

The Background Screening Credentialing Council volunteer members drafted the following response to questions about the BSAAP Standard, version 2.0, effective April 6, 2018. This letter is an informal discussion of the question posed and does not constitute a legal opinion of the BSCC.

TITLE: Client Contracts Held by Other Business Units

Question: The BSCC was asked if a CRA seeking accreditation, which is a business unit within a larger company or corporate group offering other, non-CRA services, is required to provide copies of client agreements for clients belonging to other business units as part of an audit.

Response: Thank you for your inquiry regarding the provision of client contracts concluded by other non-CRA business units within the same company or corporate group in the context of an accreditation audit.

A CRA seeking accreditation must meet the requirements of clause 2.8 of the Standard regardless of whether it concluded the agreement with the client itself, or the agreement was concluded by another business unit under the same company or corporate group. Agreements for the provision of CRA services which are concluded by other business units may be requested as part of the audit.

If consumer reports are not provided to the end user directly, but are provided to a reseller (which may be an affiliate of the CRA seeking accreditation, provided the reseller is not part of the application for accreditation and is a separate legal entity operating separately from the CRA seeking accreditation), then the reseller is the 'client' as that term is used in clause 2.8 and the requirements of that clause can be met by providing the agreement with the reseller. Any such reselling arrangement—even with an affiliate—must comply with vendor restrictions and other legal and contractual requirements applicable to reseller arrangements.

Thank you for submitting your inquiry and giving the BSCC an opportunity to review. We believe we have responded fully to your inquiry. Please let us know if you have any further questions.