

RHR Information Services, Inc

# SelectRent News

## Editor's Note

Gentlemen! Don't let it be said that I never did you any favors. If you've done the smart thing and are actually reading this newsletter, than put a big red heart on your calendar on Thursday, February 14th.

Now, your next step is to go online to FTD.com and order your sweetheart 2-dozen roses for less than \$20.

Finally, pick up the phone and make a dinner reservation at your favorite romantic restaurant—TODAY! Let me assure

you that if you snooze, you will definitely lose.

On to other business, I want to sincerely thank all of our loyal customers for their greatest act of kindness—referrals! For that reason I am very excited to introduce RHR's formal referral incentive program on page 2 of this newsletter.

If you only read 1 article in this entire newsletter, please take the time to read that one because the incentives are meaningful, and we want to acknowledge

those of you responsible for our growth.

Also, don't miss the article about the shortcomings of the BCA repository if you are relying on them exclusively for your criminal coverage in MN.

Finally, as always your comments are always welcomed. Contact me at [tonyk@rhris.com](mailto:tonyk@rhris.com) or 952.545.3953 or 888.389.4023.

*Tony Karels*



## Join us at the 13th Annual Working Together Conference

We hope you'll come visit us at the annual MHA/MHFA Working Together conference. We will be presenting our newest updates and enhancements at table #15 in the main exhibiting area, and Tony will also be teaching the class "Background Screening Update" during the last session of the 2-day conference.

This year's conference will be held on March 12 & 13, 2008 at the Earle Brown Heritage Center in Brooklyn Center, MN. The keynote address this year is:

**"Achieving Break Away Results" by World Champion Triathlete, Tony Schiller.**

Plus a full day of seminars by

marketing expert and motivational speaker Lori Snider.

The faces of multi-family housing are changing. The faces of our residents and what they expect from us as housing providers. The faces of those who govern at the local, state and national level. The faces of innovation as new technologies come into the industry at a dizzying pace.

How will you, your staff and your organization cope with these changing faces as well those still to come? Join multi housing providers from throughout the state at the 13th Annual Working Together Conference for two days of learning, training and networking designed to empower you and

your staff to overcome obstacles, share ideas and grow both personally and professionally.

For more information and to download the registration form please go to: [www.mmha.com](http://www.mmha.com).



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## Familiar with the E-Verify Program?



*“With Executive Order No. 08-01, Minn. Gov. Tim Pawlenty has mandated that certain state contractors must use the E-Verify Program.”*

Minnesota has joined a growing number of states that have recently imposed new obligations on employers related to eligibility verification of new hires.

Immigration reform is at the center of a national public policy debate. Congress recently considered federal legislation aimed at cracking down on illegal immigration and will almost certainly take up the issue again. In the meantime, state governments are entering the fray by passing laws designed to punish employers that hire illegal immigrants. Colorado, Georgia and Arizona have already enacted such laws. Other states are considering similar legislation.

Now Minnesota has taken action in the immigration reform arena. With Executive Order No. 08-01, Gov. Tim Pawlenty has mandated that certain state contractors must use the E-Verify Program to ensure that new hires are eligible to work in the United States under federal immigration laws. Contractors are also subject to contractual

sanctions if they knowingly hire illegal immigrants.

The governor has proposed legislation that would punish any Minnesota employer that knowingly hires a person who cannot work legally in the United States.

### What is ‘E-Verify’?

E-Verify is a voluntary program run by the U.S. Department of Homeland Security (DHS) that uses sophisticated computer analysis to compare information gathered from new hires with various government databases, including Social Security and immigration records.

It is different from the Social Security Number Verification System that many employers use to support their payroll system. Use of that system for payroll purposes is not equivalent to or a substitute for participation in E-Verify.

To participate in E-Verify, an employer must register and enter into a written agreement with the DHS, which includes these primary obligations:

- A promise that every new employee’s Social Security number and immigration ID will be run through the program within three days of hire.
- A promise not to use the system for pre-screening.
- Advance notice to employees that the employer participates in the program.
- Notation of a unique DHS-generated PIN number on or with the I-9 of each new employee.
- In the event of “non-confirmation,” a 10-day appeal process, during which the employer must allow the employee to continue to work.

Multi-state employers can enroll nationwide or limit enrollment to certain hiring facilities only. The enrollment process is an online system that is completed in a matter of minutes. Employer staff responsible for making queries into the federal database must also review a tutorial and pass an online test before they are allowed access to the data base.

## RHR launches Referral Incentive Program!



Let me tell you that this is long overdue. We get referrals regularly from great clients like you who are kind enough to think of us when the topic of background screening comes up. And while we try to thank you for your effort, we got to thinking that maybe a better demonstration of our gratitude is to put some money where our mouth is!

So here’s how it works: RHR is going to send you a \$15 gift card to a fun restaurant or retailer for the 1st referral of

the year that signs on as a new client with RHR, regardless of the size of the account. The 2nd referral gets you \$25, the third \$50, and the fourth \$75. Bottom line— if you refer 4 people to RHR during 2008 it’s worth \$165, minimum.

Why minimum? First it’s a minimum because every person after 4 continues to earn a \$75 gift card. Second, at 4 annual referrals your name will also be entered into a year end drawing for a \$250 Visa gift card as a bonus

thank you. Finally, if the referral is for a really “WOW” kind of account we’re going to sweeten the deal at our discretion. Now, it’s your job to let us know when you’ve spread the word (call or email Tony), and we’ll let you know when your referral signs up. That’s it! Let us know what you think.

As a kick-off to this program I want to thank Stacey Ray of Catholic Charities and Lisa Litzinger of Aspenwoods for your recent referrals. Your gift cards are on the way!

## Evaluating Credit Reports

A credit evaluation is essential to prudent screening of rental prospects.

As a property owner/manager you may prefer to review the credit reports and make decision as to the acceptability of the applicant.

- Is the information in the report consistent with the information on the application?
- Does the information in the report reflect a responsible approach to the applicant's financial obligations?
- How does the information in the report compare with the information from other sources, such as the references, eviction reports, etc?

If you take this approach, it is necessary to document in the applicant's file the thought process by which the information was evaluated. This documentation will be invaluable if the motivation for a rejection of the applicant is questioned.

Identification information should be inspected first and compared

to the application, looking for aliases or undisclosed addresses. If significant, these can form the basis for denying the applicant.

Public records information will show outstanding money judgments, restitution orders issued in connection with criminal convictions and civil judgments. They also provide further information about the applicant's background which may not show up on a criminal records check if the offense was committed outside the general area in which the applicant lived.

The sections showing accounts assigned for collection and the credit account information allows you to evaluate the applicant's attitude to debt payment generally.

Where the credit report discloses information which is neither obviously sufficient to qualify or disqualify the applicant, many apparent discrepancies can be resolved by talking to the applicant.

Professional credit scorers give the following data the greatest weight:

- Is there a history of accounts going over 90 days late, rather than one or two instances concentrated in the

same time frame?

- What does the public record show in the last five years?
- Are there current delinquencies?
- Are there a large number of inquiries which might show the applicant is loading up?
- Are the credit balances at or near their maximums?

The existence of several of these factors is reason to question the applicant's credit worthiness.

Whether you decide to evaluate the credit report yourself or rely on scoring models developed by RHR Information Services, Inc., the standard of care now requires such reports in the screening process. They can be a valuable predictor of the applicant's likelihood to make timely rental payments and to live up to the other obligations of tenancy.

Please contact your RHR Representative to obtain more information regarding our scoring model for standardized tenant screening program. 952-545-3953 or 888-389-4023



## Multifamily Properties Mostly Unfazed by Credit Crisis

Article from memphisdailynews.com

As residential real estate continued to slump in the third quarter of 2007, the multifamily industry continued to soar, proving that the two industries remain headed in opposite directions at least for now. But how much the housing market's losses translated into multifamily gains remains unclear.

While foreclosure victims or people wary of buying homes in this shaky housing market might seem like rental candidates, the slowdown hasn't produced the mass migration some might expect.

Surprisingly, we have not seen much impact from the housing slump," said Mark Fogelman, president of Fogelman Management Group.

"In most cases, individuals who are having trouble with their mortgage payments will have a very difficult time qualifying for an apartment. Therefore, we do not expect a surge of prospects fleeing troubled mortgages and moving into our apartment communities."

With a growing demand for apartments and a possible

slowdown in construction, rents might see an even greater rise in the final quarter of 2007 and into the 2008.

How much more will the housing crisis affect apartments? That remains to be seen, although analysts project up to 2 million additional foreclosures next year.

One issue being faced by numerous properties is whether their application guidelines - namely, credit checks - will be altered for residents who have a foreclosure on their record.



10505 Wayzata Boulevard  
Suite 200  
Minnetonka, MN  
55305

Phone: 888-389-4023 / 952-545-3953  
Fax: 888-389-4024 / 952-545-3973  
E-mail: tonyk@rhris.com



## The Right Path to the Right People

Disclaimer: This newsletter has been developed for informational purposes only for use by the customers of RHR Information Services, Inc., and should not be relied upon as definitively accurate. Due to the complex nature of your business, we strongly suggest that you work closely with legal council when making business related decisions.

# Theft of Personal Data More Than Tripled in 2007

Article from [www.usatoday.com](http://www.usatoday.com)

Thieves are systematically pilfering sensitive personal data from companies, government agencies, colleges and hospitals like never before.

More than 162 million records have been reported lost or stolen in 2007, triple the 49.7 million that went missing in 2006, according to USA TODAY's analysis of data losses reported over the past two years.

In 2007 news stories have been written about data losses disclosed by 98 companies, 85 schools, 80 government agencies and 39 hospitals and clinics, according to a database at tech security website Attrition.org. Arrests or prosecutions have been reported in just 19 cases.

Volunteers at Attrition.org keep track of incidents, mostly in the USA, many of which are made public to meet new data-loss-disclosure laws. Of more than 300 cases tracked in 2007, 261 were reported in the USA, 16 in Great Britain, 15 in Can-

ada, six in Japan, two in Australia, and one each in Denmark, Ireland, Sweden and Norway. Security experts consider the database a conservative indicator of the level of cybercrime.

Names, birth dates, account numbers and Social Security numbers have become like gold in the cybercrime underground. Meanwhile, organizations expose rich veins of such data as they convert paper documents into digital records. Business data worldwide are expected to swell to 988 billion gigabytes by 2010, up from 161 billion gigabytes in 2006, says researcher IDC.

As they "cram more and more data into a single place," companies and agencies present thieves with more opportunities for a big score, says Benjamin Jun, vice president of technology at Cryptography Research.

Thieves are cashing in:

•**Databases, PCs, websites.** In 87 cases this year, thieves cracked their way into organizations' databases. In other cases, they absconded with 63 laptops and 28 desktop computers and hacked into 54 websites.

•**Portable storage.** In 70 cases — including the loss of 25 million records reported last week by the British revenues and customs office — data went missing on disks, tapes, thumb drives and other portable storage media crammed with information.

Lurking data thieves aren't always on the minds of harried employees who take projects home or on the road. Some 63% say they e-mail work documents to personal e-mail accounts, according to a survey by security firm RSA, the security division of EMC; 35% said they felt compelled to bend company security rules to get their jobs done.