

COMMERCIAL INVESTIGATIONS LLC

CI TIMES**2006 IN REVIEW: INDUSTRY NUMBERS**

According to the Society for Human Resource Management, over 80 percent of employers now conduct background screening. By comparison only about half of employers ran background checks in 1996.

Industry experts claim that employers lose negligent hiring suits 60 percent of the time and the average verdict award is \$870,000.

Background screening providers report criminal hit rates ranging from as low as 4 percent in the education industry to over 16 percent in the construction industry. Overall industry wide, 8 to 10 percent of those screened have criminal record hits. Construction, automotive and retail are three industries with higher hit ratios for criminal records.

According to KPMG, industry statistics show that in 2006, 5 percent of total criminal record checks revealed a criminal record in the last seven years and 43 percent of total credit checks had a judgment, lien, bankruptcy or collections record. Over the last 5 years, driving records with 4 plus violations have been stable at 5 percent.

The U.S. Department of Justice statistics still indicate that most crimes are committed a short distance from the criminal's residence. So, although a 7 year criminal history search based on residence is not perfect, it is still statistically effective.

Discrepancies in education verifications were up from 2005 to as much as 20 percent. Discrepancies related to disclosed past employment continues to increase and some screening companies report as much as 50 percent of employment verifications contain conflicting data.

Drug testing related to employment purposes has been increasing but the percentage of positive results of those tested has continued to decrease. According to *The Background Investigator*, "In 1988, 13.6

percent of those tested had a positive result for drugs, compared with 3.8 percent in 2006." There are several explanations for this beyond declining drug use. In 1988, a higher percentage of those employers utilizing drug testing were in manufacturing. As with criminal history, adverse results will vary depending on geography or industry. Today with more companies in different industries performing drug testing, more types of candidates are screened.

The majority of drug users are employed by small businesses. Drug users have become accustomed to being tested and have migrated to those companies not testing—typically small businesses. Also, more companies have instituted random and post-accident testing, which could also account for some of the decline. The bottom line is that although the percentage of positive results has declined, the number of companies testing has risen. Therefore, it's important to test so that your company is not a targeted employer for drug users.

Aside from drug testing, there appears to continue to be an upward trend in adverse reports. There are several possible explanations for this. More companies are performing screening and more companies are screening all employees, not just managers.

The depth of screening continues to increase along with the number of inquiries per subject. The scope of products offered in the industry continues to expand and provides a means for employers to hire the best possible employees for their organizations. Contact CI to review your background screening policy and make sure you are hiring the best possible candidates.

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CLIENT CLUE**SSN & ADDRESS**

What's that name doing on my SSN & Address Information report?

Criminal record searches typically originate from the results of a SSN and Address Information inquiry. This inquiry reveals names and addresses of the subject, from which CI determines the appropriate jurisdictions in which to run criminal record searches.

The data searched in the SSN & Address Information inquiry comes from many different sources. The majority of the data comes from the credit bureaus and relates to the subject's applications for credit and the name and address disclosed on those applications. Because of the manual process involved in entering all that data, there is room for error. A typo or misreading of hard to read penmanship can lead to a name and address being associated with a specific SSN. Very rarely, when other names and addresses show up in the results is it a case of identity theft.

DUE DILIGENCE: CYBER INVESTIGATION REPORT

This month we review Due Diligence's Cyber Investigation report from CI. CI's Cyber Investigation can be a valuable component of a background investigation. This inquiry can help verify applicant supplied information by comparing resumes, applications and consent forms with an applicant's online presence. Reviewing an applicant's online presence can be a tool for screening out undesirables early in the hiring process or simply getting a better picture of who an applicant is beyond a resume.

CI's Cyber Investigation includes a review of an applicant's online presence including MySpace, Facebook, LinkedIn and Plaxo as well as many other social and professional networking sites and employment databases. CI's Cyber Investigation also includes a review of archived or "cached" web pages.

CI searched national job search sites Careerbuilder.com, Monster.com as well as local job sites CapitalAreaHelpWanted.com and Propelity.com. CI found a resume posted by Due on Monster.com. This resume showed Due used an alternate e-mail address other than the primary one he provided on his application. CI searched for profiles linked to this e-mail address and uncovered a MySpace profile under Bad Diligence. Bad Diligence appears to be an alias used by Due Diligence. This was determined through the photographs posted as well as matching school and company data.

Bad's web presence shows that he has a strong interest in the use of illegal drugs. There are several movie quotes in reference to these activities as well as pictures posted of potential drug use.

In Bad Diligence's MySpace blog, he has bad mouthed his supervisors, co-workers and employers. Bad Diligence has joined MySpace groups related to marijuana, methamphetamines and other drug use in general.

CI also searched several employment databases based on social security number. This search uncovered an extensive history of employment that includes undisclosed employers and brief tenures.

View CI's complete Cyber Investigation report on Due Diligence here:

<http://www.commercialinvestigationllc.com/DueDiligenceCyberInvestigationSampleReport.pdf>

See the links to the right to view Due's online pages and see if you can spot the inconsistencies and incriminating data he has posted.

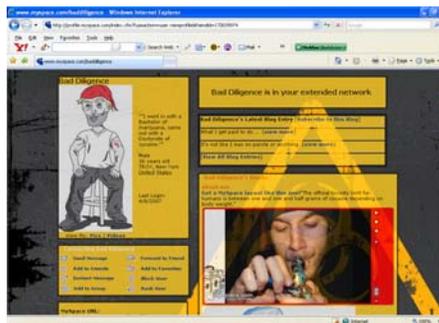
Due's MySpace page:

<http://www.myspace.com/duediligence2>



Bad's MySpace page:

<http://www.myspace.com/baddiligence>



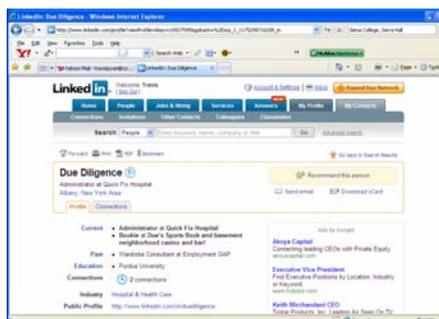
Due's Facebook page:

<http://www.facebook.com/profile.php?id=552825663>

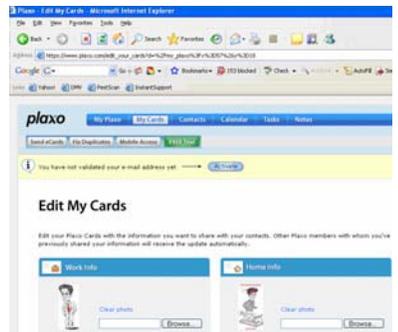


Due's LinkedIn page:

<http://www.linkedin.com/in/duediligence>



Due's Plaxo cards:



MYSPACE REVEALS BAD DILIGENCE

MEET DUE DILIGENCE

Last "Scene" from Due

In the last edition of CI Times, we reviewed Due's web presence, including his MySpace, LinkedIn and Facebook pages. This month we review CI's Cyber Investigation report. You can view the entire report at:

<http://www.commercialinvestigationllc.com/DueDiligenceCyberInvestigationSampleReport.pdf>

To see Due's past reports, view his page online at www.commercialinvestigationllc.com/duespage. Read previous issues of CI Times to see the full details of Due's life at www.commercialinvestigationllc.com/Newsletter.

STAFF PROFILE: MEAGAN NESTLEROD, INVESTIGATOR TRAINEE

When I first learned of Commercial Investigations LLC, I knew instantly that it was a company I wanted to pursue working for. Not only was I attracted to the criminal aspect of background investigations, but also the quality of employees, their excellent reputation, and the ability to grow with a young company in a growing industry. With CI, I have the opportunity to communicate with courts, locate and access criminal records and interpret criminal results. Working with the CI team has allowed me to put my knowledge of criminology and criminal justice into action as well as my passion for the field.

Originally from Mechanicville, New York, I graduated early from Le Moyne College in Syracuse with a Bachelor's degree in Criminology and Crime and Justice Studies and a minor in Sociology. While at Le Moyne, I was a teaching assistant for three sociology classes, secretary of the Crime Club, member of Ameri-Corps, and worked on campus in the Resident Life/Office of Judicial Affairs. Additionally, I earned recognition as a member of Pi Gamma Mu (International Honor Society in Social Science) and Alpha Phi Sigma (National Criminal Justice Society). Le Moyne confirmed my passion for criminal justice studies through volunteer groups and classroom instruction.

After graduating from Le Moyne, I began working for CAPTAIN Youth and Family Services, Inc. in Clifton Park as an administrative assistant. I also had the opportunity to work very closely with the community through various programs and events such as the Volunteer Income Tax Assistance Program (VITA) where I served as the site coordinator. I also volunteer at CAPTAIN's Treasures and am certified as a TIPS (Training in Intervention Procedures) trainer for Southern Saratoga County. I am also active on the Palms of the Oasis, Inc. Board of Directors, Friend of the Clifton Park/Halfmoon Library and volunteer for the Saratoga County Youth Court.

My volunteer work, experience, and love of research within the field of criminal justice make me a perfect fit for Commercial Investigations LLC and the background investigations industry. Over the years I have learned the importance of working as a team with a high attention to detail, solid communication, and ability to follow a task through to completion. More importantly, I have learned and realized the profound impact one person or group can have on another. I look forward to being your Proactive Truth partner with Commercial Investigations.

∞ INQUIRY SPOTLIGHT ∞

CYBER INVESTIGATION

An employer's interest in a subject's online life, because of its potential effect on their business, necessitates CI's CYBER INVESTIGATION. A subject's online life relates to:

- How a subject might follow a company's IT protocol by providing a track record of responsible use of information systems including data protection.
- Involvement in illegal activity and/or groups with concerns that are adverse to a company's products and services.
- Offensive postings and activities by a subject that may reflect negatively on the employer and jeopardize its reputation.

Starting with a subject's cyber identities and disclosed online activities, CI's CYBER INVESTIGATION searches through current and archived Internet sites. The search includes an exclusive illicit activity search of current and archived sites identified as potential places for illegal and offensive behavior. This exclusive search covers data collected over a seven plus year period.

For more information on CI's CYBER INVESTIGATION inquiry, or to add this inquiry to your current requests, please contact a CI representative.

COMMERCIAL INVESTIGATIONS LLC

A LICENSED PRIVATE INVESTIGATIVE AGENCY

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

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.

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