



## *2021 Year-end HR Checklist*

### **Completely review all employee files**

- Job descriptions Start with the initial job description for each employee and make any adjustments based on how their roles and responsibilities may have evolved over the past year. It's a great opportunity to also align with valuable team members on how they've seen their position change and recognize these efforts or discuss a plan for continued growth. Their benefits or PTO may have changed based on these new responsibilities and should be documented for future reference.
- Accurate personal information: Even if it feels tedious, you'd be surprised how often out of date addresses or tax withholding preferences slip through the cracks. At least annually, remind employees to double check their contact information, social security information, etc.
- Performance review information: Separate from their job descriptions, this may be the time of year that you discuss and document any compensation or schedule changes. Make sure any previous performance reviews, disciplinary documentation, promotion history and pay changes are saved and up to date just in case this is needed later on.

### **Clean up your HR documentation**

- Record retention: If you don't yet have a formal retention policy for maintaining paperwork - start there. If you have one in place, make sure it's up to date and reflects any necessary federal and state regulations.
- Forms, forms, forms: Ensure all necessary forms are completed for every active employee. This may include I-9s, FICA and FUTA forms. There are also a number of forms available to businesses of varying sizes and industries related to the pandemic. The FFCRA Tax Credit, for example, allows some employers to be refunded for sick pay for employees impacted by COVID-19. Even terminated employees should have the correct paperwork filed for the appropriate amount of time, kept separate and labeled with a retention date. Be sure to also properly dispose of any that are now past their retention date.
- Recruiting and hiring: We recommend keeping resumes for a minimum of one year along with any materials used throughout the hiring process. If there are any found past their retention date, declutter this area by shredding those documents. Also take the time to review your current onboarding materials, benefit documents, workplace culture messaging, etc. Make sure they are up to date and accurately represent your business.

## Evaluate your HR compliance

- ❑ ACA and FMLA compliance: Both the Affordable Care Act (ACA) and Family Medical Leave Act (FMLA) have strict requirements for who is subject to the law. Even HR professionals can struggle with determining eligibility and managing notice requirements. Prioritize a complete review of what your business needs to know and do to be compliant in these areas.
- ❑ Labor law posters: There are several federal, state and local laws on what needs to be posted in the workplace. The US Department of Labor provides great resources for reference, but you should also take on the responsibility of documenting expiration and keeping your posters up to date.
- ❑ Workplace harassment: Even if it feels repetitive or unnecessary because of the size of your team, the time to educate your employees about workplace abuse and mistreatment is time well spent. At least once a year, talk to them as a group to reinforce your policy and even take time one on one to provide the opportunity to individuals who may need this opportunity to speak up.

## Review your HR policies & practices

- ❑ Employee handbook: These should be reviewed and updated (at least) one a year. This is where you have your company policies, procedures, mission and values. We are strong advocates of keeping this resource up to date and accessible at all times, but reviewing once a year is an absolute must.
- ❑ Payroll: W2 filing deadlines are just around the corner, so now is truly the best time to review your company's pay schedule and review anything you might need before that paperwork comes due. Ensure PTO calculations are being done correctly and remind your employees of the vacation time they may have left and any rollover policies they should keep in mind. A payroll audit is always a great practice to guarantee benefits and deductions are matching up with invoices so the tax season goes as smoothly as possible.
- ❑ Succession plan: For any business, but especially small businesses, it is certainly a helpful practice to identify and document potential new leaders who can step into a management (or ownership) role in the event of turnover. Addressing these loftier, higher level organizational goals can be critical and you'll be glad you have it ready to go instead of figuring out a plan at the last minute.