

YOUR MONEY, YOUR GOALS

Focus on Reentry

A companion guide to assist organizations,
their staff and volunteers working with
justice-involved individuals

About the CFPB

The Consumer Financial Protection Bureau (CFPB) is a federal government agency focused on making markets for consumer financial products and services work for consumers - whether they are applying for a mortgage, choosing among credit cards, asking for their credit reports, or using those or any number of other consumer financial products and services, including bank accounts, prepaid cards, payday loans, and student loans. This means ensuring that consumers get the information they need to make the financial decisions they believe are best for themselves and their families—that prices are clear up front, that risks are visible, and that no important information is buried in fine print.

The Office of Financial Empowerment works to empower low-income and economically vulnerable consumers to make informed financial decisions by providing them with tools, information, and opportunities to build skills in financial decision-making and by promoting a more inclusive and fair financial marketplace. One way we do this is by working closely with social service providers, financial educators, legal aid, and community-based organizations to incorporate financial capability into their existing service delivery.

The Office of Financial Empowerment developed the *Your Money, Your Goals* (YMYG) financial empowerment toolkit to provide organizations and individuals with high quality, unbiased financial information and tools to help them better address financial issues. The *Focus on Reentry* companion guide is designed to complement the *Your Money, Your Goals* toolkit in ways that can help address the unique financial challenges facing individuals pre- and post-release from incarceration. As you use this companion guide and the toolkit, you can help the people you serve become more financially empowered, reduce their financial stress, and manage their finances in ways that contribute to achieving their goals and dreams, including a successful transition after incarceration.

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1. About the toolkit and reentry companion guide

Focus on Reentry provides frontline staff and volunteers with information and tools to help justice-involved individuals deal with financial challenges.

The CFPB launched the *Your Money, Your Goals (YMYG)* initiative in 2014 to provide training, information, and tools for frontline staff and volunteers in organizations working with low-income and economically vulnerable consumers. Those organizations include public and private social services agencies, legal aid and pro bono organizations, community volunteer, and worker organizations.

Your Money, Your Goals: A financial empowerment toolkit is a financial empowerment toolkit. What does that mean? Financial empowerment includes financial education and financial literacy. It also focuses on helping individuals build their ability to manage money as well as access and use financial services that work for them. The toolkit is a collection of important financial empowerment information and tools you can choose based on the current needs and goals of the people you serve.

Your Money, Your Goals is designed as a toolkit, not a curriculum, to help you identify and share the particular information and tools that are best suited to help the people you serve get started on solving specific financial challenges and reaching their goals. If your clients or the people you serve want or need additional help, the toolkit includes types of resources to which you can refer them.

To assist organizations and their staff and volunteers in using the toolkit, the CFPB developed various materials available at consumerfinance.gov/your-money-your-goals to help make it easier for organizations to:

- Train others on the use of the toolkit,

- Integrate the toolkit and training into the organization’s work, develop a referral guide for local and national resources for consumer finance issues, and
- Assess whether the training and toolkit help increase the user’s confidence about financial issues and decision-making.

The CFPB developed the *Your Money, Your Goals: Focus on Reentry* companion guide to help frontline staff working with justice-involved individuals address some of the specific financial challenges they may face.

The *Focus on Reentry* companion guide helps frontline staff help their clients:

- Identify financial challenges to successful transition,
- Create goals and identify steps to achieve them,
- Obtain documents related to identification to help ease the transition process,
- Identify and prioritize their debt—both debt arising from their involvement in the criminal justice system (criminal justice debt) and consumer debt,
- Access and review credit reports, and
- Understand individual rights to obtain and review criminal background screening records during the employment application process.

How to use this reentry companion guide

Both the *Your Money, Your Goals* toolkit and *Focus on Reentry* companion guide contain:

- Narrative information to provide you - the frontline staff and volunteers - with information about financial education and consumer financial protection issues.
- Tools designed and written for the people you serve. You can copy the tools for clients to use or take with them.

Since successful reentry efforts begin during incarceration, the companion guide can be used anytime while someone is awaiting trial or sentencing, in jail or prison, serving a sentence, or following release. When using this companion guide, you should refer to the *Your Money, Your Goals* toolkit as the main document. If you are not already familiar with or trained on the toolkit, we suggest reviewing the toolkit as the first step. *Focus on Reentry* provides additional or substitute narrative information and tools to that of the *Your Money, Your Goals* toolkit. This companion guide addresses the special issues faced by the justice-involved individuals who you serve. The guide tracks the modules as they appear in the main toolkit.

The *Your Money, Your Goals* toolkit and *Focus on Reentry* companion guide can be used in one-on-one or small group settings. The contents of the companion guide

can and should be accessed as needed based on the priorities and situations of the individuals being helped. The materials—implementation guide, training Power Points, referral guide template, and pre- and post-surveys—can all be found on the *Your Money, Your Goals* web page at consumerfinance.gov/your-money-your-goals.

Reaching reentry

The CFPB has participated in the Federal Interagency Reentry Council, which was established in 2011 by the Department of Justice, and includes 20 federal agencies (justice.gov/reentry/federal-interagency-reentry-council).

The Federal Interagency Reentry Council is working towards their mission to:

- Make communities safer by reducing recidivism and victimization,
- Assist those who return from prison and jail in becoming productive citizens, and
- Save taxpayer dollars by lowering the direct and collateral costs of incarceration.

A chief focus of the Reentry Council is to remove federal barriers to successful reentry, to not only reduce recidivism and high correctional costs but also to improve access to jobs, housing, education, and other key reintegration outcomes. Many of these barriers and outcomes have financial challenges attached to them.

The *Your Money, Your Goals* toolkit and *Focus on Reentry* companion guide do not address all the issues individuals face as part of the reentry process. The last section of the companion guide refers to useful resources on several other topics relevant to reentry such as access to benefits and housing. These resources were developed by the Reentry Council or other government agencies to help people in transition.

2. Getting started

Individuals transitioning from incarceration may face unique financial challenges. This companion guide is designed to help tackle these challenges.

The introductory section of the *Your Money, Your Goals* toolkit will provide you with a better understanding of the goals of financial empowerment and show you how to use the toolkit to discuss financial issues and decision-making with the people you serve. In addition to providing a "how-to" for the *Your Money, Your Goals* toolkit, Introduction Part 1: Introduction to the toolkit includes a financial empowerment self-assessment tool to help you understand your own financial know-how and how you approach financial decision-making.

This can help you identify those financial topics where you may want to gain more insight from the *Your Money, Your Goals* toolkit. This can also help you better understand how to identify the financial challenges your client may be facing and where in the toolkit you can go for help with that topic. Use the main toolkit binder if you have it, or find this portion of it at consumerfinance.gov/your-money-your-goals.

Focus for reentry

Often, individuals who are in or are recently released from jail or prison struggle with money or financial issues. The following are some approaches you can use to help your client with their financial challenges:

1. Have the money conversation

One way to have "the money conversation" with an individual is to help them reflect on their values around money and their current financial situation. *Reentry Tool: My money picture* can help your client assess their financial goals and

challenges. The responses can help you identify which topics, in the *Your Money, Your Goals* toolkit or the *Focus on Reentry* companion guide, to cover with the people you serve, using the key that follows the tool as a guide. The tool will help you to focus the discussion on your client's values or financial situation.

Use: *Reentry Tool: My money picture*

2. Set specific goals and plan for them

Depending on the setting in which you are working with your client, either in prison before release or in the community post-release, *Reentry Tool: Setting goals* may be the appropriate place to begin the discussion. This tool will help your client set SMART goals (Specific, Measurable, Able to be reached, Relevant, and Time bound) and define the steps to achieve them. These goals may be short term, e.g., finding a place to live or longer term, e.g., saving for a car.

Use: *Reentry Tool: Setting goals*

3. Get documentation of identity

Soon-to-be or just-released individuals may need help with getting or renewing identification documents. Applying for a job or benefits, opening a bank account, and many other activities require documentation of identity. You can use *Reentry Tool: Documents and identification checklist* to help your client identify sources for identification and potential issues they may have in securing them.

Use: *Reentry Tool: Documents and identification checklist*

Values and money decisions

What's included:

- *Reentry Tool: My money picture worksheet*

What to do:

Depending on the situation, you may want to ask your client to include members of their family to discuss their family financial challenges. Discussing financial goals together, or pooling or coordinating resources, may help the individual's transition.

You can use the method that you think will work best with each individual, for example:

- Give a copy of this tool and ask the individual to complete it
- Read the questions and fill in the individual's responses
- Weave the questions into a conversation with the individual and record the responses

What to say:

"We all have values that are important to us that can affect how we make decisions about money. Answer the following questions based on where you are today, pre- or post-release from incarceration. There are no right or wrong answers.

Your answers can help identify what information and resources may help you with your reentry from jail or prison to civilian life. You can share this or keep it for yourself, but be honest with your answers. This tool is for you."

To access a dynamic and fillable version of this tool, visit: www.consumerfinance.gov/practitioner-resources/your-money-your-goals/companion-guides.



My money picture worksheet

We all have values that are important to us and these values can influence our money decisions. Answer the questions below to identify the information and resources that can help you address the financial issues you care about.

1. If you could change one thing about your financial situation, what would it be?

2. Money means different things to different people. What does money mean to you?

3. Values are the things that are most important to people. What are some of your values?

4. Do you have dreams for you or your family that require money to make them happen?
 Yes No I don't know

5. Do you have or will you have a safe and affordable place to live?
 Yes No I don't know

6. Do you have or will you have reliable transportation?
 Yes No I don't know

7. Do you have or have you applied for benefits, including Medicaid, Medicare, or other health care coverage?
 Yes No I don't know

8. When unexpected expenses or emergencies happen, do you think you have or will have some money set aside to cover them?
 Yes No I don't know
9. Do you or do you expect to have court-ordered fines or debts related to your conviction that you are struggling or may struggle to pay?
 Yes No I don't know
10. Do you have student loans or other debts such as child support, you are or may have trouble paying?
 Yes No I don't know
11. Do you have an idea of your credit score? Have you ever ordered your credit report?
 Yes No I don't know
12. Do you have a copy of your criminal record or RAP (Record of Arrest and Prosecution)? If not, do you know how to get it?
 Yes No I don't know
13. Do you or will you have a checking or savings account at a bank or credit union? A general purpose prepaid card?
 Yes No I don't know
14. Have you had issues with a financial product or service like a bank account, loan, mortgage, debt collector, or credit report that you haven't been able to resolve?
 Yes No I don't know

This tool is included in the Consumer Financial Protection Bureau's *Your Money, Your Goals: Focus on Reentry* companion guide. The CFPB has prepared this material as a resource for the public. This material is provided for educational and information purposes only. It is not a replacement for the guidance or advice of an accountant, certified financial advisor, attorney or otherwise qualified professional. The CFPB is not responsible for the advice or actions of the individuals or entities from which you received the CFPB educational materials. The CFPB's educational efforts are limited to the materials that CFPB has prepared.

This tool may ask you to provide sensitive information. The CFPB does not collect this information and is not responsible for how your information may be used if you provide it to others. The CFPB recommends that you do not include names, account numbers, or other sensitive information and that users follow their organization's policies regarding personal information.

My money picture worksheet

Use the following chart to help you analyze your client's responses. This analysis will help you determine where to start the financial empowerment work with your client whether in pre- or post-release from incarceration.

1. If you could change one thing about your financial situation, what would it be?

Review

- *Your Money, Your Goals* toolkit, *Module 1: Setting goals and planning for large purchases*.
- Or, based on your client's response, select the most relevant module or tool to start the financial empowerment discussion.

With your client

- Ask where they would like to be if their situation was changed.
 - Use *Reentry Tool: Setting goals* to identify the steps it would take to make the change happen and to create strong, measurable, achievable goals.
-

2. Money means different things to different people. What does money mean to you?

Review

- *Your Money, Your Goals* toolkit, *Introduction, Part 4: Emotions, values, and culture: What's behind our money choices?* to understand your client's values or attitudes about money.
- Or, based on your client's response, select the most relevant module or tool.

With your client

- Talk about what money means to them.
 - Ask how has their relationship to money changed over time. How has it changed since they have been involved with the justice system?
-

3. Values are those things that are most important to people. What are some of your values?

Review

- *Your Money, Your Goals toolkit, Introduction, Part 4: Emotions, values, and culture. What's behind our money choices?*
- Or, based on your client's response, select the most relevant module or tool

With your client

- Have your client write down some of the internal and external factors that affect their values.

4. Do you have dreams for you or your family that require money to make them happen?

Answer: If "No" or "I don't know"

Review

- *Your Money, Your Goals toolkit, Module 1: Setting goals and planning for large purchases*

With your client

- Have your client brainstorm hopes, wants, and dreams.
- Use *Reentry Tool: Setting goals* to create SMART goals and figure out how much money is needed to reach these goals.

5. Do you have or will you have a safe and affordable place to live?

Answer: If "No" or "I don't know"

Review

- *Reentry Tool: Setting goals*
- *Focus on Reentry, Section 8: Additional resources*

With your client

- Use *Reentry Tool: Setting goals* to work towards a housing-related goal.
-

6. Do you have or will you have reliable transportation?

Answer: If "No" or "I don't know"

Review

- *Reentry Tool: Setting goals*
- *Focus on Reentry, Section 5: Understanding credit reports and scores*

With your client

- Ask your client to write down all their transportation options and the cost of each.
- Use *Reentry Tool: Setting goals* to work towards a transportation-related goal.

7. Do you have or have you applied for benefits, including Medicaid, Medicare, or other health care coverage?

Answer: If "No"

With your client

- Suggest that your client can call 211 or local emergency assistance center.
- Consider referring your client to a local workforce opportunity center.

Answer: If "Yes"

With your client

- Use *Your Money, Your Goals toolkit, Module 3: Tracking and managing income and benefits, Tool 1: Income and resource tracker* to track total income and benefits.

Review

- *Your Money, Your Goals toolkit, Module 3: Tracking and managing income and benefits*
 - *Focus on Reentry, Section 8: Additional resources* to find information on the effect of incarceration on benefits and health care
-

8. When unexpected expenses or emergencies happen, do you think you have or will have some money set aside to cover them?

Answer: If "No" or "I don't know"

Review

- *Reentry Tool: Setting goals*
- *Focus on Reentry, Section 3: Managing money*

With your client

- Use *Your Money, Your Goals* toolkit, *Module 4: Paying bills, Tool 1: Spending tracker* to track spending for one week.
- Suggest that your client put aside a small amount each week, if possible. If they plan to get a tax refund, suggest that they consider putting a portion toward savings.

9. Do you or do you expect to have court-ordered fines or debts related to your conviction that you are struggling or may struggle to pay?

Answer: If "Yes" or "I don't know"

Review

- *Reentry Tool: Setting goals*
- *Focus on Reentry, Section 4: Managing debt*
- *Your Money, Your Goals* toolkit, *Module 1: Setting goals and planning for large purchases*
- *Your Money, Your Goals* toolkit, *Module 6: Dealing with debt*

With your client

- Use *Reentry Tool: Tracking your debt* to help your client identify fines or debts related to the conviction.
- Have them ask their attorney, court, probation or parole officer about any opportunities for repayment plans.

10. Do you have student loans or other debts you are or may have trouble paying?

Answer: If "Yes"

Review

- *Focus on Reentry, Section 5: Managing debt*
- *Your Money, Your Goals* toolkit, *Module 6: Dealing with debt*

With your client

- Use *Reentry Tool: Tracking your debt* to list and prioritize their debts.
 - Use *Reentry Tool: Ways to help with your debt* to help the client manage debt.
-

11. Do you have an idea of your credit score? Have you ever ordered your credit report?

Answer: If "No" or "I don't know"

Review

- *Focus on Reentry, Section 5: Understanding credit reports and scores*
- *Your Money, Your Goals toolkit, Module 7: Understanding credit reports and scores*

With your client

- Order and review their free annual credit report.
- Dispute any errors in credit reports to the credit reporting agencies.

12. Do you have a copy of your criminal record or RAP (Record of Arrest and Prosecution)? If not, do you know how to get it?

Answer: If "No" or "I don't know"

Review

- *Reentry Tool: Background screening reports*
- *A Closer Look: Obtaining your criminal records*

With your client

- Encourage your client to keep a copy of any court records in a safe place.

13. Do you (or will you) have a checking or savings account at a bank or credit union? A general purpose prepaid card?

Answer: If "No"

Review

- *Your Money, Your Goals toolkit, Module 8: Money services, cards, accounts, and loans*

With your client

- If your client would like to open an account, encourage the client to shop around and compare several banks or credit unions.
 - Inform your client that they have the right to get a free copy of their consumer report from the consumer reporting company from which the bank or credit union inquired before making its decision to deny their application.
-

14. Have you had issues with a financial product or service like a bank account, loan, mortgage, debt collector, or credit report that you haven't been able to resolve?

Answer: If "Yes"

Review

- *Your Money, Your Goals* toolkit, *Module 9: Protecting your money*

With your client

- Your client can submit a complaint to the CFPB online at consumerfinance.gov/complaint or via phone at (855) 411-CFPB (2372) or TTY/TDD (855) 729-CFPB (2372).

Setting goals

What's included:

- *Reentry Tool: Setting goals worksheet*

What to do:

All goals take time and commitment to reach. Work with your client to:

- Brainstorm and write a list of goals, identifying as short or long-term.
- Turn these goals into SMART goals.
- Create an action plan. Some goals may require a few steps, others may require more steps but the steps should be very specific.
- Identify the resources needed to achieve the goals.

What to say:

"Writing down goals is helpful. You will also need to develop a plan. This tool will help you set SMART goals (Specific, Measurable, Able to be reached, Relevant, and Time bound) and define the steps required to achieve them. These goals may be short term or long term.

For example, if your goal is to find an apartment to live in, your SMART goal could be to rent an apartment near public transportation within 3 months at a cost of \$750 per month."

Steps to reach goal	Resources needed	Deadline
1. I will look at apartment listings every day	Apartment listing websites	9/2/2016
2. I will check my credit report for errors	Website for free credit report	9/15/2016

To access a dynamic and fillable version of this tool, visit: www.consumerfinance.gov/practitioner-resources/your-money-your-goals/companion-guides.



Setting goals worksheet

This tool will help you set SMART goals (Specific, Measurable, Able to be reached, Relevant, and Time bound). Write down two short-term and two long-term goals. Then write the steps and resources you'll need to reach these goals.

Short-term goal 1:

Steps	Resources needed	Deadline	Completed
1.			<input type="checkbox"/>
2.			<input type="checkbox"/>
3.			<input type="checkbox"/>
4.			<input type="checkbox"/>
5.			<input type="checkbox"/>

Short-term goal 2:

Steps	Resources needed	Deadline	Completed
1.			<input type="checkbox"/>
2.			<input type="checkbox"/>
3.			<input type="checkbox"/>
4.			<input type="checkbox"/>
5.			<input type="checkbox"/>

Long-term goal 1:

Steps	Resources needed	Deadline	Completed
1.			<input type="checkbox"/>
2.			<input type="checkbox"/>
3.			<input type="checkbox"/>
4.			<input type="checkbox"/>
5.			<input type="checkbox"/>

Long-term goal 2:

Steps	Resources needed	Deadline	Completed
1.			<input type="checkbox"/>
2.			<input type="checkbox"/>
3.			<input type="checkbox"/>
4.			<input type="checkbox"/>
5.			<input type="checkbox"/>

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Obtaining identity documentation

What's included:

- *Reentry Tool: Documents and identification checklist*

What to do:

Soon-to-be or just-released individuals may need help with getting or renewing identification documents. Applying for a job or benefits, opening a bank account, and many other activities require documentation of identity. Working to resolve identification or identify problems early on, e.g., pre-release, will make it easier for individuals to achieve goals such as securing housing or benefits.

To obtain their driver's license or identification cards, individuals will have to complete an application and pay an application fee, although some states may provide cards for a reduced fee or for free.

- Ask your client to list what identification documents they already have.
- Go down the list of documents in *Reentry Tool: Documents and identification checklist* with your client to see which ones they may need.

What to say:

"It's important to have forms of identification when you leave jail or prison or otherwise transition to the community. There may be some hurdles to getting your documents and identification. The sooner you get started the better. This tool will help you identify the documents and types of forms of identification you need."

To access a dynamic and fillable version of this tool, visit: www.consumerfinance.gov/practitioner-resources/your-money-your-goals/companion-guides.



Documents and identification checklist

You will need identification when you leave jail or prison to apply for a job, to get a bank or credit union account, and for many other activities. Use the following checklist to gather your critical document and identification.¹

Document	Status	Where to get it
Certified copy of birth certificate	<input type="checkbox"/> Have it <input type="checkbox"/> Ordered it <input type="checkbox"/> Need help	To get a copy of your vital records such as your birth certificate, write to the state in which you were born. Find out where to write for each state by visiting cdc.gov/nchs/w2w.htm .
State picture identification card or driver's license	<input type="checkbox"/> Have it <input type="checkbox"/> Ordered it <input type="checkbox"/> Need help	Some states have limited purpose driver's or identification cards for those that cannot meet the identification requirements for the other cards, e.g., do not have a Social Security number. In some states, there may be restrictions on getting your license or state ID if you have outstanding criminal debt. Check to see if your state offers a payment plan for your debt. To find out your state's requirements visit usa.gov/motor-vehicle-services .
Social Security Card	<input type="checkbox"/> Have it <input type="checkbox"/> Ordered it <input type="checkbox"/> Need help	To get your Social Security number or a replacement card contact the Social Security Administration at ssa.gov .
Criminal record or RAP (Record of Arrest and Prosecution) sheet	<input type="checkbox"/> Have it <input type="checkbox"/> Ordered it <input type="checkbox"/> Need help	See <i>A Closer Look: Obtaining your criminal records</i> .

¹ Based on a worksheet in *Keys to Your Financial Future* from Jim Casey Youth Opportunities Initiative, 2013.

Document	Status	Where to get it
Green card or immigration documents (if applicable)	<input type="checkbox"/> Have it <input type="checkbox"/> Ordered it <input type="checkbox"/> Need help	<p>For a list of acceptable documents visit uscis.gov/i-9-central/acceptable-documents/list-documents. To replace your green card visit uscis.gov/green-card/after-green-card-granted/replace-green-card. For Matricula Consular cards for Mexican citizens living abroad visit mexico.us/consulate.htm. For those with green cards or other immigration status, there are complicated legal issues involved after an arrest or conviction. Learn more at uscis.gov/citizenship/learners.</p>
Proof of residency	<input type="checkbox"/> Have it <input type="checkbox"/> Ordered it <input type="checkbox"/> Need help	<p>Find out which documents your state will accept, e.g., rental or lease agreement, utility bills, or other documentation with your name. Check to see if there are any special rules for incarcerated or formerly incarcerated in your state. Visit usa.gov/motor-vehicle-services.</p>
Medical records or immunization records	<input type="checkbox"/> Have it <input type="checkbox"/> Ordered it <input type="checkbox"/> Need help	<p>To get a copy of your medical or immunization records, you will need to contact your medical provider(s). Find out which documents you need to apply for Medicaid or health insurance at healthcare.gov/incarcerated-people.</p>
Bank or credit union account information	<input type="checkbox"/> Have it <input type="checkbox"/> Ordered it <input type="checkbox"/> Need help	<p>Contact your bank or credit union directly.</p>
Selective service record/draft registration	<input type="checkbox"/> Have it <input type="checkbox"/> Ordered it <input type="checkbox"/> Need help	<p>Registration with Selective Service may be required for certain federal programs and benefits. Learn more about registering at sss.gov/Registration-Info/Who-Registration.</p>

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3. Managing money

Individuals transitioning from prison or jail often have limited resources and may be overwhelmed thinking about how to manage their money.

Savings can seem a distant or unattainable goal. But saving, even very small amounts, can help your client get ready to pay off debt or manage limited resources. Helping consumers track their spending and income helps them identify whether they are on track to achieve their goals. You can use *Your Money, Your Goals* Modules 2, 3, 4 and 5 to help with understanding how to track and manage resources, which can help you and the people you serve develop habits, including savings, and confidence in being able to achieve goals. These modules can be used together or separately.

What's included

Module 2: Saving

This *Your Money, Your Goals* toolkit module can be used to help clients who want to focus on saving for specific goals, to repay debts, or to prepare for emergencies. In addition to information and the tools to develop a savings plan, it also helps with understanding where to save safely, addressing concerns about potential limits on savings if a client is or will be receiving public benefits, and opportunities to save additional income that your client may receive from tax refunds or a second job.

The tools are:

- *Tool 1: Savings plan*
- *Tool 2: Savings and benefits: Understanding asset limits*
- *Tool 3: Finding a safe place for savings*
- *Tool 4: Increasing your income through tax credits*

Module 3: Tracking income

This *Your Money, Your Goals* toolkit module helps individuals clearly identify and track all their resources and includes easy to use charts and tables. It also provides information on how people can receive income and benefits, e.g., paper check, payroll card, EBT benefits cards, etc.

The tools are:

- *Tool 1: Income and resource tracker*
- *Tool 2: Ways to receive income and benefits: Know your options*
- *Tool 3: Ways to increase income and resources*

Module 4: Paying bills

This module focuses on how to pay bills and other expenses and has tools that include charts and tables to help people track their income and expenses so they can see where and when they spend. It also provides suggestions to help the people you serve figure out how to prioritize their bills in months that they find they can't pay them all on time.

The tools are:

- *Tool 1: Spending tracker*
- *Tool 2: Bill calendar*
- *Tool 3: Ways to pay bills: Know your options*
- *Tool 4: Strategies for cutting expenses*
- *Tool 5: When cash is short – prioritizing bills and planning spending*

Module 5: Getting through the month

This module brings together the income and spending trackers to help create cash flow budgeting. The cash flow budget tools let clients not only see how much money comes in and where it goes out in spending but a cash flow budget is useful to demonstrate how someone can make changes in the timing of their spending that affect their ability to meet their monthly budget.

The tools are:

- *Tool 1: Cash flow budget*
- *Tool 2: Cash flow calendar*
- *Tool 3: Improving cash flow checklist*

Focus for reentry

Income and benefits are critical for someone transitioning from incarceration. For additional information and resources, check out *Section 8: Additional resources* within this companion guide.

Benefits

Incarceration has an impact on public benefits. There are specific rules related to receiving benefits after arrest and incarceration. Federal law imposes a federal ban on Temporary Assistance for Needy Families (TANF) and Supplemental Nutrition Assistance Program (SNAP) program benefits on individuals with felony drug convictions (after certain date). However, many states have opted out, eliminated or modified the ban, so check with your state. See fns.usda.gov/snap/section-115-denial-assistance-and-benefits-certain-drug-related-convictions.

Social Security benefits are not payable if an individual is convicted of a criminal offense and confined for more than 30 consecutive days. Benefits can be reinstated starting with the month following the month of release. Although individuals cannot receive monthly Social Security benefits while they are incarcerated, benefits to spouses or children will continue as long as they remain eligible. For more information visit the reentry portal at ssa.gov/reentry.

For individuals that receive Social Security Disability (SSDI), benefits will be suspended if they have been convicted of a criminal offense and sent to jail or prison for more than 30 continuous days. Their benefits can be reinstated after release without filing a new claim.

For those receiving Supplemental Security Income (SSI), payments are suspended while they are in prison. Payments can be reinstated in the month the person is released. However, if the confinement lasts for 12 consecutive months or longer, eligibility for SSI benefits will terminate and the individual must file a new application for benefits. If you are working with a client who is released within 12 months (from the date they entered prison or jail), it is important for them to request reinstatement immediately or they may have to start all over again with the application process. Benefits cannot be started until the individual has been released. The individual should remember to bring their release forms to the local Social Security office. More information on Social Security, SSI and SSDI from the Social Security Administration is available at ssa.gov/pubs/EN-05-10133.pdf.

Employment

Getting a job may be very difficult for justice-involved individuals. To find resources related to finding jobs, job training, or building job skills, visit the Department of Labor's site dol.gov/general/audience/aud-unemployed for links to American job centers and other job assistance sites. For information about state-specific governmental agencies and community-based organizations that assist people with criminal records seeking jobs and other support, see careeronestop.org/exoffender/findajob/who-hire-ex-offenders.aspx.

Child support

Incarcerated individuals may be eligible to get a modification of their child support order. See the Department of Health and Human Services' (HHS) Changing a Child Support Order guide acf.hhs.gov/sites/default/files/programs/css/changing_a_child_support_order.pdf for more information about child support, incarceration, and policies on modifying a child support order, including state specific information. Also see HHS' s Office of Child Support Enforcement (OCSE) website for information, including rules related to federal tax refund offset for child support. Your client may wish to seek help from Legal Aid to navigate these issues, which are mostly controlled by state, rather than federal law. To find a legal aid organization near you, visit consumerfinance.gov/askcfpb/1549 and lsc.gov/what-legal-aid/find-legal-aid.

4. Dealing with debt

Failure to pay criminal justice debt can carry additional and serious consequences such as returning to prison or jail.

Your Money, Your Goals toolkit *Module 6: Dealing with debt* provides information about various types of debt and how to manage and avoid being trapped by it, and describes some of a consumer's rights if a debt is in collection. Debt and credit are not the same. Debt often results from using credit. Someone can have a line of credit without having debt. For example, an individual may have a credit card but no outstanding balance on it.

Focus for reentry

Module 6 in the *Your Money, Your Goals* toolkit is helpful when working with individuals who are trying to address their various debts. Debt can be overwhelming but the consequences of not paying debt can be even worse. This module helps individuals prioritize and manage their consumer debt payments. Two tools to highlight are *Tool 4: Repaying student loans* and *Tool 5: When debt collectors call: Steps you can take*.

This module also addresses potential issues associated with using short term, high cost loans, including how individuals may want to avoid debt traps. The module includes information on alternatives such as credit building loans offered by some banks and credit unions that could help people interested in rebuilding a credit record or creating a positive credit history. These approaches may be very useful for many of the justice-involved individuals you work with who need to build their credit in order to achieve goals such as purchasing a car.

Types of debt justice-involved individuals may face

In addition to debts from credit card spending, housing, student or other loans, or child support (which may be court-ordered by a civil court), individuals involved

with the justice system may likely have debts related to their arrest, sentencing, incarceration, and supervision. These are often called criminal court-ordered debts, criminal justice debt, or legal financial obligations. It is important for individuals to determine whether they owe court-ordered debt related to their involvement in the criminal justice system and the amounts owed. Some debts, such as restitution, are often a condition of supervision and nonpayment may affect the term of the supervision or whether the individual is reincarcerated.

There are generally three types of monies owed—fees, fines, and restitution—by individuals as a result of their arrest, conviction, and incarceration. These vary from state to state and may be called by different names but the following are some of the types of fees, fines, or restitution requirements individuals may owe as a result of involvement with the justice system.

Pre-conviction fees

- Application fee to obtain public defender
- Jail fee for pretrial incarceration
- Jury fees
- Rental fee for electronic monitoring devices

Sentencing fees

- Fines, with accompanying surcharges
- Restitution (to compensate victims and possibly others)
- Fees for court administrative costs
- Fees for designated funds (e.g., libraries, prison construction)
- Public defender reimbursement fees
- Prosecution reimbursement fees

Incarceration fees

- Fees for room and board in jail and prison
- Health care and medication fees
- Probation, parole, or other supervision

Probation and parole supervision fees

- Drug testing fees
- Vehicle interlock device fees (DUIs)
- Rental fee for electronic monitoring devices

Mandatory treatment fees

- Drug and alcohol treatment fees
- Therapy fees
- Class fees

Some clients may benefit from help with finding out the status and amount of their court-ordered debts. If individuals do not know whether they have court-ordered debt, the amount, or to whom the debt is owed, they can contact the court(s) where they were convicted. Individuals should ask about all cases, and whether the case has been sent to collections and if so, to which agencies. The individual can check with the court or ask their attorney, probation officer, or other supervision personnel who may know about the debts.

It is important to find out the impact of nonpayment for the various types of fees, fines and restitution to help prioritize which debts must be paid first if not all can be paid at once. Unlike many types of civil or consumer debt, criminal justice debt can be subject to different and potentially extraordinary collection procedures. Some types of criminal justice debt are unlikely to be discharged in bankruptcy. Criminal justice debts also may not be deemed “debts” by state statutes. Criminal justice debts may not be “debts” under the Fair Debt Collection Practices Act (FDCPA) because they are not obligations to pay money arising out of consumer transactions, and therefore, those who seek to recover on them would not be subject to the FDCPA. (See *Module 6* in the toolkit for information about protections under the FDCPA)

Student loans and incarceration

Justice-involved individuals may have student loans. According to the Department of Education, it is important to make sure that individuals do not go into default on those loans, as doing so has important consequences, including affecting their eligibility for Pell Grants or future loans.

There are options for individuals with federal student loans including Income-Driven Repayment and rehabilitation plans to help avoid or rebuild after default. *Your Money, Your Goal* toolkit, *Module 6, Tool 4: Repaying student loans* has information about repaying student loans in general and the Department of Education offers information about eligibility for federal student loan and repayment options for incarcerated individuals. See studentaid.ed.gov/sa/sites/default/files/aid-info-for-incarcerated-individuals.pdf.

In general, options for borrowers with private student loans are more limited than those with federal student loans. Private student loans generally feature

forbearance options and may also offer alternative repayment plans. Some private student lenders may also modify private student loans based on borrowers' financial circumstances, on a case-by-case basis. For more information see *Focus on Reentry, Section 8: Additional resources*.

In addition to the tools in *Your Money, Your Goals* toolkit, *Module 6*, the following tools can help justice-involved individuals you serve with specific debt management needs.

Clients can use:

- *Reentry Tool: Tracking your debt* to list and prioritize debts.
- *Reentry Tool: Ways to help with your debt* to help manage debt.

Dealing with debt

What's included:

- *Reentry Tool: Tracking your debt worksheet*
- *Reentry Tool: Ways to help with your debt checklist*

What to do:

Justice-involved individuals may have criminal justice debt. Many individuals may not know what those debts are or their significance. Identifying and tracking criminal justice debt, along with other debt, can help clients prioritize their debt payments.

- Use *Reentry Tool: Tracking your debt worksheet* to help your client create a list of debts and identify the potential consequences of not paying.
- Use *Reentry Tool: Ways to help with your debt checklist* to help your client understand the options they have in addressing their debt.
- Reference *Your Money, Your Goals* toolkit, *Module 6: Dealing with debt* to see if there are other relevant debt management tools.

What to say:

"If you can afford to pay all your debts, you should. If you can't pay them all now, after you list the debts, you may want to prioritize them based on the consequences of not paying the debt. For example, you may want to prioritize those debts that could contribute to your reincarceration if you do not pay or could result in the loss of your car or driver's license.

If you have been involved with the criminal justice system, it's possible you have court ordered criminal justice debt. If you do not know whether you owe fees, fines, or restitution, contact the court(s) and/or ask your lawyer or probation officer. The consequences of not paying this debt may be a change in your terms of supervision or reincarceration so it is important to find out."

To access a dynamic and fillable version of this tool, visit: www.consumerfinance.gov/practitioner-resources/your-money-your-goals/companion-guides.



Tracking your debt worksheet

This tool will give you a clearer picture of your debt. Write down to whom you owe the debt, how much is owed in total, and how much you can afford to pay. Then check off the potential consequences of delaying payment.

To whom do you owe the debt?	How much do you owe in total?	How much can you afford to pay?	What could happen if you do not pay off the debt?
		<div style="border: 1px dashed black; padding: 5px; display: inline-block;">\$</div> <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	<input type="checkbox"/> Reincarceration <input type="checkbox"/> Repossession (of something you own) <input type="checkbox"/> Loss of driver's license <input type="checkbox"/> Loss of housing <input type="checkbox"/> Garnishment (a portion of your paycheck or money in an account is taken to pay what you owe) <input type="checkbox"/> Loss of service (utilities cut off or loss of cell phone service) <input type="checkbox"/> Lawsuit or other collection effort from a creditor or debt collector <input type="checkbox"/> Negative report to credit reporting company <input type="checkbox"/> Other
		<div style="border: 1px dashed black; padding: 5px; display: inline-block;">\$</div> <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	<input type="checkbox"/> Reincarceration <input type="checkbox"/> Repossession <input type="checkbox"/> Loss of driver's license <input type="checkbox"/> Loss of housing <input type="checkbox"/> Garnishment <input type="checkbox"/> Loss of service <input type="checkbox"/> Lawsuit or other collection effort <input type="checkbox"/> Negative report to credit reporting company <input type="checkbox"/> Other

To whom do you owe the debt?	How much do you owe in total?	How much can you afford to pay?	What could happen if you do not pay off the debt?
		<div style="border: 1px dashed black; padding: 5px; display: inline-block; margin-bottom: 10px;">\$</div> <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	<input type="checkbox"/> Reincarceration <input type="checkbox"/> Repossession <input type="checkbox"/> Loss of driver's license <input type="checkbox"/> Loss of housing <input type="checkbox"/> Garnishment <input type="checkbox"/> Loss of service <input type="checkbox"/> Lawsuit or other collection effort <input type="checkbox"/> Negative report to credit reporting company <input type="checkbox"/> Other
		<div style="border: 1px dashed black; padding: 5px; display: inline-block; margin-bottom: 10px;">\$</div> <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly	<input type="checkbox"/> Reincarceration <input type="checkbox"/> Repossession <input type="checkbox"/> Loss of driver's license <input type="checkbox"/> Loss of housing <input type="checkbox"/> Garnishment <input type="checkbox"/> Loss of service <input type="checkbox"/> Lawsuit or other collection effort <input type="checkbox"/> Negative report to credit reporting company <input type="checkbox"/> Other

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This tool may ask you to provide sensitive information. The CFPB does not collect this information and is not responsible for how your information may be used if you provide it to others. The CFPB recommends that you do not include names, account numbers, or other sensitive information and that users follow their organization's policies regarding personal information.



Ways to help with your debt checklist

Use the following checklist to help you manage your debts, especially if you find that you cannot afford to pay all of them now. Review the list below and check off the strategies that you would like to try out.

Prioritize your debts

List your debts starting from those with the most serious consequences first. Use *Reentry Tool: Tracking your debt* and toolkit *Module 6: Dealing with debt* to prioritize your debts based on the consequences of not paying.

Negotiate a payment plan or a reduction of your debt

Contact the governmental organizations, courts, and businesses you owe money to. See if they are willing to set up a payment plan or reduce the amount you owe. Before beginning to negotiate, figure out what you can afford to pay each month. Don't agree to a repayment plan that you cannot afford.

If you owe money on a debt that is in collections, you may want to contact an attorney through a legal aid organization before contacting the creditor or debt collection company. See last box below for your rights in debt collection.

Be sure you are not settling a debt without understanding the potential impact. If you settle a debt, any savings you get from paying less than the full amount owed may be considered income and taxable. If you make a small payment on an old debt, one that is past the statute of limitations, it may restart the clock for suing you on that debt.

Watch out for businesses that state they can eliminate your debts

Watch out for debt settlement or consolidation businesses that:

- Charge any fees before they settle your debts.
- Tout that there is a "new government program" to bail out personal credit card debt.
- Guarantee to make your debt go away or that unsecured debts can be paid off for pennies on the dollar.
- Tell you to stop communicating with the creditors.
- Tell you they can stop all debt collection calls and lawsuits.

Visit a nonprofit Consumer Credit Counseling Service agency

They can often give you advice or create a Debt Management Plan (DMP) for you. They may also negotiate with your creditors on your behalf. There may be fees for these services. To find a Consumer Credit Counseling Service (CCCS) agency in your community, visit nfcc.org/agency-locator.

For court-related debts, explore payment plans, reductions, and waivers

Payment plans involve creating an installment plan of the amount owed where an individual will make regular payments on the debt. Reductions are a lessening of the amount owed. Waivers are a setting aside of the fee or fine.

Court-ordered debt related to your involvement in the criminal justice system may affect the terms of your supervision/probation and failure to pay this debt may lead to reincarceration. If you do not know whether you owe fees, fines, or restitution, contact the court(s) and/or ask your lawyer or probation officer.

Know your rights in debt collection

A debt collector covered by the FDCPA cannot:

- Call repeatedly with intent to abuse or harass you.
- Use obscene language.
- Threaten you to take actions they can't or don't really plan to take.
- Publish your name for not paying a debt.
- Lie to you about the debt.

If debt collectors harass you, they may be breaking the law. It's a good idea to keep a file of all letters or documents a debt collector sends you and anything you send to a debt collector. Record the dates and times of your conversations and take notes about what you discussed. These records can help you if you have a dispute with a debt collector, meet with a lawyer, or go to court.

Need to submit a complaint? Visit consumerfinance.gov/complaint or call 855-411-CFPB(2372).

Note: If debt collection efforts seek to recover criminal-justice debt, these protections may not apply.

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5. Understanding credit reports and scores

Credit reports and scores may be used by landlords, employers, and lenders. Individuals should access their credit reports to check for identity theft and dispute any errors.

Your Money, Your Goals toolkit, *Module 7: Understanding credit reports and scores* is designed to help you and the people you serve understand what credit reports and scores are, what goes into them, and why they're important.

A **credit report** is generally a record of some of a consumer's bill-paying history, public record information (such as a filing for bankruptcy), and prior inquiries by a creditor into the consumer's credit history at the time a consumer applies for credit.

Credit scores are calculated using the information in credit reports. A credit score is typically a number. A higher score makes it easier to qualify for a loan or lower interest rates. Many scores range from 300-850, but different companies use different ranges of scores.

Problems on an individual's credit report can impact the ability to rent an apartment or secure employment, and the interest rate for obtaining credit. So, individuals should review their credit reports to make sure they are accurate.

Focus for reentry

There are a number of ways credit reports have particular significance for justice-involved individuals. Civil judgments, child support, bankruptcies, tax liens, and other debts can and do appear on credit reports. Credit reports typically do not include arrests or criminal convictions but background screening reports do, and these reports are often used by employers and landlords when considering

prospective employees and renters. See Section 6, Background screening reports for more information and tools.

Incarcerated individuals may have difficulty accessing and reviewing their credit reports, making it harder to spot, stop, or fix identity theft. You may want to talk to your clients about some of the signs of identity theft. For information on how to spot the signs of identity theft, visit [identitytheft.gov](https://www.identitytheft.gov).

Persons who are at risk of or have been victims of identity theft may want to get a Security Freeze or Fraud Alert placed on their credit reports. The security freeze will stop potential new lenders from accessing an individual's credit file, and there may be fees to place and lift the freeze. Initial and Extended Fraud Alerts provide notice to lenders about potential fraud activity. These are free and require creditors to take steps to verify an individual's identity before opening a new account or increasing the credit limit on an existing account. However, they do not prevent potential new creditors from getting access to an individual's credit file. For more information see files.consumerfinance.gov/f/documents/201604_cfpb_fraud-protection-tool-for-justice-involved-individuals-handout.pdf.

Requesting a free credit report by mail

Incarcerated individuals who may not have access to the internet or phone can opt to request a free credit report by mail. In your letter, you can request credit reports from TransUnion, Equifax, or Experian. The credit reporting companies request the following information for mail requests from prisons or jails:

- Consumer's first, middle, and last names, plus any suffix used
- A prisoner identification number
- Current address
- Address(es) during the two years preceding incarceration
- Social Security number
- Date of birth
- A document from prison or prison official indicating individual is incarcerated at the location/institution (a photocopy of the item is acceptable). The credit reporting company may also ask that the letter from the institution be notarized.²

To request your credit reports by mail write to the address below and include the name of the credit reporting company or companies you want the report from:

Annual Credit Report Request Service

P.O. Box 105281

Atlanta, GA 30348-5281

² TransUnion and Equifax informed the Bureau that they do not require notarization.

Reviewing your credit report

What's included:

- *Reentry Tool: Credit report review checklist*

What to do:

You can work with individuals to help them understand their credit reports and that information in their credit reports goes into their credit score.

- Work with your client to get their credit report. If they are in prison or jail, this may mean writing to the credit reporting companies.
- Use *Reentry Tool: Credit report review checklist* to walk through your client's credit report with them to see if there is inaccurate or incomplete information.

What to say:

"Checking your credit report is very important to successful transition. Employers, landlords, lenders, and others check your credit report. Your credit report and score affect whether you qualify for and how much interest you pay on a loan.

You can get your credit report and check it to see if there are errors and identify ways to improve your credit score. *Reentry Tool: Credit report review checklist* will help you walk through your credit report to check for information that is incorrect or does not belong to you."

To access a dynamic and fillable version of this tool, visit: www.consumerfinance.gov/practitioner-resources/your-money-your-goals/companion-guides.



Credit report review checklist

When reviewing your credit report, look for information that does not belong to you or is incorrect. Highlight the information you think may or may not be correct on your report as you compare it with this checklist.

-
1. Is your name correct?

 2. Is your Social Security number correct?

 3. Is your current address correct?

 4. Is your current phone number correct?

 5. Are the previous addresses listed for you correct?

 6. Is the employment history listed for you accurate?

 7. Is everything listed in the personal information section correct?

 8. Is there anything listed in the public record section that is not correct?

 9. Review each item under the credit account (trade account) section.
Do these belong to you? Are the items listed as "open" currently open?

 10. Are all of the current balances correct?

 11. Are zero balances recorded for debts discharged in bankruptcy? For debts paid in full?

 12. Are you listed as a co-signer on a loan? Is this correct?

-
13. Are accounts where you are an authorized user or joint owner listed?
- A person may be an authorized user (e.g., card holder requests that she or he have a card) but that person is not necessarily a joint owner responsible for payment on the card. If the account is joint or co-signed, both persons are responsible to pay for the use of the card and a creditor should have an agreement and proof of the joint or co-signed account.
-
14. Are accounts that you closed listed as “closed by the consumer”?
-
15. Is negative information reported on each credit account correct?
- Look for late payments and missed payments.
-
16. Are any accounts listed more than once?
- Check to make sure the same account is not listed multiple times in the collections section.
-
17. Is old negative information still being reported?
- If yes, highlight the information that has exceeded the negative information-reporting limit, which is usually seven years.
-
18. Do you suspect that you have been the victim of identity theft after reviewing your credit reports (for example, you don’t recognize certain accounts)?
- If yes, contact the credit reporting companies immediately and place an initial fraud alert on your file. If you know you have been a victim of identity theft and have created an Identity Theft report, then you can seek an extended fraud alert. You may also want to consider other steps to protect your identity and prevent more fraud being committed with your identity, including requesting a block on any fraudulent information, and/or possibly filing a security freeze (there may be a fee to get or to remove a freeze). Visit the Federal Trade Commission’s identitytheft.gov website for information about identity theft and steps to take if you have been victimized. Finally, dispute each suspected report error with each of the credit reporting companies. For information on how to get a security freeze or fraud alert, see http://files.consumerfinance.gov/f/documents/201604_cfpb_fraud-protection-tool-for-justice-involved-individuals-handout.pdf.

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Disputing credit report errors

What's included:

- *Reentry Tool: Disputing errors on your credit report*

What to do:

Use this tool to help your client understand how to address inaccurate or incomplete information on their credit report. If your client finds inaccurate or incomplete information in their credit report, they should file a dispute with the credit reporting company and the company that furnished the information.

- Give the tool to your client and walk them through the steps for filing a dispute.
- Explain to them what information and/or documents they will need to include in the dispute letter.

What to say:

"Inaccurate or incomplete information in your credit report can affect your credit score, your access to credit, and possibly the ability to get a job, housing, or insurance. It is important to get accurate information on your credit report. This tool will help you with filing a dispute with the credit reporting company and the company that furnished the information, e.g., lender."

To access a dynamic and fillable version of this tool, visit: www.consumerfinance.gov/practitioner-resources/your-money-your-goals/companion-guides.



Disputing errors on your credit report

If you find an error on your credit report, it's important to get it fixed. To dispute an error, follow these steps.

1. Review your credit report. Circle any mistakes.

 2. Submit a dispute to the credit reporting company that provided the report with the error. You can dispute the error with each credit reporting agency either by submitting your dispute online or by sending it in the mail (which means you'll have a record). You can use the CFPB's letter template or find information for specific credit reporting companies here:
 - Equifax: [equifax.com/cp/MailInDisclosureRequest.pdf](https://www.equifax.com/cp/MailInDisclosureRequest.pdf)
 - TransUnion: [transunion.com/docs/personal/InvestigationRequest_Chester.pdf](https://www.transunion.com/docs/personal/InvestigationRequest_Chester.pdf)
 - Experian: [experian.com/disputes/experian-mailing-address.html](https://www.experian.com/disputes/experian-mailing-address.html)
 - CFPB template: http://files.consumerfinance.gov/f/documents/092016_cfpb___CreditReportingSampleLetter.pdf

 3. In your letter to the company, explain the error. You may want to include a copy of your credit report with the incorrect information circled. If you can, include copies (never send originals) of anything that proves there is an error. For example, if your report incorrectly shows that you are late on payments on an account, send copies of bills or cleared checks (money order stubs) that show you have paid them on time.

 4. Send a letter to the business or individual that provided the incorrect information. The address may be found on your credit report. You may want to include a copy of your credit report with the incorrect information circled. If you can, include copies (never send originals) of anything that proves there is an error.

 5. If sending letters by mail, you may wish to use certified mail, return receipt requested, if that is available to you. The post office will send a postcard telling you when your dispute letter was received.
-

-
6. The credit reporting company generally has 30 calendar days (with an additional 15 days in some circumstances) to investigate your dispute. It has 5 business days to notify you of the results once it completes the investigation.

 7. If the error is fixed based on your dispute, you will also receive a copy of your updated credit report. This free report does not count as your annual free report.

 8. If a company provides the wrong information to a credit reporting company and then determines that it needs to correct your credit report as a result of your dispute, it must forward the correction to every credit reporting company to which it has provided the incorrect information.

 9. If you are dissatisfied with the outcome of your dispute(s), you may file a brief statement with the credit reporting company. In any subsequent report with the information disputed, the credit reporting company has to clearly note that the information has been disputed and provide your explanation or accurate summary of it.
-

You also can submit a complaint with the CFPB at consumerfinance.gov/complaint. We will forward your complaint to the company and work to get you a response.

You also may want to seek assistance from an attorney. Visit consumerfinance.gov/askcfpb/1549 and lsc.gov/what-legal-aid/find-legal-aid.

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Sample dispute letter

You can use this sample dispute letter from the Consumer Financial Protection Bureau website to a credit reporting agency as a guide for writing your own letter. It can also be found at http://files.consumerfinance.gov/f/documents/092016_cfpb_CreditReportingSampleLetter.pdf

1 Identifying information

- Your full name
- Consumer report/id number
- Date of birth
- Your address
- Driver's license number (optional)
- Social security number (optional)
- Today's date

2 Company information

- Name of company
- Company Address

3 Disputed items

- Your account number
- Dates of disputed information
- Explanation of inaccuracy
- Company that provided the disputed information
- Type of disputed information

4 Enclosures

- List any documents that are included

1 Sue A. Jones
Account # 1234-56678
DOB 12-01-1984
1234 Main Street
Columbus, Ohio 43215

2 3/10/2016

3 Equifax Information Services, LLC
P.O. Box 740256
Atlanta, GA 30374

4 Dear Equifax:

I am writing to request an investigation of the following information that appears on my Equifax consumer report:

Dispute 1

- Account #: 1234-56789
- Dates associated with item being disputed: 12/01/2015
- Explanation of item being disputed: The account with Ficus Bank in question is showing as settled for less than full value, but I paid the full amount owed. Please update to show it as paid in full.

Enclosures:

- Copy of credit report with report number # 1234-56678
- Last billing statement from Ficus Bank
- Payoff Statement from Ficus Bank.

Thank you for your assistance.

Sincerely,
Sue A. Jones

6. Background screening reports

Special rules apply when employers use background screening reports. Individuals should know their rights and how to dispute errors.

The federal Fair Credit Reporting Act (FCRA) addresses more than just credit reports, it also applies to all “consumer reports” provided by consumer reporting companies, including those used by potential employers and potential landlords. One example of such a report is a background screening report, often referred to as a background check.³

Background screening reports can sometimes include information about a person’s credit history, criminal record, public records, and information about the person’s employment or rental history, depending on the purpose of the report.⁴ When a person applies for a job, employers may ask about many aspects of the applicant’s background, with some exceptions.⁵ They can ask, for example, about the person’s education, financial history, and other things. Employers can also ask

3 For more information on the different types of reports and the consumer reporting companies that sell them, see files.consumerfinance.gov/f/201604_cfpb_list-of-consumer-reporting-companies.pdf.

4 Some states limit the availability of credit information for use by employers for employment purposes. For recent list of states that limit use for employment purposes, see ncsl.org/research/financial-services-and-commerce/use-of-credit-information-in-employment-2015-legislation.aspx.

5 See consumer.ftc.gov/articles/0157-background-checks. Employers are not permitted to ask for medical information until they offer the applicant a job, and they’re not allowed to ask for genetic information, including the applicant’s family medical history, except in limited circumstances. Employers may also not require an applicant to take a medical exam before an offer of employment is extended.

about criminal record history.⁶

An employer may or may not conduct a background screen:

- As part of the application process, before the individual has an interview.
- After an interview, but prior to making an offer.
- After an offer with the job contingent on the results of the background screen.
- Once hired, in consideration for a promotion, reassignment, or retention.⁷

Some employers may be authorized or required by statute to conduct criminal record background checks.⁸

Use of a background report⁹

Special rules apply under the FCRA when an employer uses a background screening report for employment purposes.¹⁰ Before getting the report, the employer must tell the individual that they (the employer) might use the information to make a decision related to the individual's employment, and ask the individual for written permission. The individual is not required to give permission, but if the individual is applying for a job and doesn't give permission, the employer may reject the individual's application. If an employer gets a background report on an individual without permission, the individual can file a complaint against the employer and the company that provided the background screening report. The individual can submit a complaint with the Consumer Financial Protection Bureau (CFPB) at consumerfinance.gov or the Federal Trade Commission at ftc.gov.

If the employer thinks they might not hire, keep, or promote the individual because

⁶ Many states, counties, and cities across the country have enacted fair hiring policies that “ban the box” or remove questions of criminal history from job applications for state, county, local government and/or private employment. Some of these policies also prohibit employers from asking about an applicant's criminal history until certain points in the hiring process, such as after an initial interview or upon a conditional offer of employment. The National Employment Law Project offers more information.

⁷ See consumer.ftc.gov/articles/0157-background-checks.

⁸ For more information, see U.S. GOVERNMENT ACCOUNTABILITY OFFICE, CRIMINAL HISTORY RECORDS: ADDITIONAL ACTIONS COULD ENHANCE THE COMPLETENESS OF RECORDS USED FOR EMPLOYMENT-RELATED BACKGROUND CHECK (FEBRUARY 2015).

⁹ Most of the material on background screening reports in this section is from the FTC. See Federal Trade Commission, Consumer Information on Employment Background Checks consumer.ftc.gov/articles/0157-background-checks.

¹⁰ Employers may also obtain criminal history information directly from the police or a state repository. These requests may not be covered by the FCRA.

of something in the background screening report, the employer must give the individual a copy of the report and a “Summary of Rights” that tells the person how to contact the company that provided the report. If an individual notices a mistake in their background report, they should submit a dispute with the background screening company telling them to correct the error and send a copy of the corrected report to the employer. The individual should also alert the employer of the mistake. Under the FCRA, consumer reporting companies must conduct – free of charge – a reasonable investigation of the consumer’s dispute.

Negative information on background screening reports

If the background report contains some negative information, the individual should be prepared to explain it—and the reason it shouldn’t affect their ability to do the job. You may want to work with your client to have a specific response prepared or direct them to think specifically about what their response will be.

If the individual doesn’t get hired or promoted because of information in a background report, the employer is required to tell the individual orally, in writing, or electronically:

- The name, address, and phone number of the consumer reporting company that supplied the criminal history or public records report,
- That the company that supplied the information didn’t make the decision to take the adverse action and can’t give the individual specific reasons for it, and
- That the individual has the right to dispute the accuracy and completeness of any information in the report, and to get an additional free report from the company that supplied it if they ask for it within 60 days of receipt of notice of the employer’s decision not to hire or retain the individual.

Focus for reentry

The Equal Employment Opportunity Commission (EEOC) enforces federal laws against employment discrimination and has issued guidance on employers’ use of arrest and conviction records in employment decisions. According to the *Reentry MythBuster on Hiring/Criminal Records Guidance* published by the (2016) Federal Interagency Reentry Council,¹¹ in most cases, employers may not automatically bar everyone with an arrest or conviction record from employment.

¹¹ See the *Reentry MythBuster* at <https://www.justice.gov/reentry/resources>. Note: The rules apply to all employers that have 15 or more employees.

If an employer is aware of an applicant's prior conviction or incarceration, the Reentry Council material reports that the information should only bar someone from employment when the conviction is closely related to the job, after the employer considers:

- The nature of the job,
- The length of time since it occurred, and
- The nature and seriousness of the offense.¹²

The employer should also give an individual who may be excluded from employment an opportunity to show why he or she should not be excluded.¹³

For more information about rights under employment discrimination laws, visit the EEOC at eeoc.gov or call 800-669-4000 (voice) or 800-669-6820 (TTY).

When employers ask about a person's background, they must treat that person the same as anyone else, regardless of race, national origin, color, sex, religion, disability, family medical history, or age if the person is 40 or older. An employer isn't allowed to ask for extra background information based on any of these characteristics—for example, an employer would violate this law if they ran criminal background screening reports on applicants of one race but not of another race.

Landlords may also inquire about criminal histories, but subject to limits. The Department of Housing and Urban Development (HUD) in 2016 issued guidance advising that blanket policies denying housing on the basis of arrests alone run afoul of the Fair Housing Act. The guidance indicates that a housing provider with a policy or practice of excluding individuals because of one or more prior arrests (without any conviction) cannot satisfy its burden of showing that such policy or practice is necessary to achieve a substantial, legitimate, nondiscriminatory interest.¹⁴

The guidance goes on to say that a landlord that has a policy of excluding anyone with criminal convictions may violate fair housing laws unless the policy or practice accurately distinguishes between criminal conduct that indicates a demonstrable risk to resident safety and/or property and criminal conduct that does not.

¹² Id.

¹³ Id.

¹⁴ The guidance applies to public, private and nonprofit housing providers. It also states that policies that exclude persons based on criminal history must be tailored to serve the housing provider's substantial, legitimate, nondiscriminatory interest and take into consideration such factors as the type of the crime and the length of the time since conviction. For more information, see portal.hud.gov/hudportal/documents/huddoc?id=HUD_OGCGuidAppFHASandCR.pdf.

Errors in background screening reports

There are various types of errors that may be in background reports, including inaccurate information. Some errors occur due to mistakes by consumer reporting companies and other errors may be in the underlying data, e.g., courthouse record. One type of error that individuals may want to check for is the inclusion of “expunged” records.¹⁵ This error may arise because the background screening company made an error or because the underlying court records are not up-to-date.

In addition to general inaccuracies or inclusion of expunged information, other errors may include:

- **Identity mix-ups:** People with the same name whose records get crossed, or people with similar social security numbers or other identification numbers.
- **Multiple listings:** Convictions being listed multiple times, leaving the impression that there were multiple offenses.
- **Information not complete:** Record failed to reflect dismissals, deferred prosecutions and other key information.
- Arrests that are older than seven years.

When it comes to correcting information in criminal background checks, the process may be difficult because:

- There are many companies that compile and sell this information, including online, so it’s hard to know which company a potential employer will use. This makes it hard to check for errors ahead of time.
- Getting errors in the underlying criminal history information fixed may require finding the right records and following the process outlined by that state or court, depending on the record.

¹⁵ Most states have a comprehensive set of laws and rules that explain how long and when certain information can be included in a criminal record. These laws include rules on the “expungement” of records. Expungement generally refers to the process of sealing certain prior criminal records, making them unavailable through state or Federal databases. There are exceptions; often law enforcement can get access to expunged or sealed information. State and local court systems may define the scope and process of “expungement” differently or use different terms.

Background screening reports and criminal records

What's included:

- *A closer look: Background screening reports*
- *Reentry Tool: Background screening report checklist*
- *A closer look: Obtaining your criminal records*
- *A closer look: Disputing errors in your criminal records*

What to do:

Since background screening reports are used by employers and include information from criminal records, it's important to make sure that criminal records and background screening reports are accurate and up-to-date.

- To learn an individual's rights, with respect to background screening reports, see *A closer look: Background screening reports*.
- To help your client review background screening reports and dispute errors see *Reentry Tool: Background screening report checklist*.
- To obtain criminal record information see *A closer look: Obtaining your criminal records*.
- To determine where to submit challenges if errors are found on criminal records, see *A closer look: Disputing errors in your criminal records*.

What to say:

"Employers often use background screening reports as part of the hiring process. These reports include information from public records, including criminal records. Employers must inform you and receive your consent before they obtain a background screening report. This tool will help you identify errors in your background screening report."

To access a dynamic and fillable version of this tool, visit: www.consumerfinance.gov/practitioner-resources/your-money-your-goals/companion-guides.

Background screening reports

When you apply for a job, the employer may, with your consent, request a background screening report on you.

This background report, also known as a background check, can include information from public records, including criminal records. If you have been arrested or convicted, you likely have a criminal record or RAP (Record of Arrests and Prosecutions).

Reviewing your background screening report from some of the main background screening providers may help you find out whether there are errors in your files before you apply for a job. However, keep in mind that not every consumer reporting company will have information on everyone. For a list of many employment background screening providers see files.consumerfinance.gov/f/201604_cfpb_list-of-consumer-reporting-companies.pdf.

Know your rights

Federal law (the Fair Credit Reporting Act) gives you certain rights and protections when it comes to the information in your background screening reports and how employers and others may use them. State laws may provide additional protections.

Under federal law, you have the right to receive:

Prior notice: The employer must tell you that it might use information from the report to make a decision about your employment.

Prior written consent: The employer must ask for your written permission before getting the report (except in the trucking industry where it generally also may be given by other means). You are not required to give permission however, if you don't, the employer may reject your application. If an employer obtains a background report on you without your permission, you can submit a complaint with the Consumer Financial Protection Bureau or the Federal Trade Commission.

Pre-adverse action: Before taking any "adverse action" - such as not hiring or promoting you because of something in a background report - based in whole or in part on the report, the employer must give you a copy of the report, and a document called "A Summary of Your Rights under the Fair Credit Reporting Act."

If you do not get hired or promoted because of information in your background report, the employer must tell you orally, in writing, or electronically:

- The name, address, and phone number of the company that supplied the criminal history or public records report
- That the company that provided the information didn't make the decision to take an "adverse action" and can't give you the specific reasons for it
- That you have the right to dispute the accuracy and completeness of any information in the report, and to get an additional free report from the company that supplied it, if you request it within 60 days of the employer's decision not to hire or retain you

Some employers might say not to apply if you have a criminal record. That could be discrimination. If this happens, contact the EEOC at eoc.gov/contact.

Disputing errors

If possible, request the name of the background screening company the employer plans to use at the time you provide consent. You can use this information to request a copy of that report.

If there is a mistake in the background screening report and you wish to dispute it, immediately inform the background screening company that provided the report.

First, call the company that provided the report and inform them that there is a mistake. Then, follow up with a dispute in writing and written documentation to show the accurate or complete information, either online or through the mail. You may wish to choose to use certified mail, return receipt requested so that you have a record. You may need to get the underlying criminal history data from the courthouse or state repository (See *A closer look: Obtaining your criminal records*).

The background screening company generally has 30 days (an additional 15 days in some circumstances) from the time it receives your dispute to investigate and respond to it. The background screening company must review and consider all relevant information that you submit. Once the company completes the investigation it has 5 business days to notify you.

If there is a mistake in the background screening report, the background screening company must fix it, and send a copy of the corrected report to the employer. If the background screening company does not correct the errors, and remove the inaccurate, incomplete, or unverifiable information, you can submit a complaint with the CFPB or the FTC. Go to consumerfinance.gov/complaint or ftc.gov/faq/consumer-protection/submit-consumer-complaint-ftc or call 855-411-CFPB(2372).

Request additional help

Obtaining, checking, and correcting your background screening report may include many steps. It may involve requesting and/or correcting criminal records and other data from multiple states, which may involve visiting each court that originated the records. Help from an attorney may be necessary to ensure your background screening report and your criminal records are accurate. Visit consumerfinance.gov/askcfpb/1549 and lsc.gov/what-legal-aid/find-legal-aid to find help in your state.

A Closer Look on Background Screening Reports is based on information from FTC on the topic. See consumer.ftc.gov/articles/0157-background-checks.

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Background screening report checklist

Highlight the information you think may or may not be correct on your background screening report as you compare it with this checklist. If you find errors, file a dispute with the background screening company.

Possible errors on a background screening report

- The record or report does not include correct identifying information.

Check if the any of following are incorrect:

- Full name
- Social Security information
- Addresses
- Case or docket numbers

If you do not have your case or docket number, you may need to seek assistance from your attorney or Legal Aid or obtain your records from the court.

- The report includes information you believe to be expunged or sealed.

Expunged or sealed records are those that have been removed from public view. States have different laws on expungement and you should check the laws of your state to determine if they may apply to your records or seek assistance from an attorney or other organization. See next page for links to legal assistance sites.

- The report includes incomplete records.
-

- The report lists single charges multiple times.
-

- The report includes information that has been or should have been expunged or not reported under state or federal law.
-

- The report includes arrests or other negative information that occurred more than seven years ago (except for convictions, which can stay on permanently in most states).

Some states may limit further the types or time frame for criminal history information.

Possible errors on a background screening report

- The report misclassifies misdemeanors as felonies.
-
- The report includes a charge or conviction that is not yours - you were not charged or convicted of such an offense.
-

Get help from your attorney, Legal Aid, a pro bono (volunteer) or other attorney, or organization to check and correct your record.

To find a legal aid organization near you, visit consumerfinance.gov/askcfpb/1549 and lsc.gov/what-legal-aid/find-legal-aid.

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Obtaining your criminal records

Since background screening reports may include criminal record information it's important to check these records for mistakes.

Potential employers may conduct background screening on you. To do this, they may buy and review a background screening report. You may want to get your criminal records or RAP sheets (records of arrest and prosecution) - also called *Identity History Summary* - so you can check them for any mistakes, because this information may appear in your background screening report. There is often a charge for these records. You may be able to get the fees for the records waived, depending on the state where the records are located.

Where to get your records

Local or state police department

At the local police department where you reside or where you know there may be records about you, request that the police conduct a local or state criminal records search and provide you with a document reflecting your criminal record or that you have no criminal record. Local police departments may require your personal appearance in order to conduct the search.

State criminal records authority

Each state has its own agency, or repository, that keeps criminal record information and its own process for getting criminal record

information. (If a state does not have a repository, see below for information about getting records from the courthouse.)

Ask your attorney, seek assistance from a legal aid or other organization, or consult the list below to find the agency in your state that keeps and provides criminal records or RAP sheets. If you have arrests in multiple states, you may have to get your record from each state in which you were arrested. This may include going to the courthouse of the arrest and adjudication to get the record to make sure it is accurate.

State or county court records

Courthouses maintain records relating to criminal charges and convictions, including arraignments, trials, pleas, and other dispositions. Searching county or local courthouses usually provides the most complete criminal history. Many courthouse records must be retrieved on-site, but some courthouses offer their records online.

For a state-by-state listing of state court records sites from the National Center for State Courts visit ncsc.org/Topics/Access-and-Fairness/Privacy-Public-Access-to-Court-Records/State-Links.

Federal court records

Public Access to Court Electronic Records (PACER) is an electronic public access service that allows users to obtain case and docket information online from federal courts. Visit pacer.gov for more information.

FBI (Federal Bureau of Investigation)

The Criminal Justice Information Services (CJIS) Division of the Federal Bureau of Investigation (FBI) centralizes criminal justice information

and provides information and services to local, state, federal, and international law enforcement agencies, the private sector, academia, and other government agencies.

An *Identity History Summary*—often referred to as a criminal history record or a “rap sheet”—is a listing of certain information taken from fingerprint submissions kept by the FBI and related to arrests and, in some instances, federal employment, naturalization, or military service.

The FBI offers the following two methods for requesting your *Identity History Summary*:

Method 1. Submit a written request to the FBI's CJIS Division. The request must be accompanied by satisfactory proof of identity, including name, date and place of birth, and a set of rolled-inked fingerprint impressions. You must also send a certified check or money order for the current processing fee. The FBI website states that it will not provide copies of your arrest records to anyone except you. If there is no criminal record, a report reflecting this fact is provided. For more information, visit the FBI website [fbi.gov/services/cjis/identity-history-summary-checks](https://www.fbi.gov/services/cjis/identity-history-summary-checks).

Submit your request to:

FBI CJIS Division,
Attention: SCU, Mod. D-2,
1000 Custer Hollow Road,
Clarksburg, WV 26306

Method 2. Submit a request through an FBI-approved channeler, which is a private business that has contracted with the FBI to receive fingerprint submissions and relevant data, collect the associated fee(s), electronically forward the fingerprint submissions with the necessary information to the FBI CJIS Division, and receive the electronic record check results to give to the individual.

Go to [fbi.gov/services/cjis/identity-history-summary-checks/list-of-fbi-approved-channelers-for-departmental-order-submissions](https://www.fbi.gov/services/cjis/identity-history-summary-checks/list-of-fbi-approved-channelers-for-departmental-order-submissions) for a list of FBI-approved channelers.

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Disputing errors in your criminal records

Disputing inaccurate or incomplete information on your criminal records is important but may be difficult. You may need to seek help from legal aid, expungement clinics, or other organizations that provide assistance.

If there is an error in your *Identity History Summary* (which is your criminal history record or RAP sheet), the information that is wrong might also appear on your background screening report. The FBI's Criminal Justice Information Services (CJIS) division is responsible for the storage of fingerprints and the related *Identity History Summary* information for the nation. The FBI does not have the authority to modify any information unless specifically notified to do so by the agency that owns the information.

Requesting a change or correction

If you believe your *Identity History Summary* contains inaccurate or incomplete information, you have two options for requesting a change or correction:

Option 1. Contact the agency or agencies that submitted the information to the FBI

For state information, most states, through agreement with the FBI, require that modification requests for *Identity History Summary* information be processed through their respective state central repository (the State Identification Bureau) before the FBI can apply any update to its record. You may contact the respective state criminal record repository(ies) for assistance, and, if applicable, request that they provide the FBI with updates to your "Identity History Summary." Contact information for state repositories can be found at [fbi.gov/about-us/cjis/identity-history-summary-checks/state-identification-bureau-listing](https://www.fbi.gov/about-us/cjis/identity-history-summary-checks/state-identification-bureau-listing).

For federal information *Identity History Summary* updates, the FBI must receive a request directly from the original arresting agency, from a court with jurisdiction over the arrest data, or from another agency with jurisdiction over the arrest data.

Option 2. Send a written challenge request to the FBI's CJIS Division

Your written request should clearly identify the information (state or federal) that you feel is inaccurate or incomplete and should include copies of any available proof or supporting documentation to substantiate your claim. The FBI will contact appropriate agencies in an attempt to verify or correct challenged entries for you. Upon receipt of an official communication from the agency that has jurisdiction over the

data, the FBI will make appropriate changes and notify you of the outcome. For more information, visit the FBI website [fbi.gov/services/cjis/identity-history-summary-checks](https://www.fbi.gov/services/cjis/identity-history-summary-checks).

You may submit an *Identity History Summary* challenge to the FBI's CJIS Division by writing to:

FBI CJIS Division
Attention: Criminal History Analysis Team 1
1000 Custer Hollow Road
Clarksburg, WV 26306

Expungement

Some criminal history records may be subject to expungement. There are no uniform rules, processes or definitions of "expungement." In general, the purpose of expungement is to remove criminal records from public view. Depending on the jurisdiction, this process may be referred to as "erasure," "destruction," "sealing," "setting aside," "expunction," and "purging." States have different criteria and processes for "expunging" records - or making them generally unavailable through federal or state databases. For questions regarding state-specific expungement procedures, contact the state criminal history repository in the state in which the arrest occurred.

Criminal record data, including expungement data, may be difficult to understand and hard to correct. You may need to seek help from legal aid, expungement clinics, or other organizations that provide assistance. Visit [consumerfinance.gov/askcfpb/1549](https://www.consumerfinance.gov/askcfpb/1549) and [lsc.gov/what-legal-aid/find-legal-aid](https://www.lsc.gov/what-legal-aid/find-legal-aid) for help finding a lawyer or legal aid organization in your state.

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7. Using and protecting your money

Understanding money services, protecting against identity theft, and identifying red flags can help individuals safely access and use often limited resources.

There are many ways and places to keep your money. Some are more secure, less costly, or more convenient than others. *Module 8: Money services, cards, accounts, and loans: Finding what works for you* of the *Your Money, Your Goals* toolkit helps people understand how to find and choose financial services and products.

The tools are:

- *Tool 1: Know your options: Money services, cards, accounts, and loans*
- *Tool 2: Ask questions: Choosing where to get what you need*
- *Tool 3: Money services and banking basics*
- *Tool 4: Opening an account checklist*
- *Tool 5: Money transfers and remittances: What you need to know*

Module 9: Protecting your money of the *Your Money, Your Goals* toolkit focuses on how to protect your information and money. It explains some of the consumer protection laws and how to submit a complaint with the CFPB if a person has problems with any financial service or product.

The tools are:

- *Tool 1: Submitting a complaint to the CFPB*
- *Tool 2: Protecting your identity*
- *Tool 3: Red flags*
- *Tool 4: Learning more about consumer protection*

Focus for reentry

The *Your Money, Your Goals* toolkit, *Module 8, Tool 4: Opening an account checklist* has information consumers can use to open a checking or savings account, including questions to ask and what information they will need to open an account. This tool also includes information about barriers to opening an account, which may be particularly relevant for consumers with criminal records.

Barriers to opening a bank account can include lack of identification and negative information in a consumer report from specialty consumer reporting agencies that report on consumers' checking account or banking histories. These agencies also may be using public records, including criminal records, in developing reports for financial institutions.

Those with criminal records interested in getting a bank or credit union account should check and see if one or more of these checking account screening companies has compiled a report on them, and if their information is accurate. Similar to background screening and credit reports, a consumer can review the report and file a dispute if they find mistakes. The CFPB has compiled a list of checking account screening companies at files.consumerfinance.gov/f/201604_cfpb_list-of-consumer-reporting-companies.pdf.

You can also direct people you work with who are incarcerated and/or who have been the victim of identity theft to *Module 9, Tool 2: Protecting your identity* and a tips sheet, *Identity theft and fraud protection tips for individuals in the criminal justice system* files.consumerfinance.gov/f/documents/201604_cfpb_fraud-protection-tool-for-justice-involved-individuals-handout.pdf. This tips sheet provides the steps on how to protect against fraud if a person's identity has been stolen or is at risk of being stolen, including for people who are incarcerated.

You can use *Module 9, Tool 1: Submitting a complaint to the CFPB* to help a person understand the complaint process. Those who are incarcerated without access to internet can send the complaint in writing to the address listed at the end of the tool, which is:

Consumer Financial Protection Bureau
P.O. Box 4503
Iowa City, IA 52244

8. Additional resources¹⁶

General reentry resources

The Federal Interagency Reentry Council of 2016 is a body led by the Department of Justice and includes 20 member agencies. In advancing its three-part mission of making communities safer by reducing recidivism and victimization, assisting those who return from prison and jail in becoming productive citizens, and saving taxpayer dollars by lowering the direct and collateral costs of incarceration, the Council developed a series of documents it titled “Reentry MythBusters” to provide accurate and relevant information about transition topics for reentry individuals.

Resources

- Visit justice.gov/reentry/federal-interagency-reentry-council to find out more about the Reentry Council and its work.
- The *Reentry MythBusters* are fact sheets designed to clarify existing federal policies that affect currently or formerly incarcerated individuals and their families in areas such as public housing, employment, parental rights, Medicaid suspension/termination, voting rights, and more.

In addition, Congress directed the National Institute of Justice (NIJ) to collect and study collateral consequences of having a criminal record in all U.S. jurisdictions, and NIJ selected the American Bar Association’s (ABA) Criminal Justice Section to

¹⁶ This *Your Money, Your Goals: Focus on Reentry* companion guide to the *Your Money, Your Goals* toolkit includes links or references to third-party resources or content that consumers may find helpful. The Bureau does not control or guarantee the accuracy of this outside information. The inclusion of links or references to third-party sites does not necessarily reflect the Bureau’s endorsement of the third-party, the views expressed on the outside site, or products or services offered on the outside site. The Bureau has not vetted these third-parties, their content, or any products or services they may offer. There may be other possible entities or resources that are not listed that may also serve your needs.

perform the necessary research and analysis. The ABA developed a state-by-state listing of collateral consequences. For more information and resources, see [justice.gov/reentry/resources](https://www.justice.gov/reentry/resources).

Employment

Accessing sources of income may be very difficult for justice-involved individuals. The Department of Labor has various resources that help people identify job skills and interests, access job training resources, and conduct job searches. Its American Job Centers provide one stop career support, both online and in the community. It also has resources specifically geared towards those transitioning from incarceration. Learn more at [careeronestop.org](https://www.careeronestop.org).

Resources

- For practitioners working with reentry population visit eo.workforcegps.org.
- For resources related to finding jobs, job training or building job skills and for links to American job centers and other job assistance sites visit dol.gov/general/audience/aud-unemployed.
- For information about state-specific governmental agencies and community-based organizations that assist people with criminal records seeking jobs and other support, see [careeronestop.org/exoffender/findajob/who-hire-ex-offenders.aspx](https://www.careeronestop.org/exoffender/findajob/who-hire-ex-offenders.aspx).

Hiring and criminal records

The Equal Employment Opportunity Commission (EEOC) issued guidance making it clear that an arrest or conviction record does not automatically bar individuals from all employment.

Resources

- *Reentry MythBuster* (on hiring/criminal records guidance) [justice.gov/reentry/resources](https://www.justice.gov/reentry/resources).
- For information about what EEOC says about what protections are in place for people with criminal records and how employers can use arrest and conviction records, see "What you should know about the EEOC and arrest and conviction records" [eeoc.gov/eeoc/newsroom/wysk/arrest_conviction_records.cfm](https://www.eeoc.gov/eeoc/newsroom/wysk/arrest_conviction_records.cfm).

Housing

Securing a place to live upon release is critical and public housing may be an option. Many believe that people with criminal records are banned from public housing. HUD issued guidance in November 2015, which clarifies policy around the use of criminal records by public housing authorities. The guidance explains that Public Housing Authorities (PHA) or other owners of federally-assisted housing cannot use the fact that there has been an arrest for a crime as the sole basis for the requisite determination that the relevant individual engaged in criminal activity warranting denial of admission, termination of assistance, or eviction. See portal.hud.gov/portal/documents/huddoc?id=PIH2015-19.pdf.

HUD also released guidance in April 2016 related to the application of the Fair Housing Act standards to the use of criminal records by housing providers. The guidance advises that depending upon the circumstances, blanket policies denying housing on the basis of arrests or convictions might violate the Fair Housing Act. The guidance applies to public, private, and nonprofit housing providers. Learn more at portal.hud.gov/portal/documents/huddoc?id=HUD_OGCGuidAppFHStandCR.pdf.

Resources

- *Reentry MythBuster* (on public housing) <https://www.justice.gov/reentry/resources> provides information about what HUD rules related to public housing are for people with criminal records.
- To find your local public housing authority visit http://portal.hud.gov/portal/ HUD?src=/program_offices/public_indian_housing/pha/contacts.
- To find a housing counselor for homeowners in need visit consumerfinance.gov/find-a-housing-counselor.

TANF and SNAP benefits

Federal law imposes a lifetime ban on Temporary Assistance for Needy Families (TANF) and the Supplemental Nutrition Assistance Program (SNAP) benefits for people with felony drug convictions after August 22, 1996. Many states have opted out of this ban. Check to see if your state has opted out.

Resources

- Visit <https://www.fns.usda.gov/snap/section-115-denial-assistance-and-benefits-certain-drug-related-convictions> to find out more about how the ban on SNAP benefits for people with certain types of convictions works.
- *Reentry MythBuster* (on TANF benefits) <https://www.justice.gov/reentry/resources> clarifies which type of convictions are subject to the ban on TANF.
- *Reentry MythBuster* (on SNAP benefits/mailling address) <https://www.justice.gov/reentry/resources> explains that individuals can get SNAP benefits even if they don't have a mailing address.
- *Reentry MythBuster* (on SNAP benefits/ID) <https://www.justice.gov/reentry/resources> explains that although a valid State-issued ID is a common document used to prove a SNAP applicant's identity, it is not the only acceptable form of proof for purposes of SNAP.

Social Security benefits

Social Security benefits are not payable if an individual is convicted of a criminal offense and confined for more than 30 consecutive days. Upon release, however, benefits can be reinstated without filing a new claim. Learn more at ssa.gov/reentry. For clients receiving Social Security Disability (SSDI), benefits will be suspended if they have been convicted of a criminal offense and sent to jail or prison for more than 30 continuous days. Their benefits can be reinstated after release without filing a new claim.

For those receiving Supplemental Security Income (SSI), a means-tested program, payments are suspended while they are in prison. Payments can be reinstated in the month the person is released. However, if the confinement lasts for 12 consecutive months or longer, eligibility for SSI benefits will terminate and the individual must file a new application for benefits.¹⁷ Learn more at ssa.gov/pubs/EN-05-10133.pdf.

¹⁷ From "What Prisoners Need to Know", Social Security Administration available at ssa.gov/pubs/EN-05-10133.pdf

Veterans benefits

Veterans who were receiving Department of Veterans Affairs (VA) benefits prior to incarceration may submit a request to the Veterans Benefits Administration (VBA) to have their compensation or pension benefits resumed within 30 days or less of their anticipated release date, based on evidence from a parole board or other official prison source showing the Veteran's scheduled release date. Veterans may be entitled to additional benefits upon release, such as compensation, pension, vocational rehabilitation, education, employment counseling, loan guaranty, and insurance. See *Reentry MythBuster* (on Veterans compensation benefits) <https://www.justice.gov/reentry/resources>.

Resources

- To understand more about the impact of incarceration on an individual's VA benefits in general, visit benefits.va.gov/persona/veteran-incarcerated.asp.

Health care

Medicaid

States are not required to terminate eligibility for individuals who are incarcerated based solely on inmate status. States may suspend eligibility during incarceration. Medicaid-eligible individuals may continue to be enrolled in the program before, during, and after the time in which they are held in custody and involuntarily in a public institution. For more information, see [medicaid.gov/federal-policy-guidance/downloads/sho16007.pdf](https://www.medicaid.gov/federal-policy-guidance/downloads/sho16007.pdf).

Resources

- For information on applying for Medicaid or health insurance through the health care marketplace, see [healthcare.gov/incarcerated-people](https://www.healthcare.gov/incarcerated-people).

VA Health Care for Veterans

By regulation, the U.S. Department of Veterans Affairs (VA) cannot provide health care services to Veterans who are patients or inmates of another government agency's institution, if that agency has a duty to provide the care. Because jails and prisons must provide health care for their inmates, VA cannot treat Veterans while they are incarcerated. For Veterans who are not incarcerated and are otherwise eligible for VA health care, past involvement with the criminal justice system

generally has no impact on their ability to enroll for or to receive health care. See *Reentry MythBuster* [justice.gov/reentry/resources](https://www.justice.gov/reentry/resources).

Resources

- For information about VA programs serving Veterans in the criminal justice system, see [va.gov/homeless/VJO.asp](https://www.va.gov/homeless/VJO.asp) and www.va.gov/HOMELESS/Reentry.asp.

Student loans

Student loan repayment

Both private and federal student loans may feature a range of alternative repayment plans designed to provide borrowers with additional flexibility when entering repayment or experiencing financial hardship.

Private student loans

In order to assist borrowers experiencing financial hardship or distress, some large private student lenders have developed some alternative repayment options. The range of repayment options for private student loan borrowers vary and may include a range of loss mitigation options offered by each lender. Private student loan borrowers should contact their private student loan servicer to inquire about their alternative repayment options and how to enroll.

Federal student loans

The vast majority of borrowers with federal student loans have the right under federal law to a series of income-driven repayment plans, which are a type of alternative repayment plan. Under an income-driven repayment plan, a borrower may qualify for a reduced or \$0 monthly payment based on how much money they make. For borrowers with low wages over a long term, these programs also offer loan forgiveness following 20 or 25 years of on-time monthly payments.

Resources

- For general information about federal student loans, visit consumerfinance.gov/paying-for-college.

Federal student loan default

Default is generally the failure to repay a loan according to the terms agreed to in the promissory note. For most federal student loans, individuals will default if they have not made a payment in more than 270 days.

If a borrower has not made a payment on their federal student loan for 270 days (nine months), and has not made arrangements with their lender or servicer that does not obligate them to make those payments, like deferment or forbearance, the borrower is probably in default.

If a borrower has not received a letter from their servicer and they believe they may be in default, they should contact their servicer immediately to discuss repayment options and determine if it is possible to avoid default.

Impact of incarceration on student loans

If an incarcerated individual is not in default on their Federal student loans they could be eligible for one of the income-driven repayment plans. Under these plans, the individual may qualify for reduced or \$0 monthly payments on their student loans. By using these payment plans, individuals may eventually pay off their loans.

If an incarcerated individual defaults on a federal student loan, they must resolve the default before taking advantage of an income-driven repayment plan. One way to resolve default is to rehabilitate the loan by making nine voluntary, reasonable, and affordable monthly payments within twenty days of the due-date for ten consecutive months.¹⁸

Resources

- For information related to servicing and collection of student loans, see ifap.ed.gov/LoanServicingandCollectionInfo/LSCFAQ.html#IB-Q1
- For information on federal student financial aid and on repaying federal loans while incarcerated see *Reentry MythBusters* justice.gov/reentry/resources.
- For information on the effect of drug-related convictions on student loan eligibility, see studentaid.ed.gov/sa/eligibility/criminal-convictions.
- For more information about options for borrowers, including consolidating loans to exit default, see studentaid.ed.gov/sa/repay-loans/default/get-out

¹⁸ studentaid.ed.gov/sa/repay-loans/default/get-out

Financial aid for incarcerated individuals

Currently, if an individual is incarcerated in a federal or state facility they are ineligible to receive a federal Pell grant or federal student loan. Those incarcerated in a city or county facility, are still eligible for federal Pell grants, Federal Supplemental Educational Opportunity Grants (FSEOG), and the Federal Work Study program (FWS) but not for federal student loans.

In July 2015, the Department of Education announced the Second Chance Pell Pilot program, which allows incarcerated American citizens participating in the pilot program to obtain Pell Grants and pursue a postsecondary education.¹⁹

Upon release, most eligibility restrictions will be removed, allowing people to apply for Federal Pell Grants and other forms of federal financial aid. The maximum Pell grant award for the 2015-2016 school year is \$5,775.²⁰ The amount a student receives depends on an individual's:

- Financial need,
- Cost of attendance,
- Status as a full-time or part-time student, and
- Plans to attend school for a full academic year or less.

Resources

- Learn more about Pell grants at studentaid.ed.gov/sa/types/grants-scholarships/pell.
- Learn more about the Second Chance Pilot Program and the participating institutions at experimentalsites.ed.gov/exp/pdf/ESIParticipants.pdf

Taxes

Taxes and incarceration²¹

According to the *Reentry MythBuster on Federal Taxes*, incarceration neither changes one's obligation to pay taxes and tax debts nor prohibits the receipt of tax

19 For information on this and other programs, see experimentalsites.ed.gov/exp/index.html.

20 This may change annually. Check www2.ed.gov/programs/fpg/index.html for the most updated information.

21 Federal Interagency Reentry Council, *Reentry MythBuster on Federal Taxes* justice.gov/reentry/resources.

credits and deductions upon release. As the *MythBuster* states, individuals must comply with the federal requirements to file and pay taxes. Collection of tax debts does not stop automatically upon incarceration. Individuals who are unable to pay should contact the Internal Revenue Service (IRS).

According to the IRS individuals must file a federal income tax return if their income is above a certain level, which varies depending on their filing status, age, and the type of income they receive. To determine whether a person is required to file a return go to irs.gov/uac/do-i-need-to-file-a-tax-return.

A tax return might be necessary for:

- Applying for housing and providing proof of income to the rental agency or owner.
- Applying for a student loan. The college/university may ask for proof of income and request to see an individual's most recent tax return.
- Purchasing large items, such as homes and cars, that also require proof of income.
- Proving or establishing residency in the United States and providing employers with employment history.

If the IRS deems an individual unable to pay any tax debt, collection may be delayed until the individual's financial condition improves. But, delay of collection will increase tax debt because penalties and interest are charged until payment of the full amount.

If an individual owes taxes that they cannot pay, they can make a payment plan. To make an installment or payment delay request, there is an Online Payment Agreement application at irs.gov or call 800-829-1040.

After release, a felony conviction does not bar an individual from receiving tax credits or deductions. Common tax credits for which a person may qualify include: Earned Income Tax Credit (EITC), Child Tax Credit, Child and Dependent Care Credit and Education Credits. Learn more at irs.gov/pub/irs-pdf/p4925.pdf.

Resources

- Free help with tax problems is available through the Taxpayer Advocate Service (TAS), an independent organization within the IRS that helps taxpayers who are experiencing economic harm as a result of tax issues. Individuals should contact their local advocates, which can be found by state at irs.gov/advocate/local-taxpayer-advocate or by calling 1-877-777-4778.

- Eligible taxpayers with incomes below a certain threshold can get assistance with their tax forms and other issues at Low Income Tax Clinics. To find out more and for the locations of the clinics, visit [irs.gov/advocate/low-income-taxpayer-clinics](https://www.irs.gov/advocate/low-income-taxpayer-clinics).

Child support

Individuals entering, in, or reintegrating into the community from prison or jail with orders of child support or child support in arrears, should be directed to the local child support enforcement office to determine if a modification of child support orders is possible.

Resources

- For the contact Information of local child support enforcement offices, visit [acf.hhs.gov/css/resource/state-and-tribal-child-support-agency-contacts](https://www.acf.hhs.gov/css/resource/state-and-tribal-child-support-agency-contacts).
- For the *HHS Modification Guide* with information about how to change a child support order, visit [acf.hhs.gov/sites/default/files/programs/css/changing_a_child_support_order.pdf](https://www.acf.hhs.gov/sites/default/files/programs/css/changing_a_child_support_order.pdf) or a map with links to state requirements, visit [acf.hhs.gov/css/state-by-state-how-to-change-a-child-support-order](https://www.acf.hhs.gov/css/state-by-state-how-to-change-a-child-support-order).
- For general child support reentry resources, visit [acf.hhs.gov/programs/css/resource/reentry](https://www.acf.hhs.gov/programs/css/resource/reentry).
- For information about the rule on child support issued in December 2016, which includes provisions related to incarcerated individuals, see [acf.hhs.gov/media/press/2016/new-rule-will-increase-regular-child-support-payments-to-families](https://www.acf.hhs.gov/media/press/2016/new-rule-will-increase-regular-child-support-payments-to-families)
- *Reentry MythBusters* (child support Modifications, and child support/drivers licenses) [justice.gov/reentry/resources](https://www.justice.gov/reentry/resources).

For more information, Service providers can refer to the full *Your Money, Your Goals* toolkit online at cfpb.gov/your-money-your-goals.

If you're having a problem with a bank account, credit card, student loan, consumer loan or other financial products or services you can submit a complaint with the CFPB at cfpb.gov/complaint.

For answers to commonly asked questions you might have about other money matters, visit "Ask CFPB" at cfpb.gov/askcfpb.

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