

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. The shapes are primarily triangles and polygons, creating a dynamic, layered effect. The overall composition is clean and modern, with the text centered in the white space.

I Would Never Do That!

Real Mistakes Recorded For History By State Auditor Reports

With More on Internet and Computer
Security

Linwood Twp - 2014 case

- ▶ 5 supervisors; elected clerk & treasurer
- ▶ Town holds annual celebration; fundraises with a town garage sale & silent auction held at Town's Senior Center; items sold were donated to the town for sale; no record of donations or board consideration of them. Buy food for events and volunteers.
- ▶ Town owns Senior Center building, hires coordinator (town clerk serves this role), runs Senior Center with help of Senior Center Advisory Board appointed by Supervisors.
- ▶ Secretary of State's Office shows a non-profit company called "Linwood Senior Center, Inc. of Anoka County" exists, which has an address that is the same as the senior center's address.
- ▶ Town began managing Senior Center in about 2009. Before that, it was managed solely by Advisory Board that had its own checking account.
- ▶ Town has provided flowers for funerals of residents and cash payment to families.
- ▶ **What are the problems here?**

Linwood's Points of Improvement

- ▶ Donations - require a 2/3 majority vote (66%) of voting power of the board to accept. MSA 465.03.
- ▶ Flowers & Cash payments - no statute to allow it, no public purpose to support it.
- ▶ Fundraisers - No Statute, arguably would have a public purpose.
- ▶ Non-Profit Company - Towns cannot create a company without specific statutory power.
 - ▶ If Senior Center board is a non-profit, board can't appoint its members
 - ▶ If town-owned & managed, then no separate checking accounts.
 - ▶ Same for town fire departments.
 - ▶ Separate non-profit should be used to hold fundraisers. Money can then be donated to the town for events.
- ▶ Providing Food at Events - No authority to provide food to vendors or attendees of town events. May be allowed to provide food for officers and guests if it is necessary to hold the meeting/event during a meal time.

Cities of Delavan & Storden (and others)

- ▶ Both City Fire Departments had checking accounts that were separate from the cities' accounts.
- ▶ Delavan Fire Dept. spent Fire Dept. funds for Fire Relief Association's dance and steak fry. Proceeds were deposited into City accounts, then paid to the Relief Association.

Lessons from these cases:

- ▶ Departments cannot have separate accounts not in the control of the supervisors
- ▶ Cannot co-mingle Town and Relief Association funds.

Leaf Mountain Twp & Sandstone Twp

- ▶ **Leaf Mountain:** Supervisors and Clerk received plowing of their private drives as part of their compensation package. One supervisor serves as the plow operator and receives payment for services. Another supervisor provides mowing services for payment.
- ▶ **Sandstone:** Town owns a grader and hires an operator who works under a verbal contract. Supervisors passed a motion allowing the operator to use the grader to grade his private drive to test the town's equipment before using it on the roads.

Lessons from the Mountain and Stone

- ▶ No Plowing at no charge -
 - ▶ MSA 160.21, subd. 2 requires payment.
 - ▶ AG opinion says this is a prohibited 'in-kind' benefit. No statute to authorize it.
- ▶ Statutory Conflict of Interest - no resolution or affidavits per MSA 471.89.
- ▶ No power to grade private property, not even to "test" equipment.
 - ▶ No Public Purpose to allow grading of private drive, even to "test"
- ▶ Recommended written contract with operator

Walcott Township

- ▶ Town meeting minutes for Dec. 12, 2006, say the town board approved two claims for payment. On Dec. 14, 2006, a town check for \$10,000 was issued for purchase of a snowplow from MNDoT. Check is signed by clerk, chair, and treasurer.
- ▶ A claim form says the check was audited and allowed on Dec. 14, 2006.
- ▶ Clerk and current chair, who was a supervisor at the time, deny the board ever approved the purchase of a snowplow. Minutes for Dec. 2006 & Jan 2007, do not say anything about a snowplow purchase.
- ▶ Clerk says he was asked to sign the check by the then-Chair, outside of a board meeting, and he did so.
- ▶ Invoice confirms the town purchase the plow from MNDoT on Dec. 18. Documents are signed by Harvey Reynolds, who is not an elected or appointed town officer or employee. Reynolds name appears on the certificate of title.
- ▶ Town received and deposited a check for \$10,000, from Reynolds on Dec. 20, 2006.

What the Falcott

- ▶ Public purpose doctrine. All town purchases must be made for a purpose that benefits the public.
 - ▶ Purchases for a private party's benefit are not made for a public purpose.
- ▶ No statute to authorize a sale to a private party.
- ▶ Clerk & Treasurers - If no board action to approve a claim ... YOU CAN SAY NO TO SIGNING A CHECK.
- ▶ Tax implications
- ▶ Older Case - Treasurer prosecuted in criminal action for signing without Board authorization.
- ▶ You are part of the process keeping public money safe, not a rubber stamp.

Clover Township

- ▶ Treasurer falsified checks & forged signatures, taking \$8,025 from the town.
- ▶ Bank accepted checks that were different than those used by the town, with inconsistent check numbers, and without multiple signatures.
- ▶ Once discovered, the bank did not repay the town based on the bank's own failures because the town did not catch the errors within 30 days of receiving the statement, and the bank policy prohibited refunds after 60 days of the statement being issued.
- ▶ Solution: Internal Controls
- ▶ Positive Pay
- ▶ Timely Reviews and Reconciliation
- ▶ Regular Review of Bank, policies, and their compliance with the policies.

Credit Cards vs Debit Cards

- ▶ Credit is Cool - Debit is ... Denied!
- ▶ Difference is in the board's ability to approve a claim before the money is removed.
- ▶ Personal use prohibited - not even in a personal emergency or with intent to repay the town
- ▶ Best Practices - use a written policy; identify those authorized to use credit cards; set a low credit limit; have several people with access to the account; get copies of the credit card policies/contracts; set a policy for review of the purchases made on the credit card.
 - ▶ Need itemized claims MSA 471.38;
 - ▶ Credit Card statement not sufficiently itemized

Passwords

Yes, we talked about it last year - still important

- ▶ Need complex passwords. Longer is better. Using letters, numbers, capitals, allowed symbols is even better.
 - ▶ Passphrases are helpful for remembering passwords
- ▶ Password managers are freely available.
- ▶ More than one person should know the password
- ▶ Change passwords from time to time.

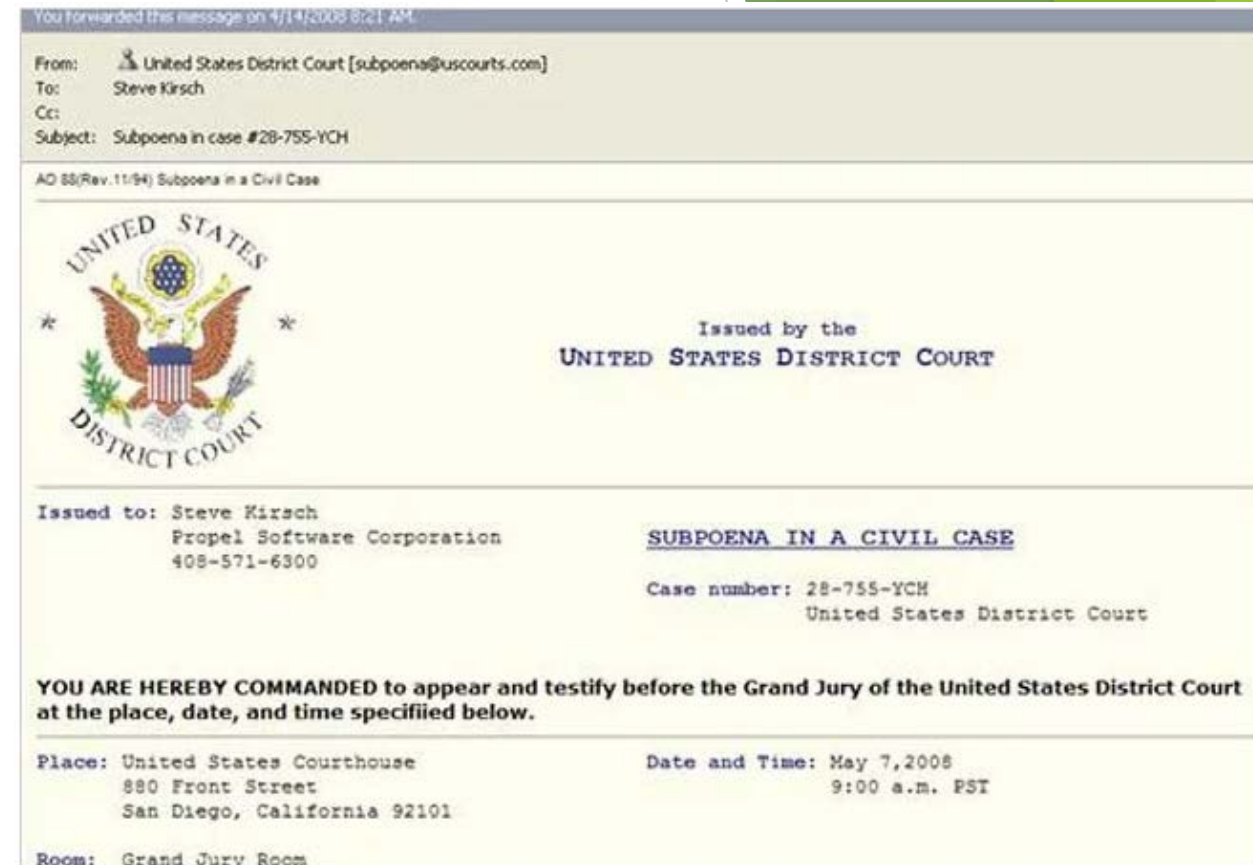
Two - Factor Authentication

Better than just passwords

- ▶ Confirmation of Identity by 2 or more pieces of evidence.
 - ▶ To prove your residence - showing a driver's license plus a utility bill.
- ▶ Often uses something you know and something you must have in your possession.
- ▶ Ex. Username & Password (Factor 1) plus 2nd One-time Use Password sent by text message (Factor 2).
 - ▶ Need the phone & access to receive 2nd password.
- ▶ Google, Apple, Microsoft, Twitter, Facebook, Amazon, among others offer this.

Phishing ... because they can catch us.

- ▶ Practice of trying to get information by disguising themselves as a trustworthy entity.
- ▶ “Spear Phishing” - targeted phishing; gathers information publicly available, found, or stolen to pose as a trustworthy source or partner
 - ▶ Most successful type
- ▶ They want passwords, credit card details, bank account numbers, social security numbers, or to induce the recipient to send money.
- ▶ Urgent Request; Info Update; Account Locked; Summons; IRS Refund; Salary Notices; Routine Office Tasks (w-2)



Because of unusual number of invalid login attempts on you account, we had to believe that, their might be some security problem on you account.

So we have decided to put an extra verification process to ensure your identity and your account security.

Please click on continue to the verification process and ensure your account security. It is all about your security.



Confirm that you're the owner of the account, and then follow the instructions.

Confirm all information, and then access your account as normal.

Thank you.

IMPORTANT INFORMATION

(If you cannot click on the link, please move the message into the Inbox).

NETFLIX

We're sorry to say goodbye

Hello,

iTunes let us know that you asked to cancel your membership. We've cancelled your membership effective Tuesday, March 21st, 2017.

Obviously we'd love to have you back. If you change your mind, simply [restart your membership](#) to enjoy all the best TV shows & movies without interruption.

[RESTART MEMBERSHIP](#)

We're here to help if you need it. Visit the [Help Center](#) for more info or [contact us](#).

–Your friends at Netflix

Subject: Record Update.
From: "Dept. Of Labor" <records@dol.gov>
Date: 1/18/2016 1:57 PM
To: undisclosed-recipients;



This is an urgent request to update your employment record at the U.S Department of Labor.

[Update](#)

Thank you

U.S Dept. of Labor
Frances Perkins Building,
200 Constitution Ave., NW,
Washington, DC 20210

FREE WiFi - Just buy our coffee first

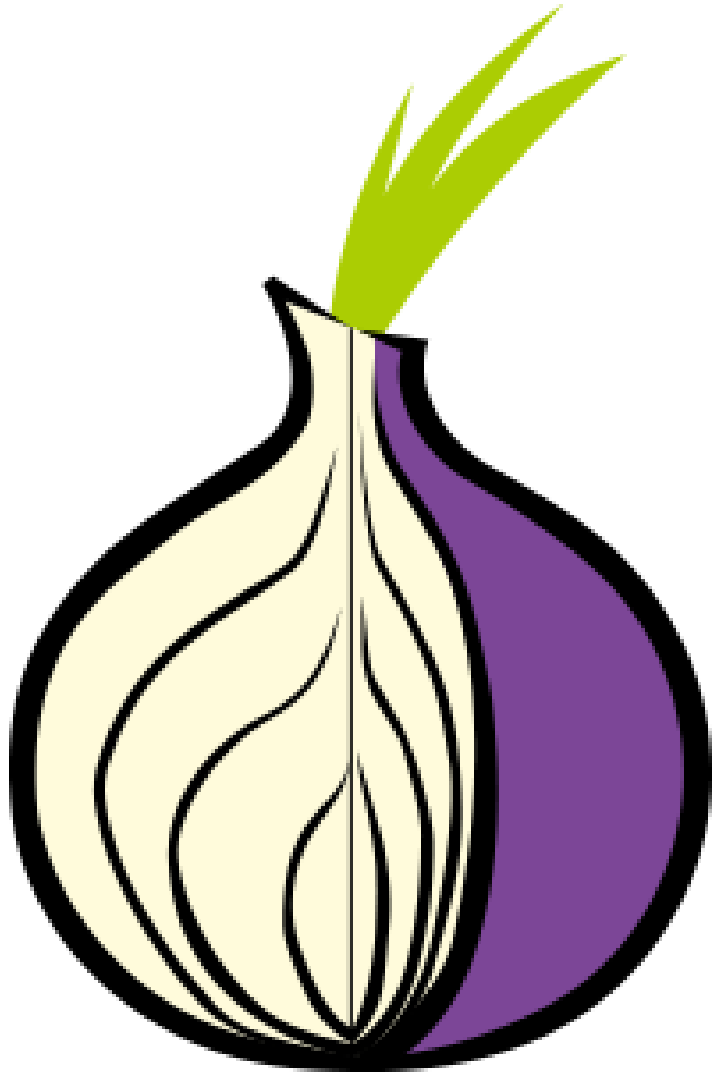
- ▶ Like living is a glass house - they can see EVERYTHING, unless you use do something to block their view.
- ▶ Traffic passes through the owner's/operator's router before going to the place its supposed to.
- ▶ Not usually encrypted
- ▶ Fake Wifi Networks - Similar Names but used to intercept your data.
- ▶ Malware distribution - plant viruses onto your computer

HTTP v HTTPS

- ▶ The “s” is important. It means encrypted.
- ▶ Encrypts and tries verifies authenticity of the target website.
- ▶ Try to use https if possible.
- ▶ “HTTPs Everywhere” application or similar apps.

VPNs, Proxies, TOR, oh my!

- ▶ Anonymize or hide the content passing from your computer to others.
- ▶ VPN - Very Private Network:
 - ▶ Encrypts data (privacy) and connects to a server located somewhere else (anonymity).
 - ▶ Your information is encrypted on your machine, then sent to the server.
 - ▶ The server connects to the rest of the internet and returns data encrypted. Appears you are in a different place.
 - ▶ This is what businesses use to secure data
 - ▶ Affordable and easy to use
 - ▶ Look for reputable companies that do not store or log your data
- ▶ Proxies - Directs your traffic to a server, like VPN, but not always encrypted
 - ▶ More work to configure them for different applications



TOR - kind of cool, but probably not for you.

- ▶ The Onion Router = TOR
- ▶ Created by US Navy to anonymize traffic and protect against network analytics.
- ▶ Great powers & great evils
- ▶ This is how the dark web / deep web is accessed.