



Background Screening Agency Accreditation Program

Policies and Procedures

December 22, 2009

I. Mission Statement

The Background Screening Agency Accreditation Program advances professionalism in the employment screening industry through the promotion of best practices, awareness of legal compliance, and development of standards that protect consumers.

II. Organization of the Council

The Background Screening Agency Accreditation Program (BSAAP) is both a standard setting and conformity assessment body for consumer reporting agencies (CRAs). The governing body for the accreditation program and a potential future personnel certification will be called the Background Screening Credentialing Council (BSCC).

A. Composition of the Council

The Council shall consist of a minimum of seven, but no more than thirteen (13) members or as amended by the Council, as follows:

- There shall be one public member who is not a member of the CRA profession. In addition, as defined by the U.S. Department of Education, a “representative of the public” is a person who is not a) an employee, member of the governing board, owner, or shareholder of or consultant to an organization that either is accredited or has applied for accreditation by the BSCC; b) a member of any trade association or membership organization related to, affiliated with, or associated with background screening; or c) a spouse, parent, child, or sibling of an individual identified in a) or b).
- There shall be one member who is from a (stakeholder) entity in the background screening industry.
- There shall be one member representative from the International Screening population of our association, not to specify which country.
- There shall be one member representative from the Tenant Screening population of our association.
- There shall be one member representative from the Provider population of our association
- The Chairman will be one of the 13 members of the Council.
- The Chairman of the Council will vote only to break a tie.
- The Vice Chair will be one of the 13 members of the Council.
- A minimum of 8 additional members to spread amongst:
- Current parent association board members (there will be three representatives from the board)
- At large members to include but not limited to past parent association board members
- The Treasurer of the Council will be the Chair of the Finance Committee.
- Staff will be the liaison to the NAPBS Conference Committee.

B. Qualifications

- The Council shall consist of members with the following qualifications:
- No more than one representative from a company (parent company and subsidiaries) may serve on the Council.
- Council members shall, to the maximum extent possible, reflect the diversity in terms of geography and scope of operation to the background screening industry.
- Council members shall be recognized industry professionals and well-respected individuals of the business community, to the maximum extent possible.

C. Relationship with NAPBS

- NAPBS shall have the authority to approve members of the Background Screening Credentialing Council (BSCC).
- The Council shall elect the officers of the Council, upon approval by the NAPBS Board of Directors.
- NAPBS shall grant the Background Screening Credentialing Council the final decision making authority to develop standards for credentialing programs, approve a credentialing process, and make final decisions regarding the awarding of credentials.
- NAPBS will have oversight authority over BSCC to ensure that all credentialing programs developed and operated by the Council are conducted in a fair and equitable manner.
- NAPBS oversight authority will include a requirement that the operation and financial policies and procedures of BSCC shall be approved by the NAPBS Board until such time that NAPBS agrees to grant final approval authority for these policies and procedures to the Council.
- The Council will provide regular status reports to NAPBS regarding all credentialing activities.
- NAPBS will provide staff and financial support for credentialing programs. The Council will be expected to propose an annual budget for the operation of all credentialing programs. NAPBS will exercise final authority in approving such budgets and the accompanying fee schedules for the credentialing program(s).

D. Orientation for New Members of the Council

The council chair and staff shall provide an appropriate orientation to the council members.

Information to be included in the orientations shall include, but not limited to manuals regarding policies and procedures, blank application materials, minutes of previous meetings and various other reports/documents deemed appropriate for this process.

E. Dismissal from the Council

Any member of the Council may be removed from office by at least a two-thirds vote of all Council members for engaging in any conduct or behavior contrary to the best interests of the BSCC.

F. Roles and Responsibilities of the Council Members and the Chair

The role of the BSCC Board members and Chair is as follows:

- Annually review all accreditation standards and propose changes in the standards that reflect best practices in consumer reporting
- At the first meeting of the Council each year, the goals and mission will be reviewed.
- Periodically review all policies and procedures and propose changes in these documents to meet the ongoing needs of the accreditation program
- Periodically review accreditation fees and propose modifications as deemed necessary
- Vote (with the exception of the Chair) on accreditation and decisions
- Participate in subcommittees of the BSCC
- Council members shall not exceed 2 unexcused absences from scheduled board meetings per year.
- Review challenges of alleged non-compliance with standards for accredited CRAs and propose appropriate probation periods and/or sanctions.

The role of the BSCC public member is as follows:

- Serve as a consumer advocate, represent and protect the public interest, oversee the process for fairness and reasonable action
- Advise and make recommendations to the BSCC regarding issues of fairness, due process, and consistency
- Participate in subcommittees of the BSCC as appropriate

The role of the Chair of the BSCC is as follows:

- Call meetings of the Board
- Preside at meetings and prepare agendas
- Serve as one of the official spokespersons for the Board
- Prepare an annual report summarizing the work of the Board
- Appoint of chairs of BSAAP committees
- Review with NAPBS staff complaints brought against accredited CRAs and suggest appropriate action, if warranted, to the BSCC
- Only vote to break a tie

G. Terms of Office and Appointments

Initial Council

- The first Chairman will serve a one-year term.
- The first Vice Chairman will serve a one-year term.

- The first Treasurer will serve a one-year term.
- All members will serve a one-year term.

Members

- Members of the Council shall be appointed by the NAPBS Board of Directors and shall serve one-year terms.
- There are no limits on the number of terms a Council member may serve.
- The Chairman will serve a one-year term.

H. Staff

The Executive Director shall serve as the chief staff position supporting the accreditation program.

I. Confidentiality and Conflicts of Interest

- Access by the Council Members to the information submitted as part of the accreditation process shall be limited to only those specific responses and clauses which are needed to assess an applicant's accreditation eligibility and/or those responses and clauses under appeal. All of the items of information submitted by an Applicant to the accreditation Auditor shall be kept confidential and accessible only to the Auditor unless released otherwise by the Applicant.
- All Council members and committee members will sign a confidentiality and conflict of interest statement agreeing that they will hold all accreditation application and decision information confidential and that they will recuse themselves from any discussion of applications where there is a personal or professional affiliation that might have an impact on the deliberations of the Board/Committee.
- The Chair will ask if any Board member(s) has a potential conflict of interest to declare prior to any discussion on each application for accreditation.
- In addition, all information obtained during the review of an application is only for use by the staff/Council member(s)/auditor(s) in the conduct of their assessment activity and shall not be disclosed to any other individuals except when expressly authorized by the Council.

J. Committees

The Background Screening Credentialing Council ("BSCC") shall develop standing and ad hoc committees to achieve its mission and goals. The Chair of all committees must be a BSCC member. The Chair of the BSCC appoints all committee chairs for one (1) year terms. Chairs may be reappointed for up to three (3) total terms as chair. Committee Chairs appoint the members of their committees with the approval of the BSCC Chair. Committee membership may include CRA's and other professionals other than BSCC members.

Standing committees shall include the following:

Standard Committee

- Standard Committee will review the Standard on an annual basis of the Standard and make any recommendations to the Council.
- Any requests for changes or revisions to the Standard shall be submitted through the Executive Director.
- The Standard Committee will be responsible for developing the interpretive guidance needed to explain a Clause or criteria to potential applicants or stakeholders.

Governance Committee

- The Governance Committee shall be responsible for all affairs of the Council related to the manner in which the Council is governed to include, but not limited to, the composition of the Council, appointment to the Council, orientation, roles, dismissal, terms, staff relations, confidentiality and conflict interest, etc.

Policies and Procedures Committee

- The Policies & Procedures Committee shall be responsible for issues regarding the accreditation process, audit procedures, application procedures, applicant intent, etc.

Marketing & Communication Committee

- The Marketing & Communication Committee shall be responsible for developing and implementing the marketing and communication plan associated with the introduction of the accreditation program and generating interest among the membership, the industry, public officials, and the general public.

Finance Committee

- The Finance Committee is responsible for developing a proposed annual budget for the accreditation program and for proposing fees for accreditation services. The Chair of this Committee shall be a BSCC member.

III. COUNCIL OPERATIONS

A. Standard

The BSCC is responsible for developing and updating the Standard and supporting documentation that helps ensure quality in background screening. The sections of the Background Screening Agency Accreditation Program (“BSAAP”) Standard include the following:

- Consumer Protection
- Legal Compliance
- Client Education
- Researcher and Data Product Standard
- Verification Service Standard
- Miscellaneous Business Practices

Agencies must demonstrate conformity with all clauses in these sections to achieve and maintain accreditation.

BSCC will review all of the Standard clauses and Audit Criteria at least once a year with the annual review process commencing with the seating of the BSCC each year. BSCC will consider the input of key stakeholders and other members of the community of interest in developing new clauses or revising existing ones. **Prior to initial acceptance and implementation of the BSAAP, the review process outlined below will be executed beginning with Step 2.**

The process for review and approval of any new or updated clauses is as follows:

1. Initial Review/Recommendations for Change - The Standard Committee will review the Standard and make suggestions for updates based on legislative concerns, industry standards, external feedback and applicability to the overall program. The changes will be documented in such a manner as to be easily recognizable as changes to the Standard for the reader.
2. Post for Public Review/Comments. Sufficient public notice will be provided for any new or updated clause(s) and a period of at least ninety (90) days will be required for public input on any proposed changes to the Standard or Audit Criteria (“Comment Period”). The primary contact for each NAPBS member in good standing who is eligible to vote, will receive a letter via First Class Mail outlining the Comment Period, the process for submitting comments and the process by which the BSCC will review and address comments, as well as directions on where and how to locate accreditation materials on the NAPBS Web site
3. Posting of Comments Received – Within three (3) business days of the close of the Comment Period, Staff will publish all comments which have been received including the name of the person and company submitting the comment in a “member only” location on the NAPBS Web site for review by all members. Any comments that are delivered to NAPBS after or outside of a Comment Period will be forwarded to the BSCC for review at the next scheduled annual Standard review cycle.
4. Response to Comments – Within thirty (30) days of the close of the Comment Period, the BSCC will publish a written response to the comments in a “member only” location of the NAPBS Web site. The response may include indication that specific clause(s) may be under review.
5. Review/Recommendations for Change – In order to provide sufficient time for the review and revision of clauses as needed, no later than thirty (30) days after the responses to the comments have been posted, the BSCC will publish in the NAPBS *Journal*, and by email notification to each primary member of NAPBS in good standing eligible to vote, as well as on the NAPBS Web site, the date by

which the BSCC will publish the new/updated Standard and Audit Criteria for review by the NAPBS membership.

6. Posting of New/Updated Standard - After preparing a final version of any of the clauses or associated Audit Criteria, the new Standard and Audit Criteria, if amended, will be posted on the NAPBS Web site (www.napbs.com). Email notification of the posting will be made to each primary member of NAPBS in good standing eligible to vote.

7. Membership Vote – Within thirty (30) days of the posting on the NAPBS Web site of the new/updated Standard and Audit Criteria for membership review, NAPBS will hold a vote of the general membership by electronic ballot to approve the new Standard and Audit Criteria. Note: for the initial review, the approval will be for the formal rollout of the BSAAP. A simple majority is required for approval.

This process will renew and continue until the Standard and Audit Criteria are approved by the voting eligible NAPBS membership.

Upon approval by the membership, all accredited agencies and agencies in the process of accreditation will be notified of the changes. Accredited agencies will have 6 months from the date of this notice or publication on the NAPBS Web site to conform and attest to conformity of the new Standard in their next Interim Surveillance Review or renewal.

Interested agencies should refer to the NAPBS web site for a current copy of the Standard.

IV. Accreditation Policies & Procedures

A. Jurisdiction

The BSAAP as described herein is applicable to Employment Background Screening in the United States of America. Accredited Agencies which have a presence in other countries or agencies which conduct other types of background screening (i.e. Tenant Screening) should not publicize or otherwise imply that they are accredited in any other country than the United States or for any other type of screening other than Employment Background Screening.

B. Accreditation Process

The following steps are part of the BSCC accreditation process:

1. The agency desiring to be accredited should obtain and review the Standard and Audit Criteria. A current version of the Standard and Audit Criteria is available at www.napbs.com
2. The agency determines if they are eligible to apply for accreditation. The eligibility requirements are as follows:
 - The agency must agree to comply with the BSAAP Accredited Agency Code of Conduct.
 - The agency must not have any unresolved NAPBS or BSCC complaints or grievances of any kind. This includes complaints against the NAPBS Code of Conduct and/or BSAAP Accredited Agency Code of Conduct.
 - The agency must not have had their NAPBS membership revoked for any reason.
3. The agency is encouraged to attend NAPBS accreditation training sessions as they are available and/or review the training documentation available online in order to fully prepare for their application.
4. The agency should conduct a readiness review prior to submitting their application. Agencies should not submit their applications until they believe they are in substantial conformity with all of the clauses and Audit Criteria, and can document conformity in an acceptable fashion.
5. Agencies should complete and submit the Letter of Intent to Apply for Accreditation Form on NAPBS's website or in hard copy to the NAPBS staff at least six (6) months prior to submitting their application materials.
6. Agencies should then submit the completed application with the required fee to BSCC headquarters. See attached Form #1 - Application
7. BSCC staff/consultants will review application materials to determine whether the application is complete, and the application fee has been paid. Staff will also confirm the agency's conformance with all current eligibility requirements.
8. Agencies with complete applications will then be provided information to access the online self-evaluation program. The applicant will have a period of six months from the date this program is made available to complete the self-evaluation process. Extensions may be granted in this time frame for acceptable cause.
9. Once the online self-evaluation process is complete, the agency will be required to certify their submission. Once the submission is certified, the online self-evaluation program will be frozen and no further modifications or updates can be made.

10. The Auditor will conduct a thorough desk review of the application and self-evaluation materials submitted. There may be requests for clarification of materials provided or some additional information regarding conformity with specific clauses. This review may include, but is not limited to the following documentation:

- Required policies and procedures
- Copies of cover pages of required documentation
- Job descriptions and resumes
- Required evidence of use of BSAAP Standard
- Security Plans
- Sample Conformity documents
- Client & Vendor Agreements
- Training Materials
- Client Education Materials
- Proof of Insurance

11. After the auditor has reviewed all submitted materials, a mutually agreed upon date will be determined for the site visit within a reasonable time period.

12. The Auditor will conduct a one to two (1-2) day onsite inspection at the agency's primary office. The Auditor will validate conformity with the Standard and Audit Criteria in place and verify the accuracy of materials submitted as part of the self-evaluation process. This onsite inspection is designed to ensure agency's processes are not just on paper but that they are integrated into the everyday workflow for the agency. Based on the clause to be reviewed, the auditor may ask to see work in progress in order to verify conformity. We anticipate a one (1) day onsite inspection unless there are unusually circumstances related to demonstrating conformity with the Standard.

An Agency with multiple locations must verify conformity in all locations as the BSAAP accreditation process does not provide for partial or process-based accreditation. It is the Agency's responsibility to bring together into one location all applicable representatives from all locations who are authorized to certify to conformance with company policies, procedures, and processes, etc. which the Auditor will need in order to complete the audit.

The auditor will make every effort possible to review all necessary documentation while at the Agency's location, therefore negating the necessity to take proprietary information offsite.

13. The Auditor will prepare an Audit Findings Report which will be made available to the Agency within 2 weeks of the conclusion of the site visit. The agency has 10 business days to respond to the Auditor prior to the report being provided to the BSCC. At which time, the Auditor will make a recommendation of findings to the BSCC regarding the potential accreditation of the agency. At the auditor's discretion,

the agency may be allowed to submit minor additions/clarification of materials prior to the preparation of the auditor's final recommendation to the BSCC.

14. The BSCC will review the audit findings and will render a decision regarding the application. This decision will be forwarded to the agency within 10 business days of the conclusion of the Council meeting where the decision was rendered via mail or email. No verbal response information will be provided by BSCC or staff regarding Council accreditation decisions.
15. Accredited agencies will be provided with a certificate suitable for framing, a sample press release for media distribution, and graphics/art work with the BSCC logo including an explanation of limitations and proper use of this mark.
16. If accreditation is denied, the applicant agency has the right to appeal.

See Attachment 1 for a flowchart of the accreditation process.

C. Fees and Charges

1. A \$3,500 NAPBS member / \$5,250 non-NAPBS member application fee has been established for this accreditation. This fee assumes a "desk review" process and one day of onsite review. Additionally the agency applying for accreditation will be responsible for the travel expenses of the auditor during the onsite review. Should the onsite review take more than one day, the agency will be responsible for the auditor costs (travel and professional fees). This application fee covers the first 5 years of accreditation. This fee does not include the cost of the Interim Surveillance Audit.

Should an agency choose not to complete the application process after submission of the application fee, yet prior to any Auditor assessment, 75% of the fee is refundable. Fees are not refundable for withdrawals of application after the commencement of work by the auditor.

2. During the 3rd year of the accreditation, the agency must undergo an Interim Surveillance Audit. Accredited agencies will pay a non-refundable \$750 NAPBS member / \$1,100 non-NAPBS member fee for this audit. This fee assumes a desk review process prior to the completion of the third year of accreditation.
3. All accredited agencies will have to renew their accreditation during the fifth year of the process. The renewal fee will be \$3,500 NAPBS member / \$5,250 non-NAPBS member. The renewal application will be the same process as the initial accreditation application and review. Fee refunds will be available as outlined in Section 1 above.
4. The fees do not include the costs that any individual agency might incur in modifying its services or programs to comply with accreditation requirements.

5. Should an agency initiate an appeal, due to the costs associated with the appeal, there is a non-refundable appeal fee of \$1,000.
6. Unannounced visits may be conducted in certain situations as described in Section F. No fees are charged to an accredited agency for unannounced visits.
7. Agencies should be aware that fees are subject to change based upon a periodic review and update of the accreditation fee schedule. See Attachment 2 for Chart of Fees

D. BSCC Review Cycles

Initially BSCC meetings are held monthly via a telephone and/or Internet conference. It is anticipated that there may be 2-3 meetings per year in person. BSCC meetings are not open to the public with the exception of the meetings held at the NAPBS Annual Conference and Mid-Year Meeting. Should the council be considering or discussing items specific to accreditation applicants, personnel matters, or legal matters, the Council shall enter "Executive Session" which shall be closed to all persons other than Council members. The exact dates of these meetings will be posted on the NAPBS website. Determination of an agency's request for accreditation will occur at the BSCC meeting immediately following the completion of the application and assessment processes and upon presentation of the audit findings report to the BSCC.

Applications are accepted in the chronological order of submission.

In order to maintain fairness and opportunity for all Agencies, the first six (6) months of approved accreditations will be announced to the agencies themselves and to the public at the same time concurrently. After the initial six (6) month accreditation cycle, newly accredited agencies will be notified by the BSCC upon approval. At the discretion of the BSCC, the six (6) month initial accreditation window may be extended.

E. Accreditation Decisions

The following accreditation decisions may be rendered regarding an agency:

1. Accreditation for five years may be granted for agencies that have demonstrated conformity with the current Standard. Continued accreditation is granted upon fulfilling their interim review processes as required.
2. Accreditation Denial may be rendered for agencies that fail to demonstrate conformity with all clauses. The agency is provided with feedback describing the details of the non-conformities. Agencies can re-apply for accreditation.

F. Renewal Process

The BSAAP accreditation will be for five (5) years. In order to ensure ongoing conformity with existing clauses, new clauses, changes in business processes of the agency as well as confirmation on areas of recommended improvement from the initial audit, an Interim Surveillance Review will take place in the third year of the accreditation cycle. This review will be lesser in nature than the initial desk review and onsite audit, however it will help maintain the conformity of the Agency in the ever-changing background screening environment.

An institution seeking renewal for a five (5) year term must do the following:

1. Interim Surveillance Review

- a. Prior to the end of the third year of accreditation, the agency must submit written information for the interim review in order to ensure ongoing conformity. The interim review will consist of a desk review emphasizing the provision of evidence that the Agency is still in conformity with the Standard and has achieved conformity with any updates to the Standard/Audit Criteria, a review of progress on all recommendations from the initial decision, and identification of any material changes within the Agency's organization. Staff will send a reminder to the agency at the end of the second year of accreditation. Submission of an Interim Application and fees must be received approximately six (6) months prior to the end of the third year of the accreditation cycle. See Attachment #3 for a flowchart of the 3-Year Interim Surveillance process and Form #2 for the Interim Application.
 - b. Staff will remind the agency of the upcoming renewal at approximately the end of the fourth year of accreditation.
2. Within the fifth year of accreditation, Agencies must submit in writing a Letter of Intent/renewal application at least six (6) months prior to the expiration of its current accreditation. The renewal application will essentially be the same process as the original application. See Attachment #4 for a flowchart of the 5-Year Renewal process.
 3. If evidence of non-conformity with the Standard is identified at the 3-year or 5-year assessment, the agency will be provided an opportunity to submit a plan of correction with appropriate time lines.
 4. Agencies found to be non-conforming with the Standard will be placed on probation for a specified time period, to be determined by the BSCC based on the severity of the non-conformity, until the conformity problems are resolved to the satisfaction of the BSCC. CRAs that fail to resolve noted conformity problems risk losing accreditation status.

G. Surveillance

The BSCC surveillance process consists of the following components:

- Required interim review prior to the conclusion of the third (3rd) year of accreditation
- Required renewal at the conclusion of the five (5) year accreditation cycle
- Potential for selective auditing of any agency's application materials at any time during accreditation status
- Responsiveness to complaints and questions originating with the BSCC
- Availability for random or unscheduled onsite visits for cause

H. Voluntary Withdrawal of Accreditation

Agencies or accredited CRAs may withdraw from accreditation at any time. A written letter signed by the President/CEO/Owner/Officer of the Agency should be sent to the BSCC documenting this request. No accreditation fees are refunded in conjunction with voluntary withdrawals of accreditation.

I. Complaints Regarding Accredited Institutions/Programs

BSCC does not intervene in disputes between Agencies and their principle stakeholders or other agencies. BSCC intervention is only considered when allegations question conformity with the current accreditation Standard and/or violations of the Accredited Agency Code of Conduct.

1. Introduction:

- A. The Accredited Agency Code serves as an Agency Code of Conduct for accredited BSAAP Agencies (hereafter referred to as "Agencies" for purposes of these Procedures). Agencies of BSAAP, as a condition of Accreditation and/or membership, acknowledge their commitment and agreement to uphold its principles and provisions. Violations of the Accredited Agency Code of Conduct or BSAAP Accreditation Standard may result in sanctions imposed under these Agency Procedures.
- B. The grounds for disciplinary action are one or more material, demonstrable violations of any provision of the Agency Code or Accreditation Standard. Multiple alleged violations of the Agency Code or Accreditation Standard may be consolidated, at the discretion of the Chairman of the BSCC (as such term is defined below), into a single complaint (as such term is defined below).

- C. These Agency Procedures shall apply to all complaints, allegations, inquiries, or submissions involving a potential violation of the Agency Code or the Accreditation Standard (hereinafter collectively referred to as “complaints”) received by NAPBS or the BSCC about an Agency, whether initiated by another Agency, an Officer, employee, or agent of NAPBS, or other third party.
- D. Actions taken under these Agency Procedures do not constitute enforcement of any law, although referral to appropriate federal, state or local government agencies may be made about an Agency's conduct in appropriate situations. Persons bringing complaints are not entitled to any relief or damages by virtue of this process, although they will receive notice of the actions taken. Complaints essentially of a commercial nature (such as claims alleging defamation by or unfair business practices of a competitor), or primarily requesting judicial-type relief, may not be considered under these Agency Procedures unless they also involve potential violations of the Agency Code or Accreditation Standard.

2. Development and Administration of Agency Procedures

- A. The BSCC is responsible for the development and administration of these Agency Procedures; however, the BSCC Grievance Committee (the “Committee”) is delegated to administer these Agency Procedures on behalf of the BSCC.
- B. The Chairman of the Committee (the “Chairman”) is specifically responsible for ensuring that these Agency Procedures are implemented and followed consistently and objectively.
- C. All Committee members, BSCC members, NAPBS employees, and other individuals engaged in investigations or decisions on behalf of the BSCC and NAPBS with respect to any Complaint under these Agency Procedures are indemnified and shall be held harmless and defended by NAPBS against any liability arising from such activities to the extent permitted by law, provided such individuals act in good faith and with reasonable care, without gross negligence or willful misconduct, and do not breach any fiduciary duty owed to NAPBS or the BSAAP. No individual who (directly or through his or her family or business) has any personal or private business involvement in or connection to the alleged misconduct or any other conflict of interest shall be permitted to participate in the review and resolution of the grievance or complaint. Any such involvement or connection shall be immediately disclosed by the affected individual to the Committee and to the BSCC.

3. Complaints

- A. Complaints may be made and transmitted by any person to the Chairman of the Grievance Committee, or any member of the Committee, (collectively, “Complaint Recipients”). Complaints shall only be received in writing or submitted to NAPBS staff and the complaining individual shall be identified in

the communication. If any person, not an Accredited Agency, submits the Complaint then the complaint shall contain a comprehensive description of the nature and scope of the alleged violation. If any person, who is an Accredited Agency submits the complaint then the complaint shall contain and identify the nature of the violation and must cite the particular section or clause of the Accredited Agency Code of Conduct or BSAAP Accreditation Standard which was violated. Upon receipt of the complaint, either in written form or electronic transmittal, the Complaint Recipient, which receives such evidence, shall promptly forward it to the Chairman of the Grievance Committee. Moreover, all credible evidence of Agency Code or Accreditation Standard violations received by a Complaint Recipient, or of which a Complaint Recipient becomes aware shall be subject to mandatory written referral by the Complaint Recipient to the Chairman. Such referrals shall be subject to these Agency Procedures. All Complaints received by any person other than a Complaint Recipient should be immediately directed to a Complaint Recipient or the Chairman of the Complaint Committee.

- B. Direct or indirect retaliation of any kind by NAPBS or its officers, BSCC, directors, employees, members, or agents against any individual that makes, initiates or is involved in the making of a Complaint is strictly prohibited. This prohibition on retaliation shall be enforced strictly by the BSCC and the NAPBS Board. Similarly, Complaints made with knowledge of their falsity, in whole or in part, are strictly prohibited. This prohibition on the making of knowingly-false Complaints may be enforced by the BSCC to the fullest extent possible, to include a recommendation to NAPBS of expulsion.
- C. Upon receipt and preliminary review of each Complaint, the Chairman may conclude, in the Chairman's sole discretion, that the Complaint: (1) contains facially unreliable or insufficient information or (2) is patently frivolous or trivial. In such cases, the Chairman may determine that the Complaint does not constitute a potentially actionable Complaint that would justify bringing it before the Committee for determination of whether there has been a material violation of the Agency Code or Accreditation Standard. If so, such Complaint shall be dismissed without prejudice by the Chairman, and notice to its submitter of such action shall be provided by the Chairman in writing. All such preliminary dispositions of Complaints by the Chairman shall be immediately reported in writing to all members of the Committee, with a copy to the BSCC Chairman and to NAPBS' general counsel.
- D. If a Complaint is deemed by the Grievance Committee Chairman on a preliminary basis to be a potentially actionable Complaint, the Grievance Committee Chairman shall see that written notice is provided to the Accredited Agency whose conduct has been called into question, advising the member Accredited Agency that an investigation is being initiated. The Chairman also shall provide written notice to the individual who submitted the Complaint that the Complaint is being reviewed by the Grievance Committee.

4. Review of Complaint

- A. For each Complaint involving an alleged violation of the Agency Code or Accreditation Standard that the Chairman believes is a potentially actionable Complaint, the Chairman shall authorize an investigation into its specific facts or circumstances to whatever extent is necessary in order to clarify, expand or corroborate the information provided by its submitter, and in order to assist the Committee in making a determination as to whether charges (and, if so, what charges) against the member should be brought. The Committee may be assisted in the conduct of its investigation by NAPBS staff, legal counsel, and/or outside experts, provided that no such staff person, legal counsel, or outside expert has any actual or apparent conflict of interest with respect to the matter and provided such individuals agree to maintain the complete confidentiality of the investigation. Both the individual submitting the Complaint and the Agency who is the subject of the charge also may be contacted by the Committee or its agents for additional information with respect to the Complaint. In addition, the Committee or its agents may contact such other individuals who may have knowledge of the facts and circumstances surrounding the Complaint.
- B. The Committee shall then determine whether the Complaint warrants the bringing of charges under these Agency Procedures against the Accredited Agency who is the subject of the Complaint. If the Committee concludes that charges should be brought, it shall prepare written charges and a written report explaining the alleged aggrieved conduct and why such conduct constitutes grounds for disciplinary action under the Agency Procedures. If the Committee concludes that no charges should be brought, it shall dismiss the charges without prejudice and so notify the BSCC Chairman, Committee Chair and Agency in writing. All such dispositions of Complaints shall be immediately reported in writing to all members of the Committee, with a copy to the BSCC Chairman and to NAPBS's general counsel. Whether or not charges are brought, for all Complaints, the Committee should determine whether the matter should be referred to another Agency engaged in the administration of law, and, if so, should promptly do so.
- C. If the Committee recommends that charges be brought, the Chairman shall notify the Agency to be charged and send the Agency a copy of the charges and the Committee's report. The Chairman shall advise the member that an investigation will be conducted and that a hearing will be held, providing the member with the proposed date and time for such hearing. The member shall be advised that he or she may request the opportunity to submit information or arguments contesting the charge in person or in writing, by submitting such request to the Committee within thirty days from receipt of the notice (or such other period established by the Committee, if any). The member also shall be advised that he or she may have the right to review evidence to be presented at the hearing and that he or she may be represented by legal counsel. The Agency shall be sent a copy of these Agency Procedures.

- D. All investigations and deliberations of the Committee are to be conducted in strict confidence to the extent possible, except that the Committee shall be permitted to disclose any relevant information when compelled by law or to parties essential to the review and investigation of the alleged misconduct. All investigations and deliberations of the Committee shall be conducted objectively, without prejudice of any kind. An investigation may be directed toward any aspect of a Complaint that is relevant or potentially relevant.
- E. The Committee hearing may be held in person, or by telephone, electronic or video conference if the member does not request the opportunity to appear in person. The Chairman shall preside and make evidentiary and other procedural rulings with the advice of NAPBS's general counsel. If a hearing is held with the charged Agency present, the Chairman shall, in his or her discretion, determine the rules of evidence and for oral presentations by the parties, as advised and approved by NAPBS's general counsel. Written statements may be accepted as evidence. If witnesses appear, they shall be subject to cross-examination. The Agency may be accompanied and represented by legal counsel at all times, at the Agency's sole discretion and expense.
- F. Notwithstanding the above, at any time during this process, the Chairman may engage in discussions with the Agency for the purpose of achieving an acceptable agreed-upon resolution. Any such resolution would be subject to approval of the Committee.

5. Determination of Violation

- A. Upon completion of its investigation and the hearing, the Committee shall determine by majority vote, upon a preponderance of the evidence, whether or not there has been a violation of the Agency Code or Accreditation Standard, and whether the BSCC should impose sanctions. When the Committee finds that there has been a violation, it also shall recommend imposition of an appropriate sanction. If the Committee so recommends, a written determination with a proposed sanction shall be prepared under the supervision of the Chairman, and shall be presented by a representative of the Committee to the BSCC and the NAPBS Board, along with the record of the Committee's investigation and deliberation. Written notice of the Committee's determination, the proposed sanction, and the fact that the matter will be reviewed by the BSCC shall thereafter be provided to the charged Agency. If the Committee determines that a violation has not occurred, the Complaint shall be dismissed with prejudice, with written notice thereof provided to the affected member, as well as to the individual who submitted the Complaint. A summary report also shall be made in writing to the BSCC.
- B. If the individual who made the complaint or is the subject of the complaint is a current member of the BSCC, that individual shall be barred from any

involvement by the BSCC and shall not engage in any meetings by the BSCC on the subject.

- C. If a violation is found and sanctions are recommended by the Committee, the BSCC shall review the recommendations of the Committee based upon the record presented. The Agency charged may submit a written statement to the BSCC prior to the BSCC making its decision, but may not otherwise appear before or participate in the BSCC's deliberations. The BSCC may accept, reject or modify the Committee's determinations either with respect to the determination of a violation or the recommended sanction to be imposed, or may send the matter back to the Committee with instructions for further deliberations or actions. If the BSCC agrees by the affirmative vote of not less than a majority of a quorum that a violation has occurred, then the determination and imposition of a sanction, as determined by the BSCC based on the affirmative vote of not less than a majority of a quorum, shall be promulgated by written notice to the affected Agency, as well as to the individual who submitted the Complaint, if the submitter agrees in advance and in writing to maintain in confidence whatever portion of such information is not made public by the BSCC. If the BSCC determines that a violation has not occurred, then the Complaint shall be dismissed without prejudice, with written notice thereof provided to the affected member, as well as to the individual who submitted the Complaint.

- D. The BSCC may consider a recommendation from the Committee that the Agency in violation of the Agency Code or Accreditation Standard should be offered the opportunity to submit a written assurance that the conduct in question has been terminated and will not recur. The decisions of the Committee to make such a recommendation and of the BSCC to accept it are within their respective discretionary powers. If such an offer is extended, the affected member must promptly submit the required written assurance to the BSCC, and the assurance must be submitted in terms that are acceptable to the BSCC, including but not limited to any probationary period, if required by the BSCC. If the BSCC accepts the assurance, then written notice thereof shall be provided to the affected member, as well as to the individual who submitted the Complaint, if the submitter agrees in advance and in writing to maintain in confidence whatever portion of such information is not made public by the BSCC. Complaints disposed of in this manner shall be deemed to have been disposed of without prejudice.

- E. All examinations of the record by and deliberations of, the BSCC are to be conducted in strict confidence to the extent possible, except that the BSCC shall be permitted to disclose any relevant information when compelled by law. All examinations of the record and deliberations of the BSCC shall be conducted objectively, without prejudgment of any kind.

6. Sanctions

The BSCC may impose such sanctions as it deems appropriate upon an Agency whom the BSCC has determined to have violated the Agency Code or Accreditation Standard. The sanction applied must reasonably relate to the nature and severity of the violation, focusing on reformation of the conduct of the affected member and deterrence of the same or similar conduct by others.

The potential sanctions include:

1. Written reprimand to, or censure of, the Agency (combined with any probationary period, if desired);
2. If the Accredited Agency receiving the sanction is a member of the BSCC, suspension by the BSCC from membership on the BSCC for a designated period of time (combined with any probationary period, if desired);
3. Suspension or Revocation by the BSCC of Accreditation for a designated period of time (combined with any probationary period, if desired);
4. Recommendation by BSCC to the NAPBS Board for permanent expulsion by NAPBS of the member from membership in NAPBS or from applying for Accreditation.

Once one or more of the above sanctions is imposed, the Complaint shall be deemed to have been disposed of with prejudice. For each of these sanctions, a written summary of the determination and the sanction, along with the Agency's name, may be published, in the sole discretion of the BSCC, in a printed or electronic medium that is distributed to all other NAPBS members and Accredited Agencies. Agencies having their accreditation suspended or revoked, must cease using and/or displaying the accreditation logo, and generally stop publicizing themselves as an accredited entity during the period of suspension or revocation.

7. Resignation

If an Agency who is the subject of a Complaint voluntarily resigns (in writing) his or her accreditation during the pendency of a Complaint under these Agency Procedures, the Complaint shall be dismissed without prejudice and without any further action by the Committee or the BSCC. The Agency may not seek accreditation for a period of five (5) years from the effective date of his or her resignation. However, the BSCC may communicate the fact and date of the Agency's resignation, and the fact and general nature of the Complaint that was pending at the time of resignation, to or at the request of one or more government Agencies engaged in the administration of law. Similarly, in the event of such resignation, the individual who submitted the Complaint shall be notified in writing of the fact and date of the resignation and that the BSCC has dismissed the Complaint (without prejudice) as a consequence.

See Attachment #5 for the Complaint/Grievance Process

J. Appeals of BSCC Decisions

1. Appealable Decisions include the following:

- Denial of eligibility for accreditation
- Denial of accreditation
- Denial of renewal of accreditation
- Sanctions related to accreditation
- Revocation of accreditation

Agencies must submit to the NAPBS Staff, written documentation requesting an appeal or in the case of revocation of accreditation, a Letter of intent to appeal within thirty (30) days of the receipt of the written decision of BSCC. For revocation situations, an additional thirty (30) days is allowed for submission of appeal documentation. The written documentation should specify the grounds on which the appeal is based. A nonrefundable fee of \$1,000 must be submitted in U.S. dollars with the letter of appeal for all appeals except those for denial of eligibility for accreditation.

See Attachment #6 for a flowchart of the Appeal Process.

1. Appeals Panel - BSCC will appoint an Appeals Panel consisting of three (3) individuals. This panel shall consist of one current member of the NAPBS Board of Directors not currently on the BSCC, and two current members of the BSCC, until such time as former members are available. At that time, two former members of the BSCC will be on the Appeals/Grievance panel in addition to the one NAPBS Board Member. None of these individuals shall have had any formal affiliation with the CRA filing the appeal and the panel should not include the BSCC member responsible for the initial review of the Audit Findings Report. The Appeals Panel will conduct their work and render a written decision within 60 days of their appointment.

2. Appeals Decisions - The Appeals Panel shall render a decision on any allegations of procedural error or making a decision with insufficient evidence to support it. Appeals regarding the structure of the existing and published Standard are not accepted however, appeals regarding conformity with the existing and published Standard are acceptable. The Appeals Panel may render a decision to uphold the BSCC decision or refer the matter back to the BSCC for reconsideration in light of the panel's findings regarding procedural violations or substantive error(s), at which point the BSCC will render the Appeal Decision. A written copy of the Appeals Panel/BSCC decision shall be sent from the BSCC to the appealing agency. On successful appeals, all applicable announcements and benefits will be made or reinstated.

K. Non-Conformity

Any agency determined to be out of conformity with required clauses will be contacted by BSCC regarding the submission of an acceptable plan of correction to address the deficiencies. Allegations of non-conformity may also require an unannounced visit to the agency's facility. Agencies determined to be non-compliant with BSCC requirements may be placed on probation for a specified period of time. Agencies that fail to implement an acceptable plan of correction risk losing accreditation. Revocation of accreditation will occur only after an agency has been given an opportunity to respond to the allegations or other basis for determining non-conformity. The BSCC will be responsible for making determinations regarding non-conformity and for proposing an appropriate probation period and/or sanction depending upon the severity of the issue at hand. While on probation, an agency is deemed to still be accredited.

L. Records

All information submitted during the accreditation process becomes the property of BSCC. BSCC will, at a minimum, maintain the following records for 7 years regarding its accreditation program:

- Initial applications and self-evaluation materials
- Renewal applications and self-evaluation materials
- Records of probation decisions
- Records of revocation of accreditation decisions
- Appeals recordsArchives of the approved, published Standards and Audit Criteria with effective dates

All hard copies will be destroyed upon the award of the accreditation and only electronic copies maintained on the secure web server.

In addition administrative records will be kept including the following:

- Minutes of BSCC meetings
- Copies of all policies and procedures
- Copies of BSCC annual reports
- Documentation of development and editing of clauses

All BSCC members have signed statements agreeing to keep all information reviewed as part of the accreditation process confidential. All accreditation records will be kept in a secure and locked location under the control of or within the purview of NAPBS. Staff or volunteers that are not working on the accreditation program will not have access to the application materials. Additionally, in most cases the entire application would only be reviewed by staff, consultants and individual BSCC members rather than the entire BSCC. Official materials will not be solely maintained at a Council or Committee member's location. Access is limited to BSCC members and BSCC staff working on accreditation. Upon conclusion of a Council or committee member's term, all copies of official documents not directly relating to that individual member are to be destroyed,

deleted or returned to the designated NAPBS record retention location.

Council members will return all application materials and review records to BSCC staff at the conclusion of any meetings where review work is conducted.

M. Release/Disclosure of Accreditation Information

1. Status of Accreditation

BSCC Staff will provide to any inquiring parties the names of all agencies that have achieved and currently maintain accreditation status. All other levels of involvement in the accreditation process are considered to be confidential information by the BSCC and shall be kept accordingly. The BSCC does not confirm or deny that a specific agency is involved in any phase of the accreditation process prior to achieving accreditation. This includes the first six months of the BSAAP.

The detailed content of accreditation reviews is also confidential. This information will only be disclosed to the agency unless BSCC receives a written request from the agency indicating who else should receive this information, or **if BSCC is required to release specific accreditation review information by a court order or subpoena** and to the extent permitted by law, BSCC will attempt to provide prior notice to the participant in the event that a subpoena or other lawful demand is made for non-public information pertaining to that participant's participation in the NAPBS program. With such notice, the participant then could seek to intervene in an effort to block the disclosures, if they chose to do so.

2. Redaction of Proprietary Information

All documents submitted to BSCC become property of BSCC and should be marked as *Proprietary and Confidential* by the agency if appropriate. The agency has the right to redact any proprietary information it deems necessary from all documentation. However, the redaction of information should not be of such magnitude to alter the BSCC's ability to utilize the documentation to properly review and assess the agencies preparedness for accreditation. Documents which are overly redacted and deemed unusable by the auditor and/or the BSCC may be rejected and may result in an adverse accreditation decision.

O. Assistance during the Accreditation Process

The Audit Criteria to the clauses have been designed to minimize the questions associated with the accreditation requirements. However, should an agency need assistance, all questions should be directed to Staff at info@napbs.com.

P. Mergers/Acquisition/Change in Ownership of Accredited Agencies

In the event of a change of structure or control of an accredited agency, the accreditation

may or may not remain valid. Accredited agencies involved in mergers or acquisitions must inform (in writing) BSCC of the new acquisition status within 30 days of the close of the transaction. This notice to BSCC should include the following:

1. A comprehensive description of the business structure of the new entity
2. Timeline for providing a transitional conformity plan to the BSCC.

The transitional plan should detail how the newly combined Agency intends to maintain or bring other facilities/entities in line with accreditation conformity. The BSCC will review the new business structure and how the relationship of the original accredited agency is contained within the new business entity in order to determine whether the accreditation remains valid or will require re-audit and/or re-application.

Unaccredited agencies involved with a merger or acquisition with an accredited agency are not allowed to claim to be accredited or use the Accreditation Logo until approved in writing as being in conformity by the BSCC.

Q. Glossary of Terms

Accreditation – A conformity assessment process where an organization or agency uses experts in a particular field of interest or discipline to define or recognize standards of acceptable operation/performance for organizations/entities and measure conformity with them.

Agency or Agencies - The entity seeking or having received accreditation from BSCC.

Agency Code – BSAAP Accredited Agency Code of Conduct by which all accredited entities must abide.

Audit Criteria – The criteria used to determine conformity with a clause.

Board – NAPBS Board of Directors

BSAAP – Background Screening Agency Accreditation Program

BSCC – Background Screening Credentialing Council - The governing body for the accreditation program.

Clause – Each component of the Standard describing criteria with which to conform in order to achieve accreditation.

Council – BSCC or Background Screening Credentialing Council - The governing body for the accreditation program.

Letter of Intent – Letter to be submitted by an Agency as the first step and indication of their intent to apply for accreditation.

Self – Evaluation – The process in which an Agency submits information and documentation in support of their demonstration of conformity with accreditation standards.

Staff – NAPBS Staff, currently IMI Association Executives

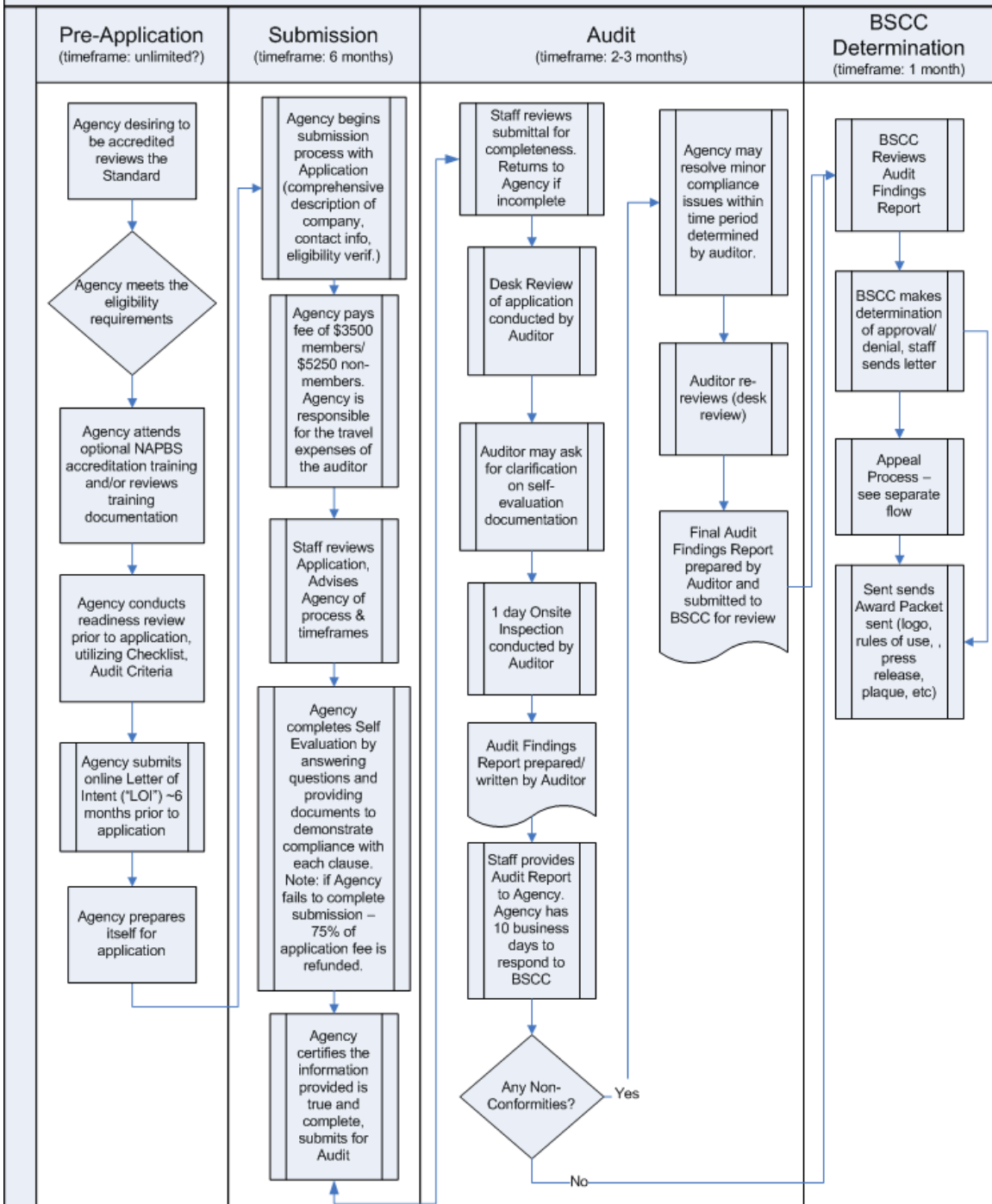
Standard – BSAAP Accreditation Standard

Surveillance – As it relates to accreditation, the process of monitoring and review of an accredited Agency for ongoing conformity with accreditation standards.

These policies and procedures were approved on April 15, 2009

Attachment 1

Background Screening Agency Accreditation Program (BSAAP) – 04/15/09

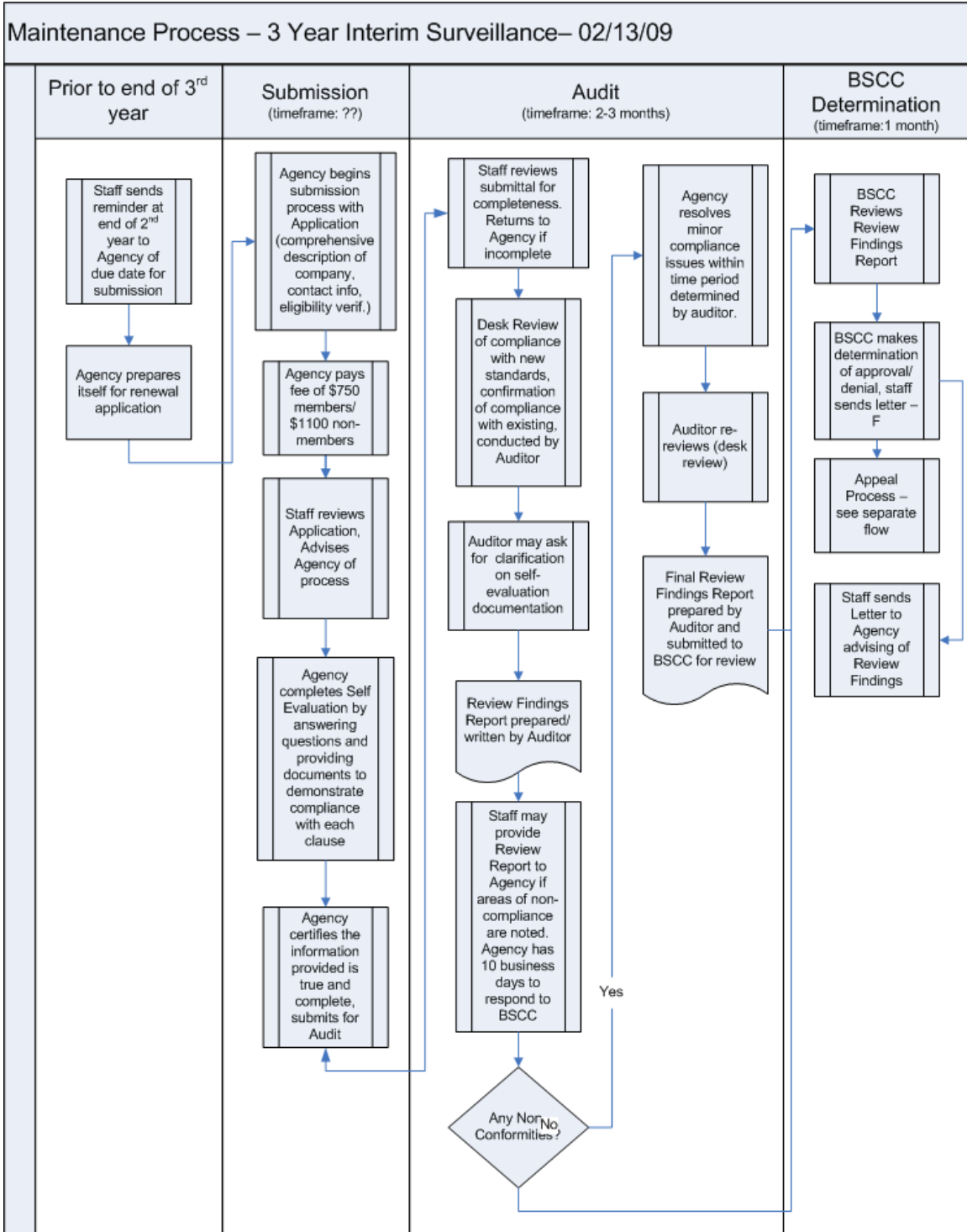


Attachment 2

Fees and Charges for 5 year NAPBS Accreditation (NAPBS Member)		
Fees	Timeframe	What's included
1-time fee \$3500 plus travel expenses for auditor onsite (estimated to be \$1000-\$1500, subject to location of Agency) – Additional fees may apply for audits longer than 1 day.	Prior to Accreditation Approval	Application fee, includes desk review and onsite audit
	In Year 1	
	In Year 2	
1-time fee \$750	In Year 3	For Interim Surveillance Review (to ensure continued conformity)
	In Year 4	
1-time fee \$3500 plus travel expenses for auditor onsite	In Year 5 (but for the next 5 years)	Application renewal fee, includes desk review and onsite audit

Fees and Charges for 5 year NAPBS Accreditation (non-NAPBS Member)		
Fees	Timeframe	What's included
1-time fee \$5250 plus travel expenses for auditor onsite (estimated to be \$1000-\$1500, subject to location of Agency) – Additional fees may apply for audits longer than 1 day.	Prior to Accreditation Approval	Application fee, includes desk review and onsite audit
	In Year 1	
	In Year 2	
1-time fee \$1100	In Year 3	For Interim Surveillance Review (to ensure continued conformity)
	In Year 4	
1-time fee \$5250 plus travel expenses for auditor onsite	In Year 5 (but for the next 5 years)	Application renewal fee, includes desk review and onsite audit

Attachment 3

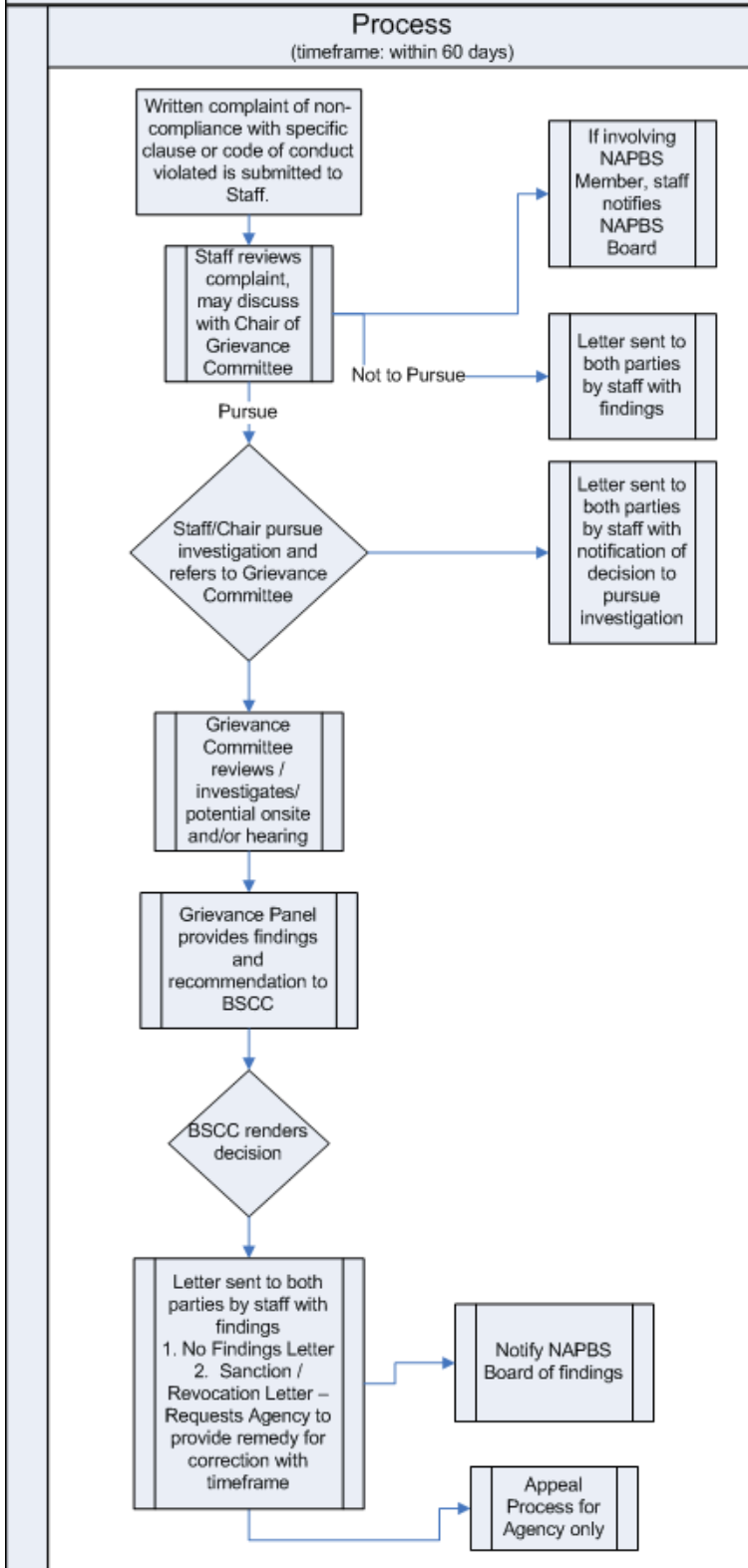


Attachment 4



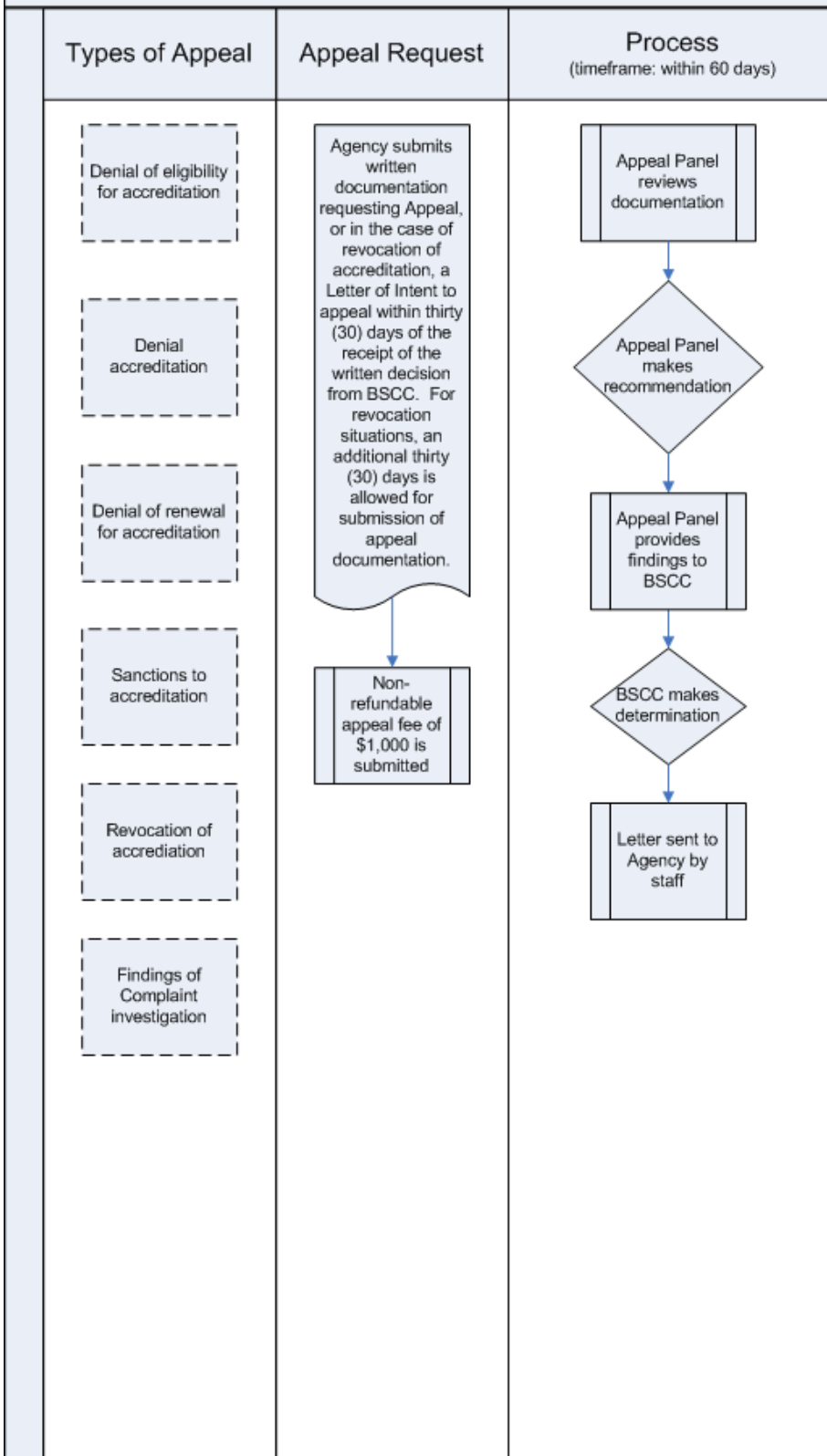
Attachment 5

BSAAP Complaint/Grievance Process – 02/13/09



Attachment 6

BSAAP Appeal Process – 02 13 09



Form #1 – Application Packet
Form #2 – Accreditation Approval Letter
Form #3 – Accreditation Denial Letter
Form #4 – Interim Surveillance Process Reminder Letter
Form #5 – Renewal Process Reminder Letter

Form #6 – Complaint/Grievance Process Letter – Not Pursuing Investigation to Complainant
Form #7 - Complaint/Grievance Process Letter – Not Pursuing Investigation to Complaint Recipient
Form #8 – Complaint/Grievance Process Letter – Pursuing Investigation to Complainant
Form #9 - Complaint/Grievance Process Letter – Pursuing Investigation to Complaint Recipient
Form #10 - Complaint/Grievance Process Letter – Final Findings to Complainant - Dismissed
Form #11 - Complaint/Grievance Process Letter – Final Findings to Complaint Recipient - Dismissed
Form #12 – Complaint/Grievance Process Letter – Final Findings to Complainant - Sanctions
Form #11 - Complaint/Grievance Process Letter – Final Findings to Complaint Recipient - Sanctions