NEIGHBORHOOD WATCH NEWS

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Sergeant Frank Avila - Sergeant Chris Rowland

What is Check Fraud?

Check fraud is one of the largest challenges facing businesses and financial institutions today. With the advancement of computer technology it has become increasingly easier for criminals, either independently or in organized gangs, to alter checks in such a way as to deceive innocent victims.

A significant amount of check fraud is due to counterfeiting. This can be done through desktop publishing and copying to create or duplicate an actual financial document, or by chemical alteration. This means removing some or all of the information and changing it to benefit the criminal. Victims include financial institutions, businesses and the average consumer. In most cases, these crimes begin with the theft of a financial document. It can be perpetrated as easily as someone just stealing a blank check from your home or vehicle during a burglary; searching for a canceled or old check in the garbage, or removing a check you have put into your mailbox.

This newsletter provides you with some safety measures.

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Contact Officer Trulik for information on the next Encino Neighborhood Watch Meeting.

- Lock your mailbox: If your postal carrier is willing, you can buy a padlock for your mailbox. Place it unlocked inside your mailbox. When the carrier delivers your mail, he or she locks the box. This works well with rural-delivery style boxes with a hole to accommodate a lock, or you can drill holes in a wall-mounted box; however, the method is not foolproof. Persistent thieves have been known to use hacksaws to remove locks; some smash open mailboxes with baseball bats -- or even steal the mailbox, lock and all.

- Replace a wall-mounted mailbox with a mail slot: If you have door-to-door delivery, ask your local Post Office if you can replace your mailbox with a mail slot on your front or garage door. The postmaster needs to approve any changes in delivery. If you add a mail slot, make it large enough to accommodate catalogs and large envelopes. Note: Mail slots are not allowed in rural delivery areas or newer neighborhoods that have cluster boxes.

- Buy a security mailbox: Check the yellow pages under "mailboxes" for listings of companies that sell tamper-resistant mailboxes. Heavy-duty metal boxes are available in both wall-mounted and free-standing models (the latter may be sunk in concrete to prevent vandalism.) Security mailboxes typically have a slot for the carrier to deliver mail. Mail goes down a chute and into a locked compartment.

LAKE BALBOA:

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Contact Officer Ham or Paredes for information on the next Lake Balboa Neighborhood Watch Meetings.

- Ask your apartment manager to improve security: If you are a renter and your mailbox lock doesn't work, insist that the management repair the damage. Counterfeit keys can be another problem in rental communities, since often the same key opens all the boxes. Managers can counter these problems by installing security cameras or moving mailboxes into a mail room where residents must use an access key to get inside.

- Get a post office box: If theft is a concern, the cost of renting a post office box may be worth the investment, since thefts from such boxes are rare, according to postal authorities.

- Consider a parcel locker: If you own a home-based business and receive frequent shipments of valuable goods, you may wish to invest in a parcel locker. If you use multiple delivery services, however, you'll need one for postal deliveries and a separate locker for others, such as Federal Express or United Parcel Service.

- Pick up mail promptly: Mail thieves often follow carriers on their routes, striking within 15 minutes after delivery. If you're home during the day, pick up mail as soon after delivery as possible. If you're not home, ask a trusted neighbor to get your mail. Trim shrubbery to keep your mailbox as visible as possible, eliminating hiding places for thieves.

- Store your checks, deposit slips, bank statements and canceled checks in a secure and locked location. Never leave your checkbook in your vehicle or out in the open.

- Reconcile your bank statement within 30 days of receipt in order to detect any irregularities. Otherwise, you could potentially become liable for any losses due to check fraud.

- Never give your account number to people you do not know, especially over the telephone. Be particularly aware of unsolicited phone sales. Fraud artists can use your account without your authorization and you may end up being responsible.

- Unless needed for tax purposes, destroy old canceled checks, account statements, deposit tickets, ATM receipts (they also frequently have your account number and worse yet, your account balance). The personal information on it may help someone impersonate you and take money from your account.

- When you receive your check order, make sure all of the checks are there; that none are missing. Report missing checks to your bank at once. Should you fail to receive your order by mail, alert your bank. Checks could have been stolen from your mail box or lost in transit.

- If your home is burglarized, check your supply of checks to determine if any have been stolen. Look closely, because thieves will sometimes take only one or two checks from the middle or back of the book. The longer it takes to detect that any of your checks have been taken, the more time the criminal has to use them successfully.

RESEDA:

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Next Neighborhood Watch Meetings – Thursday, January 13 - 7:00 p.m. (Field Trip)
Valley Communications 911 Call Center – 23001 Roscoe Blvd. West Hills
Thursday, February 10 - 7:00 p.m. Ann Kinzle Community Room
located in the L.A.P.D. West Valley Station

- Do not mail bills from your mailbox at night. It is a favorite location from which a criminal can gain possession of your check with the intent to defraud you. Criminals will remove a check from your mailbox and either endorse it using bogus identification, photocopy and cash it repeatedly, scan and alter the check, or chemically alter it. The post office is the best location from which to send your bill payments.

- Limit the amount of personal information on your check. For example, do not include your Social Security, driver's license or telephone numbers on your check. A criminal can use this information to literally steal your identity by applying for a credit card or loan in your name, or even open a new checking account.

- Don't leave blank spaces on the payee and amount lines.

- The type of pen you use makes a difference. Most ballpoint and marker inks are dye based, meaning that the pigments are dissolved in the ink. But, based on ink security studies, gel pens, like the Uniball 207 uses gel ink that contains tiny particles of color that are trapped into the paper, making check washing a lot more difficult.

- Don't write your credit card number on the check.

- Use your own pre-printed deposit slips, and make sure the account number on your slip is correct. Thieves occasionally alter deposit slips in the hope you won't notice and the money goes into their account.

- Don't make a check payable to cash. If lost or stolen, the check can be cashed by anyone.

- Never endorse a check until you are ready to cash or deposit it. The information can be altered if it is lost or stolen.

If you have had your mail stolen from your mailbox then you have become a victim of mail fraud, a federal crime. It is important to report this crime immediately and to take steps to protect your assets and credit rating. Here's a checklist of actions you should take:

1. **Notify your local postal authority.** You can call (800) 275-8777 to locate your local post office. Ask to fill out Form 2016, available at your local post office, or at www.ups.com

2. **Call the police.** For the West Valley Area Police Station call (818) 374-7611. It is important that you report the theft, particularly if you suspect that checks or other valuables were stolen. Local law-enforcement authorities have caught some thieves by circulating lists of stolen checks to local banks, then nabbing suspects who showed up to clear out a victim's bank account.

3. **Close accounts.** If you suspect the thief obtained a credit card, checks or bank statement, cancel your accounts immediately and notify creditors both by telephone and in writing.

TARZANA:

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Contact Officer Scoggins for information on the next Tarzana Neighborhood Watch Meeting.

Below are several signs which may indicate a bad check:

While one sign on its own does not guarantee a check to be counterfeit, the greater the number of signs, the greater the possibility that the check might be bad.

- The check lacks perforations.
- The check number is either missing or does not change.
- The check number is low (like 101 up to 400) on personal checks or (like 1001 up to 1500) on business checks. (90% of bad checks are written on accounts less than one year old.)
- The type of font used to print the customer's name looks visibly different from the font used to print the address.
- Additions to the check (i.e. phone numbers) have been written by hand.
- The customer's address is missing.
- The address of the bank is missing.
- There are stains or discolorations on the check possibly caused by erasures or alterations.
- The numbers printed along the bottom of the check (called Magnetic Ink Character Recognition, or MICR, coding) are shiny. Real magnetic ink is dull and non-glossy in appearance.
- The MICR encoding at the bottom of the check does not match the check number.
- The MICR numbers are missing.
- The MICR coding does not match the bank district and the routing symbol in the upper right-hand corner of the check.
- The name of the payee appears to have been printed by a typewriter. Most payroll, expense, and dividend checks are printed via computer.
- The word VOID appears across the check.
- Notations appear in the memo section listing "load," "payroll," or "dividends." Most legitimate companies have separate accounts for these functions, eliminating a need for such notations.
- The check lacks a signature.

Information in this newsletter was provided by www.ckfraud.org