

ANNUAL CREDIT REPORTING GUIDE for Youth 14 to 21

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Introduction

The Preventing Sex Trafficking and Strengthening Families Act of 2014 requires child welfare agencies to ensure that youth ages 14 and older in foster care receive a copy of any consumer report, commonly called a "credit report," annually until discharged from care, and to assist youth in interpreting the report and addressing any inaccuracies. Building, maintaining, and monitoring credit is a critical life skill for all youth to acquire in their preparation for adulthood.

Minors ages 14 through 17 cannot request a credit report on their own or through the www.annualcreditreport.com website.

Note: No minor should have anything listed on their credit report because they do not have the legal capacity to sign a contract or apply for credit on their own. Therefore, if a report does exist for a minor, it may be due to error, fraud or identity theft. If fraud is suspected for any minor child, regardless of age, the Worker should request credit reports from the Credit Reporting Agencies (CRAs). Any evidence of fraud revealed by the reports should be shared with the Deputy Attorney General, the child's Law Guardian and the DCF Office of Legal Affairs.

By law, each New Jersey adult is entitled to receive one free credit report every 12 months from each of the nationwide Credit Reporting Agencies (CRAs). The 3 CRAs are:

- Equifax
- Trans Union
- Experian

Adults over 18 years of age may obtain credit reports through www.annualcreditreport.com. **Note:** This is the **only website authorized to satisfy requests for annual credit reports free of charge**. Other websites that claim to offer “free credit reports,” “free credit scores,” or “free credit monitoring” are not part of the legally mandated free annual credit report program and should not be used.

This instructional guide contains information on how to request credit reports from the three CRAs. Each CRA has separate requirements. In addition, there are specific instructions included regarding credit reporting for adolescents ages 14 through 17 and separate instructions for young adults aged 18 to 21.

For strategies on preventing child identity theft, visit <https://www.consumer.ftc.gov/articles/0040-child-identity-theft>

CP&P Policy for credit reports can be found at CPP-VI-B-1-100, Annual Credit Report for Youth Ages 14 and Older.

If you have any questions, please contact the Office of Adolescent Services, at dcf_adolescentservices@dcf.nj.gov

Instructions for Adolescents (14 through 17)

Requesting Reports from CRAs for Youth Ages 14 through 17

TransUnion – Compose a letter requesting a credit report using CP&P state letterhead that includes the following:

- Adolescent’s name
- Adolescent’s current address
- Adolescent’s Social Security number
- Adolescent’s date of birth
- Instructions regarding where the report should be sent; enter the Worker’s name and Local Office address
- Attach the following to the letter:
 - Copy of the Court Order – which indicates that the State of New Jersey has custody of the adolescent (redact/black out all sensitive information, e.g. reason adolescent is in care, the adolescent’s case goal, etc.)

Mail this credit report to:
TransUnion
Attn: Foster Care Youth Services
P.O. Box 10
Woodlyn, PA 19094

Experian – Compose a letter requesting a credit report using CP&P state letterhead that includes the following information:

- Adolescent’s name
- Adolescent’s current address

- Provide all addresses the adolescent resided at within the past two years
- Adolescent's Social Security number
- Adolescent's date of birth
- Instructions regarding where the completed report is to be sent; enter the Worker's name and Local Office Address
- Attach the following to the letter:
 - Copy of the adolescent's birth certificate or Social Security card
 - Copy of the Court Order – which indicates that the State of New Jersey has custody of the adolescent (redact/black out all sensitive information, e.g. reason adolescent is in care, the adolescent's case goal, etc.)
 - Copy of the Worker's official state-issued picture identification card

Mail this credit report request to:
Experian National Consumer Assistance Center
PO Box 2002
Allen, Texas 75013

Experian will send the report in a white plain envelope with no indication that it is from that agency. The response will be "No Record" or "Record will be enclosed".

Equifax – At this time DCF has not established a process for completing credit reports for minors with Equifax.

Instructions for Young Adults (18 to 21)

Assisting Youth Ages 18 to 21 in Requesting Reports from the CRAs

The Worker informs the young adult of the following information as needed and assists the youth, if they are willing, to retrieve their credit report:

1. Go to the website www.annualcreditreport.com.
2. Click on the State of New Jersey.
3. Follow instructions on website and fill in all identifying information requested.
4. On the next screen, select "reports" for all CRAs and select "next."
5. After the credit report is displayed, follow the instructions to email, print, and or save the credit report.
6. After the Worker receives the report from the first CRA, go back to www.annualcreditreport.com and select "next" to retrieve the credit report for the second CRA.
7. Repeat instructions to retrieve credit reports from the third CRA.
8. If problems are found, refer to Appendix C to dispute and resolve any inaccuracies. Complete CP&P Form 16-110 Credit Reports Form for Young Adults Age 18 to 21 with the adolescent. Provide one copy to the adolescent and retain one copy for the case record.

Appendix A: Instructions to Enter Credit Check Information in NJSPIRIT

1. The Worker must initially create a Credit Check window through Create Case Work > Adolescents > Credit Check.

Case Plan -- Credit Check -- Webpage Dialog

Print Spell Check Help

Desktop > Case Plan > Case Plan - Credit Check

Basic Information

Child Name: Bunny, Buggs DOB: 01/22/1996 Age: 16

Credit Check

Create Date: 00/00/0000

☐ Client refused to make request (over 18) Date Refused: 00/00/0000

☐ Credit Check Requested

☐ By Client (over 18)

Credit agencies contacted:

| | Date Requested | Date Received | Date Reviewed |
|--------------------------------------|----------------|---------------|---------------|
| <input type="checkbox"/> Experian | 00/00/0000 | 00/00/0000 | 00/00/0000 |
| <input type="checkbox"/> Trans Union | 00/00/0000 | 00/00/0000 | 00/00/0000 |
| <input type="checkbox"/> Equifax | 00/00/0000 | 00/00/0000 | 00/00/0000 |

Fraud or issues identified? ☐ Yes ☐ No

Describe Issue(s)

Dispute assistance provided? ☐ Yes ☐ No

Describe Assistance and resolution

Create Date: 00/00/0000

☐ Client refused to make request (over 18) Date Refused: 00/00/0000

Insert

Save Close

- a. If a Credit Check record already exists for the child (ID_PRSN) and the Worker attempts to create a new Credit Check via the Create Case Work window, upon clicking the Create button, the existing Credit Check window will launch, displaying any prior Credit Check records. If the Worker needs to add a new Credit Check record, they must click the Insert button.
 - b. Once the initial record is created, the **Credit Check hyperlink will be accessible under the Adolescents > Credit Check expandos**. The link will be available under all search windows and under Participant View or Case View.
2. Upon initial launch of the window, the Credit Check group box will be blank. The Worker must click Insert to insert a blank Credit Check row on the window.

3. The Worker uses the Insert button to insert multiple credit check records for display on the window.
 - a. Credit Check records can only be created once per year per ID_PRSN. The Insert button will be disabled if the last record was created less than one year from the current date. Insert is enabled on initial Credit Check record creation or one year later from last Credit Check record. Users may create a new Credit Check record after a year has passed by going to Cases > Adolescents > Credit Check expandos or Create Casework.
 - b. If there are multiple Credit Check records, each row is visible using a scroll bar on the right-hand side. The rows will be sorted in descending order based on the create date of the records.
 - c. The Credit Check rows alternate between gray and white shading helping to distinguish between each row.
 - d. **Once saved, the most recent entry remains editable in its entirety for the duration of the year from the creation date forward. At one year the entry becomes read only and the Insert button becomes available again. No expectation of data retention for changed or deleted data exists.**
4. If the user selects the “Client refused to make request (over 18)” Radio Button, the Refused Date field becomes enabled and required. Required field turns a blue shade. **Date cannot be a future date.**
5. Either “Client Refused” or “Credit Check Requested” radio button is required. Once a selection is made the Save function becomes available. When “Client Refused to make request” radio button is selected, **disable the “by client (over 18)” checkbox and all areas of the “Credit Agencies contacted” (Experian, Trans Union, Equifax and related date fields).** When “Credit Check Requested” is selected for youth over the age of 18, also select “By Client (over 18)”, disable “Date Refused” field. If the user changes selection between “Client Refused” or “Credit Check Requested” the previously entered data is cleared.
6. If the user selects the checkbox for one of the CRAs, Experian, Trans Union, or Equifax, the corresponding “Date Requested” field becomes enabled and required. The required field will turn a blue shade. Additionally, the corresponding “Date Received” and “Date Reviewed” fields becomes enabled and not required. **Dates cannot be future dates.**
7. If the user selects the “yes” radio button for the “Fraud or issues identified” question, the “Describe Issue(s)” text box becomes enabled and required. The required field will turn a blue shade.

8. If the user selects the “yes” radio button for the “Dispute assistance provided” question, the “Describe Assistance and resolution” text box becomes enabled and required. The required field will turn a blue shade.

Save Processing:

1. If the user clicks the Close button without making changes, the window closes.
2. If the user makes changes to the window and clicks the Close button, the user receives a popup message asking if the user wishes to Save the window. If the user clicks yes, the window follows standard save processing. If user clicks no, the user returns to the window.
3. Standard Validation Error message(s) is used for missing required fields. Message will read: "Please enter data in the fields which are highlighted - (followed by the field name: Date Refused or Experian - Date Requested, Trans Union - Date Requested, or Equifax - Date Requested, Describe Issue(s), and/or Describe Assistance and Resolution)."
4. Save will be prevented until all required fields have been completed.
5. Once saved, the most recent entry remains editable in its entirety for the duration of the year from the creation date. At one year the entry becomes read only and the Insert button becomes available again. No expectation of data retention for changed or deleted data exists.
6. Entered dates cannot be future dates. If a user enters a date greater than system date for one of the date fields and attempts to save the window, the ability to save is prevented, and the user receives the following message: “The ‘(field name - Date Refused or Experian - Date Requested, Experian - Date Received, Experian - Date Reviewed, Trans Union - Date Requested, ... etc.)’ must be equal to or less than today’s date.”

Appendix B: Interpreting a Credit Report

Each Credit Reporting Agency’s report gives the name, date of birth and social security number (or the last four digits of the social security number) for the consumer. This information should be checked carefully to verify that it matches the information in DCF records, social security card, and the birth certificate.

When a credit report is received it is important to record and keep the confirmation/report number from the CRA. **The confirmation/report number is needed if there are any inaccuracies or fraud in order to file a report.**

Credit reports for minors should not have any accounts listed or funds owed on accounts. If there are accounts or funds owed on the minor adolescent’s credit report, a fraud report should be filed (**see Appendix C of this guide**). Any evidence of fraud

revealed by the reports should be shared with the Deputy Attorney General and the child's Law Guardian.

Credit reports for young adults ages 18 to 21 may have accounts listed or funds owed. When the young adult's credit report shows accounts with funds owed, past due or in collections, review these accounts and amounts with the young adult to verify that there are no discrepancies and that there is no fraud.

Experian

Experian has a sample credit report that explains each section of the credit report at: <http://www.experian.com/assets/credit-education/brochures/sample-credit-report.pdf>

TransUnion

TransUnion has a sample credit report and videos that explain each section of the credit report at: <https://www.transunion.com/how-to-read-a-credit-report>

TransUnion credit reports have the following 7 topic areas:

- **Personal information:** name, date since the person has been on their files, social security number, date of birth and telephone number, and employment data reported.
- **Account Information:** explains how they list the payment history that is reported to TransUnion.
- **Satisfactory Accounts:** Accounts that have no adverse information. This section identifies the agency, and a portion of the account number, balance, date updated, high balance, credit limit, last payment, pay status, account type, responsibility, terms, and date opened. Additionally, there is a record of late payments and the payment history.
- **Regular Inquiries:** The names and addresses of companies that have received the credit report within the last two years. This section gives the date the report was requested and what the inquiry type is.
- **Account Review Inquiries:** Provides the names and addresses of companies and the date that have obtained information from the credit report for the purpose of an account review or other business.
- **Credit Report Messages:** Messages from the credit reporting agency, TransUnion.
- **Consumer Rights:** Explains the rights of a consumer under the Fair Credit Reporting Act.

Equifax

Equifax has a sample credit report that explains each section of the credit report at: https://www.equifax.com/pdfs/corp/CIS-105-E_Consumer_User_Guide.PDF

The Equifax credit report is divided into 9 areas and allows the user to click on the blue words to get an explanation of the word or topic. There is an explanation after each topic area which gives tips to increase credit and/or what the section is reporting. If you click on the words in blue in the first section, it takes you to that section of the report. The topic areas are as follows:

- Credit summary: Lists the account types that a person may have, mortgage, installment, revolving, and other, as well as the age of the account, the newest and oldest accounts of the consumer. This includes the names of companies that have inquired about the consumer's credit history, if there is any negative information regarding the consumer's credit. Potentially negative information gives an overview of late payments, accounts that are in collection status and public records.
- Account information: Detailed information about each open and closed account the consumer has. After the name, address, and telephone number of the company is the account number, the type of account, the credit limit, term duration of the loan or account, when the payments are due, and the status.
- After each account is an 81-month payment history. There is a payment history key after all the accounts are listed that explains what the symbol, numbers or letters mean in the 81-month payment history.
 - For a 14 through 17-year-old, this section should not have any content.
 - For an 18 to 21-year-old, it is important to review the section to ensure that the status of the account is accurate. This section states if the account is paid as agreed or is delinquent. The other areas to review are the name of the company, credit amount, date opened/closed, balance, and date of first delinquency. If the account is paid off, and closed, it will be noted next to "Activity Designator."
- Inquiries: Identifies the name, address and telephone number or the company(s) that have requested your credit report as well as the date of the inquiry. These inquiries are made by companies that the consumer has applied for a loan or credit.
- Negative information: identified as "negative accounts", which are accounts that are not paid as agreed in the credit agreement or loan. This area also lists any accounts that are in collections, and public records.
- Personal information: name, social security number, age or date of birth and names formerly known as. The current and previous addresses of the consumer and the date reported to the CRA are listed. Other identification, employment history, alerts and consumer statement are a part of this section as well.

Appendix C: Resolving Inaccuracies in Credit Reports

If a youth's report contains errors or evidence of fraud or identity theft, the below steps should be taken to prevent further harm. Young adults 18 to 21 can follow these steps themselves, with the support and guidance of the CP&P Worker. The Worker is directly responsible for taking these steps for adolescents 14 through 17. Keep a written record with the details of your efforts and file copies of all correspondence in the case record and provide detail in the "credit reporting" section of the online case record.

1. Identify any inaccuracies/discrepancies

Credit reports may contain erroneous information. Even seemingly harmless mistakes such as misspelled names or incorrect addresses may be detrimental to a person's credit rating and could be indicative of identity theft or other serious problems. All incorrect information must be reported to the credit bureau and the DCF Office of Legal Affairs if there is any suspicion of fraudulent activity such as identity theft.

2. Contact the CRAs

For young adults 18 to 21, the youth contacts the CRAs to report any inaccuracies or evidence of fraud or identity theft.

For minors 14 through 17, the Worker must contact the three nationwide credit reporting agencies. Explain that the child is a minor and cannot legally enter into any type of contract. To prove that the child is a minor, send the credit reporting agencies a copy of the child's birth certificate or other documentation of age, such as a court order, and a letter asking them to remove all accounts, application inquiries, and collection notices from the credit report associated with the child's name or personal information. Documentation may also be needed to verify that the youth is in out-of-home care and the agency is authorized to act on the youth's behalf.

3. Place an initial fraud alert

If a credit report contains evidence of fraud or identity theft, an initial fraud alert can be placed on the report. An initial fraud alert requires potential creditors to verify a person's identity before extending credit. When a creditor knows that a minor child is involved, it will not ordinarily extend credit.

To place an initial fraud alert, contact any one of the three credit reporting agencies. The CRA must then contact the other two. All three will place the initial fraud alert on the report they have for the youth. After placing the initial fraud alert, the CRA explains the youth's rights, including the right to get a free credit report from each CRA.

4. Consider a credit freeze

A credit freeze should be considered if there is evidence of fraud or identity theft. When a credit freeze (or security freeze) is placed, potential creditors cannot get the person's credit report, which makes it less likely for an identity thief to open new accounts. Each of the three CRAs must be contacted directly to place a freeze. The CRAs may ask for proof of the youth's Social Security number, proof that the Worker is legally able to represent the youth (for minors) and/or request a copy of the youth's birth certificate. Putting a freeze on a youth's credit report can be a useful deterrent to additional fraud.

For youth 14 through 17, the Worker must lift the freeze from the credit report before the minor child applies for student or auto loans, an apartment, or job. For youth 18 to 21, he/she can ask to lift the freeze him or herself.

5. Consider an extended fraud alert

Depending on the circumstances, it may be appropriate to place an extended fraud alert on the credit report, which lasts for seven years. When a business sees an alert on a credit report, it must verify the borrower's identity before issuing credit. Identity theft victims - including children and youth in care - can have an extended alert placed on their credit reports if they can provide an Identity Theft Report to the CRA. Identity Theft Reports can be completed at <https://www.identitytheft.gov/>.

To place an extended fraud alert, contact any one of the three credit reporting agencies. The CRA must then contact the other two. All three will place the fraud alert on the report they have for the youth.

| What It Is | What It Does | How to Get It | What it Costs | How Long It Lasts |
|-----------------------------|--|--|----------------------|----------------------|
| Initial fraud alert | Requires creditors to verify an identity before granting credit and makes it harder for a thief to open fraudulent new accounts. | Contact one credit reporting company. It will share your request with the other two companies. | Free | 90 days |
| Extended fraud alert | Requires creditors to verify an identity before granting credit and makes it harder for a thief to open fraudulent new accounts. | Contact one credit reporting company. It will share your request with the other two companies. | Free | 7 years |
| Credit freeze | Stops creditors from getting your credit report unless you lift the freeze. | Contact each credit reporting company. | Depends on state law | Depends on state law |