

Resolution No: R-2010-16

**A RESOLUTION OF THE TOWNSHIP OF
HOPEWELL ADOPTING AN IDENTITY THEFT
PREVENTION POLICY**

WHEREAS: It is the desire of the Township of Hopewell to adopt a policy in accordance with the Federal Trade Commission's Identity Theft Red Flag Rule which is intended to identify red flags that will alert the Township employees when new or existing accounts are opened using false information, protect against the establishment of false accounts, adopt methods to ensure existing accounts were not opened using false information, and adopt measures to respond to such events.

NOW THEREFORE be it Resolved by the governing board of the Township of Hopewell and it is hereby Resolved by the Township of same.

Section I. Contact Information:

The person(s) responsible for overseeing this policy are the Township Manager and in his absence the Assistant Manager.

Section II. Risk Assessment:

The Township has conducted an internal risk assessment to evaluate how at risk the current procedures are at allowing customers to create a fraudulent account and evaluate if current existing accounts are being manipulated. This risk assessment evaluated how new accounts were opened and the methods used to access the account information. Using this information the Township was able to identify the following potential red flags that were appropriate to prevent identity theft:

- (a) New accounts opened in Person.

- (b) New accounts opened via Telephone.
- (c) New accounts opened via Fax.
- (d) New accounts opened via Web.
- (e) Account information accessed in Person.
- (f) Account information accessed via Telephone (Person)
- (g) Account information accessed via Web Site.
- (h) Determining whether identity theft occurred in the past from someone falsely opening a utility account.

Section III. Detection (Red Flags):

The Township has identified the following “red flags” to detect potential fraud.

These are not intended to be all-inclusive and other suspicious activity may be investigated as necessary.

- (a) Fraud or active duty alerts included with consumer reports.
- (b) Notice of credit freeze provided by consumer reporting agency.
- (c) Notice of address discrepancy provided by consumer reporting agency.
- (d) Inconsistent activity patterns indicated by consumer report such as:
 - (i) recent and significant increase in volume of inquiries.
 - (ii) unusual number of recent credit applications.
 - (iii) a material change in use of credit.
 - (iv) accounts closed for cause or abuse.
- (e) Identification documents appear to be altered.
- (f) Photo and physical description do not match appearance of applicant.
- (g) Other information is inconsistent with information provided by applicant.

- (h) Other information provided by applicant is inconsistent with information on file.
- (i) Application appears altered or destroyed and reassembled.
- (j) Personal information provided by applicant does not match other sources of information (e.g. credit reports, SSN not issued or listed as deceased).
- (k) Lack of correlation between the SSN range and date of birth.
- (l) Information provided is associated with known fraudulent activity (e.g. address or phone number provided is same as that of a fraudulent application).
- (m) Information commonly associated with fraudulent activity is provided by applicant (e.g. address that is a mail drop or prison, non-working phone number or associated with answering service/pager).
- (n) SSN, address, or telephone number is the same as that of other customer at utility.
- (o) Customer fails to provide all information requested.
- (p) Personal information provided is inconsistent with information on file for a customer.
- (q) Applicant cannot provide information requested beyond what could commonly be found in a purse or wallet.
- (r) Identity theft is reported or discovered.

Section IV. Township Response:

An employee of the Township who suspects fraud or detects a red flag will implement the following response as applicable.

- (a) All detections or suspicious red flags shall be reported to the Township Manager and in his absence the Assistant Manager.
- (b) Ask applicant for additional documentation.

(c) The Township Manager or in his absence the Assistant Manager, will notify the Hopewell Police Department if he determines the risk is substantial enough to warrant law enforcement intervention.

(d) Do not open the account.

(e) Close the account.

(f) Do not attempt to collect against the account but notify the proper legal authorities.

(g) monitor suspicious accounts for evidence of identity theft.

(h) contacting a customer, if warranted, when there is a documented reasonable suspicion that identity theft has or may likely occur.

(i) change passwords, codes or other security devices relating to an account.

Section V. Personal Information Security Procedures:

The Township adopts the security procedures set forth in Appendix "A" attached hereto and merged herein.

Section VI. Identity Theft Prevention Review and Approval:

(a) This Policy has been adopted by the Board of Commissioners. Employees have been trained or will be trained on the contents and procedures of this Identity Theft Prevention Policy.

(b) the Township Manager will prepare a report annually and submit it to the governing board to include matter related to the program, the effectiveness of the policies and procedures, the oversight and effectiveness of any third party billing and account establishment entities, a summary of any identity theft incidents and the response to the incident, and recommendations for substantial changes to the program, if any.

Section VII. Credit Bureau Requirements:

1. The Township will implement procedures designed to enable its employees when using credit reporting information, to form a reasonable belief that a credit report relates to the customer about whom it has requested the report when the employee receives a notice of address discrepancy, which is a red flag. Employees must compare and verify the information in the credit report with the information that

the Township obtains and uses to verify the member's identity in accordance with COP rules under the USA Patriot Act and maintains records for applications, change of address notifications, customer account records and CIP documentation.

2. The Township will utilize reasonable procedures for furnishing to the credit bureau (from whom it received a notice of address discrepancy) that the Township has reasonably confirmed that the address for the customer is accurate when all the following conditions are satisfied:
 - (a) The Township can form a reasonable belief that the credit report relates to the customer about whom the employee requested the report.
 - (b) The Township establishes a continuing relationship with the customer.
 - (c) The Township regularly and in the ordinary course of business furnishes information to the credit bureau from which the notice of address discrepancy was obtained.

Section VIII. Confirming Addresses:

The Township may reasonably confirm that an address is accurate by any of the following methods:

1. Verifying the address with the customer.
2. Reviewing Township records.
3. Verifying the address through third party sources.
4. Other reasonable means.

RESOLVED this 26th day of July, 2010.

SEAL

Attest:



Manager

Township of Hopewell

By:



President

Approved as to legal form:

Solicitor