



Privacy Impact Assessment

For:

Not-for-Profit Montana (NFP Montana)

Amicus

Tru Student, Inc.

Date:

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Federal Student Aid

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.

Information System Name	System Acronym	Operator of the System (on behalf of Federal Student Aid)
Amicus System	NFP Montana	Tru Student, Inc.

The Amicus System operated by Tru Student, Inc. and hereafter referred to as Not for Profit Montana (NFP Montana) is a secure, complete system that supports the management and servicing of Title IV student loans. The system capabilities include a call center, printing, deferment processing, forbearance processing, letter generation, electronic document management, collections, skip-tracing, loan conversion, loan de-conversion, repayment servicing, financial reporting and reconciliation services.

- 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?

The Higher Education Act of 1965, As Amended, Section 441 and 461 Title IV, Section 401.

- 3. Characterization of the Information.** What elements of personally identifiable information (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?

NFP Montana collects and maintains the following elements of PII:

- Full Name
- Maiden Name
- Date of Birth
- Alien Registration Number
- Home Address
- Social Security Number
- Home, work, alternate, mobile telephone number
- Email Address
- Employment Information
- Financial Information
- Driver's License number and state
- Student Loan account number
- Medical Information (to the extent required for purposes of certain deferments and discharge requests)
- Bank Account Numbers
- Related Demographic Data



- Borrower Loan Information including: disbursement amount, principal balance, accrued interest, loan status, repayment plan, repayment amount, forbearance status, deferment status, separation date, grace period and delinquency.

Information is provided by the applicant/borrower, references provided by the borrower, co-borrowers, educational institutions, financial institutions, the U.S. Department of Education, National Student Loan Data System (NSLDS), National Student Clearinghouse, and other parties that may provide documentation for the servicing of student loans, such as the U.S. military, commercial person locator services, national consumer reporting agencies, and the U.S. Department of the Treasury.

The information collected will be in paper form, website, on-line form, electronic data transmission, and telephone.

The information will be used to link or cross-reference internal databases.

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 information collected is to enable NFP Montana to perform Federal Student Aid business related to student loans. NFP Montana supports Federal Student Aid in servicing student loans.

This information is necessary to identify borrowers and to service their student loans on behalf of Federal Student Aid. NFP Montana assists in tracking information pertinent to the borrower as well as information needed to process and service student loans throughout the loan life cycle. Collection of this information protects Federal Student Aid's fiscal interest by supporting timely and full repayment of loans and enables NFP Montana to assist borrowers with managing their loans. The information is also needed to determine borrower eligibility for entitlements such as deferments, forbearances, and discharges, and to locate borrowers in cases of invalid addresses and/or phone numbers.

Privacy risks would result from a breach of NFP Montana's security safeguards, which could compromise the confidentiality, integrity and availability of information.

The risk of data compromise is mitigated by several steps. Physical security, such as access badges and security cameras, protects against unauthorized access to component facilities. Unauthorized access to the System itself is addressed by network intrusion detection systems, firewall log monitoring, and malware detection and correction software. To prevent unauthorized use of the NFP Montana by employees, audit logs are kept and checked at regular intervals and NFP Montana access is restricted by limiting access based on the principle of least privilege. We require annual security training for all employees and implement security controls as mandated by the Federal Information Security Management Act. Implementation of these controls and associated risks and mitigation is reflected in required security documentation.

5. Social Security Number (SSN). 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.

Collection of the applicant borrower's SSN is required for participation in Federal student loan programs. The SSN is collected on various federal forms, such as the Master Promissory Note (MPN) and deferment and discharge forms. We assign an account number to each borrower that is used to communicate with the borrower in lieu of the SSN. We use the SSN to communicate with the Department of Education and educational institutions, and as otherwise may be required to service student loans. The SSN is also contained in data transmitted to consumer reporting agencies and person locator services.

The SSN is the unique identifier for Title IV programs and its use is required by program participants and their trading partners to satisfy borrower eligibility, loan servicing, and loan status reporting requirements under Federal laws and regulations. Trading partners include the Department of Education, Internal Revenue Service, and institutions of higher education, nationwide consumer reporting agencies, and servicers.

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? Explain how the information is used, if the system uses commercial information, publicly available information, or information from other Federal agency databases.

The intended use of the information is to enable NFP Montana to perform Federal Student Aid business related to student loans and is necessary to adequately service and ensure successful collection of the loans.

The information used is necessary to identify borrowers and to manage Federal Student Aid's student loan portfolio. NFP Montana assists in tracking information pertinent to the borrower as well as information needed to process and adequately service student loans. Collection of this information protects Federal Student Aid's fiscal interest by supporting timely and full repayment of loans, and enables us to assist borrowers with managing their loans. The information is also used to determine borrower eligibility for entitlements such as deferments, forbearances, and discharges, and to locate borrowers in cases of invalid addresses and/or phone numbers.

The information in the NFP Montana assists in the tracking of information pertinent to borrowers' student loans. The information enables us to properly service the loans and to assist borrowers throughout their repayment period. The information is used to collect payments from borrowers, to prevent default, to determine eligibility for entitlements such as deferments, forbearances, and discharges, and to locate borrowers in cases of invalid demographic information. External uses of the information include reporting to consumer reporting agencies for purposes of credit reporting and providing information to NSLDS, which is used by educational institutions for purposes of determining eligibility for programs and benefits.

The data is analyzed by system processes and by employees. Appropriate business departments analyze data to ensure accuracy and correctness within business functions.

The primary sources of information will be various Federal agency databases, as well as lenders and servicers from whom the Department of Education purchases student loans. Information may also be



obtained from person locator services and consumer reporting agencies, and may be used during skip tracing and collections activities in order to locate the borrower and collect payments.

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 information will be shared with Federal Student Aid and its agents or contractors:

- Federal Student Aid and its agents or contractors
- National Student Loan Data System (NSLDS)
- Debt Management Collection System (DMCS)
- Total Permanent Disability System (TPD)
- Common Origination and Disbursement System (COD)
- Student Aid Internet Gateway (SAIG)

All information described in response to question 3 may be shared.

The purpose of the information shared is as required to complete Federal Student Aid business related to the student loans.

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?

NFP Montana shares information with the following non-Department of Education systems and government entities:

- Internal Revenue Service (including adjusted gross income (AGI) request, waiver image processing and 1098/1099)
- U.S. Department of Treasury ("Treasury") (including Lockbox, electronic debit account Electronic Development Application vendor, Pay.gov, Remittance Express, Integrated Professional Automation Computer, and, Ca\$hLinkII)
- United States Postal Service

NFP Montana may be required to interface and share information with the following nongovernmental entities:

- Servicing System Providers
- Educational Institutions
- Lender Servicers, Direct Loan Servicer, and other Servicers
- Independent Auditors
- National Consumer Reporting Agencies
- Person Locator Services
- Other parties as authorized by the borrower



All information described in response to question 3 may be shared.

The information is only shared as required to complete Federal Student Aid business related to the student loans.

Information required to be shared, is done so using secure file transmissions and secure email.

Sharing of information with certain other entities (consumer reporting agencies, independent program participants, etc.) will be pursuant to contractual or regulatory requirements, or through sharing agreements between the applicable entities and the Department of Education.

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?

Yes. We will send the following written Privacy Notice provided by FSA to borrowers when they initially convert to the NFP Montana and annually thereafter:

*“In 1999, Congress enacted the Gramm-Leach-Bliley Act (Public Law 106-102). This Act requires that lenders provide certain information to their customers regarding the collection and use of nonpublic personal information. Because you have a loan held by the U.S. Department of Education, we are sending you this Notice. In general, the categories of nonpublic personal information collected about you from your application, your educational institution, and consumer reporting agencies, include your address and other contact information, demographic background, loan and educational status, family income, social security number, employment information, collection and repayment history, and credit history. We disclose nonpublic personal information to third parties as necessary to process and service your loan and as permitted by the Privacy Act of 1974. The Privacy Act permits disclosure to third parties as authorized under certain routine uses. Examples of disclosures permitted under the Privacy Act include disclosure to federal and state agencies, private parties such as relatives, present and former employers, and creditors, and our contractors for purposes of administration of the student financial assistance programs, for enforcement purposes, for litigation, and for use in connection with audits or other investigations. We do not sell or otherwise make available any information about you to any third parties for marketing purposes. We protect the security and confidentiality of nonpublic personal information by implementing the following **Federal Standards and Guidelines** and practices. All physical access to the sites where nonpublic personal information is maintained is controlled and monitored. Our computer systems offer a high degree of resistance to tampering and circumvention. These systems limit data access to our staff and contract staff on a need-to-know basis, and control individual users' ability to access and alter records within the systems. All users of these systems are given a unique user ID with personal identifiers. All interactions by individual users with the systems are recorded.”*

A privacy notice/policy is presented to the borrower via the following channels:



- Pursuant to the Gramm-Leach-Bliley Act, DoED's privacy notice is sent to the borrower by letter or email upon purchase of the loan by DoED and on an annual basis thereafter for the life of the loan
- A privacy notice is provided on the Free Application for Federal Student Aid (FAFSA) form and on the FAFSA online application website (www.fafsa.ed.gov)
- A privacy policy is also posted on NFP Montana's secure borrower portal website (<https://EdManage.MyEdLoan.com>) and
- In order to establish an online account on the NFP Montana system secure borrower portal website the borrower must agree to the Terms of Service which incorporates the privacy policy by reference and link.

We will apply the Department of Education's privacy policy and comply with applicable Federal and state law. Borrowers are able to opt out of our online account access features, and are required to provide consent, in compliance with applicable law, for various features and services provided by the NFP Montana, such as paperless billing, online payment, and telephone payment services.

10. Web Addresses. List the web addresses (known or planned) that have a Privacy Notice.

<http://www.amicusservicing.org>

<http://www.myamicusaccount.org>

www.fafsa.ed.gov

11. 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?

NFP Montana develops, disseminates, and periodically reviews/updates: (i) formal, documented policies that address purpose, scope, roles, responsibilities, security and compliance.

Security Awareness training is required and provided at least annually to all employees.

Signed Rules of Behavior are required by all employees.

The NFP Montana system requires User IDs and passwords.

The NFP Montana system is audited annually and performs continuous monitoring.

NFP Montana utilizes firewalls, authentication, auditing, monitoring, segmentation or roles and duties, and logical and physical segmentation as safeguards to PII.

NFP Montana utilizes intrusion detection systems, badge readers, and segregation of critical systems as physical safeguards to the Amicus System.

NFP Montana is currently conducting an independent security authorization (C & A) process in accordance with the Federal Information Security Management Act. The security authorization process will be completed by June 2012, and will be valid for 3 years.

The NFP Montana system is compliant with the following Federal Standards and Guidelines:



- Federal Information Security Controls Audit manual (FISCAM)
- Federal Information Processing Standards Publications (FIPS PUBS) on IT Security
- NIST SP 800-30, Risk Management Guide for Information Technology Systems, July 2002
- NIST SP 800-34, Rev. 1, Contingency Planning Guide for Federal Information Systems, May 2010
- NIST SP 800-35, Guide to Information Technology Security Services, October 2003
- NIST SP 800-37, Rev. 3, Guide for Applying the Risk Management Framework to Federal Information Systems, February 2010
- NIST SP 800-40, Procedures for Handling Security Patches, November 2005
- NIST SP 800-41, Guidelines on Firewalls and Firewall Policy, September 2009
- NIST SP 800-42, Guidelines on Network Security Testing, October 2003
- NIST SP 800-44, Rev. 2, Guidelines on Security Public Web Servers, September 2007
- NIST SP 800-45, Rev. 2, Guidelines on Electronic Mail Security, February 2007
- NIST SP 800-47, Security Guide for Interconnecting Information Technology Systems, August 2002
- NIST SP 800-50, Building an Information Technology Security Awareness Program, October 2003
- NIST SP 800-53, Rev. 3, Recommended Security Controls for Federal Information Systems, August 2009
- NIST SP 800-55, Rev. 1, Performance Measurements Guide for Information Security, July 2008
- NIST SP 800-58, Security Considerations for Voice Over IP Systems, January 2005
- NIST SP 800-60, Rev. 1, Volume 1, Guide for Mapping Types of Information and Information Systems to Security Categories, August 2008
- NIST SP 800-60, Rev. 1, Volume 2, Appendices to Guide for Mapping Types of Information and Information Systems to Security Categories, August 2008
- NIST SP 800-61, Rev. 1, Computer Security Incident Handling Guide, March 2008
- NIST SP 800-64 Rev. 2, Security Considerations in the Systems Development Life Cycle, October 2008
- NIST SP 800-65, Integrating IT Security into the Capital Planning and Investment Control Process. January 2005
- NIST SP 800-70, Rev. 2, National Checklist Program for IT Products: Guidelines for Checklists Users and Developers, February 2011
- NIST SP 800-77, Guide to IPsec VPNs, December 2005
- NIST SP 800-81, Rev. 1, Secure Domain Name System (DNS) Deployment Guide, April 2010
- NIST SP 800-83, Guide to Malware Incident Prevention and Handling, November 2005;
- NIST SP 800-88, Guidelines for Media Sanitization, September 2006
- NIST SP 800-92, Guide to Computer Security Log Management, September 2006
- NIST SP 800-94, Guide to Intrusion Detection and Prevention Systems (IDPS), February 2007
- NIST SP 800-95, Guide to Secure Web Services, August 2007;
- NIST SP 800-97, Establishing Wireless Robust Security Networks: A Guide to IEEE 802.11i, February 2007
- NIST SP 800-111, Guide to Storage Encryption Technologies for End User Devices, November 2007
- NIST SP 800-113, Guide to SSL VPNs, July 2008



- NIST SP 800-122, Guide to Protecting the Confidentiality of Personally Identifiable Information, April 2010
- NIST SP 800-123, Guide to General Server Security, July 2008 and
- NIST SP 800-124, Guidelines on Cell Phone and PDA Security, October 2008.

Department of Education Policies:

- Department of Education Handbook for Information Technology Security
- Department of Education Handbook for Information Technology Security General Support System and Major Application Inventory Procedures
- Department of Education Handbook for Certification and Accreditation Procedures
- Department of Education Handbook for Information Technology Security Configuration Management Procedures
- Department of Education Handbook for Information Technology Security Contingency Planning Procedures
- Department of Education Information Technology Security Test and Evaluation Plan Guide;
- Department of Education Incident Handling Program Overview
- Department of Education Handbook for Information Technology Security Incident Handling Procedures and
- Department of Education Information Technology Security Training and Awareness Program Plan.

NFP Montana System Security Plan (SSP) details the security requirements and describes the security controls that are in place to meet those requirements.

Security authorization will be completed June 20, 2012.

Two Factor Authentication (TFA) is not yet implemented it will be implemented within a year.

12. 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?

NFP Montana is covered under the “Common Services for Borrowers” System of Records Notice (SORN), which was published as number 18-11-16 in the *Federal Register* on January 23, 2006 (71 FR 3503-3507).

13. 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:

Per FSA, NFP Montana will follow the FSA Loan Servicing, Consolidation, and Collections Records. The ACS Tracking Number is OM: 6-106:L74.

DoED Record Schedule:

Schedule Locator NO: 075

Draft Date: 03/11/2009

Title: FSA Loan Servicing, Consolidation and Collections Records



Principal Office: Federal Student Aid

NARA Disposition Authority: N1-441-09-16

Description:

These records document business operations that support the servicing, consolidation, and collection of Title IV federal student aid obligations. These records relate to the post-enrollment period of student aid, including servicing of direct loans, consolidation of direct loans, managing and recovering defaulted debts assigned to the Department from Federal Family Education Loan (FFEL) and other lenders, rehabilitated loans, and any other type of Title IV student aid obligation.

This schedule provides a common disposition for records that comprise a variety of material and media, including but not limited to demographic and financial data on individual borrowers; institutional data on schools, guarantors, lenders, private collection agencies; records of financial transactions, payments, collections, account balancing and reconciliation, and reporting; records pertaining to customer interactions; and related correspondence and documents.

As these records may be maintained in different media formats, this schedule is written to authorize the disposition of the records in any media (media neutral). Records that are designated for permanent retention and are created and maintained electronically will be transferred to NARA in an approved electronic format.

DISPOSITION INSTRUCTIONS:

a. Record Copy

TEMPORARY

- Cut off annually upon payment or discharge of loan. Destroy/delete 15 years after cut off.

b. Duplicate Copies Regardless of Medium Maintained for Reference Purposes and That Do Not Serve as the Record Copy

TEMPORARY

- Destroy/delete when no longer needed for reference.

ELECTRONIC INFORMATION SYSTEMS:

Direct Loan Servicing System (DLSS)

Direct Loan Consolidation System (DLCS)

Conditional Disability Discharge Tracking System (CDDTS)

Debt Management and Collection System (DMCS)

Credit Management Data Mart (CMDM)

IMPLEMENTATION GUIDANCE:

Follow the disposition instructions in DoED 086 for system software; input/source records; output and reports; and system documentation. Original signed paper documents required for legal purposes must be kept for the full length of the retention period, even if an electronic version has been captured in the information system.



ARRANGEMENT / ANNUAL ACCUMULATION:

PREVIOUS DISPOSITION AUTHORITY:

SPECIFIC LEGAL REQUIREMENTS:

Title IV of the Higher Education Act (HEA) of 1965, as amended

SPECIFIC RESTRICTIONS:

Privacy Act 18-11-05 Title IV Program Files

Privacy Act 18-11-08 Student Account Manager System

BUSINESS LINE: Loans