

## OVERVIEW

Everyone needs to take precautions to protect personal information from being used by others without permission. Identity theft and fraud are big business—costing victims, companies, and governments billions of dollars a year. Even if you are able to fix a fraud problem without losing money, it will take you more time than you want to spend to gather evidence and inform others about the issue.

This lesson will help you plan ways to protect yourself from being a victim of identity fraud.

## LEARNING OUTCOMES

In this lesson students will take steps to protect themselves from identity fraud. Along the way they will:

- ☒ Give examples of identity fraud.
- ☒ Describe how to address problems of fraud.
- ☒ Give examples of ways to protect against fraud.

Students will use what they learn to take action to keep their personal information safe.

## PREPARATION

- ☐ Order a Module 2 Student Guide for each student. (The Guide is also available online to download.)
- ☐ Preview the lesson PowerPoint presentation, learning tasks, and Module 2 Student Guide, particularly pages 34-38.
- ☐ Print or download the Student Learning Plan for this lesson so each student has a copy.

## WHAT YOU WILL NEED

- ☐ Module 2 Student Guide (pages 34-38)
- ☐ PowerPoint Presentation 2-5
- ☐ Student Learning Plan 2-5
- ☐ Activity 2.10: Take Preventive Action
- ☐ Info Sheet: Action Plan for Fraud (Task 4)
- ☐ Task: Safe and Secure (Taking It Home task)
- ☐ Internet (Tasks 2 and 4)

## NOTES

Approximate time: 45 minutes (minimum) – 90 minutes (with extension activities)

Resource: Federal Trade Commission's Bureau of Consumer Protection, [www.ftc.gov/bcp](http://www.ftc.gov/bcp)

LEARNING TASKS	TEACHING NOTES	MATERIALS
1. Participate in a scavenger hunt activity.	<p>PROCEDURE <span style="float: right;">TIME ESTIMATE: 5-10 minutes</span></p> <p><input type="checkbox"/> Ask the students, “What’s in your wallet?” Inform them that they are going to go on a financial scavenger hunt. Show Slide 2 and tell the students that they have three minutes to find these items in their wallets, backpacks, purses, or pockets. Instruct students to take a look and see how many of the items listed they currently have in their possession. [Do <b>NOT</b> mention that the lowest scores win.]</p> <p><input type="checkbox"/> Ask if any students think they have a score of 20. Then survey the students who think they have at least 15 points or more.</p> <p><input type="checkbox"/> Now it’s time to tell the students that this game is scored like golf—the one with the lowest score wins! Engage the students in a brief discussion on the potential dangers for various items:</p> <ul style="list-style-type: none"> <li>■ <i>Credit card – could lead to overspending; potential for someone to use without permission.</i></li> <li>■ <i>Social Security number on any of your cards – increased risk for identity theft.</i></li> <li>■ <i>Passwords, PINs, paycheck stubs, and deposit slips – could lead to unauthorized access to your information and bank accounts.</i></li> </ul> <p><input type="checkbox"/> Finally, ask student what’s so scary about having \$2 or more in loose change? Tell them that if they put their loose change in a piggy bank every night, the total collected could be anywhere from \$20 to \$100 at the end of the month!</p> <p>SOURCE: Adaptation of Scavenger Hunt activity designed by CJ Juleff, Executive Director of the Colorado Jump\$tart Coalition, 2011.</p>	<p>Module 2 Student Guide</p> <p>Student Learning Plan 2-5</p> <p>SLIDE 2 – What’s in Your Wallet?</p>
2. Read about what happened to Jesse’s dad (page 34). Participate in a discussion about ways people are victims of identity fraud.	<p>PROCEDURE <span style="float: right;">TIME: 10 minutes</span></p> <p><input type="checkbox"/> Arrange for a student to read the story about Jesse’s dad (Student Guide, page 34). Ask for one or two volunteers to share a story about instances when they or a family member were a victim of identity fraud.</p> <p><input type="checkbox"/> [Slide 3] Transition into the lesson by telling the students that they will learn about strategies to protect themselves from identity fraud. Preview the Learning Outcomes in the Student Learning Plan. By the end of this lesson, the students should be able to apply strategies to protect their information.</p>	<p>STUDENT GUIDE Pages 34-35</p> <p>SLIDES 3 – Preview 4 – Theft or Fraud ... Both Are Trouble 5 – Teens are Targets Too</p> <p>ACTIVITY Computer Internet</p>

## Lesson 2-5: Identity Fraud

LEARNING TASKS	TEACHING NOTES	MATERIALS
	<p>❑ [Slides 4, 5] Point out examples of how individuals have been victims of identity theft and fraud. Tell the students to study the Few Figures on Fraud chart on page 34 as you discuss how individuals are impacted by fraud. Point out that fraud impacts individuals (time to fix and possible costs) as well as businesses (require extra security strategies which cost money, time to fix, and reputation). In the end, business and consumers are inconvenienced and costs are passed on to consumers.</p> <p>EXTENSION: As time allows, arrange for students to search online to find the answers to the following questions:</p> <ul style="list-style-type: none"> <li>■ <i>What percentage of identity fraud crimes were committed by someone the victim knew?</i></li> <li>■ <i>What are the five most common types of identity theft?</i></li> </ul> <p>NOTES: “Child identity fraud is more than a hypothetical risk,” according to Tom Oscherwitz, chief privacy officer at ID Analytics. Find out more from a study about child identity fraud:  <a href="http://www.idanalytics.com/news-and-events/news-releases/2011/7-12-2011.php">www.idanalytics.com/news-and-events/news-releases/2011/7-12-2011.php</a></p> <p>RESOURCES:</p> <ul style="list-style-type: none"> <li>■ FBI, “Identify Fraud,” <a href="http://www.fbi.gov/scams-safety/fraud/fraud#id">www.fbi.gov/scams-safety/fraud/fraud#id</a></li> <li>■ “Credit Card Fraud,” FBI Internet Crime Complaint Center, <a href="http://www.ic3.gov/media/annualreports.aspx">www.ic3.gov/media/annualreports.aspx</a></li> <li>■ Federal Trade Commission’s Identify Fraud site, <a href="http://www.ftc.gov/bcp/edu/microsites/idtheft">www.ftc.gov/bcp/edu/microsites/idtheft</a></li> <li>■ Identity Theft Resource Center, <a href="http://www.idtheftcenter.org">www.idtheftcenter.org</a></li> <li>■ Identity Theft Teen Space, <a href="http://www.idtheftcenter.org/teen/teen-sheila.html">www.idtheftcenter.org/teen/teen-sheila.html</a></li> <li>■ Child Identity Theft: New Evidence Indicates Identity Thieves are Targeting Children for Unused Social Security Numbers, Richard Power, Carnegie Mellon, 2011</li> <li>■ 2011 Child Identity Fraud Study, ID: Analytics whitepaper</li> </ul>	

LEARNING TASKS	TEACHING NOTES	MATERIALS
<p>3. Share experiences about how you protect your personal information. Complete <b>Activity 2.10: Take Preventive Action</b> to evaluate how you protect your data.</p>	<p>PROCEDURES <span style="float: right;">TIME: 10 minutes</span></p> <p><input type="checkbox"/> [Slide 6] Introduce students to the Federal Trade Commission’s strategy to Deter, Detect, and Defend against identity fraud. Arrange for a student to read about the information to keep safe (Deter section, page 35) and how to deter thieves (Keep It to Yourself, page 36). Pause to allow students time to complete <b>Activity 2.10: Take Preventive Action</b>. Ask students voluntarily to share any relevant stories about strategies they use to protect their personal profiles.</p> <p><input type="checkbox"/> [Slide 7] Share additional strategies that help to prevent from having personal information misused.</p>	<p>STUDENT GUIDE Pages 35-36</p> <p>SLIDES 6 – Protect From Fraud 7 – 7 Tips to Thwart Thieves</p> <p>ACTIVITY Activity 2.10: Take Preventive Action</p>
<p>4. Guess what—Mariah has lost her new credit card! She has confided in you but tells you not to worry—she’s sure it will turn up soon. She doesn’t want to tell her mom for fear she will freak out (again!) and not allow her to ever have a credit card.</p> <p>What would you tell Mariah to do?</p>	<p>PROCEDURES <span style="float: right;">TIME: 10 minutes</span></p> <p><input type="checkbox"/> Display Slide 8 as the class reads page 37, including the chart about how customers discover fraud. This is a good time to review the reporting responsibilities that borrowers have when they discover their information has been stolen or possibly misused. Point out that value of confirming statements in a timely manner so any errors or questionable transactions can be reported within the agreement timeframes.</p> <p><input type="checkbox"/> [Slide 9] Point out actions to take when a person has been a victim of fraud. (This information is also available as a handout.) As time allows, introduce students to FTC’s Bureau of Consumer Protection website (<a href="http://www.ftc.gov/bcp">www.ftc.gov/bcp</a>) to find out how to file a claim either online or in writing or to find out how the Bureau reports news on identity fraud and scams.</p> <p><input type="checkbox"/> Read the following scenario to the students. Encourage the students to write at least five action steps in the response to Mariah.</p> <p><i>Quick! Take out a sheet of paper and number down the side 1-5, skipping every two or three lines.</i></p> <p><i>Guess what—Mariah has lost her new credit card! She has confided in you but tells you not to worry—she’s sure it will turn up soon. She doesn’t want to tell her mom for fear she will freak out (again!) and not allow her to ever have a credit card.</i></p> <p><i>Free write for five minutes on what you would tell Mariah to do now that she has discovered that her credit card is missing. Focus on the steps she should take—don’t worry about spelling, grammar or punctuation. Try to come up with at least five actions.</i></p>	<p>STUDENT GUIDE Pages 37-38</p> <p>SLIDES 8 – Be on the Lookout 9 – Take Action</p> <p>ACTIVITY Internet Info Sheet: Action Plan for Fraud</p>

## Lesson 2-5: Identity Fraud

LEARNING TASKS	TEACHING NOTES	MATERIALS
	<p><input type="checkbox"/> If you see a few students unable to write a single step, tell them to focus on the empathetic things they could do for Mariah as a friend. Examples: Help her trace her steps, track her purchases online to see the last place she used it, listen to her openly and without judgment, etc.</p> <p>ALTERNATIVE: If students are older, and the majority have a debit or ATM card, have them do this activity from their own perspective. Students can substitute “cellphone,” “PDA” or “parent’s credit card or ATM card” if they don’t have a credit card or ATM card of their own and can’t hypothesize this situation.</p>	
5. Put up your own shield to protect yourself from identity fraud. Plan action to protect your personal information.	<p>PROCEDURES In-class or out-of-class assignment</p> <p><input type="checkbox"/> [Slide 10] Assign students to create a checklist they will use as a guide to protect their personal data from identity fraud. Arrange a date for students to report back on their progress to carry out the actions.</p> <ul style="list-style-type: none"> <li>▪ Create a checklist of at least five actions you will take, starting now, to protect your personal data.</li> <li>▪ Over the next week, document evidence of your actions.</li> </ul>	SLIDE 10 – Challenge
EXTENSION  Host a “Protect Your Identity Day” for parents and community members.	<p>PROCEDURE In-class or out-of-class assignment</p> <p>Encourage the students to organize and host an event to generate awareness for Identity Theft protection. Preview the Federal Trade Commission’s event planning toolkit, <a href="http://www.consumer.ftc.gov/articles/pdf-0103-protect-your-identity-talking-points.pdf">www.consumer.ftc.gov/articles/pdf-0103-protect-your-identity-talking-points.pdf</a>.</p> <p>NOTES: The third week in October is National Protect Your Identity Week, and many consumer protection agencies hold local awareness events and workshops. Contact the better Business Bureau (<a href="http://www.bbb.org/us/secure-your-id/">www.bbb.org/us/secure-your-id/</a>) or the National Foundation for Credit Counseling (<a href="http://www.protectyouridnow.org/index.cfm">www.protectyouridnow.org/index.cfm</a>). The Federal Trade Commission sponsors National Theft Awareness Week in January, (<a href="http://www.consumer.ftc.gov/features/feature-0029-tax-identity-theft-awareness-week">www.consumer.ftc.gov/features/feature-0029-tax-identity-theft-awareness-week</a>). These types of awareness campaigns would be equally appropriate for National Financial Literacy Month (April). Consider a collaborating with a local library.</p>	ACTIVITY  FTC’S Protect Your ID Event Toolkit
TAKING IT HOME  Test your family’s ID theft savvy by playing the Identity Theft Face Off game.	<p>PROCEDURE Out-of-class assignment</p> <p>NOTES: Encourage the students to complete the Identity Theft Face Off game provided by the Federal Trade Commission (<a href="http://www.consumer.ftc.gov/media/game-0005-id-theft-faceoff">http://www.consumer.ftc.gov/media/game-0005-id-theft-faceoff</a>).</p>	ACTIVITY  Computer Internet access

LEARNING TASKS	TEACHING NOTES	MATERIALS
<b>TAKING IT HOME</b>  Check your online privacy settings at home.	<b>PROCEDURE</b> Out-of-class assignment  <input type="checkbox"/> Assign students to check their computer security at home or on their laptops. This is an opportunity to review the school policies regarding computer use.	<b>ACTIVITY</b>  Task Safe and Secure
<b>FURTHER STUDY</b>  Read and analyze the Consumer Bill of Rights released February 2012, entitled, "Consumer Data Privacy in a Networked World: A Framework for Protecting Privacy and Promoting Innovation in the Global Digital Economy."	<b>PROCEDURE</b> Out-of-class assignment  <b>EXTENSION:</b> More advanced students can read and analyze the Consumer Bill of Rights released February 2012, entitled, "Consumer Data Privacy in a Networked World: A Framework for Protecting Privacy and Promoting Innovation in the Global Digital Economy." <a href="http://www.whitehouse.gov/sites/default/files/privacy-final.pdf">www.whitehouse.gov/sites/default/files/privacy-final.pdf</a> .  <b>NOTES:</b> Partner with your computer instructor or school IT staff for helpful materials, tips and websites. Consider inviting this person into your classroom to answer student questions.  <b>RESOURCES:</b> <ul style="list-style-type: none"> <li>■ NPR story, "Online Privacy Acts No. 1 Principle Is Individual Control" available in print or as audio file: <a href="http://www.npr.org/blogs/thetwo-way/2012/02/23/147281055/online-privacy-acts-no-1-principle-is-individual-control?sc=emaf">www.npr.org/blogs/thetwo-way/2012/02/23/147281055/online-privacy-acts-no-1-principle-is-individual-control?sc=emaf</a></li> <li>■ PC Privacy and Security Assistance (Microsoft): <a href="http://www.microsoft.com/security/default.aspx">www.microsoft.com/security/default.aspx</a></li> <li>■ Apple Privacy and Security Assistance (scroll down the screen): <a href="http://www.apple.com/safari/features.html#security">www.apple.com/safari/features.html#security</a></li> <li>■ Facebook: <a href="http://www.facebook.com/help/privacy">www.facebook.com/help/privacy</a></li> <li>■ MySpace: <a href="http://www.myspace.com/pages/privacysettings">www.myspace.com/pages/privacysettings</a></li> <li>■ Twitter: <a href="https://twitter.com/privacy">https://twitter.com/privacy</a></li> <li>■ Skype: <a href="http://www.skype.com/intl/en-us/security/online-safety/">www.skype.com/intl/en-us/security/online-safety/</a></li> </ul>	<b>ACTIVITY</b>  Internet

**EXTENSION**

Host a "Protect Your Identity Day" for parents and community members. Use the Federal Trade Commission's toolkit as a guide to plan and host this event.

**TAKING IT HOME**

Test your family's ID theft savvy by playing the Identity Theft Face Off game hosted by the Federal Trade Commission. Choose a character whose identity has been stolen—literally!

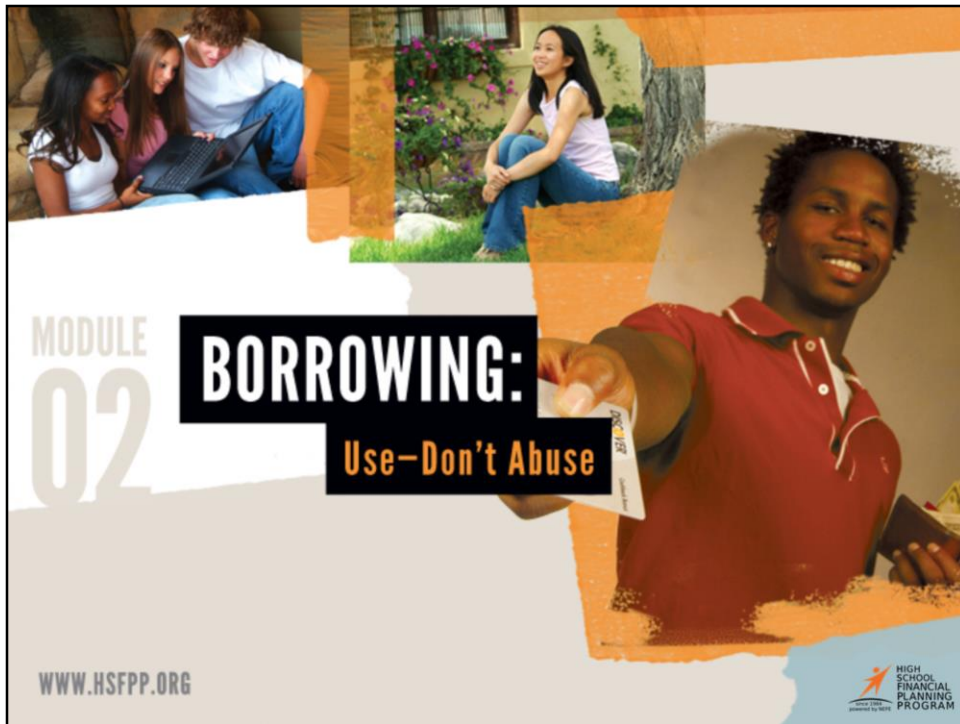
**TAKING IT HOME**

How safe are you online or when you use a computer? If you have a computer at home, check your online privacy settings and your systems security with this checklist:

- ☐ Your computer files are backed up on a regular basis.
- ☐ Your Internet security level is set to "High" or "Medium High."
- ☐ Your Internet privacy setting blocks all cookies or blocks cookies from sites that do not have a compact privacy policy.
- ☐ Your Internet privacy settings do not allow websites to request your location.
- ☐ You have checked your privacy settings for all media and social networking websites you use.



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LESSON 2-5: IDENTITY FRAUD



HIGH SCHOOL FINANCIAL PLANNING PROGRAM  
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**Identity Fraud**

TODAY YOU WILL . . .

TAKE STEPS TO

PROTECT YOURSELF AGAINST FRAUD

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- ❑ Display this slide as you kick off the lesson.



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**LESSON 2-5: IDENTITY FRAUD**


## What's in your wallet?

Give yourself a point for each of these items listed below.

<input type="checkbox"/> Credit card (The actual number of cards)	<input type="checkbox"/> Paycheck stub
<input type="checkbox"/> ID card with photo (school, employment)	<input type="checkbox"/> Bank or credit union deposit slip
<input type="checkbox"/> \$5 bill	<input type="checkbox"/> Any type of money-saving coupon
<input type="checkbox"/> Change (coins) totaling \$2 or more	<input type="checkbox"/> Car keys
<input type="checkbox"/> Original Social Security card	<input type="checkbox"/> Flash drive for computer
<input type="checkbox"/> Picture of a close relative	<input type="checkbox"/> Cell phone
<input type="checkbox"/> Computer password (The actual number of passwords)	<input type="checkbox"/> Driver's license
<input type="checkbox"/> Bank/Credit Union ATM PIN number	<input type="checkbox"/> Facial tissue
<input type="checkbox"/> Library card	<input type="checkbox"/> Membership card
	<input type="checkbox"/> Food

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- ☐ Ask the students, “What’s in your wallet?” Inform them that they are going to go on a financial scavenger hunt. Show Slide 1 and tell the students that they have three minutes to find these items in their wallets, backpacks, purses, or pockets. Instruct students to take a look and see how many of the items listed they currently have in their possession. [Do **NOT** mention that the lowest scores win.]
- ☐ Ask if any students think they have a score of 20. Then survey the students who think they have at least 15 points or more.
- ☐ Now it’s time to tell the students that this game is scored like golf—the one with the lowest score wins! Engage the students in a brief discussion on the potential dangers for various items:
  - *Credit card – could lead to overspending; potential for someone to use without permission.*
  - *Social security number on any of your cards – increased risk for identity theft.*
  - *Passwords, PINs, paycheck stubs, and deposit slips – could lead to unauthorized access to your information and bank accounts.*
- ☐ Finally, ask student what’s so scary about having \$2 or more in loose change? Tell them that if they put their loose change in a piggy bank every night, the total collected could be anywhere from \$20 to \$100 at the end of the month!

SOURCE: Adaptation of Scavenger Hunt activity designed by CJ Juleff, Executive Director of the Colorado Jump\$tart Coalition, 2011.

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LESSON 2-5: IDENTITY FRAUD

**Preview**

Today we will answer these questions:

- How am I at risk for identity fraud?
- What should I do if I'm a victim of identity fraud?
- How can I protect my personal information?

Use what you learn today to take action  
to keep your personal information safe.

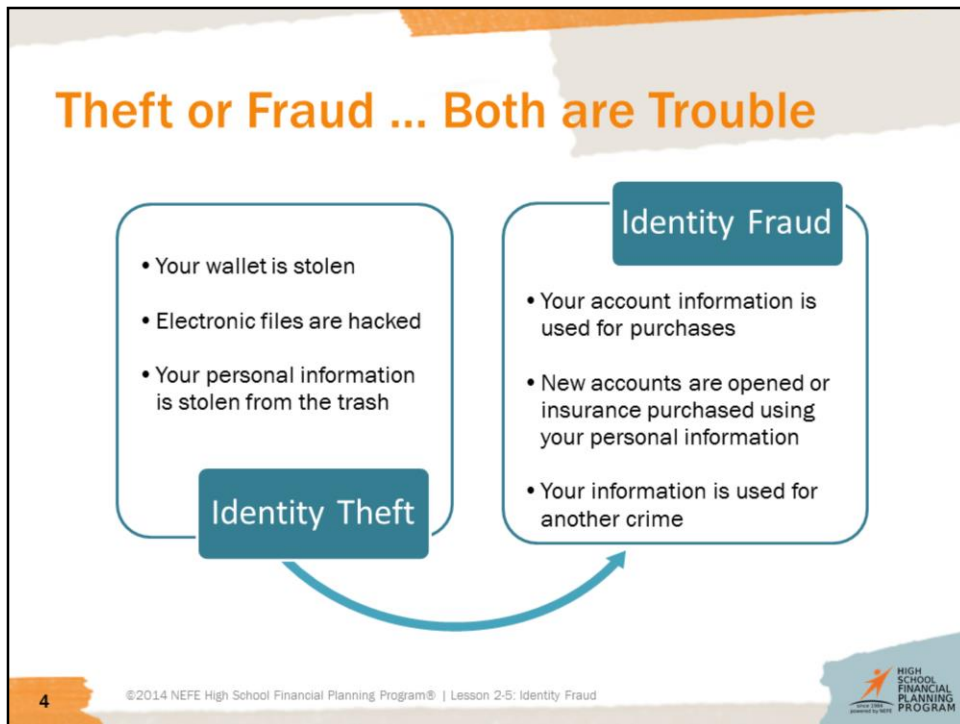
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Student Guide, page 34

- ❑ Arrange for a student to read the story about Jesse's dad (page 34). Ask for one or two volunteers to share a story about instances when they or a family member were a victim of identity fraud.
- ❑ Transition into the lesson by telling the students that they will learn about strategies to protect themselves from identity fraud. Preview the Learning Outcomes in the Student Learning Plan. By the end of this lesson, the students should be able to apply strategies to protect their information.

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LESSON 2-5: IDENTITY FRAUD



Student Guide, pages 34-35

- ❑ Point out examples of how individuals have been victims of identity theft and fraud. Tell the students to study the Few Figures on Fraud chart on page 34 as you discuss how individuals are impacted by fraud. Point out that fraud impacts individuals (time to fix and possible costs) as well as businesses (require extra security strategies which cost money, time to fix, and reputation). In the end, business and consumers are inconvenienced and costs are passed on to consumers.

EXTENSION:

As time allows, arrange for students to search online to find the answers to the following questions:

- *What percentage of identity fraud crimes were committed by someone the victim knew?*
- *What are the five most common types of identity theft?*

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**LESSON 2-5: IDENTITY FRAUD**

## Teens are Targets Too!

- 10 percent of U.S. youth had someone else using their Social Security Number
- Identity fraud is growing for minors.
  - Teens 15-18 years old are the main target.
- Fraud may go undiscovered for years:
  - Businesses only see clean credit history when someone applies.
  - Credit reports are not available for minors to check for any activity.
- Fraud is often detected only when the victim applies for a loan or credit card in his or her own name.

Source: Richard Power, Child Identity Theft, Carnegie Mellon CyLab Report

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- ❑ Teens have something extremely valuable to identity thieves—Social Security Numbers with no credit history. In fact, identity fraud for Americans 18 years and under is growing fast. A recent report found 10% had someone else using their Social Security Number—a rate that’s 51 times higher than the adults studied.
- ❑ Teens 15 – 18 years old were the hardest hit although kids 11 – 14 years old weren’t far behind. But the youngest victim was only five months old.
- ❑ This type of fraud is particularly insidious because it’s hard to detect and may go undiscovered for years for two reasons:
  - There’s currently no way for businesses to verify a name and birth date when the Social Security Number belongs to a minor. All they see is a clean credit history—so the criminal can attach any identity to it.
  - Trying to get a credit report for the minor won’t work either. Consumers have to give a name and birth date to order a credit report, and those usually won’t match the one with the history of fraud. So, the child may still have no credit report at all. Often, the duplicate numbers aren’t revealed until the victim applies for a loan or credit card in his/her own name and questions the bad credit the lender found.
- ❑ Identity monitoring (which is different from credit monitoring) may be the only reliable way of detecting fraud sooner rather than later.

Source: Richard Power, Child Identity Theft, Carnegie Mellon CyLab Report

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LESSON 2-5: IDENTITY FRAUD

## Protect From Fraud

The Federal Trade Commission (FTC) recommends:

- Deter** misuse of your information.
- Detect** when you have a problem.
- Defend** yourself from loses.

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Student Guide, pages 35-36

- ❑ Introduce students to the Federal Trade Commission's strategy to Deter, Detect, and Defend against identity fraud. Arrange for a student to read about the information to keep safe (Deter section, page 35) and how to deter thieves (Keep It to Yourself, page 36). Pause to allow students time to complete **Activity 2.10: Take Preventive Action**. Ask students voluntarily to share any relevant stories about strategies they already use to protect their personal profiles.

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LESSON 2-5: IDENTITY FRAUD

## 7 Tips to Thwart Thieves

- Keep sensitive information close to the vest.
- Lighten up your wallet.
- Never leave blanks on a charge slip.
- Stick to secure web pages.
- Shred ruthlessly.
- Be computer safe by using firewalls, anti-spyware, and anti-virus software.
- Guard your Smartphone, too!

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- ❑ Share additional strategies that help to prevent from having personal information misused.

**7 Tips to Thwart Identity Thieves:** Here are seven more strategies to help you steer clear of trouble:

- **Keep sensitive information close to the vest.** Don't give to *anyone* unless you've contacted them and know they're a reputable company. Whenever a business asks for your Social Security Number, ask if you can use another identifier instead.
- **Lighten up your wallet.** Only carry your Social Security card when you need it (like for employment paperwork). Also, leaving unneeded credit and debit cards at home will limit the work if your wallet is lost or stolen.
- **Never leave blanks on a charge slip.** Draw lines through them so someone can't add new amounts.
- **Stick to secure web pages.** Don't enter personal information on sites you've clicked to from an email link—type the company's URL into your browser instead. Also, look for a padlock symbol and "https:" at the beginning of the URL to confirm the page is secure.
- **Shred ruthlessly.** Shred all credit card solicitations you get in the mail, as well as old documents and receipts with social security or complete account numbers on them.
- **Be your computer safe** by using firewalls, anti-spyware and anti-virus software. Keep all software and browsers updated. And never enter sensitive information or access financial accounts on a public or unsecure Wi-Fi connection.
- **Guard your Smartphone too!** They're a treasure trove of personal information these days. Use auto-lock with a password, don't turn Wi-Fi and Bluetooth on until needed, and verify apps are safe by doing a quick online search before downloading anything.

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LESSON 2-5: IDENTITY FRAUD

**Be on the Lookout!**

- Review your accounts and billing statements.
- Sign up for email or text-messaging alerts to be informed of account activity.
- Review your credit report (at least once a year).

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Student Guide, page 37

- ❑ Display this slide as the class reads page 37, including the chart about how customers discover fraud. This is a good time to review the reporting responsibilities that borrowers have when they discover their information has been stolen or possibly misused. Point out that value of confirming statements in a timely manner so any errors or questionable transactions can be reported within the agreement timeframes.



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**LESSON 2-5: IDENTITY FRAUD**

## Take Action

### Unauthorized Charges

- File a dispute
- Contact the FTC

### Stolen Purse or Wallet

- File a report with each company
- Call your cellphone company

- File a police report.
- Place a **Fraud Alert** on your credit report with all three credit-reporting agencies.
- Write your credit card companies to provide details of incident.
- Document everything related to the situation.
- Check your credit report in a few months for unauthorized activity.

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Student Guide, pages 37-38

- ☐ Point out actions to take when a person has been a victim of fraud. (This information is also available as a handout.) As time allows, introduce students to FTC's Bureau of Consumer Protection website ([www.ftc.gov/bcp](http://www.ftc.gov/bcp)) to find out how to file a claim either online or in writing or to find out how the Bureau reports news on identity fraud and scams.
- ☐ Read the following scenario to the students. Encourage the students to write at least five action steps in the response to Mariah.

*Quick! Take out a sheet of paper and number down the side 1-5, skipping every two or three lines.*

*Guess what—Mariah has lost her new credit card! She has confided in you but tells you not to worry—she's sure it will turn up soon. She doesn't want to tell her mom for fear she will freak out (again!) and not allow her to ever have a credit card.*

*Free write for five minutes on what you would tell Mariah to do now that she has discovered that her credit card is missing. Focus on the steps she should take—don't worry about spelling, grammar or punctuation. Try to come up with at least five actions.*

HIGH SCHOOL FINANCIAL PLANNING PROGRAM  
LESSON 2-5: IDENTITY FRAUD

## Challenge

Put up your own shield to protect yourself from identity fraud.

- A. Create a checklist of at least five actions you will take, starting now, to protect your personal data.
- B. Over the next week, document evidence that you have carried out the actions.

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- ❑ Assign students to create a checklist they will use as a guide to protect their personal data from identity fraud. Arrange a date for the students to report back to you on their progress to carry out the actions.
  - A. Create a checklist of at least five actions you will take, starting now, to protect your personal data.
  - B. Over the next week, document evidence that you have carried out the actions.

## STUDENT LEARNING PLAN

### Lesson 2-5: Identity Fraud

#### OVERVIEW

Everyone needs to take precautions to protect personal information from being used by others without permission. Identity theft and fraud are big business—costing victims, companies, and governments billions of dollars a year. Even if you are able to fix a fraud problem without losing money, it will take you more time than you want to spend to gather evidence and inform others about the issue.

This lesson will help you plan ways to protect yourself from being a victim of identity fraud.

#### LEARNING OUTCOMES

In this lesson you will take steps to protect yourself from identity fraud. Along the way you will:

- ☒ Give examples of identity fraud.
- ☒ Describe how to address problems of fraud.
- ☒ Identify ways to protect against fraud.

Use what you learn to take action to keep your personal information safe.

#### LEARNING TASKS

These tasks match pages 34-38 in Student Guide 2.

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|-------|--|
| __ 1. | Participate in a scavenger hunt activity.  |
| __ 2. | Read about what happened to Jesse's dad (page 34). Participate in a discussion about ways people are victims of identity fraud.  |
| __ 3. | Share experiences about how you protect your personal information. Complete <b>Activity 2.10: Take Preventive Action</b> to evaluate how you protect your data.  |
| __ 4. | Guess what—Mariah has lost her new credit card! She has confided in you but tells you not to worry—she's sure it will turn up soon. She doesn't want to tell her mom for fear she will freak out and not allow her to ever have a credit card. What would you tell Mariah to do? |
| __ 5. | Put up your own shield to protect yourself from identity fraud.<br>A. Create a checklist of at least five actions you will take, starting now, to protect your personal data.<br>B. Over the next week, document evidence that you have carried out the actions.                 |



#### EXTENSION

Host a "Protect Your Identity Day" for parents and community members. Use the Federal Trade Commission's toolkit as a guide to plan and host this event.



#### TAKING IT HOME

Test your family's ID theft savvy by playing the Identity Theft Face Off game hosted by the Federal Trade Commission. Choose a character whose identity has been stolen—literally!



#### TAKING IT HOME

How safe are you online or when you use a computer? If you have a computer at home, check your online privacy settings and your systems security with this checklist:

- ☐ Your computer files are backed up on a regular basis.
- ☐ Your Internet security level is set to "High" or "Medium High."
- ☐ Your Internet privacy setting blocks all cookies or blocks cookies from sites that do not have a compact privacy policy.
- ☐ Your Internet privacy settings do not allow websites to request your location.
- ☐ You have checked your privacy settings for all media and social networking websites you use.

## Activity 2.10: Take Preventive Action

NAME:

DATE:

### Directions:

1. For each of the suggestions above, evaluate what you do now to deter thieves from stealing your personal information.
2. To the left of each bullet, write your rating as “+” if the advice matches your actions most of the time, “-” if you never carry out the action, or “+/-” if you sometimes do the action but could be more careful.

My Rating +   +/-   -	Preventive Action
	<b>Stay mum.</b> In your profiles, don't list your real birth date, mailing address, or anything you use as a password or to answer a security question for your financial accounts.
	<b>Become a control freak.</b> Use privacy settings to limit the personal information people outside your network can see.
	<b>Pick a strong password.</b> Hackers pretending to be you can scam your friends. Create a non-obvious password that includes a mix of numbers, symbols, and letters (both capitals and lowercase).
	<b>Stay cautious.</b> Messages sent via social networking sites may be even less secure than typical email when it comes to viruses, malware, and fraudulent links to scam your information.
	<b>Just say “ignore.”</b> If you can't bring yourself to reject a stranger's “friend” request, just ignore it. Scammers will quickly move on to someone else.
	<b>Watch your apps.</b> Facebook and other social sites do not screen new apps for security issues and viruses. Search an app's name online before adding to see if there are any reported problems.

Here's an action plan for two common scenarios—finding unauthorized charges on a credit card or unknown accounts on your credit report and discovering your wallet or purse has been stolen:

<b>Suspicious Charges or Fraudulent New Accounts</b>	<b>Stolen Wallet or Purse</b>
<p><b>File a dispute.</b> Tell the creditor or credit agency you found a suspicious transaction. Credit card issuers should give you a credit for the suspicious transaction while they investigate it.</p>	<p><b>File a report.</b> Inform the stolen card department at your credit and debit card companies. The company will make a note on your account and send a new card with a different number.</p>
<p><b>File a police report.</b> Call the non-emergency number (unless you're in danger) and explain what happened. After asking a few questions, they should give you a case number, which you may need to help remedy the situation later.</p>	
<p><b>Place a "fraud alert" on your credit report with all three credit reporting agencies.</b> For the next 90 days, businesses must try to verify that you're the applicant before opening any new credit accounts in your name.</p>	
<p><b>Write your credit card companies.</b> Follow up your calls with a letter that includes your account number, when you noticed the problem, the date you reported the loss to them and your police case number (if available). The letter helps prove when you contacted the company in case there's an issue later.</p>	
<p><b>Contact the FTC.</b> Report any fraud to the Federal Trade Commission at <a href="http://www.ftc.gov/idtheft">www.ftc.gov/idtheft</a> or 1-877-IDTHEFT. They work with police departments across the world to shut down identity theft rings.</p>	<p><b>Call your cellphone company.</b> Neglect a missing cellphone and you may get a bill next month for \$1,000 in international calls that you didn't make. Your cellphone provider can lock the phone's service so it can't be used.</p>
<p><b>Document everything.</b> Record what happened, who you talked to, and what they said for every conversation you have with them about the fraud problem.</p>	
<p><b>In a few months, check your credit report to confirm there are no new problems.</b> Check it again periodically after that. If there are negative items, file a dispute with the credit agency. You may also want to add a statement to your credit reports noting that you're the victim of identity fraud and are working to get your credit restored.</p>	

## Task: Safe and Secure

**NAME:**

**DATE:**

### Directions:

How safe are you online or when you use a computer? If you have a computer at home, check your online privacy settings and your systems security with this checklist:

- ☐ Your computer files are backed up on a regular basis.
- ☐ Your Internet security level is set to “High” or “Medium High.”
- ☐ Your Internet privacy setting blocks all cookies or blocks cookies from sites that do not have a compact privacy policy.
- ☐ Your Internet privacy settings do not allow websites to request your location.
- ☐ You have checked your privacy settings for all media and social networking websites you use. List those websites here:

After you check for these items, review your checklist with your family and discuss the level of security and privacy you and your family want. Upgrade your privacy and security as needed.

Don't have a computer at home? Then take similar steps to secure your privacy on any social and networking websites you use. Also, ensure that your cell phone and PDA are password protected. Follow the guidelines on page 36 of your Student Guide to create a strong password.