

# Counting the Cost of a Bad Volunteer

Why volunteer screening is the most critical step of the onboarding process.

A VERIFIED VOLUNTEERS WHITE PAPER



# Introduction



**Honesty.** As volunteer managers, it's a quality we look for when bringing new volunteers into our organization. We'd all like to believe that volunteers embody the very best of character, and that these individuals will be truthful and candid when it comes to the questions we ask them during the onboarding process. The reality is that some aren't and unless we take steps to guard the good names and integrity of our organizations, a new recruit could do irreparable damage – everything from threatening future donation dollars to decreasing volunteer participation rates.



# Paying the Price

Whether your prospective volunteer tells a downright lie about their past or current situation, or your organization fails to collect or investigate some key information before bringing a volunteer onboard, the net effect can be the same – a volunteer that causes:

- + Endangerment of employees, volunteers and other constituents
- + Theft or embezzlement
- + Litigation
- + Public scandals and negative publicity
- + Downturn in short- or long-term donation dollars
- + Wasted onboarding budgets
- + Damaged volunteer relations and morale

To prevent a new volunteer from harming your organization, identify potential red flags before you bring them onboard. The number one red flag to look out for during the onboarding process is a criminal record or history of behavioral problems – a reliable predictor of future actions. The best way to make sure you are informed about past criminal history is to conduct thorough volunteer background screens on each of your prospective volunteers. If you don't, you can wind up paying — with your bottom line and your reputation.

## LEGAL WOES

Many of the laws that exist around employers and employees – and who is responsible in the event of any issues that occur – cover

volunteers too. The legal doctrine “Respondeat Superior” holds an organization responsible for the negligent “hiring” of a person who goes on to commit an offense while working or acting on behalf of that body.<sup>1</sup> Examples of such cases run the gamut, from youth organizations that have been held accountable for volunteers sexually abusing members to other childcare organizations that have been held accountable for their volunteers striking or committing violent acts against children. These volunteer organizations had to pay the price for the actions of their volunteers to the tune of anywhere from several thousand dollars to several million dollars. Keep in mind that organizations are more likely to be held liable for volunteer actions if volunteers have committed prior offenses that should have reasonably been uncovered by a background check.

Exposure to liability is a real and ever-increasing threat in the charitable and nonprofit sector, making it vital to cover all bases when bringing volunteers into your organization. The more vulnerable and fragile those served by the organization are, the larger and more damaging the settlement can be.

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<sup>1</sup>“Respondeat Superior”<[http://www.law.cornell.edu/wex/respondeat\\_superior](http://www.law.cornell.edu/wex/respondeat_superior)>

## A CRISIS OF CONFIDENCE

A scandal may cost far more than legal action and stiff penalties. The lifeblood of many nonprofit organizations is the participation and involvement of their volunteers and the donations of their benefactors, large and small.

Volunteer time is purely discretionary, so if your organization experiences scandal and bad publicity then potential benefactors are likely to be turned off and volunteers will likely be dissuaded from serving with your cause.

In 2012, Second Mile,<sup>2</sup> a charity serving disadvantaged and troubled inner city youth, folded after being financially crippled. This was all thanks to the now notorious scandal caused by organization founder Jerry Sandusky, a man currently serving a lengthy prison sentence for his sexual crimes against young boys. After word of the scandal spread, donations dried up, volunteers disappeared, and organizations stopped referring youth to Second Mile programs. Whether a scandal is a deathblow, as in the case of Second Mile, or a temporary dent in reputation, the dollar value of the loss in resources can be huge.

## STOPPING THOSE WHO HELP THEMSELVES

Theft and embezzlement is on the rise, even for nonprofit organizations. Charities lose 7-13% of their funds to theft, embezzlement or fraud each year. A 2014 study from the

Association of Certified Fraud Examiners (ACFE)<sup>3</sup> found that the median loss due to theft and embezzlement for nonprofits is a staggering \$108,000 per event. Each of these events lasts an average of 18 months from commencement to detection. The effect on smaller charities can be devastating, causing an interruption or reduction in service, or forcing them to close their doors altogether.

The idea of someone stealing from a children's charity or an organization helping the homeless is abhorrent, but the odd truth is that the majority of offenders think of themselves as "borrowing," not stealing. They hope to pay anything they have stolen back before anyone even notices, but they rarely do. And as their financial situation gets more dire, they "borrow" again and again. Who are these perpetrators? The majority are in positions with either a great deal of autonomy or with access to the organization's finances or operations. There might be red flags that arise during the background screening process. These red flags could show up after a criminal background check, and might include past crimes such as theft, robbery, misuse of credit cards, fraud, fraudulent check writing and/or forgery. Or, non-criminal issues such as financial difficulties or a history of the individual living beyond their means could show up through a credit check. Vigilance before volunteer placement can help organizations reduce their likelihood of falling victim to theft, embezzlement or fraudulent acts.

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<sup>2</sup>"The Second Mile seeking to dissolve" <<http://m.espn.go.com/ncf/story?storyId=7970999&top&wjb=>>

<sup>3</sup>Report to the Nations on Occupational Fraud and Abuse – 2014 Global Fraud Study<<http://www.acfe.com/rtnn/docs/2014-report-to-nations.pdf>>

# What do your most valuable assets – your volunteers – contribute?

**One in four** Americans volunteer.

IN 2012, THIS WAS VALUED AT:

64.5  
million  
volunteers

+

served  
79  
billion  
hours

=

**\$175  
BILLION**

Volunteers are **40% more likely to donate**

than non-volunteers.



# Why Volunteer Screening is a Challenge

Most nonprofits and volunteer programs now recognize the importance of conducting background screens on volunteers. You might even say that volunteer background screening is becoming the norm. But screening practices and policies still vary widely.

For some, a background check may amount to no more than a simple Web search or a couple of telephone calls to work and personal references. For others, it may entail everything from checking work history to conducting drug testing, and running criminal background checks and credit checks. The vulnerability of those served by the organization may dictate the depth of the search and the rigor of the process.

What do you do when you know what is needed and the importance of carrying it out? How do you go about putting it into action?

The good news is that you don't have to worry about this problem yourself. In a cost effective way, any volunteer program can protect itself by working with a professional background-screening firm.

## **BOTTOM LINE: THE BEST PROTECTION IS PROFESSIONAL BACKGROUND SCREENING**

Retaining a professional screening firm offers a number of benefits, including:

1. **Quality, efficiency and speed:** Using an agency with established processes and networks lets you get on with what you do best. Internally, you probably lack the expertise or time to adequately check the backgrounds of your people to the satisfaction of the public and the law
2. **Knowledge and compliance:** Volunteer screening requires specialized expertise that most volunteer managers lack. Laws about background checks can differ amongst jurisdictions, making screening tricky at times, especially because one rarely knows all applicable laws or limits of specific data sources

The tangible cost of a volunteer who abuses their position and causes real damage to the reputation and credibility of your organization is immeasurable. In a world where six figure lawsuits are common and negligent hiring or retention causes donors and volunteers to head for the exit, it is imperative to know any risks before you bring people onboard.

Protect your most valuable assets — your people and your reputation — with comprehensive screening. Don't allow the unknown to become your biggest liability.

# About Verified Volunteers

Verified Volunteers is the only background check platform tailored to the specific needs of the service sector and the first online community to mobilize repeat, vetted volunteers. Our Volunteer Fast-Pass propels nonprofit organizations by empowering volunteers to take greater ownership of costly, time-consuming screening processes. Verified Volunteers is backed by SterlingBackcheck, one of the world's largest background screening companies, and partnered with Points of Light, the world's largest organization dedicated to volunteer service. Visit our website at [verifiedvolunteers.com](http://verifiedvolunteers.com) to learn more.

