

Protecting Your Children's Credit

Parents should understand that building a child's credit should begin early in a child's life. One area a parent can start with is opening a savings and checking account. Another step is adding a debit card or adding your child as an authorized user on one of your credit cards. Reviewing with your child how credit cards work and the importance of maintaining a low balance is a simple lesson that will prepare them for managing their own credit. Education on retail credit cards and the higher interest rates that are associated with these cards is key. Each area is a great step to providing your child with tools for creating and maintaining a good credit score.

Unfortunately, parents today have additional areas of concern when introducing a child to the world of credit. Over 1 million children experience identity theft annually, with roughly 40% being under the age of six. By the time you are aware of the issue, it may be very difficult to correct the fraud or prove that this was not your fault. The following is a list of items to help you protect your child's identity and guarantee a smoother transition into maintaining a good credit score. I would like you to consider some additional steps in dealing with today's Identity Theft issues as they relate to your child's credit. These are areas to review as a first step in managing and educating your children about the importance of a having a good credit score and protecting their credit reputation.

1. Limit who records your child's SSN number. This can include schools, hospitals and pediatrician offices.
2. Do not carry your child's SSN Card with you and store it in a secure location.
3. Review and understand what social media your children are using. Educate your child on the need to keep private information secure.
4. Educate your child on phishing and pharming emails.
5. Review your child's earning history by setting up an account at <https://secure.ssa.gov>. This will allow you to monitor and help ensure information is not redirected later or used by someone pretending to be your child.
6. Review your Child's credit information from the three credit reporting agencies: Experian, Equifax and TransUnion.
7. Verify the accuracy of your child's information online under his/her Social Security information, credit reporting and any open accounts at financial institutions.
8. Consider purchasing Secure IdentityTheft Coverage for you and your children. Many of the items mentioned above will automatically be tracked and you'll be notified if there is a change to any of your key identity areas.

What can you do if you find your child's credit or identity has been compromised?

1. Contact the Social Security Fraud hotline at 1-800-269-0271.
2. Contact Experian at 1-888-397-3742.
3. Contact Equifax at 1-800-525-6285.
4. Contact TransUnion at 1-800-680-7289.
5. File a police report and fill out an official Identity Theft Report.
6. Cancel all open savings and checking accounts.
7. Cancel all credit card or department store cards.
8. Activate a credit monitoring service.

With a few proactive steps, you can guard against identity theft before your child's information can be exploited. Remember that once a person is a victim of identity theft, they are likely to be a target again. No matter what information is being requested from a service, always ask why and how that information will be used and if the information is really necessary. Why do they need your child's Social Security Information? How long will they retain this information? Do they sell or allow third party access to this information? Most organizations will provide the service without your child's Social Security Information. Only provide the information that the person might reasonably need. Do not be pressured into giving out this information.

Be safe and continue to be diligent in protecting your personal information, as well as the identity of your family members.