

Denver Board of Water Commissioners

Title:

Resolution regarding FACT ACT of 2003 Red Flag Rules

Meeting Date: 5/13/2009

Contract/Proposal

 Action by Consent Action Information

The Fair and Accurate Transactions Act of 2003 ("FACTA") was enacted in part, to reduce the incidence of identity theft by requiring financial institutions and creditors to adopt a program to detect, prevent, and mitigate identity theft (Red Flags Rule of the FACTA). Denver Water meets the definition of a creditor as defined in the FACTA and is therefore required to comply with the act. The FACTA requires creation of a written plan describing how the Board would identify and respond to "red flags" that indicate identity theft involving customer accounts by November 1, 2008. This date was subsequently changed to August 1, 2009 to provide additional guidance regarding the rules. (Please see the attached additional background on the identity theft rule.)

This resolution states that the Board supports the intent of the FACTA to reduce the threat of identity theft. However, the Board concludes, for reasons listed in the resolution, that its current operations do not pose a reasonably foreseeable risk of identity theft.

One of the requirements of the "FACTA" is that the Board or an appropriate committee of the Board must approve an initial program, which can be subsequently modified by the Board or its delegated committee or senior management, to identify, prevent and mitigate identity theft. This resolution is needed to; document the Board's support of the intent of the Act, document that the Board concludes that current operations do not pose a significant risk to identity theft, and document that in the event changes to future operations create exposure to identity theft, rules consistent with the FACTA and the Red Flags Rules will be adopted by the Board.


RECOMMENDATION:

Adoption by the Board of the Resolution which does not recommend the creation of a committee or a written plan to identify and respond to "Red Flags" at this time.

Approvals:



David LaFrance, Director Finance



Chris Dermody, Director Information Technology



Marie Bassett, Director Public Affairs



Manager Approval:



5-13-09 ATTACHMENTS.pdf
Adobe Acrobat Document
441 KB

Documents Attached: