I. Policy

This policy establishes a program through which Luther employees working with covered accounts detect and respond to red flags that could indicate identity theft. The policy was written in accordance with the rules and guidelines set forth in 16 CFR Part 681 implementing the identity theft red flags portion of the Fair and Accurate Credit Transactions Act (FACTA) of 2003.

II. Purpose

The program will achieve its objectives by including procedures to:
- Identify relevant red flags for covered accounts offered by Luther College
- Detect the relevant red flags that were identified and incorporated into the program as they occur
- Respond properly to the red flags that are detected in order to prevent or mitigate identity theft
- Ensure the program is adjusted to accommodate the changes in identity theft risks on an ongoing basis

III. Terms and Definitions

- Red Flag – a pattern, practice, or specific activity that indicates the possible existence of identity theft.
- Covered Account – an account that is designed to permit multiple payments or transactions. The covered accounts offered by Luther are its monthly payment plan option for tuition payments, its Perkins/Institutional/International loan programs, and its student health billings.

IV. Procedures and Guidelines

A. Overview of Covered Accounts
- Monthly Payment Plans – Monthly payment plans are available to all actively enrolled students. The following identifying information is required to be an actively enrolled student:
  - College application and essay
  - High school transcript
  - Letter of recommendation
  - ACT/SAT test scores
  - Proof of health insurance
  - Insurance card
  - Health history
  - Physical with physician’s signature
- Perkins and Institutional Loans – Perkins and Institutional loans are offered to Luther students based on eligibility information included in the Free Application for Federal Student Aid (FAFSA). The following identifying information is included and verified by multiple government agencies in the FAFSA:
  o Income and asset information for student and the parents of dependent students
  o Social security number of student and the parents of dependent students
  o Birth date of student and the parents of dependent students

- International Loans – International loans are typically given to students from impoverished countries on an emergency basis. The student must submit an appeal, sign a promissory note, and complete an information sheet before the loan will be disbursed. International loans are always applied to the student’s Luther account.

- Student Health Billings – Most services provided by Student Health are offered to students free of charge, but Student Health does charge for some services. In situations where a student receives a chargeable service from Student Health, he/she receives a bill in his/her student mailbox at a later date. The following identifying information is required before a Student Health appointment:
  o Photo ID
  o Luther student ID number
  o A form updating the student’s medical history

- Identity Theft Risk – Luther College has not experienced any incidents of identity theft related to its covered accounts in the past, and evaluates that the risk is low for identity theft to occur in the future for the following reasons:
  o Account statements regarding monthly payment plans and Perkins/Institutional/International loans include an ID number specific to Luther College instead of a social security number
  o If a student ID number was compromised, an ID number alone could not be used to initiate a covered account.
  o There are effective safeguards against identity theft in the initiation of Perkins/Institutional/International loans, monthly payment plans, and Student Health billings.
  o Third parties that perform debt collection services for Luther College demonstrate effective information security programs that comply with the current industry regulations

B. Identification of Red Flags

- Monthly Payment Plans – The following situations would each constitute a red flag for the initiation of monthly payment plans:
  o Documents that appear to have been altered or forged
  o Discrepancies between various components of the identifying information required for active enrollment
  o Notice from victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft

- Perkins and Institutional Loans – The following situations would each constitute a red flag for the initiation of Perkins and Institutional loans:
  o Notice from other government entities that utilize FAFSA information, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft
  o Accepted award letters from students who are not actively enrolled
• International Loans – The following situations would each constitute a red flag for the initiation of International loans:
  o Documents that appear to have been altered or forged
  o Discrepancies between the information sheet attached to the loan application and information Luther already has on file
  o Notice from international students that an unexpected disbursement was made to their student account

• Student Health Billings – The following situations would each constitute a red flag for the initiation of a Student Health charge that is billed to a student’s account:
  o A student cannot provide a photo ID
  o A student does not demonstrate familiarity with his/her medical history
  o Notice from a student that he/she received an unexpected billing from Student Health

C. Detection of Red Flags – Red flags for monthly payment plans, Perkins/Institutional/International loans, and Student Health billings will be detected by:
  • Obtaining and verifying complete identification information for each person opening a covered account with Luther College
  • Maintaining lines of communication about the validity of existing covered accounts at Luther College

D. Responses to Red Flags – The detection of a red flag at Luther College will trigger a response that is commensurate to the amount of risk associated with the red flag. Appropriate responses include:
  • Closely monitor a covered account for evidence of identity theft
  • Contact the student holding the covered account
  • Choose to not open a new covered account
  • Close an existing covered account
  • Notify law enforcement
  • Determine that no response is necessary given the circumstances

E. Ongoing Administration
  • Oversight of the Program – The Board of Regents will approve the initial identity theft protection policy. Afterward, the Office for Financial Services (OFS) will oversee the implementation of the identity theft protection program. The responsibility for detecting red flags will lie with multiple offices on campus that collect identifying information from students and/or initiate covered accounts.

  • Updating the Program – The identity theft protection program will be periodically updated by the Office for Financial Services to reflect the following factors:
    o Any experiences with identity theft that Luther College encounters
    o Changes in methods of identity theft
    o Changes in procedures for detecting, preventing, and mitigating identity theft
    o Changes in the types of covered accounts Luther College offers
    o Changes in service provider agreements

  • The Luther College Cabinet will approve subsequent program updates and policy revisions.