

credit check
learning
community
implementation
survey

SUMMARY OF RESPONSES

FEBRUARY 2015

background on the survey

The Credit Check Learning Community (CCLC) is a peer network of professionals involved in the implementation of the federal provision, enacted in 2011, to check the credit of youth in foster care and resolve any inaccuracies. Since the law was enacted, ChildFocus and Credit Builders Alliance have supported this network through an email listserv and regular calls and webinars.

This document summarizes the results of a survey administered to the members of the CCLC via SurveyMonkey in September 2014. The purpose of the survey was to understand the state of the field with regard to implementation of the credit check requirement and to inform recommendations for improvement.

Fifty-six representatives from 23 states responded to the survey. Respondents represent public and private child welfare agencies

and other community-based organization involved in implementing the law. Some respondents are administrators responsible for policy development, while others are supervisors and frontline staff working directly with young people.

It's important to note that this survey was developed and disseminated prior to the change in federal law that lowers the age requirement for checking annual credit reports from age 16 to 14. This new requirement may necessitate changes in state law and/or contracts with the credit reporting agencies and may further delay implementation in some states. Regardless, the survey provides some insight into challenges and opportunities that can inform future implementation activities.

overview of findings

High-level findings from the survey responses include the following:

TRAINING: Many agencies are not providing training to help staff understand credit issues and how best to engage young people around credit reporting. More can be done to share training resources across states and expose frontline workers to best practices for engaging youth.

POLICIES AND PROCEDURES: Many agencies are still in the process of setting up policies and procedures to implement the credit check mandate. Most are not yet receiving reports from all three credit rating agencies as required by federal law, and some report they have not implemented at all. Agencies need additional technical assistance to fully implement the credit check requirement.

DATA: More data collection is needed to will help the child welfare and credit fields better understand how many youth in foster care experience identity theft and/or errors on their credit reports and whether those inaccuracies are resolved before they leave foster care.

RESOLVING IDENTITY THEFT AND ERRORS: Survey respondents reported that when they find errors on a young person's credit report, they are generally able to resolve the errors. This finding supports the idea that the credit check mandate has strong potential to help young people leave foster care without credit problems.

CREDIT REPORTING AGENCIES: Respondents overwhelmingly report few difficulties in working with the credit reporting? agencies. Yet when asked about implementation challenges, they commonly cite finalizing contracts and the response time from the credit agencies. This suggests that more can be done to facilitate the relationship between child welfare and credit reporting agencies.

YOUTH ENGAGEMENT: Child welfare agencies report that they are involving young people in the process of accessing and interpreting credit reports, citing many different strategies for youth involvement. This finding is encouraging and suggests that discussions around credit reports can be an important starting point for helping young people build financial stability.

SURVEY SUMMARY

The survey was sent to the Credit Check Learning Community in September 2014. While the sample size is small—54 respondents—they represent 23 states across the country. Analysis was completed in November 2014. Below is a summary of each question on the survey.

1. For what ages of youth does your agency access credit reports?

Nearly half of respondents (about 45%) reported they are accessing credit reports for youth ages 16-21. About 18% are accessing reports for ages 16-17, and another roughly 18% (10 respondents to the question) reported that they are accessing reports for youth of all ages.

2. What role do you play in implementing the credit check requirement?

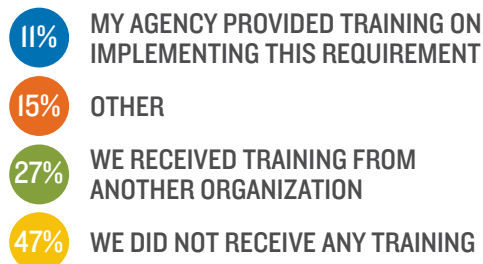
The majority of respondents (53.6%) were administrators responsible for setting up the process by which their agencies access credit reports. Another 27% responded that they work directly with youth, and just 2% of respondents indicated that they work for community-based financial institutions.

3. If you work directly with youth, what do your responsibilities include? (Check all that apply)

Forty percent of respondents reported that their responsibilities included accessing credit reports. Thirty-four percent reported that they are responsible for interpreting credit reports. Fewer respondents, 25%, reported that they are disputing errors found on credit reports and resolving incidents of identity theft through the credit check process.

4. Please describe any training you might have received to understand how to access or interpret credit reports for youth in foster care and/or address inaccuracies found.

Nearly half of respondents reported that they did not receive any training at all on this requirement. Only 11% said that their agency provided training. Many said that the webinars hosted by ChildFocus and Credit Builders Alliance were their only source of training.



5. Do you involve youth in the process of accessing, interpreting or resolving inaccuracies found on the reports?

Two-thirds of respondents answered that they are involving youth in the credit check process.

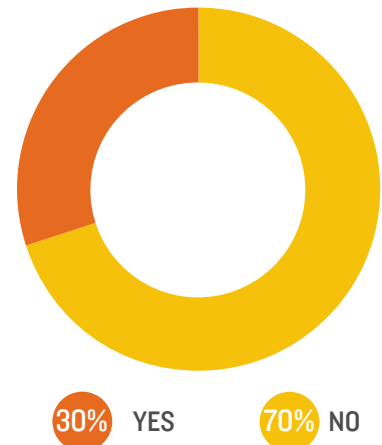


When asked how they are involving youth, responses included:

- The youth must give permission to pull the report and review reports with their worker.
- If there are any hits, we discuss and have them sign a notice that we discussed their credit report with them.
- Caseworkers include them step by step in interpreting the reports, as well as in helping them resolve inaccuracies (explaining next steps, making phone calls on their behalf).
- Assisting youth (and non-minor dependents) to write initial dispute letters.
- The youth complete the form and obtain copies of their own report.
- Case managers review the credit report with the youth, as well as all of the steps that are taken to resolve the inaccuracies.
- We only involve the youth if he/she is 18 or older and committed to the state.
- We direct them to websites such as annualcreditreport.com and walk them through the process of accessing their own reports.

6. Have you had to dispute errors found on reports?

Thirty percent of respondents reported that they have had to dispute errors found on youth's credit reports. The other seventy percent said they have not.



7. How successful have you been at disputing errors?

The percentage of respondents reporting success in disputing errors is small because it is based only on the responses of those who had disputed errors. Those individuals have been somewhat or very successful. None of the respondents reported having no success in disputing errors.

ANSWER CHOICES	RESPONSE
Very successful	20.0%
Somewhat successful	32.0%
Not at all successful	0.0%
N/A	48.0%

8. Have you had to help youth deal with ID theft?

Just 20% of respondents indicated that they have had to help youth deal with ID theft.

9. If yes, how successful have you been at helping youth deal with ID theft?

The number of responses to this question was also relatively low because the

majority of respondents indicated that they haven't had to deal with addressing ID theft. Those who have had to do so indicated that they have been very or somewhat successful.

ANSWER CHOICES	RESPONSE
Very successful	16.7%
Somewhat successful	20.8%
Not at all successful	0.0%
N/A	62.5%

10. To what extent do you agree with this statement? “The youth with whom I work understand the importance of good credit and why it matters as they move into adulthood.”

Of those who work with youth, nearly 40% agreed or strongly agreed that the youth with whom they work understand the importance of good credit. About 18% disagreed with the statement, and another 18% said they didn't know.

11. To what extent do you agree with the following statement? “My agency is accessing credit reports for all youth in foster care in accordance with an agency-wide policy or implementation plan.”

Although 50% agreed that their agency is accessing credit reports for youth in care according to an agency-wide policy or implementation plan, another 40% said their agencies are not working on an agency-wide plan, said they didn't know, or selected “other” as a response. The “other” responses suggest that many states are still developing their agency-wide policy or implementation plan. Those responses included:

- We have just started accessing youth credit reports as part of a pilot.

- We access the credit reports but have no agency policy or implementation plan.
- I work for legal aid. We assist with disputes. We hope in the future to be able to rely on agencies to pull credit reports for youth.
- We currently only have access to one credit bureau.
- Our parent agency supplies the reports.
- We will have a statewide implementation plan within the next three months.
- We do not have an “agency-wide” policy.
- We're in the process of setting up access with the credit reporting agencies.

12. To what extent do you agree with the following statement? “My agency is accessing credit reports on an ‘as needed’ basis for some young people in foster care.”

About one-third of respondents agreed with this statement; nearly 40% did not agree, and about one-fifth of respondents selected N/A or other. The “other” responses were:

- We have just started accessing youth credit reports as part of a pilot.
- If a youth is under 16 and there is suspicion that someone has used their Social Security number/name, we will do a check.
- For youth over 18, it seems like reports are only requested on an as-needed basis.
- We have a date-of-birth rotation (monthly credit reports from state office on youth ages 16+ in care). On occasion, a youth under age 16 may surface as needing a credit check completed. If the worker believes there is a need, the state office will run it.
- If there are errors or disputes, I believe our state is accessing them more often to see if changes have been made.

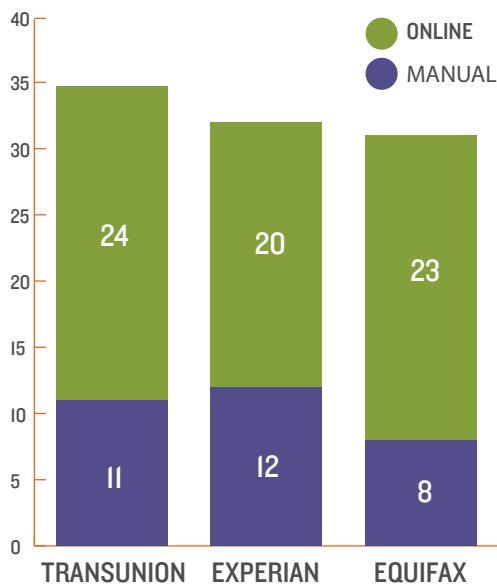
13. How are you accessing the credit reports?

Almost half—44%—of respondents indicated they access credit reports through online portals established by the credit bureaus. Twenty percent access the credit reports manually, by sending the necessary documents to the credit bureaus via mail or email. Fifteen percent access the credit reports through both of these techniques.

Seven percent indicated that they are not currently accessing credit reports, and just two respondents selected “other.” The “other” responses were: “request them from upper management” and “websites designated for general public (e.g., annualcreditreport.com).”

14. If you are accessing credit reports manually and/or online, please specify from which credit reporting agencies (check all that apply).

The responses to this question reinforce that a majority of states use the online portals developed by the credit bureaus, but it does not appear that all of those states use the portals of all three bureaus.



15. If you are accessing credit reports through Equifax’s online portal, are you currently being charged a fee?

Nearly 40% of the respondents indicated that they are not being charged a fee for accessing credit reports through Equifax’s online portals, while 17% indicated that they are still being charged. During the initial stages of implementation, many states were being charged by Equifax, but these responses suggest that this is no longer as big of a problem. Forty-four percent of respondents indicated that this question did not apply to their work.

16. To what extent do you agree with the following statement? “The credit bureaus have been helpful in working with us to implement the credit check provision.”

Fifty-four percent of respondents said that they agree or strongly agree that the credit bureaus have been helpful in working with them to implement the credit check provision, whereas just 15% said that they disagree or strongly disagree (32% selected N/A).

ANSWER CHOICES	RESPONSE
Strongly agree	12.2%
Agree	41.5%
Disagree	9.8%
Strongly disagree	4.9%
N/A	31.7%

17. What do you do if there are no problems identified on a credit report? (Check all that apply.)

Fifty-six percent of the respondents document this information in the youth’s file, and 51% show the credit report to the youth. Other responses included the following:

- We also maintain a database.

- We still have the youth review the reports, sign them, and they are placed in the youth's electronic file.
- The report is given to social worker to give to youth.
- We notify the local department of social services about the issue and request assistance for the youth.
- We instruct case managers to share information with youth.
- We review the report with youth.

18. Please describe any training provided to help staff in your agency implement the credit check requirement.

Forty-four percent of respondents indicated that they did not receive any training at all on the credit check requirement. Twenty-seven percent said their agency provided some training, and 10% received training from a community partner. "Other" responses given by respondents are listed below.

Other responses:

- We are still in a pilot to see how we will implement the process.
- Our agency was not offered any training by the county but given a bulletin explaining the process. I am responsible for relaying this information to my team.
- Credit Check Learning Community.
- Training through community-based organizations.
- State will provide training to local staff.
- Bulleting and Credit Builders Alliance series.
- We attended these trainings and have gotten resources online, but that's it.

19. How many of the credit reports would you estimate have contained errors, including evidence of ID theft?

More data is needed to better understand how many credit reports among youth in foster care contain errors.



- 25% LESS THAN 1%
- 20% LESS THAN 5%
- 15% LESS THAN 10%
- 5% 10% OR MORE
- 35% N/A

20. How has your agency addressed the inaccuracies? (Check all that apply.)

Respondents listed the following methods, in order of most common to least:

ANSWER CHOICES	RESPONSE
Disputed directly with the credit reporting agencies	37.5%
Disputed directly with the creditors or businesses	27.5%
Provided advice to the young person and his or her caseworker or foster parent so they can dispute the information themselves	25%
Worked with an organization like a credit counseling agency or other nonprofit to help address and dispute the inaccuracies	7.5%
Reported the problem to law enforcement or the attorney general's office	7.5%

21. What are the top challenges you face in implementing the credit check requirement?

The top challenges listed by survey respondents can be grouped under the following general categories:

1. The process of negotiating contracts with the credit reporting agencies and/or timely responses from them.
2. Not yet having a process or policy in place to implement the credit check requirement.
3. For those who are accessing credit reports manually, getting the required documents in place to make the requests to the credit reporting agencies.
4. Tracking how many youth have had inaccuracies on their credit reports and whether they have been resolved.
5. Training of workers who are responsible for implementing the requirement.

22. Have you participated in one or more of the webinars hosted by Credit Builders Alliance and ChildFocus? Please describe your level of satisfaction with the information presented in the webinars. Please describe how likely you (or your agency) are to use the information shared during the webinars to implement the credit check mandate.

Ninety-three percent of the respondents to this survey participated in one or more of the webinars hosted by CBA and ChildFocus. Ninety-two percent said that they found the information presented in the webinars to be helpful. Forty-one percent are already using the information presented in the webinars, and another 51% are planning to use the information in the future.

23. Please describe any additional help you could use to implement this requirement.

The vast majority of respondents indicated a need for more training for agency staff, especially social workers, around the credit check mandate, how to access credit reports, and how to resolve any inaccuracies on the reports. One person expressed an interest in learning more about the practices and policies of states who have successfully implemented the requirement. Another respondent said that a more expeditious way of resolving issues on the credit reports is needed.

24. Are there other things you and/or your agency are doing beyond checking the credit reports for youth in foster care that you would like us to know about? Please provide contact information if you are comfortable with us following up with you to learn more.

Only one respondent offered a comment to this question: “Offering financial education to all youth, not just foster youth.”

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