



March 16, 2009

M E M O R A N D U M

TO: District Board of Trustees

FROM: William D. Law, Jr., President

SUBJECT: New Board Policies – Identity Theft and Fraud Prevention

Federal Trade Commission regulations require that creditors and financial institutions develop and implement written identity theft prevention programs. In certain circumstances, postsecondary educational institutions may be subject to the regulations. Review of the requirements disclosed that the College is subject to the regulations in some very limited circumstances. The attached proposed Board Policy “Identity Theft Prevention Program” will address this requirement.

Prevention of fraud has always been a concern at this College. It is a subject that is routinely discussed with auditors. In the past this discussion has been somewhat informal. Because of new auditing standards, they will be requiring a more formalized statement of the Board’s policy. The attached proposed Board Policy “Fraud Detection” will address this requirement.

STAFF RESOURCE: TERESA SMITH

RECOMMENDED ACTION:
Approve the attached policies

TITLE: Identity Theft Prevention Program	NUMBER: 6Hx27:30-_____
AUTHORITY: Florida Statute: 1001.61, 1001.63 1001.64 Florida Administrative Code: 6A-14.0261 Fair and Accurate Reporting Act of 2003, 15 USC § 1601, et.seq.	SEE ALSO:
DATE ADOPTED:	PAGE: 1 of 1

The President, or designee, shall prepare a written Identity Theft Prevention Program (hereafter “Program”) in accordance with the requirements of the Fair and Accurate Reporting Act of 2003, 15 USC § 1601, et. seq., (hereafter “Red Flags Rule”).

The Red Flags Rule applies for the following:

- Users of consumer reports
- Financial institutions and creditors holding “covered accounts”
- Debit and credit card issuers

Where appropriate to the College, the President, or designee, shall develop the Program to include reasonable policies and procedures to detect and mitigate identity theft and enable the College to:

- identify relevant "red flags" (patterns, practices, and specific activities that signal possible identity theft) and incorporate them into the Program;
- train relevant staff as necessary to implement the Program effectively;
- detect the red flags that the Program incorporates;
- respond appropriately to detected red flags to prevent and mitigate identity theft;
- ensure that the Program is updated periodically to reflect changes in risks; and
- exercise appropriate and effective oversight of service provider arrangements.

TITLE: Fraud Detection	NUMBER: 6Hx27:3-____
AUTHORITY: Florida Statute: 1001.61, 1001.63 1001.64 Florida Administrative Code: 6A-14.0261 6A-14.060	SEE ALSO:
DATE ADOPTED:	PAGE: 1 of 2

The Administrative Services Division is responsible for the review of operational functions within all departments of the college to insure compliance with District Board of Trustees Policies and Procedures, State Board of Education Rule and Florida Statutes. Additionally, all levels of management within the college that hold responsibility for managing budgets, grants, or the use of college property are responsible for monitoring compliance to legislative rules, statutes, college policies and procedures within their departments.

The College's Compliance Officer is responsible for the internal appraisal function. This function includes review of operational issues to aid management in the safeguarding of College resources. It is a managerial control activity which measures and evaluates the efficiency and effectiveness of other controls. In addition, this function may investigate allegations of fraud, irregularities, abuse, illegal acts and suspected misconduct of College employees.

The College has designated the following positions where any of the specified issues may be reported.

1. Vice President for Administrative Services and Chief Financial Officer
444 Appleyard Drive
Tallahassee, Florida 32304-2895
850-201-8590
2. College Compliance Officer
444 Appleyard Drive
Tallahassee, Florida 32304-2895
850-201-8590

Employees reporting suspected wrongdoing are protected under Federal and State law from retaliation by management and other employees. Reporting anonymously is also encouraged but requires sufficient details of wrongdoing to allow investigation.

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Allegations are reviewed to determine the probability that the alleged acts could have occurred. This review will be conducted under the direction of the Vice President of Administrative Services with the knowledge of the President. Investigations will result in referrals to the proper law enforcement agency when evidence suggests that a criminal activity may have occurred or is occurring that warrants a criminal investigation.