

SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION
Guaranty Agencies Security Self-Assessment

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a hard copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information, or you may provide a valid URL link or paste the applicable section¹. Specify the review type of the collection (new, revision, extension, reinstatement with change, reinstatement without change). If revised, briefly specify the changes. If a rulemaking is involved, make note of the sections or changed sections, if applicable.

This is a request for an emergency collection to enable Federal Student Aid (FSA), an office of the U.S. Department of Education (the Department) to assure all data collected and managed in support of Federal student financial aid programs is secure.

The E-Government Act (Public Law 107-347) passed by the 107th Congress and signed into law by the President in December 2002 recognized the importance of information security to the economic and national security interests of the United States. Title III of the E-Government Act, entitled the Federal Information Security Management Act (FISMA) requires each federal agency to develop, document, and implement an agency-wide program to provide information security for the information and information systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other source. FISMA, along with the Paperwork Reduction Act of 1995 and the Information Technology Management Reform Act of 1996 (Clinger-Cohen Act), explicitly emphasizes a risk-based policy for cost-effective security.

FSA is initiating a formal assessment program of the Guaranty Agencies that will ensure the continued confidentiality and integrity of data entrusted to FSA by students and families. The assessment will identify security deficiencies based on the Federal standards described in the National Institute of Standards and Technology (NIST) publications. The comprehensive self-assessment links all questions with a NIST control. This collection of information impacts 28 independently owned Guaranty Agencies (GAs) dispersed throughout the U.S. Each agency is under signed agreement with the Department of Education to service Federal Family Education Loans that have been turned over from the lending institutions to the GAs for the purpose of student loan collections.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

¹ Please limit pasted text to no longer than 3 paragraphs.

FSA has established a process for using a detailed self-assessment template regarding the information technology security of our Guaranty Agency (GA) partners. This self-assessment will be completed by the GAs who participate in the title IV student financial aid programs. FSA will review the responses provide by the GAs to the self-assessment to ensure the security protocols meet our requirements. If concerns are noted, FSA will work with the agency to strengthen any weaknesses.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision of adopting this means of collection. Also describe any consideration given to using technology to reduce burden.

The initial assessment is conducted through the completion of an electronic matrix created with easily updateable spreadsheets to identify and collect evidence of applying the appropriate controls. Guaranty Agencies that have significant weaknesses in their controls and other security gaps will be required to submit an acceptable management plans that includes corrective action plans (CAPs) to resolve controls' weaknesses and security gaps within approved time-frames. To minimize the burden to the Guaranty Agencies, FSA will provide templates for entering the information to reflect the IT security of their systems used for loan servicing. FSA will provide contact information and staff available for calls, and will initiate weekly conference calls that agencies can join to get assistance. An automated tool is being acquired to expedite the completion and tracking for subsequent collections.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

There is no duplication associated with this collection of information.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden. A small entity may be (1) a small business which is deemed to be one that is independently owned and operated and that is not dominant in its field of operation; (2) a small organization that is any not-for-profit enterprise that is independently owned and operated and is not dominant in its field; or (3) a small government jurisdiction, which is a government of a city, county, town, township, school district, or special district with a population of less than 50,000.

This information collection does not impact any small businesses or other small entities.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The nation-wide instances of data breaches within organizations trusted with personal identifiable information continue to climb. To assure the security of the student's financial

information, FSA must implement processes with its external partners to assess and implement strong security policies and controls.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- requiring respondents to report information to the agency more often than quarterly;
- requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- requiring respondents to submit more than an original and two copies of any document;
- requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study;
- requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
- that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or that unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

The information being requested is considered Controlled Unclassified Information (CUI) and will contain information that could impact the security of the Guaranty Agencies' system that is used to service Federal Family Education Loan data. FSA will maintain the information in a security file location with access control; will not share the details of the information with any person external to the Department of Education; and will only allow access to the information internally to those individuals with a need to know. FSA will not maintain hard copies of the information.

8. As applicable, state that the Department has published the 60 and 30 Federal Register notices as required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instruction and record keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years – even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

This is a request for a six month emergency clearance of the self-assessment survey to be completed by the Guaranty Agencies who participate in title IV federal student aid programs. A request for this emergency clearance has been sent to the Federal Register and the clearance package will be submitted to OMB as soon as the emergency notice publishes. The notice sent to the Federal Register also requests a 60 day public notice period for the full 3 year clearance package also being requested and this clearance package will be submitted to OMB after the 60 day public comment period has ended and a 30 day FR notice has been published in order to allow for full public comment on the assessment tool.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees with meaningful justification.

There are no payments or gifts provided to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If personally identifiable information (PII) is being collected, a Privacy Act statement should be included on the instrument. Please provide a citation for the Systems of Record Notice and the date a Privacy Impact Assessment was completed as indicated on the IC Data Form. A confidentiality statement with a legal citation that authorizes the pledge of confidentiality should be provided.² If the collection is subject to the Privacy Act, the Privacy Act statement is deemed sufficient with respect to confidentiality. If there is no expectation of confidentiality, simply state that the Department makes no pledge about the confidentiality of the data.

No personally identifiable information will be collected and there will be no system of record created. However, as stated in the response to item 7 above the information being collected is considered Controlled Unclassified Information (CUI) and will contain information that could impact the security of the Guaranty Agencies' system that is used to service Federal Family Education Loan data. FSA will maintain the information in a security file location with access control; will not share the details of the information with any person external to the Department of Education; and will only allow access to the information internally to those individuals with a need to know. FSA will not maintain hard copies of the information.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. The justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions of a sensitive nature in this collection.

² Requests for this information are in accordance with the following ED and OMB policies: Privacy Act of 1974, OMB Circular A-108 – Privacy Act Implementation – Guidelines and Responsibilities, OMB Circular A-130 Appendix I – Federal Agency Responsibilities for Maintaining Records About Individuals, OMB M-03-22 – OMB Guidance for Implementing the Privacy Provisions of the E-Government Act of 2002, OMB M-06-15 – Safeguarding Personally Identifiable Information, OM:6-104 – Privacy Act of 1974 (Collection, Use and Protection of Personally Identifiable Information)

12. Provide estimates of the hour burden of the collection of information. The statement should:
- Indicate the number of respondents by affected public type (federal government, individuals or households, private sector – businesses or other for-profit, private sector – not-for-profit institutions, farms, state, local or tribal governments), frequency of response, annual hour burden, and an explanation of how the burden was estimated, including identification of burden type: recordkeeping, reporting or third party disclosure. All narrative should be included in item 12. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.
 - If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in the ROCIS IC Burden Analysis Table. (The table should at minimum include Respondent types, IC activity, Respondent and Responses, Hours/Response, and Total Hours)
 - Provide estimates of annualized cost to respondents of the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.

A single self-assessment form is being used. However, an accompanying attestation is also being requested and those hours to complete the attestation are included in the total hours.

The burden for the collection of information will be consistent between each of the 28 Guaranty Agencies providing the information. An estimate is provided based on similar work being done by individuals contracted by Federal Student Aid to perform like assessments.

*3 professional security staff working 40 hours per week for two weeks to collect information
(3 x 40 x 2 = 240 hrs @ \$132 per hour = \$31,680)*

1 Quality Control staff for one week (1 x 40 = 40 hrs @ \$132 per hour = \$5,280)

2 Coordination (sum) (2 x 18 = 36hrs @ \$164 per hour = \$5,904)

Total burden: FTEs = 316 hours x 28 GAs = 8,848 hours.

Estimated Cost: \$42,864 x 28 GAs = \$1,200,192.

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14.)
- The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and

maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and acquiring and maintaining record storage facilities.

- If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.
- Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government or (4) as part of customary and usual business or private practices. Also, these estimates should not include the hourly costs (i.e., the monetization of the hours) captured above in Item 12

Total Annualized Capital/Startup Cost	:
Total Annual Costs (O&M)	: _____
Total Annualized Costs Requested	:

No additional costs are expected beyond what was identified in #12 for completing the self-assessments.

14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

Federal FTE Costs

Manager	.25 FTE
Support	.5 FTE
Coordination (sum)	.25 FTE
=====	
<i>Approx. 1 FTE @ \$155,000 annual</i>	

Contractor Costs

Analysis tool creation and initial analysis and reporting	\$198,000
Standard Operation Procedures	\$15,000 one time (\$2,000 annual updates)

Annual analysis and reporting \$100,000
=====

Startup / first year costs: *Approx. \$213,000*
Annual costs: *Approx. \$102,000*

15. Explain the reasons for any program changes or adjustments. Generally, adjustments in burden result from re-estimating burden and/or from economic phenomenon outside of an agency's control (e.g., correcting a burden estimate or an organic increase in the size of the reporting universe). Program changes result from a deliberate action that materially changes a collection of information and generally are result of new statute or an agency action (e.g., changing a form, revising regulations, redefining the respondent universe, etc.). Burden changes should be disaggregated by type of change (i.e., adjustment, program change due to new statute, and/or program change due to agency discretion), type of collection (new, revision, extension, reinstatement with change, reinstatement without change) and include totals for changes in burden hours, responses and costs (if applicable).

This is a program change resulting in a new collection. The increase in burden is due to a program change due to agency discretion. There are 28 respondents requiring 316 hours per response for a total increase in burden of 8,848.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

This information will not be published.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

The Department is not seeking this approval. The OMB control number and expiration date will be displayed on the survey template.

18. Explain each exception to the certification statement identified in the Certification of Paperwork Reduction Act.

There are no exceptions to the certification statement.