



**MHEC**  
Creating a state of achievement

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Secretary

## **FAFSA Completion Initiative Participation Agreement**

This FAFSA Completion Initiative Participant Agreement (“Agreement”) is entered into by and between \_\_\_\_\_ (the “Designated Entity”), and the Maryland Higher Education Commission (“MHEC”), collectively referred to as “the Parties.”

### **Introduction**

WHEREAS, The United States Department of Education (“USDOE”) launched the Free Application for Federal Student Aid (“FAFSA”) Completion Initiative, in partnership with state grant agencies, to support the goals of enrolling more high school graduates in college and promoting degree completion;

WHEREAS, MHEC is the state grant agency for the State of Maryland in connection with the FAFSA Completion Initiative, and MHEC has entered into a State Aid Internet Gateway (“SAIG”) Participation Agreement for State Grant Agencies (“SAIG Agreement”) with the USDOE;

WHEREAS, a student must file a FAFSA in order to receive access to federal Title IV student aid programs, such as the federal Pell Grant and other federal student loans;

WHEREAS, FAFSA is used by MHEC, colleges, and universities in awarding most State-based and institutional-based aid; and

WHEREAS, pursuant to the SAIG Agreement with the USDOE, MHEC may disclose a student’s “FAFSA Filing Status Information” (defined in Section B of this Agreement) to the Designated Entity only if the Designated Entity has an “Established Relationship” (defined in Section B of this Agreement) with the student; and only if the Designated Entity has executed a written agreement with MHEC regarding the disclosure of FAFSA Filing Status Information;

### **NOW, THEREFORE, the parties hereby agree as follows:**

#### **A. Purpose of the Agreement.**

This Agreement establishes the conditions under which the Designated Entity may receive from MHEC, use, maintain, and re-disclose a student’s FAFSA Filing Status Information for the purposes of:

1. Determining the completion status of the student’s FAFSA; and
2. Facilitating the provision of assistance to the student in completing the FAFSA.

#### **B. Definitions.**

For purposes of this Agreement, the following definitions apply:

1. **Authorized Personnel:** Employees of the Designated Entity who require access to FAFSA Filing Status Information to determine the completion status of a student's FAFSA and facilitate providing assistance to such students in completing the FAFSA, including both paid and non-paid staff and authorized agents such as contractors, subcontractors, volunteers, or other parties to whom the Designated Entity has outsourced any of its services or functions.
2. **Established Relationship:** In the case of a Designated Entity that is a local educational agency ("LEA"), an Established Relationship exists where the student FAFSA applicant is enrolled in a secondary school under the legal authority of the LEA or the LEA otherwise is providing services to the FAFSA applicant. In the case of a Designated Entity that is a secondary school, an Established Relationship exists where the student FAFSA applicant is enrolled in the secondary school itself or the secondary school otherwise is providing services to the FAFSA applicant. In the case of any other Designated Entity that the U.S. Secretary of Education has designated as eligible to receive FAFSA Filing Status Information from MHEC, an Established Relationship exists when the student FAFSA applicant is enrolled in or has registered with or is receiving services from the Designated Entity in order for the Designated Entity to assist the student in pursuit of postsecondary education.
3. **FAFSA Filing Status Information:** Information from an ISIR that MHEC may disclose to the Designated Entity regarding the completion status of a student's FAFSA. FAFSA Filing Status Information includes: Student's first name; Student's last name; Student's date of birth; Student's ZIP Code; FAFSA submitted date (the date the FAFSA was submitted to the USDOE); FAFSA processed date (the date the USDOE processed the FAFSA); a Selected for Verification flag; and a FAFSA completion flag, as determined by MHEC (e.g., FAFSA not submitted, FAFSA complete, or FAFSA incomplete).
4. **ISIR:** The Institutional Student Information Record ("ISIR") is the output document resulting from the submission of a FAFSA to the USDOE and includes the data received, system generated data results and FAFSA Filing Status Information.

**C. Disclosure of FAFSA Filing Status Information.**

1. The Designated Entity may access a student's FAFSA Filing Status Information only if the Designated Entity has an Established Relationship with the student, and only for the purposes described in Sections A.1 and A.2 of this Agreement.
2. Any use, disclosure, or re-disclosure of FAFSA Filing Status Information that is not consistent with Sections A or Section C.1 of this Agreement is unauthorized and prohibited.

3. The Designated Entity shall ensure that Authorized Personnel are informed about and aware of the prohibitions regarding the use, disclosure, and re-disclosure of any data and information provided to the Designated Entity under this Agreement.
4. The Designated Entity shall disclose to MHEC immediately in writing any unauthorized use, disclosure, or re-disclosure of FAFSA Filing Status Information. The Designated Entity shall provide any additional information requested by MHEC, including information about corrective action taken by the Designated Entity, concerning the unauthorized use, disclosure, or re-disclosure. The Designated Entity shall cooperate with MHEC regarding any reasonable corrective action requested by MHEC to mitigate the effects of the unauthorized use, disclosure, or re-disclosure.
5. All Authorized Personnel must be under the direct control of the Designated Entity with respect to the use and maintenance of ISIR Data.

**D. Data Security.**

1. The Designated Entity shall protect the integrity of the FAFSA Filing Status Information received under this Agreement from unauthorized access, use or re-disclosure.
2. The Designated Entity shall take all steps necessary to safeguard the confidentiality of the data received. The Designated Entity shall restrict access to the data provided or created under this Agreement to only those Authorized Personnel who need the data to perform their official duties in connection with the uses of the data authorized in this Agreement.
3. The Designated Entity shall advise all Authorized Personnel who have access to the data of the confidential nature of the data, the safeguards required to protect the data, and criminal sanctions for noncompliance under applicable federal, State, or local laws.
4. The Designated Entity shall develop, implement, maintain and use reasonable and appropriate administrative, technical and physical security measures to preserve the confidentiality, integrity, and availability of all data electronically maintained or transmitted pursuant to this Agreement. The Designated Entity shall process the data provided or created under this Agreement 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 Parties' systems.
5. The Designated Entity shall encrypt all FAFSA Filing Status Information or other confidential information prior to transmitting it electronically.
6. The Designated Entity shall keep all physical copies (paper or other physical representations) of FAFSA Filing Status Information or other confidential information under lock and key, or otherwise have sufficient physical access control measures to prevent unauthorized access. The Designated Entity shall not leave

- FAFSA Filing Status Information or other confidential information unsecured and unattended at any time.
7. The Designated Entity shall encrypt any FAFSA Filing Status Information or other confidential information stored on electronic media, including but not limited to CDs, DVDs, tape, and flash drives. Further, such electronic media shall be kept locked, or otherwise have sufficient physical access control measures to prevent unauthorized access. The Designated Entity shall not leave FAFSA Filing Status Information or other confidential information in any electronic format, including computer databases, unsecured (i.e., accessible without a password) and unattended at any time.
  8. The Designated Entity shall password protect any laptop or computer that contains FAFSA Filing Status Information or other confidential information. Additionally, any laptop or computer that contains FAFSA Filing Status Information or other confidential information shall have its full hard drive encrypted. The Designated Entity shall not leave any laptop or computer unattended without enabling a screen-lock or otherwise blocking access to the laptop or computer. The Designated Entity shall ensure that no password or other information sufficient to access a laptop or computer containing FAFSA Filing Status Information or other confidential information is attached or located near the laptop or computer at any time.
  9. The Designated Entity shall take precautions to ensure that access through modems, networks, and the Internet is carefully monitored and limited to Authorized Personnel.

**E. Compliance with Applicable Law**

1. The Designated Entity shall comply, as applicable, with the requirements of the Family Educational Rights and Privacy Act (“FERPA”) (20 U.S.C. 1232g and its regulations codified at 34 CFR part 99) in disclosing any personally identifiable information from students’ education records to MHEC or its agents.
2. The Designated Entity shall not re-disclose or share the FAFSA Filing Status Information obtained from MHEC in personally identifiable form other than: (1) to the FAFSA applicant and to the FAFSA applicant’s parents if the applicant is under age 18, to the applicant if the applicant is age 18 or older or enrolled in a post-secondary institution, or to any other party with the consent of the FAFSA applicant or the consent of the FAFSA applicant’s parents if the FAFSA applicant is under the age of 18; or (2) if required to do so by law and if such use is consistent with all applicable privacy laws, including the privacy provisions of section 483(a)(3)(E) of the Higher Education Act, 20 U.S.C. 1090(a)(3)(E) and the Family Educational Rights and Privacy Act (20 U.S.C. 1232g).
3. FAFSA Filing Status Information shall be used by the Designated Entity in a manner consistent with section 483(a)(3)(E) of the Higher Education Act.

**F. Oversight.**

1. MHEC may, at its discretion, monitor the Designated Entity's records, processes, procedures, and electronic systems for compliance with the terms of this Agreement.
2. MHEC may, at its discretion, perform on-site inspections of the Designated Entity to monitor compliance with the terms of this Agreement.

#### **G. Termination**

1. Either Party may, at its sole discretion, terminate this Contract upon delivering written notice to the other Party.
2. If MHEC finds that the Designated Entity has failed to comply with this Agreement, the Designated Entity shall, at the request of MHEC, delete or return all data received under this Agreement and copies made of such data.
3. Upon any termination, all indemnities, including without limitation those set forth in this Agreement, as well as Agreement provisions regarding confidentiality, privacy, records retention, compliance with the law, and right to inspect, will survive the termination of this Agreement and will remain in full force and effect.

#### **H. Amendment**

1. This Agreement constitutes the entire understanding of the Parties with respect to their rights and obligations in carrying out the terms of the Agreement, and supersedes any prior or contemporaneous agreements or understandings.
2. This Contract may be modified only by written amendment executed by both Parties.

#### **I. Indemnification**

To the extent permitted under the Constitution and laws of the State of Maryland, the Designated Entity shall defend, indemnify, and hold harmless the State of Maryland, its officers, and employees, and MHEC, its commissioners, employees, and contractors, from and against all claims, actions, suits, demands, proceedings, costs, damages, and liabilities, including without limitation attorneys' fees and court costs, arising out of, connected with, or resulting from any acts or omissions of the Designated Entity or any agent, employee, or subcontractor of the Designated Entity in the execution or performance of this Agreement. The Designated Entity shall coordinate its defense with the Maryland Attorney General as requested by MHEC.

#### **J. Term of Agreement**

This Agreement is for a term commencing on the date that this Agreement has been executed by both Parties (the "Effective Date"), and shall terminate upon either Party delivering notice to the other pursuant to Section G of this Agreement.

#### **K. Ownership**

Each Party agrees that all confidential information, and preexisting intellectual property shall at all times be and remain the property of the Party that supplied it. Each Party shall execute all documents and perform all acts that the other party may request in order to assist the other Party in perfecting or protecting its rights and all intellectual property rights.

#### **L. Counterparts.**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

#### **M. Representations and Warranties of the Parties**

Both Parties represent and warrant that the following shall be true and correct as of the Effective Date of this Agreement, and shall continue to be true and correct during the Term of this Agreement:

1. The Parties are and shall remain in compliance with all applicable federal, state, and local statutes, laws, ordinances, and regulations relating to this Agreement, as amended from time to time, including but not limited to the Drug-Free Workplace, FERPA, the Protection of Pupil Rights Amendment, non-discrimination laws, and privacy laws.
2. Each Party has taken all action necessary for the approval and execution of this Agreement, and execution by the persons signing on behalf of each Party is duly authorized and has been made with complete and full authority to commit the Party to all terms and conditions of this Agreement, which shall constitute valid, binding obligations of each Party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

DESIGNATED ENTITY

MARYLAND HIGHER EDUCATION  
COMMISSION

By: \_\_\_\_\_  
(Signature)

By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

Date: \_\_\_\_\_

\_\_\_\_\_  
(Title, Agency)

Email: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Date: \_\_\_\_\_

Approved for Legal Sufficiency:

By: \_\_\_\_\_  
Assistant Attorney General  
Maryland Higher Education Commission

Date: \_\_\_\_\_



