



Privacy Impact Assessment for the Debt Management and Collections System (DMCS)

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1. What information will be collected for the system?

Information of individual users collected

Full Name

Address

SSN

Phone

Email

Employment Information

Borrower Information to include: disbursement amount, principal balance, interest accrual, loan status, repayment plan, repayment amount, forbearance status, deferment status, separation date, grace period and delinquency

2. Why is this information being collected?

- (1) The Debt Management and Collections System (DMCS) is the largest component of Collections. It provides a vehicle for the storage, retrieval, and editing of debtor information. Payments on defaulted accounts are processed through the National Payment Center (NPC) as part of this system.
- (2) In addition, official correspondence to the debtors from ED, the collection agencies, and other interested parties is provided by this system.
- (3) Collection Agency Reporting, Treasury Offset, Administrative Wage Garnishment and Credit Bureau Reporting efforts are other parts of this component.

3. How will FSA use this information?

DMCS provides a vehicle for the storage, retrieval, and editing of debtor information and uses this information to collect defaulted accounts. Information may be collected as part of the student loan application, processing, collection, and disposition of the account. This information is available through a Customer Information Control System (CICS) online system allowing ED, the NPC, the commercial collection agencies, and the FFEL Production Staff access to the data.

4. Will this information be shared with any other agency? If so, with which agency or agencies?

Yes. This information will be shared with the following agencies and/or companies:

- Private Collection Agencies (PCAs)
- Guaranty Agencies (GA)
- National Credit Bureaus
- Department of Justice (DOJ)
- Internal Revenue Service (IRS)
- United States Treasury
- United States Department of Health and Human Services (HHS/NDNH)
- Education Credit Management Center (ECMC)



- Sallie Mae
- Schools
- Lenders
- United States Postal Service (USPS)
- Internal FSA Interfaces
 - Common Origination and Disbursement (COD)
 - National Student Loan Database (NSLDS)
 - Financial Management Systems (FMS)
 - Loan Consolidation (LC) Grants Administration and Payment System (GAPS)
 - Postsecondary Education Participation System (PEPS)

5. Describe the notice or opportunities for consent that will be/or are provided to individuals about what information is collected and how that information is shared with others organizations.

There is a Privacy Act Notice on DMCS. The notice states the following:

DISCLOSURE STATEMENT: “The user understands that the Department of Education, its agents and sub-contractors have signed up to meet the requirements of the “PRIVACY ACT of 1974” (as amended). As such, by entering this system, the user hereby verifies that he/she has read the “PRIVACY ACT of 1974” (as amended), that the user understands the requirements of the act, and that the user has no remaining unanswered questions.”

6. How will the information be secured?

The Department of Education develops, disseminates, and periodically reviews/updates: (i) a formal, documented, access control policy that addresses purpose, scope, roles, responsibilities, and compliance; and (ii) formal, documented procedures to facilitate the implementation of the access control policy and associated access controls.

All policy and procedures may be found on ED’s internal website at: <http://connectED>.

Federal Student Aid provides comments on departmental policy and procedures through the department’s Administrative Communications System (ACS) process.

The application IDs are reviewed by the SSO quarterly. The SSO provides a list of current users to business POCs and requests them to verify who has left the project or no longer needs access to the application. The SSO will remove access as appropriate.

Account management includes the identification of account types (i.e., individual, group, and system), establishment of conditions for group membership, and assignment of associated authorizations. The organization identifies authorized users of the information system and specifies access rights/privileges. The organization grants access to the information system based on: (i) a valid need-to-know that is determined by assigned official duties and satisfying all personnel security criteria; and (ii) intended system usage. The organization requires proper identification for requests to establish information system accounts and approves all such requests. The organization specifically authorizes and monitors the use of



guest/anonymous accounts and removes, disables, or otherwise secures unnecessary accounts. The organization ensures that account managers are notified when information system users are terminated or transferred and associated accounts are removed, disabled, or otherwise secured. Account managers are also notified when users' information system usage or need-to-know changes.

The information is secured following the guidance of OMB Circular A-130, "Management of Federal Information Resources," Appendix III, "Security of Federal Automated Information Resources," and Public Law 100-235, "Computer Security Act of 1987." In addition, CSB is currently re-writing the System Security Plan (SSP) that details the security requirements and describes the security controls that are in place to meet those requirements. A certification and accreditation process in accordance with the National Institute of Standards & Technology (NIST) "Guide for the Security Certification and Accreditation of Federal Information Systems" will validate our security controls.

7. Is a system of records being created or updated with the collection of this information?

A "System of Records" was created for the Common Services for Borrowers (CSB) Contract. DLCS is working under this "System of Records."

The "System of Records" was published in the Federal Register (Volume 71, Number 14/Monday, January 23, 2006/Notices).

8. List the web addresses (known or planned) that will have a Privacy Notice.

Exempt: DMCS is not a publicly accessible system, and is accessible only by authorized internal users, and external partners.

As the system is not publicly accessible, and does not collect any personally identifiable information directly from any public end user, DMCS is except from placing a privacy notice on the website. In accordance with OMB Memo M-03-22, Attachment A, Section III (C), dated September 26, 2003, DMCS is excluded as the guidance does not apply to "agency intranet websites that are accessible only by authorized government users (employees, contractors, consultants, fellows, grantees)."