



General Compliance and Best Practices

HR Audit Worksheet

Note: When conducting a complete HR audit, every aspect of a company's practices should be included. Each question is important, as a deficiency in any one section or on any one question could result in a large fine or a lawsuit. If you have any questions see our contact information at the bottom.

Job Postings, Descriptions and Hiring

- Do all positions have job descriptions?
- Are job descriptions current?
- Do job descriptions clearly state what is, and is not, an essential function (ADA)?
- Are job openings offered to current employees?
- Do employment applications refrain from requesting protected information?
- Are applicants asked to voluntarily identify their affirmative action information?
- Does the application obtain the correct permissions and have the correct disclosures?
- Are all applicants required to complete and sign an employment application form?
- Are selection processes used with reference to the Uniform Guidelines?
- Do you require drug testing, background checks, or any other pre-employment investigation?

On-Boarding

- Do new employees complete W-4's and I-9's within 3 working days of date of hire?
- Are all I-9's completed correctly? (Mandatory \$100 to \$1000 fine for each incorrectly filled out I-9)
- Are all new hires reported to the State within two weeks of date of hire?
- Do all employees sign the handbook and other required paperwork before starting work?
- Are policies communicated to new hires?
- Is there an orientation plan?

Handbook and Other Required Paperwork

- Do you have an employee handbook?
- Is the employee handbook specific to your workplace?
- Do the workplace policies focus purely on your specific workplace?
- Do you have a separate Wage Deduction Agreement?

Workplace Discipline

- Are disciplinary actions for violating workplace policies flexible?
- Does the company have a standard form for policy violation?
- Could past 'flexibilities' in workplace policy enforcement lead an outsider to believe there is discrimination?
- Are all policy violation notices signed and retained in the employee's file?

Employee Separation

- Have you paid an unemployment claim in the past year?
- If so, do you agree with the outcome?
- Are separation and COBRA notices provided in a timely manner?
- Are final paychecks provided in a timely manner?
- Do exit interviews take place?
- Are all separations carried out in a private and confidential manner?
- Do you follow pre-set termination protocols to protect your business from former employees? (More in-depth than return of keys and laptop)
- Do you report all separations to the State within two weeks?

Workplace Policies

- Are all policies clearly communicated and documented to employees?
- Are employees provided training on policies and work rules?
- Are policies consistently enforced?
- Are workplace policies flexible?
- Are employees provided training on discrimination and harassment issues?
- Are full-time and part-time hours clearly defined?
- Are there a variety of management level individuals to whom employees may approach to lodge

complaints (manager, supervisor, HR representative)?

- Is there a Whistleblower Policy in effect?

Employee Evaluations

- Is there a system for performance evaluation in place?
- Does the system check for effectiveness of the evaluation itself?
- Are both quality and quantity of work evaluated?
- Is performance tied to compensation?

Employee Files

- Are all personnel files current?
- Are all employee documents retained for the statutorily required period of time?
- Are I-9 forms and acceptable documentation reviewed annually?
- Are I-9s and medical information kept separately from employee personal files?
- Are applicant references verified?
- Are applicant identities verified?

Regulatory

- Are all labor posters posted and displayed in appropriate and conspicuous places?
- Are all labor posters current?
- How do hourly employees report their hours?
- Do part-time hourly employees remain on the clock during their lunch period?
- **Are independent contractors identified accurately?**
- If the organization has a qualifying federal contract, is there an Affirmative Action Plan?
- **Are employees correctly designated as exempt, or non-exempt, per FLSA?**
- Are non-exempt employees compensated at a level of at least one and one-half times their hourly wage for hours worked beyond their initial 40 hours per week?
- Are minors prohibited from working more than the number of hours allowed for minors by the Fair Labor Standards Act?
- **Are all interns being compensated in accordance with Federal Laws and regulations?**

Benefits

- Are employees informed of their benefits package in detail?
- If there is a health care plan, is protected health information kept confidential and secure?
- Are insurance premiums and competitive quotes reviewed on a periodic basis?
- Are Summary Plan Descriptions provided to plan participants?
- Who is the benefits administrator?
- Are general and/or extended COBRA notices provided to plan participants as appropriate? Are employees allowed up to 12 weeks of leave as provided for under the FMLA?
- Are plan documents in compliance with ERISA?
- Are all Form 5500s completed correctly and reported appropriately?

Discrimination and Employee Rights

- Is the workplace indicative of the diversity of the community?
- Are employees provided training on discrimination issues?
- Are supervisors and managers provided training on anti-discrimination practices?
- Are compensation levels monitored and reviewed to ensure no appearance of discrimination?
- Do employment practices conform to the various anti-discrimination laws?
- Is there a strong anti-harassment policy in place and are employees provided training on the policy?

Safety and Security

- Are safety hazards reported to the appropriate personnel in a timely manner?
- Are workplace accidents, injuries, and illnesses reported and investigated in a timely manner?
- Is follow-up remediation performed where appropriate?
- Are measures in place to prevent intruders from entering the grounds or buildings?
- Is bright, effective lighting installed indoors and on the business property and parking areas outdoors?
- Do structures comply with ADA standards and are they readily accessible to disabled employees?
- Are minors prohibited from performing hazardous work?
- Are OSHA rules enforced and followed as common practice?
- Are effective policies in place prohibiting retaliation against employees who exercise their employee rights?
- Do you have Workers' Compensation Insurance?
- Are employee Workers' Compensation files kept secure and separate from their personal

employee file?

- Are employees who are on Workers' Compensation contacted regularly? Is the workplace environment maintained with safety in mind?

Human Capital Measurement

- Are HR goals in agreement with the goals of the organization?
- Are employees happy with the current HR solution?
- What is the current number of unfilled positions?
- On average, how long does it take to fill an open position?
- How many employees currently work for the company?
- How many employees has the company hired this year?
- How many employees have left the company this year?
- What is the absenteeism average per employee?