



4000-01-U

DEPARTMENT OF EDUCATION

Privacy Act of 1974; System of Records

[Docket ID ED-2016-OM-0108]

AGENCY: Office of Management, Department of Education.

ACTION: Notice of an altered system of records.

SUMMARY: In accordance with the Privacy Act of 1974, as amended (Privacy Act), the Department of Education (the Department or ED) publishes this notice of an altered system of records entitled "Student Loan Repayment Benefits Case Files" (18-05-15). The system contains records and related correspondence on employees who are being considered for student loan repayment benefits under the Department's Personnel Manual Instruction 537-1 entitled "Repayment of Federal Student Loans," as well as individuals who have been approved for and are receiving such benefits. The information maintained in the system of records entitled "Student Loan Repayment Benefits Case Files" consists of one or more of the following: request letters from selecting officials or supervisors with supporting documentation; employees' (or potential employees') names, home and work addresses, Social Security numbers, student loan account numbers, loan balances, repayment schedules, repayment histories, and repayment status; and the loan holders' names, addresses, and telephone numbers. The information that will be

maintained in the altered system of records will be collected through various sources, including directly from the individual to whom the information applies, lending institutions holding student loans for the individual to whom the information applies, officials of the Department, and official Department documents.

DATES: Submit your comments on this altered system of records notice on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

The Department filed a report describing the altered system of records covered by this notice with the Chair of the Senate Committee on Homeland Security and Governmental Affairs, the Chair of the House Committee on Oversight and Government Reform, and the Administrator of the Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), on December 15, 2016. This altered system of records will become effective on the later of: (1) the expiration of the 40-day period for OMB review on January 24, 2017 unless OMB waives 10 days of the 40-day review period for compelling reasons shown by the Department; or (2) [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER], unless the altered system of records notice needs to be changed as a result of public comment or OMB review. The

Department will publish any changes resulting from public comment or OMB review.

ADDRESSES: Submit your comments through the Federal eRulemaking Portal or via postal mail, commercial delivery, or hand delivery. We will not accept comments submitted by fax or by email or those submitted after the comment period. To ensure that we do not receive duplicate copies, please submit your comments only once. In addition, please include the Docket ID at the top of your comments.

- Federal eRulemaking Portal: Go to www.regulations.gov to submit your comments electronically. Information on using Regulations.gov, including instructions for accessing agency documents, submitting comments, and viewing the docket, is available on the site under the "help" tab.

- Postal Mail, Commercial Delivery, or Hand Delivery: If you mail or deliver your comments about this altered system of records, address them to: Cassandra Cufee-Graves, Director, Office of Human Resources, Learning and Development Division, U.S. Department of Education, 400 Maryland Avenue, SW., Washington, DC 20202-4573.

Privacy Note: The Department's policy is to make all comments received from members of the public available for public viewing in their entirety on the Federal eRulemaking Portal at www.regulations.gov. Therefore, commenters should be careful to

include in their comments only information that they wish to make publicly available.

Assistance to Individuals with Disabilities in Reviewing the Rulemaking Record: On request, we will supply an appropriate aid, such as a reader or print magnifier, to an individual with a disability who needs assistance to review the comments or other documents in the public rulemaking record for this notice. If you want to schedule an appointment for this type of aid, please contact the person listed under FOR FURTHER INFORMATION CONTACT.

FOR FURTHER INFORMATION CONTACT: Cassandra Cufee-Graves, Director, Office of Human Resources, Learning and Development Division. Telephone: (202) 453-5588.

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), you may call the Federal Relay Service (FRS) at 1-800-877-8339.

SUPPLEMENTARY INFORMATION:

Introduction: The Privacy Act (5 U.S.C. 552a) requires the Department to publish in the Federal Register this notice of an altered system of records maintained by the Department. The Department's regulations implementing the Privacy Act are contained in the Code of Federal Regulations (CFR) in 34 CFR part 5b. The Privacy Act applies to information about an individual that contains individually identifiable information

that is retrieved by a unique identifier associated with each individual, such as a name or Social Security number. The information about each individual is called a "record," and the system, whether manual or computer-based, is called a "system of records." The Privacy Act requires each agency to publish notices of systems of records in the Federal Register and to prepare reports for OMB whenever the agency publishes a new system of records or makes a significant change to an established system of records. Each agency is also required to send copies to the Chair of the Senate Committee on Governmental Affairs and the Chair of the House Committee on Government Reform. These reports are intended to permit an evaluation of the probable or potential effect of the proposal on the privacy or other rights of individuals.

The Student Loan Repayment Benefits Case Files (18-05-15) system of records was last published in the Federal Register on May 29, 2002 (67 FR 37411). The system is being altered to add a routine use to permit the Department to make a disclosure in the case of a breach of personally identifiable information in the system as well as a routine use to permit the Department to make a disclosure to labor organizations when relevant and necessary to their duties of exclusive representation. We are also making changes to how the information is stored, noting that hard copy files are stored in locked file cabinets and

electronic files are stored on the SharePoint platform on the Department's network. There are also updates in retrievability as records can be retrieved by name or the ED organization that the individual is employed by, as well as added references to SharePoint in the explanation of the system of record's safeguarding of information.

Accessible Format: Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audiotape, or compact disc) on request to the person listed under FOR FURTHER INFORMATION CONTACT.

Electronic Access to This Document: The official version of this document is the document published in the Federal Register. Free Internet access to the official edition of the Federal Register and the Code of Federal Regulations is available via the Federal Digital System at: www.gpo.gov/fdsys. At this site you can view this document, as well as all other documents of the Department published in the Federal Register, in text or Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the Federal Register by using the article search feature at:

www.federalregister.gov. Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Dated: December 19, 2016

Andrew Jackson,
Assistant Secretary for Management.

18-05-15

SYSTEM NAME:

Student Loan Repayment Benefits Case Files.

SECURITY CLASSIFICATION:

None.

SYSTEM LOCATION:

Office of Human Resources, Learning and Development
Division, Office of Management, U.S. Department of Education
(Department), 400 Maryland Avenue, SW., Washington, DC 20202-
4573.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

This system contains records and related correspondence on employees who are being considered for student loan repayment benefits under the Department's Personnel Manual Instruction 537-1 entitled "Repayment of Federal Student Loans," as well as individuals who have been approved for and are receiving such benefits.

CATEGORIES OF RECORDS IN THE SYSTEM:

This system contains correspondence and other documents related to requests made by selecting officials or supervisors to offer student loan repayment benefits to recruit or retain highly qualified employees. This system contains: (1) request letters from selecting officials or supervisors with supporting documentation; (2) employees' (or potential employees') names,

home and work addresses, Social Security numbers, student loan account numbers, loan balances, repayment schedules, repayment histories, and repayment status; and (3) the loan holders' names, addresses, and telephone numbers.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

The Floyd D. Spence National Defense Authorization Act of Fiscal Year 2001 (Public Law 106-398); 5 U.S.C. 5379, as amended, and implementing regulations at 5 CFR part 537.

PURPOSE(S) :

These records are maintained to determine eligibility and benefits and to process requests to offer student loan repayment benefits to employees under authority set forth at 5 U.S.C. 5379. The Department uses these records to prepare its reports for the Office of Personnel Management (OPM) as is required by 5 CFR 537.110. The Department will also refer information from this system to loan holders for collection activities in the case of any student loan default or delinquency that becomes known to the Department in the course of determining an employee's (or potential employee's) eligibility for student loan repayment benefits because of the Department's mission responsibilities for Federal student loan programs and its role in promoting their responsible use by student borrowers.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The Department may disclose information contained in a record in this system of records under the routine uses listed in this system of records without the consent of the individual if the disclosure is compatible with the purposes for which the record was collected. These disclosures may be made on a case-by-case basis or, if the Department has complied with the computer matching requirements of the Privacy Act of 1974, as amended (Privacy Act), under a computer matching agreement.

(1) *Personnel Management Disclosure.* The Department may disclose as a routine use to OPM any records or information in this system of records that OPM requests or requires pursuant to OPM's oversight and regulatory functions.

(2) *Salary Offset or Debt Collection Disclosures.* The Department may disclose records in this system to other Federal agencies, hearing or court officials, and present employers of an employee in order for the Department to obtain repayment, if an employee fails to complete the period of employment under a service agreement and fails to reimburse the Department the amount of any student loan repayment benefits the employee received from the Department.

(3) *Disclosure to Other Federal Agencies.* The Department may disclose records in this system to its payroll processing provider in order to calculate tax withholdings and disburse

payments of student loan repayment benefits to loan holders on behalf of employees approved to receive this benefit.

(4) *Disclosure to Student Lending Institutions or Loan Holders.* The Department may disclose to student lending institutions or loan holders records from this system as a routine use disclosure in order to obtain information (such as the borrower's account number, original and current loan balance, repayment schedule, repayment history, and current repayment status) to allow the Department to determine an employee's or potential employee's initial and continuing eligibility for this benefit, to facilitate accurate payments to student loan holders on behalf of eligible employees, and to ensure the Department discontinues making student loan repayments to individuals who do not remain eligible for them during the period of the service agreement. The Department also may disclose to loan holders records from this system of records as a routine use disclosure in the event it becomes known to the Department during the course of its program eligibility determinations that an individual is past due, delinquent, or in default of a federally insured student loan so that the Department can facilitate the loan holder's collection of any past due, delinquent, or defaulted student loans, because of the Department's mission responsibilities for Federal student loan

programs and its role in promoting their responsible use by student borrowers.

(5) *Disclosure for Use by Other Law Enforcement Agencies.*

The Department may disclose information to any Federal, State, local, or foreign agency, or other public authority responsible for enforcing, investigating, or prosecuting violations of administrative, civil, or criminal law or regulation, if that information is relevant to any enforcement, regulatory, investigative, or prosecutorial responsibility within the receiving entity's jurisdiction.

(6) *Enforcement Disclosure.* In the event that information in this system of records indicates, either on its face or in connection with other information, a violation or potential violation of any applicable statute, regulation, or order of a competent authority, the Department may disclose the relevant records to the appropriate agency, whether foreign, Federal, State, tribal, or local, charged with the responsibility of investigating or prosecuting that violation or charged with enforcing or implementing the statute, executive order, rule, regulation, or order issued pursuant thereto.

(7) *Litigation and Alternative Dispute Resolution (ADR) Disclosures.*

(a) *Introduction.* In the event that one of the parties listed below is involved in litigation or ADR, or has an

interest in litigation or ADR, the Department may disclose certain records to the parties described in paragraphs (b), (c) and (d) of this routine use under the conditions specified in those paragraphs:

(i) The Department, or any component of the Department; or

(ii) Any Department employee in his or her official capacity; or

(iii) Any Department employee in his or her individual capacity if the Department of Justice (DOJ) has agreed or has been requested to provide or arrange for representation for the employee;

(iv) Any Department employee in his or her individual capacity where the Department requests representation for or has agreed to represent the employee; or

(v) The United States where the Department determines that the litigation is likely to affect the Department or any of its components.

(b) *Disclosure to the DOJ.* If the Department determines that disclosure of certain records to the DOJ is relevant and necessary to litigation or ADR, the Department may disclose those records as a routine use to the DOJ.

(c) *Adjudicative Disclosures.* If the Department determines that disclosure of certain records to an adjudicative body before which the Department is authorized to appear, or an

individual or entity designated by the Department or otherwise empowered to resolve or mediate disputes, is relevant and necessary to litigation or ADR, the Department may disclose those records as a routine use to the adjudicative body, individual, or entity.

(d) *Parties, Counsels, Representatives, and Witnesses.* If the Department determines that disclosure of certain records to a party, counsel, representative, or witness is relevant and necessary to litigation or ADR, the Department may disclose those records as a routine use to the party, counsel, representative, or witness.

(8) *Employment, Benefit, and Contracting Disclosure.*

(a) *For Decisions by the Department.* The Department may disclose a record to a Federal, State, or local agency maintaining civil, criminal, or other relevant enforcement or other pertinent records, or to another public authority or professional organization, if necessary to obtain information relevant to a Department decision concerning the hiring or retention of an employee or other personnel action, the issuance of a security clearance, the letting of a contract, or the issuance of a license, grant, or other benefit.

(b) *For Decisions by Other Public Agencies and Professional Organizations.* The Department may disclose a record to a Federal, State, local, or foreign agency or other public

authority or professional organization, in connection with the hiring or retention of an employee or other personnel action, the issuance of a security clearance, the reporting of an investigation of an employee, the letting of a contract, or the issuance of a license, grant, or other benefit, to the extent that the record is relevant and necessary to the receiving entity's decision on the matter.

(9) *Employee Grievance, Complaint, or Conduct Disclosure.*

The Department may disclose a record in this system of records to another agency of the Federal Government if the record is relevant to one of the following proceedings regarding a present or former employee of the Department: a complaint, a grievance, or a disciplinary or competency determination proceeding. The disclosure may only be made during the course of the proceeding.

(10) *Freedom of Information Act (FOIA) and Privacy Act Advice Disclosure.* The Department may disclose records to DOJ or the Office of Management and Budget (OMB) if the Department concludes that disclosure is desirable or necessary in determining whether particular records are required to be disclosed under the FOIA or the Privacy Act.

(11) *Disclosure to the Department of Justice.* The Department may disclose records to the DOJ to the extent necessary for obtaining DOJ advice on any matter relevant to an

audit, inspection, or other inquiry related to the program covered by this system.

(12) *Congressional Member Disclosure.* The Department may disclose records to a member of Congress from the record of an individual in response to an inquiry from the member made at the written request of that individual. The member's right to the information is no greater than the right of the individual who requested it.

(13) *Contract Disclosure.* If the Department contracts with an entity for the purposes of performing any function that requires disclosure of records in this system to employees of a contractor, the Department may disclose the records to those employees. Before entering into such a contract, the Department shall require the contractor to maintain Privacy Act safeguards as required under 5 U.S.C. 552a(m) with respect to the records in the system.

(14) *Disclosure in the Course of Responding to a Breach of Data.* The Department may disclose records from this system to appropriate agencies, entities, and persons when: (a) the Department suspects or has confirmed that the security or confidentiality of information in the system of records has been compromised; (b) the Department has determined that as a result of the suspected or confirmed compromise, there is a risk of harm to economic or property interests, identity theft, fraud,

or harm to the security or integrity of this system or other systems or programs (whether maintained by the Department or another agency or entity) that rely upon the compromised information; and (c) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with the Department's efforts to respond to the suspected or confirmed compromise and prevent, minimize, or remedy such harm.

(15) *Labor Organization Disclosure.* The Department may disclose records from this system of records to an arbitrator to resolve disputes under a negotiated grievance procedure or to officials of labor organizations recognized under 5 U.S.C. chapter 71 when relevant and necessary to their duties of exclusive representation.

DISCLOSURE TO CONSUMER REPORTING AGENCIES:

Disclosures pursuant to 5 U.S.C. 552a(b)(12): The Department may disclose to a consumer reporting agency information regarding a claim by the Department that is determined to be valid and overdue as follows: (1) The name, address, taxpayer identification number, and other information necessary to establish the identity of the individual responsible for the claim; (2) the amount, status, and history of the claim; and (3) the program under which the claim arose. The Department may disclose the information specified in this

paragraph under 5 U.S.C. 552a(b) (12) and the procedures contained in subsection 31 U.S.C. 3711(e). A consumer reporting agency to which these disclosures may be made is defined at 31 U.S.C. 3701(a) (3).

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Records are maintained in hard copy in locked file cabinets and electronically on the SharePoint platform, which runs on the Department's network (EDUCATE).

RETRIEVABILITY:

Records are retrievable by the name of the individual or by the organization within the Department where the individual works.

SAFEGUARDS:

All physical access to the building where this system of records is maintained is controlled and monitored by security personnel who check each individual entering the building for an employee or visitor badge. Hard copy records are stored in locked metal filing cabinets, with access limited to personnel whose duties require access. Electronic records are stored on the SharePoint network, which runs on the Department's network (EDUCATE). The network complies with the security controls and procedures described in the Federal Information Security

Management Act (FISMA), National Institute of Standards and Technology (NIST) Special Publications, and Federal Information Processing Standards (FIPS). Some specific security controls in place include:

Operating systems and infrastructure devices are hardened in accordance with NIST and Department guidance.

Intrusion Detection Systems are deployed at the Intranet and Internet edges and are actively monitored by the Security Operations Center (SOC).

Vulnerability scans are conducted periodically to ensure supporting systems and all applications are at the highest state of security and are patched accordingly.

This security system limits data access to Department and contract staff on a "need to know" basis, and controls individual users' ability to access and alter records within the system. Personal computers used to access the electronic records are password protected and passwords are changed periodically throughout the year.

RETENTION AND DISPOSAL:

Service agreements between the Department and an employee and related supporting documents resulting in approval for program benefits will be retained for a period of three years after the employee satisfies the terms and conditions of the agreement. All other documents will be retained in accordance

with the National Archives and Records Administration (NARA) General Records Schedules (GRS) 1.

SYSTEM MANAGER(S) AND ADDRESS:

Director, Office of Human Resources, Learning and Development Division, U.S. Department of Education, 400 Maryland Avenue, SW., Washington, DC 20202-4573.

NOTIFICATION PROCEDURE:

If you wish to inquire whether a record exists regarding you in this system, you should contact the system manager at the address listed above. You must provide your name, name of organization, and subject matter. Your request must meet the requirements of the Department's Privacy Act regulations at 34 CFR 5b.5, including proof of identity.

RECORD ACCESS PROCEDURES:

If you wish to request access to your records, you should contact the system manager at the address listed above. You must comply with the Department's Privacy Act regulations at 34 CFR 5b.5, including proof of identity.

CONTESTING RECORD PROCEDURES:

If you wish to request an amendment to your records, you should contact the system manager at the address listed above. Your request must meet the requirements of the Department's Privacy Act regulations at 34 CFR 5b.7.

RECORD SOURCE CATEGORIES:

Information in this system of records is obtained from the individual to whom the information applies, lending institutions holding student loans for the individual to whom the information applies, officials of the Department, and official Department documents.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

None.

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