

3.4: Background Checks

The Low Down on Background Checks

Many HR Parties of One face difficult situations with background checks. In this episode, we'll give you the lowdown on background checks, including what to do if someone fails a background check.



Background Checks - What the Employer Needs to Know

When making personnel decisions — including hiring, retention, promotion, and reassignment — employers sometimes want to consider the backgrounds of applicants and employees. For example, some employers might try to find out about the person's work history, education, criminal record, financial history, medical history, or use of social media. Except for certain restrictions related to medical and genetic information (see below), it's not illegal for an employer to ask questions about an applicant's or employee's background, or to require a background check.

However, any time you use an applicant's or employee's background information to make an employment decision, regardless of how you got the information, you must comply with federal laws that protect applicants and employees from discrimination. That includes discrimination based on race, color, national origin, sex, or religion; disability; genetic information (including family medical history); and age (40 or older). These laws are enforced by the Equal Employment Opportunity Commission (EEOC).

In addition, when you run background checks through a company in the business of compiling background information, you must comply with the Fair Credit Reporting Act (FCRA). The Federal Trade Commission (FTC) enforces the FCRA. This publication explains how to comply with both the federal nondiscrimination laws and the FCRA. It's also a good idea to review the laws of your state and municipality regarding background reports or information because some states and municipalities regulate the use of that information ¹ for employment purposes.

READ the attached article to learn more.

Source: "[Background Checks - What Employers Need to Know](#)", A joint publication of the Equal Employment Opportunity Commission and the Federal Trade Commission, March 11, 2014.

Conducting Background Checks & the FCRA

When making personnel decisions - including hiring, retention, promotion, and reassignment - employers sometimes want to consider the backgrounds of applicants and employees. If you get background information (for example, a credit or criminal background report) from a company in the business of compiling background information, there are additional procedures the FCRA requires beforehand. This video shares best practices for conducting background checks.



NOTE: A printable PDF is attached below.

3.4: [Background Checks](#) is shared under a [CC BY 4.0](#) license and was authored, remixed, and/or curated by Mabel Gehrett and Western Technical College.