Quality and Productivity Commission

29th Annual Productivity and Quality Awards Program

Champions of Change: Together We Make a Difference

2015 APPLICATION

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

NAME OF PROJECT: A BRIGHTER FUTURE: COMBATTING FOSTER YOUTH IDENTITY THEFT

DATE OF IMPLEMENTATION/ADOPTION: JANUARY 1, 2012
(Must have been implemented at least one year - on or before July 1, 2014)

PROJECT STATUS: X Ongoing _____ One-time only

HAS YOUR DEPARTMENT PREVIOUSLY SUBMITTED THIS PROJECT? _____ Yes X No

EXECUTIVE SUMMARY: Describe the project in 15 lines or less using Arial 12 point font. State clearly and concisely what difference the project has made.

Foster children have long been a prime target for identity thieves as their personal identifying information passes through many hands as they move through the system. Often, the crime can remain undiscovered for several years. Moreover, former foster youth often do not have a support system to help them resolve such problems, and experience difficulty renting an apartment, getting a student loan, or finding a job. Sometimes, the suspected identity thief is the foster youth's own family member or foster parents, which creates reluctance on the part of the foster youth to file a police report. In 2006, California enacted a law intended to clear foster children's credit reports before they left the system. Seeing a pressing need amidst the delayed implementation of the law, the Department of Consumer and Business Affairs (DCBA) in partnership with the Department of Children and Family Services (DCFS) and the Department of Probation (Probation) developed a Foster Youth Identity Theft Program to achieve the law's intent. The Departments have successfully run credit reports on behalf of over 7,000 foster children to clear all negative reporting from the credit reports of hundreds of youths, and to outreach to the affected population to prevent future fraud.

(1) ACTUAL/ESTIMATED **ANNUAL** COST AVOIDANCE	(2) ACTUAL/ESTIMATED **ANNUAL** COST SAVINGS	(3) ACTUAL/ESTIMATED **ANNUAL** REVENUE	(1) + (2) + (3) = TOTAL **ANNUAL** ACTUAL/ESTIMATED BENEFIT	SERVICE ENHANCEMENT PROJECT
$	$	$	$	X☐

ANNUAL = 12 MONTHS ONLY

SUBMITTING DEPARTMENT NAME AND COMPLETE ADDRESS Department of Consumer and Business Affairs 500 West Temple Street, Room B96 Los Angeles, California 90012		**TELEPHONE NUMBER** (213) 974-1452
PROGRAM MANAGER'S NAME Rigoberto Reyes, Chief Investigator		**TELEPHONE NUMBER** (213) 974-9758 **EMAIL** rreyes@dcba.lacounty.gov
PRODUCTIVITY MANAGER'S NAME AND SIGNATURE (PLEASE CALL (213) 893-0322 IF YOU DO NOT KNOW YOUR PRODUCTIVITY MANAGER'S NAME) Caroline M. Torosis, Esq.	**DATE** July15, 2015	**TELEPHONE NUMBER** (213) 893-2206 **EMAIL** ctorosis@dcba.lacounty.gov
DEPARTMENT HEAD'S NAME AND SIGNATURE Brian J. Stiger	**DATE** July15, 2015	**TELEPHONE NUMBER** (213) 974-9750

We Support Plain Language

Quality and Productivity Commission

29th Annual Productivity and Quality Awards Program

Champions of Change: Together We Make a Difference

2015 APPLICATION

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

NAME OF PROJECT: A BRIGHTER FUTURE: COMBATTING FOSTER YOUTH IDENTITY THEFT

1st FACT SHEET – LIMITED TO 3 PAGES ONLY: Describe the **Challenge, Solution, and Benefits** of the project. State clearly and concisely what difference the project has made.

PROBLEM OR CHALLENGE

Today's complex financial systems offer consumers a seemingly endless variety of financial choices. These choices require consumers to have the knowledge to evaluate their options and identify those that best suit their needs and circumstances. In California, there is no clear strategy for financial education. Additionally, children make attractive targets for identity thieves, because the crime is usually not discovered for many years, giving thieves years of undetected use of the stolen identities. Foster children are particularly vulnerable because their sensitive information passes through many hands. As a foster child nears emancipation, they face the daunting task of dealing with the results of the crime alone, without a family safety net to help.

This epidemic is coupled with the fact that in Los Angeles County, youth unemployment is high and foster youth are disproportionately affected. Los Angeles County constitutes 26 percent of the state's general population and 38 percent of the state's population of foster youth. Nearly 1,500 youth "age out" or emancipate from the county's foster care system each year. The Los Angeles area is ranked highest in unemployment for individuals aged 16-19 in the country and unemployment among foster youth can be as much as three times higher than the youth population at large.

In 2006, California enacted a law intended to clear foster youth's credit reports before the foster youth were emancipated. However, due to limited funding, implementation of the law was delayed. The Department of Consumer and Business Affairs (DCBA) also noted that there was a lack of financial empowerment among students in foster care. In order to help Los Angeles County foster youth clear their credit, make smarter financial decisions, manage their money, and secure employment upon emancipation from the foster care system, DCBA, along with the Department of Children and Family Services (DCFS), and the Department of Probation (Probation) identified the need for targeted programming for foster youth, probation youth and emancipated former foster youth.

SOLUTION

DCBA partnered with a variety of public and private organizations to develop, launch, and support a comprehensive program to clear up foster youth credit records and educate emancipated youth about making smart financial decisions for their future. The partners included DCFS and Probation as all three Departments recognized the importance of transition age foster youth leaving the jurisdiction of either child welfare or juvenile delinquency with the greatest opportunity to become successful and self-sufficient young adults, armed with a clear credit report and with information about preserving their financial well-being.

Quality and Productivity Commission

29th Annual Productivity and Quality Awards Program

Champions of Change: Together We Make a Difference

2015 APPLICATION

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

NAME OF PROJECT: A BRIGHTER FUTURE: COMBATTING FOSTER YOUTH IDENTITY THEFT

Use Arial 12 point font

Credit Remediation: The investigations component of the Foster Youth Identity Theft Program was designed to take a proactive approach to consumer protection by putting foster youth in a position to enter adulthood with clear credit. The credit remediation portion of the program works to clear foster youth's credit records of fraudulent or erroneous information that could harm them in the future by working with the three main Credit Reporting Agencies (CRAs); Experian, Equifax and Transunion. Additionally, the program has several other objectives:

1. *Data Transmission*. DCBA has worked to determine the feasibility of periodic bulk electronic submissions of requests for credit reports and of secure data transmission procedures between different parties, namely, DCBA and the CRAs. DCBA now has the CRAs run biannual credit reports for foster youth names submitted to the CRAs by DCFS and Probation. DCBA coordinated with the CRAs to receive the information about the credit reports of foster youth that contain identity theft problems.
2. *Remediation*. DCBA was identified as the organization to do the work of remediating problems, or negative reporting found and determined the feasibility of clearing records without a police report. DCBA does this by investigating and resolving identity theft problems on credit reports of foster youth after the CRAs determine that there is a negative trade line on a foster youth's credit report.
3. *Suppression*. DCBA worked to determine the feasibility of "suppressing" the identities of the children whose records were cleared to prevent new records from being attached to the youth while they are minors. DCBA continued to work with the CRAs to put a freeze on the youth's credit until the youth turns 18 years old.

After each case of identity theft is identified, the credit report is remediated, and the identity of the affected youth is suppressed, DCBA reports to DCFS and Probation the final disposition of the cases being investigated by DCBA on a biannual basis.

Foster Youth Financial Education: As part of the Department's comprehensive financial literacy program, DCBA works with DCFS, Probation, and local community colleges to combat foster youth identity theft with a proactive approach. The Department conducted 14 financial literacy presentations to foster and probation youth in fiscal year 2014-15. DCBA teaches these young consumers information about important topics, such as managing money, purchasing a car, and renting an apartment to help increase their consumer skillset. In 2015, these presentations included information about avoiding scholarship scams, which are on the rise. This education is particularly important for foster youth because they may lack supportive parental figures to teach them about these important life skills. Additionally, these outreach efforts give foster youth the tools to protect themselves against identity theft and make responsible financial decisions.

Quality and Productivity Commission

29th Annual Productivity and Quality Awards Program

Champions of Change: Together We Make a Difference

2015 APPLICATION

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

NAME OF PROJECT: A BRIGHTER FUTURE: COMBATTING FOSTER YOUTH IDENTITY THEFT

LINKAGE TO THE COUNTY STRATEGIC PLAN (DETAIL IS REQUIRED FOR COUNTY DEPARTMENTS): Use Arial 12 point font

BENEFITS/RESULTS

The Foster Youth Identity Theft Program aided DCBA in reaching out to a wider audience and educating County residents about the different aspects of money management, as well as how to avoid falling prey to financial traps. Since its inception in 2012, the Foster Youth Identity Theft Program has run the names of over 7,000 foster youth to check their credit. The Program opened 1,980 cases and cleared the derogatory reporting in all 1,474 closed cases. The importance of DCBA's role in resolving credit reports is underscored by the fact that only about 10% of the foster youth names run had an active credit report.

Some of the additional results of the program include:

Investigations:

- Run the names of 7,755 foster youth from 2012 through 2015 to check for derogatory reporting on their credit report.
- Remediation efforts have been 100% successful. DCBA, DCFS and Probation have resolved 100% of the 1,474 closed cases, removing all derogatory reporting from each youth's credit report, resulting in $ 9 million in charges rescinded.
- DCBA created a custom Foster Youth Case Management System to track outcomes and more efficiently process each case.

Proactive Outreach to Affected Populations:

- Conducted 14 Financial Literacy Training Workshops for foster and probation youth in Fiscal Year 2014-15. Topics have included: (1) Basics of Financial Literacy, (2) Avoiding Identity Theft, (3) Buying a Car, and (4) Renting an Apartment.
- DCBA directly trained 277 foster youth, probation youth and DPSS clients on financial empowerment topics and reached an additional 1,150 youth through resource fairs to help young people and low income consumers improve their financial stability. DCBA, DCFS and Probation have provided these presentations at Probation camps, foster homes, and other venues.
- DCBA directly trained an additional 304 Los Angeles County youth and young adults on financial empowerment topics such as money and credit management.
- Through the increased outreach emphasis on financial empowerment, DCBA's Consumer Education and Public Outreach Unit has been able to expand outreach activities by 20% to increase the number of consumers and businesses that DCBA works with each year.

Quality and Productivity Commission

29th Annual Productivity and Quality Awards Program

Champions of Change: Together We Make a Difference

2015 APPLICATION

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

NAME OF PROJECT: A BRIGHTER FUTURE: COMBATTING FOSTER YOUTH IDENTITY THEFT

COST AVOIDANCE, COST SAVINGS, AND REVENUE GENERATED (ESTIMATED BENEFIT): If you are claiming cost benefits, include a calculation on this page. You must include an explanation of the County cost savings, cost avoidance or new revenue that matches the numbers in the box. Remember to keep your supporting documentation. Use Arial 12 point font

Cost Avoidance: Costs that are eliminated or not incurred as a result of program outcomes.

Cost Savings: A reduction or lessening of expenditures as a result of program outcomes.

Revenue: Increases in existing revenue streams or new revenue sources to the County as a result of program outcomes.

(1) ACTUAL/ESTIMATED **ANNUAL** COST AVOIDANCE	(2) ACTUAL/ESTIMATED **ANNUAL** COST SAVINGS	(3) ACTUAL/ESTIMATED **ANNUAL** REVENUE	(1) + (2) + (3) TOTAL **ANNUAL** ACTUAL/ESTIMATED BENEFIT	SERVICE ENHANCEMENT PROJECT
$	$	$	$	X☐

ANNUAL= 12 MONTHS ONLY

This was a service enhancement project. Through the work of the Foster Youth Identity Theft Project, $9 million in erroneous charges were rescinded. Additionally, the program is funded by $260,000 in Chafee funds from DCFS and Probation.

Quality and Productivity Commission

29th Annual Productivity and Quality Awards Program

Champions of Change: Together We Make a Difference

2015 APPLICATION

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

NAME OF PROJECT: A BRIGHTER FUTURE: COMBATTING FOSTER YOUTH IDENTITY THEFT

FOR COLLABORATING DEPARTMENTS ONLY

(For single department submissions, do not include this page)

DEPARTMENT NO. 2 NAME AND COMPLETE ADDRESS DEPARTMENT OF CHILDREN AND FAMILY SERVICES 425 Shatto Place, Los Angeles, CA 90020	
PRODUCTIVITY MANAGER'S NAME AND SIGNATURE TRICIA DENSON Signature on file	**DEPARTMENT HEAD'S NAME AND SIGNATURE** PHILIP L. BROWNING Signature on file
DEPARTMENT NO. 3 NAME AND COMPLETE ADDRESS DEPARTMENT OF PROBATION 9150 EAST IMPERIAL HIGHWAY, DOWNEY CALIFORNIA 90242	
PRODUCTIVITY MANAGER'S NAME AND SIGNATURE DAPHNE DURR Signature on file	**DEPARTMENT HEAD'S NAME AND SIGNATURE** JERRY POWERS Signature on file
DEPARTMENT NO. 4 NAME AND COMPLETE ADDRESS	
PRODUCTIVITY MANAGER'S NAME AND SIGNATURE	**DEPARTMENT HEAD'S NAME AND SIGNATURE**
DEPARTMENT NO. 5 NAME AND COMPLETE ADDRESS	
PRODUCTIVITY MANAGER'S NAME AND SIGNATURE	**DEPARTMENT HEAD'S NAME AND SIGNATURE**
DEPARTMENT NO. 6 NAME AND COMPLETE ADDRESS	
PRODUCTIVITY MANAGER'S NAME AND SIGNATURE	**DEPARTMENT HEAD'S NAME AND SIGNATURE**