



Business Procedures Memorandum 66-01-04

Protecting the Confidentiality of Social Security Numbers

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1. PURPOSE

This Business Procedures Memorandum provides requirements and guidelines for the protection of the confidentiality of social security numbers.

2. POLICY

2.1 Policy Statement

It is the policy of The University of Texas System to protect the confidential nature of social security numbers without creating unjustified obstacles to the conduct of the business of The University of Texas System and the provision of services to its many constituencies. Nothing in this Business Procedures Memorandum is intended to prohibit or restrict the collection, use, and maintenance of social security numbers as required by applicable law.

2.2 Implementation

This Business Procedures Memorandum is based on public policy and privacy issues and not on convenience or past practices. Nevertheless, The University of Texas System recognizes the financial burdens and the potentially disruptive nature of reprogramming and immediate conversions of business and information systems. These burdens must be balanced with the potential risk to individual privacy from the collection, maintenance, and use of social security numbers.

Consequently, some of the requirements of this Business Procedures Memorandum have immediate compliance dates and others have delayed compliance dates. Institutions should implement those requirements with delayed compliance dates in a steady and purposeful manner so that they are fully implemented no later than the specified respective compliance dates. Institutions shall establish priorities for all systems, processes, and services that are out of compliance and shall establish a plan for remediating or replacing them.

On the first year anniversary of the approval of this Business Procedures Memorandum (see **Section 8**

below), and on each annual anniversary date thereafter, the SSN Coordinator at each institution (see **Section 3.6.4** below) shall file a report with the Chancellor that sets forth the institution's plan for and the status of implementation of the delayed compliance items, including progress to date and anticipated completion dates.

3. PROCEDURES

3.1 Reduce the Use and Collection of Social Security Numbers

*Compliance Date: September 1, 2007, except for **Section 3.1.2**, which has a compliance date one year after the approval date of this Business Procedures Memorandum, and **Section 3.1.3**, which has an immediate compliance date.*

3.1.1 The use of the social security number as an individual's primary identification number shall be discontinued, unless applicable law requires such use. The social security number may continue to be stored as a confidential attribute associated with an individual.

3.1.2 If the collection and use of social security numbers is permitted, but not required, by applicable law, the institution shall use and collect social security numbers only as reasonably necessary for the proper administration or accomplishment of the institution's business, governmental, educational and medical purposes, including, but not limited to:

3.1.2.1 As a means of identifying an individual for whom a unique identification number is not known; and

3.1.2.2 For internal verification or administrative purposes.

3.1.3 Except in those instances in which an institution is legally required to collect a social security number, an individual shall not be required to provide his or her social security number, nor shall the individual be denied access to the services at issue if the individual refuses to disclose his or her social security number. An individual, however, may volunteer his or her social security number as an alternate means of locating a record or accessing services. Examples of federal and state laws that require the collection or use of social security numbers are included in **Appendices 1 and 2**. Questions about whether a particular use is required by law should be directed to the institution's SSN Coordinator.

3.1.4 An institution may, but is not required to, designate only selected offices and positions as authorized to request that an individual disclose his or her social security number.

3.1.5 Each institution shall:

3.1.5.1 Assign a unique identifier for each then-current student, employee, research subject and patient; and

3.1.5.2 Assign a unique identifier for each future student, employee, research subject, patient, alumnus, donor, contractor, and other individuals who become associated with the institution at the earliest possible point of contact with the institution.

3.1.6 The unique identifier shall be used in all future electronic and paper data systems to identify, track and serve individuals associated with the institution. The unique identifier shall:

3.1.6.1 Be a component of a system that provides a mechanism for the public identification of individuals;

3.1.6.2 Be permanent and unique within the institution and remain the property of, and subject to the rules of, the institution;

3.1.6.3 Be maintained and administered by one office within the institution, as designated by the SSN Coordinator; and

3.1.6.4 Not be derived from the social security number of the individual; or, in the alternative, if the unique identifier is derived from the social security number, it must be computationally infeasible to ascertain the social security number from the corresponding unique identifier.

3.1.7 All institutional services and electronic business systems shall rely on the identification services provided by the unique identifier system

3.2 Inform Individual When the Institution Collects Social Security Numbers

Compliance Date: Immediately.

3.2.1 Each time an institution requests that an individual disclose his or her social security number, the institution shall provide the notice required by Section 7 of the Federal Privacy Act of 1974 (5 U.S.C. § 552a), which requires that the institution inform the individual whether the disclosure is mandatory or voluntary, by what statutory or other authority the number is solicited, and what uses will be made of it.

3.2.1.1 The notice shall use the applicable text from **Appendix 3** of this Business Procedures Memorandum or such other text as may be approved by the SSN Coordinator or the Office of General Counsel.

3.2.1.2 It is preferable that the notice be given in writing, but if at times it will be given orally, the institution shall implement procedures to assure and document that the notice is properly and consistently given.

3.2.1.3 Existing stocks of forms need not be reprinted with the disclosure notice; the notice may be appended to the form. Future forms and reprints of existing stock shall include the notice printed on the form.

3.2.2 In addition to the notice required by the Federal Privacy Act, when the social security number is collected by means of a form completed and filed by the individual, whether the form is printed or electronic, the institution must also provide the notice required by Section 559.003 of the Texas Government Code. That section requires that the institution state on the paper form or prominently post on the Internet site in connection with the form that: with few exceptions, the individual is entitled on request to be informed about the information that the institution collects about the individual; under Sections 552.021 and 552.023 of the Government Code, the individual is entitled to receive and review the information; and under Section 559.004 of the Government Code, the individual is entitled to have the institution correct information about the individual that is incorrect.

3.3 Reduce the Public Display of Social Security Numbers

Compliance Date: March 1, 2005, except for Section 3.3.1, which has an immediate compliance date, and Section 3.3.5, for which the compliance dates are set by statute.

3.3.1 Grades may not be publicly posted or displayed in a manner in which all or any portion of either the social security number or the unique identifier identifies the individual associated with the information.

3.3.2 The social security number may not be displayed on documents that can be widely seen by the general public (such as time cards, rosters, and bulletin board postings) unless required by law. This section does not prohibit the inclusion of the social security number on transcripts or on materials for federal or state data reporting requirements

3.3.3 If an institution sends materials containing social security numbers through the mail, it shall take reasonable steps to place the social security number on the document so as not to reveal the number in the envelope window. In the alternative, the institution may leave the social security number field blank and ask the individual to complete and return the document. (In that event, however, the institution must include the notice required in **Section 3.2** above).

3.3.4 The institution shall prohibit employees from sending social security numbers over the Internet or by email unless the connection is secure or the social security number is encrypted or otherwise secured. The institution shall require employees sending social security numbers by fax to take appropriate measures to protect the confidentiality of the fax (such measures may include confirming with the recipient that the recipient is monitoring the fax machine).

3.3.5 During the 78th Regular Session of the Texas Legislature, two bills were passed that each contain requirements for protecting the confidentiality of social security numbers: SB 611, which has an effective date of March 1, 2005, and SB 473, which has a compliance date for institutions of higher education of September 1, 2007. Each act amends the Texas Business and Commerce Code by adding Section 35.58, although the text of Section 35.58 as added by each act differs. Each institution shall comply with the provisions of the two Sections 35.58 added by SB 611 and by SB 473, as the sections may be subsequently amended, by the respective dates stated in the legislation.

3.4 Control Access to Social Security Numbers

*Compliance Date: One year after the approval date of this Business Procedures Memorandum, except for **Section 3.4.2**, for which the compliance date shall be the date that the institution commences compliance with **Section 3.1.5**.*

3.4.1 The institution shall limit access to records containing social security numbers to those employees who need to see the number for the performance of the employees' job responsibilities.

3.4.2 The institution shall monitor access to records containing social security numbers by the use of appropriate measures as reasonably determined by the institution.

3.4.3 The institution shall protect the security of records containing social security numbers during storage using physical and technical safeguards (such safeguards may include encrypting electronic records, including backups, and locking physical files).

3.4.4 Records containing social security numbers should not be stored on institutional or personal computers or other electronic devices that are not secured against unauthorized access.

3.4.5 Social security numbers may not be shared with third parties except:

3.4.5.1 As required or permitted by law; or

3.4.5.2 With the consent of the individual; or

3.4.5.3 Where the third party is the agent or contractor for the institution and the safeguards described in **Section 3.4.6** are in place to prevent unauthorized distribution; or

3.4.5.4 As approved by the Office of General Counsel.

3.4.6 When social security numbers are shared with a third party that is the agent or contractor for the institution, a written agreement should be entered into to protect the confidentiality of the social security number as required by this Business Procedures Memorandum. The institution should hold the third party accountable for compliance with the provisions of the written agreement through regular monitoring or auditing. The written agreement should:

3.4.6.1 Prohibit the third party from disclosing the social security number, except as required by law; and

3.4.6.2 Require the third party to use adequate administrative, physical, and technical safeguards to protect the confidentiality of records or record systems containing social security numbers.

3.5 Protect Social Security Number with Security Safeguards

*Compliance Date: Immediately, except for **Sections 3.5.1** and **3.5.2**, for which the compliance date shall be one year after the approval date of this Business Business Procedures Memorandum.*

3.5.1 Each institution shall develop and implement a written security plan for records and record systems that contain social security numbers. The security plan shall include administrative, physical, and technical safeguards.

3.5.2 Each institution shall require its employees to secure records containing social security numbers in accordance with the institution's security plan.

3.5.3 Records or media (such as disks, tapes, hard drives) containing social security numbers shall be discarded:

3.5.3.1 In a way that protects the confidentiality of the social security number, such as shredding, reformatting, erasing, or otherwise modifying the material to make it unreadable or indecipherable; and

3.5.3.2 In accordance with the institution's records retention schedule.

3.5.4 All systems acquired or developed after the date that this Business Procedures Memorandum is approved must comply with the requirements stated below. If the acquisition or development is in process on the date that this Business Procedures Memorandum is approved, however, the system is exempt from these requirements:

3.5.4.1 The system must use the social security number only as a data element or alternate key to a database and not as a primary key to a database;

3.5.4.2 The system must not display social security numbers visually (such as on monitors, printed forms, system outputs) unless required by law or permitted by this Business Procedures Memorandum;

3.5.4.3 Name and directory systems must be capable of being indexed or keyed on the unique identifier, once it is assigned, and not on the social security number; and

3.5.4.4 For those databases that require social security numbers, the databases may automatically cross-reference between the social security number and other information through the use of conversion tables within the system or other technical mechanisms.

3.6 Establish Accountability for Protecting the Confidentiality of Social Security Numbers

Compliance Date: Sixty days after the approval date of this Business Procedures Memorandum, except for Section 3.6.1, for which the compliance time frame is stated in that section.

3.6.1 Each institution shall deliver training on the confidentiality of social security numbers and the provisions of this Business Procedures Memorandum. Initial training of all employees shall commence no later than 180 days after the approval date of this Business Procedures Memorandum, and subsequent training shall be in accordance with the following schedule, or more frequently as determined by the institution:

3.6.1.1 To all employees once every two years; and

3.6.1.2 To each new, temporary or contract worker before the worker begins performing job responsibilities that include the handling of social security numbers.

3.6.2 The institution shall require employees with access to social security numbers to acknowledge their awareness of the provisions of this Business Procedures Memorandum and the institution's internal policies and procedures for the protection of the confidentiality of social security numbers. The institution, at its option, may require this acknowledgment from all employees.

3.6.3 Each institution shall establish a schedule for risk assessments and audits of systems containing social security numbers.

3.6.4 The President of each component institution and the Chancellor shall be responsible for compliance with this Business Procedures Memorandum and shall designate an individual within the organization to serve as the institution's SSN Coordinator. The reporting structure for the SSN Coordinator shall be determined by the President or the Chancellor, as applicable, or his or her designee. The responsibilities of the SSN Coordinator shall include the following:

3.6.4.1 Coordinate with the other institutional SSN Coordinators to develop System-wide educational materials for the training required by this Business Procedures Memorandum and to develop System-wide Web pages to serve as resource materials;

3.6.4.2 Review and approve the proposed use of social security numbers in any new electronic system to be acquired or developed by the institution;

3.6.4.3 Oversee the implementation of and monitor compliance with the provisions of this Business Procedures Memorandum at the institution;

3.6.4.4 Meet periodically with the other SSN Coordinators to ensure uniformity across the System in the implementation of this Business Procedures Memorandum;

3.6.4.5 Provide support, guidance and problem resolution with respect to this Business Procedures Memorandum and applicable institutional policies and procedures;

3.6.4.6 Serve as the intermediary between departments within the institution and legal counsel with respect to matters pertaining to the collection, use or disclosure of social security numbers, the preparation of disclosure notices for requests for social security numbers that are not covered by pre-approved disclosure notices, and contractual provisions governing releases of social security numbers to third parties. Requests for releases of social security numbers pursuant to the Public Information Act are not governed by this Business Procedures Memorandum and will be handled in accordance with Business Procedures Memorandum 32 and the applicable policies of the institution;

3.6.4.7 Designate the institutional office to be responsible for maintaining and administering the

unique identifier;

3.6.4.8 Maintain a list of pre-approved third parties to whom the institution may release social security numbers; and

3.6.4.9 Maintain a record set of pre-approved disclosure notices to be used when social security numbers are requested and pre-approved contractual provisions for use when an institution releases social security numbers to a third party that is the agent or contractor for the institution.

3.6.5 The institution shall require employees to report promptly inappropriate disclosure of social security numbers to their supervisors, who shall report the disclosure to the SSN Coordinator. Reporting by the employee may be anonymous, in accordance with the institution's compliance program, if the employee so chooses. Retaliation against an employee who in good faith reports an inappropriate disclosure of social security numbers is prohibited. If the supervisor and SSN Coordinator determine that social security numbers were inappropriately disclosed and individuals have been put at risk of identity theft or other harm as a result of the disclosure, the institution shall take all reasonable steps to promptly notify the individuals affected.

3.6.6 Institutions shall adopt rules of conduct applicable to employees and students to implement this Business Procedures Memorandum. The rules of conduct shall stipulate that a person who fails to comply with the rules of conduct may be subject to appropriate disciplinary action, including discharge or dismissal in accordance with the institution's policies and procedures, and shall include the following:

3.6.6.1 Employees and students shall comply with the provisions of this Business Procedures Memorandum and related institutional policies and procedures;

3.6.6.2 Employees may not request disclosure of a social security number if it is not necessary and relevant to the purposes of the institution and the particular function for which the employee is responsible;

3.6.6.3 Employees and students may not disclose social security numbers to unauthorized persons or entities;

3.6.6.4 Employees and students may not seek out or use social security numbers relating to others for their own interest or advantage; and

3.6.6.5 Employees responsible for the maintenance of records containing social security numbers shall observe all institutionally-established administrative, technical, and physical safeguards in order to protect the confidentiality of such records.

4. DEFINITIONS

Employee: Both full-time and part-time positions at an institution, whether the position is filled or to be filled by a regular or temporary worker, and including student workers and faculty.

Student: A person (a) currently enrolled at an institution, or (b) accepted for admission or readmission to an institution, or (c) enrolled at an institution in a prior semester or summer session and eligible to continue enrollment in the semester or summer session that immediately follows.

5. AUTHORITY

The statutory authority for this Business Procedures Memorandum is provided by Texas Education Code § 65.31. General Powers and Duties. This Business Procedures Memorandum is intended to comply with the following laws:

Federal Privacy Act of 1974 (Section 7 of Pub. L. 93-579 in Historical Note), 5 U. S. C., § 552a
 Social Security Act, 42 U. S. C. §§ 408(a)(8) and 405(c)(2)(C)(viii)(I)
 Family Educational Rights and Privacy Act, 20 U. S. C. § 1232g
 Texas Business and Commerce Code, § 35.58, as added by 78th Leg., SB 611
 Texas Business and Commerce Code, § 35.58, as added by 78th Leg., SB 473
 Texas Government Code, § 559.003

6. APPLICABILITY

This Business Procedures Memorandum is applicable to each component institution of The University of Texas System and to System Administration (each referred to herein as an "institution").

7. INTERPRETATION

The SSN Coordinator at System Administration officially interprets this Business Procedures Memorandum and is responsible for revising it as necessary to meet the changing needs of The University of Texas System and statutory requirements.

8. APPROVAL AND REVISIONS

Approved January 30, 2004, by the Vice Chancellor for Business Affairs, Philip R. Aldridge.

[Appendix 1](#): Examples of Federal Laws Requiring the Use or Collection of Social Security Numbers

[Appendix 2](#): Examples of State Laws Requiring the Use or Collection of Social Security Numbers

[Appendix 3](#): Pre-approved Text for Notice Required by the Federal Privacy Act of 1974

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Provided by the [Office of Business Affairs](#)

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