

Checklist for a Compliant Screening Process

Beacon Group makes it easy for you to comply with the Fair Credit Reporting Act (FCRA).



NOTICE AND DISCLOSURE FORM

- Have your applicants read and sign the Notice and Disclosure Form. Here, applicants acknowledge that your company performs background checks as part of your employment process.
 - Make a copy of the completed form and give the original to your applicant. File the copy in a secure file separate from your personnel files.
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SUMMARY OF APPLICANT RIGHTS

- For most types of background checks, the FCRA requires you to give applicants a copy of the Federal Trade Commission's (FTC) "Summary of Your Rights Under the FCRA" document along with the Notice and Disclosure Form. We recommend that you give applicants the FTC's Summary of Rights when they apply for a position with your organization. This document explains what course of action applicants can take if they wish to dispute the findings of background checks.
 - In addition to the FTC's "Summary of Your Rights Under the FCRA," California employers must also give applicants a copy of California's Summary of Rights form.
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RELEASE AUTHORIZATION FORM

- Have your applicants complete the Release Authorization Form as part of your application process. This gives courts, schools and other government agencies the applicant's legal permission to provide their background information for employment purposes.
 - Fax the executed Release Authorization Form and a copy of the applicants picture ID to 202.318.0652. We will not proceed with the verification process until we have received the executed Release Authorization Form. Acceptable forms of picture ID are any government issued ID, such as Drivers License, Military, ID, etc.
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ADVERSE ACTION

If you are considering denying employment based in whole or in part on the content of a background screening report, the FCRA requires employers to meet specific notification requirements:

- A **pre-adverse action letter** must be sent notifying the individual that information contained in his/her background screening reports, if accurate, may result in an adverse employment decision.
 - Employers must include the FTC's "Summary of Your Rights Under the FCRA" and background screening results with the pre-adverse action letter. California employers must also include California's Summary of Rights form in the pre-adverse action packet.
 - If, after a reasonable period of time, you still wish to deny employment based on an applicant's background screening results, you must send him/her an **adverse action letter**.
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For your convenience, FCRA documents for a compliant screening process are attached. Please note: Additional state-specific release forms may be required.

Candidate Disclosure / Authorization Regarding Procurement of Consumer Reports

_____ (the "Company") will order a consumer report and/or investigative consumer report ("background check report") on you in connection with your application for employment, or if you are already hired, or if you already work for the Company, we may order additional background check reports on you for employment purposes without obtaining additional consent, where permissible by law. The consumer reporting agency ("Consumer Reporting Agency") that will prepare the report is ADP Screening and Selection Services, 301 Remington Street, Fort Collins, Colorado 80524, telephone 800-367-5933. In the event that information from the report is utilized in whole or in part in making an adverse decision with regard to your potential employment or employment, before making the adverse decision, we will provide you with a copy of the consumer report and a description in writing of your rights under the law.

You have the right to request, in writing, within a reasonable time, that we make a complete and accurate disclosure of the nature and scope of the information requested. Such disclosure will be made to you within 5 days of the date on which we receive the request from you or within 5 days of the time the report was first requested, whichever is the later. To receive this information or to inspect any files concerning such a report or to determine if a report has been requested, you may contact the Company or the Consumer Reporting Agency.

The Fair Credit Reporting Act and certain state laws give you specific rights in dealing with consumer reporting agencies. You will find these rights in the attached documents.

Please be advised that we may also obtain an investigative consumer report including information as to your character, general reputation, personal characteristics, and mode of living. By your signature below, you hereby authorize us to order consumer and/or investigative consumer reports including, but not limited to, the following information: social security number validation; criminal, public, educational and, as appropriate, driving records; employment history and earnings history; military service; credit reports, licensing and certification checks, and drug testing results. The information may be obtained from private and public repositories of information, and can be disclosed to the processing agency below and its agents.

I agree that a facsimile or photocopy of this form is valid just like the original form.

This report will be processed by:
ADP Screening and Selection Services
301 Remington Street
Fort Collins, Colorado 80524
800-367-5933

Applicant's Name: _____
(Please Print)

Applicant's Address: _____

City/State/Zip: _____

Signature: _____

Social Security Number: _____

For Identification Purposes Only: Date of Birth: _____



Give copy with State Law Notices, Summary of Rights and Release Authorization documents to applicant. Retain a copy for your files.

RELEASE AUTHORIZATION

I. In connection with my application for employment or continued employment at _____ (the Company), I understand that a consumer report and/or an investigative consumer report will be ordered that may include information as to my character, general reputation, personal characteristics, mode of living, work habits, performance, and experience, along with reasons for termination of past employment. I understand that in compliance with applicable law and as directed by company policy and consistent with the job described, you may be requesting information from public and private sources about, but not limited to, my: workers' compensation injuries, driving record, court record, education, credentials, credit, and references. If company policy requires, I am willing to submit to drug testing to detect the use of illegal drugs prior to and during employment.

II. Medical and workers' compensation information will only be requested in compliance with the Federal Americans with Disabilities Act (ADA) and/or any other applicable state laws. According to the Fair Credit Reporting Act, I am entitled to know if employment is denied because of information obtained by my prospective employer from a Consumer Reporting Agency. If so, I will be notified and given the name and address of the agency or the source that provided the information.

III. I acknowledge that a telephonic facsimile (FAX) or photographic copy shall be as valid as the original. This release is valid for most federal, state and county agencies including the Minnesota Department of Labor.

IV. Massachusetts, Minnesota, Oklahoma, New York, Maine, Washington, New Jersey and California applicants only: if you want a free copy of the report(s) ordered, check this box . The report(s) will be sent to you by the consumer reporting agency listed here. The reports will be processed by: ADP Screening and Selection Services, 301 Remington Street, Fort Collins, Colorado 80524. See attached Candidate Disclosure / Authorization Form for other notices.

V. I hereby authorize, without reservation, any law enforcement agency, institution, information service bureau, school, employer, reference or insurance company contacted by _____ (the Company) or its agent, to furnish the information described in Section I.

VI. I hereby authorize release of information from my Department of Transportation regulated drug and alcohol testing records by my previous employer to _____. This release is in accordance with DOT Regulation 49 CFR Part 40, Section 40.25. I understand that information to be released by my previous employer, is limited to the following DOT-regulated items: alcohol tests with a result of 0.04 or higher, verified positive drug tests, refusals to be tested, other violations of DOT agency drug and alcohol testing regulations, information obtained from previous employers of a drug and alcohol rule violation and any documentation of completion of the return-to-duty process following a rule violation.

The following information is required by law enforcement agencies and other entities for positive identification purposes when checking public records. It is confidential and will not be used for any other purposes. I hereby release the employer and agents and all persons, agencies, and entities providing information or reports about me from any and all liability arising out of the requests for or release of any of the above mentioned information or reports.

APPLICANT COMPLETE THE FOLLOWING

Please print your full name **LAST** **FIRST** **MIDDLE**

Please print other names you have used

Home Address

City State Zip Code

Social Security Number Date of Birth (FOR IDENTIFICATION PURPOSES ONLY)

THE FOLLOWING STATES REQUIRE SEX AND RACE TO OBTAIN INFORMATION: AL, AR, FL, GA, IA, IL, IN, MI, OR, SC, TX, WI

Sex: Male Female **Race:** Asian Black/African American Hispanic/Latino White Other

Name as it appears on license Drivers License Number State Issuing License

Signature Today's Date

IF REQUIRED, NOTARIZE HERE

When using an embossed seal, please shade and pencil before faxing. Subscribed and sworn before me:

My commission expires: _____ Name Date

Notary Public Signature



THIS PAGE CONTAINS SENSITIVE INFORMATION. KEEP ONLY IN SECURE FILES, SEPERATELY FROM PERSONNEL RECORDS!

For residents of, or for jobs located in, California, Minnesota, Massachusetts, New York and Oklahoma:

You may request a free copy of any background check report by checking the box below.

I request a free copy of the report.

STATE LAW NOTICES:

If you live in, or are seeking work for the Company in California, Maine, Massachusetts, N.Y. or Washington State, note:

CALIFORNIA: You may view the file that the Consumer Reporting Agency has for you, and order a copy of the file, upon submitting proper identification and paying copying costs, by going to the Consumer Reporting Agency's offices, during normal business hours and on reasonable notice, or by mail. You may also ask for a file summary by telephone. The Consumer Reporting Agency can answer questions about information in your file, including any coded information. If you go in person, another person can come with you, so long as that person can show proper identification.

MAINE: If you ask us, you have the right to know whether the Company ordered a background check report on you. You may request the name, address and telephone number of the nearest office for the Consumer Reporting Agency. We will send this information to you within five business days of our receipt of your request. You have the right to ask the Consumer Reporting Agency for the report.

MASSACHUSETTS: If you ask, you have the right to a copy of any background check report concerning you that the Company has ordered. You may contact the Consumer Reporting Agency for a copy.

NEW YORK: If you submit a written request, you have the right to know whether the Company ordered a background check on you from the Consumer Reporting Agency. You may inspect and order a copy of the report by contacting the Consumer Reporting Agency.

WASHINGTON STATE: You have the right, upon written request made within a reasonable period of time after your receipt of this disclosure, to receive from the Company a complete and accurate disclosure of the nature and scope of any "investigative" consumer report we may have requested. You also have the right to request from the Consumer Reporting Agency a written summary of your rights and remedies under the Washington Fair Credit Reporting Act. If the Company obtains information bearing on your credit worthiness, credit standing or credit capacity, it will be used to evaluate whether you would present an unacceptable risk of theft or other dishonest behavior in the job for which you are being considered.

A Summary of Your Rights Under the Provisions of California Civil Code Section 1786.22

The Investigative Consumer Reporting Agencies Act (ICRA) is designed to promote accuracy, fairness, and privacy of information in the files of every "consumer reporting agency" (CRA). You can find the complete text of the ICRA, at the California Privacy Protection web site (<http://www.privacy.ca.gov/icraa.htm>). The ICRA gives you specific rights, as outlined below. You may have additional rights under federal law. You may contact a state or local consumer protection agency or a state attorney general to learn those rights.

(a) An investigative consumer reporting agency shall supply files and information required under Section 1786.10 during normal business hours and on reasonable notice.

(b) Files maintained on a consumer shall be made available for the consumer's visual inspection, as follows:

(1) In person, if he appears in person and furnishes proper identification. A copy of his file shall also be available to the consumer for a fee not to exceed the actual costs of duplication services provided.

(2) By certified mail, if he makes a written request, with proper identification, for copies to be sent to a specified addressee. Investigative consumer reporting agencies complying with requests for certified mailings under this section shall not be liable for disclosures to third parties caused by mishandling of mail after such mailings leave the investigative consumer reporting agencies.

(3) A summary of all information contained in files on a consumer and required to be provided by Section 1786.10 shall be provided by telephone, if the consumer has made a written request, with proper identification for telephone disclosure, and the toll charge, if any, for the telephone call is prepaid by or charged directly to the consumer.

(c) The term "proper identification" as used in subdivision (b) shall mean that information generally deemed sufficient to identify a person. Such information includes documents such as a valid driver's license, social security account number, military identification card, and credit cards. Only if the consumer is unable to reasonably identify himself with the information described above, may an investigative consumer reporting agency require additional information concerning the consumer's employment and personal or family history in order to verify his identity.

(d) The investigative consumer reporting agency shall provide trained personnel to explain to the consumer any information furnished him pursuant to Section 1786.10.

(e) The investigative consumer reporting agency shall provide a written explanation of any coded information contained in files maintained on a consumer. This written explanation shall be distributed whenever a file is provided to a consumer for visual inspection as required under Section 1786.22.

(f) The consumer shall be permitted to be accompanied by one other person of his choosing, who shall furnish reasonable identification. An investigative consumer reporting agency may require the consumer to furnish a written statement granting permission to the consumer reporting agency to discuss the consumer's file in such person's presence.

A Summary of Your Rights Under the Fair Credit Reporting Act

Para informacion en espanol, visite www.ftc.gov/credit o escribe a la FTC Consumer Response Center, Room 130-A 600 Pennsylvania Ave. N.W., Washington, DC 20580.

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA.

For more information, including information about additional rights, go to www.ftc.gov/credit or write to: Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, DC 20580.

• You must be told if information in your file has been used against you.

Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address and phone number of the agency that provided the information.

• You have the right to know what is in your file. You may request and obtain all the information about you in the files of a consumer reporting agency (your "file disclosure"). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:

- A person has taken adverse action against you because of information in your credit report;
- You are the victim of identify theft and place a fraud alert in your file;
- Your file contains inaccurate information as a result of fraud;
- You are on public assistance;
- You are unemployed but expect to apply for employment within 60 days.

In addition, by September 2005 all consumers will be entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See www.ftc.gov/credit for additional information.

• You have the right to ask for a credit score. Credit scores are numerical summaries of your credit worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.

• You have the right to dispute incomplete or inaccurate information. If you identify information in your file that is incomplete or inaccurate and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See www.ftc.gov/credit for an explanation of dispute procedures.

• Consumer reporting agencies must correct or delete inaccurate, incomplete or unverifiable information. Inaccurate, incomplete or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.

• Consumer reporting agencies may not report outdated negative information. In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.

• Access to your file is limited. A consumer reporting agency may provide information about you only to people with a valid need - usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.

• You must give your consent for reports to be provided to employers. A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to www.ftc.gov/credit.

• You may limit "prescreened" offers of credit and insurance you get based on information in your credit report. Unsolicited "prescreened" offers for credit and insurance must include a toll-free phone number you can call if you choose

to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 1-888-567-8688.

• You may seek damages from violators. If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.

• Identity theft victims and active duty military personnel have additional rights. For more information, visit www.ftc.gov/credit.

States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General. Federal enforcers are:

TYPE OF BUSINESS – CONTACT INFORMATION:

Consumer reporting agencies, creditors and others not listed Below:

Federal Trade Commission: Consumer Response Center
Washington, DC 20580 1-877-382-4357

National banks, federal branches/agencies of foreign banks (word "National" or initials "N.A." appear in or after bank's name)

Office of the Comptroller of the Currency
Compliance Management
Mail Stop 6-6
Washington, DC 20219
1-800-613-6743

Federal Reserve System member banks (except national banks and federal branches/agencies of foreign banks)

Federal Reserve Board Division of Consumer & Community Affairs
Washington, DC 20551
202-452-3693

Savings associations and federally chartered savings banks (word "Federal" or initials "F.S.B." appear in federal institution's name)

Office of Thrift Supervision
Consumer Complaints
Washington, DC 20552
800-842-6929

Federal credit unions (words "Federal Credit Union" appear in institution's name)

National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314
703-519-4600

State-chartered banks that are not members of the Federal Reserve System

Federal Deposit Insurance Corporation
Consumer Response Center
2345 Grand Avenue, Suite 100
Kansas City, Missouri 64108-2638
1-877-275-3342

Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission

Department of Transportation
Office of Financial Management
Washington, DC 20590
202-366-1306

Activities subject to the Packers and Stockyards Act of 1921

Department of Agriculture
Office of Deputy Administrator - GIPSA
Washington, DC 20250
202-720-7051