

DEPARTMENT OF THE TREASURY
BUREAU OF THE FISCAL SERVICE
MEMORANDUM OF AGREEMENT

I. PURPOSE, LEGAL AUTHORITY, and DEFINITIONS

A. Purpose

To document internal matching exempt from Computer Matching Agreement (CMA) requirements of the Privacy Act between the Bureau of the Fiscal Service (Fiscal Service) Do Not Pay (DNP) Business Center and Payment Management (PM). The Fiscal Service is solely responsible for maintaining the following system of records notices (SORNs) for DNP and PM to match against its own records:

- Treasury/Bureau of the Fiscal Service .023 – Do Not Pay Payment Verification Records SORN covers Treasury's Working System¹ that contains data sources with relevant information to determine program or award eligibility and prevent improper payments. As of July 2014, Privacy Act protected data sources included:
 - General Services Administration's (GSA) System for Award Management (SAM) Exclusions-private (formerly Excluded Parties List System/EPLS)
 - Treasury's Offset Program (TOP) Debt Check
 - Health and Human Services (HHS) Office of Inspector General (OIG) List of Excluded Individuals and Entities (LEIE)
- Payment Records – Treasury/Financial Management Service (FMS) .002 SORN covers the Payments, Claims, and Enhanced Reconciliation (PACER) Payments System and the Payment Automation Manager (PAM) system that contains records² about individuals who receive payment from the U.S. Government, through one or more of its departments and agencies. The records are maintained for purposes that include facilitating the accurate and timely disbursement of payments "authorized under various programs of the Federal Government" and "identifying, preventing, or recouping improper payments." 77 Fed. Reg. 8950, 8950-51.

This memorandum of agreement (MOA) shadows CMA documentation, which would be required for matching programs to assure compliance with the Computer Matching and Privacy Protection Act of 1988 and should not be construed as a determination or admission by the agency that these matches are "matching programs." In keeping with the Fair Information Practice Principles (FIPPS)³, this MOA was drafted to formalize the roles and responsibilities of

¹ See Attachment 1 for most current data elements. Please note that the data elements of non-restricted (public) data sources (e.g., Social Security Administration's Death Master File) authorized to comprise Treasury's Working System are not included in this MOA, which focuses on matching activities with restricted (Privacy Act protected) systems.

² See Attachment 2 for most current data elements.

³ The FIPPs are a set of eight principles that are rooted in the tenets of the Privacy Act of 1974: Transparency, Individual Participation, Purpose Specification, Data Minimization, Use Limitation, Security, Data Quality and Integrity, and Accountability and Auditing.

DNP and PM as show in Figure 1 (below). This MOA will be posted in accordance with Office of Management and Budget (OMB) Memorandum (M) 13-20 that states DNP's website must maintain, "...all relevant information, including all relevant CMAs, system of records notices, and privacy impact assessments."

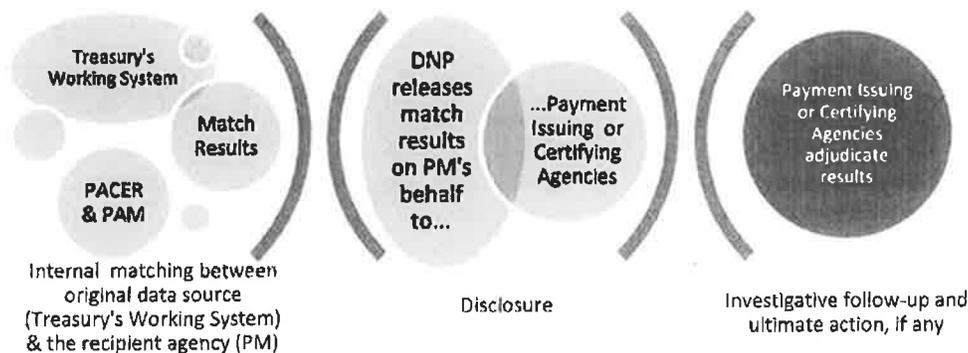


Figure 1.

Pursuant to the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA) and M-13-20, PM is designated as the recipient agency (see Figure 1) as defined by the Privacy Act (5 U.S.C. §552a (a) (9)), the agency receiving the records for use in matching. DNP is designated as the original data source agency as defined by the Privacy Act at 5 U.S.C. §552a (a) (11), the agency disclosing its records, for use in matching. This MOA documents the arrangement between DNP and PM for DNP to release match results to payment issuing agencies on behalf of PM.

B. Legal Authority

1. CMAs are executed pursuant to the Privacy Act of 1974 (5 U.S.C. 552a), as amended, OMB Circular A-130 entitled, Management of Federal Information Resources, at 61 Federal Register (Fed. Reg.) 6428-6435 (February 20, 1996), and OMB guidelines pertaining to computer matching at 54 Fed. Reg. 25818 (June 19, 1989) and 56 Fed. Reg. 18599 (April 23, 1991); and the computer matching portions of Appendix I to OMB Circular No. A-130 as amended at 61 Fed. Reg. 6428, February 20, 1996. Since the matching between DNP and PM is exempt from the Privacy Act, this MOA was drafted to foster transparency in the spirit of best practices and the FIPPS.
2. Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA), 31 U.S.C. 3321 (note), Pub. L. 112-248
3. OMB Memorandum M-13-20, Protecting Privacy while Reducing Improper Payments with the Do Not Pay Initiative (August 16, 2013)
4. Memorandum on Enhancing Payment Accuracy through a "Do Not Pay List" (June 18, 2010)
5. Executive Order 13520 "Reducing Improper Payments" (November 20, 2009)
6. Improper Payment Elimination and Recovery Act of 2010, Pub.L.111-204
7. Improper Payments Information Act of 2002, 31 U.S.C. 3321 (note), Pub.L. 107-300
8. 31 U.S.C. 3321 and 3325

C. Definitions

1. "CMA" or "Matching Agreement" means Computer Matching Agreement as defined by the Privacy Act (5 U.S.C. §552a (o)).
2. "DIB" means Data Integrity Boards of the respective Parties participating in the match.
3. "M-13-20" means OMB Memorandum 13-20, Protecting Privacy while Reducing Improper Payments with the Do Not Pay Initiative, which provides guiding principles and requirements matching programs.
4. "Do Not Pay Initiative" means the initiative codified by section 5 of IPERIA to facilitate executive agencies' prevention or reduction of improper payments. The initiative may include other activities, as designated by OMB⁴.
5. "Treasury's Working System" means the Do Not Pay Initiative functions performed by the Department of the Treasury that are authorized by section 5 of IPERIA and OMB M-13-20. Treasury's Working System includes Treasury's Privacy Act system of records for Do Not Pay Initiative activities, including other activities such as investigation activities for fraud and systemic improper payments detection through analytic technologies and other techniques.
6. "Do Not Pay matching program" means a matching program that is conducted for purposes of the Do Not Pay Initiative and involves at least one of the data sources enumerated in section 5(a)(2) of IPERIA and/or a data sources designated by OMB pursuant to section 5(b) of M-13-20 or other legislation (e.g., Prisoner Update Processing System/PUPS via Bipartisan Budget Act of 2013). Do Not Pay matching programs are subject to alternative standards and procedures (as provided in M-13-20) that are different from the standards and procedures that apply to matching programs outside of the Do Not Pay Initiative.
7. "Original source agency" means a Federal agency that discloses records from a system of records to another agency in order to allow that agency to use the records in a matching program with a payment-issuing agency. For the purposes of a Do Not Pay matching program involving Treasury's Working System, an original source agency discloses records to Treasury in order to allow Treasury to engage in a Do Not Pay matching program with payment-issuing agencies.
8. "Parties" means a collective reference to Fiscal Service's PM and DNP.
9. "Payment-issuing agency" or "recipient agency" means a Federal agency that has the authority to issue a payment or award and engages in a matching program for the purposes of determining or verifying eligibility for the payment or award under a Federal benefit program or of recouping the payment under a Federal benefit program. Generally, the payment-issuing agency will be the agency that benefits from the matching program.

II. RESPONSIBILITIES OF THE PARTIES

A. Payment Management will:

1. Coordinate with DNP to gain access to services provided through Treasury's Working System, which execute the matching activities for which this arrangement requires.
2. Only invoke services that produce outputs under this agreement to reduce improper payments.

⁴ Section 3 of OMB M-13-20, Protecting Privacy while Reducing Improper Payments with the Do Not Pay Initiative

3. Provide the available required data elements necessary and agreed upon by the Parties in support of obtaining match results from Treasury's Working System, including, personally identifiable information (PII)⁵.
4. Never change the data that agencies submit. If it is erroneous to the extent that PM cannot disburse a payment, PM will return it to the payment issuing or certifying agency for their adjudication and possible re-submission on a subsequent payment file.

B. Do Not Pay will:

1. Execute the matching activities between the system(s) of records listed in this matching agreement and provide detailed results through Treasury's Working System, contingent on the original source agency (e.g., GSA for SAM Exclusions and HHS for LEIE) making its data refresh available timely, accurate, and complete.
2. Conduct payment studies⁶ through analytic methods to develop insights and trends in disbursed payments, modeling of payments and associated data, and other analytic projects to support prevention and identification of improper payments and abuse.
3. Conduct analytic research to support agencies to identify trends, patterns, and risks that may be associated with fraud or systemic sources of improper payments that warrant more investigation on the part of the paying agency.
4. Upon authorization from PM with the signing of this MOA, provide matching results to payment issuing agencies, on a non-reimbursable basis, to support identifying, preventing or recouping improper payments.
5. Notify PM when errors in the original source data are identified, and follow established processes to log and correct data in order to promote data accuracy in Treasury's Working System while ensuring fairness to the individual or entity record subject.
6. Provide notice of the matches via <http://donotpay.treas.gov>, since Federal Notice and reporting requirements to Congress and OMB do not apply.

III. JUSTIFICATION AND ANTICIPATED RESULTS

A. Justification

The Parties to this agreement have determined that matching is the most efficient, expeditious, and effective means of obtaining and processing the information needed to identify individuals who may be ineligible for certain payments and benefits. The principal alternative to computer matching for identifying such individuals would be to conduct a manual comparison of all files regarding an individual or entity seeking payment or other benefit from a federal agency.

B. Anticipated Results

PM anticipates that this data transfer will produce expedited eligibility determinations and will minimize administrative burdens on payment issuing or certifying agencies. This collaborative model, which offers service-based access to authoritative data, will lessen financial and

⁵ OMB M-07-16 - The term "personally identifiable information" refers to information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.

⁶ Payment studies and analytic research does not include matching potential new data sources to complete return on investment analysis. Separate permission from PM is needed to use PAM or PACER data in a test environment. Documentation (e.g., Decision Memo) of this permission is recommended.

administrative burdens by eliminating the need for individual PM payment, procurement, and benefit programs to execute several CMAs with multiple federal agencies. DNP does not receive any direct benefit as a result of these matches.

C. Waiver of Specific Estimate of Savings

Pursuant to the IPERIA, section 5(e)(2)(E), a specific estimate of any savings within the cost benefit analysis section of this matching agreement is not required.

D. Cost Benefit Analysis⁷

This MOA takes advantage of PM's role as the primary disbursing agency for the Federal Government. Initial matching between PACER and SAM Exclusions reduced the number of matches by 99.9% compared to matching against SAM's non-restricted (a.k.a. public) version. DNP predicts a benefit to payment issuing or certifying agencies having to adjudicate fewer false positives and increase the use of flagging capabilities to detect suspected instances of programmatic fraud, waste and abuse.

IV. DESCRIPTION OF RECORDS TO BE MATCHED

The Parties to this agreement must ensure their system notice (s) ("system of records notice" or "SORN") pursuant to subsection (e)(4) of the Privacy Act contain "routine uses" established pursuant to subsection (b) (3) of the Privacy Act for each system of records from which they intend to disclose Privacy Act protected information in accordance with this agreement. If not, a new or amended SORN must be published.

A. System of Records Maintained by DNP

- 1) Department of the Treasury/Bureau of the Fiscal Service .023 – Do Not Pay Payment Verification Records

B. System of Records Maintained by PM

- 1) Treasury/Financial Management Service (FMS) .002 – Payment Records

C. Number of Records

Treasury's Working System total record count supporting this agreement amounts to an excess of approximately 14 million records⁸ of individuals and companies (e.g., Federal contractors). A subset of these records will be matched with a subset of PM's total record count of an excess of approximately 3 billion records⁹ of individuals and companies.

D. Specified Data Elements

See Attachment 1 for the data elements of Treasury's Working System. See Attachment 2 for the data elements of PAM and PACER.

⁷ OMB M-13-20 states that the specific estimate of savings is not required in the cost benefit analysis.

⁸ This number will increase over time. Current estimate based on TOP Debt Check, HHS LEIE and GSA's SAM Exclusions comprising the Privacy Act protected data sources of Treasury's Working System.

⁹ This number will increase over time. Current estimate based on 2,623,813,364 records in PACER and 516,361,369 records in PAM.

E. The Effective Date of This Agreement

The effective date of this agreement and the date when matching may begin shall be when Fiscal Service's Chief Privacy Officer has signed the agreement.

V. NOTICE PROCEDURES

PM does not collect the Information from members of the public directly. Procedures for providing individualized notice at the time of application and notice periodically thereafter is directed by Treasury's DIB. Any deficiencies as to direct notice to the individual for matching are mitigated by the indirect or constructive notice that is afforded the individual by DNP's publication of the MOA at <http://donotpay.treas.gov>.

VI. VERIFICATION PROCEDURES, AND OPPORTUNITY TO CONTEST

Those payment issuing agencies with access to Treasury's Working System that receive the internal match results of this agreement will be required to certify adherence to the following Privacy Act requirements before being granted access.

A. Verification of Match Information

1. Independently verify all information received from Treasury's Working System to determine the validity and/or applicability of the information obtained through this matching prior to the termination, denial, suspension or reduction of any benefits.
2. The occurrence of a match is not conclusive evidence that the individual who or organization that is the subject of the search and the individual or the subject in the search results are the same person or organization.
3. Verifying and determining whether the search results retrieved from Treasury's Working System are consistent with the information in their files and for resolving any discrepancies or inconsistencies as to positive identification on an individual basis.
4. Screen the initial data to verify that the matched individual or organization is in fact the payment/benefit recipient about which/whom the search was initiated. The payment-issuing agency will do this by separately comparing the "match results" file with the information in their files to verify the individual's or organization's identity and will conduct independent inquiries to resolve questionable identities.

B. Opportunity to Contest

1. If the adverse information has been verified, payment issuing agencies policies and authorities apply as to requirements for providing individuals with notice and an opportunity to contest before taking adverse action.
2. Individuals shall have 30 days to respond to a notice of adverse action, unless a statute or regulation provides a different period of time. For additional guidance on notice and opportunity to contest, agencies shall consult Final Guidance Interpreting the Provisions of Public Law I 00-503, the Computer Matching and Privacy Protection Act of 1988, 54 Fed. Reg. 25818, 25827 (June 19, 1989).

VII. DISPOSITION OF MATCHED ITEMS

A. DNP acknowledges and agrees to:

1. Maintain all identifiable records received from PM in accordance with Privacy Act of 1974 (5 U.S.C. 552a), as amended, (Public Law (Pub. L.) 100-503, the Computer Matching and Privacy Protection Act (CMPPA) of 1988), and OMB Circular A-130 entitled, Management of Federal Information Resources.
2. Not create a separate file or system of records that consists of information concerning only those individuals who are involved in this specific matching except as is necessary in controlling and/or verifying the information for purpose of this program.
3. Maintain information submitted to Fiscal Service by or about other federal agencies, or maintained by Fiscal Service at the individual case or agency level of detail, for collection, payment or claims processing and servicing operations performed for Federal program agencies. Includes input received from, and output reported to, federal agencies. TEMPORARY - Cut off at the end of the fiscal year in which action on a collection, payment or claim or other Item is completed. Delete/destroy 7 years after cutoff in accordance with Records Management Branch's (RIMB) National Archives and Records Administration (NARA) approved records schedule for the PACER and PAM data.

VIII. SAFEGUARD PROCEDURES

- A. Both PM and DNP will comply with the requirements of the Federal Information Security Management Act (FISMA) (PL 107-347, title III, section 301) and OMB M-06-16 (Protection of Sensitive Agency Information) as it applies to the electronic storage and transport of PII between Parties and the internal processing of records received under the terms of this agreement.
- B. Any additional internal security procedures and policies in place supporting the protection of individual privacy by PM are incorporated in this agreement. Match result records obtained by DNP through the use of Treasury's Working System services shall be handled in such a manner that restricts access to the data to authorized individuals only on a need-to know basis to accomplish the purpose outlined in this agreement. Criminal penalties for willful unlawful disclosure pursuant to the Privacy Act shall be made known to those authorized access to this data through Treasury's Working System.

IX. RECORDS USAGE DUPLICATION AND DISCLOSURE RESTRICTIONS

PM acknowledges and agrees that:

1. Records provided to DNP are the property of PM.
2. Records provided by DNP will not be used to extract information concerning individuals therein for any purpose not specified in this agreement.
3. Records provided by PM will not be duplicated or disseminated within or outside PM, except as required by Federal law, without the written permission of Fiscal Service. Dissemination amongst the fiscal agents is allowable for their official duties.
4. Access to match results must be restricted to users (employees, fiscal agents or contractors) who need to access Treasury's Working System for their official duties. If a user needs to know some information that does not mean the employee needs to know all information

provided to PM. Access must be strictly limited to those with a need to know in order to perform a legitimate business function related to the purpose of this matching agreement.

X. ACCURACY ASSESSMENTS

Through this matching agreement, PM acknowledges that the information DNP provides is an accurate copy of the original source agency. Any identified discrepancies in the data by PM to this matching agreement shall be referred immediately to DNP to be included in an annual report to OMB on the total number of requests made for the correction of data in Treasury's Working System and the number of such requests that actually led to corrections of records.

XI. ACCESS BY THE OFFICE OF THE INSPECTORS GENERAL

The Office of the Inspectors General may have access to all records subject to this agreement as necessary in order to verify compliance with this agreement.

XII. LIMITATIONS

The terms of this agreement are not intended to alter, amend, or rescind any current agreement or provision of Federal law now in effect. Any provision of this agreement which conflicts with Federal law is null and void.

XIII. CONTINGENCY CLAUSE

Matches under this agreement may be immediately discontinued, if at any time, DNP or PM determines that either party has failed to perform any of the terms of this agreement.

XIV. REIMBURSEMENT FUNDING

All work to be performed by Fiscal Service to execute matching via Treasury's Working System in accordance with this agreement will be performed in accordance with Fiscal Service legal agreements.

XV. APPROVAL AND DURATION OF AGREEMENT

- A. The matching will continue indefinitely, or until the exception from internal matching requirements of the Privacy Act of 1974 are revoked.
- B. This agreement may be modified at any time by a written modification to this agreement that satisfies both Parties and is approved by Treasury's DIB.
- C. This agreement may be terminated at any time with the consent of the Parties. If either PM or DNP does not want to continue matching, it should notify the other Party of its intention to discontinue the matching at least 90 days before the end of the then current period of the agreement. Either party may unilaterally terminate this agreement upon written notice to the other party requesting termination, in which case the termination shall be effective 90 days

after the date of the notice, or at a later date specified in the notice, provided the expiration date does not exceed the original, or the extended completion date, of the match.

XVI. PERSONS TO CONTACT

A. The contacts on behalf of DNP are:

Kevin Jones
Executive Director, Do Not Pay Business Center
Department of the Treasury
Office: (202) 504-3516
E-Mail: Kevin.Jones@fiscal.treasury.gov

Marcela Souaya
Senior Privacy Analyst, Do Not Pay Business Center
Department of the Treasury
Office: (202) 504-3525
E-Mail: Marcela.Souaya@fiscal.treasury.gov

B. The contact on behalf of PM is:

Richard Bauder
Executive Director, Payments Management Policy and Oversight Division
Office: (202) 874-6576
E-Mail: Richard.Bauder@fiscal.treasury.gov

C. The contact on behalf of the Department is:

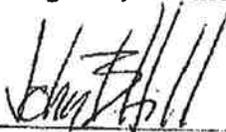
Helen Goff Foster
Chairperson, Treasury's Data Integrity Board
Office: (202) 622-5710
E-Mail: Helen.Foster@treasury.gov

XVII. SIGNATURES

In witness whereof, the Parties hereby execute this agreement.

**DEPARTMENT OF THE TREASURY
BUREAU OF THE FISCAL SERVICE**

The authorized officials, whose signatures appear below, accept and expressly agree to the terms and conditions expressed herein, confirms that no verbal agreements of any kind shall be binding or recognized, and hereby commits his/her agency to the terms of this agreement.



John Hill

Assistant Commissioner for Payment Management and Chief Disbursing Officer
Office: (202) 874-6790
E-Mail: John.Hill@fiscal.treasury.gov

Date:

8/4/2014



Kevin R. Jones

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Date:

7/20/14



David Ambrose

Chief Privacy Officer, Bureau of the Fiscal Service
Department of the Treasury
Office: (202) 874-6488
E-Mail: David.Ambrose@fiscal.treasury.gov

Date:

8/7/14

Attachments:

- Attachment 1: Data Elements of Treasury's Working System
- Attachment 2: Data Elements of PAM and PACER systems

**Treasury's Working System -
Data Elements of Privacy Act Protected Data
Sources**

Date Created: 07/16/14

1 GSA SAM Exclusions

The records may contain the following information:

- Address
- Name
- DUNS
- SSN
- TIN
- NPI
- Exclusion Program
- Exclusion Type
- Agency Name

2 HHS OIG LEIE

The records may contain the following information:

- Name
- NPI
- TIN
- Business Name
- Date of Birth
- UPIN
- Waiver Date
- Waiver State
- Specialty
- Address Exclusion Type

3 TOP Debt Check

The records may contain the following information:

- Agency ID
- Name
- Individual Business Name
- Address
- Agency Name
- Debt Type
- TIN
- Current Balance

**PACER & PAM -
Data Elements of Privacy Act Protected Data
Sources**

Date Created: 07/16/14

1 PACER & PAM

The records may contain the following information:

- Name
- SSN
- Employer identification number
- Address
- Telephone numbers
- Payment amount
- Date of issuance
- Trace number or other payment identification number, such as Treasury check number and symbol
- Financial institution information, including the routing number of his or her financial institution and the payee's account number at the financial institution
- Vendor contract and/or purchase order number