

# City Council Action Item Cover Sheet

DATE: June 5, 2019

**Agenda Item:**

Identity Theft & Website Use Resolution

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**Question Before Council:**

Does Council approve the updates to the Identity Theft & Website Use Policies

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**Person/Group Initiating Request:**

City Manager

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**Item Summary/Background:**

Our Insurance Company, CIS, has recommended that we update our "Red Flag" or Identity Theft Policy  
The attached policy updates the Identity Theft and Website Use (Exhibit A) policies and  
replaces Administrative Policy 13.

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These updated policies has been reviewed by the City Attorney.

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he City Manager recommends, after discussion, that the Council consider the following motion:  
I move approval of Resolution 2019-77 updating the City's Identity Theft & Website Use Policies.

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**CITY OF YACHATS  
RESOLUTION NO. 2019-77  
A RESOLUTION ADOPTING AN IDENTITY THEFT PREVENTION PROGRAM**

**WHEREAS**, the Yachats City Council desired to update Administrative Policy 13 and update and implement an identity theft identification program, and

**WHEREAS**, upon the recommendation of CIS, and review by the City attorney, the identity theft (red flag) and website use policies are updated, and

**WHEREAS**, the City Council reviewed the updated identity theft and website use policies on June 5, 2019,

**NOW THEREFORE**, the City of Yachats resolves to adopt the identity theft and website use policies.

Passed and adopted June 5, 2019. This Resolution is effective upon adoption.

CITY OF YACHATS

By: \_\_\_\_\_  
W. John Moore, Chair

ATTESTED TO BY:

\_\_\_\_\_  
Shannon Beaucaire, City Manager





City of Yachats  
Identity Theft Prevention Program

## I. Purpose

This policy is intended to establish an Identity Theft Prevention Program (“the Program”). The Program is designed to detect, prevent and mitigate Identity Theft in connection with certain City accounts, programs, or procedures (including specifically utility accounts). This policy applies to City accounts, programs, or procedures which allow a person or an entity to make multiple payments on personal, family, or household accounts and present a “reasonably foreseeable risk” of Identity Theft.

As general guidance, this policy will apply to any City account, program, or procedure which allows multiple household or personal payments and collects, transfers, stores, or records a person’s personally identifiable information.

This policy complies with Sections 114 and 315 of the Fair and Accurate Credit Transactions Act and complies with the Oregon Consumer Identity Theft Protection Act as provided by ORS 646A.622(2)(a) and (b). After consideration of the size and complexity of the City’s operations and the nature and scope of the City’s activities, the City’s governing body has determined that the Program is appropriate for the City and has approved the Program on June 5, 2019.

## II. Definitions

**A covered account means:**

1. An account the City offers or maintains primarily for personal, family, or household purposes, that involves or is designed to permit multiple payments or transactions. Covered accounts may include credit card accounts, mortgage loans, automobile loans, margin accounts, cell phone accounts, utility accounts, checking accounts and savings accounts; and
2. Any other account the City offers or maintains for which there is a reasonably foreseeable risk of Identity Theft to customers or a risk to the safety and soundness of the City’s utility of Identity Theft, including financial, operational, compliance, reputation or litigation risks.

**Identifying Information** means any name or number that may be used, alone or in conjunction with any other information, to identify a specific person, including: name, address, telephone number, Social Security number, date of birth, government-issued driver’s license or identification number, alien registration number, government passport number, employer or taxpayer identification number, or unique electronic identification number.



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**Identify theft** means fraud committed or attempted using the Identifying Information of another person without authority.

**A Red Flag** means a pattern, practice or specific activity that indicates the possible existence of Identity Theft.

**Security Information** is defined as government data the disclosure of which would be likely to substantially jeopardize the security of Identifying Information.

### **III. Program**

The City hereby establishes an Identity Theft Prevention Program to detect, prevent and mitigate Identity Theft. The Program includes procedures to:

1. Identify Red Flags for covered accounts and incorporate those Red Flags into the Program;
2. Detect Red Flags that have been incorporated into the Program;
3. Respond appropriately to any detected Red Flags to prevent and mitigate Identity Theft; and
4. Update the Program periodically to reflect changes in risks to customers and to ensure the safety and soundness of the utility from Identity Theft.

### **IV. Program Administration**

#### **Oversight**

Responsibility for developing, implementing and updating this Program lies with the City Manager, or the City Manager's designee.

The Program Administrator will be responsible for:

1. Program resources and planning;
2. Ensuring appropriate Program training of utility staff;



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3. Reviewing any staff reports regarding Red Flag detection and Identification Theft mitigation and prevention;
4. Determining which steps of prevention and mitigation should be taken in particular circumstances commensurate with the risk posed; and
5. Considering periodic changes to the Program.

**Staff Training and Reports**

Staff responsible for implementing the Program will be trained by or under the direction of the Program Administrator. Staff will provide timely reports to the Program Administrator on all incidents of Identity Theft or occurrences of Red Flags.

**Program Review and Updates**

The Program Administrator will review and update this Program at least once a year to reflect changes in risks to customers and the soundness of City programs from Identity Theft. In doing so, the Program Administrator will consider the City's experience with Identity Theft situations, changes in Identity Theft methods, changes in Identity Theft detection and prevention methods, and changes in the City's business arrangements with other entities. After considering these factors, including the degree of Identity Theft risk posed, the Program Administrator will determine whether changes to the Program, including the listing of new Red Flags, are warranted. If warranted, the Program Administrator will update the Program or present the City's governing body with recommended changes and the governing body will make a determination of whether to accept, modify or reject those changes to the Program.

**V. Identification of Red Flags**

In order to identify Red Flags, the City considers the types of accounts or programs it offers and maintains, the methods it uses to open and access accounts, and its previous experiences with Identity Theft. The City has identified the following Red Flags in each of the listed categories:



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**Notifications and Warnings from Credit Reporting Agencies**

**Red Flags**

1. Report of fraud accompanying a credit report;
2. Notice or report from a credit agency of a credit freeze on a customer or applicant;
3. Notice or report from a credit agency of an active duty alert for an applicant; and
4. Indication from a credit report of activity that is inconsistent with a customer's usual pattern or activity.

**Suspicious Documents**

**Red Flags**

1. Identifying Information that appears to be forged, altered or inauthentic;
2. Identifying Information on which a person's photograph or physical description is inconsistent with the person presenting the document;
3. Other document with information that is inconsistent with existing customer information (such as if a person's signature on a check appears forged); and
4. Application that appears to have been altered or forged.

**Suspicious Personal Identifying Information**

**Red Flags**

1. Identifying Information presented inconsistent with other information the customer provides (example: inconsistent birth dates);
2. Identifying Information presented inconsistent with other sources of information (for instance, an address not matching an address on a credit report);





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3. Identifying Information presented that is the same as information shown on other applications that were found to be fraudulent;
4. Identifying Information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
5. Social security number presented that is the same as one given by another customer;
6. An address or phone number presented that is the same as that of another person;
7. Failure to provide complete personal Identifying Information on an application when reminded to do so (however, Social Security numbers must not be required); and
8. Identifying Information inconsistent with the information on file for the customer.

**Suspicious Account Activity or Unusual Use of Account**

**Red Flags**

1. Change of address for an account followed by a request to change the account holder's name;
2. Payments stop on an otherwise consistently up-to-date account;
3. Account used in a way inconsistent with prior use (example: very high activity);
4. Mail sent to the account holder is repeatedly returned as undeliverable;
5. Notice to the City that a customer is not receiving mail sent by the City;
6. Notice to the City that an account has unauthorized activity;
7. Breach in the City computer system security; and
8. Unauthorized access to or use of customer account information.



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**Alerts from Others**

**Red Flag**

1. Notice to the City from a customer, Identity Theft victim, law enforcement or other person that the City has opened or is maintaining a fraudulent account for a person engaged in Identity Theft.

**VI. Detecting Red Flags**

**New Accounts**

In order to detect any of the Red Flags identified above associated with the opening of a new account or program which pertains to household or personal matters (such as a utility account) or which presents a foreseeable risk of Identity Theft, City personnel will take the following steps to obtain and verify the identity of the person or business opening the account:

1. Require certain Identifying Information, which may include:
  - a. Full name;
  - b. Date of birth (for individual);
  - c. Previous and current residential or business address;
  - d. Principal place of business (for an entity); and
  - e. Identification. Required identification may include the following:
    - i. For a U.S. Citizen
      1. Taxpayer Identification number (for business) or Social Security number; and/or
      2. Photo-bearing documents (original required) such as:
        - a. State-issued driver's license; or
        - b. State-issued identification card; or
        - c. Passport from any country
    - ii. For a Non-U.S. Citizen
      1. Social Security number; and/or
      2. Photo-bearing documents (original required) such as:



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- a. State-issued driver's license; or
- b. State-issued identification card; or
- c. Passport from any country; or
- d. Documents containing an alien identification number and country of issuance; or
- e. Any other photo-bearing government-issued document evidencing nationality or residence.

2. Review all documentation for Red Flags; and/or independently contact the customer.

**Existing Accounts**

In order to detect any of the Red Flags identified above for an existing account or program, personnel will take the below steps to monitor transactions with an account. City personnel have the discretion to determine the degree of risk posed and to act accordingly.

1. Verify customer's Identifying Information if a customer requests any information on the account (this can be done in person, via telephone, via facsimile, or via email);
2. Verify the validity of requests to change billing addresses; and
3. Verify changes in banking information given for payment purposes.

**VII. Preventing and Mitigating Identity Theft**

1. **Ongoing Operations to Prevent Identity Theft.** In order to further prevent the likelihood of Identity Theft, personnel will take the below steps, commensurate with the degree of risk posed, regarding ongoing internal operating procedures. City personnel have the discretion to determine the degree of risk posed and to act accordingly.
  - a. Ensure that its website is secure or provide clear notice that the website is not secure (Website use policy is Exhibit A);
  - b. Ensure complete and secure destruction of paper documents and computer files containing customer Identifying Information;



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- c. Ensure that office computers are password protected;
- d. Keep offices clear of papers containing customer information;
- e. Ensure computer virus protection is up-to-date;
- f. Review City processes and require and keep only information necessary for program purposes;
- g. Transmit Identifying Information using only approved methods and include the following statement on any transmitted Identifying Information:

*"This message may contain confidential and/or proprietary information, and is intended for the person/entity to which it was originally addressed. If you have received this email by error, please contact the City and then shred the original document. Any use by others is strictly prohibited."*

- h. Do not use or post customer's Social Security number as an account identifier or on any other documents unless requested by customer or required by federal law (such as W-2 forms).

2. **Steps to take when you Detect a Red Flag.** In the event City personnel detect Red Flags, they will take *one or more* of the below steps, commensurate with the degree of risk posed, to prevent and mitigate risk of Identity Theft. City personnel have the discretion to determine the degree of risk posed and to act accordingly.

- a. Continue to monitor an account for evidence of Identity Theft;
- b. Contact the customer either by written notice or telephone;
- c. Refuse to open a new account;
- d. Close an existing account;
- e. Reopen an account with a new number;
- f. Notify the Program Administrator for determination of the appropriate step(s) to take;
- g. Notify law enforcement; or
- h. Determine that no response is warranted under the particular circumstances.

3. **Steps to take when you receive notice of an address discrepancy.** In the event the City receives a notice of address discrepancy from a nationwide consumer reporting agency indicating the address given by the consumer differs from the address contained in the consumer report, the City will reasonably confirm that an address is accurate by any of the following means:



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- a. Verify the address with the consumer;
- b. Review City records;
- c. Verify the address through third-party sources; or
- d. Use other reasonable means to verify the address.

If an accurate address is confirmed, the City will furnish the consumer's address to the nationwide consumer reporting agency from which it received the notice if:

1. The City establishes a continuing relationship with the consumer; **and**
2. The City, regularly and in the ordinary course of business, furnishes information to the consumer reporting agency.

#### **VIII. Service Provider Arrangements**

In the event the City engages a service provider to perform an activity in connection with a Covered Account, the City will take one of the following steps to ensure the service provider performs in accordance with the Program:

1. Require, by contract, that service providers have appropriate policies and procedures in place designed to detect, prevent, and mitigate Identity Theft; or
2. Require, by contract, that service providers review this Program and report any Red Flags to the Program Administrator; and

The above specified contracts shall include indemnification provisions limiting the City's liability for the service provider's failure to detect, prevent, or mitigate Identity Theft.

#### **IX. Non-disclosure of Specific Practices**

Disclosure of specific information or practices regarding Red Flag identification, detection, mitigation and prevention practices may be limited to designated City staff and/or policymakers. Documents produced to develop or implement the Program which describe specific practices may constitute Security Information and may be non-disclosable because disclosure would likely jeopardize the security of Identifying Information and may circumvent the City's Identity Theft prevention efforts.



## Privacy Policy and Terms of Use Agreement

### **I. AGREEMENT BETWEEN USER AND CITY OF YACHATS:**

The City of Yachats website is offered to you conditioned on your acceptance without modification of the terms, conditions, and notices contained herein. Your use of the City of Yachats website constitutes your agreement to all such terms, conditions, and notices.

### **II. TERMS OF USE:**

#### **a. LINKS TO THIRD PARTY SITES**

The City of Yachats website may contain links to other websites ("Linked Sites"). The Linked Sites are not under the control of the City of Yachats and the City of Yachats is not responsible for the contents of any Linked Site, including without limitation any link contained in a Linked Site, or any changes or updates to a Linked Site. The City of Yachats is not responsible for webcasting or any other form of transmission received from any Linked Site. The City of Yachats is providing these links to you only as a convenience, and the inclusion of any link does not imply endorsement by the City of Yachats of the site or any association with its operators.

#### **b. NO UNLAWFUL OR PROHIBITED USE**

As a condition of your use of the City of Yachats website, you warrant to the City of Yachats that you will not use the City of Yachats website for any purpose that is unlawful or prohibited by these terms, conditions, and notices. You may not use the City of Yachats website in any manner which could damage, disable, overburden, or impair the City of Yachats website or interfere with any other party's use and enjoyment of the City of Yachats website. You may not obtain or attempt to obtain any materials or information through any means not intentionally made available or provided for through the City of Yachats website.

#### **c. TERMINATION/ACCESS RESTRICTIONS**

The City of Yachats reserves the right, in its sole discretion, to terminate your access to the City of Yachats website and the related services or any portion thereof at any time, without notice. GENERAL To the maximum extent permitted by law, this agreement is governed by the laws of the State of Oregon, U.S.A. and you hereby consent to the exclusive jurisdiction and venue of courts in Lincoln County, Oregon, U.S.A. in all disputes arising out of or relating to the use of the City of Yachats website. Use of the City of Yachats website is unauthorized in any jurisdiction that does not give effect to all provisions of these terms and conditions, including without limitation this paragraph. You agree that no joint venture, partnership, employment, or agency relationship exists between you and the City of Yachats as a result of this agreement or use of the City of Yachats website. The City of Yachats performance of this agreement is subject to existing laws and legal process, and nothing contained in this agreement is in derogation of the City of Yachats right to comply with governmental, court and law enforcement requests or requirements relating to your use of the City of Yachats website or information provided to or gathered by the City of Yachats site with respect to such use. If any part of this agreement is determined to be invalid or unenforceable pursuant to applicable law including, but not limited to, the warranty disclaimers and liability limitations set forth above, then the invalid or unenforceable provision will be deemed superseded by a valid, enforceable provision that most closely matches the intent of the original provision and the remainder of the agreement shall continue in effect. Unless otherwise specified herein, this agreement constitutes the entire agreement between the user and the City of Yachats with respect to the City of Yachats website and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral or written, between the user and the City of Yachats with respect to the City of Yachats website. A printed version of this

agreement and of any notice given in electronic form shall be admissible in judicial or administrative proceedings based upon or relating to this agreement to the same extent and subject to the same conditions as other business documents and records originally generated and maintained in printed form. It is the express wish to the parties that this agreement and all related documents be drawn up in English.

d. **COPYRIGHT AND TRADEMARK NOTICES**

All contents of the City of Yachats website are copyright of City of Yachats or its suppliers. All rights reserved. The names of actual companies and products mentioned herein may be the trademarks of their respective owners.

**III. PRIVACY AND DISCLOSURE:**

The City of Yachats is committed to protecting your privacy and developing technology that gives you the most powerful and safe online experience. This Statement of Privacy applies to the City of Yachats website and governs data collection and usage. By using the City of Yachats website, you consent to the data practices described in this statement.

a. **COLLECTION OF YOUR PERSONAL INFORMATION**

The City of Yachats collects personally identifiable information, such as your e-mail address, name, home or work address or telephone number. The City of Yachats also collects anonymous demographic information, which is not unique to you, such as your ZIP code, age, gender, preferences, interests and favorites.

There is also information about your computer hardware and software that is automatically collected by the City of Yachats. This information can include: your IP address, browser type, domain names, access times and referring website addresses. This information is used by the City of Yachats for the operation of the service, to maintain quality of the service, and to provide general statistics regarding use of the City of Yachats website.

The City of Yachats encourages you to review the privacy statements of websites you choose to link to from the City of Yachats website so that you can understand how those websites collect, use and share your information. The City of Yachats is not responsible for the privacy statements or other content on websites outside of the City of Yachats and the City of Yachats family of websites.

b. **USE OF YOUR PERSONAL INFORMATION**

The City of Yachats collects and uses your personal information to operate the City of Yachats website and deliver the services you have requested. The City of Yachats may also contact you via surveys to conduct research about your opinion of current services or of potential new services that may be offered.

The City of Yachats does not sell, rent or lease its customer lists to third parties. In addition, the City of Yachats may share data with trusted partners to help us perform statistical analysis, send you email or postal mail, provide customer support, or arrange for deliveries. All such third parties are prohibited from using your personal information except to provide these services to the City of Yachats, and they are required to maintain the confidentiality of your information.

The City of Yachats does not use or disclose sensitive personal information, such as race, religion, or political affiliations, without your explicit consent.

The City of Yachats keeps track of the websites and pages our customers visit within the City of Yachats website, in order to determine what City of Yachats services are the most popular. This data is used to deliver customized content and advertising within the City of Yachats to customers whose behavior indicates that they are interested in a particular subject area.

The City of Yachats website will disclose your personal information, without notice, only if required to do so by law or in the good faith belief that such action is necessary to: (a) conform to the edicts of the law or comply with legal process served on the City of Yachats or the site; (b)



protect and defend the rights or property of the City of Yachats; and, (c) act under exigent circumstances to protect the personal safety of users of the City of Yachats, or the public.

**IV. USE OF COOKIES:**

The City of Yachats website uses “cookies” to help you personalize your online experience. A cookie is a text file that is placed on your hard disk by a Web page server. Cookies cannot be used to run programs or deliver viruses to your computer. Cookies are uniquely assigned to you, and can only be read by a web server in the domain that issued the cookie to you.

One of the primary purposes of cookies is to provide a convenience feature to save you time. The purpose of a cookie is to tell the Web server that you have returned to a specific page. For example, if you personalize the City of Yachats pages, or register with the City of Yachats site or services, a cookie helps the City of Yachats to recall your specific information on subsequent visits. This simplifies the process of recording your personal information, such as billing addresses, shipping addresses, and so on. When you return to the same the City of Yachats Web site, the information you previously provided can be retrieved, so you can easily use the City of Yachats features that you customized.

You have the ability to accept or decline cookies. Most Web browsers automatically accept cookies, but you can usually modify your browser setting to decline cookies if you prefer. If you choose to decline cookies, you may not be able to fully experience the interactive features of the City of Yachats services or Web sites you visit.

**V. SECURITY POLICY:**

The City of Yachats secures your personal information from unauthorized access, use or disclosure. The City of Yachats secures the personally identifiable information you provide on computer servers in a controlled, secure environment, protected from unauthorized access, use or disclosure. When personal information (such as a credit card number) is transmitted to other websites, it is protected through the use of encryption, such as the Secure Socket Layer (SSL) protocol.

**VI. DISCLAIMER:**

**a. MODIFICATIONS**

The City of Yachats reserves the right to change the terms, conditions, and notices under which the City of Yachats website is offered, including but not limited to the charges associated with the use of the City of Yachats website.

**b. LIABILITY DISCLAIMER**

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