

Protect Your Credit and Identity

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Jenny is a college freshman. After a lot of research and discussion, Jenny's parents finally decided that they would co-sign with her on a credit card application. The credit card with a \$1,000 limit arrived two days before she left for college. She and her parents agreed on the rules she would follow when using the credit card. As an additional precaution she put it in a credit card wrap. Things were going great during the first three weeks of school. Jenny put her credit card in her college key-holder along with her student identification, which she carried every place she went so that she would always know where it was. It was time for her first trip home and she was excited! On Friday night when she was out with her friends, she realized that she did not have her key-holder — her room key, student ID and her credit card. Her friends encouraged her to relax, sure she just left it in the dorm room and it would be there when she got back to college Sunday night. Jenny did not want to worry her parents so she did not tell them that she had lost her key-holder. Sunday, when she returned to college she hunted for hours but did not find the key-holder. Finally on Wednesday she decided to report to the authorities that her key-holder was missing. In the meantime, her parents received a call from the credit card company saying that the maximum had been charged on the credit card through long distance phone calls and ATM cash withdrawals. Then the book store called and said \$350 of books and supplies had been charged with her student ID.

It is important to take every step possible to protect your credit cards and all personal identity. Today's technology requires that people be identified by numbers, such as Social Security numbers, bank accounts and credit card numbers. Identity theft occurs when thieves steal any of these numbers and use them to tap into your credit.

When and Where Identity Theft Occurs

Identity theft occurs when a thief steals your personal identification and uses that information as if it was his or her own. The information can be used to open credit card accounts, rob bank accounts, make withdrawals from ATMs and obtain employment opportunities or make down payments/deposits on a car or housing.

Fraudulent use of credit cards is not limited to the loss or theft of the actual credit card. Identity theft can happen when your purse or wallet is stolen or lost. It also can happen when you give your credit card information out over the telephone or Internet, when someone gets numbers off papers they find in the trash, or over hear numbers given in a telephone conversation and by watching you key in account or PIN numbers in check-out lines or at ATMs.

A capable criminal only needs to know your credit numbers to fraudulently make numerous charges, including cash withdrawals, against your accounts. The following crime prevention tips will help you guard against the illegal use of credit cards.

Protect Your Identity

Thieves can obtain your personal information by sorting through your trash, accessing public records and they may even steal from your mailbox. Take great care to protect and conceal the following information:

- name
- address
- date of birth
- Social Security number
- mother's maiden name
- credit card numbers
- driver's license number
- bank account numbers
- phone numbers

Security Precautions

- Do not carry your Social Security card, birth certificate or passport in your purse or wallet except when needed. Store these items in a safe deposit box.
- Never print you Social Security or driver's license numbers on your checks.
- You do not have to give out your Social Security and/or driver's license numbers or personal information when asked. A business may refuse your business if you do not furnish the requested information. If this information is requested, ask these questions before determining whether to release the information.
 - ✓ Why is the number needed?
 - ✓ How will it be used?
 - ✓ What law requires that I give you this number?
 - ✓ What will happen if I refuse to give the number?
- For security reasons, you should not loan your room key to others. If you are locked out or lose your key, a temporary loaner key can usually be checked out from the unit manager. Do not leave your room or apartment unlocked just because you cannot locate the key or will only be gone a short while.
- If you live on a college campus, you are encouraged to carry your student identification and room key at all times. Failure to show your identification card to a staff member when requested may be a violation of the institution's policies. It is recommended not to carry your credit cards and driver's license in the same carrier in case you lose one set, then you do not lose your total identification.
- Lock your door *every time* you leave. Also, help protect your property by making a list of all serial numbers. File the list of serial numbers in a safe place and send a copy home for your parents to keep in a safe place, as well. Colleges and landlords do not provide personal property insurance. College students should ask if items taken to school are covered under a parent's home owner's policy. Renters' policies are available for apartment dwellers.

Protecting Your Credit Card/Debit Card

- Photocopy both the front and back of all your credit cards and keep the copies in a safe and secure location i.e., lock boxes, safety deposit box and with parents. This will enable you to cancel your credit card as soon as possible if stolen.
- Sign all credit cards as soon as they arrive.
- Do not leave credit card bills, credit card and ATM transaction receipts, store receipts, bank account statements lying out in the open where anyone can see the

account numbers. Keep important papers out of sight. Remember to pay any bills before the due date. Make sure you take all of the mail out of your mail box as soon as it arrives. When disposing of any papers that might have account numbers on them make sure that you tear them up in small pieces before you put them in the trash. This includes any mailings that come indicating you have been pre-approved or offering you credit.

- Do not carry credit cards in your wallet or purse. Carry them separately, if possible.
- Unless you are *absolutely confident* you are dealing with a reputable company, *never* give your credit card account number over the telephone or Internet.
- Don't be fooled by a scam where a con artist asks for your credit card number to "verify" a prize he or she says you have won.
- Never give information over the telephone to an *unknown caller*. If a caller tells you he represents your bank or financial institution, hang up and dial that institution to confirm that the caller is actually from your bank. Be sure you have a dial tone before making the call.
- Notify credit card companies in advance of a change in address.
- When you use a credit or debit card to make a purchase, maintain visual contact with the card and make sure no extra imprints of your card are made and the transaction receipt is deposited in the cash register. Destroy all carbons so no one can obtain your account number.
- It is a good idea to keep your credit/debit card receipts and check them against the monthly billing statement.
- Smart cards such as pre-paid phone cards and bank cards provide protection against someone stealing your card and charging large amounts against your account. They are for a specific amount of money and when the amount is spent no more money/credit is available. Carefully study the costs of transactions with such cards so that you get the most value for your money. Once the money on the card is spent, destroy the card if it is not renewable.

ATM Transactions

According to the Bank Administration Institute, the most dangerous hours for ATM crime are from 7 p.m. until midnight. Approximately 40% of the ATM-related crimes occur during these hours.¹

The following are ATM safety and security tips:

¹"Credit Card Security Precautions", *The Complete Campus Crime Prevention Manual*, Campus Crime prevention Programs, Coshen, K.T., 1996, p. 341.

1. At drive-up ATMs, keep all windows closed, except the one you are using, and all vehicle doors locked. Keep the vehicle running and watch all other vehicles around you.
2. If you get out of your vehicle, lock all the doors after you exit. Keep your keys handy so you can re-enter the vehicle quickly.
3. When approaching the ATM, be alert for anything suspicious, especially two or more people in a nearby vehicle, particularly if no one else is at the ATM.
4. Never approach an ATM if the lights at the sight are not working. Avoid using ATMs with obscuring bushes around them, especially at night.
5. Particularly after dark, take a companion along to the ATM and park close to the ATM in a well lighted area.

Using the ATM:

1. When waiting in line to use the ATM, wait well behind the person ahead and do not approach the ATM until they have completed their transaction.
2. When using the ATM and someone is closer than you would like them to be, politely ask them to move back a few steps. If they do not move, cancel your transaction and wait in your locked vehicle or other safe location until that person leaves or go to another ATM.
3. Before you approach the ATM, have your card ready and know your code.
4. Protect your Personal Identification Number (PIN). Memorize your PIN. Do not write it on the card, or carry it in your wallet or purse.
5. Select a PIN that is different from all other numbers noted in your wallet or purse, such as your address, date of birth, telephone number or Social Security number and change your number periodically for insured security.
6. Never accept offers of assistance with the ATM from strangers. If you are having trouble, contact your financial institution.
7. When your ATM transaction is complete, immediately take your property — card, receipt, money etc. — and put them in your pocket, wallet or purse and leave immediately.

Never stand around and count your money. You can do that when you get to the safety of your locked car. If your transaction is not correct you cannot discuss it with the machine. Call the financial institution as soon as possible.

8. ATM robberies often occur after the patron has completed their transaction. Always have your head up and

be aware of your surroundings when you leave the ATM. If you feel or sense someone is following you, walk or drive to the nearest business where there are a lot of people and call the police.

9. If you lose or misplace or have your ATM card stolen, notify the card issuer *immediately*. If you report an ATM card missing before it is used without your permission, the Electronic Fund Transfer Act (EFTA) says the card issuer cannot hold you responsible for any unauthorized withdrawals. If unauthorized use occurs before you report it, the amount that you can be held responsible for depends on how quickly you report the loss to the card issuer. For example, if you report the loss within two business days after you realize your card is missing, you will not be responsible for more than \$50 for unauthorized use. If you do not notify the card issuer within two business days, you could be held responsible for up to \$500 for unauthorized use. If within 60 days after your bank statement is mailed to you, you do not report an unauthorized transfer or withdrawal, you risk total loss of funds.²

Make sure that you carefully check your bank account statements each and every month as well as credit card statements. Make sure that you can identify every transaction as a transaction that you are responsible for making. If there are any transactions that are in question, call the card issuer as soon as possible to get more details and determine if you are responsible for the transaction.

What To Do When Your Credit Card
and/or Identity Is Stolen

Immediately notify the credit card companies when cards are lost or misplaced. If you report loss of a credit card to the issuer before it is used by someone else, you owe nothing. But if charges are run up before you report the card stolen, you are liable for \$50. In reality, many issuers often waive that fee. If you still have your card but the account number was used without your authorization, you owe nothing.

In cases involving identity thefts, you must send the information in writing. Let them know that you are willing to cooperate with them to re-claim their loss. Be clear that you are not responsible for the charges in question and someone else used your card to steal. Keep copies of all your correspondence and document telephone calls you make.

Any other creditors affected by the theft of your identity should be notified immediately in writing. Contact your local police department, county sheriff or State Patrol office to report the theft. Nebraska State Patrol number is (402) 471-4545.

Immediately call the three national credit reporting organizations to place a fraud alert on your name and Social Security number. You should follow up any verbal communications with a letter explaining your situation. The

²Ibid.

toll free contact numbers and addresses of the major credit reporting agencies are:

- *Experian*, PO Box 2002, Allen, TX 75013-0949
(888) 397-3742
www.creditexpert.com
- *Transunion*, PO Box 2000, Chester PA 19022
(800) 916-8800
www.transunion.com
- *Equifax*, PO Box 740241, Atlanta, GA 30374- 0241
(800) 525-6285
www.equifax.net

If you suspect that someone is using your Social Security number, contact the Social Security Administration office at (800) 269-0271 to make them aware someone is using your number and may attempt to access your account.

Students should report any problems they have with student identification cards. Since many campuses recognize student ID as credit cards, report it missing and/or stolen to campus security and visit the office that issues student identification as soon as possible. Ask them to replace the missing ID and nullify the previous one.

Resources

“AmEx Unveils ‘Disposable’ Credit Card Numbers,” <http://news.com.com/2100-1017-245428.html?legacy=cnet>

“Credit Card Security Precautions,” *The Complete Campus Crime Prevention Manual*, Campus Crime Prevention Programs, Goshen, K.T., 1996, p.338-343.

“Identity Theft-Your Good Name Game Bad! What is Identity Theft?,” Call for Action, 5272 River Road, Suite 300, Bethesda, MD.

Kalkowski, Larry Sergeant, University of Nebraska Police Services.

“Online Fraud: Protection Guarantee — Shop with Confidence,” http://home3.americanexpress.com/newszealand/cust_svce/onlinefg.asp

Prochaska-Cue, Kathy and Sandy Preston, “Credit Cards: Types and Rights,” *Fact Sheet*, University of Nebraska-Lincoln, NF02-509.

Prochaska-Cue, Kathy and Sandy Preston, “Credit Cards: Using Credit Cards Wisely,” *Fact Sheet*, University of Nebraska-Lincoln, NF02-510.

Stenberg, Don, “Identity Theft,” Nebraska Department of Justice, Office of Attorney General, Consumer Protection Division, 2115 State Capitol Building Lincoln, NE.

“The Librarian’s Guide To Cyberspace for Parents and Kids,” <http://www.ala.org/parentspage/greatsites/safe.html>

“University Housing Policies and Instructions,” 2001-2002, University of Nebraska-Lincoln, pages 10-13.

“Your Money Hard Charging,” *Consumer Reports*, December, 2001, pages 58-59.

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