

LUTHER COLLEGE

Department:	Administrative Services
Subject:	Red Flags Policy
Date Issued:	February 14, 2009 (Board of Regents approved)
Updated and Reviewed By:	Information Security Council – May 19, 2022
Approved By:	President’s Cabinet – December 14, 2022

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 are identified and incorporate them into the program as they occur.
- Respond properly to the detected red flags in order to prevent or mitigate identity theft.
- Annually, ensure the program accommodates the changes in identity theft risks and is reviewed and adjusted accordingly.

III. Terms and Definitions

- Red Flag – a pattern, practice, or specific activity that indicates the possible existence of identity theft or potentially compromised personally identifiable information (PII).
- Covered Account – an account that is designed to permit multiple payments or transactions. An example of a covered account offered by Luther College is the monthly payment plan option for tuition payments.
- ID – identification.
- Norse Card – Luther’s internal charging system used by the Book Shop and Dining Services.

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 (currently optional for all students)
 - Health history

- o Physical with physician's signature
- Institutional Loans – Luther College offers institutional loans 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 with the Financial Aid Office before the loan is disbursed. International loans are always applied to the Luther student's account.
- Book Shop Charges – Luther students, faculty and staff may charge Book Shop purchases to their student or personal Norse Card accounts.
 - o A Luther photo ID is required to initiate a charge.
 - o For Luther students, charging is limited to \$500 per month.
 - Student Book Shop charges are allowed from August through April each academic year.
 - Book Shop charges are applied to the student accounts receivable.
 - o Faculty and staff monthly limits vary based upon the individual.
 - Faculty and staff may use their Norse Card to charge for Luther College Dining Services and for the use of dining dollars.
 - Book Shop and Dining Services charges are paid through payroll deductions.
- 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 Institutional/International loans include an ID number specific to Luther College instead of a personal social security number.
 - o Students and, with approval, their parents have online access to monitor the student account through NorseHub.
 - o If a student ID number is compromised, an ID number alone is not considered personally identifiable information and could not be used to initiate a covered account.
 - o In order to receive a new student photo ID, a student must:
 - Confirm their student ID number and birth date.
 - Request a replacement ID card, where the prior ID photo is used to verify the student's identity by comparing the photo to the student requesting the replacement.
 - Invalidate the prior ID card when a replacement ID card is issued. The prior ID automatically becomes invalid through dining services.
 - o There are effective safeguards against identity theft in the initiation of Institutional/International loans and monthly payment plans such as:
 - Students must be registered for classes.
 - Students must have a current Luther student ID.
 - Students must have a current photo ID.

- Students must meet the requirements for eligibility for a student loan as outlined by their FAFSA and filed with the Financial Aid Office.
- Students must file a monthly payment plan form with the Office for Financial Services per semester if they are participating in the monthly payment plan option.
- Third parties that perform debt collection services for Luther College demonstrate effective information security programs that comply with the current industry regulations and must provide their SOC report to Luther College on an annual basis.

B. Identification of Red Flags

- Monthly Payment Plans – The following situations would each constitute a red flag for the initiation of monthly payment plans:
 - Documents that appear to have been altered or forged.
 - Discrepancies between various components of the identifying information required for active enrollment.
 - No active Luther ID.
 - Notice from victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft.
- Institutional Loans – The following situations would each constitute a red flag for the initiation of Institutional loans:
 - Documents that appear to have been altered or forged.
 - Notice from other government entities that utilize FAFSA information, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft.
 - Accepted award letters from students who are not actively enrolled at Luther College.
- International Loans – The following situations would each constitute a red flag for the initiation of International loans:
 - Documents that appear to have been altered or forged.
 - Discrepancies between the information sheet attached to the loan application and information Luther already has on file.
 - Notice from international students that an unexpected disbursement was made to their student account.
- Book Shop Charges – The following situations would constitute a red flag for initiating Book Shop charges that are billed to a student’s account or to a faculty/staff personal Norse Card account:
 - The person initiating the charge is not the person pictured on the photo ID.
 - Notice from a student that they experienced unexpected Book Shop charges on their statement of account.
 - Notice from faculty or staff that they experienced unexpected Book Shop or dining services charges deducted from their payroll.
 - Notice from a student, faculty or staff that their photo ID unexpectedly became invalid.
 - Notice from a student, faculty or staff that their photo ID has been lost or stolen.

C. Detection of Red Flags – Red flags for monthly payment plans, Institutional/International loans and Book Shop charges 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.
 - Student and, with approval, parent access to NorseHub to enable review of student account information for accuracy and legitimacy.
 - Faculty and staff personally monitoring Norse Card activity through NorseHub.
- 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:
- Follow protocol as outlined by the cybersecurity insurance policy.
 - Closely monitor a covered account for evidence of identity theft.
 - Contact the student holding the covered account.
 - Choice of not opening 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 – Ongoing, the Information Security Council, led by the vice president for finance and administration, will oversee the Red Flags Policy and Information Security Program. The responsibility for detecting red flags will reside with the offices on campus that collect personally identifiable information from staff, faculty or students and/or initiate covered accounts such as Human Resources, Financial Aid, the Registrar, and the Office for Financial Services.
 - The Information Security Council updates the Red Flags Policy and Information Security Program annually. The revised program and policies are subsequently reviewed by the Luther College Cabinet and approved by the President pending their recommendations. Revisions will be recommended based on the following factors:
 - Any incidents with identity theft that Luther College encounters.
 - Changes in methods of identity theft, other current events and best practices.
 - Changes in procedures for detecting, preventing, and mitigating identity theft.
 - Changes in the types of covered accounts Luther College offers.
 - Changes in service provider agreements.

V. Confidentiality and Record

All covered account information is confidential. The Information Security Council oversees and reviews the Red Flags policy and the Information Security Program annually.