

Checklist: Selecting a Reliable Background Checking Company

Conducting a criminal background check is far more difficult than it may appear, and not all consumer reporting agencies (CRAs) offer reliable reports. Mistakes by CRAs can result in liability for the employer under the Fair Credit Reporting Act and can lead employers to turn down highly qualified applicants or hire applicants they would not have hired based on an accurate report.

This checklist can be used by employers to assess the quality standards of prospective CRAs to determine if they will provide reliable reports. Additionally, SHRM's [Guide to Background Screening Systems](#) can be used to research and compare providers.

Is the company accredited?

The National Association of Professional Background Screeners (NAPBS) has a certification program. NAPBS certification indicates that a CRA meets minimum industry standards (such as having written procedures in place for key components of the process).

Does it confirm all information with the original source?

It is essential that CRAs confirm all information received from secondary sources with the original criminal justice source before reporting it to the employer. Numerous commercial databases contain criminal records collected directly or indirectly from original criminal justice records. Acquiring millions of records sometimes produces mistakes, and these secondary databases will not be up-to-date regarding records that have changed since they were acquired.

What are its standards for reporting a match?

There is no legally required standard for what is considered a match. Each CRA sets its own standards. If the standards are not high enough, mistakes will occur. For example, since thousands of people have the same first and last name, additional information is required to be sure a criminal record belongs to the applicant:

- At least two primary identifiers (full name, date of birth, driver's license number, Social Security number) must match before reporting.
- All identifiers present in both the criminal record and the applicant's file must match before reporting.
- Apparent matches are reviewed by trained personnel before reporting.

Does it have the flexibility to tailor reports to client's needs?

Not every client wants all available information. Some may want to know only about specific convictions that relate to the job in question (such as DUI/DWI convictions for jobs involving driving) or convictions that have occurred within a certain time period (such as in the past 10 years). It is important that a prospective CRA be willing to provide records that meet the specific needs of your company.

What is its legal compliance expertise?

Criminal background checks must comply with the Fair Credit Reporting Act and a variety of state and local laws, including "ban-the-box" laws. It is essential that a CRA have the legal expertise to meet these requirements.

What is its litigation history?

It isn't necessary that a CRA have no litigation history. In the U.S. legal system, anyone can be sued. But there is a marked difference between a CRA that has been sued once or twice for technical mistakes it quickly fixed and a CRA that is constantly involved in class-action cases for the same legal violations.