

**Teachers' Retirement System**  
**Policy 2-0500-001**  
**Policy on Privacy and Security of Personal Information and Notification of  
Breach of the Security of a Data System**

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**Section:** Organizational

**Effective Date:** February 2, 2012

**Implementers:** All TRS Personnel

**Last Review Date:** February 2, 2012

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**Purpose:** This policy sets forth TRS's objectives for maintaining the privacy and security of personal information gathered, maintained, used, and disclosed by TRS personnel as necessary to conduct the business of TRS and for notification of affected individuals of a breach of the security of a TRS data system.

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**Glossary:**

*"Breach"* means the unauthorized access to or acquisition of computerized data that materially compromises the security, confidentiality, or integrity of the personal information maintained by TRS or by a third party on behalf of TRS, and causes or is reasonably believed to cause loss or injury to a person.

*"Individual"* means a human being.

*"Person"* means an individual, a partnership, a corporation, an association, or a public organization of any character.

*"Personal information"* means a first name or first initial with a last name in combination with any one or more of the following data elements when the name and data elements are not encrypted, except that the following data elements are not personal information if they are publicly available information that is lawfully made available to the general public from federal, state, local, or tribal government records:

- a. a social security number or tax identification number
- b. a driver's license number
- c. an identification number issued pursuant to 61-12-501, MCA
- d. a tribal identification number or enrollment number
- e. an identification number issued by any state, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, or American Samoa
- f. an account number or credit or debit card number in combination with any required security code, access code, or password that would permit access to a person's financial account

*"Redact"* means to alter personal information contained within data to make all or a significant part of the data unreadable.

*"Third party"* means a person or another state agency who is not a TRS staff member, a third party agent, or the member, retiree, joint annuitant, beneficiary, or alternate payee to whom the personal information pertains.

*"Third party agent"* means a person with a contractual obligation to perform a function for TRS, which function requires disclosure by TRS to the third party agent of some personal information data elements, or access to TRS data systems that contain personal information.

*"TRS Personnel"* means all members of the TRS board of trustees and all employees of TRS.

*"Truncate"* means that no more than the last four digits of an identification number are accessible as part of the data.

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**Policy:**

I. Privacy and Security of Personal Information/Social Security Numbers

- A. TRS is required to gather, maintain, use, and disclose personal information, including the social security numbers of members, retirees, joint annuitants, beneficiaries, and alternate payees, in order to administer the retirement system, including in order to comply with state and federal law pertaining to tax reporting of benefits paid by the retirement system. TRS also must obtain financial account information pertaining to individuals to whom it pays benefits for the purpose of effectuating direct deposit or other appropriate transfer of payments due to a retiree, joint annuitant, beneficiary, or alternate payee. TRS will gather, maintain, use and disclose personal information, including social security numbers and financial account information, as necessary to administer the retirement system, including to comply with state and federal law pertaining to tax reporting of benefits paid.
- B. TRS will gather, maintain, use and disclose personal information of members, retirees, joint annuitants, beneficiaries, and alternate payees only as necessary to properly administer the retirement system, and as otherwise allowed or required by law. TRS staff shall access, use, and disclose such personal information only as necessary to perform assigned job functions.
- C. In order to perform assigned job functions, all TRS staff members will need to acquire personal information and access data systems and documents containing personal information, including social security numbers and financial account information, of any member, retiree, joint annuitant, beneficiary, or alternate payee. All TRS staff members are

authorized to acquire and access such personal information as necessary to perform assigned job functions.

- D. TRS will gather full social security numbers only as necessary to initially establish the identify of a TRS member, retiree, joint annuitant, beneficiary or alternate payee, or as necessary to verify and document the identity of a specific member, retiree, joint annuitant, beneficiary, or alternate payee related to remittance of contributions or other payments of amounts owed to the retirement system, payment of benefits, distribution of benefits under a family law order, disclosure of personal information pursuant to an authorization to disclose, or in other circumstances in which full match of name and social security number are necessary to verify the identity of the individual. In all other circumstances, TRS will gather, use, and disclose only truncated social security numbers for purposes of verifying the identity of an individual previously identified to the retirement system through submission of a full social security number.
- E. TRS may disclose personal information, including full social security numbers, to a third party agent as necessary for the third party agent to perform the functions contracted for, and to maintain the integrity of individual identification in records maintained by TRS and the third party agent. Except as necessary for performance of the contracted functions and to maintain the integrity of individual identification in multiple record sets, TRS shall disclose only truncated social security numbers to a third party agent.
- F. TRS will not disclose a social security number to any third party unless such disclosure is expressly authorized by the individual to whom the social security number pertains or by a representative of the individual acting under authority of law (i.e., power of attorney, order of guardianship or conservatorship, order of appointment of personal representative in a probate proceeding, etc.), or as otherwise authorized or required by law.
- G. In any other circumstance in which any record/document that includes a full social security number is to be disclosed to a third party, TRS staff shall redact the social security number.
- H. TRS staff shall dispose of any record/document that contains a social security number in conformity with TRS's protocols for secure disposal/shredding of personal information.
- I. TRS staff will not store or maintain any unencrypted record or document that includes the social security number or financial account information of any member, retiree, joint annuitant, beneficiary, or alternate payee on any portable electronic device or media (i.e., laptop or notebook computer, iPad, smart phone, thumb or jump drive, computer disc, or other device or

media) except as necessary to perform assigned job functions for which such personal information is necessary. Such personal information may be maintained on a portable device or media only for the period of time necessary to perform the assigned job function, and only while the portable device or media is under the active, personal control of the TRS staff member. Such personal information stored or maintained on a portable device or media must, at a minimum, be protected by a secure password and other security measures and protocols as required by applicable state and TRS security policies.

- J. TRS will contractually require that all third-party agents to whom personal information is disclosed by TRS have an information security policy designed to safeguard personal information.

## II. Notice of Breach of Security of a Data System

- A. Upon discovery or notification of a breach of a TRS data system, TRS shall make reasonable efforts to notify any person whose unencrypted personal information was acquired or is reasonably believed to have been acquired by an unauthorized person. Notice will be provided in writing, without unreasonable delay, except that notice may be delayed if a law enforcement agency determines that notification will impede a criminal investigation and requests a delay of notification.
- B. TRS will contractually require that all third party agents to whom personal information is disclosed by TRS will provide notice to TRS and persons of a breach of security of the third party agent's data systems in conformity with (A).

### **Cross References:**

§§ 2-6-501 through 2-6-504, MCA

**Signature:**

By board action taken on (date) February 2, 2012, and by my signature below, the TRS board has authorized implementation of this original or modified policy. The effective date of this policy is:

X the date of board action set forth above

\_\_\_\_\_ (date)\_\_\_\_\_.

BY: Kari Peiffer, Board Chair

//s Kari Peiffer  
Signature

***TRS policies may be amended or revoked from time to time, with amendments and revocations effective from the date of board action or later date as specified in the policy. The official version of any TRS policy is the version posted on the TRS website, which may be accessed at [www.trs.mt.gov/Policy/Policy.asp](http://www.trs.mt.gov/Policy/Policy.asp). Any deviation between the official version of a policy and a printed version will be resolved in favor of the official version. Hardcopy prints of policies will be dated as of the date of printing. Please make certain to review the material online prior to placing reliance on a printed version.***