

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CALIFORNIA DEPARTMENT OF SOCIAL SERVICES**

AND

THE COUNTY OF MONTEREY

I. PURPOSE

The California Department of Social Services ("CDSS") has established an income verification program for California counties regarding the California Work and Responsibility to Kids (CalWORKs) and CalFresh programs. As part of this program, the CDSS has contracted with TALX Corporation ("TALX"), a provider of Equifax Verification Services, for participating counties to verify consumer-recipient employment, income and other work related information. The Agreement between CDSS and TALX, CDSS Agreement 15-STD-00907 (hereafter "Agreement"), is attached as Exhibit 1.

This Memorandum of Understanding (MOU) is entered into by the CDSS and the County named above ("County") for the purpose of authorizing County access to TALX's on-line employment verification service (hereafter "The Work Number®"), pursuant to the Agreement. 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. County agrees to comply with the obligations of the Agreement as a condition of access to The Work Number.

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 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 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 The Work Number unless they have a separate independent agreement with TALX.

III. CDSS RESPONSIBILITIES

- A. Pursuant to a third-party beneficiary Agreement between CDSS and TALX, CDSS has, on behalf of participating counties, secured access to The Work Number for use in the CDSS 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 comply with the obligations of the Agreement, including the TALX Universal Membership Agreement (UMA) requirements (Exhibit E, Attachment 2 of CDSS Agreement 15-STD-00907).
- B. 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.
- C. County represents and warrants it is administering a government funded benefit or program, 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. County further represents and warrants that it has written authorization from the Consumer to verify income.
- D. County certifies that it will order data from The Work Number only when it intends to use the data in accordance with the Fair Credit Reporting Act ("FCRA") and all state law FCRA counterparts as though the data is a consumer report, 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, and for no other purpose.

- E. 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 ("CFPB") Notice Form attached as Exhibit 1 to the UMA.
- F. To the extent County requests data on a Vermont resident, County certifies that it will comply with applicable provisions under Vermont law. In particular, County certifies that it will order data relating to Vermont residents only after County has received prior Consumer consent in accordance with VFCRA Section 24803 and applicable Vermont Rules. County further certifies that it received the copy of VFCRA Section 2480e applicable Vermont Rules as referenced in Exhibit 2 to the UMA.
- G. County 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.
- H. 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.
- I. 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.
- J. County agrees to indemnify, defend, and save harmless CDSS and TALX, and their respective 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 County's use of The Work Number and/or 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.
- K. County acknowledges that neither TALX nor its officers, agents or employees will be liable for loss of profits or for indirect, special, incidental or consequential

damages arising out of or related to the provision of verifications of employment and/or income, even if that party has been advised of the possibility of such damages. In no event shall damages of any kind payable by TALX exceed the sum paid by CDSS for the service which causes County's claim. This provision shall survive any termination or expiration of this MOU.

- L. 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 provisions of the Agreement, including the UMA.
- M. County shall ensure that all County employees comply with California Welfare & Institutions Code section 10850 to protect any confidential information it may receive and possess from The Work Number from unauthorized use, access, or disclosure.
- N. 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 Information Security Officer (ISO), Lloyd Indig at (916) 651-5558.
- O. The use of The Work Number includes information that is protected by the FCRA and may subject an unauthorized user to possible civil and criminal liability, punishable by fines and imprisonment.
- P. When 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 County is dissatisfied with the services of TALX, it shall provide a letter to CDSS describing its dissatisfaction.
- Q. 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, County is responsible for any and all breach notifications to the consumer, along with associated costs.
- R. County may not assign or delegate any of its rights or duties under this MOU.
- S. County acknowledges that its access to The Work Number is subject to audit by TALX as described in the Agreement. County agrees to cooperate with CDSS and TALX in responding to any such audit.
- T. For the purposes of the employment verification program that is the subject of this MOU, County is not 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 County and TALX.

V. TERM

3/30/16 or upon approval by the CDSS whichever is later (MP)

The term of this MOU is: April 1, 2014 through September 30, 2017.

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. TALX may immediately suspend and/or terminate County's access to The Work Number if TALX reasonably believes County has violated the FCRA, any of the state law counterparts to the FCRA, or any other applicable law or regulation.

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

By: Deborah Pearce Deborah Pearce, Chief
Name and Title of signing staff
Contracts and Purchasing Bureau

Date: 5-12-16

COUNTY OF MONTEREY

By: Elliott Robinson Elliott Robinson
Name and Title of signing staff
Director

Date: 3/30/16

APPROVED AS TO FORM AND LEGALITY
Juan P. Rodriguez
DEPUTY COUNTY COUNSEL
COUNTY OF MONTEREY 3/18/16