



Product Briefing — The Work Number

Workforce Solutions

We all encounter life events — such as purchasing a car, applying for a job, or refinancing a mortgage—when our employment and income needs to be verified by authorized parties. A verifier may need this information to assess the ability of a consumer to repay a loan or perhaps to qualify for a government assistance program like SNAP¹ or Medicaid. Traditionally, the verifier would call the applicant's employer to request proof of employment or income, but that presents challenges for all parties involved. The employer has to validate that the person requesting the information is truly authorized to receive it, and the verifier needs assurance that the data they're receiving is authentic. Completing the verification could take several days or even weeks depending on the employer's workload, and when employment or income cannot be rapidly verified, it forms an obstacle separating the employee-consumer from the services they desire.

The Work Number®, a service of Workforce Solutions, streamlines the transfer of information between employers and verifiers, benefiting the employee-consumer by accelerating the decision process while adding security to the transaction.

Established in 1995, The Work Number is now the leading resource for employment and income verification services. Today, over 7,800 employers—including over 82 percent of the Fortune 500 and the majority of federal government civilian employers—entrust The Work Number to provide a critical human resources function on their behalf. We have established trust with our clients by taking an uncompromising stance on data security and responsible handling of payroll data. Workforce Solutions is both ISO/IEC 2700:2013² and FISMA Moderate ATO Moderate³ compliant — certifications that demonstrate absolute adherence to globally recognized best practices in information security.

How Does It Work?

Employers contract with Workforce Solutions (a/k/a TALX Corporation) to perform employment and income verifications on their behalf. Once the account is established, the employer begins securely transmitting an encrypted data file and refreshing it after each payroll cycle. The information is stored in The Work Number database and made available to credentialed verifiers—information such as the employee's name, job title, hire date and rate of pay. In addition to employment and income data, employers may provide benefits information, which is made available to government agencies that qualify applicants for programs like Medicaid.

Workforce Solutions is a steward of employer data acting on the employer's behalf, meaning that the information provided to verifiers is a direct pass-through of employer-provided information.

All verifier organizations must successfully pass a credentialing process which validates the organization's legitimacy and permissible use of our data under the Fair Credit Reporting Act (FCRA), and each individual verifier must be authenticated at login using a unique user name and password. With a valid permissible purpose, verifiers can query the database and, if a matching record is found, retrieve an instant verification on the employee. Searchable by Social Security number, the database can return information on current and past employment and income.

Employee-consumers who currently work for or have previously worked for organizations that contribute information to The Work Number can similarly log in to access their Employment Data Report (EDR). They are entitled to one free EDR each year which provides complete historical employment and income information as well as a listing of verifier requests for the past two years and information on how to dispute any inaccurate data.



The Work Number is also **fully compliant with the federal Fair Credit Reporting Act (FCRA)** and as such requires that:

- all verifier clients are credentialed
- a permissible purpose be provided for every verification request, such as determining a consumer's eligibility for a government benefit
- the employee-consumer has the ability to view their data file
- the employee-consumer has the ability to dispute data errors

The Work Number goes beyond the FCRA, however, requiring not only permissible purpose, but also explicit consumer consent for the release of income or salary information. In most instances, the applicant grants the verifier (lenders, government agencies, prospective employers, etc.) the right to validate income when signing an application for a benefit or service. Credentialed verifiers requesting this information from The Work Number must attest to having the applicant's consent and are subject to potential audits during which they are required to show proof of consent.

Frequently Asked Questions

What type of organizations can access The Work Number data? Organizations that meet Equifax credentialing standards (validating that they are a legitimate business or government agency) and with an FCRA-compliant permissible purpose for requesting verification may include:

- Mortgage Companies
- Consumer Finance Companies
- Auto Lenders
- Credit Card Issuers
- Employment Screening Firms
- Property Managers/Tenant Screeners
- Collection Agencies (access to employment)
- Government Agencies (administering SNAP, data only, not income) TANF, Medicaid, etc.
- State Workforce Agencies responsible for administering unemployment insurance benefits

How is The Work Number data used? As a protected consumer report, The Work Number data can only be used for specified purposes, as described in the FCRA:

- Granting of credit
- Employment purposes
- Underwriting of insurance
- Determining eligibility for a government benefit
- Child support enforcement
- Collection of an account
- Assessing risks related to an existing credit obligation
- Determining if the consumer continues to meet the terms of the account
- Other legitimate business purposes, with consumer consent

Is The Work Number data used in credit scoring?

The Work Number database and Equifax credit bureau data are managed by completely separate divisions. The two information sources are not co-mingled and data stewardship rules dictate how the information is handled within each organization. What is consistent is that both data sources are fully compliant with the FCRA and that both are protected by globally recognized standards for information security and data management. The two distinct data sources can be used to help a decision maker achieve a more comprehensive view of an applicant, but they are not combined or factored together by Equifax.

Does Equifax sell employment and income data?

Equifax has invested considerably into building and maintaining a highly secure platform for the instant delivery of employment and income information to authorized verifiers. Verifier clients do pay a fee to perform transactions, but it is largely the service that they are paying for. As a comparison, an overnight shipping company does not charge for the contents of the envelope, it charges for delivering those contents with speed, accuracy, security and reliability.

Public Sector Use

The Work Number is used by public assistance agencies in all 50 States plus the District of Columbia to help make eligibility determinations, reduce improper payments, improve service, and increase staff efficiency. It provides more than 28 million verifications annually to over 100 state and federal agencies and thousands of other national, regional and local government and social service entities.

Government organizations that administer public assistance to individuals and families use The Work Number to verify applicant-provided information, find missing or incomplete income data, and improve program integrity.

In March 2013, The Centers for Medicare and Medicaid Services (CMS), the federal agency responsible for administering the benefit programs defined by the Affordable Care Act, selected The Work Number as an instant employment and income verification source for taxpayers seeking federal assistance with Medicaid eligibility or tax credits. This contract was renewed in 2015.

Private Sector Use

The Work Number is the industry standard for credit grantors who need to validate Ability to Pay and keep in compliance with regulations stipulated by the Federal Housing Finance Agency, the Consumer Financial Protection Bureau, the Office of the Comptroller of the Currency and other regulatory bodies. For example:

- Mortgage lenders use The Work Number to verify employment before loan closing, as required by Fannie Mae and Freddie Mac
- Leading auto finance companies leverage The Work Number to extend their ability to lend to consumers who might not qualify for prime financing based on their credit scores alone

Equifax completed over 62 million instant commercial verifications in 2016.



CONTACT US TODAY

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¹ Supplemental Nutrition Assistance Program administered by the Dept of Agriculture (<http://www.fns.usda.gov/snap>)

² For more information on ISO27001, visit <http://www.iso.org/iso/home/standards.htm>

³ For more information on FISMA NIST, visit <http://csrc.nist.gov/groups/SMA/fisma/index.html>