

Applicant Reference Checks Policy

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§ 1. Policy

Prior to extending an offer of employment it is required that reference checks be completed on the selected applicant. Alternatively, an offer contingent upon the successful completion of reference checks may be made to the selected applicant to accelerate the hiring process. See *Employment Offers Policy*. The applicant's signed application authorizes the State to request information pertinent to the applicant's work experience, education, and training.

§ 2. Coverage

This Policy applies to all candidates who are applying for positions which are subject to State HR Commission policies issued under N.C.G.S. § 126-4(4). This includes, but is not limited to probationary, time limited, exempt policymaking, and exempt managerial employees. It does not apply to public school employees, employees of the Community College system, or other employees who are exempt from State HR Commission policies issued under N.C.G.S. § 126-4(4).

§ 3. Definitions

Criminal Background Check: a search of county, state, federal and/or national databases to provide information about an applicant's criminal history.

Employment Verification: process of confirming current or past employment provided by an applicant by verifying job titles and dates of employment. Salary history is not to be considered.

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Reference Check: a process of getting information about an applicant from their previous employers, schools, and other available resources. Reference checks are used to verify information given by the applicant during the interview, on the application, and through supplemental documents supplied by the applicant. Reference checks are also used to determine new information such as eligibility for rehire, active disciplinary actions, and attendance.

§ 4. Employment Verification

1. Verify employment with at least two recent employers. Confirm:
 - Dates of Employment
 - Position(s) held
 - Eligibility for Rehire
2. Do not ask about salary history.

In addition, academic credentials must be verified. See the *Selection of Applicants Policy*, Section 5, for details about verifying academic credentials.

The employment verification and reference check may be combined if applicable.

§ 5. Reference Checks

1. Call or email a minimum of two individuals listed as current or most recent prior supervisors on application (for work most related to the job being sought):
 - Overall performance
 - Attendance
 - Experience applicable for job being sought
 - Reason for leaving
 - Eligibility for rehire
 - Whether the applicant was involuntarily terminated for cause
 - Any active disciplinary actions (See the *Disciplinary Action Policy*, section VI, for the situations in which a disciplinary action remains active for North Carolina state employers.)
2. If applicant has current or prior work history with a state agency or university, at least the most recent state agency or university must be contacted for one of the two

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required reference checks. The reference check can be either with the previous supervisor or through the hiring agency Human Resources Office.

In addition, an agency may choose to make part of its systematic hiring process obtaining copies of performance documents within NCVIP pursuant to N.C.G.S. § 126-24(2a). The agency must be consistent about whether it obtains these documents for its job openings. If the overall performance appraisal rating shows the employee has an active disciplinary action or is “Not Meeting Expectations,” the hiring manager should discuss with the hiring Agency Head or designee before extending a job offer.

If the reference check shows that the employee was involuntarily terminated from a prior state agency, is not eligible for rehire with a previous employer, or has an active disciplinary action:

- In this situation, approval to extend a job offer must be obtained from the hiring Agency Head or designee.
- An applicant who was terminated due to a Reduction in Force or who was involuntarily terminated in an “End of Appointment” separation (usually created when an employee exempt from the State Human Resources Act is replaced) does not require approval from an agency head or designee unless they have an active disciplinary action.

For reference checks:

- If unable to obtain references from the current or former supervisors (generally due to the inability to reach the previous supervisor or the unwillingness to share information), others in the management chain or the prior employer’s Human Resources office may be substituted.
 - Some references may not be able to answer all the questions in a reference check. That does not automatically remove an applicant from consideration.
 - If the applicant recently finished school or has limited work history and is unable to provide contact information for two supervisors, references may be obtained from educators or organizations where the applicant has served in volunteer roles.
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Applicant Reference Checks Policy (cont.)

§ 6. **Criminal Background Check (If Agency requires background check for position):**

1. Background checks should be done after the initial interview unless the position is one that a criminal conviction would legally preclude the person from employment in the particular position for which they applied.
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§ 7. **For All Background Checks:**

- When assessing an applicant's background information, apply the job-related standards consistently, regardless of their race, national origin, color, sex (including sexual orientation, pregnancy, and gender identity/expression), religion, disability, genetic information (including family medical history), or age (40 or older).
 - Any use of an applicant's background information to make an employment decision must comply with federal and State laws that protect applicants and employees from discrimination, including retaliation.
 - Review and follow agency guidelines to ensure consistency in background check processes.
 - See the Selection of Applicants Policy, Section 4, if the agency discovers that an applicant provided false or misleading information on a State application.
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§ 8. **Agencies shall create their internal processes to:**

1. Follow this policy's required reference check procedures and templates, unless the agency receives written approval by OSHR to establish agency guidelines, procedures and templates that meet minimum requirements.
 - Ensure required employment verification and reference checks are completed on selected applicant.
 - Ensure background checks are conducted, as required by an agency.
 - Ensure approval is obtained from the hiring agency head or designee prior to extending a job offer to any applicant who has a prior involuntary termination from a state agency, is not eligible for rehire with a previous employer, or has an active disciplinary action.
2. Identify when a hiring manager can independently decide to hire an applicant whose employment verification or references indicate they are not eligible for rehire by

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- another employer/agency due to non-performance/conduct reasons (ex. failure to provide 2 weeks' notice).
- Delegation to a hiring manager does not eliminate the requirement that approval must be obtained from an agency head or designee to extend an offer to a candidate with state experience who has a) a prior involuntary termination from a state agency or b) an active disciplinary action.
3. Train managers on required reference check procedures and templates.
 4. Identify when an agency head or designee should review and approve hiring an individual when there is a nexus between a criminal record and the position's duties.
 5. Conduct annual self-assessment of agency's reference check processes to ensure standards contained in this policy.
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§ 9. Office of State Human Resources Responsibilities

The Office of State Human Resources shall:

- Provide training and consultation to agency human resources staff.
 - Provide required reference check procedures and templates.
 - Review variation requests for agency guidelines to confirm acceptable substitute.
 - Develop a self-assessment program and require that agencies periodically conduct self-assessments and report the results to the Office of State Human Resources.
 - Include program review of the reference check processes in regular agency performance audits.
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§ 10. Sources of Authority

This policy is issued under the authority of:

- [N.C.G.S. § 126-4\(4\)](#) (authorizing the Commission to adopt rules or policies governing “[r]ecruitment programs designed to promote public employment ... and attract a sufficient flow of internal and external applicants”);
- [N.C.G.S. § 126-14.3\(1\)](#) (requiring the Commission to adopt rules or policies to “[a]ssure recruitment, selection, and hiring procedures that encourage open and fair competition for positions in State government employment and that encourage the hiring of a diverse State government workforce”)

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- Section 39.3(b) of the 2023 Appropriations Act, [Session Law 2023-134](#) requiring the Commission to authorize agencies to make job offers that are contingent upon satisfactory reference checks and, if required, satisfactory background checks.

This policy is compliant with:

- [N.C.G.S. § 126-30\(b\)](#) (requiring that the “employing authority within each department, university, board, or commission, shall verify the status of credentials and the accuracy of statements contained in the application of each new employee within 90 days from the date of the employee’s employment”).
- [25 NCAC 01H .0637](#) (requiring, “In accordance with G.S. 126-30, for each new employee, agencies shall verify information on applications for State employment that is significantly related to the particular job responsibilities or is used to qualify or set the employee's salary, as determined by the agency.”)

§ 11. History of This Policy

Date	Version
February 4, 2021	First version. Policy created by Deputy Director/Recruitment Division to confirm alignment with required practices and by Legal, Commission, and Policy Division to confirm alignment with statutory, rule(s), and other policies. Presented to SHRC on February 4, 2021.
December 8, 2022 (effective February 15, 2023)	Update policy to: <ul style="list-style-type: none"> • Ensure it does not create barriers to entry for public-sector employees. Questions about involuntary dismissal for cause and disciplinary actions now required in reference check regardless whether employee previously worked for the State. • Based on agency feedback, assist in reducing the time to hire by streamlining the employment verification and reference checks process. Performance management check now optional, rather than required.
October 19, 2023	<ul style="list-style-type: none"> • Updated Section 1, Policy, to allow contingent offers to be made prior to the completion of reference checks.

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	<ul style="list-style-type: none">• Added Section 39.3(b) of the 2023 Appropriations Act, Session Law 2023-134 to the sources of authority.• Added 25 NCAC 01H .0637 to the sources of authority.
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