

## **FAQs for Pre-Employment Screening**

**1. Why perform Pre-Employment background checks?**

It's always been said that a company's greatest assets are the employees. To ensure a company hires the best employees is the most important job of Human Resources. In today's economy, applicants are making more false claims on their job applications/resumes than ever before. Applicants may have been involved in criminal activity which they may not disclose. To ensure a safe workplace and avoid negligent hiring lawsuits, the amount you would pay to pre-screen your applicants is very small compared to the legal fees and damage awards you could have to pay later.

**2. Applicant Profile Report basic services include?**

The basic searches ordered as part of most background checks are Statewide Repository Criminal Records - Instant or Manual, Motor Vehicle Reports, Employment Verifications, Education Verifications, Social Security Number Verification, and Employment Credit Reports. (Many other services are also available)

**3. What does a Social Security Trace disclose? (Credit Bureau SS Trace)**

The results of the ClearStar Logistics Social Search, will validate the number is associated with your applicant, validates the date of birth, provides alias names, employer names, as well as dates reported for current and past addresses. This search is highly recommended because your applicant could have purposefully or inadvertently failed to disclose this information when they completed the disclosure and Authorization for background investigation form, because they may be trying to hide something.

**4. How long does it take to get reports?**

In most cases, results will be returned in 1-48 business hours. There are cases in which a criminal search may take over 48 hours to retrieve results. ClearStar Logistics will keep you updated with our service alert notes if there is a delay, so you are aware of the status of the report.

**5. Our company has locations nationally. Can ClearStar Logistics support us?**

Yes, ClearStar Logistics is a nationwide provider of employment background screening services and has built services on a state by state basis to ensure that your Profile Report will offer quality data on a state by state basis.

**6. We also have international applicants, how it that handled?**

ClearStar Logistics does offer international services; Criminal Records, Employment and Education verifications and an International Terrorist Watchlist. To find out information about each country offered, just give us a call.

**7. What are the requirements for applicant release forms?**

Each applicant needs to complete and sign a release prior to the employer ordering an applicant profile report in order to be in compliance with the FCRA. ClearStar Logistics provides you with the release and obtains authorization as well as needed information to complete the background check.

**8. Are your processes compliant with the Fair Credit Reporting Act (FCRA)?**

Yes. ClearStar Logistics adheres to all guidelines set forth by the Fair Credit Reporting Act (FCRA), federal and state laws. New laws that affect employers are posted on your bulletins and we will be sure to keep you updated on any new legislation to ensure your background screening process meets Federal and State laws.

**9. How do you ensure confidential information is secure?**

We ensure the privacy and protection of our clients' data through systematic security measures in the areas of information technology. This information is hosted on our own secure servers. We back-up all of our data and have all the necessary firewalls in place. Our reporting system is available only to our clients (authorized users), and all transmitted information is encrypted.

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**10. What is “Negligent Hiring?”**

Negligent hiring refers to a cause of action that arises from an employer's obligation not to hire an applicant they knew or should have known was likely to undertake conduct against other individuals or otherwise subject employees or third parties to actions which can create legal liability. Through negligent hiring lawsuits, many employers have been found liable for their failure to conduct appropriate due diligence through a pre-employment background investigation. Negligent hiring and retention lawsuits have cost many companies millions of dollars in damages. Conducting background checks prior to hiring employees will help to protect your organization from the potential of civil litigation.

**11. How far does an employment background check go back?**

As a general guideline, most employers use a 7 year history for background checks. Although state and local jurisdictions vary in the criminal data they will release; most will provide a minimum 7 year history. Depending upon the position, employers may decide to use a more expanded time frame for the background check. However, you must apply the criteria consistently to each applicant and ensure you are conducting the same background checks on each candidate applying for that position.

**12. What are my obligations as an employer under the Fair Credit Reporting Act (FCRA)?**

The applicant must complete and sign a release form provided to you by your background screening company. The release must be submitted to the background screening company, prior to conducting any type of background investigation, where an employment decision will be made. Provide your applicant with the Summary of Rights Under the FCRA document, and if in California, The California Statement of Consumer Rights form. These forms are hand-outs, advising your applicant's of their rights when a consumer report is being requested about them. It is your obligation as an employer to maintain this information in your records for a minimum of five years.

**13. What if I decide to not hire someone based on the results of the background report? Can't I just tell them I am not going to hire them because of the results of the background check?**

No. Should you decide to disqualify someone employment, due to the results of the background check, you are legally obligated to go through the following steps:

Provide your applicant with a pre-adverse action letter, a copy of the entire background report, A Summary of your Rights Under the FCRA form, and if in California, The California Statement of Consumer Rights form. Your applicant has 3-5 business days to resolve and/or dispute any negative information contained in their report. The pre-adverse action letter must include the name of the CRA, address and phone number. This is so your applicant can contact the CRA, if they wish to do so, in order to find out the details regarding the negative information they wish to dispute.

Should the period of 3-5 business days pass and your applicant has not demonstrated they are in the process of disputing the information contained in the report, you must then provide your applicant with an adverse-action letter, a copy of the entire background report, A Summary of your Rights Under the FCRA form, and if in California, The California Statement of Consumer Rights form. The adverse action letter communicates to your applicant they are no longer being considered for employment and the decision was influenced by in the Consumer and/or Investigative Report, made at the employers request and provided by the name, address and phone number of the CRA.