Privacy Impact Assessment

For

Education's Central Automated Processing System (EDCAPS)

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Point of Contact:
Roger Goodson, roger.goodson@ed.gov, (202) 245-7217

System Owner:
Constance Davis, constance.davis@ed.gov, (202) 245-7173

Author:
Roger Goodson, roger.goodson@ed.gov, (202) 245-7217

Office of Chief Information Officer
U.S. Department of Education

1. System Information. **Describe the system** - include system name, system acronym, and a description of the system, to include scope, purpose and major functions.

EDCAPS is the system that maintains financial and management records associated with the operation of the Department of Education. EDCAPS consists of four major components: Contracts and Purchasing Support System (CPSS), Financial Management Support System (FMSS), e2 Travel Management System and Grants Management System (G5). The records found within these subsystems are used to prepare financial statements and reconcile general ledger balances with subsystems maintained in program areas and Treasury, manage funds, process grants and contracts, manage receivables, costs, and recipients, and perform administrative processes (e.g., purchasing, travel, and miscellaneous payments).

2. Legal Authority. **Cite the legal authority to collect and use this data.** What specific legal authorities, arrangements, and/or agreements regulate the collection of information?

Authority for maintenance of the system includes the Budget and Accounting Procedures Act of 1950 (Pub. L. 81-784); Federal Managers' Financial Integrity Act (FMFIA) of 1982 (Pub. L. 97-255); Prompt Payment Act of 1982 (Pub. L. 97-177); Single Audit Act of 1984 (Pub. L. 98-502); Cash Management Improvement Act of 1990 (Pub. L. 101-453); Chief Financial Officers Act of 1990 (Pub. L. 101-576); Government Performance and Results Act (GPRA) of 1993 (Pub. L. 103-62); Federal Financial Management Act (FFMA) of 1994 (Pub. L. 103-356); Federal Financial Management Improvement Act (FFMIA) of 1996 (Pub. L. 104-208); E.O. 9397 (collection of Social Security Numbers); Government Accountability Office Policy and Procedures Manual; Statement of Federal Financial Accounting Standards published by the Government Accountability Office and the Office of Management and Budget; 31 U.S.C. 3701-20E; Federal Claims Collection Act of 1966 (Pub. L. 89-508); Debt Collection Act of 1982 (Pub. L. 97-365); and Debt Collection Improvement Act of 1996 (Section 31001 of Pub. L. 104-134).

3. Characterization of the Information. **What elements of PII are collected and maintained by the system (e.g., name, social security number, date of birth, address, phone number)?** What are the sources of information (e.g., student, teacher, employee, university)? How is the information collected (website, paper form, on-line form)? Is the information used to link or cross-reference multiple databases?

Records in this system contain the individual's name and address, telephone number, Taxpayer Identification Number (TIN), the Data Universal Numbering System (DUNS) Number provided by Dun & Bradstreet, Social Security number (SSN), date of birth, e-mail address, banking information, eligibility codes, detailed and summary obligation data, reports of expenditures, and grant management data, including application and close out information. Documents maintained in the system include, but are not limited to, activity logs, copies of checks, contracts, court orders, letters of notice, promissory notes, telephone logs, and related correspondence.

4. Why is the information collected? **How is this information necessary to the mission of the program, or contributes to a necessary agency activity?** Given the amount and any type of data collected, discuss the privacy risks (internally and/or externally) identified and how they were mitigated.

The purpose of EDCAPS is to maintain financial and management records associated with the fiscal operations of the Department of Education and other entities with contracting authority that use EDCAPS.

Records are used for, but not limited to, the following:

- Managing grant and contract awards.
- Making payments.
- Accounting for goods and services provided and received.
- Enforcing eligibility requirements and conditions in awards and U.S. law relating to transactions covered by this system.
- Defending the Department in actions relating to transactions covered by this system.
- Investigating complaints.
- Updating information.
- Correcting errors and investigating fraud.
- Performing the receivables management function.
- Preparing financial statements and other financial documents.

The EDCAPS financial management system consists of a suite of applications including:

Financial Management Support System (FMSS)

The FMSS module of EDCAPS is the Department's official general ledger. It is the central piece of the Department's integrated financial management system. FMSS includes functionality for budget planning and execution, funds control, receipt management, administrative payment management, loan servicing, and internal and external reporting. FMSS interfaces with a variety of other EDCAPS systems such as the G5, CPSS, and TMS. The TMS is covered under an existing General Services Administration (GSA) Government-wide System of Records Notice entitled "Contracted Travel Services Program" (GSA/GOVT-4).

Grant Management System (G5)

The purpose of G5 is to administer grant awards, from planning through closeout, including disbursing funds to grants recipients for certain Department programs. G5 records individual payments in real time, and summary payment data is posted to FMSS in a nightly Batching Process. G5 maintains a record of grant awards by the Department, including management information collected during the award process. Payment information is retrievable in G5 by DUNS number. Dun and Bradstreet (D&B) is a company that issues DUNS numbers, which are unique numbers that are used by businesses and the Federal Government to keep track of more than 70 million businesses worldwide. Some entities, such as States and universities, will also have what is known as "DUNS + 4," which is used to identify specific units within a larger entity. The name, mailing address and other characteristic data related to Federal grants or institutional loans are also maintained.

Contracts and Purchasing Support System (CPSS)

CPSS supports the contract pre- and post-award process and purchasing. It interfaces with FMSS at the detail level for fund control, general ledger, accounts payable, and accounts receivable. A commercial software package is used to provide CPSS functionality.

Travel Management System (TMS)

The Department of Education utilizes the E2 Solutions web-based travel management system (owned and operated by CW Government Travel, Inc). The TMS collects the traveler's name, address, & e-mail address. Information is collected to complete official Government business on behalf of the individual submitting the information and to facilitate reimbursing individuals for completing official Government travel.

5. **Social Security Numbers - If an SSN is collected and used, describe the purpose of the collection, the type of use, and any disclosures?** Also specify any alternatives that you considered, and why the alternative was not selected. If system collects SSN, the PIA will require a signature by the Assistant Secretary or designee. If no SSN is collected, no signature is required.

In general, G5 requires Dun and Bradstreet numbers for grant recipients; however, individuals are not eligible for DUNS. As a result, G5 collects SSNs on behalf of the Office of Special Education and Rehabilitative Service's participants in the National Institute on Disability and Rehabilitation Research (NIDRR) Fellowship Program grant recipients. The number of NIDRR participants is very small; perhaps less than 10 per year.

6. **Uses of the Information. What is the intended use of the information?** How will the information be used? Describe all internal and/or external uses of the information. What types of methods are used to analyze the data? If the system uses commercial information, publicly available information, or information from other Federal agency databases, explain how it is used.

This information is collected to facilitate grants administration and payments on behalf of the entity or individual submitting the information. Information such as telephone numbers is available internally to Department of Education staff for peer reviews, but is not shared with outside sources.

7. **Internal Sharing and Disclosure. With which internal ED organizations will the information be shared?** What information is shared? For what purpose is the information shared?

The G5 system provides certain grants data to EDFACTS and the Grants Electronic Monitoring System (GEMS). The GEMS is used to monitor the grants funded by the Office of Post Secondary Education (OPE) and the Office of Elementary and Secondary Education (OESE). Currently, GEMS is being accessed/used only by internal users.

The following information is being shared with the GEMS application:

1. Application information such as applicant name and address.
2. Budget information such as budget categories, dates, allotment and allocation amounts.
3. Financial transaction information such as obligations, drawdown etc.
4. Grantee and payee information such as recipient DUNS/SSN and address.
5. Administrative actions such as program contacts, supplements, and grant transfers.

8. External Sharing and Disclosure. With what external entity will the information be shared (e.g., another agency for a specified programmatic purpose)? What information is shared? For what purpose is the information shared? How is the information shared outside of the Department? Is the sharing pursuant to a Computer Matching Agreement (CMA), Memorandum of Understanding or other type of approved sharing agreement with another agency?

The Department may disclose information contained in a record in this system of records under the routine uses listed in this system of records notice 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, under a computer matching agreement

- Litigation or Alternative Dispute Resolution (ADR) Disclosure
- Disclosure to the Department of Justice
- Adjudicative Disclosure
- Disclosure to Parties, Counsel, Representatives and Witnesses
- Disclosure to OMB for Credit Reform Act (CRA) Purposes
- Employee Grievance, Complaint or Conduct Disclosure
- Labor Organization Disclosure
- Research Disclosure
- Freedom of Information Act (FOIA) or Privacy Act Advice Disclosure
- Contract Disclosure
- Enforcement Disclosure
- Congressional Member Disclosure
- Payment Disclosure
- Payroll Disclosure
- Disclosure for Receivable Management
- Disclosure in the Course of Responding to Breach of Data
- Consumer Reporting Agency

Information from the G5, FMSS and TMS is shared with the U.S. Department of Treasury to facilitate payment to the individual's banking institution of choice.

9. **Notice. Is notice provided to the individual prior to collection of their information (e.g., a posted Privacy Notice)?** What opportunities do individuals have to decline to provide information (where providing the information is voluntary) or to consent to particular uses of the information (other than required or authorized uses), and how individuals can grant consent?

The Privacy Notice is located at: http://www2.ed.gov/notices/privacy/index.html and http://e-grants.ed.gov/. Access to G5 is located at: http://www.g5.gov

10. **Security. What administrative, technical, and physical security safeguards are in place to protect the PII?** Examples include: monitoring, auditing, authentication, firewalls, etc. Has a C&A been completed? Is the system compliant with any federal security requirements?

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," NIST 800-53 "Recommended Security Controls for Federal Information Systems" and Public Law 100-235, "Computer Security Act of 1987." The Education Central Automated Processing System (EDCAPS), which is a major application requiring a system security plan (system security plans are required by OMB Circular A-130 Appendix III and Public Law 100-235, "Computer Security Act of 1987" is covered by an approved and current system security plan. The system security plan details the security requirements and describes the security controls that are in place to meet the computer security requirements listed above. Furthermore, our security controls are validated by a certification and accreditation process in accordance with the National Institute of Standards & Technology "Guide for the Security Certification and Accreditation of Federal Information Systems."

A brief summary of the security controls in place is listed below:

- Access to the EDCAPS system is only available to authenticated users who have a valid system user ID and password.

- The logical boundaries of the EDCAPS system are protected by a combination of firewalls, intrusion detection systems, and event monitoring systems.

- Every EDCAPS system user is provided a copy of the Rules of Behavior prior to accessing the system.

- Passwords comply with a strong password complexity policy.

- EDCAPS system servers are housed in environmentally controlled server rooms.

11. **Privacy Act System of Records. Is a system of records being created or altered under the Privacy Act, 5 U.S.C. 552a?** Is this a Department-wide or Federal Government-wide SORN? If a SORN already exists, what is the SORN Number?

EDCAPS (including the FMSS, G5, and CPSS subsystems) is covered under SORN 18-03-02, Education's Central Automated Processing System (EDCAPS), dated June 4, 1999, FR 64 30114 - 30116.

Travel Management System is covered by GSA's government-wide system of records notice entitled "Contracted Travel Services Program" (GSA/GOVT-4) located at http://www.nsf.gov/policies/SOR_govt-4_contracted_travel.pdf

12. **Records Retention and Disposition.** **Is there a records retention and disposition schedule approved by the National Archives and Records Administration (NARA) for the records created by the system development lifecycle AND for the data collected?** If yes – provide records schedule number:

Records in the FMSS module are retained in accordance with General Records Schedule (GRS) 7.2. FMSS records are destroyed six (6) years, and three (3) months after the close of the fiscal year in which the records were created. Records in the G5 and CPSS modules are retained in accordance with GRS 3.3(a)(2)(a). G5 and CPSS records are destroyed six (6) years and three (3) months after the final payment is made.