

Background Check Sample Policy #2 as provide by SHRM

PURPOSE OF BACKGROUND CHECKS

[Company name] believes that hiring qualified individuals to fill positions contributes to the overall strategic success of [company name]. Background checks serve as an important part of the selection process at [company name]. This type of information is collected as a means of promoting a safe work environment for current and future [company name] employees. Background checks also help [company name] obtain additional applicant related information that helps determine the applicant's overall employability, ensuring the protection of the current people, property, and information of the organization.

POLICY:

At [company name] reference checks are conducted on job applicants applying for sensitive positions. These include positions involving security and financial responsibilities. [Company name] will use a third party agency to conduct the background checks. The type of information that can be collected by this agency includes, but is not limited to, that pertaining to an individual's past employment, education, character, finances, reputation, etc. This process is conducted to verify the accuracy of the information provided by the applicant.

[Company name] will ensure that all background checks are held in compliance with all federal and state statutes, such as the Fair Credit Reporting Act. For example, the Americans with Disabilities Act prohibits organizations from collecting non job-related information from previous employers or other sources. Therefore, the only information that can be collected is that pertaining to the quality and quantity of work performed by the applicant, the applicant's attendance record, education, and other issues that can impact the workplace.

[Company name] can make inquiries regarding criminal records during the pre-employment stage, however, as part of Title VII of the Civil Rights Act of 1964, this information cannot be used as a basis for denying employment, unless it is determined to be due to job-related issues or business necessity.

[Company name] can collect credit information on applicants consistent with the guidelines set forth by the Federal Credit Reporting Act (FCRA). The Fair Credit Reporting Act requires organizations to obtain a candidate's written authorization before obtaining a credit report. When doing this, the employer must:

- Certify to the consumer-reporting agency that the employer is in compliance with the FCRA and will not misuse the information it receives.
- Disclose to the applicant or employee, on a separate form, its plans to obtain a consumer or investigative consumer report and that the information received will be used solely for employment purposes.
- Obtain written authorization from the applicant or employee.
- Inform the individual of his or her right to request additional information on the nature of the report and the means through which such information may be obtained.
- Inform the applicant that the report will include information about the individual's character, general reputation, personal characteristics, etc.
- Provide the individual with a summary of his or her rights under the FCRA.

If the results of the credit check are negative, the organization must inform the applicant that it plans on taking adverse action, provide the applicant with a Statement of Consumer Rights from the FTC before adverse action, provide the applicant the opportunity to review a copy of their credit report, and advise the

applicant of their rights to dispute inaccurate information. Applicants should be granted reasonable time to contest the information (approximately 3-5 days).

RECORDKEEPING:

[Company name] guarantees that all information attained from the reference and background check process will only be used as part of the employment process and kept strictly confidential. Human resources will maintain a log that will include the position you are applying for, your name, and the date of the background check. Be aware, only appropriate human resource personnel at [company name] will have access to this information.