

**POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:**

Records in this system pertaining to a title IV, HEA loan borrower or grant recipient are retrieved by one or more of the following data elements: the SSN, name, address, randomly generated number, debt number, phone number, debt type reference, debt type extension debt number, commercial name, commercial contact name, legacy ID, driver's license number, American Bankers Association (ABA) routing number, bankruptcy docket number, debt placement date, debt user defined page (UDP), email address, last worked date, payment additional extension reference ID, payment extension reference ID, tag short name, total balance, credit bureau legacy ID, debt type group short name, debt type short name, department name, institution account number, judgment docket number, license-issuing State, next scheduled payment amount, next scheduled payment date, office name, original debt type name, PCA group short name, and PCA short name.

**POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:**

All records are retained and disposed of in accordance with ED Records Schedule 075: FSA Loan Servicing, Consolidation, and Collections Records (N1-441-09-016) (ED 075). The Department has submitted amendments to ED 075 for NARA's consideration and will continue to preserve all records covered by ED 075 until the amendments are approved.

**ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:**

All physical access to the Department's site, and to the sites of the Federal Loan Servicers, the Federal Perkins Loan Servicer, PCAs, and other contractors listed in this notice, where this system of records is maintained, is controlled and monitored by security personnel who check each individual entering the building for his or her employee or visitor badge.

In accordance with the Department's Administrative Communications System Directive ACSD-OFO-013 entitled "Contractor Employee Personnel Security Screenings," all contract personnel who have facility access and system access are required to undergo a security clearance investigation. Individuals requiring access to Privacy Act records are required to hold, at a minimum, a moderate-risk security clearance level. These individuals are required to undergo periodic screening at five-year intervals.

In addition to conducting security clearances, contract and Department employees are required to complete security awareness training on an annual basis. Annual security awareness training is required to ensure that contract and Department users are appropriately trained in safeguarding Privacy Act records.

The computer system employed by the Department offers a high degree of resistance to tampering and circumvention. 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. All users of this system of records are given a unique user identification and password. The Department's Standard PR.AC: Password Parameters Policy requires the enforcement of a complex password policy. In addition to the enforcement of a complex password policy, users are required to change their password at least every 60 to 90 days in accordance with the Department's Information Technology standards.

In accordance with the Federal Information Security Management Act of 2002 (FISMA), as amended by the Federal Information Security Modernization Act of 2014, every Department system must receive a signed Authorization to Operate (ATO) from a designated Department official. The ATO process includes a rigorous assessment of security and privacy controls, a plan of actions and milestones to remediate any identified deficiencies, and a continuous monitoring program.

FISMA controls implemented comprise a combination of management, operational, and technical controls, and include the following control families: access control, awareness and training, audit and accountability, assessment, authorization, and monitoring, configuration management, contingency planning, identification and authentication, incident response, maintenance, media protection, physical and environmental protection, planning, program management, personnel security, personally identifiable information processing and transparency, risk assessment, system and services acquisition, system and communications protection, system and information integrity, and supply chain risk management.

All of the Federal Loan Servicers, NFP Federal Loan Servicers, the Federal Perkins Loan Servicer, PCAs and other contractors, as listed in "SYSTEM LOCATION," undergo FISMA security authorizations. In addition, access is

monitored 24 hours per day, 7 days a week.

**RECORD ACCESS PROCEDURES:**

If you wish to gain access to a record in this system, provide the system manager with your name, date of birth, and SSN. Requests by an individual for access to a record must meet the requirements of the regulations in 34 CFR 5b.5, including proof of identity.

**CONTESTING RECORD PROCEDURE:**

If you wish to contest the content of a record in this system of records, contact the system manager with your name, date of birth, and SSN; identify the specific items to be changed; and provide a written justification for the change. Requests to amend a record must meet the requirements of the regulations in 34 CFR 5b.7.

**NOTIFICATION PROCEDURES:**

If you wish to determine whether a record exists regarding you in this system of records, provide the system manager with your name, date of birth, and SSN. Requests must meet the requirements of the regulations in 34 CFR 5b.5 and 5b.7, including proof of identity.

**EXEMPTIONS PROMULGATED FOR THE SYSTEM:**

None.

**HISTORY:**

The system of records entitled "Common Services for Borrowers (CSB)" (18-11-16) was originally published in the **Federal Register** on January 23, 2006 (71 FR 3503-3507), modified on September 12, 2014 (79 FR 54685-54695), and was last modified on September 2, 2016 (81 FR 60683-60691).

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**DEPARTMENT OF EDUCATION**

[Docket ID ED-2022-FSA-0050]

**Privacy Act of 1974; System of Records**

**AGENCY:** Federal Student Aid, U.S. Department of Education.

**ACTION:** Notice of a modified system of records.

**SUMMARY:** In accordance with the Privacy Act of 1974, as amended (Privacy Act), the U.S. Department of Education (Department) publishes this notice of a modified system of records entitled "Common Origination and Disbursement (COD) System" (18-11-02). The information contained in this system is maintained for various

purposes relating to aid applicants and recipients including determining their eligibility for Federal student financial assistance under the programs authorized by title IV of the Higher Education Act of 1965, as amended (HEA); institutions of higher education participating in and administering title IV, HEA programs; and the Department's oversight of title IV, HEA programs.

**DATES:** Submit your comments on this modified system of records notice on or before October 13, 2022

This modified system of records notice will become applicable upon publication in the **Federal Register** on September 13, 2022, except for the new and modified routine uses 1(a), (b), (c), (d), (e), (f), (g), (h), (i), (k), 2, 5(b), 11, and 15 that are outlined in the section entitled "ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES," which will be effective on October 13, 2022, unless they need to be changed as a result of public comment. The Department will publish any changes to the modified system of records notice resulting from public comment.

**ADDRESSES:** Comments must be submitted via the Federal eRulemaking Portal at *regulations.gov*. However, if you require an accommodation or cannot otherwise submit your comments via *regulations.gov*, please contact the program contact person listed under **FOR FURTHER INFORMATION CONTACT**. The Department will not accept comments submitted by fax or by email, or comments submitted after the comment period closes. To ensure that the Department does 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.

**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 provide an appropriate accommodation

or auxiliary aid 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 accommodation or auxiliary aid, please contact the person listed under **FOR FURTHER INFORMATION CONTACT**.

**FOR FURTHER INFORMATION CONTACT:** Shannon Mahan, Acting Director, Program Delivery Services Group, Union Center Plaza (UCP), Room 64E1, 830 First Street NE, Washington, DC 20202-5454. Telephone: 202-377-3019. Email: *Shannon.Mahan@ed.gov*.

**SUPPLEMENTARY INFORMATION:**

**Introduction**

The "Common Origination and Disbursement (COD) System" (18-11-02) was last published in full in the **Federal Register** on August 16, 2019 (84 FR 41979).

The Department is modifying the section entitled "SYSTEM LOCATION" to: clarify the name of, and remove the detailed description of the data held by, Amazon Web Services (AWS) Government Cloud; add Accenture Federal Services as a COD Support Center; add the NTT Global Data Centers as data centers for contact center technical infrastructure; and remove Sensure, LLC, located in London, Kentucky, and Cooney Solutions Group as COD Customer Service Centers.

The Department is modifying the section entitled "SYSTEM MANAGER(S)" to make minor updates to the organization of the system manager—the Director of the Program Delivery Services Group.

The Department is modifying the section entitled "AUTHORITY FOR THE MAINTENANCE OF THE SYSTEM" to add "the Higher Education Relief Opportunities for Students Act of 2003 (20 U.S.C. 1098bb) (including any waivers or modifications that the Secretary of Education deems necessary to make to any statutory or regulatory provision applicable to the student financial assistance programs under title IV of the HEA to achieve specific purposes listed in the section in connection with a war, other military operation, or a national emergency)."

The Department is modifying the section entitled "PURPOSE(S) OF THE SYSTEM" to change the wording of the purposes related to "students and borrowers" to purposes related to "aid applicants and recipients under title IV of the HEA," to add a note that informs the readers that the term "discharge" is synonymous, for the purposes of this

modified system of records notice, with "forgiveness and cancellation," and to make the following additional changes:

(i) Purpose (1) was expanded to include "aid applicants" and to include the purpose of determining aid applicants' and recipients' eligibility for and benefits under title IV, HEA programs, including but not limited to, as examples of applicable determinations, "receiving a loan, grant, or scholarship, and obtaining discharge of eligible loans under title IV of the HEA";

(ii) Purpose (2) was updated to refer to the storage of data and documentation, rather than electronic data and documentation;

(iii) Purpose (3) was updated to delete and replace the reference to "individual" with "aid recipient" and "a title IV, HEA Federal grant or loan" with "title IV, HEA program funds";

(iv) Purpose (4) was updated to delete and replace the reference to "individual" with "aid recipient" and to delete and replace the reference to "the annual award limits under title IV, HEA Federal grant or loan programs" with "title IV, HEA program fund award limits";

(v) Purpose (5) was updated to delete and replace the reference to "individual" with "aid applicant or recipient" and to include the identification of an aid applicant or recipient who completed an electronic Direct Consolidation Loan Application and promissory note;

(vi) Purpose (6) was updated to delete and replace the reference to "individual" with "aid applicant or recipient," to clarify that counseling includes entrance and exit counseling, and to include the full name of the Teacher Education Assistance for College and Higher Education (TEACH) Grant program;

(vii) Purpose (7) was updated to delete and replace the reference to "individual" with "aid recipient," to include the identification of an aid recipient who completed an electronic request to repay a Department-held Perkins loan or Department-held Federal Family Education Loan (FFEL) Program loan, and to delete and replace the reference to "income-based or income contingent (hereafter 'income-driven') repayment plans" with "income-driven repayment plans";

(viii) Purpose (8) was deleted because the identification of an individual who completed an electronic Direct Consolidation Loan Application and promissory note was added to purpose (5);

(ix) The parts of purpose (9) relating to tracking the level of study,

Classification of Instructional Program (CIP) code, and educational program length to limit eligibility for Direct Subsidized Loans to no more than 150 percent of the published length of the educational program in which the student is enrolled and to enabling Federal Loan Servicers to determine whether an aid recipient who enrolls will be responsible for the accruing interest on outstanding Direct Subsidized Loans were deleted because the Consolidated Appropriations Act, 2021, repealed the requirements referenced therein regarding limiting Direct Subsidized Loan eligibility;

(x) Newly renumbered purpose (8) was added to reflect the tracking of student enrollments by educational program for purposes of determining educational program outcomes, including using that information to obtain average earnings of students by educational program from another Federal agency, as previously set forth in part of purpose (9);

(xi) Newly renumbered purpose (9) was added to maintain a qualifying employer database to allow aid recipients who apply for Public Service Loan Forgiveness (PSLF), Temporary Expanded Public Service Loan Forgiveness (TEPSLF), or the limited PSLF waiver to search for and select their PSLF qualifying employer;

(xii) New purpose (10) was added to enable the Department, or other Federal, State, Tribal, or local agencies to investigate, respond to, or resolve complaints regarding the Department's and/or the Department's contractors' practices or processes, and to investigate, respond to, or resolve aid applicants' and recipients' requests for assistance or relief regarding title IV, HEA program funds;

(xiii) New purpose (11) was added to enable an aid applicant, recipient, and, where applicable, an endorser, to initiate online credit checks when they complete an electronic Federal Direct PLUS Loan Application or an Endorser Addendum; and

(xiv) New purpose (12) was added to identify an aid recipient obligated to repay title IV, HEA program funds pursuant to various stored data and documentation such as promissory notes, applications, and agreements.

The Department is modifying the section entitled "PURPOSE(S) OF THE SYSTEM" relating to institutions of higher education (also referred to herein as "educational institutions") participating in and administering title IV, HEA programs as follows:

(i) Purpose (1) was updated to delete and replace the reference to "title IV, HEA Federal grant and Direct Loan

funds" with "title IV, HEA program funds";

(ii) Purpose (2) was updated to clarify that an institution of higher education may use this system to request online credit checks on aid applicants, recipients, or endorsers as part of the process to determine the aid applicant's eligibility for a title IV, HEA Federal Direct PLUS Loan;

(iii) Purpose (3) was updated to delete and replace the reference to "title IV, HEA Federal grant or loan" with "title IV, HEA program funds"; and

(iv) New purpose (6) was added to collect Campus-Based expenditure information for the previous award year and the ability to apply for Campus-Based program funds using the Fiscal Operation Report and Application to Participate (FISAP).

The Department is modifying the section entitled "PURPOSE(S) OF THE SYSTEM" relating to the Department's administration and oversight of title IV, HEA programs by adding the term "administration," and as follows:

(i) Purpose (1) was updated to delete and replace the reference to "title IV, HEA Federal grant and loan programs" with "title IV, HEA programs";

(ii) Purpose (2) was updated to include limiting student aid eligibility for institutions of higher education or programs offered by institutions of higher education that are ineligible to receive title IV, HEA program funds;

(iii) Purpose (6) regarding the performance of data analytics and reporting to inform and optimize the effectiveness of the Department's student financial assistance programs was deleted;

(iv) New purpose (6) was added to ensure that Federal, State, local, and Tribal statutory, regulatory, contractual, and program requirements are met by educational and financial institutions, and the Department's contractors including Federal Loan Servicers and the Federal Perkins Loan Servicer;

(v) New purpose (7) was added to help governmental entities at the Federal, State, Tribal, and local levels exercise their supervisory and administrative powers (including, but not limited to, licensure, examination, discipline, regulation, or oversight of educational institutions, Department contractors, guaranty agencies, eligible lenders, and third-party servicers); to investigate, respond to, or resolve complaints regarding the practices or processes of the Department and/or the Department's contractors; and to update information or correct errors contained in Department records regarding title IV, HEA program funds;

(vi) New purpose (8) was added to provide reporting capabilities for educational institutions, guaranty agencies, lenders, Department contractors including Federal Loan Servicers, and the Federal Perkins Loan Servicer for use in title IV, HEA administrative functions, and for use by the Department or Federal, State, Tribal, or local agencies for oversight and compliance;

(vii) New purpose (9) was added to support research, analysis, and development of educational policies in relation to title IV, HEA programs;

(viii) New purpose (10) was added to support the Department in detecting and mitigating improper payments in title IV, HEA programs; and

(ix) New purpose (11) was added to allow the Department to conduct testing, analysis, or take other administrative actions needed to prepare for or execute programs under title IV of the HEA.

The Department is modifying the section entitled "CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM" as follows:

(i) In the first paragraph, the Department added the word "aid" before "applicants," included endorsers and parents and spouses of aid applicants in the list of covered individuals, and deleted and replaced the reference to "Federal grant or loan under one of the programs authorized under title IV of the HEA" with "title IV, HEA programs";

(ii) In the first paragraph, the Department deleted category (10), the Auxiliary Loans to Assist Students Program also referred to as the "ALAS Program," because it is not a title IV, HEA program but rather was a type of loan under the FFEL program; and category (11), Health Profession Student Loans (HPSL) Program, and category (12), Health Education Assistance Loans (HEAL) Program, because they are not title IV, HEA programs and the records of aid applicants and recipients with loans under the HEAL and HPSL Programs are not maintained in this system of records; and

(iii) The second paragraph was updated to replace the phrase "title IV recipients" with "aid recipients under title IV of the HEA," to delete the phrase that limited the system to covering aid recipients who "are currently or were previously enrolled at an institution of higher education," and to clarify that the cohort default rates (CDRs) are calculated by the National Student Loan Data System (NSLDS) from guaranty agency-reported and Federal Loan Servicer-reported data at the institution-level.

The Department is modifying the section entitled "CATEGORIES OF RECORDS IN THE SYSTEM" as follows:

(i) In the first paragraph, the Department modified the introductory language to refer to "data about aid applicants and recipients, endorsers, aid applicants' and recipients' parents, and spouses of aid applicants and recipients who are part of an aid applicant's title IV, aid application or receive title IV, HEA aid," and to replace the reference to "Federal grant or loan under one of the programs authorized under title IV of the HEA" with "title IV, HEA aid";

(ii) Category (1) was updated to include mailing address, email address, driver's license number, and telephone number, as the Department considers these data elements in combination as identifiers;

(iii) Category (2) was updated to delete examples of an aid applicant's and recipient's demographic data, moving some of these examples, as well as spousal identifiers, to Category (1), to add demographic information of parent(s) and spouse, and to cover "aid applicant and recipient demographic information, including demographic information of the aid applicant's and recipient's parent(s) and aid applicant's and recipient's spouse (if applicable), expected student enrollment, list of participating title IV, HEA institutions of higher education designated by the aid applicant to receive the Free Application for Federal Student Aid (FAFSA®) form data along with residency plans, and the financial profile of an aid applicant, an aid applicant's parent(s), or an aid applicant's spouse, as reported and calculated through the FAFSA form, and to also include processing flags, indicators, rejections, and overrides";

(iv) Category (3) was updated to include additional data elements, date of disbursement, disbursement amounts, demographic and contact information from the guaranty agency, lender(s), holder(s), and servicer(s) of an aid recipient's FFEL program loan(s);

(v) Category (4) was updated to reflect "Federal grant(s) aid recipient" instead of "students receiving Federal grants," and "Pell Grant additional eligibility indicator" rather than "Pell Grant over-award indicator";

(vi) Category (5) was deleted because Direct Loan dates of disbursement and disbursement amounts were added to Category (3);

(vii) Category (6) was deleted because the guaranty agencies, lender(s), holder(s), and servicer(s) of the aid recipient's FFEL program loan(s) information were added to Category (3);

(viii) Newly renumbered Category (5) was updated to include Pell Grant collection status indicator;

(ix) Newly renumbered Category (6) was updated to delete and replace "Direct Loan promissory notes" with "promissory notes," to add Federal Direct PLUS loans, and to clarify that the accrued interest applies to Department-held FFEL program loans;

(x) Newly renumbered Category (8) was updated to include the Annual School Loan Acknowledgement (ASLA);

(xi) Newly renumbered Category (9) was updated to clarify that the credit report information is for Federal Direct PLUS loan aid applicants, recipients, and endorsers;

(xii) Newly renumbered Category (11) was updated to delete and replace the references to "borrower" with "aid recipient" and to include Special Direct Consolidation Loan aid recipient identifier information;

(xiii) Newly renumbered Category (13) was updated to delete and replace the references to "borrower" with "aid recipient" and to specify that accounts placed with the Federal Loan Servicer(s) are placed by the Department;

(xiv) New Category (14) was added to include information obtained pursuant to matching programs or other information exchanges with Federal and State agencies, and other external entities, to assist in identifying aid recipients who may be eligible for benefits related to their title IV, HEA loans or other title IV, HEA obligations, including, but not limited to, Total and Permanent Disability discharges, loan deferments, interest rate reductions, PSLF, and other Federal and State loan repayment, discharge benefits or for the purpose of recouping payments or delinquent debts under title IV, HEA programs;

(xv) The Department deleted the discussion of the data elements used to perform data analysis for improper payments to prevent false reporting and potential fraud;

(xvi) The Department updated the penultimate paragraph to reflect that the Department no longer collects or monitors for the 150 percent Direct Subsidized Loan Limit; and

(xvii) The Department deleted the reference to the Appendix in the last paragraph of this section, which contained a description of the data added to the system as a result of the exchanges of data within FSA, because the Department is deleting the Appendix section.

The Department is modifying the section entitled "RECORD SOURCE CATEGORIES" as follows:

(i) In the first paragraph, the Department added that the system includes records on parents and spouses of aid applicants and recipients, and that information is provided by applicants for, in addition to recipients of, title IV, HEA program assistance, via, for example, Federal Direct Consolidation Loan or Special Direct Loan Consolidation application forms and promissory notes. In addition, the reference to the *StudentLoans.gov* website was updated to *Studentaid.gov* with respect to the receipt of completion information for Direct Loan and TEACH Grant program counseling;

(ii) The Department updated the second paragraph to delete and replace "credit reporting agencies" with "consumer reporting agencies" and to clarify consumer reporting agencies provide the system with information on endorsers and recipients, in addition to aid applicants, for Federal Direct PLUS loans;

(iii) The Department added a new third paragraph to indicate that information is obtained from other Federal, State, Tribal, and local agencies, guaranty agencies, consumer reporting agencies, educational institutions, financial institutions, servicers, aid applicants and recipients, parents of aid applicants and recipients, spouses of aid applicants, and endorsers who request to repay a Direct Loan or Federal Direct PLUS Loan under an income-driven repayment plan;

(iv) The Department clarified that record sources include information obtained from successors to the Department's systems referenced in the "RECORD SOURCE CATEGORIES" section, as the Department is working to replace some of these systems;

(v) The Department deleted descriptions of information received by the COD System from the Central Processing System (CPS), the National Student Loan Data System (NSLDS), the Financial Management System (FMS), the Postsecondary Education Participants System (PEPS), and the Common Services for Borrowers (CSB) system because those descriptions are not required and the underlying information is already described by, and covered under, each of the aforementioned systems' specific system of records notices; and

(vi) The Department added the Customer Engagement Management System (CEMS) (covered by the Department's Privacy Act system of records notice entitled "Customer Engagement Management System (CEMS)" (18-11-11)) to the listing of FSA systems from which the COD System obtains information.

The Department is modifying the section entitled "ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES" as follows:

(i) Routine use (1)(a) was modified to delete "verify the identity of the recipient or the accuracy of the record," and to add Tribal agencies to the entities to which the Department can disclose records from this system to assist with program eligibility and benefits determinations;

(ii) Routine use (1)(b) was modified to delete the word "electronic" because the Department stores paper and electronic documents;

(iii) Routine use (1)(c) was updated to delete and replace "individual" with "aid recipient," and to delete and replace "title IV, HEA Federal grant or loan" with "title IV, HEA program funds";

(iv) Routine use (1)(d) was updated to delete and replace "individual" with "aid recipient," to delete and replace "the title IV, HEA Federal grant or Direct Loan programs" with "title IV, HEA program funds," and to delete the word "annual" in describing the "award limits" in the title IV, HEA regulations;

(v) Routine use (1)(e) was updated to delete and replace "title IV, HEA Federal grant and Direct Loan funds" with "title IV, HEA program funds";

(vi) Routine use (1)(f) was updated to add "aid applicants, recipients, or endorsers" in the listing of individuals on whom an institution of higher education can request online credit checks as part of the process for eligibility determinations for Federal Direct PLUS Loans, and to delete and replace "applicants or borrowers" with "aid applicants and recipients";

(vii) Routine use (1)(g) was updated to delete and replace "a title IV, HEA Federal grant or loan" with "title IV, HEA program funds";

(viii) Routine use (1)(h) was modified to delete and replace "title IV, HEA Federal grant and loan programs" with "title IV, HEA program funds," and to add Tribal agencies to the entities to which the Department may disclose records from the system to support the investigation of possible fraud and abuse and to detect and prevent fraud and abuse in title IV, HEA programs;

(ix) Routine use (1)(i) was updated to delete and replace "a borrower or student" with "an aid applicant or recipient";

(x) Routine use (1)(j) was deleted because the Consolidated Appropriations Act, 2021, repealed the requirements referenced therein

regarding limiting Direct Subsidized Loan eligibility;

(xi) Previous routine use (1)(j) was redesignated as routine use (1)(i);

(xii) New routine use (1)(k) was added to allow for the disclosure of records from this system to governmental entities at the Federal, State, Tribal, and local levels to help such entities exercise their supervisory and administrative powers (including, but not limited to licensure, examination, discipline, regulation, or oversight of educational institutions, Department contractors, guaranty agencies, eligible lenders, and third-party servicers) or to investigate, respond to, or resolve complaints submitted regarding the practices or processes of the Department and/or the Department's contractors;

(xiii) Routine use (2) was updated to add that a Congressional member's request for a record must be made not only at the written request of, but also on behalf of, an individual constituent whose records are being disclosed;

(xiv) Routine use (5)(b) was updated to add public agencies' agents and contractors and Department contractors to, and remove foreign agencies from, the entities to which the Department may disclose records from this system in connection with certain employment, benefit, and contracting matters;

(xv) Routine use (11) was updated to remove the reference to "appropriate official" and to remove the references to the "disclosure and research is consistent with the uses and restrictions set forth in Sections 483(a)(3)(E), 485B(d)(2), and 485B(d)(5)(B) of the HEA, and the Family Educational Rights and Privacy Act, 20 U.S.C. 1232g and 34 CFR part 99" to make the language in this routine use more consistent with the routine uses in other Department systems of records notices; and

(xvi) New routine use (15) has been added to allow the Department to disclose records from this system to the National Archives and Records Administration (NARA) for the purpose of records management inspections conducted under the authority of 44 U.S.C. 2904 and 2906.

The Department is modifying the section entitled "POLICIES AND PRACTICES FOR STORAGE OF RECORDS" to delete and replace "Perkins aid" with "Perkins loan," "AWS Data Center" with "AWS Government Cloud" and "borrower" with "aid recipient."

The Department is modifying the section entitled "ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS" to include information on requirements under the Federal Information Security Management Act

of 2002 (FISMA), as amended by the Federal Information Security Modernization Act of 2014, to clarify that the Department system must receive a signed Authorization to Operate (ATO) from a designated Department official, and to describe privacy and security controls in place to protect the information maintained in the system.

The Department is deleting the Appendix, which contained detailed descriptions of the data added to the COD System as a result of data exchanges within FSA, consistent with the Department's policy on the removal of such appendices from system of records notices.

**Accessible Format:** On request to the program contact person listed under **FOR FURTHER INFORMATION CONTACT**, individuals with disabilities can obtain this document in an accessible format. The Department will provide the requestor with an accessible format that may include Rich Text Format (RTF) or text format (txt), a thumb drive, an MP3 file, braille, large print, audiotape, or compact disc, or other accessible format.

**Electronic Access to This Document:** The official version of this document is the document published in the **Federal Register**. You may access the official edition of the **Federal Register** and the Code of Federal Regulations at [www.govinfo.gov](http://www.govinfo.gov). At this site you can view this document, as well as all other documents of this 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](http://www.federalregister.gov). Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

**Richard Cordray,**

*Chief Operating Officer, Federal Student Aid.*

For the reasons discussed in the preamble, the U.S. Department of Education (Department) publishes a notice of a modified system of records to read as follows:

**SYSTEM NAME AND NUMBER:**

Common Origination and Disbursement (COD) System (18–11–02).

**SECURITY CLASSIFICATION:**

Unclassified

**SYSTEM LOCATION:**

Program Management Services, Federal Student Aid (FSA), Union Center Plaza (UCP), Room 64E1, 830 First St. NE, Washington, DC 20202–5454.

Amazon Web Services (AWS) Government Cloud, 1200 12th Ave., Suite 1200, Seattle, WA 98114. (This is the Computer Center for the COD application, where all electronic COD information is processed and stored.)

Accenture, 22451 Shaw Rd., Sterling, VA 20166–4319. (The COD Sterling Cloud-based Operations is located here.)

Accenture DC, 820 First St. NE, Washington, DC 20202–4227. (This is the COD Operations Center.)

Accenture Federal Services, 10931 Laureate Dr., San Antonio, TX 78249. (This is a COD Support Center.)

Atlanta Federal Records Center, National Archives and Records Administration (NARA), 4712 Southpark Blvd., Ellenwood, GA 30294. (This is where Direct Loan paper promissory notes (also referred to as master promissory notes (MPNs), Endorser Addenda, and Power of Attorney documents are stored.)

NTT Global Data Centers Americas (Raging Wire), 44664 Guilford Drive, Ashburn, VA 20147. (This is a datacenter for contact center technical infrastructure.)

NTT Global Data Centers Americas (Raging Wire), 2008 Lookout Dr, Garland, TX 75044. (This is a datacenter for contact center technical infrastructure.)

The following three listings are the locations of the COD Customer Service Centers:

ASM Research, 2429 Military Rd., Suite 200, Niagara Falls, NY 14304–1551. (This center images and stores all the Direct Loan paper MPNs and Endorser Addenda); Senture, LLC, 4255 W Highway 90, Monticello, KY 42633–3398; and

Veteran Call Center, 53 Knightsbridge Rd., Suite 216, Piscataway, NJ 08854–3925.

**SYSTEM MANAGER(S):**

Director, COD System, Program Delivery Services Group, Federal Student Aid (FSA), U.S. Department of Education (Department), Union Center Plaza (UCP), room 64E1, 830 First Street NE, Washington, DC 20202–5454.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

This system of records is authorized under title IV of the Higher Education Act of 1965, as amended (HEA) (20 U.S.C. 1070 *et seq.*) and the Higher Education Relief Opportunities for Students Act of 2003 (20 U.S.C. 1098bb)

(including any waivers or modifications that the Secretary of Education deems necessary to make to any statutory or regulatory provision applicable to the student financial assistance programs under title IV of the HEA to achieve specific purposes listed in the section in connection with a war, other military operation, or a national emergency).

**PURPOSE(S) OF THE SYSTEM:**

The information contained in this system is maintained for the following purposes related to aid applicants and recipients under title IV of the HEA:

**Note:** Different parts of the HEA use the terms “discharge,” “cancellation,” or “forgiveness” to describe when a borrower’s loan amount is reduced in whole or in part by the Department. To reduce complexity, this system of records notice uses the term “discharge” to include all three terms (“discharge,” “cancellation,” and “forgiveness”), including, but not limited to, discharges of student loans made pursuant to specific benefit programs. At times, the system of records notice may refer by name to a specific benefit program, such as the “Public Service Loan Forgiveness” program; such specific references are not intended to exclude any such program benefits from more general references to loan discharges.

(1) To determine aid applicants’ and recipients’ eligibility for and benefits under title IV, HEA programs, including, but not limited to, receiving a loan, grant, or scholarship, and obtaining discharge of eligible loans under title IV of the HEA;

(2) To store data and documentation, including, but not limited to, HEA and promissory notes and other agreements that evidence the existence of a legal obligation to repay funds disbursed under title IV, HEA programs;

(3) To identify whether an aid recipient may have received title IV, HEA program funds at more than one educational institution for the same enrollment period in violation of title IV, HEA program regulations;

(4) To identify whether an aid recipient may have exceeded title IV, HEA program fund award limits in violation of title IV, HEA program regulations;

(5) To identify an aid applicant or recipient who completed an electronic Direct Consolidation Loan Application and promissory note or a Special Direct Consolidation Loan application and promissory note;

(6) To identify an aid applicant or recipient who completed entrance and exit counseling in the Direct Loan or Teacher Education Assistance for College and Higher Education (TEACH) Grant programs;

(7) To identify an aid recipient who completed an electronic request to repay

a Direct Loan, a Department-held Perkins loan, or a Department-held Federal Family Education Loan (FFEL) Program loan under income-driven repayment plans;

(8) To track student enrollments by educational program for purposes of determining educational program outcomes, including using that information to obtain average earnings of students by educational program from another Federal agency;

(9) To maintain a qualifying employer database to allow aid recipients who apply for Public Service Loan Forgiveness (PSLF), Temporary Expanded Public Service Loan Forgiveness (TEPSLF), or the limited PSLF waiver to search for and select their PSLF qualifying employer;

(10) To enable the Department, or other Federal, State, Tribal, or local government agencies, to investigate, respond to, or resolve complaints concerning the practices or processes of the Department and/or the Department’s contractors, and to investigate, respond to, or resolve aid applicant and recipient requests for assistance or relief regarding title IV, HEA program funds;

(11) To enable an aid applicant, recipient, and, where applicable, an endorser, to initiate online credit checks when they complete the electronic Federal Direct PLUS Loan Application or an Endorser Addendum (**Note:** If an applicant for a Federal Direct PLUS Loan is determined to be ineligible for a loan because they have an adverse credit history, they may still get a loan if they have a qualified endorser); and

(12) To identify an aid recipient obligated to repay title IV, HEA program funds pursuant to various stored data and documentation such as promissory notes, applications, and agreements.

The information in this system is also maintained for the following purposes relating to institutions of higher education (also referred to herein as “educational institutions”) participating in and administering title IV, HEA programs:

(1) To enable an institution of higher education to reconcile, on an aggregate and recipient-level basis, the amount of title IV, HEA program funds that an institution received for disbursements it made to, or on behalf of, eligible students (including reconciling verification codes, reconciling the funds received with disbursements made by type of funds received, and making necessary adjustments);

(2) To enable an institution of higher education to request online credit checks on an aid applicant, recipient, or endorser in connection with the determination of the aid applicant’s

eligibility for a title IV, HEA Federal Direct PLUS Loan;

(3) To assist an institution of higher education, a software vendor or a third-party servicer with questions about title IV, HEA program funds;

(4) To assist an institution of higher education with student loan default prevention;

(5) To reconcile an institution of higher education's cash drawdowns from the U.S. Department of the Treasury with its reported disbursements and to ensure that the institution of higher education receives the appropriate amount of funds during the respective time period; and

(6) To collect Campus-Based expenditure information for the previous award year and the ability to apply for Campus-Based program funds using the Fiscal Operation Report and Application to Participate (FISAP).

The information in this system is also maintained for the following purposes relating to the Department's administration and oversight of title IV, HEA programs:

(1) To support the investigation of possible fraud and abuse and to detect and prevent fraud and abuse in title IV, HEA programs;

(2) To confirm that an institution of higher education, or a program offered by an institution of higher education, is eligible to receive title IV, HEA program funds, and to limit student aid eligibility for ineligible institutions or programs accordingly;

(3) To set and adjust program funding authorization levels for each institution;

(4) To enforce institutional compliance with Department reporting deadlines;

(5) To apply appropriate title IV, HEA funding controls;

(6) To ensure that Federal, State, local, and Tribal statutory, regulatory, contractual, and program requirements are met by educational and financial institutions, and the Department's contractors including Federal Loan Servicers and the Federal Perkins Loan Servicer;

(7) To help governmental entities at the Federal, State, Tribal, and local levels to exercise their supervisory and administrative powers (including, but not limited to, licensure, examination, discipline, regulation, or oversight of educational institutions, Department contractors, guaranty agencies, eligible lenders, and third-party servicers); to investigate, respond to, or resolve complaints regarding the practices or processes of the Department and/or the Department's contractors; and to update information or correct errors contained

in Department records regarding title IV, HEA program funds;

(8) To provide reporting capabilities for educational institutions, guaranty agencies, lenders, Department contractors including Federal Loan Servicers, and the Federal Perkins Loan Servicer for use in title IV, HEA administrative functions, and for use by the Department or Federal, State, Tribal, or local agencies for oversight and compliance;

(9) To support research, analysis, and development of educational policies in relation to title IV, HEA programs;

(10) To support the Department in detecting and mitigating improper payments in title IV, HEA programs; and

(11) To conduct testing, analysis, or take other administrative actions needed to prepare for or execute programs under title IV of the HEA.

#### **CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

This system contains records of aid applicants, aid applicants' parents, spouses of aid applicants, and where applicable, endorsers, who apply for title IV, HEA programs including, but not limited to, the:

- (1) Federal Pell Grant Program;
- (2) Federal Perkins Loans Program;
- (3) Academic Competitiveness Grant (ACG) Program;
- (4) National Science and Mathematics Access to Retain Talent (National SMART) Grant Program;
- (5) TEACH Grant Program;
- (6) Iraq and Afghanistan Service Grant (IASG) Program;
- (7) Direct Loan Program, which includes Federal Direct Stafford/Ford Loans, Federal Direct Unsubsidized Stafford/Ford Loans, Federal Direct PLUS Loans, and Federal Direct Consolidation Loans;
- (8) FFEL Program; and
- (9) Federal Insured Student Loan (FISL) Program.

The COD System also maintains records of aid recipients under title IV of the HEA and cohort default rates (CDRs) calculated by the National Student Loan Data System (NSLDS) from guaranty agency-reported and Federal Loan Servicer-reported data at the institution-level.

#### **CATEGORIES OF RECORDS IN THE SYSTEM:**

Records in the COD System include, but are not limited to, the following data about aid applicants and recipients, endorsers, aid applicants' and recipients' parents, and spouses of aid applicants and recipients who are part of an aid applicant's title IV, HEA aid application or receive title IV, HEA aid:

- (1) Identifier information, including name, Social Security number (SSN),

date of birth (DOB), mailing address, email address, driver's license number, and telephone number;

(2) Aid applicant and recipient demographic information, including demographic information of the aid applicant's and recipient's parent(s) and aid applicant's and recipient's spouse (if applicable), expected student enrollment, list of participating title IV, HEA institutions of higher education designated by the aid applicant to receive the Free Application for Federal Student Aid (FAFSA®) form data along with residency plans, and the financial profile of an aid applicant, an aid applicant's parent(s), or an aid applicant's spouse, as reported and calculated through the FAFSA form, and to also include processing flags, indicators, rejections, and overrides;

(3) Aid recipient's loan(s) information including information about Direct Loan, FFEL program loans, Perkins loans, and FISL program loans. This includes information about the period from the origination of the loan through final payment, and milestones, including, but not limited to: discharge, consolidation, or other final disposition including details such as loan amount, date of disbursement, disbursement amounts, balances, loan status, repayment plan and related information, collections, claims, deferments, forbearances, refunds, and guaranty agencies, lender(s), holder(s), and servicer(s) of an aid recipient's FFEL program loan(s);

(4) Information about Federal grant aid recipients, including recipients of Pell Grants, ACG, National SMART Grants, TEACH Grants, Iraq and Afghanistan Service Grants, and including grant amounts, grant awards, verification status, lifetime eligibility used (LEU), IASG eligible veteran's dependent indicator, Children of Fallen Heroes Scholarship eligibility indicator, and the Pell Grant additional eligibility indicator;

(5) Pell Grant collection status indicator and overpayment collection information;

(6) Promissory notes including promissory note identification numbers, loan type, current servicer, principal balance, and the accrued interest for Direct Loans, Federal Direct PLUS, or Department-held FFEL program loans;

(7) TEACH Agreements to Serve;

(8) Direct Loan Entrance Counseling forms, Federal Student Loan Exit Counseling forms, Federal Direct PLUS Loan Counseling forms, the Annual School Loan Acknowledgement (ASLA), Federal Direct PLUS Loan Requests, endorser addendums, and counseling in the Direct Loan and TEACH Grant

programs, such as the date that the aid applicant completed counseling;

(9) Credit report information for Federal Direct PLUS Loan applicants, recipients, and endorsers;

(10) Aid applicant identifier information for an electronic request to repay a Direct Loan under an income-driven repayment plan and endorser/spouse information, such as the SSN of the applicant, the date that the applicant completed the income-driven repayment plan application, and current loan balances;

(11) Electronic Direct Consolidation Loan or Special Direct Consolidation Loan aid recipient identifier information, such as the aid recipient's SSN, the date that the aid recipient completed the Federal Direct Consolidation Loan application and promissory note, and current loan balances;

(12) Information concerning the date of any default on a loan;

(13) Demographic and contact information for aid recipient accounts that the Department places with the Federal Loan Servicer(s) for collection of the aid recipient's title IV, HEA loans; and

(14) Information obtained pursuant to matching programs or other information exchanges with Federal and State agencies, and other external entities, to assist in identifying aid recipients who may be eligible for benefits related to their title IV, HEA loans or other title IV, HEA obligations, including, but not limited to, Total and Permanent Disability discharges, loan deferments, interest rate reductions, PSLF, and other Federal and State loan repayment, discharge benefits or for the purpose of recouping payments or delinquent debts under title IV, HEA programs.

The system also contains the following data about students provided by institutions of higher education that participate in an experiment under the Experimental Sites Initiative: award year, experiment number, Office of Postsecondary Education identification number (OPEID), student SSN, student last name, and any data collection instrument elements authorized under the Information Collection Request associated with each experiment.

The system also contains records from 2014–2021 on the level of study, Classification of Instructional Program code (field of study), and published length of an educational program in which a student receiving title IV, HEA Federal student aid was enrolled to limit their eligibility for Direct Subsidized Loans to no more than 150 percent of the published length of the educational program in which the

student was enrolled, and to determine when an aid recipient who enrolled after reaching the 150 percent limit would have been responsible for the accruing interest on outstanding Direct Subsidized Loans.

#### RECORD SOURCE CATEGORIES:

This system includes records on aid applicants or recipients, aid applicants' and recipients' parents, and spouses of aid applicants or recipients who are part of an applicant's or recipient's title IV, HEA aid application, or who have received title IV, HEA program assistance. These records include information provided by applicants for and recipients of title IV, HEA program assistance, via, for example, Federal Direct Consolidation Loan or Special Direct Loan Consolidation application forms and promissory notes, the parents of dependent aid recipients, and the spouses of aid applicants who request to repay a Direct Loan under an income-driven repayment plan. This system also includes Federal grant and Direct Loan origination and disbursement records provided to the Department by institutions of higher education or their agents. The system also receives completion information for Direct Loan and TEACH Grant program counseling through *Studentaid.gov* (the student-facing portion of the website) or from institutions of higher education, or both.

The system also receives information on Federal Direct PLUS Loan applicants, recipients, and endorsers from consumer reporting agencies.

Information is also obtained from other Federal, State, Tribal, and local agencies, guaranty agencies, consumer reporting agencies, educational institutions, financial institutions, servicers, aid applicants and recipients, parents of aid applicants and recipients, spouses of aid applicants, and endorsers who request to repay a Direct Loan or Federal Direct PLUS loan under an income-driven repayment plan.

Information is also obtained from other Department systems, including the following systems, or their successor systems:

(1) The Central Processing System (CPS) (covered by the Department's Privacy Act of 1974, as amended (Privacy Act), system of records notice entitled "Federal Student Aid Application File" (18–11–01));

(2) The National Student Loan Data System (NSLDS) (covered by the Department's Privacy Act system of records notice entitled "National Student Loan Data System" (18–11–06));

(3) The Financial Management System (FMS) (covered by the Department's Privacy Act system of records notice

entitled "Financial Management System (FMS)" (18–11–17));

(4) The Postsecondary Education Participants System (PEPS) (covered by the Department's Privacy Act system of records notice entitled "Postsecondary Education Participants System (PEPS)" (18–11–09));

(5) The Customer Engagement Management System (CEMS) (covered by the Department's Privacy Act system of records notice entitled "Customer Engagement Management System (CEMS)" (18–11–11)); and

(6) The Common Services for Borrowers (CSB) system (covered by the Department's Privacy Act system of records notice entitled "Common Services for Borrowers (CSB)" (18–11–16)).

The system may also obtain information from other persons or entities from which data is obtained following a disclosure under the 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. The Department may make these disclosures 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.

(1) *Program Disclosures.* The Department may disclose records from the system of records for the following program purposes:

(a) To assist with the determination of program eligibility and benefits, the Department may disclose records to institutions of higher education, financial institutions, third-party servicers, and Federal, State, Tribal, or local agencies;

(b) To store data that supports the existence of a legal obligation to repay funds disbursed under title IV, HEA programs, including documentation such as promissory notes and other agreements, the Department may disclose records to institutions of higher education, third-party servicers, and Federal agencies;

(c) To identify whether an aid recipient may have received title IV, HEA program funds at more than one institution of higher education for the same enrollment period in violation of title IV, HEA regulations, the Department may disclose records to



institutions of higher education, third-party servicers, and Federal, State, or local agencies;

(d) To identify whether an aid recipient may have exceeded the award limits under title IV, HEA program funds in violation of title IV, HEA regulations, the Department may disclose records to institutions of higher education, third-party servicers, and Federal agencies;

(e) To enable institutions of higher education to reconcile, on an aggregate and recipient-level basis, the amount of title IV, HEA program funds that an institution received with the disbursements it made to, or on behalf of, eligible students (including reconciling verification codes, reconciling the funds received with disbursements made by type of funds received, and making necessary corrections and adjustments), the Department may disclose records to institutions of higher education, third-party servicers, and Federal, State, or local agencies;

(f) To enable an institution of higher education to request online credit checks of aid applicants, aid recipients, or endorsers as part of the process for determining the eligibility of aid applicants and recipients for a title IV, HEA Federal Direct PLUS Loan, disclosures may be made to institutions of higher education, third-party servicers, consumer reporting agencies, and Federal agencies;

(g) To assist individuals, institutions of higher education, third-party servicers, or software vendors with questions about title IV, HEA program funds, disclosures may be made to institutions of higher education, software vendors, third-party servicers, and Federal, State, or local agencies;

(h) To support the investigation of possible fraud and abuse and to detect and prevent fraud and abuse in title IV, HEA program funds, disclosures may be made to institutions of higher education, third-party servicers, and Federal, State, local, or Tribal agencies;

(i) To assist institutions of higher education with student loan default prevention, disclosures may be made to institutions of higher education as to whether an aid applicant or recipient has completed required counseling in the Direct Loan or TEACH Grant programs;

(j) To assist the Department in determining eligibility for a Federal Direct PLUS Loan, disclosures may be made to consumer reporting agencies; and

(k) To help Federal, State, Tribal, and local governmental entities exercise their supervisory and administrative

powers (including, but not limited to licensure, examination, discipline, regulation, or oversight of educational institutions, Department contractors, guaranty agencies, eligible lenders, and third-party servicers) or to investigate, respond to, or resolve complaints submitted regarding the practices or processes of the Department and/or the Department's contractors, the Department may disclose records to governmental entities at the Federal, State, Tribal, and local levels. These records may include all aspects of records relating to loans and grants made under title IV of the HEA, to permit these governmental entities to verify compliance with debt collection, consumer protection, financial, and other applicable statutory, regulatory, or local requirements. Before making a disclosure to these Federal, State, local, or Tribal governmental entities, the Department will require them to maintain safeguards consistent with the Privacy Act to protect the security and confidentiality of the disclosed records.

(2) *Congressional Member Disclosure.* The Department may disclose the records of an individual to a member of Congress or the member's staff when necessary to respond to an inquiry from the member made at the written request of that individual and on behalf of that individual. The member's right to the information is no greater than the right of the individual who requested it.

(3) *Enforcement Disclosure.* If 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 investigating or prosecuting that violation or charged with enforcing or implementing the statute, regulation, or order issued pursuant thereto.

(4) *Litigation and Alternative Dispute Resolution (ADR) Disclosure.*

(a) *Introduction.* In the event that one of the following parties listed in subparagraphs (i) through (v) is involved in judicial or administrative litigation or ADR, or has an interest in judicial or administrative litigation or ADR, the Department may disclose certain records from this system of 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 of its components;

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

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

(iv) Any Department employee in his or her individual capacity when the Department has agreed to represent the employee; and

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

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

(c) *Adjudicative Disclosure.* If the Department determines that it is relevant and necessary to judicial or administrative litigation or ADR to disclose certain records from this system of records to an adjudicative body before which the Department is authorized to appear or to a person or an entity designated by the Department or otherwise empowered to resolve or mediate disputes, the Department may disclose those records as a routine use to the adjudicative body, person, or entity.

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

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

(a) *For Decisions by the Department.* The Department may disclose information from this system of records to a Federal, State, or local agency, or to another public authority or professional organization, maintaining civil, criminal, or other relevant enforcement or other pertinent records, 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 or their Agents and Contractors, Professional Organizations, or the Department's Contractors.* The Department may disclose records to a

Federal, State, local, or other public agency or an agent or contractor of such a public agency, professional organization, or the Department's contractor 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.

(6) *Employee Grievance, Complaint, or Conduct Disclosure.* If a record is relevant and necessary to a grievance, complaint, or disciplinary proceeding involving a present or former employee of the Department, the Department may disclose the record in the course of investigation, fact-finding, or adjudication to any party to the grievance, complaint, or action; to the party's counsel or representative; to a witness; or to a designated fact-finder, mediator, or other person designated to resolve issues or decide the matter. The disclosure may only be made during the course of investigation, fact-finding, or adjudication.

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

(8) *Freedom of Information Act (FOIA) and Privacy Act Advice Disclosure.* The Department may disclose records to the 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.

(9) *Disclosure to DOJ.* The Department may disclose records to DOJ to the extent necessary for obtaining DOJ advice on any matter relevant to an audit, inspection, or other inquiry related to the programs covered by this system.

(10) *Contract Disclosure.* If the Department contracts with an entity to perform any function that requires disclosure of records in this system to employees of the 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 establish and maintain safeguards to protect the security and confidentiality of the disclosed records.

(11) *Research Disclosure.* The Department may disclose records to a researcher if the Department determines that the individual or organization to which the disclosure would be made is qualified to carry out specific research related to the functions or purposes of this system of records. The Department may disclose records from this system of records to that researcher solely for the purpose of carrying out that research related to the functions or purposes of this system of records. The researcher shall be required to agree to establish and maintain safeguards to protect the security and confidentiality of the disclosed records.

(12) *Disclosure to OMB and the Congressional Budget Office (CBO) for Federal Credit Reform Act (CRA) Support.* The Department may disclose records to OMB and CBO as necessary to fulfill CRA requirements in accordance with 2 U.S.C. 661b.

(13) *Disclosure in the Course of Responding to a Breach of Data.* The Department may disclose records from this system of records to appropriate agencies, entities, and persons when (a) the Department suspects or has confirmed that there has been a breach of the system of records; (b) 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 operations), the Federal government, or national security; 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 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 (a) responding to a suspected or confirmed breach or (b) 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) *Disclosure to the National Archives and Records Administration (NARA).* The Department may disclose records from this system of records to NARA for the purpose of records management inspections conducted

under the authority of 44 U.S.C. 2904 and 2906.

#### **DISCLOSURE TO CONSUMER REPORTING AGENCIES:**

Disclosures pursuant to 5 U.S.C. 552a(b)(12): The Department may disclose to a consumer reporting agency the following information regarding a valid, overdue claim of the Department:

(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 section under 5 U.S.C. 552a(b)(12) and the procedures contained in 31 U.S.C. 3711(e). A consumer reporting agency to which these disclosures may be made is defined at 15 U.S.C. 1681a(f) and 31 U.S.C. 3701(a)(3).

#### **POLICIES AND PRACTICES FOR STORAGE OF RECORDS:**

The Department electronically stores, for the entire Federal Student Aid lifecycle from application through loan payoff, student and applicant demographic, and title IV, HEA aid data such as, but not limited to, FFEL program, FISL program, and Perkins loan records, on hard disk at the AWS Government Cloud in Seattle, Washington. The Department stores electronic master promissory notes, electronic Special Direct Consolidation Loan opportunity applications and promissory notes, electronic requests to repay a Direct Loan under an income-driven repayment plan, and Federal Direct Consolidation Loan applications and promissory notes on hard disk at the AWS Government Cloud in Seattle, Washington. Paper Direct Loan promissory notes and endorser addendums are stored in locked vaults in ASM Research in Niagara Falls, New York and at the NARA-operated Atlanta Federal Records Center near Atlanta, Georgia. Data obtained from the paper promissory notes are stored on hard disks at the AWS Government Cloud in Seattle, Washington. This data is referred to as metadata and is used by the system to link promissory notes to aid recipient data. The Department also creates and stores electronic images of the paper promissory notes at the ASM Research facility in Niagara Falls, New York. For information on the storage of other documents, see the section entitled "SYSTEM LOCATION".

**POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:**

Records in the COD System are retrieved by the individual's SSN or name, or by the institution's OPEID.

**POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:**

All records are retained and disposed of in accordance with Department Records Schedule 072: FSA Application, Origination, and Disbursement Records (DAA-0441-2013-0002) (ED 072). ED 072 is being amended, pending approval by NARA. Records will not be destroyed until NARA-approved amendments to ED 072 are in effect, as applicable.

**ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:**

Physical access to the sites of the Department's contractors, where this system of records is maintained, is controlled and monitored by security personnel who check each individual entering the buildings for his or her employee or visitor badge.

In accordance with the Department's Administrative Communications System Directive ACSD-OFO-013 entitled "Contractor Employee Personnel Security Screenings," all contract and Department personnel who have facility access and system access must undergo a security clearance investigation. Individuals requiring access to Privacy Act data are required to hold, at a minimum, a moderate-risk security clearance level. These individuals are required to undergo periodic screening at five-year intervals.

In addition to undergoing security clearances, contract and Department employees are required to complete security awareness training on an annual basis. Annual security awareness training is required to ensure that contract and Department users are appropriately trained in safeguarding Privacy Act data.

The computer system employed by the Department offers a high degree of resistance to tampering and circumvention. 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. All users of this system of records are given unique user identification. The Department's FSA Information Security and Privacy Policy requires the enforcement of a complex password policy. In addition to the enforcement of the complex password policy, users are required to change their password at least every 90 days in accordance with the Department's information technology standards.

In accordance with the Federal Information Security Management Act of 2002 (FISMA), as amended by the Federal Information Security Modernization Act of 2014, every Department system must receive a signed Authorization to Operate (ATO) from a designated Department official. The ATO process includes a rigorous assessment of security and privacy controls, a plan of actions and milestones to remediate any identified deficiencies, and a continuous monitoring program.

Security and privacy controls implemented are comprised of a combination of management, operational, and technical controls, and include the following control families: access control, awareness and training, audit and accountability, security assessment and authorization, configuration management, contingency planning, identification and authentication, incident response, maintenance, media protection, physical and environmental protection, planning, personnel security, privacy, risk assessment, system and services acquisition, system and communications protection, system and information integrity, and program management.

**RECORD ACCESS PROCEDURES:**

If you wish to gain access to a record in this system, contact the system manager at the address listed above. You must provide necessary particulars of your name, DOB, SSN, and any other identifying information requested by the Department while processing the request to distinguish between individuals with the same name. Requests by an individual for access to a record must meet the requirements in 34 CFR 5b.5.

**CONTESTING RECORD PROCEDURES:**

If you wish to contest the content of your personal record within the system of records, contact the system manager at the address listed above and provide your name, DOB, and SSN. Identify the specific items to be changed and provide a written justification for the change. Requests to amend a record must meet the requirements in 34 CFR 5b.7.

**NOTIFICATION PROCEDURES:**

If you wish to determine whether a record exists regarding you in the system of records, contact the system manager at the address listed above. You must provide necessary particulars such as your name, DOB, SSN, and any other identifying information requested by the Department while processing the

request to distinguish between individuals with the same name. Requests must meet the requirements in 34 CFR 5b.5.

**EXEMPTIONS PROMULGATED FOR THE SYSTEM:**

None.

**HISTORY:**

The system of records entitled "Common Origination and Disbursement (COD) System" (18-11-02) was last altered and published in full in the **Federal Register** on August 16, 2019 (84 FR 41979-41987). The Department renamed its previous system of records entitled, "Recipient Financial Management System" (RFMS) (18-11-02), as the "Common Origination and Disbursement (COD) System" (18-11-02), on September 27, 2010 (75 FR 59242-59246). The Department previously published the RFMS system of records notice on June 4, 1999 (64 FR 30106, 30161-30162).

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**DEPARTMENT OF EDUCATION**

[Docket No. ED-2022-SCC-0112]

**Agency Information Collection Activities; Comment Request; Federal Direct Loan Program Regulations for Forbearance and Loan Rehabilitation**

**AGENCY:** Federal Student Aid (FSA), Department of Education (ED).

**ACTION:** Notice.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, ED is proposing an extension without change of a currently approved collection.

**DATES:** Interested persons are invited to submit comments on or before November 14, 2022.

**ADDRESSES:** To access and review all the documents related to the information collection listed in this notice, please use <http://www.regulations.gov> by searching the Docket ID number ED-2022-SCC-0112. Comments submitted in response to this notice should be submitted electronically through the Federal eRulemaking Portal at <http://www.regulations.gov> by selecting the Docket ID number or via postal mail, commercial delivery, or hand delivery. If the regulations.gov site is not available to the public for any reason, ED will temporarily accept comments at [ICDocketMgr@ed.gov](mailto:ICDocketMgr@ed.gov). Please include the docket ID number and the title of the information collection request when requesting documents or submitting comments. *Please note that comments submitted by fax or email and those*