

CASA Conversations



California **CASA**
Court Appointed Special Advocates
FOR CHILDREN



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Keeping Your Money Safe / Identity Theft and Fraud

Introduction

Foster youth and young adults are particularly vulnerable to identity theft and fraud. California recognized the extent of this problem, and in 2006, passed **legislation requiring county welfare departments to run credit checks for foster youth 16 and older, and if these uncover any negative information, to refer the youth to credit counseling** (WIC §10618.6).

Unfortunately for many foster youth and young adults, they do not get a chance to protect themselves from identity theft. All too often, by the time they have reached adulthood, their credit has been dragged through the mud by people in their life who had access to their personal information. This can be a touchy subject, so it's important to enter the conversation from a position of compassion and support.

It is good CASA practice to run a credit report with your CASA youth/young adult, perhaps at the CASA office, before their case is to be terminated. Should you find anything concerning, it is important to advocate for keeping the case open until an attorney can address this. Because of the high risk of credit exploitation among this group, you should not wait until the last minute to do this together.

"My social security number did get passed around a lot and my birth certificate did get passed around. Just personally, I know it's been with different social workers, group home staff, non-public schools, public schools and who knows what their motivation is. They could be struggling, and boom, there's your social security card." – Terrell

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The Facts

All **children** are vulnerable to identity theft: they are **targeted 51 times more frequently than adults.**

“When I first did a credit check, I was like, what the heck does this mean? It said I had something in default and I was so confused.”

- Brianna

Children in foster care are particularly vulnerable to identity theft because their **private personal information** – including their social security numbers – is **passed through their network of caregivers and professionals.**

- This puts them at unique risk of identity theft by foster care personnel, foster parents, and family members. Each time they change placements, new people get access to their private personal information. For older youth especially, this poses a significant risk.
- Sometimes, children are issued social security numbers at birth that have already been compromised.
- Schools, doctors, and other agencies also have this information, and if they do not securely store it, there is risk of it being stolen.

Approximately 2/3 of children in foster care in California come from low-income families. Because basic necessities such as electricity and phone/internet are contingent on credit, it is unfortunately all too common for parents/caregivers to use their children’s social security numbers to access these services.

- Adults who do this may mean no harm, and may have every intention to pay the bill in a timely manner. If they miss payments, though, they will begin to damage these children’s credit before they even reach adulthood.

Identity fraud involves a one-time attempt to steal money from an existing account.

Identity theft is when a thief steals your personal information, which can be used to open new accounts in your name. This includes *phishing* and *pharming*.

- **Phishing** is when criminals attempt to trick you into divulging your personal information by sending out unsolicited emails that appear to be from a legitimate source: perhaps from your bank, utility company, well-known merchants, your Internet service provider, or even a trusted government agency (e.g., the Federal Deposit Insurance Corporation (FDIC)).
- **Pharming** is similar to email phishing, but more difficult to detect; criminals seek to obtain personal or private information by making fake websites appear legitimate – even the web address will appear correct.

Sadly, because of the sheer number of people who have access to foster youth’s personal information, they are vulnerable not only to indiscriminate identity theft and fraud, but also targeted theft of mishandled personal information, and often well-meaning but ultimately damaging appropriation by caregivers and family. Even short of theft, people in your youth’s life may try to take advantage of them, or expect them to share money they have earned. This can be difficult for the young person, especially with people they love.

Starting a CASA Conversation

Protecting Personal Information

- The most important message you can communicate: treat personal information (social security numbers, passwords, and account numbers) LIKE CASH. Would you leave all the money in your

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bank account on your living room table? Probably not, so it's not a good place for your bank statement either. This is important to think about when it comes to all of the places our information lives these days: our computers, phones, stacks of mail, bills we throw out.

- Warn your CASA youth never to give out her information; no financial institution will contact a client unsolicited and ask for usernames, account numbers, or other personal information. This information is so private that, unless absolutely necessary, should not even be shared with trusted friends or family.
- Explain that it is important to avoid accessing confidential information when on public networks, such as in a coffee shop. Save bill paying for at home, or if there's no internet there, at work or school.
- Explain identity theft, how your CASA youth can avoid it, and how to address it when it happens. Proceed slowly, and make sure your youth understands all the points and key terms you are covering, such as social security number, credit check, identity theft, etc. You can ask them to give you a definition of important terms to ensure their understanding.
- If your CASA young adult has a credit card, share with her the importance of checking the monthly statement to verify that there are no suspicious charges. If she spots any errors, she should immediately get in touch with the creditor.
- Even if your CASA young adult does not have a credit card, explain that it is necessary to check your credit once a year to protect against identity theft.

Smart Lending and Sharing

- One of the greatest challenges for foster youth is identity theft by friends and relatives. This is a delicate thing to discuss, as the youth you work with may feel protective and defensive of their family and friends.
- Explain the importance of having the same precautions for everyone: NO ONE except you should have access to your social security number, or any personal information.
- Similarly, emphasize the importance of protecting computer and account passwords from friends and family. It may seem cute to exchange Facebook passwords with your boyfriend in a demonstration of trust, but what happens when you break up, and he finds out you've used that same password for your bank account?
- Focus on the fact that THEY OWN their information and their money.
- If your CASA youth is working and earning money, and shares with you that a family member or friend has asked for a loan or wants to share costs, focus on the reality of the situation. Does he have enough money to fulfill his needs and help someone else out? What are his feelings about lending the money?
- Explain that the pull of family obligation can be very strong, but it is important to put yourself first – in the end, this will benefit everyone in your life.

"I felt like I didn't need to know about keeping my money safe, about credit. I can live on the east side of [town], I can go to Metro instead of T-Mobile. I thought I was always going to live in an apartment – I didn't know my worth, that I could have a nice home and a nice phone w a 2-year contract. So I need credit." - Lara

Pitfalls to Avoid

Giving too much information too quickly. Identity theft might be a new concept to your CASA youth. Make sure you introduce the information at a reasonable pace, and revisit important points. Most likely you will need to have refresher conversations periodically to make sure your youth is continuing to take appropriate precautions to safeguard their personal information.

Being critical of family and friends. Even if you feel frustrated by the demands or transgressions of family and friends, focus on what motivates all of your work: the best interest of your CASA youth. If they've experienced identity theft, put your energy behind cleaning up your youth's credit. If they're contemplating a loan to someone they care about, focus on whether they have the capacity to make this loan, and the pros and cons of doing it. Remind your CASA youth that you should never lend money you cannot afford to get back.

If your young adult, or anyone you know, becomes a victim of identity fraud or theft, advise the following steps:

- File a report with the police, and keep a copy of it in case the bank or creditors need it.
- Cancel your credit cards immediately.
- Contact your bank to cancel your ATM/debit card and ask for information about how to stop any checks you lost.
- Contact the major check verification companies to request that they notify all stores that use their databases to not accept your lost checks. You can also ask your bank to notify the check verification service with which it does business. Two of the check verification companies that accept reports of check fraud directly from consumers are:
TeleCheck: 1-800-366-2425 and **Certegy:** 1-800-437-5120
- Contact the fraud department of any of the three major credit reporting agencies. The agency you call is required to notify the other two credit agencies. Tell them you are an identity theft victim (or potential victim).
 - Equifax 1-800-525-6285
 - Experian 1-888-397-3742
 - TransUnion 1-800-680-4338
- Call the FTC's Identity Theft Hotline at:
 - **1-877-IDTHEFT (438-4338)** or www.ftc.gov/idtheft

Additional Resources

American Bar Association, "The Crisis of Child Identity Theft":

<https://apps.americanbar.org/litigation/committees/childrights/content/articles/112111-crisis-child-identity-theft.html>

CalCASA After 18 Curriculum, Unit 4, "Money Management"
http://www.californiacasa.org/after18_training_manual.html

Wisconsin Department of Children and Families, "Foster Youth Identity Theft Brochure," "Foster Youth Identity Theft Tip Sheet," and "Letter to Foster Youth about Identity Theft":

http://www.dcf.wi.gov/children/foster/identity_theft/default.htm

Resources to prevent and address identity theft:

- General information:
www.idtheft.gov
- Credit- and identity-monitoring services such as:
www.allclearid.com/child
- Free annual credit report (from the only website authorized to fill orders for the free annual credit report):
www.annualcreditreport.com
Or call 1-877-322-8228
- Tips for securing your CASA child's identity at school - Federal Trade Commission:
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