

Memo

To: County Counsel
From: Joyce Aldrich *Joyce*
Date: July 25, 2008
Re: Trans Union LLC Credit Reporting Services Agreement

The Department of Human Services provides income qualified individuals' with loans for Housing Rehabilitation and Housing Acquisition as well as economic development loans to qualified entrepreneurs and businesses in the unincorporated areas of El Dorado County. Individuals applying to participate in these loan programs submit an application packet that includes, among other information, verification of income, assets and liabilities. Credit reports are submitted with the application packet as a verification of liabilities and credit worthiness. As part of the loan underwriting process, staff reviews the information presented on the credit report and verifies income through a third party verification process. Obtaining credit reports directly from Trans Union would serve to improve the integrity of the credit report information by removing the applicant from participation in the credit report process.

TransUnion has refused to execute a standard County contract and is not willing to comply with the County's contracting requirements relative to obtaining a County business license and the provision of an insurance certificate. It is in the County's best interest to waive these requirements so that third party credit reports can be obtained directly by County staff, thus improving the integrity of the loan programs. Services that provide credit reports are limited in number and no alternative service providers exist that would be more willing to comply with El Dorado County's standard contracting requirements.

Attached is a copy of the TransUnion Application, TransUnion Master Agreement #213-S0910, Addendum for Access via TransUnion DeskTop, and Bank and Trade Release Form which, once executed, will allow staff to obtain credit reports on line for applicants to the Housing Rehabilitation, Housing Acquisition and Business Loan Programs. This Agreement will continue until terminated so long as credit reporting services are needed. The annual service charges are not expected to exceed \$1,000.00.