

ACBI News

The ACBI News is published quarterly for the membership of the Association of Certified Background Investigators (ACBI), a section (c) (6) not-for-profit organization. Unless otherwise directly attributed in writing, all content of ACBI News is provided by and for the membership of ACBI, and does not reflect the official policies or opinions of any governmental agency or commercial entity.

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President's Message

First and foremost, Merry Christmas, Happy New Year, and the best wishes to all members, your families and associates in this Holiday season!!! May this be a time of good cheer and joy to each as you celebrate according to your various beliefs and customs. Let's also offer a prayer and a moment of silence for all of our armed forces that may be in harm's way and separated from their families. It is through their efforts, sacrifices and the sacrifices of their families, past, present and future, that we are still a free country. All gave some and some gave all, bless them one and all!!!

The election of new officers concluded December 15th for two year terms: Robert Nesvick –Vice President / Conference Chair – Unopposed; Alan Stoddart, - Director # 1- Unopposed; Rich Ruhland - Director # 3 - There were four individuals running and 100 members voted. Rich won with the majority of votes. He is also the editor of the newsletter. Thanks and congratulations to Rich and welcome aboard all. I want to express a special thanks to the additional individuals that ran for this position. Your response was deeply appreciated. There will be three more openings in November 2012 for ACBI President, Secretary and Treasurer. PLEASE stay interested and consider running for these positions. This organization has grown from a small core to a highly respected voice in the BI community. This is your organization and only you can make a difference.

We are currently upgrading our member database and web site. We are hoping for great things. As a SHORT dissertation, we now have over 400 members. We gain about 100 new members each year, and lose about 100 members each year due to retirements, "lost" passwords, etc. Due to the sheer number of changes, our database was almost beyond repair. The biggest problem was no central file sharing ability (a "database" shares files that have a common filename, such as "last_name"). What this means in English is that the ACBI officers were unable to make single changes to a database. Changes to several independent files were required, and the files could not be merged with, or used to reconcile, other files. Couple this with the numerous upgrade failures, computer crashes, members not able to update their own data, etc. We were at the point where even FEMA couldn't help. The ACBI board spent a lot of time on this problem; I spent numerous hours with my computer-savvy son, and we even consulted with the computer departments at two universities. Our Treasurer, Rick Castricone, spent untold hours with banks, credit card companies. Our Secretary, Mike Ruggiero, also deserves a round of applause for all his work (hundreds of hours, phone calls, and e-mails) with the website managers and programmers.

All of us are hopeful that Santa will be kind to ACBI, and we hope that this will move our organization into the next level of professionalism. We have paid for and have a source document from which programmers can create a usable system, sort of like an architect's plans for a house. We looked at multiple ways to accomplish what we needed, and the best alternative we could find was to stay with our current website. We have signed contracts with Griffin Web Design, the company that hosts our ACBI website, and signed contracts with programmers to build the new site. This is the first phase. It will not solve all of our problems, but it should cover the essentials. Since we do have a master plan, items can be added at a future date when phase one has been "debugged." This item will be on the agenda for the National Conference in March 2012, where we will be available to answer your questions.

Bob Kuropkat, President

Vice President / Conference Chair Report

ACBI 2012 NATIONAL CONFERENCE: Conference planning is in full swing. Make your plans early and don't be left out. Here is everything you need to know:

WHERE: The National Conference Center (NCC), 18980 Upper Belmont Place, Lansdowne, VA 20176 (703) 729-8000. Fax: (703) 729-5382, NCC website: <http://www.conferencecenter.com/>

WHEN: Wednesday, March 28 to Friday, March 30, 2012. On-site registration at the NCC will begin on Wednesday around 1:00 PM; however, hotel rooms will not be available until about 3 PM.



WHAT: On Wednesday, March 28th, there will be a “Members Only” meeting, before dinner at 4 PM. After dinner, join us for a social at the NCC’s Black Olive Sports Bar. Thursday, March 29th will be a full day starting with the ACBI President’s Welcome from Robert Kuropkat. We are fortunate to have Colleen Crowley, OPM/FIS Deputy Associate Director for External Affairs as our keynote speaker. The Government Agency Panel with GAO, ATF, FBI and OPM, to name a few, will conclude the AM session. We will reconvene after lunch with the Contractor Panel, including CACI, MSM, ADC, Omnisec, Creative Services, and USIS. After dinner on Thursday, meet us again at the Black Olive for another social. So far, MSM and CACI have offered to sponsor the socials. Thank You! On Friday, March 30th, another keynote speaker (TBA) will present, and this will be followed by a session entitled “Your Business – Efficiency and Profitability” featuring the founder and former president of ACBI, Earl Gould. The conference will conclude at noon on Friday, but lunch is included with the Friday rate. Specific times and a final conference agenda will be forthcoming.

COST: \$219.00 plus tax, per person, per night, includes: Overnight Accommodations, 3 Buffet Meals Daily (be prepared to eat well), Refreshment Break Stations, Wired High Speed Internet in guest rooms, Complimentary Parking and Fitness Center. The daily rate for those not needing lodging will be \$75 per day and will cover meals and refreshments.

HOW TO REGISTER: Passkey is the NCC’s online reservations system. To register for the conference as an Overnight or Day Guest, go to: <https://resweb.passkey.com/go/ACBI24839> Attendees may contact former ACBI President Ed Kassof at Conference2012@acbi.net with any questions regarding registration or the conference.

TRANSPORTATION: The NCC is located 12 miles from Dulles International Airport (IAD) and 35 miles from Reagan National Airport (DCA). Shuttle service for Dulles Airport is provided daily by the NCC for \$20.00 per person each way; however, you must make transportation requests through the NCC 72 business hours (3 business days) in advance. The shuttle only runs by the requests that are received. (If you are traveling with others, it is more economical to share a cab).

IF YOU CANNOT ATTEND: If you cannot attend but would like to address or ask a question of a panelist, you can submit your inquiries to former ACBI President, Ed Kassof, at Conference2012@acbi.net

See you there!

Connie Persico, Conference Chair

Secretary / Treasurer’s Report

The new database is nearly ready! As you are probably aware, the Board began work on our new database in July 2011. The old database worked well when the membership was under 200, but as we later discovered, MS Access has some problems with large multi-function database systems. We have endured catastrophic breakdowns on two occasions and several

minor ones in 2010 and 2011. The answer was obvious, albeit difficult to swallow, we needed a new and improved database that was user-friendly, fully-functional, and one that enhanced the security of the membership's personal information.

As with any design/build project, we experienced some minor delays but the project is near completion. Beginning February 1, 2011 you will be able to go to the newly redesigned ACBI website (www.acbi.net) and renew your membership for 2012. For the first time you will be able to use your credit or debit cards to pay your membership fees (through PayPal).



You will also be able to reset your password, order ACBI pins and update your profile. You will no longer be required to print out a hardcopy application form, fill it out and mail it with your check to our Secretary. If you don't know, or can't remember your password, you will be able to access the site and request your password. As with any password utility in the modern business world, your password will be sent to the email address we have on file. If you have changed email addresses in the last 12 months and have not recorded the change with our Secretary, you will not be able to reset or receive your password and will not be able to use the automated system for renewal. We know this will apply to very few members but for those that it does affect, it won't be a problem. You will be required to fill out a new application and be issued a new password. It won't take long and you will find the process is fairly easy.

The Board is excited about the completion of this project. Secretary Mike Ruggiero and I have collectively spent over 100 hours assisting the programmer designing the database. It was worth every phone conference, every detailed functionality chart and every document review that we did! The money and time were well spent. Thank you for your continued support of our great organization.

Rick Castricone, Treasurer

Spotlight on Investigator Compensation

The Bureau of Labor Statistics collects data on occupations and industries from employers by annual surveys. There are many different types of investigators, according to the DOL, such as public investigators (federal, state and local police); private investigators; fire and accident investigators; credit investigators; and insurance investigators. All require the ability to investigate, interview, analyze and report. For the purposes of ACBI, below are some mean (average) wages for the public and private investigator titles as of May 2010.



Please note that these average wages are salaries only, and are for employees who are always “on the clock.” The compensation does not include those expenses that employees are provided or reimbursed for, but that the self-employed are sometimes asked to absorb such as expenses for home office, communications, use of personally owned vehicle, liability insurance, travel, office supplies and equipment, licenses, fees and employer social security taxes.

Detectives and Criminal Investigators (Public)

Mean Hourly: \$35.10
Mean Annual: \$73,010 (hourly X 2080 hours)

Detectives and Investigators (Private)

Mean Hourly: \$22.99
Mean Annual: \$47,830 (hourly X 2080 hours)

Members are encouraged to visit the BLS site to view average salaries for their specific geographic region.

Wage Determinations: The Department of Labor (DOL) periodically issues wage determinations to serve as a minimum scale to be paid to employees under federal contracts, usually construction, in a geographical area. The wage determinations are said to be the prevailing wage in an area, given the skill required to perform the tasks and comparable wages being paid to employees performing the same work. This is designed to prevent an employer from importing cheap labor from another part of the country. If reliable survey data is unavailable, DOL uses other techniques such as an equivalent federal employee salary.

The recently awarded OPM contract included a wage determination (2000-0309, Revision 20) that set minimum wages for employee investigators ranging from a low of \$15.00/hour for closely supervised new trainees up to \$27.51/hour for the most complex and sensitive investigations. Added to this was \$3.50/hour for health and benefits. As with the DOL statistics reported above, these are employee wages, not amounts paid to self-employed sub-contractors.

Direct Contracting: A number of ACBI members have expressed interest in becoming a background investigator for agencies that contract directly. Compensation is generally better since there is no middleman overhead, and travel expenses should be reimbursed if compliant with federal travel regulations. See “Helpful Websites” in this issue for information about contracting directly with USAID, Peace Corps, and BATF, three agencies that have solicited or awarded direct contract BI work recently.

The travel expense policy of contractors and federal agencies should be examined by ACBI members because of the impact of being reimbursed versus using the expense as a tax deduction. Let’s compare the use of your personally owned vehicle as an example since it is a major expense for most ACBI members. If you are reimbursed at IRS rates directly, you received \$0.510/mile (Jan-Jun) or \$0.555/mile (Jul-Dec) in 2011 and you are paid shortly after you incur the expense. But if you are not reimbursed and use these same rates as an expense

tax deduction, your taxes will be reduced by only a percentage of this amount depending on which tax bracket you are in, and you won't be "paid" until early 2012 after you have completed your tax returns. This latter method is easier for the contractor or agency for accounting purposes, but it shifts most of this expense to the investigator. And these expenses (gasoline, maintenance, insurance, and depreciation) are real. So, make sure you are being paid adequately for the use of your car when you are using it for BI work.

Please be advised that working directly on federal contracts require that you obtain a 9-digit DUNS number (this is free) for your business at the [Dun & Bradstreet website for federal contractors](#) and be registered in the [Central Contractor Registration database](#) prior to being awarded a contract. They also use direct deposit to pay contractors. You may need to enter the NAICS (North American Industrial Classification System) code 561611 for "Investigative services" or other NAICS codes, if applicable to your business. NAICS replaced SIC (Standard Industrial Classification) in 1997, and the SIC code for a broader definition of security services was 7381. After registering, you can opt out of public access to your account information unless you are a Section 8A or Hub Zone contractor. Also, there are basic supply and demand rules at work. For example, the size of employee complement and the rate of turnover will determined the need for background investigations. These direct contract federal agencies have a smaller complement and lower turnover rate than OPM which covers the armed services and "about 90% of all federal background investigations" ([GAO Report 10-849](#)).

Technology Tips

Having trouble getting interviewees to call back? Failure to respond to calls can make background investigation work very non-productive as interviewees have to be called two, three or more times (according to your contractor's instructions). But what should we expect? Remember that the public is being bombarded with all sorts of identity theft scares from their banks, the news media, TV commercials, and law enforcement announcements and crime prevention advice. And let's not forget the most likely reason – the subject has failed to advise his references (that HE provided) that they may be getting a call. It's a wonder we get any call backs at all. But here are some suggestions sent in by ACBI members that might help:



Toll-Free Numbers - ACBI Member Wayne Mortensen uses a toll free number to increase the percentage of call-backs. He says it is especially useful when Investigators are working in a TDY status or in an area where there are different area codes. The cost of having the toll-free number is a tax-deductable expense. (Read about toll free numbers at the [FCC's website](#).)

Smartphones - Wayne also uses his Smartphone language translation application in a unique way. In areas of San Francisco populated by native Chinese, he uses the translation application on his Smartphone to speak with people that don't speak English. This helps enough to direct him to someone else that does speak English, and eventually to his subject.

Texting - Another ACBI member (sorry, I lost his name) suggested that investigators use their cell phones to send a text message to the interviewee's cell phone instead of calling. Interviewees may not return calls, but they always read their text messages. Another idea from this same investigator was to contact the interviewee through their Facebook page.

Social networking is becoming a more common method of "social contact" mentioned by personal references, and it is a relatively recent phenomenon. LinkedIn started in 2003 and is designed to allow professionals to stay in touch with classmates and work colleagues. MySpace also started in 2003 and was used primarily to share news about music and entertainment interests. Facebook started in 2004 as primarily a social website targeted at the college-age market, and was later expanded to the high school-age market. Twitter is a text-based social network started in 2006, and used to send "tweets" (140 or fewer text characters) to "followers."

It would be difficult to overestimate the speed, efficiency and power of social networking websites. They affected the outcome of the 2008 Iowa caucuses, and eventually the presidential election. Their growth has been phenomenal – from zero to hundreds of millions of users in the last decade. Words such as "blog" and "tweet" have become accepted use as both nouns and verbs that would never pass the grammar test a generation ago.

One reason for the dramatic growth of social networking is that these websites are free. Most of the site revenue comes from banner ads (ads appearing on the left, right, top or bottom of a webpage). All the user has to do to join is submit a profile (name, age, photo, hobbies, favorite movies, books, political party, relationship status, etc.) and immediately they will see banner ads based on the profile that the user just voluntarily submitted. This "Tom Sawyer" effect (letting others do the work for you) makes it easy for marketers, political parties, and non-profit organizations, to reach potential buyers and followers quickly and inexpensively. From a personal security standpoint, it is frightening because the website owns your profile.

Tax preparation technology help is also available to ACBI members that need to record their expenses, revenue and prepare their tax returns. Intuit's Quicken for Home & Business is an easy to use software that retails for about \$100; however, it might be overkill for a contract background investigator that has no inventory, no other employees, no capital assets, or no income-generating property.

When you prepare your Form 1040, Schedule C (Profit or Loss from Business), you will be asked to calculate expenses for: home office (rent/mortgage, utilities, taxes, insurance); vehicle (mileage); office supplies (paper, pens, etc.); communications (internet, cell phone, fax); insurance (personal liability); advertising (business cards); travel (lodging, air/train fare, rental car); meals and incidentals (IRS has a 50% rule for M&I); and other administrative expenses (copying, dues, shipping). As long as ACBI members are able to record these expense amounts, properly classified and in chronological order, an electronic spreadsheet application like Microsoft's "Excel" or OpenOffice.org's "Calc" (this is a free download) should do the trick.

Although this is not needed for your tax returns, remember to track your actual work hours (investigative/reporting, en-route travel, administrative) if you want to know how well you are doing. And as the GI Joe cartoon characters always said, "Knowing is half the battle."

Travel / TDY

In the October 2011 issue of ACBI News, we asked members to send in their comments or recommended places to work in a temporary duty (also known as TDY) status, and used Wright-Patterson AFB as an example. Working TDY is an option for the investigator that finds work is scarce in the area where they reside. The most active locations for background investigation work can be found in the vacancy announcements themselves – Washington DC, the Southwest, etc. Here are a few comments on TDY locations sent in by the membership:



Texas/Mexico Border: *As for TDY, I have done several TDY's to the Rio Grande Valley in South Texas – the areas of McAllen and Brownsville, at the southernmost tip of Texas; and Del Rio (150 miles west of San Antonio). As for lodging, the Ramada Inn in Del Rio is the better place to stay. Holiday Inn Express is a good bet in the other locations. I've also done TDY to the Austin, TX area. Steer clear of the Best Western and opt for the Embassy Suites. You will be happier. The web site: www.fedrooms.com is a good resource for any city in the US for lodging that complies with the Joint Travel Regulation for per diem rates. The site will give you the hotels in that city that charge no more than the lodging rate; it will also show what the per diem rate is in comparison to the hotel rate. The site was set up by GSA. You can also make your reservation directly through the site.*

Indianapolis IN: *Indy is one of those cities where it is relatively easy to travel around by car as opposed to other "you can't get there from here" cities that are divided up by rivers, railroads, one-way streets, and closed bridges. Nearest major airport is IND about 14 miles west of downtown Indianapolis. Lodging and dining options are reasonably priced on the outskirts of the city. Be sure to visit the Indianapolis Police Department on the first day of your visit because there is a three-day turnaround for police records checks. There are several inexpensive parking lots in the downtown area very close to courts and law enforcement agencies. Some subjects may need educational records checked at IUPUI (Indiana University – Purdue University – Indianapolis) which is an extension campus for these two schools, and is located about two miles west of the center of downtown. Nearby Fort Benjamin Harrison was closed during the 1996 BRAC, but there is still DFAS (Defense Finance and Accounting Service) Headquarters and an Indianapolis National Guard training center there.*

Scott AFB, Belleville IL: *Scott AFB is located about 20 miles east of St. Louis MO and about 35 miles from the nearest major airport –STL. The town of O'Fallon IL is next to the base and provides several inexpensive lodging and dining options. The AF security force is extremely courteous and professional and can provide directions. Directions will be needed because the*

buildings and base maps display locations as building numbers, which bear no relation to where they actually are. Among the locals, the buildings will be referred to by their function, not their building number or address. So, call your subject ahead of time to verify the locations at Scott AFB for his record and personal sources. Parking is available close in if you report to work before 6:00 AM. Expect to walk much farther if you arrive later. Scott AFB is a joint DoD command. There can be assigned work on the OPM contract related to Air Force, Army, Navy or Marine Corps personnel.

[Per diem rates can be found here](#) if investigators want to estimate what their travel expenses (lodging and meals/incidental expenses) will be. But remember that these are maximum reimbursement rates for government employees on official business.

Helpful Websites

[TheMilitaryZone.com](#) lists US military bases in CONUS and overseas. This usually indicates a good location for OPM work in a TDY status; however, the missions of these bases may not require its service members or employees to have a security clearance.



[MyBaseGuide.com](#) provides information about US military bases (directions, lodging, base history) for service members and their families. Again, this is helpful for those members that want to work on the OPM contract in a TDY status.

(There have been several phases of BRAC -- Base Realignment and Closing -- enacted since the early 1990's, and these affect the location of the various military units' missions. BRAC was adopted by Congress in the late 1960's to prevent the closing of a military base by unilateral actions by President Johnson. However, the BRAC standards were so strict that no bases were closed for over 20 years. The drawing down of the "cold war" restarted the process.)

IRS tax preparation web pages and publications:

[IRS Small Business and Self Employed Tax Center](#)

[IRS Recommended Reading for Small Businesses](#)

[IRS Publication 463 \(2010 tax year\): Travel, Entertainment, Gift and Car Expenses](#)

Posted below are some links related to background investigation contract news items posted within the last year on the [FedBizOpps.gov](#) website. Contact names, phone numbers and e-mail addresses, a statement of work, and qualifications, are included.

[US Agency for International Development \(M-OAA-GRO-LMA-10-01\)](#) USAID is an independent agency that provides economic, development and humanitarian assistance around the world in support of the foreign policy goals of the United States. USAID has about 1,800 employees working in the US and in over 100 foreign countries.

[Peace Corps \(PC-11-Q-011/01\)](#) The Peace Corps began in 1961 to challenge Americans to serve their country in the cause of peace by living and working in developing countries. Since 1979, the Peace Corps is an independent agency. It currently employs about 9,000 in staff and volunteers working in 76 countries (as of 2011). Volunteers serve 24 months overseas (teaching, technical or agricultural assistance) after a 3-month training period.

[Bureau of Alcohol, Tobacco and Firearms \(DJA10S000034\)](#) BATF is a federal law enforcement agency in the Department of Justice that protects our communities from violent criminals, criminal organizations, the illegal use and trafficking of firearms, the illegal use and storage of explosives, acts of arson and bombings, acts of terrorism, and the illegal diversion of alcohol and tobacco products. BATF employs about 4,500.

Several more regional opportunities for fraud investigators (disability, workers compensation fraud) were also found on FedBizOpps.gov working for SSA, Department of Labor, or other agencies; however, some of these require having a firearms permit as the work will involve criminal investigations. See your local state laws for what is required. Disability fraud work is especially suited for contractors because of its ad-hoc nature, but the work is quite specialized and may require electronic surveillance skills.

Recommended Reading

Spy Hunter: Inside the FBI Investigation of the Walker Espionage Case, by Robert W. Hunter, published in 1999 by the Naval Institute Press. As the title suggests, this book tells the story from the perspective of the case agent, FBI Special Agent Robert Hunter. An excellent book about the arrest and trial of this spy ring, which included: John Walker, former CWO2 and Senior Chief Radioman who was consistently rated “4.0” on his performance evaluations; Navy friend Jerry Whitworth, who was also a Senior Chief Radioman; Arthur Walker, John’s brother, who provided Navy maintenance records; and Michael Walker, John’s son, a Yeoman striker assigned to the USS Nimitz, who had no clearance but took discarded classified items from burn bags. The good news is all four are serving long prison sentences. The bad news is it took 18 years to catch Walker, and he was caught because his ex-wife turned him in. As investigators soon learn, “Hell hath no fury like a woman scorned.” There are also instances of “Murphy’s Law” in the investigation, including a hilarious account of the NIS trying to deny the author access to hear his own briefing to NIS investigators. As information, the author also recommends the book “Family of Spies” written by former Army polygraph examiner Pete Earley, as the best overall account of the case.



The Sword and the Shield: The Mitrokhin Archive and the Secret History of the KGB, by Christopher Andrew and Vasili Mitrokhin, published in 1999 by Basic Books. This book is an excellent reference book about Soviet espionage from the 1920's up to the 1980's. It describes some of the "active measures" (e.g. false stories planted in newspapers, payments to opposition parties for "spontaneous protests", assassinations) committed by the NKVD, GRU and KGB, all in the name of advancing the myth of the worker-peasant state. You can't make this stuff up! Like disagreements over whether the KGB (and its predecessors) executed only about one million of their own people, or whether it should be 20 million if the labor camp deaths were included. Or why Stalin refused to believe intelligence from the "Cambridge Five" because he was convinced they were British double-agents since they never revealed any British agents in the Soviet Union (There were none.) Or why Yuri Andropov ordered the destruction of irrefutable evidence that the US was not involved at all in the Prague Spring 1968 uprising. Yes, Alger Hiss (State Department), physicist Ted Hall (Los Alamos National Laboratory), Harry Dexter White (Treasury Department), and Lauchlin Currie (FDR advisor) were all Soviet agents. So were several employees in the OSS, including a secretary to Director William Donovan. The free world owes a debt of gratitude to Mitrokhin for exposing what an evil influence Soviet communism was at enormous personal risk.

With the Old Breed, by Eugene B. Sledge, originally published in 1981 by Presidio Press, now available in paperback. This is an outstanding first-person narrative of Marine Eugene B. Sledge and his accounts of the battles for Peleliu and Okinawa. It may be the best account of what it was like to be a Marine mortar man fighting in the Pacific theater where nearly every combat survivor was wounded and all had some very close calls with death. Sledge describes the stark difference between what front line combatants and rear echelon servicemen face, and he writes about his commander's remedy for souvenir hunters caught in his sector (identifiable by their clean fatigues). Because of the accuracy of his writing (he kept an unauthorized diary on pages of his Bible), Sledge's book was one that was used for research to write the screenplay for the HBO miniseries *The Pacific*, which aired in 2011. Read the book to appreciate what you have been given through the sacrifice made by our fathers and grandfathers. And keep it where you can see it before you start complaining about weather, traffic, waiting in line, politics, the cost of living, etc.

Contact the Editor

Questions to be researched, comments, constructive criticism, and content recommended for future publication in the ACBI News is welcome. The ACBI News is published quarterly in January, April, July and October, for the benefit of the ACBI members, and is accessible at the ACBI website. Please write to the Editor, Rick Ruhland, at: editor@acbi.net with your suggestions. Thank you.

