

University of Massachusetts

FTC Red Flag Rule Policy

Background

The Federal Trade Commission (FTC) issued a regulation known as the Red Flag Rule that is intended to reduce the risk of identity theft. The Red Flag Rule applies to UM Amherst due to our participation in the Federal Perkins Loan program, the Nurse Faculty Loan Program, our institutional loan program, internal payment agreements and monthly tuition payment plans.

Oversight of Service Providers

- UM Amherst employs Educational Computing Services Inc. (ECSI), a loan servicer for the purpose of billing and collection of the Federal Perkins and Nurse Faculty Loans, and institutional loan payments and internal payment agreements. The only information that is shared with ECSI is information required to properly bill and collect loan payments as established by the Department of Education. This includes student name, address, telephone number, student ID number, social security number and date of birth. UM Amherst will collect and maintain on file documents from ECSI confirming their compliance with 'Red Flag Rules'.
- UM Amherst uses several collection agencies for the purpose of collecting overdue student receivables and defaulted Federal Perkins, Nurse Faculty and institutional loans. The only information that is shared with the collection agencies is that information required to perform address searches and to properly bill and collect payment. This information includes student name, address, telephone number, student ID number, social security number and date of birth. UM Amherst will collect and maintain on file documents from all collection agencies regarding their compliance with 'Red Flag Rules'.

The collection agencies used are:

- Windham Professionals
 - Enterprise Recovery Systems Inc. (ERS)
 - Coast Professional, Inc.
 - Reliant Capital Solutions, LLC
- UM Amherst employs NelNet Business Solutions (NBS), a tuition billing service provider, to host our monthly billing statements and process on-line payments for tuition accounts and our monthly tuition payment plans. The only data that is shared with NBS is student name, student ID number, university email address and billing transactions. UM Amherst will collect and maintain on file documents from NBS confirming its compliance with Red Flag Rules.

Policy Review and Update

This policy will be reviewed on or about the first day of each calendar year to determine whether all aspects of this policy are up to date and applicable to current business practices. Revisions to be made as necessary.

The Bursar's Office is responsible for the oversight and administration of this policy.