



## **Background Screening Agency Accreditation Program**

### **Standard** Version 2.0

Original Effective Date: October 14, 2009  
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## INTRODUCTORY

This Standard is applicable only to Consumer Reporting Agencies providing Consumer Reports for employment purposes.

## DEFINITIONS

For purposes of this standard, the terms and acronyms below shall have the following definitions.

*Note that where clause requirements include "signature" or "signed by" wet or electronic signature shall be deemed to meet signature requirement.*

1. **Automated Reporting:** This refers to an inquiry being made, results being returned, and results being placed in a consumer report without any manual intervention or review by a person.
2. **CFPB:** The federal Consumer Financial Protection Bureau.
3. **Consumer Information:** Any information about an individual consumer provided to the CRA by the consumer, client, or other parties in the course of compiling a consumer report.
4. **Consumer Report:** The meaning given to it in § 603(d) of the federal FCRA.
5. **CRA:** A consumer reporting agency as defined in § 603(f) of the federal FCRA.
6. **CRA Worker/Worker:** Any individual who performs services for CRA and who has access to CRA premises and/or systems. These terms encompass employees as well as temporary workers, interns, contractors and others who perform work for the CRA.
7. **Depth of Search:** This refers to the number of years covered by a search. Examples include a 7-year search and 10-year search where record search must cover at least 7 years or 10 years respectively.
8. **FCRA:** The federal Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq.
9. **FTC:** The Federal Trade Commission.
10. **Investigative Consumer Report:** The meaning given to it in § 603(e) of the federal FCRA.
11. **Outsourced Verification Services:** Refers to a business arrangement in which the CRA contracts with another company and that company conducts employment, academic, and/or reference checks on behalf of the CRA and return results to the CRA (see Clause 5.8). Outsourcing criminal record checks to public record field researchers **ARE NOT** considered "Outsourced Verification Services."
12. **Policy:** A written directive that is required to be followed by the entity.
13. **Procedure:** A written description of how a policy is implemented and followed by the entity. (Procedures may be referred to within the entity as standard operating procedures, SOPs, operating guidelines or other names.)
14. **Public Record Researcher:** Any person or entity contracted or employed by a CRA, other than another CRA providing consumer reports in pursuant to FCRA Sec. 607(e), who searches for and/or retrieves information that is currently in the custody of a government entity such as a court, state agency or other government repository.
15. **Search Methodology:** Refers to the manner by which the search is conducted. Examples include: hands-on, in-person search (such as when a public access terminal is used at a courthouse), electronic access to original source (such as a remote electronic search of court records), electronic access to commercial database (such as The Work Number, Student Clearinghouse, and non-governmental criminal record database), electronic access to a government database (such as OFAC sanctions or PACER), telephonic inquiry to a source (such as school, employer, or reference) and email inquiry to a source (such as school, employer, or reference).
16. **Verification:** Academic, employment, reference, and other checks conducted using source information which is not public.

## **Section 1: Information Security**

### **Clause 1.1**

#### 1.1 Information Security Certification

Wherever Personally Identifiable Information (PII) is held, whether at CRA, CRA's data center (whether internal or hosted), and/or CRA's platform provider (whether internal or hosted) such entity must hold a current (current as defined by the certifying body) information security certification and/or provide written evidence of completing an information security audit for which no critical, high-risk, or severe security vulnerabilities remain uncured. The source of such certification and/or written evidence must be a qualified security assessor.

### **Clause 1.2**

#### 1.2 Information Security Policy

CRA must have and follow a written information security policy which, at a minimum, complies with applicable law and regulation. CRA must designate one or more individuals responsible for implementing, managing and enforcing the information security policy (individual(s) may be internal or contracted).

### **Clause 1.3**

#### 1.3 Data Security

CRA must have and follow procedures to protect consumer information under the control of the CRA from internal and external unauthorized access. These procedures must include specifications for the securing of information when electronically transmitted, as well as information in both hard copy and electronic form including information stored on portable and/or removable electronic devices. At a minimum, procedures must meet all applicable legal and regulatory requirements.

### **Clause 1.4**

#### 1.4 Intrusion and Data Security

CRA must have and follow procedures to prevent, detect, investigate and respond to an information system intrusion, including consumer notification and other breach notifications where mandated. At a minimum, procedures must meet all applicable legal and regulatory requirements.

### **Clause 1.5**

#### 1.5 Storage and Backup of Data

CRA must have and follow procedures to ensure data is backed up and stored in an encrypted or otherwise protected manner. At a minimum, procedures must meet all applicable legal and regulatory requirements.

### **Clause 1.6**

#### 1.6 Access Protocol

CRA must have and follow procedures requiring use of secure access protocols for CRA workers, authorized client users, and any other authorized users accessing Consumer Information. At a minimum, procedures must meet all applicable legal and regulatory requirements.

### **Clause 1.7**

#### 1.7 Electronic Access Control

CRA must have and follow procedures to control access to all electronic information systems and electronic media that contain consumer information. CRA must have procedures in place to administer access rights. CRA workers and authorized client users must only be given the access necessary to perform their required functions. Access rights must be updated based on personnel or system changes.

**Clause 1.8**

## 1.8 Physical Security

CRA must have and follow procedures to control physical access to all areas of CRA facilities, including data storage facilities that contain consumer information.

**Clause 1.9**

## 1.9 Consumer Information Privacy Policy

CRA must have and follow a Consumer Information Privacy Policy detailing the purpose of the collection of consumer information, the intended use, and how the information will be shared, stored and destroyed. The CRA must post this policy on its website, if it has one. CRA must have and follow procedure to make said policy available to clients and/or consumers upon request and in at least one other format.

**Clause 1.10**

## 1.10 Unauthorized Browsing

CRA must have and follow a policy that prohibits CRA workers from searching files and databases unless they have a bona fide business necessity.

**Clause 1.11**

## 1.11 Record Destruction

When records containing consumer information are to be destroyed or disposed of, CRA must have and follow a policy meeting all applicable legal and regulatory requirements and ensure that all such records and data are destroyed and unrecoverable.

**Clause 1.12**

## 1.12 Sensitive Data Masking

CRA must have and follow a procedure to suppress or truncate Social Security Numbers and other sensitive data elements as required by law. If end user requires full SSN or other sensitive data elements, CRA must obtain certification from end user that end user will comply with all applicable legal and regulatory requirements in regard to use, safeguarding, and destruction of such information.

**Section 2: Legal and Compliance****Clause 2.1**

## 2.1 Compliance with Law and Regulation

The CRA must comply with all provisions of all applicable law and regulation pertaining to the consumer reports provided by the CRA for employment purposes. This includes, but is not limited to, the Federal FCRA and all legal and regulatory requirements identified in this Accreditation Standard.

**Clause 2.2**

## 2.2 Federal Consumer Reporting Law

The CRA must designate an individual(s) or position(s) within the organization responsible for CRA's compliance with all sections of the federal FCRA that pertain to the consumer reports provided by the CRA for employment purposes.

**Clause 2.3**

## 2.3 State Consumer Reporting Law

The CRA must designate an individual(s) or position(s) within the organization responsible for compliance with all state consumer reporting laws that pertain to the consumer reports provided by the CRA for employment purposes.

**Clause 2.4**

## 2.4 Driver Privacy Protection Act (DPPA)

The CRA must designate an individual(s) or position(s) within the organization responsible for compliance with the DPPA that pertain to the consumer reports provided by the CRA for employment purposes, if the CRA furnishes consumer reports that contain information subject to the DPPA.

**Clause 2.5**

## 2.5 State Implemented DPPA Compliance

The CRA must designate an individual(s) or position(s) within the organization responsible for compliance with state implementations of the DPPA that pertain to the consumer reports provided by the CRA for employment purposes, if the CRA furnishes consumer reports that contain information subject to state implementations of the DPPA.

**Clause 2.6**

## 2.6 Integrity

CRA must have and follow a policy of not engaging in bribery or any other fraudulent activity to obtain preferential treatment from a public official or government entity.

**Clause 2.7**

## 2.7 Prescribed Notices

CRA must have and follow a procedure to provide client current version of all currently required federal notices required by the FCRA, such as those prescribed by the CFPB.

**Clause 2.8**

## 2.8 Agreement from Client

Before providing consumer reports to clients, CRA must have and follow a procedure to obtain a signed agreement, certification, affirmation or other signed document from client (referred to as “user” in federal FCRA) in which client agrees to meet the requirements of all applicable law and regulation, specifically including but not limited to the federal FCRA.

**Clause 2.9**

## 2.9 Client Legal Responsibilities

CRA must have and follow procedures to inform client that client has legal responsibilities when procuring and using consumer reports for employment purposes. CRA must recommend to client that client work with legal counsel to ensure compliance with their specific legal responsibilities.

**Clause 2.10**

## 2.10 Client Required Documents

CRA must have and follow procedures to inform client of specific forms or documents required to complete specific searches.

**Clause 2.11**

## 2.11 Disclosure and Authorization

CRA must have and follow a procedure to inform client of legal requirements imposed by the federal FCRA and, in some instances, state consumer reporting laws, regarding disclosing to and obtaining authorization from consumers prior to requesting a consumer report from CRA. CRA must recommend to client that client consult with counsel to develop a legally compliant disclosure and authorization process.

**Clause 2.12**

## 2.12 Adverse Action

CRA must have and follow a procedure to inform client of legal requirements imposed by the federal FCRA and, in some instances, state consumer reporting laws, regarding taking adverse action against a consumer based on a consumer report. CRA must recommend to client that client consult with counsel to develop a legally compliant adverse action process.

**Clause 2.13**

## 2.13 Consumer Disputes

CRA must have and follow procedures for handling and documenting a consumer dispute. At a minimum, procedures must meet all applicable legal and regulatory requirements.

**Clause 2.14**

## 2.14 Database Criminal Records

When reporting public record information which is likely to have an adverse effect on a consumer's ability to obtain employment, pursuant to the federal FCRA the CRA shall either: A) maintain strict procedures designed to insure the reported information is complete and up to date; or B) at the time such public record information is reported to the user of such consumer report, notify the consumer of the fact that public record information is being reported by the CRA, together with the name and address of the person to whom such information is being reported.

**Clause 2.15**

## 2.15 Identification Confirmation

CRA must have and follow procedures requiring reasonable procedures to assure maximum possible accuracy when determining the identity of a consumer who is the subject of a record prior to reporting the information.

**Clause 2.16**

## 2.16 Full File Disclosure

CRA must have and follow procedures for documenting and responding to a consumer request for all information in consumer's file.

**Clause 2.17**

## 2.17 Jurisdictional Knowledge

The CRA must employ or have access to a qualified individual(s) within the organization or through a designated service provider, who is responsible for understanding court terminology, as well as understanding the various jurisdictional court differences if CRA reports court records.

**Clause 2.18**

## 2.18 Automated Reporting Systems

If CRA uses automated reporting systems, CRA must have and follow reasonable procedures to ensure results as reported on consumer report accurately reflect source information received into the automated reporting system.

**Clause 2.19**

## 2.19 Quality

CRA must have and follow procedures to reasonably ensure the accuracy and quality of all work product.

CRA must have and follow accuracy and quality procedures specific to work product containing public records likely to have an adverse effect on consumer. The CRA must take into account the particular nature of public records research and reporting when designing and implementing the specific procedures related to accuracy, completeness, and currency of public records research and reporting likely to have an adverse effect on consumers. CRA must designate an individual(s) or position(s) within the organization responsible for quality.

#### **Clause 2.20**

##### 2.20 Reappearance of Inaccurate Information

CRA must have and follow procedures to prevent reappearance of inaccurate consumer information in consumer reports.

#### **Clause 2.21**

##### 2.21 Quality Analysis

CRA must have and follow procedures to audit and analyze product quality. Identified quality lapses, including those identified during consumer disputes, must be quantified and analyzed, including root cause analysis, and appropriate corrective actions must be implemented.

### **Section 3: Client Education**

#### **Clause 3.1**

##### 3.1 Truth in Advertising

CRA must have and follow a procedure to communicate to clients the original source type (county records, state records, employer, academic institution, etc.), limitations, variables affecting the information available and scope of information provided by each consumer reporting product offered by the CRA.

#### **Clause 3.2**

##### 3.2 Legal Counsel

CRA must have and follow a procedure to inform client that CRA is not acting as legal counsel and cannot provide legal advice. CRA must inform client of the importance of working with counsel to develop an employment screening program specific to their needs and to ensure that client's policies and procedures related to the use of CRA-provided information are in compliance with all applicable legal and regulatory requirements.

#### **Clause 3.3**

##### 3.3 Understanding Consumer Reports

CRA must have and follow a procedure to provide guidance to client on how to order, retrieve, read and understand the information provided in consumer reports provided by the CRA.

#### **Clause 3.4**

##### 3.4 Information Protection

CRA must have and follow a procedure to inform client of: 1) the sensitive nature of consumer reports, 2) the requirement to protect such information, and 3) the consumer report retention and destruction practices as outlined in the federal FCRA and the DPPA.

### **Section 4: Researcher and Data Standards**

#### **Clause 4.1**

##### 4.1 Public Record Researcher Agreement

CRA must have and follow a procedure requiring a signed agreement, which may include amendments

and/or addenda, from all non-employee public record researchers. The agreement must clearly define the scope of services to be provided, including jurisdictions covered, search methodology, depth of search, disclosure of findings, methodology and time frame for communication and completion of requests, methodology for confirming identity of subject of record(s), confidentiality requirements, reinvestigation requirements, and other obligations as furnishers of information under the federal FCRA.

#### **Clause 4.2**

##### 4.2 Vetting Requirement

CRA must have and follow procedures to vet new public record researchers.

#### **Clause 4.3**

##### 4.3 Public Record Researcher Certification

CRA must have and follow a procedure requiring public record researcher to certify in writing that they will conduct research in compliance with all applicable legal and regulatory requirements, as well as in the manner prescribed by the repository which maintains the official record of the court; never obtain information through illegal or unethical means; and utilize document disposal and/or destruction methods pursuant to the federal FCRA.

#### **Clause 4.4**

##### 4.4 Errors and Omissions Coverage (E&O)

CRA must have and follow a procedure to obtain proof of public record researcher's Errors and Omissions Insurance. If public record researcher is unable to provide proof of insurance, CRA must maintain coverage for uninsured and/or underinsured public record researcher.

#### **Clause 4.5**

##### 4.5 Information Security

CRA must have and follow a procedure providing a secure means by which public record researchers will receive orders and return search results.

#### **Clause 4.6**

##### 4.6 Auditing Procedures

CRA must have and follow a procedure to audit their active public record researchers for quality.

### **Section 5: Verification Services Standards**

#### **Clause 5.1**

##### 5.1 Verification Accuracy

CRA must have and follow reasonable procedures to assure maximum possible accuracy when obtaining, documenting and reporting verification information.

#### **Clause 5.2**

##### 5.2 Current Employment

CRA must have and follow procedures to contact consumer's current employer directly only when authorized by consumer or when client receives authorization from consumer and provides such authorization to CRA.

#### **Clause 5.3**

##### 5.3 Accredited Academic Institutions

CRA must have and follow procedures to inform client when post-secondary academic institutions are not



accredited by an accrediting body recognized by U.S. Department of Education, Council of Higher Education Accreditation (CHEA), similar U.S. body, or comparable global body, if reasonably available, for academic institutions outside the U.S.

#### **Clause 5.4**

##### 5.4 Procedural Disclosures

CRA must have and follow procedures to provide full disclosure to clients about general business practices regarding number of attempts to verify information, what constitutes an “attempt,” locate fees, fees charged by the employer or service provider and standard question formats prior to providing such services.

#### **Clause 5.5**

##### 5.5 Verification Databases

If CRA compiles, maintains and resells employment or educational verification information, CRA must have and follow procedures to ensure that data compiled and stored is accurate, including procedures for handling consumer disputes.

#### **Clause 5.6**

##### 5.6 Use of Stored Data

If CRA provides investigative consumer reports from stored data, CRA must have and follow procedures to ensure the CRA does not provide previously reported adverse information unless it has been re-verified within the past three months, or for a shorter time if required by applicable law.

#### **Clause 5.7**

##### 5.7 Documentation of Verification Attempts

CRA must have and follow procedures to document all verification attempts made and the result of each attempt, in completing all verification services.

#### **Clause 5.8**

##### 5.8 Outsourced Verification Services

CRA must have and follow procedures requiring a signed agreement from all providers of outsourced verification services. The agreement must clearly outline the scope of services to be provided, verification methodology, documentation of verification efforts, disclosure of findings, time frame for communication and completion of requests, confidentiality requirements, reinvestigation requirements and other obligations as furnishers of information under the federal FCRA.

#### **Clause 5.9**

##### 5.9 Conflicting Data

Should CRA receive information from the verification source subsequent to the delivery of the consumer report, and as a direct result of the initial inquiry, that conflicts with originally reported information, and that new information is received within 120 days of the initial report, (or as may be required by law), CRA must have and follow procedures to notify client of such information.

#### **Clause 5.10**

##### 5.10 Authorized Recipient

If CRA is requesting verification by phone, fax, email or mail, CRA must have and follow procedures to confirm that verification request is directed to an authorized recipient.

### **Section 6: Business Practices**

### **Clause 6.1**

#### 6.1 Background Checks for CRA Personnel Charged with Enforcement of Policy

CRA must have and follow a policy requiring criminal background checks and government sponsored sanction list checks be conducted on all CRA owners, officers, principals and CRA workers charged with enforcement of company policy. Checks must be conducted at official, appropriate government repositories to cover 7 years of residential history and such records must be retained unless otherwise prohibited by applicable law. Record checks must be conducted at least once every two years covering the time period since the last check was completed and records retained for the duration of enforcement responsibility. Any criminal conviction(s) or sanctions listing(s) must be evaluated to determine if the individual may remain in an enforcement capacity based on: 1) nature and gravity of offense or conduct, 2) time passed since offense, conduct, or completion of sentence and 3) nature of current enforcement role (commonly referred to as “Green Factors”).

### **Clause 6.2**

#### 6.2 Background checks for CRA Workers

CRA must have and follow a policy requiring criminal background checks and government sponsored sanction list checks be conducted on all CRA workers. Checks must be conducted at official, appropriate government repositories to cover 7 years of residential history and such records must be retained unless otherwise prohibited by applicable law. Such record checks must be conducted at least once every two years and records retained as long as CRA worker provides services to CRA. Any criminal conviction(s) or sanctions listing(s) must be evaluated to determine if the individual may remain his/her current position or any other position with CRA based on: 1) nature and gravity of offense or conduct, 2) time passed since offense, conduct, or completion of sentence and 3) nature of current or desired role (commonly referred to as “Green Factors”).

### **Clause 6.3**

#### 6.3 Changing Law and Regulation

CRA must have and follow procedures to remain knowledgeable about and compliant with changing law and regulation. The CRA must designate an individual(s) or position(s) with the organization responsible for such knowledge and compliance or identify the external resource utilized for this purpose.

### **Clause 6.4**

#### 6.4 Insurance

CRA shall maintain a minimum of \$1 million coverage in errors and omissions insurance. If CRA does not maintain errors and omission insurance, CRA must self-insure in a manner compliant with its state’s insurance requirements.

### **Clause 6.5**

#### 6.5 Client Authentication

CRA must have and follow a procedure to identify and authenticate all clients prior to disclosing consumer reports or other consumer information. The procedure must require the CRA to maintain written records regarding the qualification of each client who receives consumer reports or other consumer information.

### **Clause 6.6**

#### 6.6 Vendor Authentication

CRA must have and follow a procedure to identify and authenticate all vendors prior to disclosing consumer information. The procedure must require the CRA to maintain written records regarding the qualification of each vendor who receives consumer information.

**Clause 6.7**

## 6.7 Consumer Authentication

CRA must have and follow reasonable procedures to obtain proof of identity prior to providing any information to a consumer making a telephonic inquiry. The CRA must maintain reasonable procedures to document the information used to identify each consumer to whom consumer information is provided.

**Clause 6.8**

## 6.8 Document Management

CRA must have and follow a written record retention and destruction policy which, at a minimum, complies with all applicable law and regulation.

**Clause 6.9**

## 6.9 Employee Certification

CRA must have and follow a policy requiring all CRA workers to certify in writing they will adhere to the confidentiality, security and legal compliance practices of the CRA.

**Clause 6.10**

## 6.10 Professionalism and Proficiency Training

CRA must have and follow procedures to provide initial and ongoing training to CRA workers, where training is commensurate with specific worker role and responsibilities. CRA must retain records of such training.

**Clause 6.11**

## 6.11 Worker Confidentiality, Legal, and Compliance Training

CRA must have and follow procedures to provide initial and annual training to all workers on confidentiality, security and legal compliance practices of the CRA and maintain records of such training.

**Clause 6.12**

## 6.12 Visitor Security

CRA must have and follow procedures for a visitor security program to ensure visitors do not view or have access to consumer information.

**Clause 6.13**

## 6.13 Responsible Party

CRA must employ one person designated to oversee and administer the accreditation process and ongoing compliance by the CRA, including enforcement of the Accreditation Standard. This person must be vested with the responsibilities and authority attendant to this task, and must be the CRA contact for the auditor and accreditation related matters for NAPBS.

**Clause 6.14**

## 6.14 Document Control

CRA must have and follow procedures for document control and versioning to ensure correct versions of all controlled documents are used.

**Clause 6.15**

## 6.15 Ethics Reporting

CRA must have a process by which CRA workers can anonymously, to the extent possible, report ethical,

compliance, and work product concerns without fear of identification or retaliation based on such reporting. CRA must have and follow a procedure to inform CRA workers of reporting process and anonymity; CRA must have and follow procedures for investigation of reported concerns.