

Salem State University

'Red Flag' Program

Background on 'Red Flag' Rules

The Fair and Accurate Credit Transactions Act (FACT) of 2003 established 'Red Flag' rules requiring creditors and financial institutions to have identity theft prevention programs. The Federal Trade Commission (FTC) is the responsible agency to enforce this act. It has been determined that because universities extend credit under certain circumstances, we are obligated to comply with this regulation.

What is a 'Red Flag'?

A 'Red Flag' is a pattern, practice, or specific activity that indicates the possible existence of identity theft.

What is “Identity Theft”?

‘Identity Theft’ is a ‘fraud committed or attempted using the identifying information of another person without authority.’

What is 'Identifying Information'?

'Identifying Information' is 'any name or number that may be used, alone or in conjunction with any other information, to identify a specific person.'

Identifying Information Includes:

Name

Address

Telephone #

Student ID #

Social Security #

Driver's License #

Passport #

Alien Registration #

Date of Birth

Employer or Tax ID #

Computer Internet Protocol Address

Electronic Identification or Routing Code (i.e. bank routing #)

Other Unique Identifying Information

What is a 'Covered Account'?

A 'Covered Account' includes all business, personal or student accounts, or loans that are administered by the university that involve or are designed to defer payments, or permit multiple payments or transactions.

A 'Red Flag' Program

- Must include policies and procedures that identify and detect 'Red Flags' and requires an appropriate response.
- May be flexible to coincide with existing procedures and any future revisions.
- Is not the same as I. T. security (although security through portals and I.P. Addresses does fall under this program).
- Must be designed to increase 'staff awareness' surrounding issues of identity theft.
- Often is first line of defense against identity theft.

Salem State University's 'Red Flag' Program

- Program Administrator (Joseph Donovan) to develop, maintain, and report on program.
- Board of Trustees approved 'Red Flag' Policy. (September 23, 2009)
- Develop and communicate institutional policies and procedures to prevent identity theft.

Salem State University's 'Red Flag' Program (continued)

- Develop and maintain an identity 'awareness' mechanism to train staff on 'Red Flags' associated with identity theft.
- Ensure 'third party' vendors that have access to personal identifying information comply with 'Red Flag' rules and report any 'identity incidences' to the university.
- Reporting mechanism and form for any actual or potential 'identity incidences'.

Training Mechanism to Increase Awareness

- Hosted by outside firm.
- Will require all employees involved with 'Covered' accounts to review and understand 'Red Flag' rules.
- Will document participation and report to Program Administrator and department heads.

Third Party Vendors

- Identify those vendors that deal with personal identifying information.
- Communication to vendors will confirm their compliance with 'Red Flag' rules.
- Requires vendors to advise of any 'Red Flags' involving 'Covered' accounts.

Reporting Mechanism

- A 'Privacy Incident Report' has been developed to advise of any 'Red Flags' and steps taken.
- Form resides on the university's Web site.
- Upon completion, forward form to Program Administrator.
- Periodic 'alerts' may be issued by the Program Administrator as necessary.

University Web site

- Policies and Procedures
- 'Red Flag' Training Site
- Privacy Incident Report
- Links to 'Red Flag' Sites

Contact Information

- Forward inquiries and information to Program Administrator:

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