

# CI TIMES



## Be Aware of the FCRA

Most of you know that FCRA stands for the Fair Credit Reporting Act, but do you know its history and why it is so important to know your obligations? Whether you are a CRA, End User, Furnisher, Reseller, or Consumer you are affected by and have duties under the FCRA. So let's start from the beginning...

The FCRA was originally enacted in 1970 to primarily target the traditional credit reporting agencies. However, amendments in 1996, 2003, and in connection with the Consumer Financial Protection Act (CFPA) in 2000 have drastically changed the impact of the FCRA. Under the CFPA the Federal Trade Commission (FTC) shares enforcement authority with the Consumer Financial Protection Bureau (CFPB). The biggest impact these changes have had are on the background screening industry.

The five groups that are affected by the FCRA are Consumer Reporting Agencies (CRA's), End Users, Furnishers, Resellers, and Consumers. The first group, Consumer Reporting Agencies or CRA's are *any person which, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties*. Commercial Investigations LLC is a CRA and as a CRA we have five basic duties under the FCRA. We must maintain "reasonable procedures" to assure "maximum possible accuracy", we can only provide consumer reports to those with a "permissible purpose", we conduct "reinvestigations" in the event of a consumer dispute, we make "disclosures" to consumers, and we must always properly dispose of consumer information.

The second group is End Users, which are *the persons/entities who intend to make use of the information contained in a consumer report for a "permissible purpose"*.

End Users are our clients, such as employers and landlords. As an End User our clients have three basic duties. They must provide a certification to the CRA, they must make disclosure to and obtain authorization from the consumer, and they must comply with the adverse action requirements.

The third group affected by the FCRA is the Furnishers. The Furnishers are *persons/entities that supply information to CRAs, which information is included in consumer reports*. Examples of this are banks and other credit grantors. Furnishers have two basic duties. First they must report accurate information and second they have to conduct reinvestigations when disputes occur.

The fourth group is the Resellers. A Reseller is *1. any consumer reporting agency that assembles and merges information contained in the database of another consumer reporting agency or multiple consumer reporting agencies concerning any consumer for purposes of furnishing such information to any third party and 2. does not maintain a database of the assembled or merged information from which new consumer reports are produced*. Resellers have two basic duties under the FCRA. First they must inform the CRA from which it obtained the report of the identity and permissible purposes of the End User and second they must maintain reasonable procedures to insure that the End User has a permissible purpose.

The fifth group affected by the FCRA is the Consumer. This is the last group but possibly the most important. The Consumer is the subject of the background investigation. Unlike the other groups affected by the FCRA the Consumer has many rights and few duties. The Consumer has the right to reasonable procedures and an accurate report, disclosures, authorization, adverse action protections, and dispute/reinvestigations. ... *Continued on page 2 . . .*

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### CI Webinar Series

Our 2014 monthly webinar series has proven to be a great success. Did you know you can see the recorded presentations and PowerPoint slides? The recordings can be found here:

[www.commercialinvestigationsllc.com/CIWebinarSeries.html](http://www.commercialinvestigationsllc.com/CIWebinarSeries.html)

The PowerPoint presentations are on our Slideshare page found here:

[www.slideshare.net/CommercialInvestigations/presentations](http://www.slideshare.net/CommercialInvestigations/presentations)

Our most recent—July: Primary Source Verification vs Simultaneous Notice

August 28 11:00 AM ET: Cursory Indicator New York

September 25 11:00 AM ET: VolChecked

October 16 11:00 AM ET: Meet the CI Staff

November 20 11:00 AM ET: Volunteer Backgrounds Best Practices

December 18 11:00 AM ET: The CI Client Audit

If you would like to receive email notifications regarding our webinar series, please contact us at 800-284-0906 or [info@commercialinvestigationsllc.com](mailto:info@commercialinvestigationsllc.com).

## Due Diligence: Resisting Temptation

In our May edition of CI Times, Due had run into a situation that could potentially jeopardize his volunteer work with Clean Slate Disaster Relief. This would mean his contract with the town park could be terminated because they had asked Due to volunteer with Clean Slate Disaster Relief and help those in need from Hurricane Sandy. While awaiting his court date, he had been trying to keep his mind off of the possibility that unknowingly stealing Ray Robinson's truck could cost him his volunteer position, his contract with the town park and his reputation. All he could focus on were the positives; he had established a comfortable, friendly living situation with his old friend Crystal Glass and knew in his heart he was innocent in the mixed up truck situation. All he had to do was hope his old friend Hot Rod and his Dad, Ray Robinson, would recognize how far he had come in his life and they would explain to the authorities that this was all a misunderstanding. However, Due's luck has never run a very long, positive streak. Will this finally be a situation that works out in Due's favor?

It had been four months and Due felt more confident than ever that after his court hearing, he could leave a free man; ready to start back with Clean Slate Disaster Relief and redeem himself and his reputation. He told himself he would behave like a Saint and keep his act together while awaiting his court date. He had picked up a small, part-time job, that thankfully does not do background checks, at a local pizzeria. He could not afford to get denied another job because of Commercial Investigations catching all of his illegal actions.

Unfortunately, bad luck came Due's way

again and his contract with Clean Slate Disaster Relief had been terminated. The company could not afford to hold onto hope that Due was innocent for months on end while he awaited his court date, so they had to move on. This news brought Due's confidence down tremendously and he began to feel like he should just give up. Crystal, on the other hand, has something to share of her own. Crystal was recently cheated on by a boyfriend she really cared for, Granite Stone. He broke her heart and she too feels just as helpless and depressed as Due. Together, they fall into a deep depression.

The next week, Due returns back to Crystal's home after grocery shopping. Crystal slowly smiles at Due as he walks in and reaches into her pocket, pulling out a pipe and crystal meth. She says she is so upset; this is her last resort and offers some to Due. Due is shocked. How could Crystal resort back to methamphetamines after they both have been clean for so long? Due watches as Crystal begins smoking the drug, and thinks to himself, maybe a little won't hurt?

Will Due give in to Crystal's offer? Will he succumb to the pressure of a situation he knows he may not be able to get out of? Has his depression fallen so deep he could only feel better if he gives in? Find out in our next issue...

To learn more about VolChecked and other products offered by Commercial Investigations please contact a CI representative at: (800)284-0906 or

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

Stay tuned to find out what Due is up to next!



### Meet Due Diligence Last Scene from Due

In our May edition of CI Times Due was trying to prove his innocence after being arrested for driving in a truck reported stolen by Hot Rod's father. Hot Rod was not being very helpful and his father, Ray Robinson showed no signs of dropping the charges against Due.

The volunteer agency, Clean Slate Disaster Relief was made aware of Due's arrest because they used Commercial Investigation's Platinum Level VolChecked Vigilant notification system. The volunteer agency placed Due on suspension and said they would allow him to come back if he was able to prove his innocence.

One day while at the supermarket, Due ran into his old friend Crystal Glass. One thing led to another and Due ended up moving in with Crystal. Due was very comfortable living with Crystal but the question remains, is this the right decision to keep Due on the straight and narrow?

To see Due's past reports, view his page online at:  
[www.commercialinvestigationllc.com/duespage](http://www.commercialinvestigationllc.com/duespage)

Read previous issues of CI Times to see the full details of Due's life at:  
[www.commercialinvestigationllc.com/newsolder](http://www.commercialinvestigationllc.com/newsolder)

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... The only duty the Consumer has is to not make a frivolous dispute.

As your Proactive Truth Partner, Commercial Investigations is a Concerned CRA and takes their duties under the FCRA very seriously. This is why Commercial Investigations uses Primary Source Verification and NOT Simultaneous Notice (please see our *July Webinar Series* for more information). In addition to being a member of Concerned CRAs, Commercial Investigations is also a member of the National Association of Professional Background Screeners (NAPBS). NAPBS offers a basic and an advanced FCRA certification. Five of the staff members at Commercial Investigations have their basic FCRA certification and one has their advanced FCRA certification. This is just one of the many things that separates Commercial Investigations from other Background Screening Companies (CRAs).

So, whether you are a CRA, End User, Furnisher, Reseller, or Consumer you should always be aware of your obligations under the FCRA. Commercial Investigations is always here to guide you and answer any questions you might have regarding your rights or duties with the FCRA.



## CI's 10th Birthday Summer Celebrations

Summer is finally here and CI has continued to celebrate its 10<sup>th</sup> Birthday with community events in the beautiful weather! On Wednesday, June 25<sup>th</sup> the CI team enjoyed a summer staple of ice cream at 16 Handles in East Greenbush, New York to benefit St. Paul's Center. The weather was a little rainy that day but no one let that spoil the Ice Cream Social for a great cause!!

On Monday, July 21<sup>st</sup> one of CI's investigators and resident golf pro, Christopher Brinkman, attended the Golf Classic 2014 to benefit Berkshire Farm Center and Services for Youth. Christopher enjoyed a round of golf and dinner on a gorgeous day at the Colonie Country Club in Voorhesville, New York. Thank you to Berkshire Farm for hosting such a wonderful event and to Chris for representing CI with a fantastic round of golf!!

The year is a little more than half over but CI has a lot of celebrating left to do!! The CI team has been working hard to sell ducks to raise money for the Capital Region Sponsor-A-Scholar Rubber Duck Derby on August 16<sup>th</sup>. Everyone can help CI with this event by purchasing a duck at [www.duckrace.com/albany/teams/2656](http://www.duckrace.com/albany/teams/2656).

The rest of the year will include commu-

nity events to benefit a variety of organizations, such as Bassett Healthcare, Rome Memorial Hospital and the Ronald McDonald House Charities of the Capital Region. Look for the results from the Duck Derby and more of CI's 10<sup>th</sup> Birthday celebration in the next issue of CI Times! Happy Summer!!



### Inquiry Spotlight

#### Origin

Origin starts by taking the subject's Social Security number and running our SSN & Address Information inquiry:

#### Validates:

- ✓ the subject's disclosed name – criminals are experts at covering up information, including previous names used
- ✓ the proper spelling of the subject's name(s)
- ✓ the subject's disclosed date of birth
- ✓ the subject's disclosed address
- ✓ the disclosed SSN is a SSN issued by the Social Security Administration
- ✓ the subject's disclosed Social Security Number as being associated with the subject

#### Reports:

- ✓ the state in which the SSN was issued
- ✓ the year or approximate years the SSN was issued
- ✓ additional addresses related to the subject

All names, including subject's primary name as given on their Consent Form, and any additional names (aliases) revealed in the SSN & Address Information inquiry results are then run through our Multijurisdictional Criminal inquiry. With only one inquiry, you comb more than 345 million criminal records. Included in CI's Multijurisdictional Criminal inquiry is our Multistate Sex Offender Registry inquiry which provides sex offender case information. This provides the data you want, the quality you demand and the updates necessary to ensure you get the best possible information.

The addition of Origin allows CI clients to enhance their due diligence by adding another level to their criminal record data searches. However, not all counties, states or departments of correction data are included. Thus, CI does not recommend that clients utilize the Origin inquiry as their only criminal record inquiry but as an enhancement to an already established state, county and federal criminal record package.

Origin is the best way to start any and all background investigations. It is also the best way to validate a subject's identity and personal identifiers, e.g. name(s), DOB, SSN and address(es).

Origin identifies jurisdictions where it would be prudent to do more thorough criminal, sex offender searches, and other inquiries.

Contact CI at (800) 284-0906 or [info@commercialinvestigationsllc.com](mailto:info@commercialinvestigationsllc.com) for more information on CI's Origin™ inquiry.

## Commercial Investigations LLC

A Licensed Private Investigative Agency

Providing the proactive truth with high quality background investigations through human intervention with an investigative approach.

### Background Investigations

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

New York State  
Department of Economic Development  
Certified Woman Owned Business Enterprise  
(Certification # 49494)

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