

**COMPUTER MATCHING AGREEMENT  
BETWEEN  
THE SOCIAL SECURITY ADMINISTRATION  
AND  
THE OFFICE OF PERSONNEL MANAGEMENT**

**Match #1018**

**I. Purpose**

This computer matching agreement (agreement) sets forth the terms, conditions, and safeguards under which the Social Security Administration (SSA) will disclose tax return and Social Security benefit information to the Office of Personnel Management (OPM). OPM will use the disclosed information to redetermine and recompute the benefits of certain annuitants and survivors whose computations are based, in part, on military service performed after December 1956 under the Civil Service Retirement System (CSRS), and of certain annuitants and survivors whose annuity computation under the Federal Employees Retirement System (FERS) have a CSRS component.

**II. Legal Authority**

SSA and OPM execute this agreement in compliance with the Privacy Act of 1974 (5 U.S.C. § 552a), as amended by the Computer Matching and Privacy Protection Act of 1988, and the regulations and guidance promulgated thereunder.

The legal authorities for the disclosures under this agreement are 5 U.S.C. § 8332(j) for CSRS and 5 U.S.C. § 8422(e)(4) for FERS. These provisions provide the basis for computing annuities under CSRS and FERS and require SSA to release information to OPM in order to administer data exchanges involving military service performed by an individual after December 31, 1956.

The responsibilities of SSA and OPM with respect to information disclosed and obtained pursuant to the agreement are also in accordance with section 307 of the Omnibus Budget Reconciliation Act of 1982 (Public Law (Pub. L.) 97-253), section 1106(a) of the Social Security Act (42 U.S.C. § 1306(a)), the Privacy Act of 1974, as amended (5 U.S.C. § 552a(b)(3)), and the Internal Revenue Code (IRC) (26 U.S.C. § 6103(1)(11)).

**III. Responsibilities of the Parties**

**A. SSA's Responsibilities:**

1. The SSA component responsible for the disclosure is the Office of Privacy and Disclosure.

2. SSA will match the OPM request file against SSA's Master Beneficiary Record (MBR) and Master Earnings File (MEF) system of records.
3. When required, SSA will also match OPM's request file, against SSA's manually-extracted military wage information from SSA's "1086" microfilm.
4. SSA will provide OPM a monthly, or less frequently, electronic response file including tax return and Social Security benefit information. The file will contain the amount of earnings and military wages considered, Social Security number (SSN), Social Security monthly benefit amount, and the amount of the SSA benefit attributable to post-1956 military service.

**B. OPM's Responsibilities:**

1. The responsible component for OPM is Retirement Services.
2. OPM will provide notice of this matching agreement to Congress and the Office of Management and Budget (OMB) and publish the Federal Register notice required by 5 U.S.C. § 552a(e)(12).
3. OPM will provide SSA a monthly, or less frequently, electronic request file including the name, SSN, date of birth, alleged dates of military service, alleged service branch, and, in survivor cases, date of death of certain individuals.
4. OPM will use the SSA information to redetermine and recompute the benefits of certain CSRS and FERS post-1956 military service annuitants and survivors whose information is maintained in the OPM system of records published as OPM/Central -1, Civil Service Retirement and Annuitant Records, 73 Fed. Reg. 15013 (March 20, 2008), amended at 80 Fed. Reg. 74815 (Nov. 30, 2015).

**IV. Justification and Anticipated Results**

**A. Justification**

OPM has a statutory obligation to use post-1956 earnings data to redetermine and recompute annuities for certain CSRS and FERS annuitants and survivors. Federal law authorizes SSA to disclose the needed data to OPM. SSA and OPM have determined that computer matching is the most efficient and comprehensive method of collecting and comparing this information. No other administrative activity can efficiently accomplish this purpose.

**B. Anticipated Results**

OPM expects to save (in the form of increased annuities) approximately \$2,264 annually by performing this matching program during the terms of this agreement. SSA does not expect any savings for any SSA programs to result from the matching

program. The estimated total cost to OPM for this match is approximately \$1,487.50. The cost to SSA for this match was \$4,402.00 in fiscal year (FY) 2016-FY18, with the same estimate for FY19. The benefit to cost ratio for this match is 0.38 to 1. (See Attachment 1 for the Cost Benefit Analysis)

## **V. Description of Matched Records**

### **A. Systems of Records**

SSA will disclose data from the MBR (60-0090, Master Beneficiary Record,) last fully published on January 11, 2006, at 71 Fed. Reg. 1826, amended on December 10, 2007 at 72 Fed. Reg. 69723, July 5, 2013 at 78 Fed. Reg. 40542, and July 3, 2018 at 83 Fed. Reg. 31250-31251. Additionally, SSA will disclose data from the MEF file (60-0059, Earnings Recording and Self-Employment Income System), last fully published on January 11, 2006, at 71 Fed. Reg. 1819, and amended on July 5, 2013 at 78 Fed. Reg. 40542, and from the “1086” microfilm file, published on January 11, 2006, at 71 Fed. Reg. 1796.

OPM will provide SSA with an electronic request file from the OPM system of records published as OPM/Central-1, Civil Service Retirement and Insurance Records, 73 Fed. Reg. 15013 (March 20, 2008), as amended, 80 Fed. Reg. 74815 (Nov. 30, 2015).

The Systems of Records involved in this computer matching agreement have routine uses permitting the disclosures needed to conduct this match.

### **B. Specified Data Elements Used in the Match**

1. OPM will provide SSA with the following information for each individual for whom OPM requests information: name, SSN, date of birth, alleged dates of military service, alleged service branch, and, in survivor cases, date of death of the individuals for whom OPM requests information. These elements will be matched against SSA records.
2. In SSA’s electronic response file, SSA will furnish OPM with tax return and Social Security benefit information (see Attachment 2 for the formula for determining the CSRS or FERS reduction amount). SSA returns the following data elements:
  - a. Tax Return Information - Amount of earnings and military wages for the relevant time period; and
  - b. Social Security Benefit Information - SSN, Social Security monthly benefit amount, and the amount of the SSA benefit attributable to post-1956 military service.

3. For the purposes of this agreement, tax return information means records SSA obtains under the authority of 26 U.S.C. § 6103, concerning the amount of an individual's earnings from wages and self-employment, the periods involved, the identities and addresses of employers, and the amount of retirement income payments.

### **C. Number of Records and Frequency of Matching**

1. OPM will provide a monthly, or less frequently, electronic request file via secure electronic transmission for batch requests of approximately 50 or fewer individuals who received CSRS or FERS retirement credit for post-1956 military service, and for CSRS and FERS survivor beneficiaries who are affected by the technical amendment to section 307 of Pub. L. 97-253. The files may be transmitted less frequently than monthly, depending on the number of requests needed by OPM.
2. OPM processed requests for information pertaining to 141 individuals for the period July 15, 2013 to July 11, 2014. OPM expects this population to continue to decrease.
3. For each OPM file, SSA will provide to OPM a corresponding electronic response file.

## **VI. Accuracy Assessments**

Previous matches with the same files indicate that OPM's records are approximately 95 percent accurate.

**MBR Databases:** SSA does not have an accuracy assessment specific to the data elements listed in this agreement. However, SSA conducts periodic, statistically valid, stewardship (payment accuracy) reviews, in which the benefits or payments listed in this agreement are included as items available for review and correction. SSA quality reviewers interview the selected Old Age, Survivor and Disability Insurance beneficiaries/recipients and redevelop the non-medical factors of eligibility to determine whether the payment was correct. Based on the available study results, we have a reasonable assurance that SSA's accuracy assumptions of a 95 percent confidence level for the monthly benefits or payments listed in this agreement "Fiscal Year 2016 Title II Payment Accuracy Report, August 2017."

**MEF Databases:** SSA does not have an accuracy assessment specific to the data elements listed in this agreement. The correctness of the return information provided to SSA, as an agent for the Internal Revenue Service (IRS), is generally contingent upon the correctness of the information provided by the payer of the income.

The matching of the identification data with SSA's "1086" microfilm file was previously estimated to be 99 percent accurate; however, the records are no longer assessed for accuracy due to their historical nature.

## **VII. Procedures for Individualized Notice**

### **A. Applicants**

Both OPM and SSA will notify all individuals who apply for benefits for their respective programs and who may be subject to the annuity reduction that they will conduct matching programs, and that their annuity benefit amount may be subject to revision based on findings from computer matching. OPM's notice consists of appropriate language printed on its application forms or a separate handout with appropriate language given to annuitants and survivors at the time their benefits are authorized. SSA includes notice of computer matching on all applications for Social Security benefits.

IRS provides standard disclosure and Privacy Act notices that advise the taxpayer that their tax return information may be shared with other Federal and state agencies to determine entitlement to benefits.

### **B. Notice to Beneficiaries/Annuitants and Survivors**

Both OPM and SSA will provide subsequent notices of computer matching to their respective retirees, annuitants, survivors, beneficiaries, and recipients, as required. OPM's notice consists of an annual reminder that information used in computing benefits is subject to verification or computer matching. SSA includes notice of matching activities in annual mailings to all Retirement, Survivors, and Disability Insurance beneficiaries.

### **C. Notice to the General Public**

OPM will publish a notice in the Federal Register informing the general public of this specific matching program. Both SSA and OPM published notice of the relevant systems of records in the Federal Register.

## **VIII. Verification and Opportunity to Contest**

### **A. Verification Procedures**

OPM will not take adverse action regarding individuals identified through the matching process solely based on information that OPM obtains from the match. OPM will contact the annuitant or survivor to verify the matching results in accordance with the requirements of the Privacy Act and applicable OMB guidelines.

The annuitant or survivor will have the opportunity to contest the accuracy of the information provided by SSA. OPM will consider the information SSA provided as accurate if the individual does not contest within 30 days after he or she receives notice of the proposed adverse action. OPM will advise the individual that failure to respond

within 30 days will provide a valid basis for OPM to assume that the information SSA provided is correct.

## **B. Opportunity to Contest**

Before taking any adverse action based on the information received from the match, OPM will provide all the annuitants and survivors for whom OPM decides such adverse action is necessary with the following information:

1. OPM received tax return data from SSA which indicates that an adverse action affecting the individual's CSRS or FERS annuity is necessary;
2. The effective date of any adjustment and/or overpayment that may result;
3. The annuitant or survivor has 30 days to contest any adverse decision; and
4. Unless the annuitant or survivor responds to contest the proposed adverse action in the required 30-day time period, OPM will conclude that the information provided by SSA is correct, and will make the necessary adjustment to the individual's payment.

## **IX. Procedures for Retention and Timely Destruction of Identifiable Records**

### **A. OPM**

OPM will retain all identifiable records received from SSA only for the period of time required for any processing related to the matching program. OPM will then destroy the records, unless the information created by the match has to be retained in the individual's permanent case file in order to meet evidentiary requirements. In case of such retention for evidentiary purposes, OPM will retire identifiable records in accordance with the Federal Records Retention Schedule (44 U.S.C. § 3303a). OPM will not create permanent files or a separate system comprised solely of the data provided by SSA.

### **B. SSA**

SSA will destroy OPM's identifying information after OPM acknowledges receiving SSA's matching response file. SSA will not create permanent files or a separate system comprised solely of the data provided by OPM.

## **X. Records Usage, Duplication, and Redisclosure Restrictions**

SSA and OPM will adhere to the following limitations on the use, duplication, and redisclosure of the electronic files and data provided by the other agency under this agreement:

- A. The data that SSA and OPM provide will remain the property of the providing agency. SSA and OPM will destroy or return the data (except as provided in Article IX.A) after completing the relevant matching, but not more than 60 days after receipt of the data;
- B. SSA and OPM will use and access the data only for the purposes described in this agreement;
- C. SSA and OPM will not use the data to extract information concerning the individuals therein for any purpose not specified in this agreement; and
- D. SSA and OPM will not duplicate or disseminate the data, within or outside their respective agencies, without the written permission of the other agency, except as required by Federal law. SSA and OPM will not give such permission unless the law requires disclosure or the disclosure is essential to the matching program. For such permission, the agency requesting permission must specify in writing what data they are requesting be duplicated or disseminated and to whom, and the reasons that justify such duplication or dissemination.

## **XI. Security Procedures**

SSA and OPM will comply with the requirements of the Federal Information Security Management Act (FISMA), 44 U.S.C. Chapter 35, Subchapter II, as amended by the Federal Information Security Modernization Act of 2014 (Pub. L. 113-283; related OMB circulars and memoranda, such as Circular A-130, *Managing Federal Information as a Strategic Resource* (July 28, 2016), and Memorandum M-17-12, *Preparing for and Responding to a Breach of Personally Identifiable Information* (January 3, 2017); National Institute of Standards and Technology (NIST) directives; and the Federal Acquisition Regulations, 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 personally identifiable information (PII) used in Federal agency business processes, as well as related reporting requirements. Both agencies recognize, and will implement, the laws, regulations, NIST standards, and OMB directives including those published subsequent to the effective date of this agreement.

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. Both agencies are responsible for oversight and compliance of their contractors and agents.

### **A. Incident Reporting**

If either SSA or OPM experiences an incident involving the loss or breach of PII provided by SSA or OPM under the terms of this agreement, they will follow the incident reporting guidelines issued by OMB. In the event of a reportable incident under OMB guidance involving PII, the agency experiencing the event is responsible

for following its established procedures, including notification to the proper organizations (e.g., United States Computer Emergency Readiness Team and the agency's privacy office). In addition, the agency experiencing the incident (e.g., electronic or paper) will notify the other agency's Systems Security Contact named in this agreement. If OPM is unable to speak with the SSA Systems Security Contact within one hour or if for some other reason notifying the SSA Systems Security Contact is not practicable (e.g., it is outside of the normal business hours), OPM will call SSA's National Network Service Center toll free at 1-877-697-4889.

Within one hour of becoming aware of a possible incident involving OPM-provided PII, SSA will contact OPM IT Security Operations: [cybersolutions@opm.gov](mailto:cybersolutions@opm.gov); (844) 377-6109.

## **B. Breach Notification**

SSA and OPM will follow PII breach notification policies and related procedures issued by OMB. If the agency that experienced the breach determines that the risk of harm requires notification to affected individuals or other remedies, that agency will carry out these remedies without cost to the other agency.

## **C. Administrative Safeguards**

SSA and OPM will restrict access to the data matched and to any data created by the match to 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, SSA and OPM 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. Physical Safeguards**

SSA and OPM will store the data exchanged and any data created by the exchange in an area that is physically and technologically secure from access by unauthorized persons at all times. Only authorized personnel will transport the data exchanged and any data created by the exchange. SSA and OPM will establish appropriate safeguards for such data, as determined by a risk-based assessment of the circumstances involved.

## **E. Technical Safeguards**

SSA and OPM will process the data exchanged and any data created by the exchange 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. SSA and OPM will strictly limit authorization to those electronic data areas necessary for the authorized analyst to perform his or her official duties.

#### **F. Application of Policy and Procedures**

SSA and OPM will adopt policies and procedures to ensure that each agency uses the information contained in their respective records or obtained from each other solely as provided in this agreement. SSA and OPM will comply with these guidelines and any subsequent revisions.

#### **G. Security Assessments**

NIST Special Publication 800-37, as revised, encourages agencies to accept each other's security assessments in order to reuse information system resources and/or to accept each other's assessed security posture in order to share information. NIST 800-37 further encourages that this type of reciprocity is best achieved when agencies are transparent and make available sufficient evidence regarding the security state of an information system so that an authorizing official from another organization can use that evidence to make credible, risk-based decisions regarding the operation and use of that system or the information it processes, stores, or transmits. Consistent with that guidance, the parties agree to make available to each other upon request system security evidence for the purpose of making risk-based decisions. Requests for this information may be made by either party at any time throughout the duration or any extension of this agreement.

#### **H. Tax Information**

OPM will comply with all Federal Safeguards Requirements pursuant to IRC § 6103(p)(4) and as required by the IRS, including those described in IRS Publication 1075, "Tax Information Security Guidelines for Federal, State and Local Agencies and Entities," available at <http://www.irs.gov>.

If OPM does not have a currently approved Safeguard Procedures Report (SPR), OPM will submit a new SPR to the IRS' Office of Safeguards detailing how all data received from SSA is processed and protected from unauthorized disclosure within 45 days from the execution of this agreement.

If there are incidents of suspected unauthorized inspections or disclosures of return information, OPM must report incidents to the Treasury Inspector General for Tax Administration and the IRS Office of Safeguards.

## **XII. Comptroller General Access**

The Government Accountability Office (Comptroller General) may have access to all OPM and SSA data, it deems necessary in order to monitor or verify compliance with this agreement.

## **XIII. Post-Implementation Inquiries**

OPM and SSA work directly to resolve as many beneficiary inquiries, Congressional inquiries, or other special situations relating to this data exchange as possible.

SSA established a centralized inquiry system (1-800 telephone system) so that SSA will provide the same information from the same source, whether OPM requests post-1956 reduction amount and computation information on behalf of any inquiring individual, or the individual requests the information directly from SSA. Local Social Security offices and any relevant SSA literature also direct inquiries from individuals for this information to the same centralized source that OPM uses to obtain the information from SSA.

In a case where no adverse action is imminent, OPM will provide an annuitant or survivor who asks for information with the post-1956 reduction amount and the final benefits computation arising from this amount. In a case where SSA provided the remaining component parts of the offset computation, OPM will also provide the annuitant or survivor with those component parts, an explanation of the derivation of the component parts, and instructions for the annuitant or survivor to contact SSA through the established centralized inquiry system if the individual has material evidence that the relevant SSA data is wrong. In a case where OPM cannot obtain the remaining component parts from SSA, OPM will explain the derivation of the component parts and advise the annuitant or survivor to contact SSA if the individual needs the remaining information. SSA will provide the beneficiary the requested data and instruct the annuitant or survivor to contact SSA through the established centralized inquiry system if the individual has material evidence that SSA data about his/her CSRS or FERS annuity may be in error. SSA will investigate all inquiries and notify OPM and the annuitant or survivor of the outcome. If a corrected offset computation is required, SSA will provide the new amount to OPM.

In cases where the annuitant or survivor formally protests the decision to reduce the benefit amount or requests reconsideration, OPM will not refer the annuitant or survivor directly to SSA, but will instead submit a request to SSA to verify that the offset amount is correct. SSA will process the request and furnish a response even if it duplicates the original response.

## **XIV. Reimbursement**

SSA and OPM currently engage in several different computer matches that allow each agency to save several million dollars each year. The savings from these computer matches outweighs each agency's costs to complete the data exchange. As these data exchanges are

beneficial to both agencies, the expenses involved in this match will be deemed reciprocal and not involve any reimbursable arrangements between the two agencies.

Attachment 3 provides the cost comparison analysis for reciprocal services that OPM and SSA provide to each other. However, in the event of material changes to the matching programs between SSA and OPM, both agencies agree to make cost adjustments so that neither agency bears a disproportionate share of the costs. SSA and OPM will make such adjustments by means of a reimbursable agreement.

## **XV. Duration, Modification, and Termination**

### **A. Effective Date**

The effective date of this agreement, March 1, 2019, is the later of, or thirty days after publication of the required notice of this matching program in the Federal Register in accordance with 5 U.S.C. § 552a(o)(2)(A) and OMB Circular A-108 (December 23, 2016). At this time, the effective date is tentative and we are willing to adjust if we are unable to meet this date.

### **B. Duration**

This agreement will be in effect for a period of 18 months.

### **C. Renewal**

The Data Integrity Boards (DIB) of OPM and SSA may, within 3 months prior to the expiration of this agreement, renew this agreement for a period not to exceed 12 months if OPM and SSA can certify to their DIBs that:

1. The matching program will be conducted without change; and
2. OPM and SSA have conducted the matching program in compliance with the original agreement.

If either agency does not want to continue this program, it must notify the other agency of its intention not to continue at least 90 days before the end of the period of the agreement.

### **D. Modification**

The agencies may modify this agreement at any time by a written modification, agreed to by both agencies and approved by the DIB of each agency.

## **E. Termination**

The agencies may terminate this agreement at any time with the consent of both agencies. Either agency may unilaterally terminate this agreement upon written notice to the other agency, in which case the termination will be effective 90 days after the date of such notice or at a later date specified in the notice.

Either agency may immediately and unilaterally suspend the data flow under this agreement or terminate this agreement if that agency:

- a. Determines that the other agency has used or disclosed the information in an unauthorized manner; or
- b. Determines that the other agency has violated or failed to follow the terms of this agreement; or
- c. Has reason to believe that the other agency breached the terms for security of data. If either agency suspends the data flow in accordance with this subsection, that agency will suspend the data until it makes a final determination of a breach.

## **XVI. Dispute Resolution**

Disputes related to this agreement will be resolved in accordance with instructions provided in the Treasury Financial Manual Volume I, Part 2, Chapter 4700, Appendix 10, *Intragovernmental Transaction Guide*.

## **XVII. Disclaimer**

Neither agency is liable for any damages or loss resulting from errors in information provided to the other agency under this agreement. Neither agency is liable for damages or loss resulting from the destruction of any materials or data provided by the other agency. All information furnished under this agreement is subject to the limitations and qualifications, if any, transmitted with such information.

The performance or delivery by SSA of the goods and/or services described herein and the timeliness of said delivery are authorized only to the extent that they are consistent with proper performance of the official duties and obligations of SSA and the relative importance of this request to others. If for any reason SSA delays or fails to provide services, or discontinues the services or any part thereof, SSA is not liable for any damages or loss resulting from such delay or for any such failure or discontinuance.

## **XVIII. Persons to Contact**

### **A. SSA Contacts**

#### **1. Computer Systems Issues**

Michelle J. Anderson, Branch Chief  
OITPBS/DBIAE/Data Exchange and Verification Branch  
Office of IT Programmatic Business Support Office Systems  
3108 (3-D-1) Robert M. Ball Building  
6401 Security Boulevard  
Baltimore, MD 21235-6401  
Telephone: (410) 965-5943  
Fax: (410) 966-3147  
Email: [Michelle.J.Anderson@ssa.gov](mailto:Michelle.J.Anderson@ssa.gov)

#### **2. High Priority Case Inquiries**

Barrett Wall, Program Expert  
Division of Training and Program Support  
Office of Central Operations  
6100 Wabash Avenue  
Baltimore, MD 21215  
Telephone: (410) 966-1554  
Fax: (410) 966-1819  
Email: [Barrett.Wall@ssa.gov](mailto:Barrett.Wall@ssa.gov)

#### **3. Matching Agreement Issues**

Sonia Robinson, Government Information Specialist  
Office of Privacy and Disclosure  
Office of the General Counsel  
6401 Security Boulevard  
G-401 WHR  
Baltimore, MD 21235-6401  
Telephone: (410) 966-4115  
Fax: (410) 966-4304  
Email: [Sonia.V.Robinson@ssa.gov](mailto:Sonia.V.Robinson@ssa.gov)

#### **4. Information Security Issues**

Jennifer Rutz, Director  
Office of Information Security  
Division of Compliance and Assessments  
Suite 3208 Annex  
6401 Security Boulevard  
Baltimore, MD 21235  
Telephone: (410) 966-8253  
Email: [Jennifer.Rutz@ssa.gov](mailto:Jennifer.Rutz@ssa.gov)

**5. Data Exchange Issues**

Rona Demb, Agreement Liaison  
Office of Data Exchange and Policy Publications  
Office of Data Exchange  
6401 Security Boulevard  
4-B-9-F Annex Building  
Baltimore, MD 21235  
Telephone: (410) 965-7567  
Email: [Rona.Demb@ssa.gov](mailto:Rona.Demb@ssa.gov)

**B. OPM Contacts****1. Program Issues**

Daniel Whittaker, Program Manager  
Customer Service  
Office of Personnel Management  
P.O. Box 45  
Boyers, PA 16017  
Telephone: (724) 794-2005, x3113  
Fax: (724) 794-4323  
Email: [Daniel.Whittaker@opm.gov](mailto:Daniel.Whittaker@opm.gov)

**2. Matching Agreement Issues**

Bernard A. Wells III, Program Analyst  
Retirement Benefits, Business Services Branch  
Office of Personnel Management  
1900 E Street, NW  
Room 4316  
Washington, DC 20415-0001  
Telephone: (202) 606-2730  
Fax: (202) 606-2060  
Email: [Bernard.Wells@opm.gov](mailto:Bernard.Wells@opm.gov)

**3. Computer Systems Issues**

Olu Faokunla  
CIO/FITBS/RSITPMO  
Office of Personnel Management  
1900 E Street, NW  
Room 4H31-S  
Washington, DC 20415-0001  
Telephone: (202) 606-1776  
Email: [Olu.Faokunla@opm.gov](mailto:Olu.Faokunla@opm.gov)

**4. Systems Security Issues**

Jeffrey P. Wagner  
Director of IT Security Operations  
Office of Personnel Management  
1900 E Street, NW  
Room SB-427  
Washington, DC 20415-0001  
Telephone: (202) 606-2571  
Email: [Jeffrey.Wagner@opm.gov](mailto:Jeffrey.Wagner@opm.gov)

**5. Privacy Issues**

Kellie Cosgrove Riley  
Chief Privacy Officer  
Office of Personnel Management  
1900 E Street, NW  
Room 5454  
Washington, DC 20415-0001  
Telephone: (202) 606-2308  
Email: [Kellie.Riley@opm.gov](mailto:Kellie.Riley@opm.gov)

**XIX. Integration Clause**

This agreement constitutes the entire agreement of the parties with respect to its subject matter and supersedes all other data exchange agreements between SSA and OPM that pertain to the disclosure of the specified tax return and Social Security benefit information for the purposes described in this agreement. SSA and OPM have made no representations, warranties, or promises outside of this agreement. This agreement takes precedence over any other documents that may be in conflict with it.

**XX. Authorized Signatures**

The signatories below warrant and represent that they have the competent authority on behalf of their respective agencies to enter into the obligations set forth in this agreement.

The signatories may sign this document electronically by using an approved electronic signature process. Each signatory electronically signing this document agrees that his/her electronic signature has the same legal validity and effect as his/her handwritten signature on the document, and that it has the same meaning as his/her handwritten signature.

**SOCIAL SECURITY ADMINISTRATION**

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Monica Chyn  
Acting Deputy Executive Director  
Office of Privacy and Disclosure  
Office of the General Counsel  
Social Security Administration

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Date

**DATA INTEGRITY BOARD APPROVAL**

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Mary Ann Zimmerman  
Acting Chair  
Data Integrity Board  
Social Security Administration

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Date



**XIX. Authorized Signatures** (Continued)**OFFICE OF PERSONNEL MANAGEMENT**

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Kenneth J. Zawodny, Jr.  
Associate Director  
Retirement Services  
Office of Personnel Management

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Date

**DATA INTEGRITY BOARD APPROVAL**

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Kellie Cosgrove Riley, Chair  
Data Integrity Board  
Office of Personnel Management

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Date

- Attachment 1: Cost Benefit Analysis for OPM Post 1956/SSA Match 1018
- Attachment 2: Formula for Determining CSRS or FERS Reduction Amount
- Attachment 3: Cost Comparison Chart

**Attachment 1****COST BENEFIT ANALYSIS FOR  
OPM POST 1956/SSA MATCH 1018**

This cost benefit analysis is based upon information collected by the Office of Personnel Management (OPM) Retirement Operations Center on the costs and benefits of conducting a computer match between OPM and the Social Security Administration (SSA).

OPM continues to conduct this match, but due to staff changes, 2015 and 2016 results are not available. The OPM program office estimates that results for these years were similar to results in 2014. Thus this CBA is re-using 2014 results. This year SSA greatly reduced their match cost estimate; this new estimate was used to calculate the CBA ratio. See the "Results" paragraph below for an explanation of why OPM must continue to do this match.

The methodology used to arrive at the total savings to OPM consisted of an actual data set of 300 matched records for fiscal year 2014. The cost benefit ratio is derived from the potential cost savings of a reduced payable annuity amount and the actual costs incurred by the Office of Personnel Management and the Social Security Administration.

**Benefits to OPM Programs:**

Data extracted from 300 annuities that were identified through a computer match with the Social Security Administration indicated a potential annuity increase for 16 annuitants. However, once the actual reduction, which was not determined until the retirement annuity rate was calculated and the applicable rate of the annuitant (retiree or survivor) was applied to the annuity the total actual savings to OPM retirement programs (actually an increased annuity) was \$2,264 for seven annuitants.

**Benefits to SSA Programs:**

SSA does not expect to derive any savings benefits to its programs from this computer match.

**OPM Costs:**

Under the current matching agreement, the costs are incurred by the staff that is required to perform the necessary tasks associated with processing the records associated with the match. i.e. searching, retrieving, reviewing, and making determinations. The staff consists of Legal Administrative Specialists and Customer Service Representatives at varying levels of the career ladder for their respective position.

**Salary & Benefits**

Legal Administrative Specialist (Operations Staff)	\$ 483.36
Customer Service Representative (Operations Staff)	1,004.50
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Total Costs Fiscal Year 2014	\$ 1,487.50

Note: Overhead costs are included in the Salary & Benefits

**SSA Costs:**

The SSA costs are:

Total Costs Fiscal Year 2016	\$4402
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**Cost/Benefit Ratio:**

The Cost/Benefit Ratio reflects the actual costs and savings. The benefit to cost ratio is 0.38 to 1. ( $\$2,264.00 / (\$1,487.50 + \$4402)$ ).

**Results:**

The number of records requiring a reduction was 7 out of 300 matched records or 2.3%; the number of matched records requiring no reduction at all was 9 out of 300, 3.0% of all matched records.

The number of matched records requiring a reduction has been significantly reduced over the years. This is attributable to the reduced population of records requiring an adjustment. However, the costs associated with the match have increased.

The results of this match reflect that the actual cost of the match outweighs the benefit. However, the purpose of this match is to assure that annuitants receive the annuity payment to which they are legally entitled. Thus the purpose of this CMA outweighs the cost benefit analysis results. Without the use of this CMA, computing this benefit manually would greatly increase OPM's costs. The annuitants served by this match began receiving benefits prior to 1982 – their ranks are rapidly declining and the need for this match will soon end.

**Attachment 2****FORMULA FOR DETERMINING  
CSRS OR FERS REDUCTION AMOUNT**

The CSRS or FERS reduction amount is determined by the following formula:

Social Security Benefit multiplied by Total Post-1956 Military and Deemed Military Wages divided by Total FICA Wages after 1936.

The component parts of the offset computation are derived as follows:

1) Social Security Benefit

The Title II Monthly Benefit Amount (MBA) that the beneficiary either actually received for October 1982 or for the month of attainment of eligibility for Title II benefits (whichever is later), or the Title II MBA that the beneficiary would have received had he/she filed a claim effective with that month.

2) Total Post-1956 Military and Deemed Military Wages

The total post-1956 military and deemed military wages the beneficiary earned for each year after 1956. The amount credited for each year is limited by the FICA statutory maximums. If a beneficiary had both civilian and military wages for a given year, he/she would be credited with the full amount of the actual military wages earned up to the FICA statutory maximum. Deemed military wages would only be credited up to the amount that the combined civilian and actual military wages were less than the FICA statutory maximum.

3) Total FICA Wages After 1936

The total FICA wages credited for each year after 1936 up to the FICA statutory maximums for each year. Military and deemed military wages are included in this total.

The legislation also provides for a military service re-computation offset for civil service survivor beneficiaries. The total post-1956 military and deemed military wages and total FICA wages after 1936 used in the computation are used of the number holder. The Social Security benefit used in the survivor computation is the survivor's MBA.

## Attachment 3

## SSA/OPM Cost Comparison Chart

SSA Source (FY16)

Matching Program	SSA Costs	OPM Costs	OPM Gross Savings	OPM Net Savings
219	\$13,209	\$18,433	\$774,658,015	\$774,626,373
865	\$50,760	\$300,000	\$9,044,870	\$8,694,110
1018	\$4,402	\$1,488	\$2,264	(=\$3,626)
1045	\$17,745	\$67,742	\$1,365,359	\$1,279,872
1071	\$3,785	\$131,747	\$4,751,023	\$4,615,491
<b>Totals</b>	<b>\$89,901</b>	<b>\$519,410</b>	<b>\$789,821,531</b>	<b>\$789,212,220</b>

SSA Recipient

Matching Program	SSA Costs	OPM Costs	SSA Gross Savings	SSA Net Savings
1005	\$61,786	\$4,608	\$433,589	\$367,195
1019	\$278,027	\$4,608	\$2,348,658	\$2,066,023
1020	\$578,807	\$4,608	\$13,021,323	\$12,437,908
1021	\$156,557	\$4,608	\$3,832,918	\$3,671,753
1307	\$3,266	N/A	\$26,571	\$23,305
<b>Totals</b>	<b>\$1,078,443</b>	<b>\$18,432</b>	<b>\$19,663,059</b>	<b>\$18,566,184</b>

\*The OPM costs may not reflect the current years cost for the matching agreement. The Gross Savings minus the SSA and OPM costs equal the Net Savings.

Current as of 8/1/2018

### **Justification for Reciprocal Services**

SSA and OPM agree that the expenses involved in the above-noted matches continue to be deemed reciprocal and need not involve any reimbursable agreements between the agencies. As noted in the cost-comparison charts, net program savings for both SSA and OPM remain favorable, and the cost to perform these matches remains low. While some individual matches may not be fully cost-effective, the overall net program savings for both agencies are much greater than the cumulative cost to each agency to perform these matching operations.

These matches also provide operational and administrative savings not captured in the CBAs; for example, through these matches, SSA avoids completing manual verifications and prevents additional field office traffic. These advantages are in addition to the many millions of dollars these matches save both agencies by preventing incorrect payments and identifying fraud and abuse. Finally, these activities also directly support the Social Security Administration Commissioner's Strategic Plan objectives and the Presidential mandate to promote Federal interagency electronic information exchange.