

SAFEGUARDING CUSTOMER INFORMATION

Introduction

The purpose of this policy is to ensure that all nonpublic personal customer information, obtained by various Kenneth Shuler Schools' departments in the awarding of students loans, is adequately safeguarded, protected, and is not shared with unauthorized individuals. The Director of Compliance is the designee responsible for coordination of the campus' information security under this policy and shall monitor compliance with this policy and update any changes or modifications to the procedures contained herein as changes dictate. It is the responsibility of the individual School Directors to ensure that the policy is being maintained within each campus.

This policy applies to all employees and departments involved in the "making, acquiring, or servicing of customer loans." The departments covered under the policy are primarily the Financial Aid Office, Bursar's Office, and the Admissions Office. However, this policy also applies to any employees within a campus that may gather, transfer, or record nonpublic, personal customer information related to the making, acquiring, or servicing of a student loan.

Definitions

Customers: include students, faculty or staff or that individual's legal representative who obtains or has obtained a financial product or service (e.g., loan) from the school that is to be used primarily for personal, family, or household purposes.

Examples include:

- a. An individual who provides nonpublic personal information to a campus department in order to obtain a determination about whether he or she may qualify for a loan, regardless of whether the loan is extended.
- b. An individual who provides nonpublic personal information to a campus department in connection with obtaining or seeking to obtain financial counseling or other advisory services is a consumer, regardless of whether the school establishes a continuing advisory relationship.

Customer information:

- a. Personally identifiable nonpublic financial information; and
- b. Any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived using any personally identifiable financial information that is not publicly available.

Examples include:

All printed material containing confidential, personal information related to business or financial transactions, including name, birth date, address, telephone number, social security number, personal photograph, amounts paid or charged or account number, documents maintained in Financial Aid and Admissions files, are to be safeguarded.

Policy

Kenneth Shuler's School of Cosmetology, Inc., its faculty, staff, and students will not engage in the practice of selling, transferring, or in any other way disclosing nonpublic personal information of its customers.

The Director of Compliance, as security coordinator of this policy, will hold a meeting no less than annually with the Financial Aid Officers, Bursar, and Admissions Representatives to discuss potential risk areas associated with customer information. Assessment of risks and development of adequate compensating controls will be developed as needed and incorporated into employee training as required.

Electronic Information stored in Freedom and FAME

Student information is securely maintained on a terminal server. Access to confidential information requires two separate usernames and passwords. Information stored on the terminal server is able to be viewed at the authorized employees' workstations. Selected documents may be viewed on screen or printed for review. When information is printed, the material is reviewed by the authorized personnel and kept in safekeeping or shredded if no longer needed. *See Manual Files and Hard-copy Customer Information below.*

Manual Files and Hard-copy Customer Information

Student files in the Financial Aid Office may also contain nonpublic personal information of Kenneth Shuler Schools' customers that is subject to this policy. In addition, the Financial Aid Office keeps a manual file on students with loans that is subject to this policy. All of these records shall be maintained in locked filing cabinets or secure office areas that have restricted access. Access to manual files is only permitted to the employees of these work areas.

Third Party Service Providers

Kenneth Shuler Schools uses a third party service provider for the administration of its student loans. Kenneth Shuler Schools will ensure there is language in the contracts with all third party loan service vendors that ensures adequate security of nonpublic personal customer information under this policy.

Training

All employees working in the Financial Aid Office, Bursar's Office, and Admissions Office, will be trained on this policy and the security issues and risks associated with customer information. Employees of these areas will certify their understanding and compliance with this policy. Additionally, employees who have access to student data are required to comply with the Confidentiality and Access of Student Records policy.