

COMMERCIAL INVESTIGATIONS LLC

# CI TIMES



## CLIENT BACKGROUND INVESTIGATIONS

COMMERCIAL INVESTIGATIONS LLC recommends CLIENT BACKGROUND INVESTIGATIONS as a prudent part of prospective and current client vetting processes. A key element to mitigation of business risk is in client acceptance and continuation policies and procedures. These policies and procedures are designed to provide a reasonable assurance of minimizing the possibility of association with a client whose management lacks integrity.

As an example, the integrity and reputation of a client's management could reflect on the reliability of a CPA firm's financial representations and accounting records; therefore, reflecting on the CPA firm's reputation and possible involvement in litigation. CI's services will assist you in identifying and rejecting prospective clients of questionable reputation that may involve a high risk of litigation or regulatory investigation. In addition to assisting with prospective clients, CI's CLIENT BACKGROUND INVESTIGATIONS also assists in mitigating risks associated with existing clients. On an annual basis (or earlier as necessitated by a significant change in management, directors, owners, legal counsel, financial condition or nature of the client's business) you should determine if it is prudent to update a client's past background investigations.

CLIENT BACKGROUND INVESTIGATIONS constitute good business practice and are generally expected as standard practice and proper due diligence by CPA firms and other heavily regulated industries. CLIENT BACKGROUND INVESTIGATIONS are important for all businesses who extend credit to customers, especially large accounts that could harmfully affect

your cash flow and the stability of your business.

There is no established precedent of what constitutes prudent CLIENT BACKGROUND INVESTIGATIONS. However, there are many types of information available and accepted as part of an investigation that will enable you to better monitor clients and avoid situations that could escalate into crises.

Although CI's services are completely customizable, there are established background investigations options to choose from. Available options include COMPANY BACKGROUND INVESTIGATIONS at the basic, moderate or ideal level and KEY INDIVIDUAL BACKGROUND INVESTIGATIONS also at the basic, moderate or ideal level.

CI typically recommends focusing CLIENT BACKGROUND INVESTIGATIONS on issues involving financial difficulties, fraud allegations, bankruptcies, judgments, liens, ties to organized crime or terrorist groups, securities violations, regulatory investigations including SEC sanctions, management reputation and management performance at prior companies. You may also consider focusing on civil and criminal litigation actions initiated by and against the client and identified key personnel. In addition, consider performing a search of local and national media for information regarding the client and identified key personnel.

Companies should utilize CLIENT BACKGROUND Investigations as a core basis for prudently approving prospective and continued clients. Contact a CI representative for assistance in implementing an effective CLIENT BACKGROUND INVESTIGATIONS policy.

### INSIDE THIS ISSUE:

CLIENT BACKGROUND INVESTIGATIONS	1
CIWARE CLIENT CLUE: RED BOXES	1
MEET DUE DILIGENCE IN 2006	2
INQUIRY SPOTLIGHT: EMPLOYMENT VERIFICATION	2
ANNUAL BACKGROUND INVESTIGATIONS UPDATES	2
EDUCATIONAL OPPORTUNITIES	3
ABOUT CI	3

### CIWARE CLIENT CLUE

#### RED BOXES

CIWARE will not allow you to submit a request unless all information in the required fields have been completed. Boxes outlined in red are required fields.

Clients should always supply as much information as possible, even if it is not required. This allows CI staff to evaluate all data provided against results obtained to ensure definitive subject identification, results accuracy, and improved turnaround time.

For further assistance with CIWARE, contact a CI representative.

## MEET DUE DILIGENCE IN 2006

If you haven't already met Due, or even if you have, 2006 will be an interesting year for him. You'll have the opportunity to meet him, or get reacquainted with him starting in January. Continue to stay tuned to CI TIMES throughout 2006 and you'll be able to see what Due has been up to.

We will follow Due through specific circumstances as they relate to **BACKGROUND INVESTIGATIONS** concerning his criminal record, credit, tenant and work history.



**Would You Hire Due?**

**Would You Rent to Due?**

**Would You Date Due?**

**Would You Use Due as a Vendor?**

**Would You Consider Due as a Client?**

**Would You Allow Due to Be a Volunteer in Your Organization?**

**Find Out In Volume 3!**

## ANNUAL BACKGROUND INVESTIGATIONS UPDATES

This is the perfect time of year to update your **BACKGROUND INVESTIGATIONS**. The most common information employers update, usually on an annual basis, is the **MOTOR VEHICLE REPORT**. This is a requirement that can be imposed by the organization's insurance carrier.

Sometimes annual updates are imposed on certain industries such as the **OIG Exclusion List** check, which must be performed annually by all health care entities that receive federal funds. Also, criminal record updates are conducted on an annual basis for some employees.

The newest arrival to annual updates is the credit report. This has been sparked by the

fact that most fraud is committed by long term employees and one-third of small businesses fail due to employee impropriety.

Make sure your **Background Investigations Consent Form** has language, like CI's, that allows you to utilize the authorization for both pre-employment and current employment investigations.

Contact CI for batch inquiry pricing and the data elements required to get your annual updates done now. Order your annual updates before the end of 2005 and receive an additional discount off CI's standard batch processing prices.

### ∞ INQUIRY SPOTLIGHT ∞

#### EMPLOYMENT VERIFICATION

CI's **EMPLOYMENT VERIFICATION** is a valuable inquiry that provides validation of the subject's employment including dates, position, eligibility for rehire and reason for leaving. CI's **EMPLOYMENT VERIFICATION** starts with the subject's supervisor. The supervisor, or other verifier, is asked a series of questions about the subject regarding character, relationship and communication style, team work and problem solving ability. CI also asks questions regarding the subject's acceptance of constructive criticism, shortcomings and accomplishments.

The subject's supervisor is also asked whether they would recommend the subject for a position of trust and responsibility. CI's **EMPLOYMENT VERIFICATION** concludes with a scale interview where the supervisor ranks the subject from 1 to 10, with 10 being excellent, on various attributes including character, attitude, attendance and dependability.

CI's **EMPLOYMENT VERIFICATION** is completely customizable. CI clients can choose to alter the standard interview and incorporate changes specific to their organization or industry.

To add CI's **EMPLOYMENT VERIFICATION** inquiry to your requests contact a CI representative.

## EDUCATIONAL OPPORTUNITIES

CI takes an educational approach to sales and marketing. During 2005 CI staff members were involved in providing monthly educational presentations to various organizations and associations. CI staff members enjoy sharing their knowledge about BACKGROUND INVESTIGATIONS. CI has presented various topics concerning company responsibility and Due Diligence regarding hiring practices and privacy issues. Audience evaluations consistently rank CI's presentations high in educational value.

CI is currently scheduling educational opportunities for 2006. If your group or organization would be interested in scheduling an educational presentation please contact CI.



This publication is designed to provide accurate and authoritative information with respect to the subject matters covered. It is distributed with the understanding that CI is not engaged in rendering accounting or legal services.

### CI'S GOALS

Provide thorough, timely and accurate private investigative services.

Maintain a high standard of quality and client service.

Promote solutions through relationships and dedication.

Diversify services offered by industry and location of clients.

Grow through continued reinvestment in the company.

## COMMERCIAL INVESTIGATIONS LLC

**A Full Service Licensed  
Private Investigative Agency**

[www.commercialinvestigationllc.com](http://www.commercialinvestigationllc.com)

[info@commercialinvestigationllc.com](mailto:info@commercialinvestigationllc.com)

Troy NY 12180

Phone: 518-271-7546

Fax: 212-937-3858

Services provided include:

### BACKGROUND INVESTIGATIONS

CI provides accurate, timely, cost effective and fully compliant reports delivered with exceptional client service.

### CONSULTING SERVICES

CI assists you in implementing a compliant background investigation process as well as providing assistance in implementing in-house procedures.

### SURVEILLANCE SERVICES

CI offers high quality surveillance reports and supporting documentation derived through the use of the latest available technology.

### PROCESS SERVING

CI delivers timely, cost effective, compliant and fully documented process serving that is delivered with exceptional client service.

### MYSTERY CUSTOMER

CI provides detailed reports documenting your operations or that of your competitors.

### COMPETITIVE INTELLIGENCE

CI assists you in gaining a competitive edge with discrete, thorough and valuable intelligence.

### CI MISSION STATEMENT

Dedicated to providing innovative Private Investigative solutions to its clients and working with them to develop tailored services that meet their needs.