

POLICY # 43

IDENTITY THEFT PREVENTION PROGRAM

DATE ADOPTED: 1-26-09
MINUTE BOOK: 36 PAGE 274

PURPOSE:

The purpose of this policy is to comply with the Fair and Accurate Credit Transactions Act and federal regulations promulgated at 16 CFR § 681.2 in order to detect, prevent and mitigate identity theft by identifying and detecting identity theft red flags and by responding to such red flags in a manner that will prevent identify theft.

DEFINITIONS:

For the purpose of this policy, the following definitions apply:

- A) Billing Agent means Wiregrass Electric Cooperative, Inc.
- B) Covered Account means an account that Houston County offers or maintains, primarily for personal, family, or household purposes, that invoices or is designed to permit multiple payments or transactions, such as utility account, and Any other account that Houston County offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of Houston County for identifying theft, including financial, operational, compliance, reputation, or litigation risks.
- C) Credit means the right granted by a creditor to a debtor to defer payment of debt or to incur debts and defer its payment or to purchase services and defer payment therefore.
- D) Creditor means any person who regularly extends, renews, or continues credit; any person who regularly arranges for the extension, renewal, or continuation of credit; or any assignee of an original creditor who participates in the decision to extend, renew, or continue credit and includes Houston County as it relates to solid waste/sanitation fees.
- E) Customer means a person that has a covered account with Houston County.
- F) Identify theft means a fraud committed or attempted using identifying information of another person without authority. Examples include credit cards, social security card, driver's license, etc.
- G) Notice of address discrepancy means a notice sent to a user by a consumer reporting agency pursuant to 15 U.S.C. §1681 that informs the user of a substantial

difference between the address for the consumer that the user provided to request the consumer report and the address(es) in the agency's file for the consumer.

H) Person means a natural person, a corporation, government or governmental subdivision or agency, trust, estate, partnership, Cooperative or association.

I) Personal Identifying Information means a person's credit card account information, debit card information, bank account information and drivers' license information and for a natural person includes their social security number, mother's birth name, and date of birth.

J) Red Flag means a pattern, practice, or specific activity that indicates the possible existence of identity theft.

K) Service Provider means a person that provides a service directly to Houston County.

FINDINGS:

1) Houston County is a creditor pursuant to 16 CFR § 681.2 due to its provision or maintenance of covered accounts for which payment is made in arrears.

2) Covered accounts offered to customers for the provision of services include solid waste/Sanitation Fees.

3) The County's previous experience with identify theft related to covered accounts is as follows: None detected as of the adoption of this Policy.

4) The processes of opening a new covered account, restoring an existing covered account and making payments on such accounts have been identified as potential processes in which identity theft could occur.

5) Houston County limits access to personal identifying information to only those employees involved in opening and restoring covered accounts or accepting payment for use of covered accounts. Houston County's Billing Agent, Wiregrass Electric Cooperative, Inc., also complies with identity theft prevention security measures in order to assure limited employee information access.

6) Houston County determines that there is a risk of identity theft when one or more of the following situations occur:

Alerts, Notices and Warnings

- A fraud or active duty alert
- A notice of a credit freeze
- A credit or consumer report indicating a pattern of activity that is inconsistent with history and usual pattern of applicant or customer, such as:
 - Recent and significant increase in volume of inquiries
 - An unusual number of recently est. credit relationships
 - Material change in use of credit, especially with respect to recently established credit relationships
 - Account that was closed for cause or identified for abuse of account privileges by financial institution or creditor

Presentation of Suspicious identification documents such as follows:

- Those which appear altered or forged;
- Those in which the photo or physical description is not consistent with appearance of applicant or customer,
- Those on which information is not consistent with information provided by person opening account or customer presenting ID;
- Those on which information is not consistent with readily accessible on file.
- Those new account applications which appear to have been altered or forged or which give appearance of having been destroyed or reassembled.

Suspicious Personal Identifying Information (PII):

- Address doesn't match any address in consumer report OR social security number has not been issued or is listed on Social Security Administration's Death Mater List
- PII not consistent with other PII provided by customer. Example – no correlation between SSN range and date of birth.
- PPI associated with known fraudulent activity indicated by internal or third party sources used by Houston County. Example – address on application same as address provided on fraudulent application OR phone number on application same as number on fraudulent application.
- SSN same as that submitted by other persons opening account or current customer.
- Address or phone number same or similar to those submitted by unusually large number of others opening accounts or other customers.
- Person opening account or customer fails to provide all required PII on application or in response to notification that the application is incomplete.

Unusual Use of or Other Suspicious Activity Related to Customer Account

- Unusual account activity on account
- Mail sent to account is returned repeatedly as undeliverable although account continues to have activity
- Houston County or the Billing Agent for Houston County is notified that customer is not receiving paper statements
- Houston County or the Billing Agent for Houston County is notified of unauthorized charges or transactions in connection with a customer's covered account

Notice from customers, victims of identity theft, law enforcement authorities, or other persons regarding possible identify theft in connection with covered accounts held by Houston County or the collection agent for Houston County.

Detection, Prevention and Mitigation:

In order to assure protection of identity and other customer information, Houston County or the Billing Agent for Houston County will implement the following guidelines:

Detection:

- All customers will provide at a minimum the following information:
- Full Name
- DOB
- Address
- Social Security Number or Taxpayer ID
- For non-US citizens, one or more of the following: Taxpayer ID passport number and country of issuance, alien ID card number, or number and country of any other government issued document showing photo and nationality

Preventing and Mitigating ID Theft:

If ID theft is detected, Houston County or the Billing Agent for Houston County will respond by taking one or more of the following steps:

- Monitor the account for evidence of ID theft
- Contact the customer
- Reopen the account using a new account number
- Close existing account
- Not attempt to collect on customer account or not sell on covered account to debt collector
- Determine that no response is warranted under circumstances

Houston County's Billing Agent, Wiregrass Electric Cooperative, Inc., will take all necessary steps to assure privacy and control of credit card payments made over the internet.

Houston County's sanitation fee Billing Agent, Wiregrass Electric Cooperative, Inc., will develop and provide to the Houston County Commission its own internal Identity Theft Prevention Policy (i.e., "Red Flags Policy") in accordance with guidelines outlined in the Fair and Accurate Credit Transactions Act and federal regulations promulgated at 16 CFR § 681.2.

The Houston County Commission shall annually review and, as deemed necessary, update the Identity Theft Prevention Program along with any relevant red flags in order to reflect changes in risks to customers or to the safety and soundness of Houston County and its covered accounts from identify theft. In so doing, the Houston County Commission shall consider the following factors and exercise its discretion in amending the program:

- 1) Houston County's experiences with identify theft;
- 2) Updates in methods of identity theft;
- 3) Updates in customary methods used to detect, prevent and mitigate identify theft;
- 4) Updates in the types of accounts that Houston County offers or maintains; and
- 5) Updates in service provider arrangements

Treatment of Address Discrepancies

In the event that the Houston County Commission or its Billing Agent receives a notice of address discrepancy, the employee responsible for verifying consumer addresses for the purpose of providing the service or account sought by the consumer shall perform one or more of the following activities, as determined to be appropriate by such employee:

- 1) Compare the information in the consumer report with:
 - (a). Information the Houston County Commission or its Billing Agent obtains and uses to verify a consumer's identity in accordance with the requirements of the Customer Information Program rules implementing 31 U.S.C. § 5318 (1);
 - (b). Information the Houston County Commission maintains in its own records or the records of its Billing Agent, such as applications for service, change of address notices, other customer account records or tax records; or
 - (c). Information the Houston County Commission or its Billing Agent obtains from third-party sources that are deemed reliable by the relevant employee; or
- 2) Verify the information in the consumer report with the customer.

Furnishing Consumer's Address to Consumer Reporting Agency

In the event that the Houston County Commission or its Billing Agent reasonably confirms that an address provided by a consumer is accurate, the Houston County Commission or its Billing Agent is required to provide such address to the consumer reporting agency from which it received a notice of discrepancy with respect to such consumer. This information is required to be provided to the consumer reporting agency when:

- (a). The Houston County Commission or its Billing Agent is able to form a reasonable belief that the consumer report relates to the consumer about whom it requested the report;
- (b). The Houston County Commission or its Billing Agent establishes a continuing relation with the consumer; and
- (c). The Houston County Commission or its Billing Agent regularly and in the ordinary course of business provides information to the consumer reporting agency from which it received the notice of address discrepancy.

Such information shall be provided to the consumer reporting agency as part of the information regularly provided by the Houston County Commission or its Billing Agent to such agency for the reporting period in which the Commission establishes a relationship with the customer.

Methods of Confirming Consumer Addresses

The employee charged with confirming consumer addresses may, in his or her discretion, confirm the accuracy of an address through one or more of the following methods:

- 1) Verifying the address with the consumer
- 2) Reviewing the Houston County Commission's records or the records of its Billing Agent to verify the consumer's address;
- 3) Verifying the address through third party sources; or
- 4) Using other reasonable sources.

Program Administration and Oversight

Houston County's Chief Administrative Officer (CAO) is responsible for the oversight of the program and for the program implementation. The CAO is responsible for reviewing reports prepared by staff regarding compliance with red flag requirements and with recommending material changes to the program as necessary in the opinion of the CAO, to address changing identify theft risks and to identify new or discontinued types of covered accounts. Any recommended material changes to the program shall be submitted to the Houston County Commission.

The CAO will report to the Houston County Commission at least annually on compliance with the red flag requirements. The report shall be due no later than September 30th each year and shall address material matters related to the program and evaluate issues, including but not limited to:

- 1) The effectiveness of the program policies and procedures in addressing the risk of identity theft in connection with the opening of covered accounts and with respect to existing covered accounts.
- 2) Service provider arrangements;
- 3) Significant incidents involving identify theft and management's response; and
- 4) Recommendations for material changes to the Program.

The CAO is responsible for providing training to all employees responsible for or involved in opening a new covered account, restoring an existing covered account or accepting payment for a covered account with respect to the implementation and requirements of the Identify Theft Prevention Program. The CAO shall exercise his or her discretion in determining the amount and substance of training necessary.