



What HR Managers Need to know About the Evolving NAPBS Accreditation Standards

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The National Association of Professional Background Screeners (NAPBS) offers an accreditation program for Background Screening Firms also known as Consumer Reporting Agencies (CRAs) located in the United States. Governed by a strict and thorough set of professional standards of specified requirements and measurements, the Background Screening Agency Accreditation Program (BSAAP) has become a widely recognized seal of approval bringing national recognition to an employment background screening-affiliated organization for its commitment to achieving excellence through high professional standards with accountability that results in continued institutional improvement.

The BSAAP is both a standard setting and conformity assessment program for CRAs. The governing body for the accreditation program and future personnel certification is the Background Screening Credentialing Council (BSCC).

The BSAAP provides a detailed process for evaluating and improving internal operating procedures that every CRA, and their clients, benefit from. Accredited CRAs have made a commitment to uphold and deliver the highest level of industry standards for the following critical areas:

- Information Security
- Legal and Compliance
- Client Education
- Researcher and Data Standards
- Verification Services Standards
- Business Practices

To become accredited firms must demonstrate initial and ongoing compliance with the accreditation standard as prepared by the Background Screening Credentialing Council (BSCC). Compliance is demonstrated through rigorous desk and on-site audits, all of which are completed by an independent third-party auditor. Firms must document each of their policies and processes as required in each of the areas within the Standard and demonstrate visible compliance with their policies to the auditor. Accreditation lasts for a period of five years, after which time firms are required to recomplete the process if they wish to remain accredited.

As of this writing, there are now 109 Accredited companies—and more are in the process.

There are few reliable statistics on how many employment screening firms there are in the United States. Estimates range from 2000-3000 depending on whether private investigator firms are included. Many of these are very small, perhaps only doing screens for a few employers.

There are about 470 background screening firms that are currently members of NAPBS. Some of these firms are primarily tenant screening with employment screening a small percentage of their business. The 109 firms that have been accredited have reached a significant number providing employers with a good amount of choice in choosing their employment background screening provider.

Employers are increasingly sophisticated in choosing their employment screening partner. They understand that while the industry is highly regulated with the Fair Credit Reporting Act (and state versions of the act), the Driver Privacy Protection Act (and state versions

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of this act) there are no licensing requirements to become an employment screening firm outside of some states' requirements that employment screeners have a private investigation license. The thought that the local nail salon probably has more licensing requirements than their employment screening partner has made employers look for other, more objective means in which to qualify their employment screening partner.

NAPBS Accreditation has become the top objective means in which to evaluate employment screening firms. Several years ago, NAPBS accreditation was a "feather in the cap" of employment screeners that put them above most of their competitors. That has not changed, but NAPBS Accreditation is increasingly becoming a minimum standard when employers choose their employment screening partner. The "Are you a Member of NAPBS" question on 'Request for Proposals' has evolved into "Are you Accredited by the NAPBS."

Insurers Recognizing Accreditation Value

Insurers are increasingly looking at NAPBS Accreditation status when underwriting liability insurance for employment screening firms. Accredited companies are eligible for underwriting credits/savings from more insurers. The employment screening arena is highly litigious and settlements can be huge making this an important benefit for background screening firms.

The accreditation process was developed to assist employment screeners by providing a syllabus of best practices as well as practices to avoid—even if the identified practices were not illegal.

In addition, several sections of the NAPBS Accreditation process addresses the education and certifications employment screeners must provide for their clients. Accredited employment screeners have found that their clients appreciate this education because in many cases it led to updated policies and procedures that shielded them from potential liability.

Likewise, an employment screener that has policies and procedures for client education is less likely to become ensnared in client litigation—to say nothing of the decreased likelihood of becoming involved in litigation because their policies and procedures were lacking.

The NAPBS Accreditation program has proven benefit to both employment screening firms and their clients.

NAPBS Accreditation Standard Revised. Version 2.0 is Here

On October 9, 2017, the NAPBS published a proposed new standard for NAPBS Accreditation. The proposed standard has 68 clauses. The previous standard contained 58. In addition, most of the existing clauses have modifications. Comments from the membership were solicited and many suggestions were received.

The new accreditation standard which was adopted on April 6, 2018 is a substantive change from the old. Companies becoming newly accredited after that date must comply with the new standard.

Currently accredited companies will lose their accreditation if they are not in compliance with the new standard by April 6, 2020. If you are currently using an accredited screener, be aware that if they are accredited under the old (Version 1.0) standard, they will not be accredited after April 6, 2020 unless they certify by that time they are in compliance with the new (Version 2.0) standard.

To re-certify they will need to amend current practices, policies and procedures to the new standard as well as adopt and show compliance with the new stipulations.

The new standard is a higher standard than previously. Many of the new standards increase or introduce new minimums regarding:

- Document Management (similar to ISO standards for ensuring control and accuracy of all documents used in the course of providing services),
- Information Technology Certifications and Assessments,
- Employee credentialing and training,
- Knowledge and compliance with changing laws and regulations.

NAPBS International Accreditation Standard in the Works

Some domestic employment screening firms provide international background checks including employment verification, verification of education credentials, reference, criminal records, credit, reputation, sanction and terror list checks and other information to their clients on applicants that have lived, attended school or worked outside of the United States. International background checks bring another level of complexity and risk to comply with the specific laws of other countries

A special International Subcommittee of the BSAAP is working on an International Accreditation program for background screening companies that provide these services. The BSAAP may also design accreditation programs (or modules) for employment screeners that are located in other countries. Stay tuned for more information on this new developing aspect of accreditation

Conclusion

Earning accreditation is a difficult and arduous process for background screening firms, however, employers that engage the services of accredited background screening firms stand to gain the best possible results.

Choosing an accredited firm is a cost-effective way for employers to stay informed about and navigate the maze of legal requirements that impact background screening without needing to overly invest in staff and resources. This is particularly important as we continue to see growth in FCRA lawsuits. The 2018 Year End Report of The Background Buzz (the leading newsletter for information on background screening) showed that FCRA lawsuits was the number one issue covered during the course of 2018. Other important issues include the influx of new 'ban-the-box' and "salary ban" legislation and numerous state or local requirements.

New "Ban the Box" legislation continues to sweep through states and cities. These new laws prohibit or mandate the timing on when employers may ask the applicant or obtain the applicant's criminal history in the hiring process.

Salary Ban legislation is also on the fast track in many states and cities. These new laws restrict employers from asking applicants about past pay and can affect employment applications and reference checking questions. Les Rosen, CEO of Employment Screening Resources® (ESR) ranked laws prohibiting employers from seeking salary history information about job applicants as fifth on the list of "ESR's top ten background check trends" for 2019. Rosen projects this issue will continue to increase in the united states as the pay equity movement to narrow the gender wage gap between women and men grows in 2019.

Of course, using an accredited background screening firm is not a guarantee that you will not be sued or made a target of an enforcement action, but if you get pulled into the fray you want to have the best possible players on your team that are using established industry standards

In the end, using an accredited background screening firm is your best bet in your effort to hire the best talent to meet your business needs and to provide a safe workplace. Accreditation is being achieved by more employment screeners, many insurers have accepted the value of accreditation, and the accreditation program itself is raising the bar Practices used throughout the industry.

Notification: This article was not written by nor endorsed by NAPBS. For detailed and specific information on the accreditation process visit NAPBS.com.



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