



Background Screening Compliance

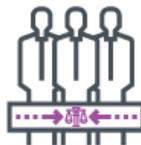


Compliance is a hot topic for employers in the U.S. We've seen a sharp rise in the number of lawsuits against businesses that allegedly violated The Fair Credit Reporting Act (FCRA). These lawsuits often involve numerous plaintiffs and can get costly. They are an urgent reminder that compliance is crucial throughout the hiring process.

This raises two important questions:

- How can your business remain compliant?
- Who is responsible for establishing and maintaining compliance?

Be Accountable



Every business is responsible for following laws that govern the hiring process and for their use of consumer reports like **background checks**.

Business and organizations use consumer reports to help them make decisions such as whether or not an individual is eligible to receive credit, employment or a promotion. The FCRA is federal legislation that explains how these reports can legally be used.



There are also various state laws that cover **compliance-related issues**. These laws differ by state, so it's important to know where the person you're screening would live and work. Keeping up with these regulations may seem difficult, but you can plan ahead for success.

Document Your Screening Policies



An important first step is to **thoroughly document your hiring and screening policies**. Before you start, review the FCRA and applicable state laws. If you have employees in multiple states, then remember you must comply with laws that cover screening practices in each location.

Your document should discuss relevant scenarios about interviews and background screening procedures. It should explain how to obtain written authorization to run a background check, show the requirements for a standalone disclosure document and list the steps necessary to take an **adverse action**. If possible, have internal or external counsel review a draft of this document and get feedback from members of your Human Resources Department.

New laws are established frequently, so it's useful to **review and update your internal documentation regularly**. It is equally important to make sure everyone involved in the hiring process has access to the document and is notified when revisions are made.

Provide Proper Documentation



During the hiring process, you must provide applicants and employees with various documents. For example, before initiating a background investigation on someone, you must give the person a disclosure that asks for written authorization (screening cannot begin until it is authorized by the individual). At times you may also need to issue pre-adverse and adverse notifications.

BACKGROUNDS ONLINE NEWSLETTERS



Before sending these documents, it is critical to ensure they **adhere to FCRA regulations**. Backgrounds Online provides examples of compliant documents for your convenience. Access them in the **Resource Center** of your account.

Work With A CRA That Is NAPBS Accredited



The **National Association of Professional Background Screeners (NAPBS)** is committed to establishing high levels of ethics and performance standards for the screening industry. They only offer accreditation to Consumer Reporting Agencies (CRA's) that demonstrate a strong commitment to consumer protection, compliance, verification standards and client education.

Backgrounds Online is proud to be **NAPBS accredited**. We work hard to assist our customers and raise awareness of the need for compliance throughout the screening process. We're dedicated to providing accurate, reportable data; educating our clients on new and evolving regulations; and protecting the data we use in our background checks.

Keep Up With News That Affects Your Business



When laws about hiring are created or revised, it is critical for your hiring managers and staff to be aware. Backgrounds Online is a valuable resource for information about "Ban the Box" laws, alleged FCRA violations and other hot topics. **Check our blog** for new articles each week and our monthly Newsletter for information that is relevant to your business.

Every business should plan ahead to be compliant with federal and state laws. When you develop a written hiring policy, work with an accredited CRA and keep up with relevant news, you can help protect your company, employees and applicants. If you have questions about any of the services provided by Backgrounds Online, please contact us for assistance.



Backgrounds Online Attended The NAPBS Mid-Year Conference



We proudly participated in the **NAPBS 2017 mid-year conference** in Washington D.C. The NAPBS hosts two annual conferences that focus on compliance and establishing high levels of ethics and standards within the screening industry. Our team attends these conferences to learn about screening best practices, compliance issues and other topics that impact our customers.

The focus of this year's conference was "regulation, legislation, education, and compliance related to the background screening industry." Several industry professionals made key presentations that focused on protecting consumers and employers.

At Backgrounds Online, our goal is to **help customers make informed decisions**. We take every reasonable precaution to provide accurate, reportable data and keep it secure at all times. Thank you for partnering with us and for reading our monthly Newsletter.