



**DISTRICTS MUTUAL INSURANCE  
& RISK MANAGEMENT SERVICES**  
| Collaborators in Risk Management |  
VOLUME 21 • ISSUE 7 • JANUARY 2026

# THE Incident REPORT

a publication of Districts Mutual Insurance and Risk Management Services  
Collaborators in Risk Management

212 West Pinehurst Trail | Dakota Dunes, SD 57049 | DistrictsMutualInsurance.com | 605.422.2655

## The DEC Page

Steven Stoeger-Moore, President

### “Ghost Students”

Regrettably, the financial aid fraud, perpetuated by the Ghost Student” is a continuing and growing concern. In summary, a potential student registers for class and files for financial aid. When financial aid is provided, this potential student takes the financial aid but never attends class. Attending class is never the intention. Stealing financial aid is the real intent of the ghost student. And most unfortunate, the bad actors continue to get better at this fraudulent behavior. Instead of reactive behavior, how can the colleges become more proactive to prevent this ongoing theft of financial aid. Please check the DMI website for the white paper (dated September 5, 2025) authored by Lance Klukas for some advice.

Ivy Tech (the State of Indiana Technical College System) offers the following approach.

#### Ivy Tech’s Approach

- Established an Identity Theft Prevention Policy and Program to detect, prevent, and mitigate identity theft for new and existing covered accounts. Here is a link to that policy.
- Conducts annual risk assessments to pinpoint risks and evaluate their controls, identifying any gaps that may exist.

Some of the other measures they’ve put in place to minimize the likelihood, frequency, and impact of risks linked to identity theft and fraudulent applications include (see table below):

Is there an insurance coverage solution? The best answer, at least for now, is “maybe”.

- **Crime Policies:** Typically address losses from fraud, theft, or dishonest acts. Some policies may include coverage for social engineering or fraudulent instructions, but identity theft involving student accounts may fall outside standard definitions.
- **Cyber Policies:** Generally respond to incidents involving unauthorized access, data breaches, or privacy violations. If identity theft stems from compromised systems or data exposure, cyber coverage may apply.
- **Overlap and Gaps:** These scenarios often involve both financial fraud and data compromise, creating gray areas between crime and cyber coverage. Carriers will interpret coverage based on the facts of the claim and policy wording.
- **Best Practice:** Report the claim under both policies when applicable.
- **Contact DMI** regarding any claim pursuit.

This ghost student topic continues to be researched by the insurance industry. As more proactive steps are suggested, DMI will share this information with the Colleges.

If you have any questions, please be in touch.

Risk Control	Control Description
3rd Party Verification	FAFSA applications are reviewed and verified by a 3rd party, Global.
Account Holds	Reporting suspicious activities and putting account holds in place when it is identified.
Centralized processing	The creation of Financial Aid hubs and centralized processing.
Disbursement Rules	A set of rules on how student financial aid can be packaged
Financial Aid Training	Regular training to the team done on a weekly, quarterly or yearly basis
Packaging Rules	A set of rules on how student financial aid can be packaged
Suspicious Behavior	Monitoring suspicious behavior by the Financial Aid, Enrollment, and IT teams.
Verification by 3rd Party	A third-party vendor verifies students’ identity by confirming legitimacy of various data points that are provided, including government ID.
Verification of Identity	Students must complete a virtual meeting to verify their identity before Account Hold can be removed.



# A Stronger, Smarter Year for Campus Emergency Management

*Brooke Bahr, DMI Emergency Management Consultant*

As we reflect on 2025, it's clear that emergency management in higher education has taken impressive strides forward. The Wisconsin Technical Colleges are no longer just reacting to crises; they're preventing them with cutting-edge tools and proactive strategies. Here are some of the standout improvements making campuses safer than ever.

**Embracing AI for Smarter Prevention and Response** Yes, AI often gets eye-rolls, but its real-world impact in emergency management is undeniable. From predictive analytics forecasting severe weather events like heavy snow or floods to video analytics enhancing campus security and access control, AI is helping the colleges stay one step ahead. Tools now analyze vast data sets in real-time, improving early warnings for natural disasters and even cyber threats, turning potential chaos into manageable risks.

**Specialized Software Streamlining Incident Response** Cyber incidents remain a top concern, but specialized platforms are making response faster and more effective. Solutions like NetDiligence's Breach Plan Connect provide ready-made, mobile-accessible playbooks for ransomware,

data breaches, and more. This becomes more crucial when networks go down. These tools are becoming more affordable and widespread, with off-network access ensuring teams can coordinate even during outages. Across the board, incident management software is evolving rapidly, incorporating AI for quicker detection and recovery.

**Proactive Reviews for Digital and Physical Security** The Colleges are stepping up vulnerability assessments on multiple fronts. Initiatives like those at Milwaukee Area Technical College (MATC) involve rigorous review of software, extensions, and programs to safeguard data and ensure they are safe for all users. On the physical side, advanced building evaluations are preventing disasters before they strike. One standout example: a college used thermal imaging scans to detect insulation gaps and structural weaknesses in roofs, enabling timely repairs that averted potential collapse under heavy snow loads.

These advancements aren't just theoretical!! They are actively reducing risks, minimizing disruptions, and protecting students, staff, and communities. A huge thank you to the proactive colleges leading the charge. By investing in these innovations, we're building campuses that are not only resilient but truly prepared for whatever comes next. Here's to an even safer year ahead.

## Risk Mitigation Forum Reminder

It's a New Year and big things are planned, including DMI's biennial Risk Mitigation Forum. The Risk Mitigation Forum will take place at the FK Bemis Conference Center in De Pere, WI, April 22-24, 2026. The Forum brings together our college members and industry experts to share strategies, insights, and best practices in risk management and mitigation. Attendees will participate in engaging sessions, network with colleagues, and gain valuable tools to strengthen risk preparedness.

Reservations are being taken now at the Kress Inn, across the street from the Bemis Conference Center. To secure a room, guests may book directly online through the dedicated reservation link: <https://www.choicehotels.com/reservations/groups/TH92W5>.

[Click here to read the article](#)



## How Employers Can Reengage Injured Workers

*Willie Henning, DMI Environmental Health & Safety Consultant*


Happy New Year Everyone! As we roll into another year, I would like to applaud your efforts in reducing hazards and preventing injuries. Unfortunately, we still experience claims related to employee injuries, but proper management of these cases can help employees get back to work sooner and reduce the overall costs related to the claim. A written Return to Work program along with close involvement in the case has continued to produce better outcomes for both the injured party as well as the college. Our goal is to reduce and eliminate injuries on our campuses and hopefully any injury will be minor. However, should an injury require restrictions or time away from

[Click here to read the article](#)

Nothing is *impossible* the word itself says

*"I'm Possible"!*

~ Audrey Hepburn



## DMI Presents... Topical Snapshots

### "Safety Culture"

*By Willie Henning, DMI Environmental Health & Safety Consultant*



To view the video click here.

This month's Topical Snapshot video focuses on a culture of safety that is inclusive of everyone within the college community. He provides a brief overview of steps for the college to utilize in initiating, promoting, and practicing a culture of safety for all.