

Handbook Highlight from the Montana Municipal Officials Handbook

3.3 Background Checks

3.301 Why Background Checks

Municipalities can lose up to 2.5 times an employee's salary by failing to do its homework on a potential hire. Those costs include direct expenses related to replacing and retraining an employee and indirect expenses due to issues such as employee violence, theft, and drug and alcohol abuse. Research has shown that at least one in four job candidates is willing to falsify information to get a job—including college degrees, employment history and reasons for leaving previous jobs. It is critical for public entities to validate information provided by candidates.

3.302 Types of Background Checks

The most common types of background checks a municipality can perform include:

- **Reference Checks.** References can be valuable in determining a potential employee's work habits and may include information from previous employers, educational institutions or personal references.
- **Motor Vehicle Record (MVR) Checks.** Giving keys to a municipal car to an employee with a poor driving record can subject an employer to significant liability in the event of an accident. Negligent Entrustment occurs when the employer allows a driver to use a vehicle knowing or having reason to believe that the person creates a risk or harm to others. All states make MVRs available to employers for employment purposes.
- **Criminal Background Checks.** Hiring an employee with a criminal history can pose a danger to fellow employees and the public. Unfortunately, there isn't a common national database that employers can access for employee criminal

histories. In general, arrest records cannot be used, and state and federal laws differ on the extent that an employer may consider an applicant's criminal history in making hiring decisions.

- Child Abuse Checks (Sexual and Violent Offenders). Public entity employees who will be working with children as part of their employment such as those assigned to the Parks and Recreation programs, protective services, daycare operations, volunteers and coaches should have their records checked for child abuse incidents.
- Credit Checks. Credit checks, though seldom used, should be conducted on job candidates who will be working with money.