine uses permitting such disclosure.

B. Number of Records

ED will send an annual finder file to SSA via batch mode. The finder file will contain the identifying information for approximately 6.3 million records representing participants enrolled in educational programs at institutions participating in the federal student aid programs.

C. Data Elements

1. ED's file will consist of the name, DOB, SSN, and the requested earnings report year of each student in groups that represent either educational aid programs, or collections of educational programs grouped by institutions offering those programs, for which ED is seeking aggregate earnings data. The groups will not identify the specific programs or institutions associated with those students, but will instead use identifiers assigned by ED to each group.
2. SSA's return file will consist of a file of ED identified groups, the number of individuals whose information was verified and used in the calculation for each group, the number of verified individuals with \$0 earnings in each group, the number of unverified individuals whose information was not used in the calculation for each group, the earnings report year, the mean and median income information of individuals in each group, and threshold indicators in a form that cannot be associated with, or otherwise identify, directly or indirectly, a particular individual.

D. Education Records

ED's file will contain personally identifiable information (PII) from students' education records that is protected by the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g and 34 C.F.R. Part 99. Pursuant to 20 U.S.C. §§ 1232g(b)(1)(C) and (3) and 34 C.F.R. §§ 99.31(a)(3) and 99.35, ED designates SSA to be ED's authorized representative, solely for the purpose of providing aggregate and statistical data under this agreement to assist ED in providing information to the public about educational programs and the institutions offering those programs, to formulate policies to evaluate programs under ED's regulations, and to establish and enforce requirements for programs that prepare students for gainful employment in recognized occupations.

VI. **Procedures for Retention and Timely Destruction of Identifiable Records**

The data files exchanged under this agreement remain the property of the providing agency. SSA will retain the electronic files received from ED only for the time required for any processing related to the information exchange under this agreement and will

electronically dispose of the data. SSA will destroy the data received from ED under this agreement after completing the information exchange activity under this program. Within 30 days after the expiration or termination under section XI of this agreement, SSA will destroy the data received from ED under this agreement.

The data files SSA provides to ED will contain no personally identifiable records. Neither SSA nor ED will create a separate file or system that consists solely of information concerning those individuals involved in this information exchange.

VII. Security Procedures

SSA and ED will comply with the requirements of the Federal Information Security Management Act (FISMA), 44 U.S.C. §§ 3541-3549; related Office of Management and Budget (OMB) circulars and memoranda, such as Circular A-130, Management of Federal Information Resources (Nov. 28, 2000), and Memorandum M-06-16, Protection of Sensitive Agency Information (June 23, 2006); National Institute of Standards and Technology (NIST) directives; and the Federal Acquisition Regulations. 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 these laws, regulations, NIST standards, and OMB directives, including those published subsequent to the effective date of this agreement.

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 with FISMA requirements.

A. Loss Reporting

Each agency will follow its own security procedures to respond to a loss of PII by that agency, or in response to notification from the other agency about a loss of PII. If either agency experiences a loss of PII provided by the other agency under this agreement, the agency experiencing the loss of PII will follow the OMB loss reporting guidelines (OMB M-06-19, "Reporting Incidents Involving Personally Identifiable Information and Incorporating the Cost for Security into IT Investments") and notify the United States Computer Emergency Readiness Team (US-CERT) within one hour of discovering the incident. In addition, the agency experiencing the loss of PII will notify the other agency's Information Security Contact named in this agreement. If ED is unable to speak with the SSA Information Security Contact within one hour or if for some other reason notifying the SSA Information Security Contact is not practicable (e.g., it is outside of the normal business hours), ED will call SSA's Network Customer Service Center toll free at 1-877-697-4889. If SSA is unable to speak with ED's Systems Security Contact within one hour, SSA will contact the alternate Information Security Contact listed in this agreement.

B. Breach Notification

SSA and ED will follow PII breach notification policies and related procedures as required by OMB M-07-16 (May 22, 2007). If the agency that experienced the PII breach determines that the risk of harm requires notification to affected individuals and/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 provided or created under this agreement 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 agreement. Further, SSA and ED will advise all personnel who have access to the data of the confidential nature of the data, the safeguards required to protect the data, and criminal sanctions for noncompliance contained in the applicable Federal laws.

D. Physical Safeguards

SSA and ED will store the data provided or created under this agreement in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours or when not in use (e.g., door locks, card keys, biometric identifiers, etc.). Only authorized personnel will transport the data provided or created under this agreement. 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 provided or created under this agreement 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. Electronic files will be encrypted using the FIPS 140-2 standard and, to the extent possible, will be interoperable with ED's personal identity verification logical access control card (PIV LAC) for Government Employees and support contractors authorized to have an HSPD-12 card. Systems personnel must enter unique identification and authentication information when accessing data on the agencies' systems.

F. 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 agreement. SSA and ED will comply with these guidelines and any subsequent revisions.

G. Onsite Inspection

SSA and ED have the right to monitor the other party's compliance with FISMA and OMB M-06-16 requirements and to make onsite inspections of the other party for purposes of auditing compliance, if necessary, during the lifetime or any renewal of this agreement.

VIII. Records Usage, Duplication and Redisclosure Restrictions

- A. SSA and ED will use and access the data only for the purposes described in this agreement.
- B. Neither SSA nor ED will extract information from the electronic data files concerning the individuals described therein for any purpose not stated in this agreement.
- C. Except as provided in this agreement, SSA will not duplicate or disseminate the data provided by ED without ED's permission. ED shall not give such permission unless law requires such redisclosure. In such cases, SSA will specify in writing to ED what records it will redisclose if permission is given, to whom, and the reasons that justify the redisclosure. Because the information provided by SSA to ED under this agreement is not personally identifiable information, ED may disseminate the information without restriction under the authority delegated to ED in the Higher Education Act of 1965, as amended.

IX. Comptroller General Access

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

X. Reimbursement

Prior to any performance of information exchange activities under this agreement, the parties will execute a Form SSA-1235 for fiscal year (FY) 2013 that will cover the estimated reimbursable amounts and ED will pay that amount using ED form BS-008. SSA will collect, through the Intra-Governmental Payment and Collection (IPAC) system, on a quarterly basis, the amounts sufficient to reimburse SSA for the costs incurred for performing services through the date of billing. SSA will mail a copy of the IPAC billing and all original supporting documentation to ED at the FSA Accounting and Finance contact identified in this agreement, no later than five (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. Additionally, at least quarterly, the parties will reconcile balances related to revenue and expenses for work performed under the agreement.

This agreement does not authorize SSA to incur obligations through the performance of the services described herein. Only the execution of Form SSA-1235, Agreement Covering Reimbursable Services, authorizes the performance of such services. Accordingly, made part of this agreement, is an executed Form SSA-1235 that provides authorization for SSA to perform services under this agreement in FY 2013. Because this agreement spans multiple fiscal years, SSA will prepare a new Form SSA-1235 prior to the beginning of each succeeding fiscal year that this agreement remains in effect. SSA's ability to perform work beyond FY 2013 is subject to the availability of funds.

XI. Duration and Modification of the Agreement

- A. Effective Date: The effective date of this agreement is May 24, 2013.
- B. Duration: The duration of this agreement is 5 years, expiring on May 24, 2018.
- C. Modification: The parties may modify this agreement at any time by a written modification agreed upon by both parties.
- D. Termination: The parties may terminate this agreement at any time with the consent of both parties. Either party may unilaterally terminate this agreement upon written notice to the other party, in which case the termination shall be effective 90 days after the date of that notice or at a later date specified in the notice. If ED terminates the agreement, SSA is authorized to collect costs incurred prior to the effective date of the termination plus any termination costs.

Either party may make an immediate, unilateral termination of this agreement if either agency has determined that there has been: 1) an unauthorized use of the information by the other party or 2) a violation of, or failure to follow, the terms of this agreement. Either party also may make an immediate, unilateral suspension of this agreement if either agency suspects that the other agency breached the terms for security of data until such time either agency makes a definite determination regarding a breach. If either party unilaterally terminates or suspends this agreement, it shall notify the other party in writing within three business days, and provide written notice to the other party describing the basis for that action within five business days following the termination or suspension.

XII. Disclaimer

Each party to the agreement 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 is subject to the limitations and qualifications, if any, transmitted with such information. If SSA must re-perform the services because of any errors in the information that SSA submits to ED or any loss or destruction of data that is attributable to SSA, SSA will provide ED with written notification of the additional costs for the services, the reason(s) why SSA will incur the additional costs, and steps that SSA has taken to ensure that ED will not have to pay again for the re-performance of the same

services in the future. ED will reimburse SSA for such additional costs as part of the full costs incurred by SSA in compiling and furnishing data to ED.

XIII. Dispute Resolution

Disputes related to this agreement will be resolved in accordance with instructions provided in the Treasury Financial Manual (TFM) Volume I, *Intragovernmental Business Rules* Bulletin, available on the TFM Web site at <http://www.fms.treas.gov/tfm/vol1/bull.html>.

XIV. Interconnection Security Agreement

SSA and ED will jointly develop and sign an Interconnection Security Agreement to document the technical details of the interconnection of their systems.

XV. Integration Clause

This agreement, the accompanying Form SSA-1235, ED Form BS-008, and the Interconnection Security Agreement constitute the entire agreement of the parties with respect to its subject matter and supersede all other data exchange agreements between the parties that pertain to the disclosure of identity information made between SSA and ED for the purposes described herein. This agreement amends, supersedes, and replaces in its entirety the Information Exchange Agreement No. 10012 between the parties, dated effective as of January 16, 2012. There have been no representations, warranties, or promises made outside of this agreement. This agreement will take precedence over any other documents that may be in conflict with it.

XVI. Persons to Contact

A. ED Contacts

Systems Issues

Valerie Sherrer, Director
Systems Integration Division
US Department of Education
Federal Student Aid
830 First Street NE
Washington, D.C. 20202
Ph: 202.377.3547
Email: Valerie.Sherrer@ed.gov

Operational Issues

Keith Wilson, NSLDS System Owner
US Department of Education
Federal Student Aid
830 First Street NE
Washington, D.C. 20202