



CDSS

WILL LIGHTBOURNE
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES

744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



EDMUND G. BROWN JR.
GOVERNOR

JUNE 17, 2015

ALL COUNTY LETTER NO. 15-36

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order
- Clarification Requested by One or More Counties
- Initiated by CDSS

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY CALWORKS PROGRAM SPECIALISTS
ALL COUNTY CALFRESH PROGRAM SPECIALISTS
ALL COUNTY REFUGEE PROGRAM COORDINATORS
ALL COUNTY SPECIAL INVESTIGATIVE UNIT CHIEFS
ALL COUNTY CONSORTIA PROJECT MANAGERS

SUBJECT: EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD)
CONFIDENTIALITY AGREEMENT REQUIREMENTS

REFERENCE: DEPARTMENT OF HEALTH CARE SERVICES (DHCS)
ALL COUNTY WELFARE DIRECTORS (ACWDL) LETTER 14-02
DATED JANUARY 29, 2014, ALL COUNTY INFORMATION NOTICE
(ACIN) I-27-07 DATED MAY 1, 2007

The purpose of this letter is to provide instructions to authorized county staff that use confidential employment information provided by EDD in the administration of the California Work Opportunity and Responsibility to Kids (CalWORKs), CalFresh, and Refugee Cash Assistance (RCA) programs. Specifically, this letter provides County Welfare Departments (CWDs) with procedures for county staff who review confidential employment data from the following Income and Eligibility Verification System (IEVS) data matches: Integrated Fraud Detection, Payment Verification System, and the New Hire Registry. In addition, these procedures apply to the unemployment and/or disability insurance data that county staff request directly from EDD. (ACIN I-27-07).

Background

The California Department of Social Services (CDSS) has an agreement with EDD for the use of confidential employment information to assist in the administration of public assistance programs. This information is part of the IEVS. CDSS in turn provides this EDD data to CWDs, for the sole purpose of verifying employment and eligibility of

applicants for, and recipients of, the above listed programs. Because of the confidential nature of the data, the EDD requires that CDSS have all county staff authorized to access, use, view, receive, transmit, store, disclose, modify, or destruct EDD data, sign a confidentiality agreement.

Requirements

Adequate precautions must be taken by the CWDs to protect the confidential employment data as it contains sensitive information such as wages, claims, employer addresses, and unemployment insurance payment history. Confidential employment data must be limited to authorized county staff. The EDD requires that each county staff member assigned to access, use, view, receive, transmit, store, disclose, modify, or destruct information provided by EDD complete and sign an EDD Confidentiality Agreement (Attachment A, the EDD Confidentiality Agreement is designated as Exhibit D1 as it is part of the agreement between CDSS and EDD). If the county staff member uses the EDD information for more than one program, i.e. CalWORKs and CalFresh, he/she is only required to sign one confidentiality agreement. In addition, in January 2014 DHCS sent [ACWDL 14-02](#) requiring county staff who use EDD's data for the Medi-Cal program to sign EDD's Confidentiality Agreement. Any county staff member who has already signed the confidentiality agreement pursuant to that ACWDL, and who also uses the EDD data for CalWORKs/CalFresh/RCA does not need to sign a new confidentiality agreement.

The county staff must fully understand and abide by the requirements in the EDD Confidentiality Agreement and the EDD Confidentiality Requirements (Attachment B). EDD's Confidentiality Agreement form is mandatory; CWDs may not substitute an existing county employee confidentiality agreement for the enclosed EDD Confidentiality Agreement. When filling out the EDD Confidentiality Agreement, authorized county staff should print their name clearly and initial along each acknowledgement and agreement.

CWDs are requested to appoint a Single Point of Contact (SPOC), at the CWD's discretion, who will be responsible for the administration of the EDD Safeguard Confidentiality Agreement Certification process. The SPOC must ensure and certify that all county staff who handle EDD data for CalWORKs, CalFresh, and Refugee Cash Assistance, sign the EDD Confidentiality Agreements. The SPOC will complete and sign the EDD Confidentiality Agreement Certification form (Attachment C).

The EDD Confidentiality Agreements must be completed by county staff who handle EDD data for CalWORKs, CalFresh, and Refugee Cash Assistance and submitted to the SPOC. The SPOC shall retain the EDD Confidentiality Agreements on file and have the agreements available for review upon request by CDSS or EDD.

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Please submit the SPOC certified EDD Confidentiality Agreement Certification form by July 31, 2015, to the following address:

California Department of Social Services
Fraud Bureau
744 P Street, MS 9-11-26
Sacramento, CA 95814
Attn: Safeguard Coordinator

If you have any questions regarding the instructions of this letter, please contact Suzie Steinwert, Manager, Fraud Bureau Policy Unit, at (916) 653-1826 or by email at Suzanne.steinwert@dss.ca.gov.

Sincerely,

Original Document Signed By:

TODD R. BLAND
Deputy Director
Welfare to Work Division

Attachments

EMPLOYMENT DEVELOPMENT DEPARTMENT CONFIDENTIALITY AGREEMENT

Information resources maintained by the State of California Employment Development Department (EDD) and provided to your agency may be confidential or sensitive. Confidential and sensitive information are not open to the public and require special precautions to protect it from wrongful access, use, disclosure, modification, and destruction. The EDD strictly enforces information security. If you violate these provisions, you may be subject to administrative, civil, and/or criminal action.

_____ an employee of _____
PRINT YOUR NAME PRINT YOUR EMPLOYER'S NAME

hereby acknowledge that the confidential and/or sensitive records of the Employment Development Department are subject to strict confidentiality requirements imposed by state and federal law include the California Unemployment Insurance Code (CUIC) §§1094 and 2111, the California Civil Code (CCC) §1798 et seq., the California Penal Code (CPC) §502, Title 5, USC §552a, Code of Federal Regulations, Title 20 part 603, and Title 18 USC §1905.

_____ acknowledge that my supervisor and/or the Contract's Confidentiality and Data Security Monitor reviewed with me the confidentiality and security requirements, policies, and administrative processes of my organization and of the EDD.
INITIAL

_____ acknowledge responsibility for knowing the classification of the EDD information I work with and agree to refer questions about the classification of the EDD information (public, sensitive, confidential) to the person the Contract assigns responsibility for the security and confidentiality of the EDD's data.
INITIAL

_____ acknowledge responsibility for knowing the privacy, confidentiality, and data security laws that apply to the EDD information I have been granted access to by my employer, including CUIC §§1094 and 2111, California Government Code § 15619, CCC § 1798.53, and CPC § 502.
INITIAL

_____ acknowledge that wrongful access, use, modification, or disclosure of confidential information may be punishable as a crime and/or result in disciplinary and/or civil action taken against me—including but not limited to: reprimand, suspension without pay, salary reduction, demotion, or dismissal—and/or fines and penalties resulting from criminal prosecution or civil lawsuits, and/or termination of contract.
INITIAL

_____ acknowledge that wrongful access, inspection, use, or disclosure of confidential information for personal gain, curiosity, or any non-business related reason is a crime under state and federal laws.
INITIAL

_____ acknowledge that wrongful access, use, modification, or disclosure of confidential information is grounds for immediate termination of my organization's Contract with the EDD.
INITIAL

_____ agree to protect the following types of the EDD confidential and sensitive information:
INITIAL

- | | |
|---|---|
| <ul style="list-style-type: none"> • Wage Information • Employer Information • Claimant Information • Tax Payer Information | <ul style="list-style-type: none"> • Applicant Information • Proprietary Information • Operational Information (manuals, guidelines, procedures) |
|---|---|

_____ hereby agree to protect the EDD's information on either paper or electronic form by:
INITIAL

- Accessing or using the EDD supplied information only as specified in the Contract for the performance of the specific work I am assigned.
- Never accessing information for curiosity or personal reasons.
- Never showing or discussing sensitive or confidential information to or with anyone who does not have the need to know.
- Placing sensitive or confidential information only in approved locations.
- Never removing sensitive or confidential information from the work site without authorization.
- Following encryption requirements for all personal, sensitive, or confidential information in any portable device or media.

“I certify that I have read and initialed the confidentiality statements printed above and will abide by them.”

_____ Print Full Name (last, first, MI)

_____ Signature

_____ Print Name of Requesting Agency

_____ Date Signed

Check the appropriate box:

- | | |
|--|------------------------------------|
| <input type="checkbox"/> Employee | <input type="checkbox"/> Student |
| <input type="checkbox"/> Subcontractor | <input type="checkbox"/> Volunteer |
| <input type="checkbox"/> Other | |

_____ Explain

EXHIBIT D
(Interagency Agreement)

PROTECTION OF CONFIDENTIALITY

Federal and state confidentiality laws, regulations, and administrative policies classify all the Employment Development Department (EDD) information provided under this Agreement as confidential. The federal and state laws prohibit disclosure of the EDD's confidential information to the public and mandate its protection against loss and against unauthorized access, use, disclosure, modification, or destruction.

The CDSS must therefore, agree to the following security and confidentiality requirements:

I. ADMINISTRATIVE SAFEGUARDS

- a. Adopt policies and procedures to ensure use of the EDD's confidential information solely for purposes specifically authorized under this Agreement that meets the requirements of Title 20, Code of Federal Regulations §603.10.
- b. Warrant by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee. In the event of a breach or violation of this warranty, the EDD shall have the right to annul this Agreement without liability, in addition to other remedies provided by law.
- c. Warrant and certify that in the performance of this Agreement you will comply with all applicable statutes, rules, and/or regulations and Agreement information security requirements, including but not limited to the following:
 - [Unemployment Insurance Code §1094 \(Disclosure Prohibitions\)](#)
 - Title 20, Code of Federal Regulations [§603.9](#) and [§603.10](#) (Federal Unemployment Compensation Safeguards and Security Requirements)
 - [Civil Code §1798](#), et seq. (Information Practices Act)
 - [Penal Code §502](#) (Computer Fraud Act)
 - [Title 5, U.S. Code §552a](#) (Federal Privacy Act Disclosure Restrictions)
 - [Title 42, U.S. Code §503](#) (Social Security Act)
 - [Title 18, U.S. Code §1905](#) (Disclosure of Confidential Information)
- d. Except for State Agencies, agree to indemnify the EDD against any loss, cost, damage or liability resulting from violations of these applicable statutes, rules and/or regulations and Agreement information security requirements.
- e. Protect the EDD's information against unauthorized access, at all times, in all forms of media. Access and use the information obtained under this Agreement only to the extent necessary to assist in the valid administrative needs of the program receiving such information and only for the purposes defined in this Agreement.
- f. Keep all the EDD confidential information completely confidential. Make this information available to authorized personnel on a "need-to-know" basis and only for the purposes authorized under this Agreement. "Need to know" refers to those authorized personnel who need information to perform their official duties in connection with the uses of the information authorized by this Agreement.

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- g. Notify the EDD immediately upon discovery that there may have been a breach in security which has or may have resulted in compromise to the confidential information. For purposes of this section, immediately is defined within 24 hours of discovery of the breach. The notification must describe the incident in detail and identify responsible personnel (name, title and contact information)

II. MANAGEMENT SAFEGUARDS

- a. Acknowledge that the confidential information obtained by the CDSS under this Agreement remains the property of the EDD.
- b. Instruct all personnel assigned to work with the information provided under this Agreement regarding the:
- Confidential nature of the EDD information,
 - Requirements of this Agreement, and
 - Sanctions specified in federal and state unemployment compensation laws and of any other relevant statutes against unauthorized disclosure of confidential information provided by the EDD.
- c. Require completion of the following documents as specified:
- **State Agencies:**
 - Employment Development Department Confidentiality Agreement (Attachment D1): Required to be completed by all personnel assigned to work with the information provided by EDD.
 - Employment Development Department Statement of Responsibility Information Security Certification (Attachment D3): Required to be completed by the Information Security Officer or authorized Management Representative.
 - **State Agency Contractors and Subcontractors:**
 - Employment Development Department Confidentiality Agreement (Attachment D1): Required to be completed by all personnel assigned to work with the information provided by the EDD.
 - Employment Development Department Indemnity Agreement (Attachment D2): Required to be completed by Chief Financial Officer or authorized Management Representative.
 - Employment Development Department Statement of Responsibility Information Security Certification (Attachment D3): Required to be completed by the Information Security Officer or authorized Management Representative.
 - **All other Public and Private Requesters:**
 - Employment Development Department Confidentiality Agreement (Attachment D1): Required to be completed by all personnel assigned to work with the information provided by the EDD.

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- Employment Development Department Indemnity Agreement (Attachment D2): Required to be completed by Chief Financial Officer or authorized Management Representative.
 - Employment Development Department Statement of Responsibility Information Security Certification (Attachment D3): Required to be completed by the Information Security Officer or authorized Management Representative.
- d. Permit the EDD to make on-site inspections to ensure that the terms of this Agreement are being met. Make available to the EDD staff, on request and during on-site reviews, copies of the Employment Development Department Confidentiality Agreement (Attachment D1) completed by personnel assigned to work with the EDD's confidential information and hereby made a part of this Agreement
- e. Return the required Employment Development Indemnity Agreement (Attachment D2) and/or the Employment Development Department Statement of Responsibility Information Security Certification (Attachment D3) with the signed contract to the EDD-Contract Services Manager.
- f. Maintain a system of records sufficient to allow an audit of compliance with the requirements under subsection (d) of this part. Permit the EDD to make on-site inspections to ensure that the requirements of federal and state privacy, confidentiality and unemployment compensation statutes and regulations are being met including but not limited to [Social Security Act §1137\(a\)\(5\)\(B\)](#).

III. USAGE, DUPLICATION, AND REDISCLOSURE SAFEGUARDS

- a. Use EDD's confidential information only for purposes specifically authorized under this Agreement. The information is not admissible as evidence in any action or special proceeding except as provided under Section 1094(b) of the Unemployment Insurance Code. Section 1095(u) of the Unemployment Insurance Code does not authorize the use of the EDD's confidential information by any private collection agency.
- b. Extraction or use of the EDD information for any purpose outside the purposes stated in this Agreement is strictly prohibited. The information obtained under this Agreement shall not be reproduced, published, sold or released in original or any other form not specifically authorized under this Agreement.
- c. Disclosure of any the EDD information to any person or entity not specifically authorized in this Agreement is strictly prohibited. Personnel assigned to work with the EDD's confidential information shall not reveal or divulge to any person or entity any of the confidential information provided under this Agreement except as authorized or required by law.

IV. PHYSICAL SAFEGUARDS

- a. Take precautions to ensure that only authorized personnel are given access to physical, electronic and on-line files. Store electronic and hard copy information in a place physically secure from access by unauthorized persons. Process and store information in electronic format, such as magnetic tapes or discs, in such a way that unauthorized persons cannot retrieve the information by means of computer, remote terminal or other means.
- b. Secure and maintain any computer systems (network, hardware and software applications) that will be used in the performance of this Agreement. This includes ensuring that all security patches, upgrades,

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and anti-virus updates are applied as appropriate to secure data that may be used, transmitted or stored on such systems in the performance of this Agreement

- c. Store all the EDD confidential documents in a physically secure manner at all times to prevent unauthorized access.

- d. Store the EDD's confidential electronic records in a secure central computer facility. Where in-use on a shared computer system or any shared data storage system, ensure appropriate information security protections are in place. The CDSS agency shall ensure that appropriate security access controls, storage protections and use restrictions are in place to keep the confidential information in the strictest confidence and shall make the information available to its own personnel on a "need to know basis" only.
- e. A Cloud Computing environment cannot be used to receive, transmit, store, or process the EDD's confidential data.
- f. Store the EDD confidential data in encrypted format when recorded on removable electronic storage media, or on mobile computing devices, such as a laptop computer.
- g. Maintain an audit trail and record data access of authorized users and authorization level of access granted to the EDD's data, based on job function
- h. Direct all personnel permitted to use the EDD's data to avoid leaving the data displayed on their computer screens where unauthorized users may view it. Personnel should retrieve computer printouts as soon as they are generated so that the EDD data is not left unattended in printers where unauthorized personnel may access them.
- i. Dispose of confidential information obtained from the EDD, and any copies thereof made by the CDSS, after the purpose for which the confidential information is disclosed is served. Disposal means return of the confidential information to the EDD or destruction of the information utilizing an approved method of confidential destruction, which includes electronic deletion (following Department of Defense specifications) shredding, burning, or certified or witnessed destruction.

**Employment Development Department
Confidentiality Agreement Certification**

To: CDSS Welfare Fraud Bureau Safeguard Coordinator

I certify that all staff of the County of _____ who receive, transmit, store, or process the confidential data provided by the California Employment Development Department (EDD) either directly or from the California Department of Social Services (CDSS) have signed EDD's Confidentiality Agreement. Staff who sign EDD's Confidentiality Agreement are aware of the criminal and civil penalties associated with the unauthorized access to, use of, or disclosure of information provided to the County by the EDD and the CDSS as described in California Unemployment Insurance Code §1094 and 2111, California Government Code §15619, California Civil Code §1798.53, and California Penal Code §502.

This letter covers staff who receive, transmit, store, or process EDD data found in the Income and Eligibility Verification System (IEVS) match reports known as the Payment Verification System, Integrated Fraud Detection, and New Hire Registry as well as the unemployment and/or disability insurance data that county staff request directly from EDD.

These Confidentiality Agreements will remain on file within the County and are to be provided on request to EDD or CDSS, or their representatives.

Signature

Title

Please Print Name

Date

Email Address

Phone Number

Please submit to: California Department of Social Services (CDSS) Welfare Fraud Bureau, 744 P Street MS 9-11-26, Attn: Safeguard Coordinator, Sacramento, CA 95814.