

Screening Update

Resource Type: Risk eNews

Topic: HR Risk and Employment Practices, Volunteer Risk Management

The results of a study of volunteer screening practices by the [National Center for Victims of Crime](#) reveal gaps in the volunteer screening practices of nonprofit organizations. Twelve percent of the organizations participating in the survey reported that they did not engage in screening activities for volunteer applicants at all. Three reasons for not screening volunteers were cited: (1) lack of usefulness of screening; (2) insufficient resources; and (3) concern about offending prospective volunteers. At the Nonprofit Risk Management Center we are concerned that organizations doubt the usefulness of screening or have concluded that they have insufficient resources to conduct even the simplest of background checks. We think that a ‘hands off’ approach to volunteer recruitment is taking too great a risk when relatively simple and inexpensive screening steps, such as reference checking by phone, can be very revealing.

New Requirement for Federal Contractors: “E-Verify” System Must be Used in Hiring

In early June President Bush signed an amendment to Executive Order 12989 that requires all federal contractors, as a condition of entering into a federal government contract, to use E-Verify, which is an electronic employment eligibility verification system operated by the Department of Homeland Security in conjunction with the Social Security Administration. (All employers in Arizona and Mississippi are already required to use E-Verify for new employees pursuant to state laws in those states.) Soon-to-be-published regulations will clarify whether this requirement is applicable to existing contracts, or only to new ones, and whether the requirement will only impact newly hired staff. Another question is whether the requirement will extend to sub-contractors. Stay tuned for an update.

Need a Refresher on Maintaining Tax-Exempt Status and Other IRS Obligations?

The IRS recently updated [Publication 557](#). The updated publication provides helpful guidance on what information needs to be provided to donors to acknowledge donations, the rules regarding public disclosure of annual returns to the IRS, including the 990-T form, as well as examples of what constitutes the all-important public support needed to maintain tax-exempt status.

Your Questions Answered by the Center’s Staff

Q: We conduct background checks on our volunteers, some of whom have been with us a long time. Do you advise re-doing background checks every once in a while, and if so, how frequently?

A: Some organizations require background checks every 3-5 years. However, there is a need to balance safety considerations with organizational resources. Background checks should be used in conjunction with other measures designed to create obstacles to abuse of vulnerable individuals—they should never be used as the primary abuse prevention strategy. At best, background checks can only offer limited assurance at the time the

check is conducted that an individual has not been convicted of a crime indicating s/he could be a threat to the safety of children and other vulnerable individuals. To be on the safe side and in compliance with the Fair Credit Reporting Act, the nonprofit should notify staff and volunteers each time a background check is to be performed and ask for authorization to conduct the check. A volunteer's refusal to grant the authorization could be a red flag. Your nonprofit's policy could provide that continued eligibility for volunteer service is dependent upon authorization for follow-up background checks.

The Nonprofit Risk Management Center welcomes questions and comments at 703.777.3504 or info@nonprofitrisk.org.