



## **EXHIBIT 1**

### **300-21: Applicant Background Investigations Policy**

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#### **TABLE OF CONTENTS**

Purpose of Policy

Definitions

This Policy

Individuals and Entities Affected by This Policy

Responsibilities

References, Related Documents, Forms and Tools

Website Address for This Policy

History and Updates Appendix

#### **PURPOSE OF POLICY**

This policy aims to include background investigations as part of the recruitment and selection process to ensure that these investigations assist in identifying qualified job applicants and do not hinder the City's continuing efforts as an equal-opportunity employer. The purpose of this policy is to ensure that the City's processes are at all times aligned with legal requirements that apply to background investigations. With the exception of language in this policy addressing compliance with the Fair Credit Reporting Act (FCRA) and other federal, state, and local laws, this policy does not apply to the Raleigh Police Department and the Emergency Communications Department.

## DEFINITIONS

**Background Investigations** - A background investigation may include criminal background checks, motor vehicle reports (MVR), employment credit checks, reference checks, public information checks, and/or fingerprinting for public safety positions.

## POLICY

It is the policy of the City of Raleigh (City) to conduct background investigations following a conditional job offer on all final candidates for temporary, permanent part-time, and permanent full-time positions. For internal promotions and transfers, no further background check is required, exceptions to this include internal promotions and transfers to public safety positions, positions requiring a Commercial Driver's License (CDL), and positions involving the handling of cash. The background investigations will include criminal background checks, reference checks, and may also include motor vehicle reports (MVR), public information checks, and employment credit checks, if required by the essential duties of the position. Any background investigation conducted by a third party shall comply with all federal, state, and local laws, including the Fair Credit Reporting Act (FCRA).

1. Departments shall interview applicants and select the final candidate for the vacant position in accordance with the 300-22 Recruitment and Selection Policy. Once the final candidate has been identified, the Department will conduct reference and public information checks. Human Resources will make a conditional offer to the final candidate in writing. Once a conditional offer is signed by the final candidate, Human Resources initiate the background investigation.
2. The background investigation may include a search of local, state, and federal criminal history, social security number trace, national sex offender database search, reference checks, and educational records. A MVR will be conducted if the position requires a valid driver's license to perform essential duties.
3. A credit check will be conducted for positions that regularly engage in handling credit cards, debit cards, cash or other City funds. This requirement applies to candidates who have accepted a conditional written offer and to current employees receiving an internal promotion or transfer to such a position.
  - 3.1. Credit checks may be required for other positions when the duties of the job necessitate the check. Departments that regularly require a credit check include finance, accounting, and customer service, public safety positions, are part of senior management, and any other positions deemed appropriate.
  - 3.2. Human Resources will review all credit checks for qualifying positions. Human Resources will review the information obtain from the credit check and will provide the results to management involved in the hiring process. Access to this information is limited to employees of the Human Resources department and management involved in the hiring process, on a need-to-know basis to ensure the privacy of the candidate.

- 3.3. If the credit check reveals that the candidate for hire or transfer has a history of bad debt, the individual may be disqualified from the position. Bad debt is defined as debt that has been referred for collection, has a balance past due more than 60 days or has been written or charged off by the creditor.
  - 3.4. Bad debt is not typically considered a risk if it is
    - 3.4..1. more than five years old
    - 3.4..2. the result of student loan obligations or
    - 3.4..3. incurred through extensive medical care.
  - 3.5. Bad debt is considered a risk if it exceeds 10 percent of the salary for the position being filled, regardless of the time period in which the debt was incurred or the type of debt incurred.
  - 3.6. If a candidate's credit check reveals a history of bad debt that may be identified as a risk, the Human Resource Department will initiate the FCRA pre-adverse action process as described in section five below.
4. All background investigation reports are reviewed and approved by the Human Resources Director or a Human Resources designee to verify that the checks are relevant to the essential functions of the position. The Human Resource director or designee should conduct an individualized assessment of the candidate's background using the factors listed below.
    - 4.1. Severity and number of convictions or offenses and circumstances of each
    - 4.2. Length of time between convictions or offenses, the completion of a sentence, or pattern of activity
    - 4.3. The circumstances under which the job is performed (e.g. whether the position involves interacting with coworkers or residents) and the involvement in which positions is performed (e.g., in a private home)
    - 4.4. The essential functions of the position
    - 4.5. The relevance of the conviction or offense to the candidate's ability to perform the functions of the position, the level of interaction with coworkers and/or the public, and the level of supervision within the position.
    - 4.6. Employment history
    - 4.7. Whether the individual is bonded under a federal, State, or other bonding program.
    - 4.8. Other relevant facts and circumstances that assist in assessing the suitability of the applicant or employee, and as required by law.
  5. If a consumer report from the background investigation reveals criminal records, other serious misconduct, pending court dates, driving offenses as listed in 101-12 Driving License Requirements Policy, collections, and/or sources, including in publicly available information that may indicate unsuitability for employment, Human Resources shall initiate the FCRA required pre-adverse action process to allow the candidate a reasonable opportunity to correct or explain the content of a consumer report. Following receipt of the candidate's response, the City will consider all information provided in determining whether the conditional offer will become final or will be withdrawn.
  6. If the hiring department, in consultation with HR, determines that a candidate does not meet the City's background investigation requirements, Human Resources will rescind the candidate's offer and inform the hiring department. In the event that the background

investigation provides information that makes the candidate ineligible for the position (lacks educational requirements, driver's license, etc.), HR will rescind the offer and inform the hiring department.

7. Submitting false information or willfully omitting information clearly required as a part of the application process will not be tolerated. Any persons who falsify or willfully omit information at any step of the background investigation will not be hired, promoted, or transferred. Any City employee will also be disciplined as provided in Standard Procedure 300-14, up to and including termination.
8. No candidate may begin working for the City until the background investigation has been completed and approved. If the City discovers that any portion of the background investigation has not been completed for an employee who has already started working, the City shall promptly complete the investigation and determine whether the employee should remain or be disqualified for the position.
9. The City complies with all Equal Employment Opportunity Commission requirements and guidance when conducting background checks and when making decisions in response to background investigation information.

## **INDIVIDUALS AND ENTITIES AFFECTED BY THIS POLICY**

All Departments and Divisions within the City.

## **RESPONSIBILITIES**

**Human Resources Department or Human Resources-Approved City department designee -** Review and approve background investigations for all City positions. Human Resources will provide approval for Human Resources-approved City department designees. Human Resources will also provide instruction and training on background investigations to Human Resources-approved City department designees.

**All City Departments and Divisions -** Indicate in position requisitions whether an MVR and/or an employment credit check will be required in accordance with this policy due to the essential duties of the position.

## **REFERENCES, RELATED DOCUMENTS, FORMS AND TOOLS**

300-22 Recruitment and Selection

101-12 Driving License Requirements for External Candidates and Current Employees

100-30 – Alcohol and Controlled Substance Policy

N.C. Gen. Stat. § 15A-153

N.C. Gen. Stat. § 143B-1209.24

N.C. Gen. Stat. § 143B-1209.54

Fair Credit Reporting Act (FCRA)

## WEBSITE ADDRESS FOR THIS POLICY

<https://corecon.raleighnc.gov/administrative-policiesand-regulations> or  
<http://www.raleighnc.gov/>

## HISTORY AND UPDATES

Date	Revision	Change	Reference Section
4/28/2021	300-21 B	Various	Various
6/10/2025	300-21 C	Various	Various

## APPENDIX

There are no appendices to this policy.

## LEGAL NOTICES

Nothing in this procedure shall alter an employee's at-will status of employment with the City.

This procedure shall not create liability on the part of the City or any officer or employee thereof for any personal injury or property damage that may result from reliance upon this procedure or any administrative decision lawfully made pursuant to this procedure.

If any provision of this procedure is or becomes or is deemed to be invalid, illegal or unenforceable pursuant to applicable law, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without materially altering the purpose or intent of the procedure, such provision shall be stricken and the remainder of the procedure shall remain in full force and effect.