



# The University of North Carolina

GENERAL ADMINISTRATION

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February 11, 2009

To: UNC Counsel  
Re: Red Flag Rule Guidance

To the extent that the Federal Trade Commission's ("FTC") Red Flags Rule ("Rule") applies to educational institutions, we have developed a model program (Attachment A) as a guide for your university's Identity Theft Prevention Program ("Program"). The model program includes the basic requirements of the Rule for identifying, detecting, preventing and mitigating identity theft. According to the extended FTC deadline, institutions should implement this policy no later than May 1, 2009.

Individual institutions are responsible for tailoring the Program's terms to their individual situations, choosing who will administer the Program, incorporating by reference other policies or procedures the institution may have that pertain to identity theft, and developing specific procedures about which institutional employees responsible for implementing the Program should be trained.

The Board of Trustees of each institution must approve the initial policy by May 1, 2009, and may delegate further administration of the Program to an appointed administrator. This administrator may be a senior employee designated by the Board or a committee appointed by the Board. This administrator is charged with "ensuring appropriate training of University staff on the Program, for reviewing any staff reports regarding the detection of red flags and the steps for preventing and mitigating identity theft, determining which steps of prevention and mitigation should be taken in particular circumstances and considering periodic changes to the Program."

The following resources may assist you to better understand and implement the Program:

- Educause links to FTC information on the Rule and other guidance ([http://connect.educause.edu/term\\_view/ID+Theft+Red+Flags](http://connect.educause.edu/term_view/ID+Theft+Red+Flags))
- National Association of College and University Attorneys ([http://www.nacua.org/documents/facta\\_generalsummary\\_091508.pdf](http://www.nacua.org/documents/facta_generalsummary_091508.pdf))
- National Association of College and University Business Officers (<http://www.nacubo.org/x10848.xml>)
- Memorandum from the North Carolina Office of the State Controller ([http://www.ncosc.net/news/RedFlagRulesAdvisory10\\_08\\_08.pdf](http://www.ncosc.net/news/RedFlagRulesAdvisory10_08_08.pdf))

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Constituent Universities  
Appalachian State  
University

East Carolina  
University

Elizabeth City  
State University

Fayetteville State  
University

North Carolina  
Agricultural and  
Technical State  
University

North Carolina  
Central University

North Carolina  
School of  
the Arts

North Carolina  
State University  
at Raleigh

University of  
North Carolina  
at Asheville

University of  
North Carolina  
at Chapel Hill

University of  
North Carolina  
at Charlotte

University of  
North Carolina  
at Greensboro

University of  
North Carolina  
at Pembroke

University of  
North Carolina  
at Wilmington

Western Carolina  
University

Winston-Salem  
State University

Constituent High School  
North Carolina  
School of Science  
and Mathematics

An Equal Opportunity/  
Affirmative Action  
Employer

We were only able to identify a few sample policies from institutions of higher education:

- “Green” University, a research university located in the South ([http://www.nacubo.org/documents/business\\_topics/RedFlagSample1.pdf](http://www.nacubo.org/documents/business_topics/RedFlagSample1.pdf))
- Kalamazoo College (<http://net.educause.edu/ir/library/pdf/csd5554.pdf>)

The following are sample policies from municipalities:

- Kentucky League of Cities (<http://net.educause.edu/ir/library/pdf/csd5553.pdf>)
- University of Tennessee Municipal Technical Advisory Service ([Model Identity Theft Policy and FACTA Compliance](#))

We hope that this information will aid you in developing an Identity Theft Prevention Program for your respective institutions. Please contact David Harrison at 919-962-0330 or [Harrison@northcarolina.edu](mailto:Harrison@northcarolina.edu) in the division of Legal Affairs, if you have additional questions or concerns.

Thank you.