



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 a Modified System of Records.

SUMMARY: In accordance with the Privacy Act of 1974, as amended (Privacy Act) (5 U.S.C. 552a), the Department of Education (Department or ED) publishes this notice of a modified system of records entitled "Student Loan Repayment Benefits Case Files" (18-05-15). The system contains records related to employees and job candidates who are being considered for student loan repayment benefits under the Department's Human Capital Policy 537-1 entitled "Student Loan Repayment Program," 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' and job candidates' names, home and work addresses, Social Security numbers, student loan account numbers, loan balances, repayment schedules, repayment histories, and repayment status; the loan

holders' names, addresses, and telephone numbers; and a signed written service agreement in which an employee or job candidate agrees to complete a specified period of employment with ED. The information that will be maintained in the modified system of records will be collected through various sources, including directly from the individual to whom the information applies, officials of the Department, and official Department documents. The Department published a notice of a modified system of records in the Federal Register on December 23, 2016 (81 FR 94353). The Department is hereby modifying that notice, and is republishing it in full.

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

This modified system of records will become effective upon publication in the Federal Register on [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER], unless the modified system of records notice needs to be changed as a result of public comment. Newly proposed routine use (14) and modified routine uses (2, 4, 6, 12, and 13) in the paragraph entitled "ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES" will become effective on [INSERT DATE 30 DAYS

AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER], unless the modified system of records notice needs to be changed as a result of public comment. The Department will publish any significant changes resulting from public comment.

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 modified system of records, address them to: Kimberly Ritter, 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: Kimberly Ritter, Director, Office of Human Resources, Learning and Development Division. Telephone: (202) 453-5588.

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

SUPPLEMENTARY INFORMATION:

Introduction:

The Student Loan Repayment Benefits Case Files (18-05-15) system of records was most recently published in the Federal Register on December 23, 2016 (81 FR 94353). The

Department is hereby modifying that notice by updating routine uses for disclosure, removing a section regarding the disclosure of records to consumer reporting agencies, clarifying categories of records in and categories of individuals covered by the system, clarifying the record source categories, updating the records retention schedule in the section on the policies and practices for retention and disposal of records, updating the policies and practices for retrieval of records, and clarifying the record access, contesting, and notification procedures.

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: February 13, 2018.

Denise L. Carter,
Acting Assistant Secretary for
Management.

For the reasons discussed in the preamble, the Acting Assistant Secretary for Management, U.S. Department of Education (Department or ED), publishes a notice of a modified system of records to read as follows:

SYSTEM NAME AND NUMBER:

Student Loan Repayment Benefits Case Files (18-05-15).

SECURITY CLASSIFICATION:

Unclassified.

SYSTEM LOCATION:

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

SYSTEM MANAGER(S):

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

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

The Floyd D. Spence National Defense Authorization Act of Fiscal Year 2001 (Public Law 106-398), as amended

(5 U.S.C. 5379), and implementing regulations at 5 CFR part 537.

PURPOSE(S) OF THE SYSTEM:

These records are maintained to determine eligibility and benefits and to process requests to offer student loan repayment benefits to recruit highly qualified job candidates or to retain highly qualified Department 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 USC 5379 and 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 and job candidates' 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.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

This system contains records on employees and job candidates (other than those outside of the Department who are currently employed in the Federal service) who are being considered for student loan repayment benefits under

the Department's Human Capital Policy 537-1 entitled "Repayment of Federal Student Loans," as well as employees who have been approved for and received such benefits and former employees who have been approved for and received such benefits before separating from the Department.

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 highly qualified job candidates or retain highly qualified employees. This system contains: (1) request letters from selecting officials or supervisors with supporting documentation; (2) employees' and job candidates' names, home and work addresses, Social Security numbers, student loan account numbers, loan balances, repayment schedules, repayment histories, and repayment status; (3) the loan holders' names, addresses, and telephone numbers; and (4) a signed written service agreement in which an employee or job candidate agrees to complete a specified period of employment with ED.

RECORD SOURCE CATEGORIES:

Information in this system of records is obtained from the individual to whom the information pertains, officials of the Department, official Department documents, and from

other individuals or entities from which data is obtained under routine uses set forth below.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND 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 a former employee in order for the Department to obtain repayment, if an employee or former employee either fails to complete the period of employment required

under a written service agreement (except as set forth in 5 CFR 537.109(b)) or violates any other condition of a written service agreement that specifically triggers a reimbursement requirement, and fails to reimburse the Department the amount of any student loan repayment benefits that the employee or former 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 verify 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 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) *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.

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

(a) *Introduction.* In the event that one of the parties listed in sub-paragraphs (i) through (v) 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 a person 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, person 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.

(7) *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.

(8) *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.

(9) *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.

(10) *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.

(11) *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.

(12) *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. As part of such a contract,

the Department shall require the contractor to agree to maintain safeguards to protect the security and confidentiality of the records in the system.

(13) *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: (1) the Department suspects or has confirmed that there has been a breach of the system of records; (2) the Department has determined that as a result of the suspected or confirmed breach, there is a risk of harm to individuals, the Department (including its information systems, programs, and operation), the Federal Government, or national security; and (3) 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 breach or to prevent, minimize, or remedy such harm.

(14) *Disclosure in Assisting another Agency in Responding to a Breach of Data.* The Department may disclose records from this system to another Federal agency or Federal entity, when the Department determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in (1) responding to a suspected or confirmed breach or (2)

preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs, and operations), the Federal Government, or national security, resulting from a suspected or confirmed breach.

(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.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

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

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:

Records are retrievable by the name of the individual.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

All documents will be retained in accordance with the ED Records Schedule 235: Student Loan Repayment Benefit Case Files. Non-disputed service agreements - Temporary. Destroy/delete 3 years after date of approval or upon completion of service agreement, or allowance, whichever is

later. Disputed service agreements - Temporary.
Destroy/delete 6 years and 3 months after the dispute has
been resolved, service agreement completed, or repayment,
whichever is later. Disapproved requests - Temporary. Cut
off after requested benefits are denied. Destroy/delete 3
years after cut off.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL 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 modify records within the system. Personal computers used to access the electronic records are password-protected, and passwords are changed periodically throughout the year.

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 provide necessary particulars such as your name, name of organization, subject matter, and any other identifying information requested by the Department while processing the request, to distinguish between individuals with the same name. 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.

NOTIFICATION PROCEDURES:

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 necessary particulars such as your name, name of organization, subject matter, and any other identifying information requested by the Department while processing the request, to distinguish between individuals with the same name. Your request must meet the requirements of the Department's Privacy Act regulations at 34 CFR 5b.5, including proof of identity.

EXEMPTIONS PROMULGATED FOR THE SYSTEM:

None.

HISTORY:

The System of Records entitled "Student Loan Repayments Benefits Case Files" (18-05-15) was first published in the Federal Register on May 29, 2002 at 67 FR 37411-37414. The Department published a Notice of an altered system of records in the Federal Register on December 23, 2016 at 81 FR 94353-94356.

