

RESOLUTION NO. 2009-7

AN RESOLUTION ADOPTING AN IDENTITY THEFT  
PREVENTION PROGRAM TO BE IN COMPLIANCE WITH  
THE FEDERAL TRADE COMMISSION'S RED FLAG RULE

WHEREAS, the City of Lawrence, Indiana through its Utility Service Board (the "City") operates a municipal water utility pursuant to IC 8-1.5 et seq.; and

WHEREAS, the City operates a municipal sewage utility pursuant to IC 36-9-23; and

WHEREAS, the Federal Trade Commission (the "FTC"), in conjunction with other federal agencies, has adopted rules to implement the Fair and Accurate Credit Transactions Act of 2003 (the "Act") which rules require covered creditors to adopt and implement a written Identity Theft Prevention Program (the "Program") to detect, prevent and mitigate identity theft in connection with the opening of certain accounts or certain existing accounts; and

WHEREAS, the FTC has determined that municipal utilities are subject to the regulations of the Act and must comply by adopting the Program; and

WHEREAS, the City has designed a program to fit the City of Lawrence utility operation and such program is set forth in Exhibit A; and

WHEREAS, the City recognizes that the Program will be an ongoing process and desires to implement a base Program to comply with the Act.

BE IT RESOLVED, by the Utility Service Board of the City of Lawrence that:


Section 1. The City of Lawrence through its Utility Service Board does hereby recognize the requirements of the Act for applications to the City's water and sewage utilities.

Section 2. The preliminary program as set forth in Exhibit A (the "City's Program") is hereby adopted as the policy of the water and sewage utilities.

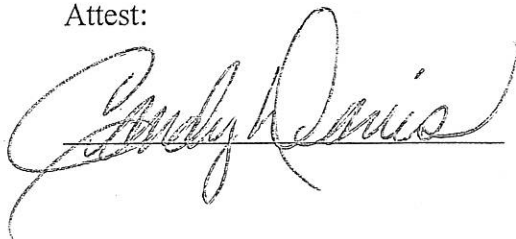
Section 3. The City shall periodically review, revise and improve the City's Program to achieve and remain in compliance with the Act.

ADOPTED AND APPROVED this 22 day of April, 2009.

UTILITY SERVICE BOARD  
CITY OF LAWRENCE, INDIANA

  
Chairman

Attest:



## EXHIBIT A

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### IDENTITY THEFT PREVENTION PLAN FOR LAWRENCE UTILITIES LAWRENCE, INDIANA

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This Plan is intended to identify red flags that will alert our employees when new or existing accounts are opened using false information, protect against the establishment of false accounts, methods to ensure existing accounts were not opened using false information, and measures to respond to such events.

For questions about the application of this Plan, please contact:

Scott Salsbery  
Interim Utility Superintendent  
9001 East 59th Street, Suite 301  
Lawrence, Indiana 46216  
(317) 524-6305  
ssalsbery@cityoflawrence.org

#### **Risk Assessment**

Lawrence Utilities has conducted an internal risk assessment to determine the risk of identity theft resulting from the opening of an account with Lawrence Utilities. This assessment evaluated the types of covered accounts it maintains, the methods it provides to open its covered accounts, the methods it provides to access its covered accounts and its previous experience with identity theft. The adopted Plan considered and responds these risk factors.

#### **The Plan**

Lawrence Utilities establishes an Identity Theft Prevention Plan (the "Plan") to detect, prevent and mitigate identity theft. The Plan consists of following components.

1. Procedures to open accounts to ensure the customer's identity;
2. Methods to detect and protect against the use of someone else's financial information in making payments;
3. Procedures to respond to suspected identity theft;
4. Delineation of procedures to protect sensitive information received from customers in opening their accounts; and

5. Ensure the Plan is updated periodically to reflect changes in risks to customers and to the safety and soundness of the creditor from identity theft.

#### Account Opening Procedures

Lawrence Utility employees will adhere to the following procedures in initiating new accounts to protect against accounts being opened under fake names or stolen identities:

1. Employees will request customers applying for new accounts by telephone to provide the following information:
  - (a) Name
  - (b) Address
  - (c) Phone number
  - (d) Employer
  - (e) Date of birth
  - (f) Social Security Number
2. The prospective customer's Social Security Number will be entered into a reputable social security search database to ensure the number is valid and compare the reported date of birth for the provided Social Security Number with the birth date given by the customer.
  - (a) If the Social Security Number provided is valid and matches the customer's date of birth, the account may be opened (unless the employee has other reasonable grounds for suspicion).
  - (b) If the Social Security Number comes back invalid, raises suspicion about its validity or does not match the customer's date of birth, the employee must request the customer appear at a Lawrence Utility office in person and present a valid form of photo ID to establish their identity.
3. For a customer that appears to open an account in person, a valid photo ID and all information provided in Section 1 shall be provided.
4. In reviewing the information provided by the prospective customers, employees should look for the following red flags:
  - (a) Identification documents provided appear to be altered;
  - (b) Any discrepancy between the information provided by the potential customer and the results of the social security check;
  - (c) Photo and physical description on photo ID do not match appearance of potential customer;
  - (d) Information provided by the potential customer does not match other sources of information;
  - (e) Social Security Number, address or telephone number is the same as that of another customer of Lawrence Utilities;

- (f) Potential customer cannot provide information requested beyond what could commonly be found in a purse or wallet; or
  - (g) Identity theft is reported or discovered.
5. Employees shall take steps to ensure an account is not opened under a false name including refusing to open an account if satisfactory identifying information is not provided.

#### Payment With Stolen Information

Employees shall put a note in the billing record of any customer who pays or attempts to use a stolen credit card, check, direct deposit from an account such customer is not authorized to use or other financial resource. Future payments from that customer must be made in cash or cash equivalent such as a money order.

#### Response to Suspected Identity Theft

Pursuant to the Plan, employees should take appropriate responses to detected red flags to prevent and mitigate identity theft. The response shall be commensurate with the degree of risk posed. Appropriate responses may include:

1. Monitor a covered account for evidence of identity theft;
2. Contact the customer;
3. Change any passwords, security codes or other security devices that permit access to a covered account;
4. Reopen a covered account with a new account number;
5. Not open a new covered account;
6. Close existing covered account;
7. Notify law enforcement by contacting the Lawrence Police Department at(317) 549-6414; or
8. Determine no response is warranted under the particular circumstances.

#### Protecting Customer Information

Employees shall work to protect customer information from being disclosed outside of Lawrence Utilities. The following procedures should be followed to ensure customer information is protected, but shall not foreclose an employee from using other steps to protect customer specific information:

1. Customer information will be entered into Lawrence Utilities' computer system with paper copies destroyed in a manner that limits the ability of the information to be used by those outside of Lawrence Utilities.

2. Any paper documents, files and electronic media containing secure information will be stored in secure areas.
3. Files containing personally identifiable information are kept in secure areas except when an employee is working on the file.
4. Employees will not leave sensitive papers out on their desks when they are away from their workstations.
5. Employees log off their computers when leaving their areas.
6. Any sensitive information shipped using outside carriers or contractors will be encrypted.
7. Visitors will be escorted through secure areas and no visitor will be provided entry codes.
8. Passwords will not be shared or posted near work stations.
9. Anti-virus and anti-spyware programs will be run on individual computers and on servers daily.
10. When sensitive data is received or transmitted, secure connections will be used.
11. Computer passwords will be required.
12. Laptop users will not store sensitive information on their laptops.
13. Access to customer's personal identity information is limited to employees with a "need to know."
14. Any access to public records request seeking sensitive data will be directed through an attorney representing Lawrence Utilities to determine how Indiana or Federal law protects the disclosure of the information.

#### Updating the Plan

The Plan shall be updated periodically to reflect changes in risks to customers or to the safety and soundness of the organization from identity theft based on factors such as:

1. The experiences of Lawrence Utilities' with identify theft;
2. Changes in methods of identify theft;
3. Changes in methods to detect, prevent and mitigate identity theft;
4. Changes in the types of accounts that Lawrence Utilities' offers or maintains;

### Oversight of the Plan

The Plan shall be updated periodically to reflect changes in risks to customers or to the safety and soundness of the organization from identity theft based on factors such as:

1. Oversight of the Plan shall include:
  - (a) Assignment of specific responsibility for implementation of the Plan;
  - (b) Review of reports prepared by staff regarding compliance; and
  - (c) Approval of material changes to the Plan as necessary to address changing risks of identity theft
2. Reports shall be prepared as follows:
  - (a) Staff responsible for development, implementation and administration of the Plan shall report to the Lawrence Utility Service Board at least annually on compliance by the organization with the Plan.
  - (b) The report shall address material matters related to the Plan and evaluate issues such as:
    - (i) The effectiveness of the 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;
    - (ii) Significant incidents involving identity theft and management's response; and
    - (iii) Recommendations for material changes to the Plan.
    - (iv) Appendix A may be used as a guideline for annually reporting on the programs.

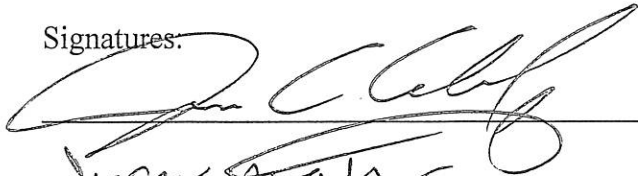

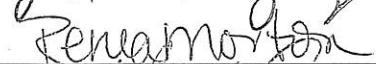

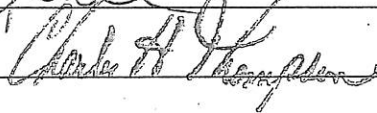
### Oversight of Service Provider Arrangements

Lawrence Utilities shall take steps to ensure that the activity of a service provider is conducted in accordance with reasonable policies and procedures designated to detect, prevent and mitigate the risk of identity theft whenever Lawrence Utilities engages a service provider to perform an activity in connection with one or more covered accounts.

This Plan has been reviewed and adopted by the Utility Service.

Approved this 22<sup>nd</sup> day of April, 2009.

Signatures:

	Date: <u>4-22-09</u>
 John Kelly	Date: <u>4-22-09</u>
 Renea Morton	Date: <u>4/22/09</u>
 Mike Kelly	Date: <u>4/22/09</u>
 Charles H. Thompson	Date: <u>4-22-09</u>

**APPENDIX A**  
**ANNUAL REPORT FOR LAWRENCE UTILITIES**  
**IDENTITY THEFT PROTECTION PLAN**

1. Summarize the effectiveness of the 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. Identify any significant incidents involving identity theft and management's response during the prior twelve months.

3. Identify any recommendations for material changes to the Plan.

Submitted: \_\_\_\_\_

Submitted by: \_\_\_\_\_

Reviewed by the Lawrence Utility Service Board: \_\_\_\_\_



**APPENDIX A**  
**2025 - ANNUAL REPORT FOR LAWRENCE UTILITIES**  
**IDENTITY THEFT PROTECTION PLAN**

**Reporting Period: April 2024 to April 2025**

1. Summarize the effectiveness of the 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 for Lawrence Utilities Business Office.

The policy and procedures the Business Office employs continue to be effective and safeguard against identity theft. These policies also protect the utility from activation of accounts with false information being provided during account set up.

All Business Office employees are informed regarding the policies and practices in place to identify and prevent identity theft and the safeguarding of sensitive customer data.

2. Identify any significant incidents involving identity theft and management's response during the prior twelve months.

The Business Office has had situations where non-account holders attempt to get information on an account. Once the policies are explained, the situations are resolved easily.

No other incidences of compromised customer data or attempts at theft of customer data were identified or reported.

3. Identify any recommendations for material changes to the Plan.

No plan changes are recommended currently.

Submitted: 4/1/25

Submitted by: Cathy Retmier

Reviewed by the Lawrence Utility Service Board: \_\_\_\_\_