

## Background Screening

In spite of the risk of employing illegal immigrants and people with unsatisfactory personal history, many companies do not conduct background checks on applicants. Background screening can be done on line at a reasonable cost and provides employers protection against employing persons unsuitable for work. Here are some comments from security professionals at companies that use background checks.

- All of our applications for employment are automated. When an individual is selected for hire by a store, the computer automatically sends a background check request to our background check company. We have only designated certain positions within the store (bookkeeper, store management, customer service representative, etc.) to receive these checks. The results are then automatically returned to me within 48 hours of the request. I can also request individual checks on the web through the same company.
- We do routine HR type background checks on all team members. The quality of these has been weak at times and in one case allowed us to hire a convicted bank robber. So, this year our employment coordinators are getting some beefed up training on how and why to do them properly. In terms of criminal background checks, we complete them for bookkeepers, service center staff and security staff. We are going to test, in one region, criminal history on all new hires. We think, based on our internal theft stats, that this will weed out more problems than using drug tests.
- Our background checks include a criminal background check as well as a credit check. Both of these are done with sign-offs by the person being checked. We use background checks on prospective salaried managers, courtesy booth personnel, and loss prevention employees. These are done for new hires and promotions to these positions. We use both in-house and outsource methods to accomplish this. Credit reports are a problem in that there is no scoring scale that I am aware of that is designed for pre-employment checks.
- We require all management, and clerks who handle cash in the office, to have a credit check.
- We have implemented a criminal background check policy for the following positions: store director, assistant store managers, grocery managers, shift managers, customer service managers, asst. customer service managers, office managers, and any associate scheduled to work in bookkeeping. This policy is monitored and enforced by the Human Resource Dept. because they maintain the file on background checks and check them against payroll status paperwork.
- Background checks are done on all LP positions (entry level) this includes security receivers at store levels, promotions into entry-level management positions and promotions within management positions. All background checks go through our Human Resources Department. Background checks are done for drivers of company cars (DL check only for points and violations). This process was recently audited by our external auditing company for compliance.
- Background checks are conducted on new management positions hired from outside of the company or promoted from within, drivers, pharmacist, pharmacist tech., payroll, personnel and security associates. applicant completes a form separate from employment application listing past and present residential addresses, employment history inclusive of D.O.B and Social Security Number. Applicant signs the document authorizing the background check, which includes civil, criminal and credit check. the form is given to Personnel and Personnel forwards the form to Security. Security utilizes a third party to conduct the investigation. The investigation takes two to three days depending where the individual has lived in state or out of state. Third party provides a

written report to Security. Security reviews the report and makes a recommendation to Personnel regarding to hire or not. The investigative report and recommendation is forwarded to Personnel and they make the final decision to place the applicant or not.

- Criminal background checks are performed on all positions and are done on a post-offer basis only. The potential new hire signs a release and Store Managers and HR Recruiters fax the release form to our BC vendor. Our vendor performs record searches at the appropriate county courts. We do not rely on database searches. All results are forwarded from our vendor to our Human Resources department for review. If no criminal activity is reported, the HR department instructs the hiring manager to proceed with hiring the candidate. If criminal activity is reported, the HR and LP departments review the record and make appropriate recommendations. Generally speaking, any criminal activity that falls into the three broad categories of Theft, Drugs or Violence, will cause the offer of employment to be rescinded. Driving records must be clear for commercial drivers and any position wherein a company vehicle is driven. Persons employed in these positions have their licenses submitted to a "pull-notice" service that monitors and reports any driving record activity to our LP/Safety department throughout the year. Drug testing is also performed on all potential candidates on a post-offer basis. The entire process takes between 3-4 business days to complete. The potential candidate does not begin work until after the process is complete.
- We currently complete a criminal background check on all new hires at all levels within the company from hourly to salary positions. This is compared with payroll files to ensure that all have been properly run. We do an additional background check on any associate that is promoted into a position that involves alarm access or key access to our stores. This program has been a great success in protecting assets, as well as protecting us from other possible liability issues.
- We conduct county criminal record checks for all adult hires within the company on a post-hire basis. Our process is a result of the recommendation of our Legal Department. The individual signs an authorization form, which is sent to our Human Resources Department. The forms are sent to our vendor, who performs the checks and notifies the Loss Prevention Department of any convictions. The information is then provided to our Human Resources Department, who compares the information with that of the application, provides the Store Manager with the information, and guides them through the process of termination for falsification of the application.
- We do pre-employment, criminal background and drug screening (in that order) on every associate in the company. This includes, store, distribution, dairy and corporate office personnel. We have specific written policies on who can and can not be hired (based off results) and we audit and post results for compliance once each quarter.
- We recently implemented a policy for doing criminal background checks of key store associate positions. The positions which we consider key for criminal background checks are store director, assistant store manager, grocery manager, any store key carrier, customer service manager, assistant customer service manager, office manager, any associate being trained and scheduled to work bookkeeping. All of the positions have access to or responsibility of the store safe funds, bank deposits, and store cash accountability. We also have a policy in place that criminal background checks are done on all store security associates, DSD receivers, and for store associates working in our two stores that have playlands for customer children to be left while they are shopping in the store. We do felony and misdemeanor criminal checks along with in some case's Social Security checks to help determine city/county locations where the person might have committed an offense.

- At retail, we currently recommend to our members that the following background checks be performed: statewide criminal check, credit history, DMV History, previous employer verification. We recommend these checks for the following positions: loss prevention, store manager, assistant store manager, district manager, controller, or other cash sensitive position such as bookkeeper, receiver, pharmacist.
- We do background checks on management and LP associates both for new hire and promotions - we also do a drug screen for both situations. On new hires, we screen for criminal and work history and for promotion we only screen for criminal.
- We do a credit check on all managers, secretarial, and anyone who has access to the safe money. We do additional checks on management personnel. We have all new associates sign an authorization agreement to allow us to conduct background checks.
- We do background checks on all new hires (office level) for criminal, social security, employment and education. We background all LP applicants for employment, criminal, social security and DMV and play care applicants for criminal and social security whether they are an existing employee or not.
- We conduct current county of residence criminal record checks for all adult hires in all locations due to the unavailability of a state check. Additionally, at the director level and above, we conduct DMV, credit, employment verification, social security number verification, and education verification checks.
- Our stores contract with a private security firm to do background checks. The thoroughness of the background check depends on the level of employment; from non-cash handling employees 18 years of age or to executive level positions. There are five levels in all. The minimum check includes a social security verification and state of residence criminal check, while the maximum check could also include misdemeanor check, federal criminal check, credit check, motor vehicle record, civil, education/certification verification and bankruptcy check.
- We do federal, state and local checks re DMV, credit, civil and criminal; previous employment: for all management positions at store and corporate level, pharmacists and pharmacist tech's, and driver's.
- All new hires are required to complete a county of residence background screen prior to employment or within a reasonable time period thereafter. We have a centralized process. One person monitors the data and manages the program by exception. The stores drive the system by faxing information to an outside service provider. Loss Prevention administers the program. Critical hiring decisions are made by the VP of Human Resources. Loss Prevention provides negative data. There are no written criteria for employment decisions.
- We do not perform background checks at store level.
- We currently do criminal background, drug test, Social Security, DMV and past employer checks on all main office new hires. In addition, at store level, we do the same on all play care employees, loss prevention people. We have been discussing doing all store level employees completely, right now we only do drug tests on all new hires. We do all our own background checks in house via an on line program. The criteria varies, depending on the job that the applicant is applying for.
- We do background checks. We obtain consent first then we can do the check. Corporate security office is responsible for maintaining the program.

- We do criminal background checks on all hourly new hires. The process is centralized. We do have an excellent system where we are able to access the state repository via a PC application in our office. Weekly, Personnel gives us a copy of each new hire's fact sheet and my assistant keypunches the info to do the record check. In other states where we operate, we assign those new hires to the LP Area Supervisor who visits the local courts to perform the checks. In almost every case, if a positive hit is made with regards to a criminal conviction, termination is done based on falsification of employment records. This is done because the applicants usually answer, "Have you ever been convicted of a crime", with a "No". Even on the ones that answer, "Yes", we ask for a detailed account of the conviction history. Usually they leave off some cases and we use that for reason of termination. Although, we do not have written guidelines, on the rare occasion that someone honestly fills out the application, the Director of HR and I review the application and the criminal history. If there is anything that involves drugs, violence, theft or frauds we generally would reject that individual, based on public contact positions and protection of assets.
- We do drug screening on all new full-time hires. We are currently doing hair testing vs. urine testing in a few areas to compare results. We are doing pre-employment criminal background checks in two operational divisions to review the results, cost justify. It is clearly the right thing to do.
- We run criminal background checks on all new-hires, both salaried and hourly employees. We do have a centralized process in the Loss Prevention Office where we obtain the necessary releases from the Human Resources Department along with payroll and forward the information to our vendor. The information is then received back into the Loss Prevention Office where it is then reviewed and a determination is then made as to this being assigned to the appropriate management person to handle with the employee as it pertains to any falsification issues with their application. Our established criteria involves that if the employee has been convicted of any crimes involving, violence, theft or drugs in the last 7 years, they are not eligible for hire. If they have falsified their application, termination is recommended.
- We complete pre-employment screening on all our employment applicants including financial, social security, misdemeanors/felony, DMV, we also at some point in the process drug test. Depending on the position, we will verify education, military, and special licensing. Due to time, volume/expense we got away from attempts to thoroughly verify past employers, however, we are making an effort to get back to that field with renewed vigor now that there are some new legal regulations supporting a response from past employers especially concerning commercial drivers. We also consider deception on any application as a "not clear". We are now in the process of updating and issuing a formal revised policy, however, we will continue to check all the fields listed above. At this time we do not perform background checks for promotions.