





Many staffing firms choose to use only a “national” database search. It’s attractive because it’s cheap and fast, but it’s also risky. Being transparent about these risks can help you determine if it’s the right screen for your firm.



## THE **FACTS** ABOUT NATIONAL “DATABASES”

**Fact 1:** *A complete nationwide database does not exist in the U.S. At best, a national database contains records from only 50% of U.S. courts.*

**Fact 2:** *Some counties do no report to any state or national repositories.*

**Fact 3:** *Database searches often return large numbers of records when using common names, resulting in false positives, which can be a liability for organizations.*

**Fact 4:** *“Instant” database checks are not vetted. The information may be outdated or—worse—it may not even belong to your applicant.*





**Background screening is a very heavily regulated industry, but compliance doesn't have to be complicated. Let's look at three areas that are most important to employers regarding background checks: responsibilities under the FCRA, adhering to the EEOC's Guidance and Ban the Box legislation.**

The following responsibilities may seem overwhelming, but a CRA can help. Your CRA should provide you with a compliant sample disclosure/authorization, handle the adverse action notifications and disputes, and keep you up-to-date on relevant laws.

## **FCRA (Fair Credit Reporting Act)**

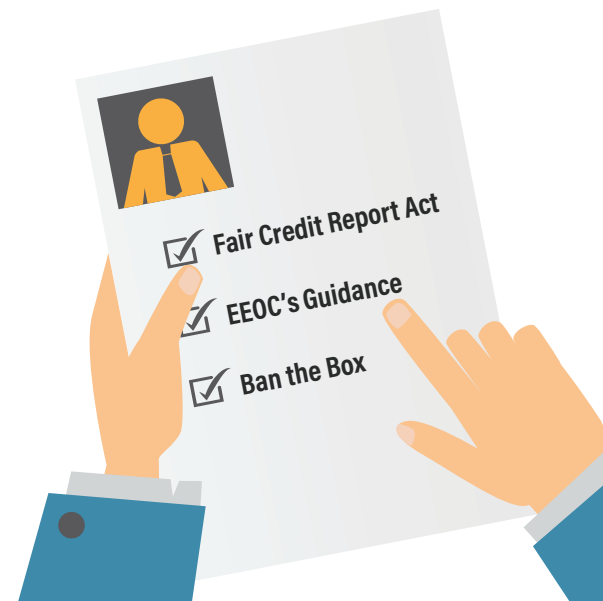
Background checks conducted by consumer reporting agencies (CRAs) are dictated by the FCRA. As an employer using a CRA, it's your responsibility to adhere to these regulations:

### **Have a permissible purpose.**

*Reports procured should be for employment purposes only.*

### **Provide a disclosure and obtain an authorization.**

*Employers must provide a clear and conspicuous disclosure to the applicant in a document consisting solely of the disclosure that explains that a consumer report may be obtained for employment purposes. The applicant also needs to authorize, in writing, permission for you to obtain the report. Remember it should be a standalone document - many employers have been sued based on this requirement of the FCRA.*





## Ban the Box

“Ban the Box” is a term that is used to describe initiatives and laws that remove the question on a job application about an individual’s conviction history. Its purpose is to enable ex-offenders to display their qualifications in the hiring process before being asked about their criminal records, which may make it easier for them to get hired. It’s a very hot trend right now with new laws being enacted weekly.

Other elements besides removing the question may be included in legislation. To ensure you are adhering to the laws pertinent to your area, check with your state, county, city or town.



## How does the law affect what employers can do with background checks?

Ban-the-box laws typically do not forbid employers from running background checks on their applicants, but some require a delay in obtaining a criminal background check until after the first job interview or until after a conditional offer of employment is made. Some restrict how an employer can use the information obtained in a background check, some require additional notices be given to applicants, and some delay the hiring process by granting a right to appeal employer decisions based on criminal history information.



## Turnaround time is one of the most critical elements for staffing firms when choosing a background screener. But how does your screener really calculate their average turnaround time?

**Turnaround time is completely jurisdictionally driven.** If the records are available electronically (which is true for around half of U.S. courts) then turnaround time is quick. If the courts still require hand or clerk searched methods, turnaround time will be much longer. Searching for older cases adds days, too.

When providers calculate turnaround time, they rarely mention words like “delays” and instead throw out great numbers like 24 hours or less. This average TAT could be skewed though depending on how calculations were performed: either by *applicant* or by *transaction*.

*Calculating by applicant* indicates that time is measured from when the order was submitted to the conclusion of the final search for the applicant (this is how BIB calculates TAT). *Calculating by transaction*, however, is determined in intervals for each search, which can result in misleading TATs.

For instance, your candidate’s screen may require a county and database search. If the county is hand searched, it may have a TAT of four days, but the database search may only take four hours. A vendor that calculates by transaction will average the two to report the TAT (i.e., about 48 hours). *This type of calculation is not a true representation of the actual time you will be awaiting results.*

**Why not just use instant results?** Instant results are typically returned in just a few hours or automatically and involve nothing but a name based search against a database. However, no verification at the court of record has been performed, which could leave you open to liability for lack of accuracy and completeness of the record.



**Due diligence can and should go beyond the background check. Additional pertinent information that could aid in your decision on whether or not the applicant is a right fit can be uncovered by verifying education, work history and references.**

Résumé fraud is a hot topic in HR right now, and for good reason. Research and studies have shown that many applicants may be embellishing résumés or—even worse—straight out lying. SHRM reported that 53% of job applications contain inaccurate information.

Because a résumé is not itself a verifiable document, applicants have begun to take creative license. While some discrepancies may seem trivial (like, say, dates of employment), many can be very serious. Applicants are getting smarter and have more resources these days to perpetuate their fraud. A new industry has popped up over the Internet, labeled as professional deception services. These companies will supply individuals with fake employment histories and references.

Diploma mills are also widespread online, offering diplomas and transcripts from colleges and universities that to most eyes appear legitimate. You should never trust anything provided directly by the applicant, as it's too easy to obtain fakes. Always go to the source for the most reliable verification.

**Concerned about lack of resources to verify?** Verifications are another service offered by CRAs. Outsourcing this can accelerate your speed to hire. But ultimately, the greatest value of verifying is that you are delivering applicants with the right experience and skill sets to your clients.





In-depth due diligence has great worth, not only for your clients but also for you. It helps protect you from negligent hiring claims and enhances the safety of your clients' workplaces. Although there are challenges to creating a solid screening program, there are solutions which can help you worry less about quality, turnaround times and compliance.

**Consider revisiting your policies and procedures today. Need help? We're here, and we'd be glad to introduce you to a better way to background check.**

## The Background Investigation Bureau

Background Investigation Bureau offers background screening with integrity. We screen, test and verify the backgrounds of your employees and volunteers. Clients love our responsive service and how we accelerate their speed to hire while reducing their costs. With BIB, you get reliable results and easy technology. We're good at protecting what matters and have been since 1995.

BIB is a founding member of and accredited by NAPBS and a member of ASA.

