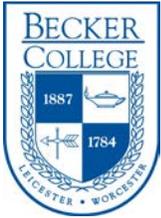


BECKER COLLEGE

RED FLAG IDENTITY THEFT PREVENTION PROGRAM

Approved: 3/10/2016



Becker College's Red Flag Identity Theft Prevention Program

This Red Flag Identity Theft Program (“Program”) is promulgated pursuant to the Federal Trade Commission (FTC) regulation known as the Red Flag Rule (“Rule”) (Sections 114 and 315 of the Fair and Accurate Credit Transactions Act), that is intended to reduce the risk of identity theft. This policy is intended to detect, prevent, and mitigate opportunities for identity theft at Becker College. The Red Flag Rule applies to Becker due to our participation in the Perkins Loan program and our tuition payment plan which is considered a ‘covered account’ and other programs in which Becker is deemed to be a creditor under the Rule. Due to our current policies, procedures and safeguards, our analysis of the type and scope of activity covered in the regulation, and our risk assessment of potential identity theft opportunities, has resulted in a determination that there is a low level risk of possible identity theft at Becker College. There is no evidence of identity theft at Becker College. This Program was approved by David Ellis on March 11, 2016.

Departments/Programs Covered In This Document:

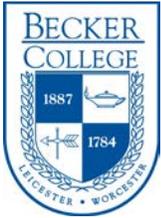
- Office of Financial Aid and Student Employment
- Student Financial Services Office, which encompasses the Student Accounts and Cashier’s Offices

Purpose:

The purpose of this policy is to establish an Identity Theft Prevention Plan designed to prevent, detect, and mitigate identity theft in connection with the opening of a covered account or an existing covered account, as well as with the personal data we collect in house and use on a regular basis to perform our office functions, and to provide for continued administration of the plan. The plan shall include reasonable policies and procedures to:

1. Identify relevant red flags for covered and non-covered accounts.
2. Respond appropriately to any red flags that are detected to prevent and mitigate identity theft.
3. Ensure the plan is updated periodically to reflect changes in risk of identity theft to students.
4. Safeguard documents with sensitive information.
5. Train relevant staff.

The plan shall, as appropriate, incorporate existing policies and procedures that control reasonably foreseeable risks.



Definitions:

Identify theft means fraud committed or attempted using the identifying information of another person without authority.

Covered account means an account that a creditor offers or maintains, primarily for personal, family, or household purposes that involves or is designed to permit multiple payments or transactions.

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

Becker College Covered Accounts:

Becker College has identified the following types of accounts, some of which are covered accounts administered by the College and some administered by a service provider.

College covered accounts:

1. Refund of credit balances
2. Deferment of tuition payments
3. Emergency loans
4. Participation in Perkins loan program for loan origination and promissory note functions.

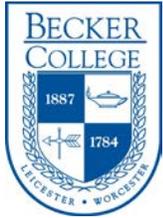
Service provider covered accounts:

5. Becker College Payment Plan administered through Tuition Management Systems
6. Servicing functions for the Perkins loan program administered by Campus Partners

Identification of Red Flags on Covered Accounts:

The plan will detect red flags relevant to each type of covered account as follows:

1. **A. Refund of a credit balance on PLUS loans.** Becker College policy is that any credit balance created by a plus loan is to be refunded in the parent's name and mailed to their address on file within the time period specified. However, should the student or parent request a refund, it must be in writing. If the student is requesting the refund, a phone call is made to the parent and the refund is processed according to the parent's instructions. **Red Flags:** 1) If the ID does not appear to be authentic or does not match the appearance of the student presenting it (student must supply information and picture ID). 2) If the request does not come from a student issued e-mail account. We have determined there is no Red Flag concern on refunds initiated by the College.
B. Refund of credit balance, no PLUS loan. Requests from current students must be made in person or in writing from the student's issued e-mail account. The refund check can only be mailed to an address on file or picked up in person by showing picture ID. Requests from students not currently enrolled or graduated from the college must be made in writing. However, the College may also initiate the refund to former students based on the review of our credit balance reports. **Red Flags:** 1) If the ID does not appear to be authentic or does not match the appearance of the student presenting it (student must supply information and picture ID). 2) If the request does not come from a student issued e-mail account. We have determined there is no Red Flag concern on refunds initiated by the College.



2. **Deferment of tuition payment.** Part time evening and graduate students sign up for the payment plan on-line through a secure site that requires their student ID and password. **Red Flags:** None.
3. **Emergency loan.** Requests must be made in person at the Office of Financial Assistance by presenting a picture ID or in writing from the student's college issued e-mail account. The loan check can only be mailed to an address on file or picked up in person at the Student Financial Services Office by showing picture ID. **Red Flags:** 1) If the ID does not appear to be authentic or does not match the appearance of the student presenting it (student must supply information and picture ID). 2) If the request does not come from a student issued e-mail account.
4. **Book Advance.** Requests must be made in person at the Student Accounts by presenting a picture ID and completing the Book Advance Request form. **Red Flags:** 1) If the ID does not appear to be authentic or does not match the appearance of the student presenting it (student must supply information and picture ID).
5. **Tuition payment plan for full time undergraduate and graduate students.** Students must enroll through Tuition Management Systems for the BUPP. **Red Flag:** None.
6. **Perkins loan program servicing.** Provided by Campus Partners. **Red Flags:** None (see Oversight of Service providers).

Identification of Relevant Non Covered Account Red Flags:

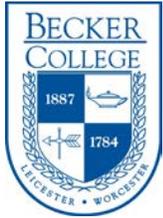
The following includes some, but not all, of the red flags of possible identity theft. Our practices are such that we will identify these flags as we perform our functions, and our staff is regularly trained to be aware of these flags as well as how to properly respond.

- Address discrepancies
- Presentation of suspicious documents
- Photograph or physical description on the identification is not consistent with the appearance of the person presenting the identification
- Personal identifying information provided is not consistent with other personal identifying information on file with the College
- Documents provided for identification that appear to have been altered or forged
- Unusual or suspicious activity related to covered accounts
- Notification from students, borrowers, law enforcement, or service providers of unusual activity related to a covered account
- Notification from a credit bureau of fraudulent activity
- Returned mail

Responding to Red Flags:

The appropriate response to detected red flags are as follows:

1. Deny access to the covered account until other information is available to eliminate the red flag;
2. Contact the student;
3. Change any passwords, security codes or other security devices that permit access to a covered account;
4. Notify law enforcement; or
5. Determine no response is warranted under the particular circumstances.



Should an employee identify a “red flag” (patterns, practices and specific activities that signal possible identity theft), they are instructed to immediately bring it to the attention of the Director of Financial Aid and/or the Director of Student Accounts and/or the Executive Vice President & CFO. The Directors and/or the CFO will investigate the threat of identity theft to determine if there has been a breach and will respond appropriately to prevent future identity theft breaches. Additional actions may include notifying and cooperating with appropriate law enforcement and notifying the student or employee of the attempted fraud.

Oversight of Service Providers/Exchange of Information with Outside Agencies:

While Becker College is not required to monitor, maintain, nor regulate Red Flag compliance by our outside agencies that assist our students (per FTC guidelines), in the interest of our students we have taken the following steps:

- Becker College contracts with Campus Partner, a Perkins Loan service for the purpose of billing and collection of Perkins loan payments. The only information that is shared with Campus Partners is information required to properly bill, service and collect loan payment as established by the Department of Education. This includes student name, address, telephone number, social security number and date of birth. This information is transmitted from Becker to Campus Partners via FTP. Before contracting with unfamiliar third party servicers/agencies, the College ensures they have acceptable privacy procedures in place.
- Becker College uses EOS-CCA for the purpose of collecting overdue student receivables. The only information that is shared with this agency is that information required to perform credit checks, to perform address searches, and to properly bill and collect payment. This includes student name, address, telephone number, social security number and date of birth. Before contracting with unfamiliar third party servicers/agencies, the College ensures they have acceptable privacy procedures in place.
- Becker College is partnered with Official Payments. Official Payments solutions process and manage student account payments. Official Payments is not the creditor and does not hold any of these financial accounts. These accounts are held by the school and, therefore, in accordance with the Red Flag Rules, the school is responsible for maintaining compliance with the Red Flag Rules. Official Payments will supply their update to Becker on their GLB compliance.
- The Office of Financial Assistance has determined that all outside agencies with which we exchange information have their own policies in place to protect the privacy of their customers. The office collects copies of the policies for those agencies with which we work most frequently. These include the policies of our loan guaranty agency, American Student Assistance, the U.S. Department of Education, the Massachusetts Educational Financing Authority, Sallie Mae (and Nellie Mae), Citibank. The information exchanged between this office and outside agencies, and used in the applications we contract with, is protected. Before contracting with unfamiliar third party servicers/agencies, the College ensures they have acceptable privacy procedures in place.



Existing Policies and Practices:

Both the Office of Financial Assistance and the Student Financial Services Office at Becker College maintain files, both electronic and paper, of student biographical and financial records. These records may also include student billing information, Perkins Loan records, and personal correspondence with students and parents. Policies to ensure compliance with Gramm-Leach-Bliley Act (GLB), Family Educational Rights and Privacy Act (FERPA), Payment Card Industry security standards (PCI), system and application security, and internal control procedures provide an environment where identify theft opportunities are mitigated. Records are safeguarded to ensure the privacy and confidentiality of students, parents and employees who attend classes at Becker.

The Office of Financial Assistance and Student Employment must gather financial information and supporting documents from Becker students and their parents to determine their eligibility for federal, state and institutional financial assistance as well as campus employment. Such documents include, but are not limited to, the following:

1. Free Application for Federal Student Aid
2. Federal tax returns, supporting schedules, and W2 forms
3. Information regarding outside scholarships and resources
4. Bank statements and asset information
5. W4 forms and student employment timesheets

In addition, Office of Financial Assistance employees have access to and work with the following information:

1. Education loan applications
2. Billing and student account information
3. Student salary and payroll information

Other Safeguards

- Access to non-directory student data in Becker's Colleague system is restricted to those employees of the College with a need to properly perform their duties. These employees are trained to know FERPA and "Red Flag" regulations.
- Social Security numbers are not used as identification numbers and these data are classified as non-directory student data. The only exception to this rule is for Federal Financial Aid processing where we must collect and use Social Security numbers.



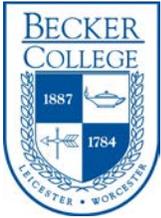
Physical Safeguard of Information:

Physical safeguards of sensitive information in **Student Financial Services:**

- Student Administrative Services (SAS) has a secure shredder bin located at 47 Sever Street and access is limited to employees in SAS.
- The computer at the reception area faces away from the customers so no one can view the detail on a student's account while examination of the account takes place.
- The back-up computer at the reception area is available for the convenience of the students when making credit card payments, waiving their health insurance and printing housing forms for housing deposits. No other student is permitted near this computer while the student is performing their transaction.
- Students' print-outs and folders are located in locked cabinets in the Director's office (accessible only to appropriate individuals).
- Students in collection have files located in a cabinet in the Director's office (accessible only to appropriate individuals).
- Signed Perkins Promissory Notes are hand carried from the Office of Financial Assistance and given to the Associate Director of Student Financial Services. The promissory notes are stored in a locked fire proof cabinet.
- The Cashier's Office is required to report cash payments of \$10,000 or more made over a 12 month time period to the IRS. Copies of the completed forms that are filed with the IRS are stored in a binder in a locked cabinet in the Cash Manager/Associate Director's office.
- Office Keys (**each employee is responsible for locking their office at night**)
 1. The Director and the two Associate Directors all have the key to each other's offices as well as the key to the main offices for Student Accounts and the Cashier's Office.
- File cabinet keys (**each employee is responsible for locking their cabinets at night**)
 1. The Director and the two Associate Directors have keys to each other's file cabinets.
 2. The Assistant Directors have keys to their own cabinets.
- The combination to the vault in the Cashier's Office is known by the Controller, the Director and the two Associate Directors in SFS.
- Other Becker employees that have access to Student Financial Services are:
 1. Vice Presidents of the College
 2. Executive Director of Financial Operations
 3. Staff of Student Financial Services
 4. Custodians
 5. Staff of Facilities Management
 6. Campus Police

Physical safeguards of sensitive information in **Office of Financial Aid:**

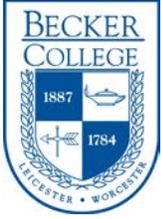
- The outer office is locked and secure during non-operating hours.
- Each internal office is locked and secure during non-operating hours.
- Personal and sensitive documents are housed in a file cabinet that is locked during non-operating hours.
- Each counselor's desk includes a locking drawer and all personal and sensitive documents in-use by counselors are locked at their individual desks during non-operating hours.



- During open office hours, access to files and computer records containing financial information will be guarded and restricted to Financial Assistance/Student Employment professional and clerical staff and student employees.
- When not in use, computers are shut down or locked. Computer information is only accessible with individual usernames and passwords.
- Requests for information from college employees outside of the Office of Financial Assistance must be approved by the Director.
- Information will be released to students and parents in accordance with the Family Educational Rights and Privacy Act (FERPA).
- Information will be released to third parties only when a student has authorized the release of such information in writing.
- Employees may release information to certain third parties without student authorization, if that information is required for the following:
 - Processing of education loans for which the student and/or parent has applied.
 - Audits of the administration of Title IV and State financial aid by the Federal Government, State agencies, or Guaranty agencies.
 - Reporting to the Federal Government about the administration of Title IV financial aid programs.
 - Court subpoenas.
- Conversations with our customers begins with a request for the unique Becker ID number and/or personal information (permanent address, date of birth, social security number) to confirm the identity of those we share personal information with.

Disposal of Information:

- Student Administrative Services (SAS) has a secure shredder bin located at 47 Sever Street and
- When students graduate or withdraw from the college, their files in the Office of Financial Assistance are archived in a secure area.
- Office of Financial Assistance files are kept for at least 5 years from the student's last date of attendance in accordance with record retention standards established by the Department of Education.
- Office of Financial Assistance employees dispose of sensitive materials in a locked bin designated for shredding. The bin is kept in an area of the office accessed only by Office of Financial Assistance Employees. The contents of the bin are accessed and regularly shredded by a hired company, Shred Sense, to ensure proper disposal.
- Student Employment records are maintained in the Office of Financial Assistance temporarily (but with the same precautions and care of all our sensitive materials) before they are hand-delivered to the Becker Human Resources Department for longer term storage/maintenance.



Confidentiality Statement:

- All student employees that work in Student Financial Services and the Office of Financial Aid are required to sign a confidentiality statement when hired and if the confidentiality is violated they are subject to termination.

Periodic Updates to the Plan:

This program will be periodically reviewed and updated to reflect changes in risks to students and the soundness of the College from identity theft. At least once per year, the Program Administrator will consider the College's experiences with identity theft, changes in identity theft methods, changes in identity theft detection and prevention methods, changes in types of accounts the College maintains and changes in the College's business arrangements with other entities. After considering these factors, the Program Administrator will determine whether changes to the Program, including the listing of Red Flags, are warranted. If warranted, the Program Administrator will update the Program.

Training:

All employees are required to take information security training early through MOAT.

Each member of the Financial Aid and Student Financial Services staff is also trained on the importance of guarding our work areas and ensuring that the office is locked at night.

Finally, this document is used as a training tool for all new employees. All new employees are required to read and sign-off on this document yearly through MOAT.