

RHR Information Services, Inc.

SelectSmart News

Editor's Note

Special points of interest:

- New Products and Expanded Services
- Drug Test Information
- Identity Theft—An Employer's Problem

Spring is almost here and wow, did it feel like it!! 45+ degree weather in February, it's not your average Minnesota winter.

In this issue we have some great informational pieces. Make sure you get a look at why it is important to do drug screens and the table that includes the standard testing options. Also, we have a new enhancement that makes it easier for applicants to get their copy of our report. Stay connected this year, you'll see more on adverse action, safe hiring practices and all the new and improved products and enhancements from RHR Information Services.

A big thanks to all of you who

took the time to fill out our Client Satisfaction Survey, there were a lot of good comments and great suggestions. Look for that in your mail sometime around June 2005. Until then you can always call us with any questions.

If you have any good ideas for our newsletter or things you would like to know more about don't hesitate to contact your RHR / SelectSmart Representative.

Elizabeth Army

Client Relations Coordinator



Inside this issue:

Identity Theft	2
Expanded Services	3
Drug Testing Methods	4

New Product: Global Alert Database Search

The global alert database search identifies individuals who may be a threat to US National security. As a result of the USA Patriot Act (10/26/2001) certain businesses must be in compliance with the Office of Foreign Assets Control (OFAC) or be subjected to signifi-

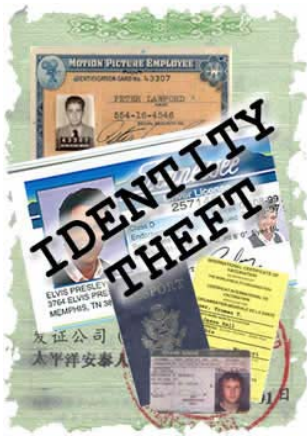
cant penalties.

This search is comprised of the most frequently searched alert lists and sources: Specially Designated Nationals (SDN), Specially Designated Narcotics Traffickers (SDNT), Specially Designated

Global Terrorist List (SDGT) and Foreign Terrorist Organizations.

If you are interested in this product or have more questions, please contact your RHR / SelectSmart Representative.

Identity Theft a Problem for Individuals and Employers



Four years ago most people hadn't even heard of identity theft, now it's a felony under the Federal Identity Theft and Assumption Deterrence Act of 1998 and ranks as the Nation's top consumer fraud complaint, according to the Federal Trade Commission in Washington, D.C. The FTC's Identity Theft Data Clearinghouse received approximately 85,000 calls regarding identity theft. Compare that with today, they receive more than

150,000 calls per year.

Why should an employer care? Employers are involved. The #1 underlying source of identity theft is theft of employer records according to TransUnion, one of the "Big 3" credit bureaus. Employer records hold everything from personnel files to benefits data and payroll and tax records. All of these typically reside in the HR Department and can be pay dirt for identity thieves.

Identity theft can affect employers in many ways. It can cripple an employee's life, affecting their productivity and morale as well. On average, victims of this type of crime spend 175 hours researching and tracking the crime, 23 months correcting credit reports and \$800 in out-of-pocket expenses to restore their financial standing, according to a

Story continued on page 3

Types of Drug Tests

When you perform a drug test, the test isn't actually searching for the drug. As drugs are processed by the body the body produces metabolites. Even though most drugs pass through a person's system fairly quickly, the metabolites can remain in the user's system for days, even weeks.

When people refer to a standard

5-Panel test, the panel refers to the number of substances for which they are screening. Typically, a 5-Panel test covers marijuana, cocaine, phencyclidine (PCP), opiates and amphetamines. Employers not regulated by the Department of Transportation are free to decide the method of testing, the panel of substances tested for, the cutoff levels and the times or cir-

cumstances when a drug test should be performed.

For more information on starting a drug testing policy for your business, please contact an RHR / SelectSmart Representative.

For pros and cons of testing methods see the chart on page 4.

"A 5-Panel Drug Screen tests for marijuana, cocaine, PCP, opiates and amphetamines."

Is an interview enough?

Often, when hiring, employers only conduct an interview. Some do reference checks, some use pre-employment tests. There are many techniques that can be used. However, over 90 percent of all hiring decisions are made by only an interview. In fact, the

hiring decision is usually made within the first 3 to 4 minutes of the interview. The decision that is made in those first 3 to 4 minutes is usually a gut decision. Psychologists suggest that the average interview validates accurately 12 to 20 percent of the

time. This means a gut decision is wrong 80 to 88 percent of the time when we use an interview alone to make a hiring decision. Is an interview enough?

Article taken from MaximumPotential.com Written by Bill Schult



Expanded Services: Online Report Retrieval for Applicants

According to the FCRA, all applicants are entitled to a free copy of their background check from the issuing Consumer Reporting Agency, if the request it within 60 days of the report. Now RHR takes the hassle out of requesting that copy.

Direct your applicant to our applicant website at www.rhris.com/applicant. The applicant needs to supply us with their name, Social Security

Number and Date of Birth. If the report is currently being processed they will be told to try later. If the report has been completed, the applicant will see the same report that you, the employer, received. At that time the applicant will be free to print their copy.

If an applicant wishes to dispute anything found on the report we have set up a special line that they may call. We will investi-

gate any disputes and if any changes are made all involved parties will be notified in a timely manner.

At RHR Information Services we are committed to bringing you quality service and products. We hope this will bring the same level of service to all applicants as well.

Small to Mid-Sized Businesses Benefit from Screening

The following story was submitted by a local manager. The name has been withheld by request

As someone managing a mid-sized firm with hiring done on a limited basis throughout the year, I was hesitant to embrace a pre-employment screening program. I really felt that we did so little hiring and had so many

years of experience with the hiring process, there was little, if any chance of someone sneaking through our system with any surprises in their background.

I decided to run our newest candidate through RHR, using the SmartShot package. Imagine my surprise when the candidate we were about to make an offer on, had not one, but two criminal

convictions in the last 18 months. Both of the offenses were noteworthy: a felony theft conviction and a gross misdemeanor conviction for check forgery.

“Imagine my surprise when the candidate had not one, but two criminal convictions.”

Identity Theft, continued from page 2

joint study of victims' experiences by the PRC and the CA Public Interest Research Group.

What can an employer do? An employer can, and should take reasonable care. This means that an employer will protect your personal information and them-

selves from legal action, should the information be stolen. Striking a balance between managing and maintaining the information HR needs and meeting employees' privacy and security needs is a big challenge—even for the most compliance minded compa-

nies. There are some simple ways to deter theft: Have a written privacy policy and give a copy to employees, lock up files, shred everything and above all perform background checks!!

Information taken from HR Magazine (January Issue)



10505 Wayzata Boulevard Suite 200
 Minnetonka, MN 55305

Phone: 952-545-3953
 Fax: 952-545-3973
 Email: earmy@rhris.com

If you have any ideas for stories or comments on our newsletter please contact your RHR / SelectSmart Representative today!



Disclaimer: This newsletter has been developed for informational purposes only for use by the customers of RHR Information Services, Inc., and should not be relied upon as definitively accurate. Due to the complex nature of employment law, we strongly suggest you work closely with legal council when making employment related decisions.

Pros and Cons of Drug Testing Methods

METHOD	HOW IT WORKS	PROS	CONS
Urine Sample at 3rd Party Collection Site	Applicant is sent to 3rd party collection site. The labs should be certified by the Substance Abuse and Mental Health Services Administration.	There are over 20,000 3rd party collection sites in the US. Employer is not involved in testing process. Negatives returned within 24 hours.	Some employers feel it intrusive to have applicants provide urine sample. Test window is only 2 to 4 days for things like cocaine, opiates and amphetamines.
On-Site Instant Kits	The employer collects the urine sample at the job. A result is given by way of color change after adding a re-agent	Instant results, relatively inexpensive.	If positive, then it is best to send the applicant to a lab for a retest.
Instant Oral Test	Applicant places receptor in mouth under tongue, then places receptor onto pad. Color change signals drug use	Very accurate and less intrusive than typical screening methods.	If positive, then it is best to send the applicant to a lab for a retest.
Laboratory Saliva Test	An oral test but the sample is sent to a lab for testing and results reporting.	No handling of body fluids by employer, less intrusive than typical methods. Lab testing ensures accuracy.	Non-DOT approved as of 01/2004