

Employment practices audit: 5 areas to review

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1. Hiring Practices

- Do employment applications seek appropriate information?
- Are new hires provided notice of, and acknowledge, required policies?
- Hiring managers are trained on the appropriate interview procedures and questions.
- Company provides employees with arbitration agreements with class action waivers?

2. Records

- Employee files, time records and schedules are maintained confidentially and for at least four years.
- Do managers have set forms on employee discipline, write-ups, and tardiness?
- How are employee absences documented?
- How is the employee documentation and paperwork provided to Human Resources or the appropriate manager?
- Who is involved in reviewing disability accommodation requests?

3. Wage and Hour Issues

- Does the company have its workweeks and paydays established and posted?
- Are paydays within the applicable time limits after the pay period as required under the law?
- Are employees provided with a compliant itemized wage statement and their accrued paid sick leave each pay period?
- Are employees properly classified as exempt or nonexempt? Are any workers classified as independent contractors?
- Are nonexempt employees properly compensated for all overtime worked?
- Is off-the-clock work prohibited? Are managers trained on how to recognize and take disciplinary actions?
- Does the company's time keeping system round employee's time?
- Are meal and rest period policies written in the employee handbook and are employees routinely reminded of policies?
- Are managers trained on how to administer breaks and what actions to take if employees miss meal or rest breaks?
- Is vacation and/or sick leave properly documented and tracked?
- Are all deductions from the employee's pay check legally permitted?

4. End of Employment Issues

- Are accrued and unused vacation time included in final wages?
- Does the employer deduct any items from an employee's final paycheck and are the deductions legally permitted?

5. Anti-harassment, discrimination and retaliation

- Are supervisors provided with sexual harassment training every two years? (Employers with 50+ employees.)
- Are supervisors and managers mentioning the open-door policy of the company at routine meetings with employees? Is this being documented?