

## What is & Why is Background Screening

### About Screening

The background screening profession serves several critical functions, including:

- Protecting the rights of consumers;
- Promoting safe homes and workplaces;
- Helping employers and property managers comply with state and federal screening regulations;
- Helping public and private employers make informed placement decisions;
- Providing risk mitigation tools for employers and property managers.

With our common goal of safe communities in which we live, work and play, screening companies and the PBSA will continue to work together to advance excellence in the screening profession. Promoting an awareness of the importance of screening to organizations, government entities, legislators, and consumers will always be one of our primary goals.

### What is a background check?

A background check is, in very basic terms, information which is compiled on an individual which may be considered when determining eligibility for a job or housing. An employer or property manager determines what components to include in the background check based on the industry, position or housing unit. The components may include: criminal history information, civil records, driver records, employment records, educational information, license verification, credit information and reference checks. Background checks may also include drug testing, a physical, and even psychological evaluations or assessments. In order to determine which components may be included in a background check, applicants

are encouraged to consult with their prospective employers and property managers.

Under the [Fair Credit Reporting Act \(FCRA\)](#) a background check is termed a "Consumer Report" or "Investigative Consumer Report" and is defined as:

Section 603(d) Consumer Report.

In general. The term "consumer report" means any written, oral, or other communication of any information by a consumer reporting agency bearing on a consumer's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the consumer's eligibility for

- A. credit or insurance to be used primarily for personal, family, or household purposes;
- B. employment purposes; or
- C. any other purpose authorized under section 604.

Section 603 (e) Investigative Consumer Report:

The term "investigative consumer report" means a consumer report or portion thereof in which information on a consumer's character, general reputation, personal characteristics, or mode of living is obtained through personal interviews with neighbors, friends, or associates of the consumer reported on or with others with whom he is acquainted or who may have knowledge concerning any such items of information. However, such information shall not include specific factual information on a consumer's credit record obtained directly from a creditor of the consumer or from a consumer reporting agency when such information was obtained directly from a creditor of the consumer or from the consumer.

### Why conduct background checks?

Background checks are completed for many reasons including compliance with housing, licensing and employment laws and regulations. Additionally, employers and property managers use background checks to make informed placement decisions, retain the most qualified candidates, and mitigate the risk in selecting the wrong candidate. Workplace violence, fraud, embezzlement, and theft are a multi-billion dollar drain on our economy, a cost which can be mitigated. Additionally, we live in an electronic world where publicity, particularly negative publicity and headlines spread quickly. The first question posed by media in any workplace violence situation is whether there was a background check — the "wrong" answer can devastate the very foundation of a trusted organization. Organizations owe it to their employees, their customers and the public to complete their due diligence and perform a background check on applicants to mitigate risk in homes and workplaces.

### Why use a professional screening company?

Professional background screeners exist to provide the public with safe places to live and work. Professional background screeners are regulated by both the Federal Trade Commission and the Consumer Financial Protection Bureau at the federal level as well as subject to state attorney general enforcement actions. Screeners must comply with the Fair Credit Reporting Act as well as state privacy and consumer protection laws. The FCRA, in place since the 1970s, requires professional background screeners and employers to provide consumers the highest level of protection.

The profession employs thousands of people and invests countless dollars dedicated to ensuring that employers, landlords, and volunteer groups have a full picture of those that enter workplaces, lease their apartments, and care for vulnerable populations. Federal and state laws and regulations along with competitive market forces have combined to make professional background screens the most comprehensive, accurate and fair way for employers, landlords and volunteer groups to make informed decisions about prospective employees, volunteers and tenants.