



UNIT 8

Growing and Protecting Your Finances

Topic

Avoiding Financial Fraud

FAMILY CONNECTIONS

Unit:

- 5 Paying Yourself First
- 6 Using Credit Wisely
- 7 Financing Your Future
- › **8 Growing and Protecting Your Finances**

Title

Helping Loved Ones Avoid Identity Theft and Other Financial Abuse

Connect

In school, students have been learning about identity theft and other forms of financial fraud and abuse. Young people are often victims of such crimes because they have no credit histories and their Social Security numbers haven't been flagged in fraud prevention databases. They are also much less likely to check their credit, so theft can go unnoticed for years. There are steps, however, that families can take to prevent this from happening and warning signs they should look for to catch it early.

Talk

- How safe is your child's information? Many apps and websites request personal information. Talk to your teen about what information he or she should and shouldn't provide—especially phone number, address, Social Security number, or date of birth.
- Has someone you know been the victim of identity theft? Discuss his or her experiences, and what he or she did to repair the damage.
- Teens often view themselves as invincible, but even they can fall victim to financial scams. Ask them what they would do if someone called and told them they were delinquent with their federal taxes or they got an email asking them to confirm their bank account information. Share common [email](#) and [phone scams](#) and discuss how they could handle different situations.

Act

- Make sure you know the signs of identity theft. They include:
 - collection calls or bills for things you didn't receive or do.
 - credit card offers in your child's name.

Pathway to Financial Success

In Schools

- a notice from the IRS saying your child didn't pay income taxes or his or her Social Security number was used on another tax return.
- being denied government benefits because someone else is using your child's Social Security number.
- Check to see if your child has a credit report. [The Federal Trade Commission](#) recommends checking your child's credit once he or she turns 16. Doing so gives you time to address any problems before he or she applies for a job, credit card, loan, or apartment.
- Consider putting a freeze on your child's credit if it is allowed in [your state](#). Freezing your child's credit means no one can access his or her credit until it has been unfrozen.
- Keep your child's identifying information (Social Security card, birth certificate, etc.) in a secure location such as a locked filing cabinet or safe. The fewer people with access to this information, the better.
- Review the privacy settings on your child's social media accounts. Who can see his or her real name and contact information?
- Have you ever seen a "[skimmer](#)"—a device that reads your credit or debit card information without your knowledge? Criminals often install these over ATM and gas pump card readers, and they can be hard to spot. Make sure you and your teen [know what they look like](#) and encourage them to check for one when doing things like [paying for gas](#) or getting cash from an ATM. It is also a good idea to cover the number pad when entering a PIN in case a camera is recording your information.
- Has your information ever been part of a data breach? This can happen to children too—often through information stored with a healthcare provider or school. If this happens, be sure you understand [what it means and what to do](#).
- Make sure your home internet connection is secure. Password protecting your wireless network may seem like a barrier, but it can prevent strangers from accessing personal information.
- Young people aren't the only common victims of financial fraud; senior citizens are also at high risk. [Learn the signs](#) and talk to your teen about how your family can help protect elderly loved ones.

Learn

- [Common Scams and Fraud](#) from USA.gov provides a list of popular scams, how to spot them, and what to do if you think you have been a victim.
- [Privacy, Identity, and Online Security](#) from the Federal Trade Commission gives information on ways to protect your information and your identity.
- [Warning Signs of Identity Theft](#) from the Federal Trade Commission lists what to look so you can spot identity theft early.
- [Fraud of the Month](#) from Consumer Jungle provides articles written for teens on the latest scams facing consumers.
- [State Consumer Protection Offices](#) from USA.gov offers a list of consumer protection agencies in each state.

CHILDREN AS VICTIMS

A review of 40,000 children found that 4,321 (10.2%) had been victims of identity theft. This was 51 times the rate for adults (0.2%).⁵

⁵<https://www.cylab.cmu.edu/files/pdfs/reports/2011/child-identity-theft.pdf>