IDENTITY THEFT

I. Applicability

The Federal Trade Commission (FTC) regulations, known as the "Red Flags Rule(s)," require certain organizations to implement a written identity theft program to detect the warning signs – or “red flags” – of identity theft in their day-to-day operations. Questar III has undertaken an assessment of its practices relating to its provision of products or services and has determined that it is in the “low risk category” under the FTC guidances because:

- A large proportion of its billings are made to public entities such as public school districts and other boards of cooperative educational services;
- Payroll payments made to employees are subject to internal audit testing processes, such as annual personal delivery of paychecks upon presentation of photo identification;
- Generally students receiving financial support as described in Section II.A., below, are known to Questar III staff members responsible for overseeing these programs;
- Other than the two activities identified in section II, below, Questar III does not maintain customer “accounts” typically subject to potential consumer fraud as may be found in for-profit business settings; and
- Questar III has no known history of identity theft complaints.

II. Identification of Red Flags

Questar III has identified two activities where the potential for identity theft, although still considered low risk, is greater. The “red flags” are identified for each activity and process for responding to them are set forth as follows:

A. Adult Education Programs

Questar III maintains "accounts" on behalf of adult education students who obtain financial support for tuition through federal Pell grants or other federal funding sources. Under these programs, payments are made by Questar III to students upon successful completion of portions of their Questar III educational programs. Some students are “private pay” tuition students who are billed (or whose employers are billed) for tuition due.

1. Identification of Red Flags

   a. Notice from another source that an identity theft has occurred or is suspected to have occurred.

   b. Inconsistency between the individual’s enrollment information and other personal identification (such as a photograph ID).
2. Responses to Red Flags

a. Upon receiving verbal or written notice of a student’s identity theft, Questar III staff receiving such notice shall immediately bring such information to the attention of an Assistant Superintendent, who shall direct that additional information be obtained from the student, if necessary, and shall take additional measures to assure that any financial assistance payments made to such student shall be properly directed. The Assistant Superintendent shall obtain the assistance of Questar III internal auditors as needed.

b. Financial payments generally shall be made by check to the student’s address as provided by the student’s enrollment materials. Students shall be encouraged to assure that this address is at all times current. In extraordinary situations, a check may be hand-delivered to the student by an appropriate Questar III staff member. In such instances, the staff member shall require the recipient to produce a photograph ID. In the event there is an inconsistency between the person’s appearance and that on the photograph ID, Questar III staff shall seek verification of the student’s identification by another Questar III staff member.

c. Students in the Adult Education Program shall produce photograph identification upon enrollment in Questar III. In the event there is an inconsistency between the person’s appearance or information and that on the photograph ID, Questar III staff shall seek verification of the student’s identification by other documentation, such as an additional government-issued photograph ID; employment or other education identification; elections commission notices; property tax bills; or utility bills.

B. Billings Sent to Collections Agencies

1. Identification of Red Flags

a. Notice from another source that an identity theft has occurred or is suspected to have occurred.

2. Responses to Red Flags

a. Upon receiving verbal or written notice of an individual’s identity theft, Questar III staff receiving such notice shall immediately bring such information to the attention of an Assistant Superintendent.

b. Upon receiving verbal or written notice of the identity theft of an individual who owes an outstanding debt to Questar III which has been referred to a Collections Agency, Questar III shall immediately notify
the Collections Agency of the identity theft. A record of such notification shall be maintained in the Questar III billings records – including the date, time, and name of the individual to whom such information was provided at the Collections Agency.

c. Questar III shall request and receive verification from any Collection Agency with which it does business that such Agency has established an Identity Theft Program and the Collection Agency will adhere to such program with respect to collections undertaken on behalf of Questar III.

III. Program Administration

A. The Assistant Superintendent for Business and Financial Services shall oversee the implementation, periodic review, and update of the Red Flags protocols set forth in this policy, and shall make periodic recommendations to the Board of Education for amendments to this policy, if needed. Such Assistant Superintendent may seek the advice of Questar III internal audit staff and the Questar III Internal Audit Committee on any matter relating to this policy.

B. The assistant superintendent shall provide appropriate training and copies of this Policy to all staff members who work with programs described in Section II, above.

References

16 C.F.R. § 681.1

ADOPTED: 01/14/10