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## **Kat's Money Corner | Bits and hacks and sealing cracks**

By KAT

When money was only paper and metal, a good strong vault could keep it safe. In our modern age, though, money is digital – bits and bytes of data stored on servers and streaming through cyberspace, stalked by hackers and fraudsters.

Nowadays, a crook can rob you with a laptop without ever leaving home. As we approach Fraud Awareness Week (August 1-7), let's review the basics on protecting yourself from digital thievery.

The most important thing to remember is that your computer is not your only point of digital vulnerability. Every time you hand a credit or debit card to a merchant to complete a transaction, there is a chance your information can be taken and used to make purchases at your expense.

Pickpocketers have even been known to steal purses and wallets, copy down the information, then quickly return the purse or wallet intact as “found” to lull victims into a false sense of security so they don't report the cards as lost or stolen. That gives them a huge head start on a spending spree.

Rule number one is regularly check your statements from financial institutions and credit card issuers. It's a good idea to always get receipts for card purchases, save the receipts, and compare them against your statements every month (if you bank online, check weekly). You can protect yourself from the liability of fraudulent purchases, but only if you report them in a timely manner. (One more thing: keep those receipts in a secure place at home, not in your car!)

You should also monitor your credit history. By law, each of the major credit reporting agencies must give you a free copy of your credit report once every 12 months. To order your free annual report, visit [www.annualcreditreport.com](http://www.annualcreditreport.com). If you request a copy from a different credit reporting agency every four months, you can review your credit history periodically throughout the year.

Another major area of risk: your trash. Shred everything that has any kind of account number or other identifying information (including the never-ending credit card offers) before putting it in the recycling bin or trash bag. Don't forget to shred insurance and medical documents as well. A pro can turn himself into an online version of you in no time with just the information you routinely toss away.

Protecting your Social Security number is another vital aspect of identity theft and fraud protection. Don't carry the card, or anything with the number on it, anywhere and never use it as a computer password.

Finally, online, “phishing” continues to be a major threat. “Phishing” refers to attempts by online con artists to trick you into surrendering your personal information by sending emails purporting to be from your financial institution, law enforcement or other entity you would ordinarily trust. Some sophisticated scams copy the logos of reputable organizations in those emails and include links to counterfeit websites that look almost like the real thing.

There's a great breakdown on anti-phishing practices from the Anti-Phishing Working Group [here](#). The most important thing to remember is that no reputable organization will ever ask you to provide your full social security number, account numbers or passwords by email or over the phone.

Identity theft is a significant and growing problem, and one blog post can't begin to cover all the threats and countermeasures. To get a real sense of the big picture, the Federal Trade Commission has a great [website](#)

with information about identity theft, how individuals can protect their information, and what they should do if their information has been compromised.

Another useful [website](#) includes information about identity theft as well as other types of fraud such as romance scams, lottery scams and job scams.

Knowledge is your best defense against fraud. And unfortunately, that knowledge base needs to be updated regularly.

*The Money Corner is posted on Dollars & Sense every Tuesday. Kat Hnatyshyn, when not blogging or caring for her newborn, is a manager with CommunityAmerica Credit Union. For more financial chatter, click [here](#).*

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