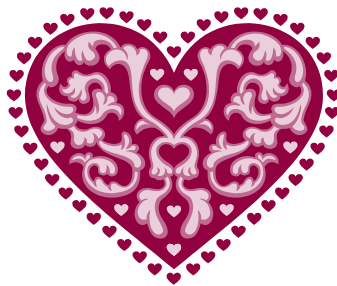


RHR Information Services, Inc

# SelectSmart News

## Editor's Note



Another year is well on the way. We here at RHR Information Services Inc, hope you and your business are experiencing a great start to 2006 like we are.

Security breaches seem to be a way of life for some companies. Haven't heard much about them? Read our article on page 1 to understand just how widespread the

problem is. Then look at the Safe Handling article on page 4 to learn more about what we are doing to help protect you, us and all the applicants that we screen.

Some research suggests that employment drug testing is on the decline. Some even suggest that drug use is on the decline due to employment drug tests. See what the full story is on page 2.

NAPBS is a relatively new association. See why we joined the National Association of Professional Background Screeners and how that benefits you.

Are you accepting pay stubs as proof of current or previous em-

ployment? Read our story on page 2 to see why that can be a problem.

Thanks for taking the time to read our newsletter and if you have any questions or story ideas, don't hesitate to contact your RHR Information Services Representative.

*Elizabeth Army*

Client Relations Coordinator

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## Security Breaches

Data breaches are generally made public when personal information exposed includes elements useful to identity thieves such as Social Security Numbers, account numbers and driver's license numbers.

The first large reported breach was Feb 15, 2005 when Choicepoint announced that over 145,000 individuals' information was stolen when bogus accounts were estab-

lished by ID thieves.

Since February 2005 there have been over 130 breaches of information. The total number of people affected exceeded 53,000,000.

Let's look at a few of the larger data breaches from the last year:

- 02/25/05 Bank of America, Lost Back-up tape affected

1,200,000

- 04/01/2005 Georgia DMV, Dishonest Insider affected 465,000
- 04/18/2005 DSW, Hacking affected 1,300,000
- 05/02/05 Time Warner, Lost

*(Continued on page 3)*

## Drug Testing Numbers Decline?



Two decades after American companies began widespread drug testing, fewer businesses are testing their employees and tests are coming up positive less often.

According to AMA (American Management Association), Last year 62% of companies said they drug tested. AMA states that the percentage has dropped steadily since 1996 when 81% of companies conducted

such tests. Drug testing industry officials dispute claims that drug testing practices are on a decline.

Despite AMA's claim, any company that has Federal Government contracts must take steps to achieve a drug free environment. While such a policy does not require drug testing, the government recommends it.

Whether drug testing is growing as an industry or not,

companies are finding fewer drug users. According to Quest Diagnostics, the percentage of positive tests has declined gradually since 1988, when 13.6% of tests came back positive. By 2002, the number was down to 4.4% and held at 4.5% for the next 2 years. Advocates of drug testing point to this decline in positive results as proof drug testing acts as a

*(Continued on page 3)*

*"NAPBS gives the screening industry the ability to demonstrate competence"*

## The NAPBS and Why We are Members

RHR Information Services, Inc is a proud member of the National Association of Professional Background Screeners. We have been a member since December of 2004 and have seen NAPBS's membership more than double since then. There are presently 469 members of the association.

Founded in 2003 as a non-profit trade association NAPBS gives the screening industry the ability to effec-

tively demonstrate its competence, reliability and willingness to adopt standards. NAPBS is the best means to associate those companies able and willing to conform to standards and to meet the highest expectations of our clients and law-makers. The National Association of Professional Background Screeners (NAPBS) exists to promote ethical business practices, promote compliance with the Fair Credit Report-

ing Act and foster awareness of issues related to consumer protection and privacy rights within the background screening industry. The Association provides relevant programs and training aimed at empowering members to better serve clients and to maintain standards of excellence in the background screening industry. As educating others on the urgent need to utilize professional

*(Continued on page 3)*



## Fake Paychecks

You can buy a fake paycheck stub that will fool anyone, at least that is what the company selling them says. The paychecks are realistic enough to include a trademark of a major provider of payroll services. The fake pay stub site is

drawing complaints from industry watchdogs that don't buy the company's claims that the checks are to fool your friends and impress your family. Given the media attention and some impending lawsuits this company may not last

long but be ready for overseas imitators, immune to US law, to spring up. The best protection against this? You or your screening company should have direct contact with the previous employer's HR department.

## NAPBS, cont'd

*(Continued from page 2)*  
background screeners, and dispelling misinformation and unawareness are critical issues to this industry, NAPBS will lead the way in establishing respected and reliable business standards for professionals working in the background screening industry.

As committed members of NAPBS you can expect that

RHR will follow the NAPBS Code of Conduct. All employees of member companies shall: 1. perform professional duties in accordance with the law and the highest moral principles 2. observe the precepts of truthfulness, honesty and integrity 3. be faithful and diligent in discharging professional responsibilities 4. be competent in discharging professional responsibilities 5. safeguard confidential information and

exercise due care to prevent its improper disclosure and 6. avoid injuring the professional reputation or practice of colleagues, clients or employees.

RHR Information Services appreciates the business of its' current clients. If you are using another provided, maybe it's time to find out if they are an NAPBS member. For more information contact your SelectSmart Representa-



*(Continued from page 1)*  
back-up tapes affected  
600,000

- 08/09/2005 University of Utah, Hacking affected 100,000
- 09/16/05 ChoicePoint, 2nd of 3rd in the last 12 months, affected 9,903 this time
- 12/22/2005 Ford Motor, Stolen computer affected 70,000
- 01/25/06 Providence Home

Services, Stolen Back-up  
Tapes affected 365,000

RHR is committed to protecting consumer information. We do that starting with our state of the art network security that helps protect our secured electronic data. Our staff Private Investigator keeps all of RHR trained and updated in the latest security measures and we use a reputable national document destruction company to handle all paper waste in our office.

If you have concerns about

RHR's security policies or any questions or concerns, please contact your RHR Information Services, Inc. SelectSmart Representative.

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*“ RHR is committed to protecting consumer information “*

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## Drug Testing, cont'd

*(Continued from page 2)*  
deterrent. In fact, they believe that drug users are congregating at businesses where drug tests are not required.

If you decide to implement a drug testing policy or would like more information regard-

ing drug testing, please contact your RHR Information Service SelectSmart Representative. RHR offers urine and oral based testing to fit most companies needs.



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## The Right Path to the Right People



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 that you work closely with legal council when making employment related decisions.

## Personal Information: Safe Handling Procedures

Since we are in the background screening industry we obviously feel it is important for our customers to glean whatever information they can about a potential employee or tenant. The background checks we provide at RHR Information Services, Inc. can provide a wealth of information, from how a person handles their finances to possible criminal records. Because of the sensitivity of this type of information and the nature in which it is used, it is important to be compliant with privacy policies and secure information handling procedures.

Individuals conducting and reviewing background checks have access to information that could be devastating to an individual if it ended up in the wrong hands. Information that is lost, stolen, or otherwise determined to be used for identity theft or fraud, can result in fines according to the FACT Act. It is for this reason it is practical to use secure information handling procedures when personal information is obtained, handled, transmitted and stored. Some guidelines

to ensure privacy of information are:

- Designate who will have access to the information. This applies to information gathered prior to and following background checks. Will a background check be conducted on all applicants? If not, make it a practice not to collect a Social Security number until you have determined whether the applicant qualifies for the position in all other areas.
- Have procedures for securing the information. Once the information is obtained, implement safe handling procedures. Determine how long the information will be left unsecured and where the information will be kept secure. For example, information left unattended on a desk should be an unacceptable practice.
- Have procedures for accessing the information. Determine who will have access to the information. Limit others ability to access the information and consider a log for recording when the files are accessed, by whom and for

what purpose.

These procedures apply to the full range of background checks from credit reports to a full background check. The duties of the potential employee and the type of tasks they will conduct during their work-day need to be considered before determining what will be a sufficient background check. If you don't plan on running a background check on every employee you should not collect personal information such as Social Security Number, driver's license number, or date of birth for every applicant.

If an employee will not have access to money or confidential information a more limited background check may be adequate. If the employee will handle money or private information of any sort, consider more extensive background checks. The more valuable the information the employee will come in contact with the more extensive the background check.