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# **Cybersecurity and Personal Finance**

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**Identity Theft by  
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- Recognize the importance of protecting yourself from identity theft.
- Determine the relationship between identity theft and fraud.
- Explain the history and the role of Social Security Numbers in identity theft.
- Apply the concept of identity theft to the use of credit cards and other personal information such as Social Security Numbers and passwords.
- Discuss how to protect yourself from identity theft.

- Identity theft is one of the fastest growing crimes
- Technology provides easy access to everyone's personal information
- “Hackers” attempt to gain access to databases
  - Government
  - Banks and other financial institutions
  - Other private businesses
- Identity theft creates problems for business, for government, and for individuals
- Understanding how to protect yourself from identity theft is important

# Opening Questions

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- What is identity theft?
- How can you protect yourself from becoming a victim?

- What is identity theft?
  - The deliberate use of someone else's identity (name and personal information), usually for financial gain
  
- How can you protect yourself from becoming a victim?
  - Take steps to protect your personal information such as passwords and Social Security Numbers

- Anyone can become a victim
- Identity theft can cause multiple problems for the victim
  - May prevent you from getting credit cards or other loans
  - May prevent you from getting a school loan for your college education
  - May prevent you from buying a house
  - May prevent you from getting a job

- *Fastview Middle School is preparing for its annual essay competition. Winners will be announced at a special ceremony this morning. Everyone is gathered in the auditorium and excited to hear who will win. Now, the big moment has come.*
- *Mrs. Rodriguez announces the top three essay winners and Johnny wins first place. Everyone is surprised as he slowly walks up to receive his award and a gift certificate for \$100.*
- *As Johnny starts reading his essay to all of the students, Malia realizes that he is reading **her** essay. How could this happen? She was happy when they said she got second place, but now she's angry and confused. She wants to know how Johnny got a copy of the first one she wrote and tossed in the trash before starting over on a new paper.*

# Essay Scenario Questions

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- What should Malia do?
- How can she prove it was her essay?
- Do things like this ever happen?



- Malia is a victim of fraud
  - Johnny took her essay without her permission and used it for his own gain
- Definition of fraud
  - Deliberate attempt to gain from deceiving or misleading others
- The burden of proof is on Malia
  - Malia will have to show proof that Johnny stole her essay and entered it in the competition

- Identity theft and fraud are very similar
  - Personal information is stolen, such as
    - Name
    - Social Security Number
    - Address
    - Phone number
    - Bank account number
    - Credit card number
    - Password
  - The stolen information is then used to buy things, leaving you to pay the bills or to prove you did not buy them

- What if Johnny stole Malia's credit card number and purchased new clothes for the awards ceremony?
  - Malia would have to prove he did it or pay the bill.
- Being a victim of identity theft or fraud is much more serious than just having someone steal your essay.
- Identity theft can create very difficult situations for the victim to resolve.

# Why is identity theft growing?

- Electronic access to databases
- Tossing paper with personal information into the trash
- Online access for individuals
  - Social media
  - Chat rooms
  - Emails
  - Online surveys
  - Other

# Potential Sources of Identity Theft

- Posting personal information on social media
- Giving out personal information in a chatroom
- Responding to emails asking for personal information
- Answering online surveys that require personal information
- Others???

# Even cell phones!

- People store important information on cell phones and tablets
- If not protected, someone can easily access that information
- Protect cell phone and other electronic devices

# Remember.....

- Protecting personal information is important, even if you do not have a bank account or a credit card.
- Someone can still steal your identity and use it.

# Activity #1



- Have you ever loaned money to a friend who did not repay you?
- How did it make you feel?
- What if you found out that friend had borrowed from several others in class and did not repay them either?
- Would you want to loan this friend more money?

- Failing to repay your friends gives them a bad impression of you.
- Companies also want to know if you repay your bills when you ask to borrow money from them.
  - Credit History
- Credit cards are an easy way to get credit.
  - With credit cards, you can buy today and pay for things later.
- What would you think if someone used your credit card to make purchases?
- What would you think if someone got a credit card in your name and you did not even know about it?

- How would you feel if someone used your credit card to make purchases?
- How would you feel if someone got a credit card in your name and you did not even know about it – and made purchases?
- Both are examples of identity theft.
- In both examples, you must prove it was not you who made those purchases.
  - If you cannot prove it, then you are responsible for paying the bills!

- Bank Account Numbers
  - Issued by a bank when you open an account
    - Checking Account
    - Savings Account
  - Unique to you and to your account
  - Provides you and only you access to your money

- Social Security Number
  - Issued by the Federal Government
  - Basically serve as a national identification number
  - Unique to you
  - Provides you and only you access to your personal information
  - Used to track your credit history (your use of credit)
  - Other uses

<https://www.youtube.com/watch?v=PWJMMIwjWYE>

# Review of Social Security Numbers

- What is a Social Security Number?
- How are they used?
- Why are they important?
- Why should you protect you Social Security Number from others?

## Activity #2

<http://www.netsmartz.org/NetSmartzKids/PasswordRap>

- Anyone can become a victim of identity theft – even you!
  - Even if you do not have a credit card
  - Even if you do not have a bank account
  - Even if you do not have a computer or tablet
  - Even if you do not have a cell phone
- Protecting personal information reduces the potential for becoming a victim.
- Talk with your parents/guardians about ways to protect your personal information and theirs.