

COMPUTER MATCHING AGREEMENT
BETWEEN THE DEPARTMENT OF VETERANS AFFAIRS, VETERANS BENEFITS
ADMINISTRATION

AND

THE DEPARTMENT OF JUSTICE, FEDERAL BUREAU OF PRISONS
FOR DETERMINING ELIGIBILITY TO CONTINUE TO RECEIVE BENEFITS
AUTHORIZED BY THE DEPARTMENT OF VETERANS AFFAIRS

ARTICLE I. INTRODUCTION

This agreement continues an arrangement for a periodic computer-matching program between the United States Department of Veterans Affairs (VA), Veterans Benefits Administration (VBA) as the matching recipient agency and the United States Department of Justice (DOJ), Federal Bureau of Prisons (BOP) as the matching source agency.

This agreement sets forth the responsibilities of VBA and BOP with respect to information disclosed pursuant to this agreement and takes into account both agencies' responsibilities under the Privacy Act of 1974, 5 U.S.C. 552a, as amended by the Computer Matching and Privacy Protection Act of 1988, as amended, and the regulations promulgated thereunder, including computer matching portions of a revision of OMB Circular No. A-130, 81 FR 49689 dated July 28, 2016.

ARTICLE II. DEFINITIONS

- A. "Disclose" and "Disclosure" mean the release of information (data), with the consent of the individual(s) to whom the information pertains, or otherwise in accordance with the applicable Privacy Act disclosure provisions.
- B. "Recipient Agency" means the Veterans Benefits Administration (VBA) of the United States Department of Veterans Affairs (VA). VBA is the agency receiving the records to be used in this matching program.
- C. "Source Agency" means the Federal Bureau of Prisons (BOP) of the United States Department of Justice (DOJ). The BOP is the agency disclosing the records to be used in this matching program.

D. "SSN" means Social Security Number.

E. "Felony" means a criminal offense that is a felony under applicable law, or in a jurisdiction, which does not specify that any crime is a felony, it is an offense punishable by death or by imprisonment for a term exceeding one year.

F. "Misdemeanor" means a criminal offense that is a misdemeanor under applicable law, or in a jurisdiction, which does not specify that any crime *is* a misdemeanor, it is an offense punishable by imprisonment for a term not exceeding one year.

G. "Confined" and "confinement" refer to service by an individual who is committed to the custody of the Director, Federal Bureau of Prisons, or in the custody and control of the Attorney General of the United States for a sentence of incarceration pursuant to the conviction of such individual of a Federal crime. Such an individual also will be considered confined if temporarily or intermittently outside the secure perimeter of the institution, e.g., on work release, attending school, hospitalized, or furloughed.

H. The term "data breach," in accordance with 38 U.S.C. 5727, means the loss, theft, or other unauthorized access, or any access other than that incidental to the scope of employment, to data containing sensitive personal information, in electronic or printed form, that results in the potential compromise of the confidentiality or integrity of the data.

I. The term "security incident," in accordance with 38 U.S.C. 5727, means an event that has, or could have, resulted in unauthorized access to, loss or damage to VA assets, or sensitive information, or an action that breaches VA security procedures.

ARTICLE III. PURPOSE AND LEGAL AUTHORITY

A. Purpose: The purpose of this matching program between VBA and BOP is to identify those veterans and VA beneficiaries who are in receipt of certain VA benefit payments and who are confined (see Article II.G.) for a period exceeding 60 days due to a conviction for a felony or a misdemeanor. VBA has the obligation to reduce or suspend compensation, pension, and dependency and indemnity compensation benefit payments to veterans and VA beneficiaries on the 61st day following conviction and incarceration in a Federal, State, or Local institution for a felony or a misdemeanor.

VBA will use the BOP records provided in the match to update the master records of veterans and VA beneficiaries receiving benefits and to adjust their VA benefits, accordingly, if needed.

B. Legal Authority: The legal authority to conduct this match is 38 U.S.C. 1505, 5106, and 5313. Section 5106 requires any Federal department or agency to provide VA such information as VA requests for the purposes of determining eligibility for, or the amount of VA benefits, or verifying other information with respect thereto. Section 1505 provides that no VA pension benefits shall be paid to or for any person eligible for such benefits, during the period of that person's incarceration as the result of conviction of a felony or misdemeanor, beginning on the sixty-first day of incarceration. Section 5313 provides that VA compensation or dependency and indemnity compensation above a specified amount shall not be paid to any person eligible for such benefit, during the period of that person's incarceration as the result of conviction of a felony, beginning on the sixty-first day of incarceration.

ARTICLE IV. JUSTIFICATION AND ANTICIPATED RESULTS

A. Justification: The parties to this agreement have determined that a computer matching program is the most effective, efficient and expeditious means of obtaining and processing the information needed by VA to identify payees subject to the required reduction. Computer matching allows for a more effective identification process. This allows for a more effective process at one location of those inmates in Federal custody rather than a disjointed and irregular state-by-state and facility-by-facility system.

B. Anticipated Results: In order to minimize administrative costs of implementation of the law, and to maximize the effects of the action and the law, a system of ongoing data exchange and subsequent computer matching programs was developed. BOP does not expect any savings as a result of this matching program. The cost saving and cost avoidance for VA are estimated to be approximately \$6,324,115.00 based on monthly adjustments made during fiscal year 2013 as a result of VA's data matches with SSA (which includes all incarcerated persons). An analysis of the benefit of this matching program is Attachment I.

ARTICLE V. DESCRIPTION OF RECORDS TO BE MATCHED

Data Elements Used in the Match:

A. BOP agrees to furnish VBA with a data file containing data elements on currently confined inmates as defined in Article II ("Definitions") above, noting the exclusions listed in paragraph C below. These data elements are to be submitted monthly showing the individuals admitted during the reporting period. The data are to be submitted to VA as soon as possible after the end of the reporting period, taking into account the time needed to have the required data elements entered into the prisoner database.

B. Upon request, and with prior coordination with BOP, BOP will provide VBA with a total current prison population data file of all currently confined inmates as defined in Article II. Subsequent monthly files will contain only accretions to the prison population. (The BOP inmate data will adhere to the input specifications listed in Attachment II.) The data elements provided to VBA will be taken from DOJ's Inmate Central Records System, Justice/BOP-005, published on June 7, 1984 (48 FR 23711)) republished on May 9, 2002 (67 FR 31371), January 25, 2007 (72 FR 3410), and April 26, 2012 (77 FR 24982) and last modified on April 18, 2016 (81 FR 22639). A copy of the "routine use" as applicable to VA is provided here as Attachment III.

C. BOP data elements to be provided are:

1. Social Security Number
2. Last Name
3. First Name
4. Middle Name
5. Suffix Name
6. Date of Birth
7. Date Computation Began
8. Length of Sentence
9. Place of Current Confinement or Destination of Confinement if in Transit
10. Register Number
11. Date of Conviction
12. Type of Offense (Felony or Misdemeanor)
13. Date of Scheduled Release

As part of the initial data exchange, BOP will provide a data file which includes the all BOP Institution Addresses and main Telephone Numbers.

D. VA will match SSNs received from BOP with SSNs in VA's system of records entitled "Compensation, Pension, Education, and Vocational Rehabilitation and

Employment Records - VA (58 VA 21/22/28)", published at 74 FR 29275 (June 19, 2009), last amended at 77 FR 42593 on July 19, 2012.

E. The inmate name information that BOP reports to VBA will pertain only to the name information that BOP identifies as the inmate's committed name. BOP will not report to VBA any other inmate name information that is maintained, such as alias names, nicknames, or legal name. BOP will remove hyphens, embedded blanks, and quotes from the name fields, if present, and left justify those name fields. BOP will make only one entry per inmate within the data file.

F. Number of Records Involved: BOP will provide identifying information on approximately 5,700 newly-confined inmates admitted during each monthly reporting period. Upon request for a total current prison population data file, BOP will provide VBA with identifying information concerning approximately 175,000 federally-confined individuals currently under BOP supervision.

VBA will match this information with approximately 4.2 million recipients of VA benefits to identify those confined veterans and VA beneficiaries who are in receipt of VA compensation, pension, or dependency and indemnity compensation.

G. BOP will not report inmate data to VBA that satisfies the following selection criteria:

- Inmates identified as "U.S. Immigration and Customs Enforcement" aliens
- Inmates identified as juveniles
- Inmates in a witness protection program
- Inmates in a non-BOP agency
- Inmates with no sentence data
- Inmates in a prolonged in-transit facility
- Inmates released permanently

H. Routine Use Publication: Agencies must publish routine uses pursuant to Subsection (b)(3) of the Privacy Act for those systems of records from which they intend to disclose information for purposes of a computer match. BOP and VBA have determined that their systems of records contain appropriate routine use disclosure authority which is compatible with the purpose for which the information was collected, and which indicates that disclosures can be made for computer matching. BOP's specific routine use provision is referenced in Attachment III. VBA's routine use provision is Routine Use number 35 in Attachment IV.

ARTICLE VI. DURATION OF AGREEMENT

A. Transmittal Letter Begins Review Time: When this agreement is approved and signed by the Chairpersons of the respective Data Integrity Boards of VBA/VA as the recipient agency and BOP/DOJ as the source agency, VA will submit this agreement and the proposed Public Notice of the match in duplicate via a transmittal letter to Congress and the Office of Management and Budget for review. The time period for review outside the agencies begins on the date of the transmittal letter.

B. Matching Notice Publication: Subsequent to the transmittal being forwarded to Congress and OMB for review, VA will forward the Public Notice of the proposed matching program for publication in the Federal Register as required by Subsection (e) (12) of the Privacy Act. The matching notice will clearly identify the records systems and category of records being used, and state that the program is subject to review by OMB and Congress. A copy of the published notice shall be provided to BOP.

C. Effective Date of Agreement: The parties to this agreement may assume OMB and Congressional concurrence if no comments are received within 30 days of the date of the transmittal letter. The 30-day OMB and Congressional review period will occur prior to the mandatory 30-day public comment period for the Federal Register publication of the notice. The effective date of this matching agreement and the date when matching may begin, will be the expiration of the 30-day OMB review period and the subsequent 30-day Federal Register public comment period.

D.Length of Agreement: The agreement shall be valid for 18 months from the effective date of the notice, and may be extended by the parties at the end of 18 months. The agreement is expected to begin at the expiration of the 30-day OMB and Congressional review period and the subsequent 30-day Federal Register public comment period. It is expected that the match will run 18 times during the duration of the agreement. The Data Integrity Boards of both agencies may, within 3 months prior to the expiration of the agreement (i.e., 15 to 18 months after the effective date), approve an extension of one year pursuant to 5 U.S.C. 552a(o)(2)(D). In order to extend the agreement, both VA and BOP must certify in writing that:

1. The matching program will be conducted without change, and
2. The matching program has been conducted in compliance with this original agreement.

If either agency does not want to continue this agreement, it should notify the other of its intention not to renew at least 90 days before the end of the then-current period. This agreement may be amended at any time by a written modification to this agreement which satisfies both parties, if approved by the Data Integrity Board of each party, and, if necessary, which is properly published in the Federal Register, with notice having been provided to the Congress and to the Office of Management and Budget before its implementation.

E. If DOJ believes that unilateral termination of this agreement is warranted under 5 USC 552a(q)(I), it will make such efforts as are feasible under the circumstances to first notify and confer with VA to prevent unintended disbursements of federal benefits to ineligible applicants. Either party may singly terminate the agreement upon written notice to the other party, in which case, the termination shall be effective 90 days after the date of such notice, or at a later date specified in the notice. This agreement may also be terminated for violation of any security procedure.

ARTICLE VI. NOTICE PROCEDURES

A. Applicants: VA notifies all individuals who apply for benefits that the information provided on the application is subject to computer matches with other agencies. VA's direct notice consists of appropriate language printed on its application forms. VA's notice will inform all applicants that information obtained through computer matching programs may be used to determine eligibility for benefits.

B. Beneficiaries: VA provides subsequent periodic notices to those veterans and other VA beneficiaries who are receiving VA compensation, pension, and dependency and indemnity compensation benefit payments that their continued eligibility for such payments is subject to verification through computer matching programs. VA's notice consists of appropriate language mailed by check stuffer or letter to all veterans and VA beneficiaries who receive compensation, pension, or dependency and indemnity compensation.

ARTICLE VII. VERIFICATION PROCEDURES

A. Verification of Match Information: To verify information obtained under this agreement prior to initiating any adverse action against an affected individual, VA will confirm that the correct veteran or VA beneficiary has been identified as confined. To confirm that the correct veteran or VA beneficiary has been identified, VA will examine VA claims folders to confirm that the confined individual is the same as the matched

veteran or VA beneficiary by comparing name, SSN, and date of birth, and take steps to confirm that the same individual is or was confined. VA will provide all individuals for whom VA decides such adverse action is necessary a written notification with the information as discussed in the following paragraph "B."

B. Notice and Opportunity to Contest: At least sixty days before taking any adverse action based on the information received from the match, VA will send written notification to each VA beneficiary or veteran as follows:

1. VA has received information, which indicates that an adverse action is necessary,
2. The information relied upon, and
3. That the recipient has 60 days to contest the adverse action.

Upon completion of the adverse action, VA will notify the individual of Appellate Rights, amount of overpayment, if any, and procedures for requesting waiver of the overpayment.

ARTICLE IX. DISPOSITION OF RECORDS

A. The BOP files and the records created by the match will be used and accessed by VA only for the purpose stated in Article III.

B. VA will not create a separate file or system of records, which consists of information concerning only those individuals who are involved in the specific matching program.

C. VA will retain BOP data with identifying information only for the period of time required for any processing related to the matching program (ordinarily 90 days). After that time, VA will destroy the data.

ARTICLE X. SECURITY PROCEDURES

The Privacy Act requires that each matching agreement specify procedures for ensuring the administrative, technical, and physical security of the records matched and the results of such programs (5 U.S.C. 552a(o)(l)(G)).

A. Both BOP and VBA agree to comply with the requirements of the Federal Information Security Modernization Act of 2014 (FISMA), Pub. L. 113-283, 128 Stat. 3073 (Dec. 18, 2014); and, where appropriate, related Office of Management and Budget (OMB) circulars and memorandums, such as Circular A-130, Managing

Information as a Strategic Resource, 81 FR 49689 (July. 28, 2016), National Institute of Science and Technology (NIST) directives; and the Federal Acquisition Regulations (FAR). These laws, directives, and regulations include requirements for safeguarding Federal information systems and personally identifiable information (PII) used in Federal agency business processes, as well as related reporting requirements. Both agencies recognize that laws, regulations, NIST standards, and OMB directives relating to the subject of this agreement and published subsequent to the effective date must also be implemented if mandated.

B. Information systems used to store, access, process, or transmit records matched and information produced by the match will employ security controls consistent with those recommended by the U.S. Department of Commerce, National Institute of Standards and Technology (NIST), or will utilize a comparable risk management program. NIST-recommended security controls are described in NIST Special Publication 800-53 Revision 4, "Security and Privacy Controls for Federal Information Systems and Organizations."

FISMA requirements apply to all federal contractors, organizations or sources that possess or use Federal information, or that operate, use or have access to Federal information systems on behalf of an agency. The recipient agency is responsible for oversight and compliance of their contractors and agents. BOP reserves the right to conduct onsite inspections to monitor compliance with FISMA regulations during the lifetime of this agreement.

C. Loss Reporting: If either agency experiences a loss of PII provided by the other under the terms of this agreement, that agency will follow OMB loss reporting guidelines (OMB M-17-12 "Preparing for and Responding to a Breach of Personally Identifiable Information") and notify the United States Computer Emergency Readiness Team (US-CERT) within one (1) hour of discovering the incident. In addition, they will immediately notify the other agency's Information Security Programs Section (BOP: 202-514-2049 or 202-307-6667; VA contact person named in this agreement) in the event of any actual or suspected breach of such data (i.e., Loss of control, compromise, unauthorized disclosure, access for an unauthorized purpose, or other unauthorized access, whether physical or electronic). If within one (1) hour VA has been unable to make a report to the BOP contact(s) named herein, VA will call the DOJ Computer Emergency Readiness Team (DOJCERT) at 1-866-US4-CERT (1-866-874-2378) and make the report. If within one (1) hour BOP has been unable to make a report to the VA contact named herein, BOP will call the VA Network and Security Operations Center at 866-407-1566 and make the report.

D. Breach Notification: VA follows PII breach notification policies and related procedures (as required by OMB M-17-12 (Jan. 3, 2017)). If VA determines that the risk of harm requires notification to affected individuals and/or other remedies, VA will carry out these notifications and/or remedies without cost to BOP.

E. Administrative Safeguards: Access to the records matched and to any records created by the match will be restricted to only those authorized employees and officials who need it to perform their official duties in connection with the uses of the information authorized in this agreement. Further, all personnel who will have access to the records matched and to any records created by the match will be advised of the confidential nature of the information, the safeguards required to protect the records and the civil and criminal sanctions for noncompliance contained in the applicable Federal laws.

F. Physical Safeguards: The records matched and any records created by the match will be stored in an area that is physically secure from access by unauthorized persons during duty hours as well as nonduty hours or when not in use. Access to the record storage area is limited to authorized personnel who must display a photo-identification pass or confidential electronically coded magnetic strip identifier prior to entry. Only authorized personnel will transport the records matched and those created by the match. Such transport shall be under appropriate safeguards consistent with the manner in which they are stored and processed.

G. Technical Safeguards: The records matched and any records created by the match will be processed under the immediate supervision and control of authorized personnel in a manner which will protect the confidentiality of the records so that unauthorized persons cannot retrieve any such records by means of computer, remote terminal or other means. Systems personnel must enter personal identification numbers when accessing data on the system. Authorization is strictly limited to those electronic record areas required by the work of the authorized analyst.

H. Application of Policy and Procedures: BOP and VA shall also adopt policies and procedures to ensure that information contained in their respective records and obtained from each other shall be used solely as provided in this agreement. BOP and VA agree to comply with these guidelines and any revision of them. Each agency reserves the right to make onsite inspections or may make other provisions for auditing compliance with the terms of the agreement such as requiring recurring self-audits to ensure that adequate safeguards are being maintained.

I. Onsite Inspection: The DIB of each agency participating in this agreement reserves the right to monitor compliance with FISMA and OMB requirements and to

make onsite inspections for purposes of auditing compliance (if needed) during the lifetime of this agreement or of any 12 month extension of this agreement.

ARTICLE XI. RECORDS USAGE, DUPLICATION AND REDISCLOSURE RESTRICTIONS

The following limitations will apply to the access to, and disclosure and use of, identifying information provided by BOP:

- A. Data provided to VA will not be duplicated or redisclosed within or outside VA, except where required by law or where essential to the conduct of the matching program (see 5 U.S.C. 552a(o)(l)(H)).
- B. The data will be retained for approximately 90 days. After that time, it will be destroyed.
- C. Data provided to VA will not be used to extract information concerning individuals therein for any purpose not specified in Article III of this agreement.
- D. The information provided by BOP will be used within VA only to the extent necessary to achieve the purpose of the match.
- E. VA agrees not to use the BOP file to extract information about non-matching individuals for any purpose.

ARTICLE XII. ACCURACY ASSESSMENT

Previous VA matches with the Social Security Administration indicate that the names and social security numbers (SSNs) in VA records are 99 percent accurate. VA internal verification procedures have also confirmed this percent of accuracy in VA records. BOP believes that virtually all of the names and SSNs that it will provide to VA will be the same as those furnished by the inmate sources.

ARTICLE XIII. ACCESS BY THE COMPTROLLER GENERAL

The Government Accountability Office (Comptroller General) may have access to all VA and BOP records as necessary in order to verify compliance with this agreement.

ARTICLE XIV. REMOTE TERMINAL ACCESS

VA will not allow remote terminal access to the information being transferred under the terms of this agreement.

ARTICLE XV. REIMBURSEMENT

BOP agrees to provide the prisoner information at no cost to VA. VA will be responsible for all costs incurred with the delivery of the data. Further, VA authorizes BOP the use of any designated VA billing account numbers for the sole purpose of delivery of such data, as deemed appropriate by both parties.

ARTICLE XVI. PERSONS TO CONTACT

The VA contacts for questions concerning the matching agreement are:

Policy Questions

Lynn Thiem, Sr. Mgmt.& Prog. Analyst
Compensation Service
Department of Veterans Affairs
810 Vermont Avenue, NW
Washington, DC 20420

E-mail: lynn.thiem@va.gov
Telephone: (202) 443-6016

Technical Questions

Monica McLendon
Compensation Service
Department of Veterans Affairs
810 Vermont Avenue, NW
Washington, DC 20420

E-mail: Monica.McLendon@va.gov
Telephone number (202) 461-9592

VA staff with questions or needing information related to this matching program shall contact the above-designated VA Central Office representative for Policy Questions who will then contact BOP, as appropriate.

The BOP contacts for the matching agreements are:

Policy Questions

Monica Barron, Asst. General Counsel
Office of General Counsel
Federal Bureau of Prisons
320 First Street, NW
Washington, DC 20534

Email: m2barron@bop.gov
Telephone: (202) 514-6655

Technical Questions

Ruthanne Harkins, Chief
SENTRY Systems Development Section
Systems Development Branch
Federal Bureau of Prisons
320 First Street, NW
Washington, DC 20534

E-mail: rharkins@bop.gov
Telephone: (202) 514-4912

ARTICLE XVII. SIGNATURES

Computer Matching Agreement between the Department of Veterans Affairs, Veterans Benefits Administration and the Department of Justice, Federal Bureau of Prisons

In witness whereof, the parties hereby execute this agreement.

Department of Veterans Affairs, Veterans Benefits Administration

BETHA.MCCOY
302388

Digitally signed by BETH A. MCCOY 302388
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7/20/17

Beth Murphy, Director
Compensation Service
Veterans Benefits Administration
Department of Veterans Affairs

Date

CherylJ Rawls 195502

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J Rawls 195502
Date: 2017.07.21 11:47:50 -04'00'

7/21/17

Cheryl Rawls, Director
Pension & Fiduciary Service
Veterans Benefits Administration
Department of Veterans Affairs

Date

Scott R. Blackburn
Data Integrity Board
Department of Veterans Affairs

Date

ARTICLE XVII. SIGNATURES (continued)

**Computer Matching Agreement between the Department of Veterans Affairs,
Veterans Benefits Administration and the Department of Justice, Federal
Bureau of Prisons**

In witness whereof, the parties hereby execute this agreement.

Federal Bureau of Prisons, Department of Justice

Sonya D. Thompson
Acting Assistant Director/CIO
Information, Policy and Public Affairs Division
Federal Bureau of Prisons

Date

John Hume, Chief
Procurement Management Section
Administration Division
Federal Bureau of Prisons

Date

Lee J. Lofthus
Assistant Attorney General/
Chairman, Data Integrity Board
Justice Management Division
Department of Justice

Date

ATTACHMENT I - COST BENEFIT ANALYSIS

Estimated Cost Benefit Analysis

Period Covered: Fiscal Year 2015 Benefits:

Number of cases adjusted 0

B. Overpayments created	\$0
recovery rate 65%)	\$0

Savings by recovery

C. Amounts saved as a result of this match

(cost avoidance) \$0

D. Administrative savings such as personnel and program costs resulting from
disqualification \$0

E. Other savings \$0

TOTAL SAVINGS \$0

A. Salaries, fringe benefits, and other personnel costs in administering the matching
program including costs associated with the verification process \$0

B. Computer costs \$0

TOTAL COST \$0

The benefits of this match exceed the costs by \$0 and by a ratio of 31 to 1. The ratio of benefits to costs makes this match worthwhile.

ATTACHMENT I - COST BENEFIT ANALYSIS

Cost Methodology

Computer Matching Agreement Between

VBA and the Department of Justice, Federal Bureau of Prisons

- a) Identification: The purpose of this estimate is to determine the cost to VBA to renew a computer matching agreement with the Department of Justice, Federal Bureau of Prisons (BOP). The agreement will allow VBA to verify information for purposes of determining eligibility for benefit payments, and it will be in place for 18 months, from June 2017 through November 2018.

- b) Highlights: Federal law requires VBA to reduce disability compensation payments (38 United States Code (U.S.C.) § 5313) to individuals incarcerated for a period in excess of 60 days for conviction of a felony. VBA is required to reduce compensation benefits of incarcerated Veterans rated 20 percent or higher to the 10 percent disability compensation rate (currently \$133.57). Incarcerated Veterans rated at 10 percent service-connection are reduced to one-half (currently \$66.79) of their compensation. Federal law also requires VBA to discontinue pension payments (38 U.S.C. § 1505) to individuals imprisoned for more than 60 days as a result of conviction of a felony or misdemeanor. Once a Veteran is released from prison, VBA can restore compensation and pension (C&P) payments upon notice of his or her release.

VBA will conduct an electronic data match comparing all C&P recipients to BOP's list of federally confined individuals under BOP supervision. Once this matching program is in place, VBA will use BOP incarceration records to update master records of VBA beneficiaries and adjust payments accordingly. The matching agreement will help VA avoid fraud and minimize improper payments.

The VA Office of Inspector General (OIG) conducted an audit of C&P payments made to Veterans incarcerated in Federal institutions between May 2008 and June 2015, to determine whether VBA offices were appropriately adjusting C&P payments to incarcerated Veterans. During this timeframe, VBA did not adjust awards based on BOP's data. Based on a sample of cases, OIG estimated \$59.9 million was improperly paid to Veterans incarcerated in Federal institutions between May 2008 and June 2015. VBA concurred with all of OIG's recommendations and already adjusted awards

from this timeframe. VBA also agreed with OIG's recommendation to timely extend future agreements with BOP.

- c) Savings: VBA estimates savings will be \$1.2 million in FY 2017 and \$14.4 million over four years.

FY	Savings from Collecting Overpayments (\$000s)	Savings Reduced Payments (\$000)	Total Savings (\$000)
2017	\$1,150	-	\$1,150
2018	\$3,645	\$3,996	\$7,641
2019	\$639	\$4,219	\$4,858
2020	-	\$741	\$741
Total	\$5,434	\$8,956	\$14,390

- d) Methodology:

Debts Collected from Overpayments

PA&I provided the annual number of Veterans entitled to C&P benefits but also incarcerated, according to BOP, between FY 2012-FY2016. On average, the ratio of incarcerated Veterans to Veteran C&P caseload was 0.009 percent. This percentage was applied to Veteran C&P caseload in out years from the FY 2017 Mid-Session Review budget to estimate the number of Veterans who would be identified in the BOP match each year. PA&I also provided a breakout to show that 91 percent of incarcerated beneficiaries were entitled to compensation benefits, while the remaining nine percent were entitled to pension benefits. These rates were applied to project the portion of total beneficiaries would receive compensation versus pension payments.

PA&I also provided the average overpayment for incarcerated Veterans for the same time period. The average overpayment was increased for cost-of-living adjustments in out years and then applied to the projected caseload to estimate annual overpayments established based on the BOP match. The data from PA&I further indicated that due to waivers, write-offs, and death of the beneficiary, only 88 percent of overpayments due to incarceration are

historically recovered. This recovery rate was applied to annual overpayments to project total savings debt collections.

The computer matching agreement will be renewed for 18 months, from June 2017 to November 2018. Therefore, annualized savings for overpayments were prorated to reflect only the fourth quarter of FY 2017 through the first two months of FY 2019.

Future Cost Avoidance – Reduced Payments

When VA is notified that a Veteran is incarcerated, benefits are adjusted for the duration of the Veteran's incarceration. Data provided by PA&I indicate the average length of incarceration for a Veteran is approximately one year. To project savings for future cost avoidance, prior year caseload was applied to the estimated average reduction in benefit payments. For example, the cost avoidance for Veterans identified by the match in FY 2017 will primarily be realized in FY 2018, because the average incarceration period will be one year.

The computer matching agreement will be renewed for 18 months, from June 2017 to November 2018. Therefore, annualized savings were prorated for two months of FY 2020, since payments would continue to be reduced until November 2019, one year after the match ends.

- e) Administrative Costs: After Compensation Service provides the resources requirements to implement this change, the GOE budget staff will calculate any additional FTE or GOE cost requirements.
- f) Contact: For questions and comments regarding the mandatory estimate, please contact Tanisha Jenkins, ORM Benefits Budget Division (24), at 202-461-6217.

ATTACHMENT II – INPUT SPECIFICATIONS

INPUT SPECIFICATIONS FOR COMPUTER MATCHING AGREEMENT BETWEEN THE DEPARTMENT OF VETERANS AFFAIRS AND THE FEDERAL BUREAU OF PRISONS

Field Name	Size	Characteristics
SSN	9	Alphanumeric – NNNNNNNNN
NAME, LAST	24	Alphanumeric
NAME, FIRST	12	Alphanumeric
NAME, MIDDLE	8	Alphanumeric
NAME, SUFFIX	3	Alphanumeric
DATE OF BIRTH	8	Numeric - CCYYMMDD
DATE OF COMPUTATION BEGAN	8	Numeric – CCYYMMDD
LENGTH OF SENTENCE	1	Alpha – Y, N or U
PLACE OF CURRENT CONFINEMENT	3	Alphanumeric
REGISTER NUMBER	8	Numeric
DATE OF CONVICTION	8	Numeric – CCYYMMDD
(Reserved)	1	Alpha – will always contain spaces
(Reserved)	7	Alphanumeric will always contain spaces

If the inmate has no SSN, the SSN field will contain all blanks. When a name field is not totally used, the name field will be right-blank filled. All date fields will be zero filled if no date field data is available.

ATTACHMENT III - DOJ's "Inmate Central Records System. Justice/BOP-005," published on June 7, 1984 (48 FR 2371 1), republished on May 9, 2002 (67 FR 31371), January 25, 2007 (72 FR 3410) and April 26, 2012 (77 FR 24982) and last modified on April 18, 2016 (81 FR 22639), routine use (i).

Routine Notice

(i) To the United States Department of Veterans Affairs (VA), for the purpose of matching the records against VA records to determine the eligibility or potential eligibility of Bureau inmates to receive veterans' benefits and/or services;

ATTACHMENT IV – VA PRIVACY ACT SYSTEMS of RECORDS 58 VA21/22/28

System name: Compensation, Pension, Education, and Vocational Rehabilitation and Employment Records – VA

System location:

Records are maintained at the Department of Veterans Affairs (VA) regional offices, VA centers, the VA Records Management Center, St. Louis, Missouri, the Data Processing Center at Hines, Illinois, the Corporate Franchise Data Center in Austin, Texas, and the Information Technology Center at Philadelphia, PA. Active records are generally maintained by the regional offices having jurisdiction over the domicile of the claimant. Active educational assistance records are generally maintained at the regional processing office having jurisdiction over the educational institution, training establishment, or other entity where the claimant pursues or intends to pursue training. Address locations of VA facilities are listed in the VA Appendix I and are also listed at

J11tp://www2.va.gov/directory/guidelhome.asp?isFlash=1. The automated individual employee productivity records are temporarily maintained at the VA data processing facility serving the office in which the employee is located. The paper record is maintained at the VA regional office having jurisdiction over the employee who processed the claim. Records provided to the Department of Housing and Urban Development (HUD) for inclusion on its Credit Alert Interactive Voice Response System (CAIVRS) are located at a data processing center under contract to HUD at Lanham, Maryland.

Categories of individuals covered by the system:

The following categories of individuals will be covered by this system.

Veterans who have applied for compensation for service-connected disability under 38 U.S.C. chapter 11.

Veterans who have applied for nonservice-connected disability under 38 U.S.C. chapter 15.

Veterans entitled to burial benefits under 38 U.S.C. Chapter 23.

Surviving spouses and children who have claimed pensions based on nonservice-connected death of a veteran under 38 U.S.C. Chapter 15.

Surviving spouses and children who have claimed death compensation based on service-connected death of a veteran under 38 U.S.C. chapter 11.

Surviving spouses and children who have claimed dependency and indemnity compensation for service connected death of a veteran under 38 U.S.C. Chapter 13.

Parents who have applied for death compensation based on service connected death of a veteran under 38 U.S.C. Chapter 11.

Parents who have applied for dependency and indemnity compensation for service-connected death of a veteran under 38 U.S.C. Chapter 13.

Individuals who applied for educational assistance benefits administered by VA under title 38 U.S.C.

Individuals who applied for educational assistance benefits maintained by the Department of Defense under 10 U.S.C. that are administered by VA.

Veterans who apply for training and employers who apply for approval of their programs under the provisions of the Emergency Veterans' Job Training Act of 1983, Public Law 98-77.

Any VA employee who generates or finalizes adjudicative actions using the Benefits Delivery Network

(BDN) or the Veterans Service Network (VETSNET) computer processing systems.

Veterans who apply for training and employers who apply for approval of their programs under the provisions of the Service Members Occupational Conversion and Training Act of 1992, Public Law 102- 484.

Representatives of individuals covered by the system:

Categories of records in the system:

The record, or information contained in the record, may include identifying information (e.g., name, address, social security number); military service and active duty separation information (e.g., name, service number, date of birth, rank, sex, total amount of active service, branch of service, character of service, pay grade, assigned separation reason, service period, whether veteran was discharged with a disability, reenlisted, received a Purple Heart or other military decoration); payment information (e.g., veteran payee name, address, dollar amount of readjustment service pay, amount of disability or pension payments, number of non-pay days, any amount of indebtedness (accounts receivable) arising from title 38 U.S.C. benefits and which are owed to the VA); medical information (e.g., medical and dental treatment in the Armed Forces including type of service-connected disability, medical facilities, or medical or dental treatment by VA health care personnel or received from private hospitals and health care personnel relating to a claim for VA disability benefits or medical or dental treatment); personal information (e.g., marital

status, name and address of dependents, occupation, amount of education of a veteran or a dependent, dependent's relationship to veteran); education benefit information (e.g., information arising from utilization of training benefits such as a veteran trainee's induction, reentrance or dismissal from a program or progress and attendance in an education or training program); applications for compensation, pension, education and vocational rehabilitation benefits and training which may contain identifying information, military service and active duty separation information, payment information, medical and dental information, personal and education benefit information relating to a veteran or beneficiary's incarceration in a penal institution (e.g., name of incarcerated veteran or beneficiary, claims folder number, name and address of penal institution, date of commitment, type of offense, scheduled release date, veteran's date of birth, beneficiary relationship to veteran and whether veteran or beneficiary is in a work release or half-way house program, on parole or has been released from incarceration). The VA employee's BON or VETSNET identification numbers, the number and kind of actions generated and/or finalized by each such employee, the compilation of cases returned for each employee.

Authority for maintenance of the system:

Title 10 United States Code (U.S.C.) chapters 106a, 510, 1606 and 1607 and Title 38, U.S.C., section 501(a) and Chapters 11, 13, 15, 18, 23, 30, 31, 32, 33, 34, 35, 36, 39, 51, 53, and 55.

Purpose(s):

VA gathers or creates these records in order to enable it to administer statutory benefits programs to veterans, service members reservists, and their spouses, surviving spouses, and dependents, who file claims for a wide variety of Federal veteran's benefits administered by VA. See the statutory provisions cited in "Authority for maintenance of the system".

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

The record of an individual who is covered by this system or records may be disclosed to a Member of Congress, or staff person acting for the member when, the member or staff person requests the record on behalf of and at the written request of that individual.

Any information in this system may be disclosed to a Federal agency, upon its official request, to the extent that it is relevant and necessary to that agency's decision regarding: the hiring, retention or transfer of an employee; the issuance of a

security clearance, the letting of a contract, or the issuance or continuance of a license, grant or other benefit given by that agency. However, in accordance with an agreement with the U.S. Postal Service, disclosures to the U.S. Postal Service for decisions concerning the employment of veterans will only be made with the veteran's prior written consent.

Any information in this system may be disclosed to a State or local agency, upon official request, to the extent that it is relevant and necessary to that agency's decision on: The hiring, retention or transfer of an employee the issuance of a security clearance, the letting of a contract, or the issuance or continuance of a license, grant or other benefit by that agency including eligibility for unemployment compensation; provided, that if the information pertains to a veteran, the name and address of the veteran will not be disclosed unless the name and address provided first by the requesting State or local agency .

VA *may* disclose on its own initiative any information in this system, except the names and home addresses of individuals, that are relevant to a suspected violation or reasonably imminent violation of law, whether civil, criminal or regulatory in nature and whether arising by general or program statute or by regulation, rule or order Issued pursuant thereto, to a Federal, State, local, tribal, or foreign agency charged with the responsibility of investigating or prosecuting such violation, or charged with enforcing or implementing the statute, rule, regulation or order.

VA may disclose on its own initiative the names and addresses of individuals, that are relevant to a suspected violation or reasonably imminent violation of law, whether civil, criminal or regulatory in nature and whether arising by general or program statute or by regulation, rule or order issued pursuant thereto, to a Federal agency charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing the statute, regulation, rule or order.

The name and address of an individual, which is relevant to a suspected violation or reasonably imminent violation of law concerning public health or safety, whether civil, criminal or regulatory in nature and whether arising by general or program statute or by regulation, rule or order issued pursuant thereto, may be disclosed to any foreign, State or local governmental agency or instrumentality charged under applicable law with the protection of the public health or safety if a qualified representative of such organization, agency or instrumentality has made a written request that such name and address be provided for a purpose authorized by law.

The name, address, entitlement code (e.g. Compensation or pension), period(s) of service, sex, and date(s) of discharge may be disclosed to any nonprofit organization if the release is directly connected with the conduct of programs and the utilization of benefits under title 38 U.S.C. Disclosures may be in the form of a computerized list.

Any information in this system, except for the name and address of an individual, may be disclosed to a Federal agency in order for VA to obtain information relevant to the issuance of a benefit under title 38 U.S.C. The name and address of an individual may be disclosed to a Federal agency under this routine use if they are required by the Federal agency to respond to the VA inquiry.)

Any information in this system may be disclosed in connection with any proceeding for the collection of an amount owed to the United States by virtue of a person's participation in any benefit program administered by the Department of Veterans Affairs when in the judgment of the Secretary, or official generally delegated such authority under standard agency delegation of authority rules (38 CFR 2.6), such disclosure is deemed necessary and proper, in accordance with 38 U.S.C. 5701(b)(6).

The name and address of an individual, and other information as is reasonably necessary to identify such individual, may be disclosed to a consumer reporting agency for the purpose of locating the individual, or obtaining a consumer report to determine the ability of the individual to repay an indebtedness to the United States arising by virtue of the individual's participation in a benefits program administered by the VA, provided that the requirements of 38 U.S.C. 5701(g) (2) have been met.

The name and address of an individual, and other information as is reasonably necessary to identify such individual, including personal information obtained from other Federal agencies through computer matching programs, and any information concerning the individual's indebtedness to the United States by virtue of the person's participation in a benefits program administered by VA, may be disclosed to a consumer reporting agency for purposes of assisting in the collection of such indebtedness, provided that the provisions of 38 U.S.C. 5701(g)(4) have been met.

Any information in this system, including available identifying information regarding the debtor, such as name of debtor, last known address of debtor, VA insurance number, VA loan number, VA claim number, place of birth, date of birth of debtor, name and address of debtor's employer or firm and dates of employment may be disclosed, under this routine use, except to consumer reporting agencies, to a third party in order to obtain current name, address, locator, and credit report in connection with any proceeding for the collection of an amount owed to the United States by virtue of a person's participation in any VA benefit program when in the judgment of the Secretary such disclosure is deemed necessary and proper. This purpose is consistent with the Federal Claims Collection Act of 1966 (Pub. L. 89-508, 31 U.S.C. 951-953 and 4 CFR parts 101-105 and 38 U.S.C. 5701(b)(6)).

Any information in this system, including the nature and amount of a financial obligation, may be disclosed to a debtor's employing agency or commanding officer so that the debtor employee *may* be counseled by his or her Federal employer or commanding officer and to assist in the collection of unpaid financial obligations owed VA.

Payment information *may* be disclosed to the Department of the Treasury, in accordance with its official request, to permit delivery of benefit payments to veterans or other beneficiaries.

Medical information may be disclosed in response to a request from the superintendent of a State hospital for psychotic patients, a commissioner or head of a State department of mental hygiene, or a head of a State, county or city health department or *any* fee basis physician or sharing institution in direct connection with authorized treatment for a veteran, provided the name of the individual to whom the record pertains is given and the information will be treated as confidential as is customary in civilian professional medical practice.

The name, address, VA file number, effective date of compensation or pension, current and historical benefit pay amounts for compensation or pension, service information, date of birth, competency payment status, incarceration status, and social security number of veterans and their surviving spouses may be disclosed to the following agencies upon their official request: Department of Defense: Defense

Manpower Data Center; Marine Corps; Department of Homeland Security; Coast Guard; Public Health Service (PHS); National Oceanic and Atmospheric Administration (NOAA) and Commissioned Officer Corps in order for these departments and agencies and VA to reconcile the amount and/or waiver of service. Department and retired pay: These records may also be disclosed as a part of an ongoing computer-matching program to accomplish these purposes. This purpose is consistent with 10U.S.C. 12316, 38 U.S.C. 5304 and 38 U.S.C. 5701.

The amount of pension, compensation, dependency and indemnity compensation.

Educational assistance allowance, retirement pay and subsistence allowance of any individual identified to VA may be disclosed to any person who applies for such information.

Identifying, personal, payment and medical information may be disclosed to a Federal, State, or local government agency at the request of a veteran in order to assist the veteran and ensure that all of the title 38 U.S.C. or other benefits to which the veteran is entitled are received. This information may also be disclosed upon the request from a Federal agency, or to a State or local agency, provided the name and address of the veteran is given beforehand by the requesting agency, in order to assist the veteran in obtaining a non-title 38 U.S.C. benefit to which the veteran is entitled. These records may also be disclosed as part of an ongoing computer-matching program to accomplish this purpose.

Any information in this system, which directly affects payment or potential payment of benefits to contesting claimants, including parties claiming an apportioned share of benefits, may be coequally disclosed to each affected claimant upon request from that claimant in conjunction with the claim for benefits sought or received.

Any information in this system, such as identifying information, nature of a claim, amount of benefit payments, percentage of disability, income and medical expense information maintained by VA which is used to determine the amount payable to recipients of VA income-dependent benefits and personal information may be disclosed to the Social Security Administration, upon its official request, in order for that agency to determine eligibility regarding amounts of social security benefits, or to verify other information with respect thereto. These records may also be disclosed as part of an ongoing computer- matching program to accomplish this purpose.

VA may disclose an individual's identifying information to an educational institution, training establishment ,or other entity which administers programs approved for VA educational assistance in order to assist the individual in completing claims forms, to obtain information necessary to adjudicate the individual's claim, or to monitor the progress of the individual who is pursuing or intends to pursue training at the request of the appropriate institution, training establishment, or other entity administering approved VA educational programs or at the request of the veteran.

Medical data (excluding the name and address of a veteran unless the name and address are furnished by the requester) may be disclosed to epidemiological and other research facilities approved by the Under Secretary for Health to obtain data from those facilities necessary to assist in medical studies on veterans for the Department of Veterans Affairs or for any research purposes determined to be necessary and proper by the Under Secretary for Health.

The name(s) and address(es) of a veteran may be disclosed to another Federal agency or to a contractor of that agency, at the written request of the head of that agency or designee of the head of that agency for the purpose of conducting government research necessary to accomplish a statutory purpose of that agency.

Any information in this system relevant to a veteran's claim such as the name, address, the basis and nature of a claim, amount of benefit payment information, medical information and military service and active duty separation information may be disclosed at the request of the veteran to accredited service organizations, VA approved claims agents and attorneys acting under a declaration of representation so that these individuals can aid veterans in the preparation, presentation and prosecution of claims under the laws administered by VA.

Identifying and payment information may be disclosed, upon the request of a Federal agency, to a State or local government agency, to determine a beneficiary's eligibility under programs provided for under Federal legislation and for which the requesting Federal agency has responsibility. These records may also be disclosed as a part of an ongoing computer-matching program to accomplish these purposes. This purpose is consistent with 38 U.S.C. 5701.

Any information in this system such as the amount of benefit or disability payments and medical information may be disclosed in the course of presenting evidence to a court, magistrate, or administrative authority, in matters of guardianship, inquests, and commitments, to private attorneys representing veterans rated incompetent in conjunction with issuance of Certificates of Incompetency, and to probation and parole officers in connection with court-required duties.

Any information in this system including medical information, the basis and nature of claim, the amount of benefits and personal information may be disclosed to a VA Federal fiduciary or a guardian ad litem in relation to his or her representation of a veteran only to the extent necessary to fulfill the duties of the VA Federal fiduciary or the guardian ad litem.

Any relevant information {including changes in disability ratings) may be disclosed to the Department of Justice and United States Attorneys in the defense or prosecution of litigation involving the United States, and to Federal agencies upon their request in connection with review of administrative tort claims and potential tort claims filed under the Federal Tort Claims Act, 28 U.S.C. 2672, the Military Claims Act, 10 U.S.C. 2733, and other similar claims statutes.

Any information in this system including the name, social security number, date of birth, delimiting date and remaining entitlement of VA educational benefits, may be disclosed to the Department of Education (ED) upon its official request, or contractor thereof, for specific use by the ED to validate information regarding entitlement to VA benefits which is submitted by applicants who request educational assistance grants from the ED. The ED or contractor thereof will not use such

information for any other purpose. These records may also be disclosed as part of an ongoing computer-matching program to accomplish this purpose.

VA may, at the request of the individual, disclose identifying information of an individual who is pursuing or intends to pursue training at an educational institution, training establishment, or other entity which administers programs approved for VA educational assistance in order for the VA to obtain sufficient information necessary to pay that individual or the educational or training establishment the correct monetary amounts in an expeditious manner. However, information will not be provided under this routine use to an educational institution, training establishment, or other entity when the request is clearly an attempt by that establishment to seek assistance in collection attempts against the individual.

Identifying information and information regarding the induction, reentrance and dismissal of a disabled veteran from a vocational rehabilitation program may be disclosed at the request of the veteran to a VA- approved vocational rehabilitation training establishment to ensure that the trainee receives the maximum benefit from training.

Identifying information and information regarding the extent and nature of a veteran's disabilities with respect to any limitations to be imposed on the veteran's vocational programs may be disclosed at the request of the veteran to a VA- approved vocational rehabilitation-training establishment to ensure that the trainee receives the maximum benefit from training.

Information regarding the type and amount of training/education received, and the name and address of a veteran, may be disclosed at the request of a veteran to local and State agencies and to prospective employers in order to assist the veteran in obtaining employment or further training.

The name, claims folder number and any other information relating to a veteran's or beneficiary's incarceration in a penal Institution and information regarding a dependent's right to a special apportionment of the incarcerated individual's VA benefit payment may be disclosed to those dependents who may be eligible for entitlement to such apportionment in accordance with 38 U.S.C.5313, 5307. 35. The name claims folder number and any other information relating to an individual who may be incarcerated in a penal institution may, pursuant to an arrangement, be disclosed to penal institutions or to correctional authorities in order to verify information concerning the individual's incarceration status. The disclosure of this information is necessary to determine that individual's continuing eligibility as authorized under 38 U.S.C. 5313, 5307. These records may also be disclosed as part of an ongoing computer-matching program to accomplish this purpose.

Identifying information, except for the name and address of a veteran, may be disclosed to a State agency for the purpose of conducting a computer match to

determine if income and employment data are being properly reported to VA and to detect the unwarranted payment of benefits under title 38 U.S.C.

Identifying, disability, and award (type, amount and reasons for award) information may be released to the DOL (Department of Labor) in order for the DOL to conduct a computer matching program against the 'Office of Workers' Compensation Programs Federal Employees Compensation File, DOU ESA-13, published in 46 FR 12357 on February 13, 1981. This match will permit the DOL to verify a person's eligibility for DOL payments as well as to detect situations where recipients may be erroneously receiving concurrent multiple payments from the DOL and VA, to identify areas where legislative and regulatory amendments directed toward preventing overpayments are needed, and to collect debts owed to the United States Government. This matching program is performed pursuant to the OOL Inspector General's authority under Pub. L. 95-452, section 4(a) to detect and prevent fraud and abuse. This disclosure is consistent with 38 U.S.C. 5701(b)(3).

The beneficiary's name, address, social security number and the amount (excluding interest) of any indebtedness waived under 38 U.S.C. 5302, or compromised under 4 CFR part 103 may be disclosed to the Treasury Department, Internal Revenue Service, as a report of income under 26 U.S.C. 61(a)(12).

Identifying information, including social security number, except for the name and address, may be disclosed to a Federal, State, County or Municipal agency for the purpose of conducting computer matches to obtain information to validate the entitlement of an individual, who is receiving or has received veterans benefits under Title 10 or Title 38, United States Code. The name and address of individuals may also be disclosed to a Federal agency under this routine use if required by the Federal agency in order to provide information.

Identifying information, including the initials and abbreviated surname, the social security number, the date of birth and coding indicating the category of the individual's records, the degree of disability, the benefit program under which benefits are being paid and the computed amount of VA benefits for a calendar year may be released to the Department of the Treasury, Internal Revenue Service (IRS) in order for IRS to conduct a computer matching program against the Internal Revenue Service's Forms 1040, Schedule R, Credit for the Elderly and the Permanently and Totally Disabled. This match will permit IRS to determine the eligibility for and the proper amount of Elderly and Disabled Credits claimed on IRS Form 1040, Schedule R. This matching program is performed pursuant to the provisions of Internal Revenue Code Section 7602. This disclosure is consistent with 38 U.S.C. 5701(b) (3).

Identifying information, such as name, social security number, VA claim number, date and place of birth, etc., in this system may be disclosed to an employer or school having information relevant to a claim in order to obtain information from the employer or school to the extent necessary to determine that eligibility for VA

compensation or pension benefits continues to exist or to verify that there has been an overpayment of VA compensation or pension benefits. Any information in this system also may be disclosed to any of the above-entitled individuals or entities as part of ongoing computer matching programs to accomplish these purposes.

The name of a veteran, or other beneficiary, other information as is reasonably necessary to identify such individual, and any other information concerning the individual's indebtedness by virtue of a person's participation in a benefits program administered by VA, may be disclosed to the Treasury Department, Internal Revenue Service, for the collection of Title 38, U.S.C. benefit overpayments, overdue indebtedness, and/or costs of services provided to an individual not entitled to such services, by the withholding of all or a portion of the person's Federal income tax refund.

Veterans' addresses which are contained in this system of records may be disclosed to the Defense Manpower Data Center upon its official request, for military recruiting command needs, Department of Defense civilian personnel offices' mobilization studies and mobilization information, debt collection, and Individual Ready Reserve (IRR) Units' locator services.

The name, address, VA file number, date of birth, date of death, social security number, and service information may be disclosed to the Defense Manpower Data Center. The Department of Defense will use this information to identify retired veterans and dependent members of their families who have entitlement to Department of Defense benefits but who are not identified in the Defense Enrollment Eligibility Reporting System (DEERS) program and to assist in determining eligibility for Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) benefits. This purpose is consistent with 38 U.S.C. 5701. These records may also be disclosed as part of an ongoing computer-matching program to accomplish this purpose.

The name, address, VA file number, social security number, sex of veteran, date(s) of birth of the veteran and dependents, current benefit pay amounts for compensation or pension. Pay status, check amount, aid and attendance status, veteran and spouse annual income amounts and type and combined degree of disability will be disclosed to the Department of Health and Human Services. The Social Security Administration will use the data in the administration of the Supplemental Security Income (SSI) payment system as prescribed by Pub. L. 92-603. These records may also be disclosed as part of an ongoing computer-matching program to accomplish these purposes. This purpose is consistent with 38 U.S.C. 5701.

The names and, current addresses of VA beneficiaries who are identified by finance centers of individual uniformed services of the Department of Defense and the Department of Homeland Security (Coast Guard) as responsible for the payment of Survivor Benefit Plan (SBP) premium payments to be released from this system of

records to them upon their official written request for such information for their use in attempting to recover amounts owed for SBP premium payments.

This routine use authorizes VA to compile lists of the social security numbers and loan account numbers of all persons with VA-guaranteed and portfolio loans in default, or VA loans on which there has been a foreclosure and the Department paid a claim and provide these records to the Department of Housing and Urban Development for inclusion in its Credit Alert Interactive Voice Response System (CAIVRS). Information included in this system may be disclosed to all participating agencies and lenders who participate in the agencies' programs to enable them to verify information provided by new loan applicants and evaluate the creditworthiness of applicants. These records may also be disclosed as part of an ongoing computer-matching program to accomplish these purposes.

Identifying information including social security number, abbreviated surname, first and middle initial, date of birth, sex and claim number, and excluding the full name and address, may be disclosed to the Social Security Administration for the purpose of conducting a computer match to obtain information to validate the social security number maintained in VA records.

Any information contained in the files of veterans whose claims were referred to VA Central Office for an advisory opinion concerning their claims that their disabilities were incurred secondary to occupational radiation exposure may be disclosed to the Department of the Navy. The information to be furnished to the Navy would include the medical opinions, dose estimates, advisory opinions, and rating decisions including veterans' names, addresses, VA claim numbers, social security numbers, and medical information. The requested information may be disclosed to the Department of the Navy upon receipt of its official written request for such information for its use in the review and assessment of its occupational radiation exposure controls and training.

A veteran's claims folder number and folder locate on *may* be disclosed to a court of proper jurisdiction that has issued a garnishment order for that veteran under 42 U.S.C. 659 through 660.

An individual's identifying and payment information *may* be disclosed to the educational institution, training establishment, or other entity the individual attends (or attended) if that individual received educational assistance from VA based on training at that educational institution, training establishment, or entity. VA will disclose this information to assist the educational institution, training establishment, or other entity in verifying the Individual's receipt of VA educational assistance and to assist the individual in applying for additional financial aid (e.g. student loans).

The name and address of a prospective, present, or former accredited representative, claims agent or attorney and any information concerning such individual which is relevant to a refusal to grant access privileges to automated

veterans' claims records, or a potential or past suspension or termination of such access privileges may be disclosed to the entity employing the individual to represent veterans on claims for veterans benefits.

The name and address of a former accredited representative, claim agent or attorney, and any information concerning such individual, except a veteran's name and home address, which is relevant to a revocation of such access privileges may be disclosed to an appropriate governmental licensing organization where VA determines that the individual's conduct that resulted in revocation merits reporting.

A record from this system (other than the address of the beneficiary) may be disclosed to a former representative of a beneficiary to the extent necessary to develop and adjudicate a claim for payment of attorney fees to such representative from past-due benefits under 38 U.S.C 5904(d) and Public Law 109- 461 or to review a fee agreement between such representative and the beneficiary for reasonableness under 38 U.S.C. 5904(c) (2) and Public Law 109-461.

Disclosure of tax returns and return information received from the Internal Revenue Service (IRS) may be made only as provided by 26 U.S.C. 6103 (an IRS confidentiality statute) also covering any IRS tax return information provided as part of an ongoing computer matching program

Where VA determines that there is good cause to question the legality or ethical propriety of the conduct of a person or organization representing a person in a matter before VA, a record from this system may be disclosed, on VA's initiative, to any or all of the following: (1) Applicable civil or criminal law enforcement authorities and (2) a person or entity responsible for the licensing, supervision, or professional discipline of the person or organization acting as a representative. Name and home addresses of veterans and their dependents will be released on VA's initiative under this routine use only to Federal entities.

The name and address of a VA beneficiary, and other information as is reasonably necessary to identify such a beneficiary, who has been adjudicated as incompetent under 38 CFR 3.353, *may* be provided to the Attorney General of the United States or his/her designee, for use by the Department of Justice in the National Instant Criminal Background Check System (NICS) mandated by the Brady Handgun Violence Prevention Act. Public Law 103-159.

Disclosure may be made to the National Archives and Records Administration in record management inspections and such other activities conducted under Authority of Title 44 U.S.C.

VA may disclose information from this system of records to the Department of Justice (DOJ), either on VA's initiative or in response to DOJ's request for the information, after either VA or DOJ determines that such information is relevant to DOJ's representation of the United States or any of its components in legal proceedings before a court or adjudicative body, provided that, in each case, the

agency also determines prior to disclosure that release of the records to the DOJ is a use of the information contained in the records that is compatible with the purpose for which VA collected the records. VA, on its own initiative, may disclose records in this system of records in legal proceedings before a court or administrative body after determining that the disclosure of records to the court or administrative body is a use of the information contained in the records that is compatible with the purpose for which VA collected the records.

Disclosure of relevant information may be made to individuals, organizations, public or private agencies, or other entities with whom VA has a contract or agreement or where there is a subcontract to perform such services as VA may deem practicable for the purposes of laws administered by VA in order for the contractor or subcontractor to perform the services of the contract or agreement.

61. Disclosure to other Federal agencies may be made to assist such agencies in preventing and detecting possible fraud, waste, overpayment, or abuse by individuals in their operations and programs as well as identifying areas where legislative and regulatory amendments directed toward preventing overpayments. These records may also be disclosed as part of an ongoing computer-matching program to accomplish this purpose.

62. VA may on its own initiative, disclose any information or records to appropriate agencies, entities, and persons when (1) VA suspects or has confirmed that the integrity or confidentiality of information in the system of records has been compromised; (2) VA has determined that as a result of the suspected or confirmed compromise, there is a risk of embarrassment or harm to the reputations of the record subjects, harm to the economic or property interests, identity theft or fraud, or harm to the programs (whether maintained by VA or another agency or entity) that rely upon the potentially compromised information; and (3) the disclosure is to agencies, entities, or persons whom VA determines are reasonably necessary to assist or carry out the VA's efforts to respond to the suspected or confirmed compromise, and prevent, minimize, or remedy such harm. This routine use permits disclosures by VA to respond to a suspected or confirmed data breach, including the conduct of any risk analysis or provision of credit protection services as provided in 38 U.S.C. 5724, as the terms are defined in 38 U.S.C. 5727.

VA may disclose information to other Federal Agencies including, but not limited to, identifying information, payment information, and vocational objectives about a veteran or service member who is receiving or has received benefits under the Vocational Rehabilitation program to be used in data analysis and development of performance measures.

Any information contained in this system may be disclosed by VA, as deemed necessary, to DoD for use for determinations required by DoD. VA will routinely use the information to conduct medical evaluations needed to produce VA disability ratings and to promulgate subsequent claims for benefits under Title 38 U.S.C.

Information in this system (excluding date of birth, social security number, and address) relating to the use of transferred educational assistance benefits may be coequally disclosed to the transferor, i.e., the individual from whom eligibility was derived and to each transferee, i.e., the individual receiving the transferred benefit. The information disclosed is limited to the two parties in each transferor-transferee relationship, as the transferor may have multiple transferred relationships.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage:

The Benefits Delivery Network (BDN), Virtual VA, Corporate WINRS, and Veterans' Service Network (VETSNET) are data telecommunication terminal systems. Records (or information contained in records) are maintained on paper documents in claims folders (Cfolders), vocational rehabilitation folders, electronic folders (e.g., Virtual VA and TIMS Files), and on automated storage media (e.g., microfilm, microfiche, magnetic tape and disks). Such information may be accessed through BDN, Virtual VA, Corporate WINRS, and VETSNET terminals. BDN, Virtual VA, Corporate WINRS, and VETSNET terminal locations include VA Central Office, regional offices, VA health care facilities, Veterans Integrated Service Network (VISN) offices, Department of Defense Finance and Accounting Service Centers and the U.S. Coast Guard Pay and Personnel Center. Remote on-line access is also made available to authorized remote sites, representatives of claimants and to attorneys of record for claimants.

A VA claimant must execute a prior written consent or a power of attorney authorizing access to his or her claims records before VA will allow the representative or attorney to have access to the claimant's automated claims records. Access by representatives and attorneys of record is to be used solely for the purpose of assisting an individual claimant whose records are accessed in a claim for benefits administered by VA. Information relating to receivable accounts owed to VA, designated the Centralized Accounts Receivable System (CARS), and is maintained on magnetic tape, microfiche, and microfilm. CARS are accessed through a data telecommunications terminal system at St. Paul, Minnesota.

Retrievability:

File folders, whether paper or electronic, are indexed by name of the individual and VA file number. Automated records are indexed by name. VA file number, payee name, and type of benefit. Automated Records of employee productivity cannot be accessed. At the conclusion of a monthly reporting period, the generated listing is indexed by employee BDN identification number. Records in CAIVR S may only be retrieved by social security number.

Safeguards:

Physical Security:

Access to working spaces and claims folder file storage areas in VA regional offices and centers is restricted to VA employees on a need-to-know basis. Generally, file areas are locked after normal duty hours and the offices and centers are protected from outside access by the Federal Protective Service or other security personnel. Employee claims folder records and claims folder records of public figures are stored in separate locked files. Smet control measures are enforced to ensure that access to and disclosure from these claims folder records are limited to a need-to-know basis.

Access to BDN, Virtual VA, Corporate WINRS, and VETSNET data telecommunication networks are by authorization controlled by the site security officer who is responsible for authorizing access to the BDN, Virtual VA and VETSNET by a claimants representative or attorney approved for access in accordance with VA regulations. The site security officer is responsible for ensuring that the hardware, software, and security practices of a representative or attorney satisfy VA security requirements before granting access. The security requirements applicable to the access of automated claims folders by VA employees also apply to the access of automated claims folders by claimants' representatives or attorneys. The security officer is assigned responsibility for privacy-security measures, especially for review of violation logs, information logs and control of password distribution, including password distribution for claim ants' representatives. (c) Access to data processing centers is generally restricted to center employees, custodial personnel, Federal Protective Service, and other security personnel. Access to computer rooms is restricted to authorized operational personnel through electronic locking devices.

All other persons provided access to computer rooms are escorted. (d) Employee production records are identified by the confidential BDN and VETSNET employee identification number, and are protected by management/supervisory personnel from unauthorized disclosure in the same manner as other confidential records maintained by supervisors.

BDN, Virtual VA, and VETSNET System Security.

Usage of the BDN, Virtual VA, Corporate WINRS, and VETSNET systems is protected by the usage of "login" identification passwords and authorized function passwords. The passwords are changed periodically. These same protections apply to remote access users.

At the data processing centers, identification of magnetic tapes and disks containing data is rigidly enforced using labeling techniques. Automated storage

media, which are not in use, are stored in tape libraries, which are secured in locked rooms. Access to programs is controlled at three levels: Programming, auditing and operations. Access to the data processing centers where HUD maintains CAIVRS is generally restricted to center employees and authorized subcontractors. Access to computer rooms is restricted to center employees and authorized operational personnel through electronic locking devices. All other persons granted access to computer rooms are escorted. Files in CAIVRS use social security numbers as identifiers. Access to information files is restricted to authorized employees of participating agencies and authorized employees of lenders who participate in the agencies' programs. Access is controlled by agency distribution of passwords. Information in the system may be accessed by use of a touch-tone telephone by authorized agency and lender employees on a "need-to-know" basis.

Retention and disposal:

Compensation, pension, and vocational rehabilitation claims folders are retained at the servicing regional office until they are inactive for three years, after which they are transferred to the Records Management Center (RMC) for the life of the veteran. Official legal documents (e.g., birth certificates, marriage licenses) are returned to the claimant after copies are made for the claimant's file. At the death of the veteran, these records are sent to the Federal Records Center (FRC) and maintained by the National Archives and Records Administration (NARA) in accordance with NARA policy. Some claims folders are electronically imaged; in which case, the electronic folder is maintained in the same manner as the claims folder. Once a file is electronically imaged and accepted by VBA, its paper contents (with the exception of documents that are the official property of the Department of Defense, and official legal documents), are destroyed in accordance with Records Control Schedule VB-1 Part 1 Section XIII, as authorized by NARA. Documents that are the property of the Department of Defense are either stored at the RMC, or transferred to NARA and maintained in accordance with NARA policy. Vocational Rehabilitation counseling records are maintained until the exhaustion of a veteran's maximum entitlement or upon the exceeding of a veteran's delimiting date of eligibility (generally, ten or twelve years from discharge or release from active duty), whichever occurs first, and then destroyed. Automated storage media containing temporary working information are retained until claim is decided, and then destroyed. All other automated storage media are retained and disposed of in accordance with disposition authorization approved by NARA.

Education electronic folders are retained at the servicing Regional Processing Office. Education folders may be destroyed in accordance with the times set forth in the Veterans Benefits Administration Records Management, Records Control Schedule VB-1, Part 1, and Section VII, as authorized by NARA.

Employee productivity records are maintained for two years after which they are destroyed by shredding or burning. File information for CAJVRS is provided to HUD by VA on magnetic tape. After information from the tapes has been read into the computer the tapes are returned to VA for updating. HUD does not keep separate copies of the tapes.

System manager(s) and address:

Director, Compensation and Pension Service (21), 810 Vermont Avenue, NW., VA Central Office, Washington, DC 20420.

Director, Education Service (22), 810 Vermont Avenue, NW., VA Central Office, Washington, DC 20420.

Director, Vocational Rehabilitation and Employment Service (28), 810 Vermont Avenue, NW., VA Central Office, Washington, DC 20420.

Notification procedure:

An individual who wishes to determine whether a record is being maintained in this system under his or her name or other personal identifier, or who wants to determine the contents of such record, should submit a written request or apply in person to the nearest VA regional office or center. Address locations are listed in VA Appendix 1 at the end of this document. VA employees wishing to inquire whether the system of records contains employee productivity information about themselves should contact their supervisor at the regional office or center of employment.

Record access procedures:

Individuals seeking information regarding access to and contesting of VA records may write, call or visit the nearest VA regional office. Address locations are listed in VA Appendix 1.

Contesting record procedures:

(See Record access procedures above.)

Record source categories:

Veterans, service members, reservists, spouses, surviving spouses, dependents and other beneficiaries of the veteran accredited service organizations, VA-supervised fiduciaries (i.e., VA Federal fiduciaries, court-appointed fiduciaries), military service departments, VA medical facilities and physicians, private medical facilities and physicians, education and rehabilitation training establishments, State and local agencies, other Federal agencies, State, local, and county courts and clerks, Federal, State, and local penal institutions and correctional facilities, other third parties and other VA records.