



## **Mountain Lodge Unit Owners Association (MLUOA) Policy for Management Background Checks (G-110-0)**

**SUBJECT:** Policy for Background Checks for Senior Management

**PURPOSE:** In order to protect the financial and operational health of our organization, background checks are an essential tool to be used to assess employees stepping into senior management positions requiring trust and authority. Employees in our most senior management positions administer MLUOA and Mountain Lodge Services Inc (MLS) budgets; access MLUOA and MLS finances and banking resources; represent our organization with owners and stakeholders; and create, access, and utilize sensitive and confidential human resources information in performance of their human relations duties.

**AUTHORITY:** The MLUOA Declaration, MLUOA Bylaws (Article 3, Section 3.1), and the Uniform Common Interest Ownership Act of West Virginia.

**EFFECTIVE DATE:** December 1, 2022

**RESOLUTION:** The MLUOA hereby adopts the following Policy:

### **Section 1: Senior Management Positions of Trust and Authority**

- A. MLUOA and MLS will conduct a background check on the final candidate to be hired or promoted into the positions designated below, which have been determined to be senior management positions requiring trust and authority:
- 1) General Manager
  - 2) Assistant General Manager
  - 3) Bookkeeper
  - 4) Any other employee who is to be given authority to:
    - a) Access or administer bank or reserve fund accounts, or
    - b) Access or administer the payroll system, or
    - c) Authority to write checks or use credit card, or
    - d) Sign contracts binding on MLUOA or MLS.

MLUOA's offers of employment or promotion for these positions will be contingent upon the receipt of clear results of a background check.

In exigent circumstances, MLUOA may allow an individual to begin work in one of these positions in a probationary manner while the background check is conducted, with a clear understanding that termination will be automatic if MLUOA concludes the completed background check would have precluded the original offer.

### **Section 2. Procedure for Background Checks**

When an offer of employment or promotion is offered to a candidate that requires a background check under this policy, the candidate must complete a background check authorization form and return it to MLUOA.

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MLUOA will order the background check upon receipt of the signed release form by hiring a professional third-party employment screening service that specializes in the performance of background investigations for employment-related purposes. The third-party provider must represent that their work is done in compliance with all applicable federal and state laws.

MLUOA will ensure the background check provider does the following:

- 1) **Social Security Verification:** validates the applicant's Social Security number and date of birth
- 2) **Credit History:** confirms candidate's credit history
- 3) **Criminal History:** includes review of criminal convictions and probation. The following factors will be considered for applicants with a criminal history:
  - a) The nature of the crime and its relationship to the position.
  - b) The time since the conviction.
  - c) The number (if more than one) of convictions.
  - d) Whether hiring or promoting the applicant would pose an unreasonable risk to the business, its owners, employees, guests, or others.

MLUOA, in its discretion, may also elect to require the background check provider to do the following:

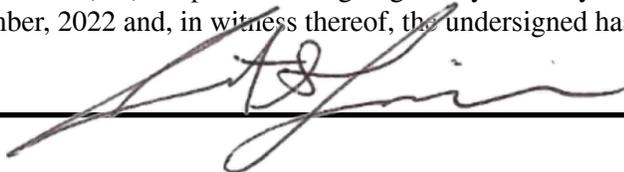
- 1) **Prior Employment Verification:** confirms applicant's employment with the listed companies, including dates of employment, position held and additional information available pertaining to performance rating, reason for departure and eligibility for rehire. This verification, if elected, will be run on the past two employers or the previous five years, whichever comes first.
- 2) **Prior Educational Verification:** confirms applicant's educational background, including dates of schooling and degrees obtained

Once complete, the Executive Board of MLUOA will review the results and determine if they represent a clear background, indicating the candidate is worthy of being placed into a senior management position requiring trust and authority.

In instances where negative or incomplete information is obtained, the Executive Board of MLUOA will assess the potential risks and liabilities related to the job's requirements and determine whether the individual should be hired. If a decision not to hire or promote a candidate is made based on the results of a background check, they will follow necessary procedures under the law, such as those under the Fair Credit Reporting Act (FCRA), in conjunction with the employment screening service.

Background check information will be maintained in an Executive Board file separate from employees' personnel files for a minimum of five years.

**PRESIDENT'S CERTIFICATION:** The undersigned, being the President of the MLUOA, certifies that the Executive Board (EB) adopted the foregoing Policy at a duly called and held EB meeting on the 9<sup>th</sup> day of November, 2022 and, in witness thereof, the undersigned has subscribed their name.



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