



DEPARTMENT OF VETERANS AFFAIRS
OFFICE OF INSPECTOR GENERAL

Office of Audits and Evaluations

VETERANS BENEFITS ADMINISTRATION

Safeguarding PII Collected in VBA Education Compliance Surveys

MANAGEMENT ADVISORY
MEMORANDUM

MEMO #22-01637-176

JULY 6, 2022



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DEPARTMENT OF VETERANS AFFAIRS
OFFICE OF INSPECTOR GENERAL
WASHINGTON, DC 20001



May 18, 2022¹

MANAGEMENT ADVISORY MEMORANDUM

TO: Thomas Murphy, Acting Under Secretary for Benefits
Veterans Benefits Administration (020)

FROM: Larry Reinkemeyer, Assistant Inspector General
VA Office of Inspector General's Office of Audits and Evaluations (52)

SUBJECT: Safeguarding Personally Identifiable Information Collected in Education
Compliance Surveys

The Veterans Benefits Administration (VBA), or those acting on its behalf, must conduct periodic compliance surveys (similar to audits) at schools and training establishments in which eligible students are enrolled under VA educational programs.² In the course of performing an audit of VBA's processing of Post-9/11 GI Bill student enrollments that include official school vacation breaks, the Office of Inspector General (OIG) became aware that survey records submitted remotely during the COVID-19 pandemic lacked sufficient protection for personally identifiable information (PII). PII is information that can be used to distinguish or trace an individual's identity. It includes name, social security number, date and place of birth, mother's maiden name, telephone number, driver's license number, credit card number, photograph, fingerprints, biometric records, and any other personal information that is or can be linked to an individual.

The surveys are meant to ensure that VA payments going to each school and the students enrolled there are based on proper and correct enrollment information and that school and training officials, as well as students, understand and comply with applicable legal requirements. This memorandum is meant to convey the information necessary for VBA to determine if corrective actions are warranted.³ The OIG is taking no additional steps at this time.

¹ This memorandum was sent to the Veterans Benefits Administration (VBA) on May 18, 2022, to provide the opportunity for review and comment. VBA responded on June 7, 2022, that it found no issues with the content of the memo and will take corrective action as necessary. See appendix A for VBA's comments.

² 38 U.S.C. § 3693.

³ This memorandum provides information that has been gleaned from OIG data analyses. The OIG issues management advisory memorandums when exigent circumstances or areas of concern are identified by OIG hotline allegations or in the course of oversight work, particularly when immediate action by VA can help reduce further risk of harm to veterans or significant financial losses. Memorandums are published unless otherwise prohibited from release or to safeguard protected information.

Schools that provide training to students under Title 38 of the United States Code are required by law to make enrollment and other records available for examination by authorized representatives of the government.⁴ Authorized representatives can include VBA officials, state approving agencies, and other individuals employed by VA to act on its behalf. State approving agencies are contracted by VA to provide oversight of educational and training institutions. Both VBA and state approving agencies use education compliance survey specialists to conduct in-person surveys that include collecting the required information.⁵

These government representatives are authorized to request and review the records of veterans and eligible VA beneficiaries, as well as the records of other students, including the following:

- Transfer credit evaluations
- Detailed attendance records
- Degree plan checklists or progress audit reports
- Applications for admission, acceptance letters, and enrollment agreements
- Copies of current transcripts including courses taken, grades, and grade point average
- Current financial account statements

All these documents can contain PII individually or in combination.

Schools and training establishments employ school certifying officials who are responsible for certifying VA student enrollment to VBA. These school certifying officials work with the education compliance survey specialists throughout the survey process, providing the necessary documentation. For the in-person compliance surveys, school certifying officials provide hard-copy documents to the education compliance survey specialist for review.

Method for Collecting Electronic Survey Documentation during the Pandemic Has Been Inconsistent

In response to COVID-19 conditions, on March 16, 2020, VBA suspended in-person compliance surveys and required them to be conducted remotely. To complete the remote surveys, VBA and state approving agencies asked the school certifying officials to submit documentation electronically to the survey specialists but did not specify the submission standards. As a result, school certifying officials used inconsistent transmission methods. From March 16, 2020, through March 16, 2022, about 4,570 compliance surveys were conducted of educational institutions. Of these, around 3,000 were conducted by state approving agencies and

⁴ 38 U.S.C. § 3690(c); 38 C.F.R. § 21.4209.

⁵ VA Manual 22-4, part 10, chap. 3, “Compliance Survey Procedures,” April 5, 2019. Education compliance survey specialist includes any position performing the duties of that position. This includes education liaison representatives and employees of state approving agencies.

approximately 1,500 by VBA.⁶ The OIG estimates almost 37,800 students had their records requested in the process.

The OIG reviewed documentation for 30 compliance surveys completed after March 16, 2020, in the e-Force application.⁷ Of the 30 compliance surveys reviewed, the audit team found 26 contained documents with the PII of 323 students. The types of PII identified by the OIG in the compliance survey records included full names, dates of birth, social security numbers, and addresses. VBA conducted 10 of these compliance surveys, and state approving agencies conducted the other 20.

Since reviewing the documentation does not reveal the method of transmission, the audit team contacted the school officials who participated in the compliance surveys to ask how they sent the information. Through interviews with 20 of these school certifying officials—the other 10 did not respond to the interview requests—the audit team determined the method of transmitting the requested student documentation was inconsistent. School certifying officials used email, a VBA website, and third-party file-sharing websites.⁸ Table 1 shows, by agency completing the survey, how school certifying officials sent the required documentation.

**Table 1. Method of Documentation Transmission,
by Requesting Agency**

Method of transmission	VBA	State approving agency
Email	2	7
VBA website	4	0
Third-party file sharing	1	6
Total	7	13

Source: VA OIG analysis.

Both VBA and state approving agency staff collected student records for compliance surveys using email and third-party file-sharing websites. Some VBA staff had school certifying officials submit the documents using the “Ask A Question” section on the GI Bill Help Portal.

⁶ Numbers may not sum due to rounding.

⁷ e-Force is an application VA uses for customer relationship management products, offering streamlined communication and reporting features. It was developed by Acumen Solutions and the staff at VA’s Education Service Approval, Compliance and Liaison team.

⁸ Office of Management and Budget Memo M-10-23, “Guidance for Agency Use of Third-Party Websites and Applications,” June 25, 2010. Third-party websites or applications refer to web-based technologies that are not exclusively operated or controlled by a government entity or that involve significant participation by a nongovernment entity.

VBA’s guidance for remote compliance surveys states that, under circumstances including a travel ban, schools should submit requested documents by mail or email. The guidance does not specify how to send emails with PII, such as encrypted or protected.⁹ The memorandum issued to suspend in-person compliance surveys did not provide any indication of how documentation should be sent electronically to protect PII. VBA and state approving agency staff asked school certifying officials to send the documentation electronically, contrary to procedures outlined in the school certifying official handbook requiring the official to submit requested documents by mail with a tracking number.¹⁰

Student PII Collected during Remote Compliance Surveys Was Not Safeguarded

In complying with the request to send information electronically, school certifying officials sent some information unprotected. The OIG team interviewed 20 school certifying officials to determine the method used to transmit the compliance survey documentation. Of these 20, the team found 19 compliance survey files that contained PII and one file that did not contain PII because the official redacted the PII prior to submission. Based on the interviews, the audit team determined that officials who sent 13 of the 19 files with PII did not safeguard the requested records of 152 students. These 13 officials used various methods to transmit the records, with six sending the documents by email and seven using third-party file-sharing websites that were not safeguarded. Of these six who emailed the documentation, three attached the documentation to unencrypted emails and three used encrypted emails. However, the audit team is not able to assess if the encryption used by these schools met the required standards and therefore cannot be certain the PII transmitted by these emails was safeguarded.¹¹

For the remaining six school certifying officials interviewed, two shielded student PII by password-protecting the file and verbally providing the password, and four submitted the documentation through VBA’s “Ask A Question” option on the GI Bill Help Portal.

Example 1 illustrates student PII that was not safeguarded in emails submitted for the compliance survey.

⁹ VA Manual 22-4, part 10, chap. 2, sec. 2.04c, “Scheduling Remote Surveys During Travel Bans,” June 15, 2021. Section 2.04 was temporarily removed from VA Manual 22-4 on May 19, 2022, the day after the OIG provided the draft memorandum to VBA for review. VA Manual 22-4, part 10, chap. 4, sec. 4.17, “Conducting Remote Reviews,” November 9, 2021.

¹⁰ VA School Certifying Official Handbook (Online), “Remote Survey Option,” January 31, 2020, and August 8, 2021.

¹¹ National Institute of Standards and Technology, *Security Requirements for Cryptographic Modules*, Federal Information Processing Standards Publication (FIPS Pub) 140-3, March 22, 2019.

Example 1

A state approving agency conducted a remote compliance survey of a university in October 2020. The school certifying official agreed to participate in a remote survey and stated that she was instructed by the education compliance survey specialist to electronically submit the records of 10 students for review. The OIG audit team reviewed the compliance survey records and found PII on multiple documents for all 10 students. The information included name, full social security number, and date of birth. The school certifying official confirmed that the requested records were sent by unprotected email to the education compliance survey specialist.

Before using third-party file-sharing websites, agencies should assess the websites' privacy policy to evaluate risks and determine whether the website or application is appropriate for the agency's use.¹² If a contractor or third-party, like the state approving agencies, operates or uses information on behalf of a federal agency, the agency, VBA, should ensure these contractors or third parties comply with the privacy requirements in law and Office of Management and Budget guidance.¹³ The OIG audit team did not evaluate the privacy policy of the websites used; however, according to the VA Technical Reference Model, the file-sharing websites used by the state approving agencies to receive compliance survey documentation are not approved because of their potential information security risks.¹⁴

Example 2 illustrates student PII that was not safeguarded when student records were submitted via a third-party file-sharing website.

Example 2

A state approving agency conducted a remote compliance survey of training in July 2021. The agency's education compliance survey specialist asked that records for 10 students in the sample be sent electronically. The audit team reviewed the compliance survey records and found names and social security numbers on multiple documents for all 10 students. The school certifying official confirmed that the requested records were sent using a third-party file-sharing website to the education compliance survey specialist.

¹² Office of Management and Budget Memo M-10-23.

¹³ Office of Management and Budget Circular A-130, app. I § 4j, "Responsibilities for Protecting and Managing Federal Information Resources," and app. II § 5d, "Responsibilities for Managing Personally Identifiable Information," July 2016.

¹⁴ The VA Technical Reference Model serves as a technology road map and tool for the information technology used to develop, operate, and maintain business processes and the technological capabilities that support them.

The various methods used to transmit documents between school certifying officials, VBA, and state approving agencies indicate a lack of standardized procedures, which could lead to PII being compromised.

In addition, state approving agencies are required by their contract with VA to follow VA procedures and comply with Contractor Rules of Behavior related to VA information.¹⁵ State approving agency employees are also required to complete VA's security and privacy policy training annually. This training covers how to protect and handle PII. Ten of the 19 school certifying officials who submitted records containing PII and were interviewed by the team stated they did not receive guidance on how to protect PII during the remote compliance surveys, and none were concerned with the safety of transmission because it was going to a government entity. This understanding is incorrect because the issue is not who the recipient is, but how the documentation is sent. The interviewees' misunderstanding indicates that VBA and state approving agencies staff are not following all policies and underscores the need for both clear guidance and refresher training.

As of March 2022, VBA was still conducting remote compliance surveys and had not finalized plans for all staff to return to work. There are continued concerns even with the return to in-person surveys about how compliance surveys will be conducted in the future. According to an education compliance survey specialist, VBA may continue to obtain documentation electronically in advance of in-person surveys because doing so allows for an initial review of the documents, which helps the specialist better prepare for the visit. One of the interviewed school certifying officials stated one of the school's branches received a recent compliance survey conducted by a contractor who did an in-person compliance survey and asked to have documentation sent electronically.

The lack of standard procedures and oversight of the electronic collection of documentation has resulted in student PII not being consistently safeguarded in keeping with requirements during remote compliance surveys. The OIG is not initiating an audit and did not assess whether any PII had been inappropriately disclosed. It is providing the results to VBA to illustrate the absence of procedures and safeguards in place to ensure that documentation with PII is securely transmitted during compliance surveys.

Requested Action

The OIG requests that VBA inform the OIG what actions, if any, VBA takes to safeguard student PII when conducting compliance surveys and whether any remedial action is required for PII transmitted without required safeguards when in-person surveys were paused.

¹⁵ State Approving Agency Contract, Article III–Section 1 and Article XII–Section 2a, August 1, 2019; VA Handbook 6500.6, *Contract Security*, March 12, 2010; VA Directive 6502, *VA Enterprise Privacy Program*, May 5, 2008.

VBA Response

Included in appendix A is VBA's response that it "takes no issue" with the information provided in the OIG's management advisory memorandum. According to the acting under secretary for benefits, "VBA will review, research, and evaluate the findings in OIG's management advisory memorandum and will take corrective action as necessary."

Appendix A: VA Management Comments

Department of Veterans Affairs Memorandum

Date: June 7, 2022

From: Under Secretary for Benefits (20)

Subj: OIG Management Advisory Memorandum — Safeguarding PII Collected in VBA Education Compliance Surveys

To: Assistant Inspector General for Auditing and Evaluations (52)

This is in response to OIG's Management Advisory Memorandum —Safeguarding PII Collected in VBA Education Compliance Surveys.

The Veterans Benefits Administration (VBA) finds no issues with the content of this document and remains steadfast in its commitment to safeguard personally identifiable information collected in VBA Education Compliance Surveys. VBA will review, research, and evaluate the findings in OIG's management advisory memorandum and will take corrective action as necessary.

The OIG removed point of contact information prior to publication.

(Original signed by)

Thomas J. Murphy

Director, Northeast District

Performing the Delegable Duties of the Under Secretary for Benefits

For accessibility, the original format of this appendix has been modified to comply with Section 508 of the Rehabilitation Act of 1973, as amended.

OIG Contact and Staff Acknowledgments

Contact	For more information about this management advisory memorandum, please contact the Office of Inspector General at (202) 461–4720.
Team	Jennifer Roberts, Director Anne Declerck Dana Estevez Isabella Gordon Ryan Shipp Maria Stone
Other Contributors	Khaliah McLaurin Allison Tarmann

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