

# BACKGROUND CHECKS

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There have recently been several situations whereby a university/college instructs and/or requires that all chapter advisors and house corporation volunteers submit to what is being referred to as “background checks”. We would like to address the request for background checks from a risk management standpoint.

## Purpose of Background Checks

Background checks have long been used in the hiring process and are designed to protect existing employees, assets, members and other individuals with whom the employee may come into contact. A more recent trend has occurred where some type of background check is required for adults who work with young children, youth or even young adults. “Background check” is a common term; however there are two main types of background checks, each searching for different information and providing different results.

- Criminal Background Checks: This will look into the criminal past of an individual, revealing such things as misdemeanors, felonies, and sexual offenses.
- Credit Checks: A credit check will uncover an individual’s past credit history. This can include loans, mortgages, other lines of credit, and bill-payment histories. Credit reports will not disclose the nature of a problem, such as divorce, medical bills, job loss, etc. In order to qualify to receive credit reports, there are significant compliance hurdles as well as a set up fee.

## Background Checks for Employees

Criminal background checks are considered prudent business practice for employees who have significant control over employer property and for those who manage physical and financial assets as well as any other employees. If you choose to run background checks, it is recommended that you develop a policy which would define the positions that are subject to background checks, as well as how you will act upon the information that is discovered during a background check.

We believe that this may yield *some* benefit to you in the process of hiring employees. However, we have reviewed our worker’s compensation, employment practices and bond claims experience and the claims that occurred with these employees **would not have been predicted from the review of a background check**. As a tool, it can be of use in specific situations of employment such as where an individual handles the expenses or the inventory of the chapter house property.

## Background Checks for Volunteers

Criminal background checks for volunteers have been generally used when adults are working with minors. Because chapter advisors and house corporation volunteers for a sorority work with members who are almost exclusively adults (above 18 years old), this is less of a concern. We see many inherent issues with any requirement of the sororities to subject their volunteers to these types of requests. What is it that the requestor is hoping to achieve with the securing of background checks for the volunteers?

Critical points to consider:

- The organization runs the risk of getting too much information, which if abused and not handled properly could develop into a violation of the volunteers’ right of privacy.
- It would be administratively difficult, if not impossible to maintain any type of a current and accurate list of alumnae volunteers either serving as chapter advisor or as house corporation volunteers.
- If said list is posted but later not maintained, your liability is increased should a volunteer’s name not be on the list and a problem emerge from her actions.
- Alternatively, a posted list may increase the organization’s liability for a defamation of character lawsuit, should a potential volunteer feel that she was unfairly included on such a list

- The cost to secure the background checks would be a significant financial burden upon the organization. Should the university take on this responsibility, it begs the question of why would they want to “invite in” greater liability?
- The member groups have a good system in place to address behavioral issues of their collegiate members however we are less confident in the area of alumni issues. Should some disturbing information materialize from a background check, this may be problematic for the group to deal with the issue.
- If a background check would yield some concerning information on a person, who makes the decision on the volunteer, the university or the sorority?
- Should there be a volunteer who is not allowed to work with a chapter, what problems does this present to their status, as a member of your organization?
- The only way to secure any type of a background check is to have the individuals Social Security number. This is problematic for a number of reasons:
  - Volunteers may be hesitant to release this information
  - Any location that has the SS#'s of individuals has significantly increased their exposure to a data breach claim of this information which is referred to as Personally Identifiable Information (PII)
  - The costs associated with data breach allegations is substantial with the state law requirements of notification, providing credit monitoring services and the reputational harm to the organization
  - The Sorority community has worked very diligently these last several years to eliminate the need for our members SS#'s and this would undo that work and could put the organization at great risk.
  - Volunteers are often hard to engage and retain and the requirement for a background check may deter someone very qualified from volunteering.

The only instance in which we feel the benefits of getting a background check on a volunteer outweighs the risk is for any volunteer who is serving as a treasurer and has access to substantial funds of the organization. A modest credit check may reveal some prior behavior that should be noted.

However, we have also reviewed our past claims of volunteers and, once again, a background check would not have revealed any prior violations and therefore would not have prevented any loss or claims. What we find with these types of claims, primarily embezzlement, that it is an independent action due to current issues facing the volunteer. We do not see “career criminals”, hence diminishing the effectiveness of this risk management tool for our clients.

It is our stance that background checks pose a substantial increase of risk to our clients and we are opposed to this requirement. We fail to see the need for this additional information and in creating this requirement the increased risks far outweigh any potential benefit.

**The following pages address additional research that we have completed on Background Check Providers that we would encourage you to use should this be required or elected by your organization or university.**

## Background Check Providers

### IntelliCorp (Preferred Alliance Partner of Travelers)

Travelers has partnered with Intellicorp to offer comprehensive and affordable background checks for Travelers customers. IntelliCorp is a nationwide provider of comprehensive background checks and employment screening solutions. Refer to [this resource](#) for additional information. Register directly via [this site](#) and [contact your Client Executive](#) for your policy number.