

**COMPUTER MATCHING AGREEMENT
BETWEEN THE
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AND THE
U.S. DEPARTMENT OF JUSTICE**

This computer matching agreement (“CMA” or “agreement”) between the Department of Housing and Urban Development (HUD) and the Department of Justice (DOJ) governs DOJ's transmittal to HUD of data on judgments being collected by DOJ against individuals owing delinquent debts to the Federal Government for inclusion in a computer information system of HUD's, the Credit Alert Verification Reporting System (CAIVRS).

I. PURPOSE AND LEGAL AUTHORITY

A. Purpose

This agreement sets forth the respective responsibilities of HUD and DOJ in effecting the transfer of DOJ post judgment debtor data to CAIVRS. The CAIVRS debtor file contains the Social Security numbers (SSNs) of HUD's delinquent debtors and defaulters, and the delinquent and defaulted debtor records of other federal agencies including the identification of the type of delinquent or defaulted loan. The objective of CAIVRS is to give participating federal agencies and their authorized financial institutions access to a system that allows them to prescreen applicants for loans made or guaranteed by the Federal Government to ascertain if the applicant is delinquent in paying a debt owed to or insured by the Federal Government.

B. Legal Authority

The matching program will be conducted pursuant to:

- The Privacy Act of 1974 (5 U.S.C. 552a), as amended by the Computer Matching and Privacy Protection Act of 1988 (Pub. L. 100-503) and the Computer Matching and Privacy Protection Amendments of 1990 (Pub. L. 101-508) (Privacy Act);
- The Debt Collection Act of 1982, Pub. L. 97-365 (5 U.S.C. § 5514; 31 U.S.C. § 3701 et. seq.), as amended;
- The Debt Collection Improvement Act of 1996, Pub. L. 104-134 (5 U.S.C. § 5514; 31 U.S.C. § 3701 et. seq.);
- The Deficit Reduction Act of 1984, Section 2653 of Pub. L. 98-369 (26 U.S.C. § 6402; 31 U.S.C. § 3720a; and § 3721);
- The Federal Credit Reform Act of 1990 (2 U.S.C. § 661 et. seq.), as amended;

- The Federal Debt Collection Procedures Act of 1990, Pub. L. 101-647 (28 U.S.C. § 3001 et. seq.);
- The Chief Financial Officers Act of 1990, Pub. L. 101-576 (31 U.S.C. § 901 et. seq.), as amended;
- The Cash Management Improvement Act of 1990 (CMIA), Pub. L. 101-453, as amended by the Cash Management Improvement Act of 1992, Pub. L. 102-589;;
- Executive Order 8248, "Establishing the divisions of the Executive Office of the President and defining their functions and duties," Sept. 8, 1939;
- The Federal Information Security Management Act of 2002 (FISMA) (44 U.S.C. § 3541, et seq.), as amended, and related National Institute of Standards and Technology (NIST) guidelines, which provide the requirements that the Federal Government must follow with regard to use, treatment, and safeguarding of data.
- Pre-existing common law authority to charge interest on debts and to offset payments to collect debts administratively (31 U.S.C. §§ 3701,3711-3720E, 3721); and 24 CFR 17.60 through 17.170.
- The Office of Management and Budget (OMB) Final Guidance Interpreting the Provisions of Public Law 100-503, the Computer Matching and Privacy Protection Act of 1988, 54 FR 25818 (June 19, 1989).
- DOJ Order 0904: Cybersecurity Program

II. JUSTIFICATION AND EXPECTED RESULTS

A. Justification

The computer matching process set forth by this agreement is the most efficient and effective method of performing comparative data analysis to determine applicants' eligibility for loan services provided by HUD and partnering agencies. Additionally, this matching agreement involves proactive efforts to detect fraud and prevent misuse of federal loan and loan guaranty programs. This computer matching agreement meets the requirements for information sharing set forth in OMB Circular A-129, which requires federal agencies to manage data in loan applications and related documents for individuals in accordance with the Privacy Act.

B. Expected Results

The expected results can be found in the attached Cost Benefit Analysis (CBA). The CBA shows that CAIVRS has allowed participating agencies to effect annual cash collections of unpaid delinquent federal debt of \$8,834,712 in FY 2023.

III. DESCRIPTION OF RECORDS TO BE MATCHED

A. System of Records Involved

DOJ SORNs used for purpose of the subject data exchanges include:

The DOJ will provide HUD with debtor files. These files are maintained in a department-wide DOJ system of records:

- Debt Collection Enforcement System, JUSTICE/DOJ-016. The notice for this system of records, including a routine use permitting this disclosure, was published in the Federal Register on March 25, 2017, (82 FR 24151, 154). The DOJ debtor files contain information on individuals or corporations with unsatisfied judgments.

HUD SORNs used for purposes of the subject data exchanges include:

- Credit Alert Verification System, HUD/HOU-04 . The notice for this system of records, including a routine use permitting this disclosure, was published in the Federal Register on August 28, 2023 (88 FR 58595). CAIVRS is as a shared database of defaulted Federal debtors and enables processors of applications for Federal credit benefit to identify individuals who are in default or have had claims paid on direct or guaranteed Federal loans or are delinquent or other debts owed to Federal agencies.
- Financial Data Mart (FDM), A75R. The notice for this system of records, including a routine use permitting this disclosure, was published in the Federal Register on August 17, 2022 (87 FR 50640). FDM is a warehouse of data extracted from various HUD systems and is supported by several query tools for improved financial and program data reporting.

B. Number of Records

The number of records for each program covered under this agreement is equal to the number of delinquent federal debtors that are referred to CAIVRS in accordance with § III.A above. The numbers will fluctuate during the term of this agreement, corresponding to the number of debtors added to, or deleted from, the databases of participating federal agencies. The most up-to-date count of records can be found in monthly reports available in the Statistical Reports section of the CAIVRS website: <https://entp.hud.gov/caivrs/public/f57pdf-main.cfm>.

As of October 2023, the CAIVRS database contained the records of approximately 1.24 million individuals and identified 111,453 authorized private lending institutions. When DOJ records were last updated, June 27, 2018, the CAIVRS database contained 166,813 total records from DOJ.

C. Data Elements to be Used in Match

Data elements returned in the actual matching are the debtor's SSN, Agency, Program Code, Case number and Contact information. These fields are standardized between agencies.

D. Projected Starting and Completion Dates

The Parties may commence disclosures and matching under this agreement upon completion of all the following requirements:

- Authorized officials from both Parties sign the agreement; and
- HUD completes the notice and reporting requirements specified in subsection XV.A of this agreement.

The projected expiration date of the agreement shall be 18 months from the effective date referenced in section XV.A of this agreement.

IV. COMPUTER MATCH PROCESSING

HUD shall:

- Provide electronic capability for receipt and update of the DOJ debtor records via a Secure File Transfer Protocol (SFTP), which resides on HUD's secure network. All encryptions must be compliant with Federal Information Processing Standard (FIPS) Publication 140-2, Security Requirements for Cryptographic Modules.
- Assure by proper certification that due process as required under the Debt Collection Act of 1982 (P.L. 97-365), as amended by section 31001 of the Debt Collection Improvement Act of 1996 (P.L. 104-134), and the Privacy Act, and HUD program rules, has been given to a HUD debtor prior to the inclusion of data in the CAIVRS system according to applicable regulations.
- Provide online system availability for prescreening of loan applicants by prospective lenders or approvers of loan guarantees.
- Maintain the integrity of all data in CAIVRS by updating the database with the data set provided by all participating agencies, including HUD and DOJ data, by the Saturday following the 5th working day of each month.
- Provide for secure processing of all DOJ data placed into CAIVRS and restrict system updates and access to those data processing and program staff on a need-to-know basis.
- Take appropriate action to secure both HUD and DOJ data submissions, including: all data in CAIVRS; DOJ data in transit to or from the system; electronic files in storage at the processing location; and output products from the system.
- Safeguard the transfer, receipt, or exchange of information between the DOJ and HUD in accordance with the current Interconnection Security agreement between DOJ and HUD.

- Restrict HUD usage of data transmitted from DOJ to participating agency officials and approved lending institutions for prescreening applicants for loans made or loans guaranteed by the Federal Government.
- Publish guidance to HUD users governing the authorized use of CAIVRS (the guidance normally shall be in the form of a "Mortgagee Letter" and "Title I Lender Letter") including instructions to contact the specified DOJ collection office for additional information before denying credit based on post judgment debtor data received from CAIVRS.
- Provide points of contact to handle routine inquiries concerning HUD data.
- Provide a single liaison for DOJ for matters relating to CAIVRS automation.
- In the event the current agreement lapses, HUD will work promptly with DOJ to remove inaccurate/outdated information from CAIVRS.
- Incorporate DOJ's litigating office specific contact points into the CAIVRS database.
- Enter into an appropriate computer matching agreement with each CAIVRS user agency, which makes clear such agency's responsibility to abide by the terms of the Computer Matching and Privacy Protection Act of 1988 with respect to the agency's use of any record disclosed to it through CAIVRS.

DOJ shall:

- Transfer data files to HUD in accordance with the current Interconnection Security agreement between DOJ and HUD.
- Assure by proper certification that due process as required under the Debt Collection Act of 1982 (P.L. 97-365), as amended by section 31001 of the Debt Collection Improvement Act of 1996 (P.L. 104-134), and the Computer Matching and Privacy Act of 1988 (5 U.S.C. 552a(o)), as amended, and DOJ program rules, has been given each debtor prior to submitting data for inclusion in CAIVRS.
- Update DOJ data in an accurate and timely status in order to transfer DOJ data to HUD. Borrower files are to be transferred monthly and processed on the Saturday following the 5th working day of each month. The files will be replaced in total to include both new and corrected data.
- Provide appropriate safeguards to secure HUD CAIVRS data, including data creation, its security while in transit to DOJ/HUD, as well as local DOJ physical security of data files and equipment.

- Be responsible for coordinating within DOJ a consolidated transmission and update of all debtors and related data and providing HUD with a single liaison for matters relating to DOJ/HUD data transmissions.

V. EXPENSES OF EACH PARTY

Each Party to the CMA will bear its own expenses in connection with damages, attorney fees, or other litigation cost arising from this agreement. Such expenses shall be apportioned between the Parties according to the degree of fault borne by each Party in the cause giving rise to the damages, attorney fees, or other litigation costs. Neither Party shall be liable to, or on behalf of, the other Party for such expenses.

VI. NOTICE PROCEDURES

DOJ is the source agency for this match and will provide notice to the individuals it services in its Consolidated Debt Collection System. HUD will provide direct notice to individuals at the time of application (ensuring that routine use appears on the application form) for guaranteed or direct loans that their records will be matched to determine whether they are delinquent or in default on a federal debt. HUD and DOJ published a notice concerning routine use disclosures in the Federal Register to inform individuals that a computer match may be performed to determine a loan applicant's credit status with the Federal Government.

The Privacy Act requires that a copy of each computer matching agreement entered into with a recipient agency shall be available upon request to the public.

VII. VERIFICATION PROCEDURES

Authorized users may not deny, terminate, or make a final decision of any loan assistance to an individual or take other adverse action against such individual as the result of the DOJ information produced by this matching program, until an officer or employee of such agency has independently verified such information. This independent verification includes: (1) comparing automated data with manual files to verify applicant identification, (2) analyzing the confirmed information, (3) determining the period or periods when the individual actually owed the debt, and (4) contacting the specified DOJ collection office for additional information before denying credit based on judgment data received from CAIVRS.

Denial of benefits will not be predicated on the result of an initial match between systems. Denial of benefits will be made upon a secondary validation made by a federal employee or designated contractor validating the transaction information in HUD's system, which carries the final underwriting determination.

HUD and DOJ authorized users agree to provide, at the request of matching subjects, written notice of adverse information uncovered as a result of the prescreening and give

those individuals an opportunity to submit, within 30 days, to HUD, DOJ, or both, documentation to contest the findings and proposed actions prior to making a final determination.

Individuals identified as being correctly screened out from receiving the proposed benefit will be afforded all applicable due process rights, including, but not limited to, being given an opportunity to contest the findings and proposed actions. To enable rapid response and resolution, authorized users have been provided a telephone number to call in the event of a dispute. HUD and DOJ will respond to these calls promptly and when requested, in writing.

VIII. DISPOSITION AND RETENTION OF MATCHED ITEMS

The data maintained in CAIVRS is updated monthly by participating agencies, and is, therefore, current to within the month prior to update. CAIVRS provides only the match of interagency data. Further research as to the actual disposition of a match is completed at the source of the information. HUD will retain data it receives from DOJ under this agreement only for the processing times required for the applicable Federally funded benefit programs to verify data through CAIVRS and will then destroy all such data.

Information generated through the match will be destroyed as soon as follow-up processing from the match has been completed unless the information is required for evidentiary reasons, in which case it will be destroyed upon completion of the criminal, civil, or administrative actions and cases.

HUD will retire its data in accordance with the Federal Records Retention Schedule (44 U.S.C. § 3301).

IX. DATA PRIVACY AND SECURITY

A. Safeguarding of Individual Data

HUD and DOJ will comply with the existing and future requirements set forth by the Privacy Act of 1974 (5 U.S.C. § 552a), as amended, the Federal Information Security Management Act (FISMA), 44 U.S.C. §§ 3541-3549, related OMB circulars and memoranda such as Circular A-130, Managing Information as a Strategic Resource (July 28, 2016), and Memorandum M-17-12, Preparing for and Responding to a Breach of Personally Identifiable Information (Jan. 3, 2017); National Institute of Standards and Technology (NIST) directives; and the Federal Acquisition Regulations (FAR), including any applicable amendments published after the effective date of this agreement. These laws, directives, and regulations include requirements for safeguarding federal information systems and PII used in federal agency business processes, as well as related reporting requirements.

Specifically, FISMA requirements apply to all federal contractors, organizations, or entities that possess or use federal information, or that operate, use, or have access to

federal information systems on behalf of an agency. HUD and DOJ are responsible for oversight and compliance of their contractors and agents.

B. Incident Reporting

If DOJ data in the custody of HUD or HUD authorized users is breached (or suspected to be breached), HUD is responsible for reporting the breach or suspected breach to DOJ officials within one hour of identification of the breach (or suspected breach) and for complying with any and all OMB reporting and notification requirements and conducting all activities pertaining to such reporting and notification, which may include but is not limited to: investigating the incident, communicating with US CERT (1-866-874-2378), notifying individuals whose data is breached, notifying any third parties including the media, notifying any other public and private sector agencies involved, responding to inquiries about the breach, performing any other activity as required by OMB pursuant to OMB M-17-12, "Preparing for and Responding to a Breach of Personally Identifiable Information", issued January 3, 2017, and other federal law and guidance.

C. Administrative Safeguards

Authorized users of CAIVRS are identified by User ID and password that are maintained by the Federal Housing Association (FHA) Connection. They are individually tracked to safeguard against unauthorized access and use of the system. HUD and DOJ will restrict access to the data matched and to any data created by the match to only those authorized employees and officials who need it to perform their official duties in connection with the uses of the data authorized in this agreement. Further, HUD and DOJ will advise all personnel who have access to the data matched and to any data created by the match of the confidential nature of the data, the safeguards required to protect the data, and the civil and criminal sanctions for noncompliance contained in the applicable federal laws.

D. Technical Safeguards

HUD and DOJ will process the data matched and any data created by the match under the immediate supervision and control of authorized personnel in a manner that will protect the confidentiality of the data, so that unauthorized persons cannot retrieve any data by computer, remote terminal, or other means. Systems personnel must enter personal identification numbers when accessing data on the agencies' systems. HUD and DOJ will strictly limit authorization to those electronic data areas necessary for the authorized analyst to perform his or her official duties. All data in transit will be encrypted using algorithms that meet the requirements of FIPS 140-2 and FIPS 140-3.

E. User Access Control

Each user of CAIVRS is issued a user ID that is used to access the system. The actions of each federal employee or designated contractor are subject to tracking and auditing. It is the responsibility of the user's supervisor or contractor official to ensure HUD is notified

when a user has departed or duties have changed such that the user no longer needs access to the system, to ensure timely deletion of the user's account.

All DOJ application users are authenticated using Level of Assurance (LOA) value 3/4 (i.e. RSA/PIV authentication). User account provisioning is enforced with a centralized Identity and Access Management system to ensure when a user has departed or duties have changed such that the user no longer needs access to the system, to ensure timely deletion of the user's account.

X. RECORDS USAGE, DUPLICATION, AND REDISCLOSURE RESTRICTIONS

Absent a specific statutory requirement, records obtained for this matching program and under the terms of this agreement will be used for the express purpose of the match and for no other purpose; will not be used to extract information concerning "non-matching" individuals for any purposes; and will not be derivatively used or disclosed without the written consent of all parties to this agreement within or outside the agency.

Files exchanged will not be duplicated except for technical reasons (e.g., should the original file become damaged or for back-up contingency purposes); the stipulations in this agreement apply to any duplications. Access to exchanged information will be restricted to those having an official need to see it in order to accomplish the agreement purpose.

HUD will not duplicate or create a separate file consisting of information regarding those individuals involved in the specific matching programs except as necessary to monitor the results of the matching program. Information generated through the match will be destroyed as soon as follow-up processing from the match has been completed unless the information is required for evidentiary reasons, in which case it will be destroyed upon completion of the criminal, civil, or administrative actions/cases.

XI. RECORDS ACCURACY ASSESSMENTS

Out of all the inquiries made to date against the CAIVRS system, HUD has found that corrections to the database were necessary in slightly more than four percent of instances. In such instances, the corrections were either based on either erroneous initial data entry or following update requests submitted by individuals contesting the outcome of a prescreening. Because the vast majority of these corrections are for the latter case, and do not represent data errors, HUD is confident that the accuracy level of the data provided to the system is greater than 95 percent.

XII. COMPTROLLER GENERAL ACCESS

By agreeing to this matching agreement, the parties are authorizing the Comptroller General of the United States, upon request, to have access to all of the records necessary to monitor or verify compliance with the agreement. This agreement also authorizes the

Comptroller General to inspect any records used in the matching program that are covered by this agreement.

XIII. OFFICE OF INSPECTOR GENERAL ACCESS

By agreeing to this matching agreement, the parties are authorizing the Offices of Inspector General from HUD and DOJ to use results from the match for investigation, audit, or evaluation matters pursuant to the Inspector General Act of 1978, as amended.

XIV. DATA INTEGRITY BOARD REVIEW/APPROVAL

HUD and DOJ Data Integrity Boards (DIBs) will review and approve this agreement prior to the implementation of this matching program. Disapproval by the DIBs may be appealed to the Director of the Office of Management and Budget (OMB) in accordance with the provisions of the Computer Matching and Privacy Protection Act of 1988, as amended. Further, the DIBs will review this matching program annually.

The parties to this agreement agree to notify the chairs of the HUD and DOJ Data Integrity Boards of any changes to or termination of this agreement. This agreement may be modified only by mutual consent of both parties and approval of the respective DIBs. Any modifications must be in writing and satisfy the requirements of the Privacy Act and the requirements set forth in OMB Guidelines on the Conduct of Matching Programs 54 Fed. Reg. 25818 (June 19, 1989).

XV. DURATION OF AGREEMENT

A. Effective Date of the agreement

This agreement shall become effective, and matching may commence, under this agreement upon successful completion of the comment periods as prescribed by OMB Circular No A-108:

- One (1) day for notice transmission, and
- Thirty (30) days after a report concerning this CMA is transmitted simultaneously to the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on Oversight and Government Reform of the U.S. House of Representatives according to 5 U.S.C. § 552a(o)(2)(A)(i), and to OMB, and
- Thirty (30) days after notice of the matching program described in this CMA has been published in the Federal Register for public comment.

The Parties to this agreement may assume OMB and Congressional concurrence if no comments are received within thirty (30) days of the date of the transmittal letter of the Report of the Matching Program. The parties may assume public concurrence if no comment is received within thirty (30) days of the date of the publication to the Federal

Register of the Notice of Matching Program. This agreement shall remain in effect for a period not to exceed eighteen (18) months.

B. Renewal of the agreement

Should the purpose not be accomplished within 18 months, the agreement may be extended for one 12-month period, with the mutual agreement of HUD and DOJ. The responsible Data Integrity Boards may approve such an extension within three months prior to the expiration date of this agreement, subject to the requirements of the Privacy Act, including certification by the participating agencies that:

- the matching program will be conducted without change, and
- the matching program has been conducted in compliance with the original agreement pursuant to 5 U.S.C. § 552a(o)(2)(D).

C. Termination of the agreement

This agreement between HUD and DOJ is for the inclusion of DOJ's debtor records in the HUD's CAIVRS automated system. It may be nullified or voided by HUD or DOJ in the event that either party violates the terms of this agreement, or HUD or its authorized users misuse any of the data or appear to be irresponsible in the use of the data.

For all other instances except violation, this agreement will terminate 18 months from the effective date of the agreement without notice from either party, unless renewed in accordance with section XV.B. of this agreement. This agreement may also be terminated earlier by mutual agreement of both HUD and DOJ, or by either party with 30 days written notice to the other.

XVI. CONTACT POINTS

HUD

U.S. Department Housing and Urban
Development
Armand Curet, Program Analyst,
Single Family Program Development,
Home Mortgage Insurance Division
451 Seventh Street, SW, Room 9266
Washington, DC 20410
(202) 402-2125
Email: Armand.R.Curet@hud.gov

DOJ

U.S. Department of Justice
Katrina Gonzalez, Deputy Director,
Debt Collection Management Staff,
145 N St., NE
Washington, DC 20530
(202) 598-1977
Email: Katrina.Gonzalez@usdoj.gov

**COMPUTER MATCHING AGREEMENT
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U.S. DEPARTMENT OF JUSTICE**

XVII. APPROVAL

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The signatories below warrant and represent that they have the competent authority to approve the model of this Computer Matching and Privacy Protection Act agreement and enter into the obligations set forth in this agreement, on behalf of HUD.

DocuSigned by:

C0479FFFC309438...

Gregg Kendrick
Chief Information Security Officer
U.S. Department of Housing and Urban Development
Date

DocuSigned by:

FEC106C6BD35430...

Elizabeth Niblock
Chief Information Officer
U.S. Department of Housing and Urban Development
Date

DocuSigned by:

075FCD0037064DB...

Vance I. Morris
Assistant Secretary for Housing
Federal Housing Commissioner
Date

HUD's Data Integrity Board has reviewed this Computer Matching agreement pursuant to 5 U.S.C. 552a(u)(3)(A), and has found it in compliance with the provisions of the Privacy Act of 1974, as amended by the Computer Matching Privacy and Protection Act of 1988 (Pub. L. 100-503) and the Computer and Matching and Privacy Protections Amendments of 1990 (Pub. L. 101-508), 5 U.S.C. §552a (Privacy Act):

BRADLEY JEWITT Digitally signed by BRADLEY JEWITT
Date: 2024.03.29 12:14:15 -04'00'

Bradley S. Jewitt
Senior Agency Official for Privacy
U.S. Department of Housing and Urban Development
Date

**COMPUTER MATCHING AGREEMENT
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XVIII. APPROVAL

U.S. DEPARTMENT OF JUSTICE

The signatories below warrant and represent that they have the competent authority to approve the model of this Computer Matching and Privacy Protection Act agreement and enter into the obligations set forth in this agreement, on behalf of DOJ.

DENNIS DAUPHIN Digitally signed by DENNIS DAUPHIN
Date: 2024.01.26 11:14:00 -05'00'

Dennis E. Dauphin, Director
Debt Collection Management Staff
U.S. Department of Justice

Date

DOJ's Data Integrity Board has reviewed this Computer Matching agreement pursuant to 5 U.S.C. 552a(u)(3)(A), and has found it in compliance with the provisions of the Privacy Act of 1974, as amended by the Computer Matching Privacy and Protection Act of 1988 (Pub. L. 100-503) and the Computer and Matching and Privacy Protections Amendments of 1990 (Pub. L. 101-508), 5 U.S.C. §552a (Privacy Act):

JOLENE LAURIA Digitally signed by JOLENE
LAURIA
Date: 2024.07.16 15:53:01 -04'00'

Jolene A. Lauria
Chairperson, Data Integrity Board
U.S. Department of Justice

Date