

DHS

Credit Worthiness FAQs

Q. How did JPMC determine how to do the credit worthiness check?

A. The creditworthiness determination is outlined in OMB Circular 123-A, appendix B. JPMC did not determine the eligibility requirements.

Q. What is a FICO score?

A. FICO stands for Fair Isaac & Company. Credit scores are calculated by using scoring models and mathematical tables that assign points for different pieces of information which best predict future credit performance.

Q. What determines a restricted card from an unrestricted card?

A. The applicants FICO score determines if an account is set up as restricted vs. unrestricted. Accounts with FICO scores less than 660, the component may issue a card, but more stringent restriction, the component will take one or more of the following actions:

- Reduce the overall dollar limit for the card;
- Reduce the limit on individual transactions amount;
- Limit (or further limit, if applicable) the types of transactions allowed;
- Issue a pre-paid card that automatically restricts dollar and transactions and transactions types;
- Limit (or further limit, if applicable) the dollar amount of transactions that can be applied to the card within a particular time period;
- Restrict (or further restrict, if applicable) use at ATMs.

Note - Accounts with FICO scores 660 or above are unrestricted.

Q. Will the cardholder be told of his/her credit score?

A. No, the cardholder's FICO score will not be provided. JPMC customer service personnel do not have access to this information. If the cardholder requests more information, JPMC will tell the cardholder that they can contact the credit bureaus for information on their credit history. The cardholder has the right to dispute any incorrect information contained in the report. JPMC will not be providing notification to the cardholder that their account has been established as restricted.

Q. Are any cardholders denied an account?

A. All first time applicants receive an account. There are two designations - unrestricted and restricted. Agencies determine what constitutes a restricted account. JPMC is not denying any cardholders a new account.

Q. How will the cardholder be notified that he/she is receiving a restricted account?

A. JPMC does not notify individual cardholders that they are receiving a restricted or unrestricted account. JPMC will provide a monthly report to CPOPCs detailing the accounts that have a restricted designation which were opened during the previous month.

Q. Where will JPMC be getting the credit scores?

A. JPMC will use all credit reporting agencies for FICO scores.

Q. Who are the credit bureaus? What are their addresses?

A. The three major credit bureaus are utilized and the companies are:

- Trans Union, PO Box 390, Springfield, PA 19064/Phone number 1-800-916- 8800
- Equifax, P.O. Box 105873, Atlanta, GA 30348/Phone number 1-800-685-111
- Experian, 701 Experian Parkway, P.O. Box 949, Allen, TX 75013- 0949/Phone number 1-888-397-3742

Q. Does JPMC's credit check count as a hit against the applicant's credit report?

A. No, the credit check conducted by JPMC is a soft credit check which does not affect your credit score.

Q. Does Customer Service or Client Account Specialists have access to credit scores?

A. No, JPMC customer service personnel do not have access to credit score information. In the account boarding process, the cardholder's credit score is requested and a message is returned so that they know if the account is to be set up as restricted vs. unrestricted in a system-to-system fashion.

Q. What if the cardholder finds incorrect information on their report and gets it corrected? Can the cardholder then get an unrestricted card? How will JPMC handle this situation?

A. The cardholder should work with their component/organization program coordinator. The OPC can provide information to the bank so that the restricted designation can be removed.

Q. What is the credit limit for a restricted card?

A. The credit limit for a restricted account is set by the component.

Q. Is there any circumstance in which credit worthiness restriction may be temporarily lifted?

A. Yes. The credit worthiness restrictions may be temporarily lifted at the discretion of a component, in order to ensure the safety of American citizen and/or property during times of national emergency, contingency, peacekeeping, or humanitarian missions.

Q. Are there default limits on accounts receiving a restricted designation? If so, what are they?

A. Yes, there are default limits. The default credit limit is \$2 and there is zero cash access. This means that during the account set up processing that the cardholder's credit limit is initialized to \$1 and there is no cash access.

Q. When are re-evaluations of credit worthiness required?

A. A credit worthiness assessment must be conducted for restricted cardholders before the cardholder is issued a renewed card. The re-evaluation of credit worthiness may be conducted by obtaining a credit score, or at the component's discretion, may be

conducted at reviewing the restricted cardholder's card usage during the initial period of card issuance.

Q. What is the process if your employee refuses to participate and does not want to have a standard credit check performed?

A. If your employees refuse a credit check, a component may still issue a "restricted" (as defined in question #3) travel card to a first time applicant, but components must conduct an alternative credit worthiness assessment to determine whether the individual possesses a satisfactory credit history. Specifically, the component must review the proposed applicant's most recent SF 85P, Section 22, Questionnaire for Public Trust Positions, or SF 86, Section 27, or use a similar vehicle containing the same type of information provided to assess credit worthiness. In either case, the vehicle must not be older than one year.

Q. How will you be able to identify restricted cards?

A. JPMC has set aside a data element on their system to house the designation of restricted. However, JPMC will not toggle that data element for the components. Each component CPOPC is responsible for toggling this data element based on the monthly report provided by JPMC.