

**Exhibit 4**

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE CALIFORNIA DEPARTMENT OF SOCIAL SERVICES  
AND  
TALX CORPORATION ("TALX")  
AND  
THE COUNTY OF MONTEREY**

**I. PURPOSE**

County has agreed to participate in the California Department of Social Services (CDSS) Welfare to Work pilot income verification program. This program requires participating counties to verify consumer-recipient employment, income and other work related information through TALX.

This Memorandum of Understanding (MOU) is entered into by the CDSS, TALX, and the County for the purpose of authorizing County access to "The Work Number" on-line employment verification service (hereafter "Work Number"), provided by independent contractor, TALX. This MOU authorizes County to retrieve and verify certain employment and/or income data of a consumer-recipient applying for or currently receiving public social service assistance where such information has been furnished to TALX, by employers.

**II. SCOPE OF WORK**

The Work Number may be accessed by County employees to verify a consumer-recipient's employment status or income for purposes of determining eligibility for receipt of public aid or assistance, prevention or identification of fraud, or overpayments associated with the receipt of public aid or assistance. Accordingly, the Work Number permits County the ability to:

- A. Search for a recipient's employment status or income by a recipient's Social Security Number.
- B. Register, authenticate, and monitor users and usage, including producing monthly reports.
- C. Identify if a recipient has current, historical, or no employment information on file.
- D. Order and retrieve an employment verification, which shall include the employer name and employment status; or an income verification which shall include the employer address, dates of employment, title of position, pay rate, and year to date gross income and pay period details for up to a three year period.
- E. Through this MOU, CDSS authorizes the County to access the Work Number solely for the purpose described in this Scope of Work. Counties not entering into this MOU will not have access to Work Number unless they have a separate independent agreement with TALX.

**III. CDSS RESPONSIBILITIES**

- A. Pursuant to a third party beneficiary contract between CDSS and TALX, CDSS has, on behalf of participating counties, secured access to the Work Number for use in the CDSS pilot income verification program.
- B. CDSS will not be directly accessing or using the Work Number but shall have the right as the pass-through

entity, to inspect, review, or otherwise monitor all activities, procedures, records, reports or forms related to the County's access of the Work Number in order to ensure compliance with this MOU.

#### IV. COUNTY RESPONSIBILITIES

- A. County shall maintain any and all information/data provided by the Work Number in strict confidence, and will not reproduce, disclose, or make accessible in whole or in part, in any manner whatsoever, to any third party, unless mandated by law.
- B. County represents and warrants it is administering a government funded benefit or program, and has been granted the legal authority to view the information/data by the consumer or by operation of law, and shall only request the information/data in compliance with state and federal laws.
- C. County hereby certifies it will establish safeguards to ensure only "authorized users" can order or have access to the Work Number. "Authorized User" is defined as a County employee authorized to order or access the Work Number in relation to the performance of their official duties.
- D. County shall take all necessary measures to prevent unauthorized ordering of or access to the Work Number by any person other than the Authorized User for permissible purposes. County agrees to monitor County employees' access of the Work Number to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others.
- E. County shall take all necessary measures to ensure employees do not access consumer-recipient employment or income information for personal reasons or benefit. No County employee shall engage in any employment, activity, or enterprise which is clearly inconsistent, incompatible, in conflict with, or inimical to the guidelines set forth under this MOU or his/her duties as a County employee.
- F. County agrees to indemnify, defend, and save harmless the CDSS, its directors, officers, managers, agents, and employees from any and all claims, actions, demands, damages, liabilities, obligations, losses, settlements, judgments, fines, penalties, sanctions, charges, costs and expenses, arising out of, relating to, or in connection with the unauthorized disclosure or dissemination of consumer-recipient information/data by County employees in the performance of this Agreement. County does not assume the risk on behalf of or agree to indemnify any other county. This provision shall survive any termination or expiration of this MOU.
- G. County hereby certifies it will employ all necessary measures to maintain data security and confidentiality when sending, transferring, shipping, or otherwise disposing of any consumer report information. In addition to any requirements of this MOU, County agrees to comply with the data security and confidentiality provisions of the Universal Membership Agreement, as provided in the attached agreement between TALX and CDSS.
- H. County shall ensure that all County employees comply with California Welfare & Institutions §10850 to protect any confidential information it may receive and possess from the Work Number from unauthorized use, access, or disclosure.
- I. Unauthorized use, access, or disclosure of confidential information is considered a breach of security. County shall immediately notify CDSS of any and all suspected, attempted, or confirmed breach of security by contacting the CDSS Project Representative, Ted Manas at (916) 654-9416 and Ted.manas@dss.ca.gov .
- J. The use of Work Number includes information that is protected by the Fair Credit Reporting Act ("FCRA") and may subject an unauthorized user to possible civil and criminal liability, punishable by fines and imprisonment. County certifies that it will order Data from the Service only when County intends to use the Data (i) in accordance with the Fair Credit Reporting Act ("FCRA") and all state law FCRA counterparts as though the Data is a consumer report, and (ii) for one of the following FCRA permissible purposes: (1) in connection with a credit transaction involving the Consumer on whom the Data is to be furnished and involving the extension of credit to, or review or collection of an account of, the consumer, (2) in connection with a determination of the consumer's eligibility for a license or other benefit granted by a governmental instrumentality required by law

to consider an applicant's financial responsibility or status, or (3) when County otherwise has a legitimate business need for the information either in connection with a business transaction that is initiated by the Consumer, or to review an account to determine whether the Consumer continues to meet the terms of the account; and for no other purpose.

County agrees to only use the Data consistent with the obligations of users of consumer reports as provided for in the Consumer Financial Protection Bureau (the "CFPB")'s Notice Form attached as Exhibit 1.

- K. County acknowledges that it will not be permitted access by CDSS to the Work Number, unless County signs this MOU. When the County ceases to use the services of TALX furnished pursuant to this MOU, it shall notify CDSS that it is no longer receiving services from TALX. If the County is dissatisfied with the services of TALX, it shall provide a letter to CDSS describing its dissatisfaction.
- L. Without limitation as to any other applicable rights or remedies, in the event of a breach of security caused by County employee(s), through the use of the information/data provided by TALX, the County is responsible for any and all breach notifications to the consumer, along with associated costs.
- M. The County assumes all responsibilities and duties of CDSS as provided in the Universal Membership Agreement, except for the right to cancel or to change the terms of the Universal Membership Agreement. County may not assign or delegate any of its rights or duties under this MOU.
- N. For the purposes of the pilot employment verification program that is the subject of this MOU, the County is not liable or required to purchase separate or additional services from TALX. CDSS has no expectation that there will be a separate or continuing arrangement for future services between the County and TALX.

#### V. TERM

The term of this MOU is: October 1, 2014 - December 31, 2014

#### VI. GENERAL PROVISIONS

- A. No condition or provision of this MOU shall be waived or altered except by written amendment signed by a duly authorized representative of CDSS and County.
- B. Termination without cause: This MOU may be terminated by either party without cause upon 30 days written notice.
- C. Termination with cause: This MOU may be terminated immediately by either party if the terms of this MOU are violated in any manner. However, CDSS or County shall provide written notice to the other party of such termination for cause of this MOU.
- D. This MOU is not effective until signed by both parties.

COUNTY OF

By: (signature) \_\_\_\_\_  
Name: (print) \_\_\_\_\_  
and Title: \_\_\_\_\_ ing-staff

Date: \_\_\_\_\_

TALX CORPORATION,  
Provider of Equifax Verification Services

By: (signature) Ellen Stanko  
Name: (print) Ellen Stanko  
Title: Vice President

Date: 12-10-13

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

By (signature):  
Name (print):  
Title:  
Date: