

HR Compliance Risk Review Checklist



Identifying Employment Risk Before It Becomes a Business Problem

HR compliance is more than a set of required forms and policies. It affects how employees are hired, paid, classified, managed, protected, disciplined, and separated from employment. When HR compliance gaps go unaddressed, they can create legal exposure, employee relations issues, payroll risk, operational disruption, and reputational harm.

This checklist is designed to help business owners, executives, HR leaders, and growing organizations identify common HR compliance risk areas and determine where additional review or support may be needed.

It can be used as part of an annual HR compliance review, pre-growth readiness assessment, acquisition due diligence process, pre-sale preparation, leadership transition, or general HR risk audit.

How to Use This Checklist

Use this guide to assess whether your organization has the core HR compliance practices, documents, and processes in place. For each item, consider whether the current practice is accurate, documented, consistently followed, and compliant with applicable federal, state, and local requirements.

You may wish to mark each item as:

- **Complete** — The item is current, documented, and consistently followed.
- **In Progress** — The item exists but needs review, updates, or stronger implementation.
- **Needs Attention** — The item is missing, outdated, inconsistent, or presents potential risk.
- **Not Applicable** — The item does not apply to your organization.

Please note: This checklist is a general guide and is not a substitute for legal advice. At Auvinsa Consulting, all projects are customized to our client's specific needs.

Common Signs Your Organization May Have HR Compliance Risk

Your organization may benefit from an HR compliance review if:

- Employees are working in multiple states or remotely.
- The company has grown quickly and HR processes have not kept pace.
- Offer letters, policies, or handbooks have not been updated recently.
- Managers handle hiring, discipline, leave, or termination decisions inconsistently.
- Non-exempt employees do not consistently record all hours worked.
- Contractors, interns, or trainees are used without recent classification review.
- Employees are asking more questions about pay, leave, fairness, or policy consistency.
- The organization is preparing for sale, acquisition, investment, or leadership transition.
- Payroll, benefits, HRIS, or onboarding processes are handled informally.
- Leadership is unsure which state or local employment laws apply.

Company & Workforce Profile

A strong HR compliance review begins with understanding the workforce. Employee location, classification, job type, and company size can all affect employment obligations.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Current employee census is complete and accurate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee census includes job title, department, manager, location, hire date, employment status, pay type, exemption status, and full-time/part-time status.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee work locations are identified, including remote employees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
States and local jurisdictions where employees work are documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Independent contractors, consultants, temporary workers, interns, and other non-employee workers are identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Company headcount thresholds have been reviewed for applicable federal, state, and local employment laws.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HR ownership and decision-making authority are clearly defined.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Key HR vendors, payroll providers, benefit brokers, PEOs, and employment counsel contacts are documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Key questions to consider:

- Where are employees physically working?
- Has the organization added employees in new states or cities?
- Are remote work arrangements creating new compliance obligations?
- Has the company crossed any employee-count thresholds that trigger new obligations?
- Are non-employee workers being tracked and reviewed?

Notes: _____

Hiring, Recruiting & Selection Practices

Hiring practices should be structured, consistent, and compliant. Risk can arise from job postings, interview questions, background checks, pay transparency obligations, offer letters, and inconsistent candidate evaluation practices.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Job postings include legally required information, including pay range disclosures where applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Job postings accurately describe essential job duties, work location, schedule, physical requirements, and employment status.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interview questions are job-related and avoid protected-class or legally restricted topics.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Candidate evaluation criteria are documented and applied consistently.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Background check process complies with applicable federal, state, and local requirements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Required background check disclosures, authorizations, and adverse action notices are used where applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Salary history restrictions are followed where applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Immigration and work authorization practices are consistent and non-discriminatory.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Offer letters are current, accurate, and aligned with company policies.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Conditional offer language is used appropriately when employment is subject to background check, licensure, reference checks, or other requirements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recruiting records are retained according to applicable recordkeeping requirements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Potential risk indicators:

- Job postings do not include required pay range language.
- Interviewers ask inconsistent or inappropriate questions.
- Background checks are conducted before required disclosures or authorizations.
- Offer letters promise terms that are not reflected in policies or payroll practices.
- Candidates are evaluated based on informal impressions rather than job-related criteria.

Onboarding & New Hire Documentation

Onboarding is a common source of compliance risk because it involves required forms, notices, acknowledgments, tax documents, wage notices, policy distribution, and system setup.

Readiness Item	Complete	In Progress	Needs Attention	N/A
New hire onboarding checklist is current and used consistently.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Form I-9 is completed timely and accurately.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Federal and state tax withholding forms are collected.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
State-specific wage notices are provided where required.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Required state and local notices are provided to new hires.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee handbook or key policies are distributed and acknowledged.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Arbitration agreements, confidentiality agreements, restrictive covenant agreements, or other employment agreements are reviewed for compliance before use.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Required training is assigned and tracked.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Licenses, certifications, or credentials are verified where applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
New hire reporting is completed timely.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Personnel file and confidential medical file practices are established.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Key questions to consider:

- Are onboarding documents tailored by employee work location?
- Does the organization know which notices are required for each state or locality?
- Are signed acknowledgments retained?
- Are required trainings completed before employees begin certain work activities?
- Are personnel records stored securely and appropriately separated when needed?

Notes: _____

Employee Classification & Wage and Hour Practices

Wage and hour compliance is one of the highest-risk areas for many employers. Classification, timekeeping, overtime, meal and rest periods, off-the-clock work, travel time, bonuses, and final pay practices should be reviewed carefully.

Employee Classification

Readiness Item	Complete	In Progress	Needs Attention	N/A
Exempt and non-exempt classifications have been reviewed based on actual job duties and applicable salary thresholds.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Independent contractor classifications have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Intern, trainee, volunteer, and temporary worker arrangements have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Job descriptions accurately reflect actual duties.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Classification decisions are documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Timekeeping, Overtime & Pay Practices

Readiness Item	Complete	In Progress	Needs Attention	N/A
Non-exempt employees accurately record all hours worked.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Timekeeping policies prohibit off-the-clock work.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overtime is calculated correctly under federal, state, and local requirements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bonuses, commissions, shift differentials, and other compensation are reviewed for regular rate implications.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Meal and rest break practices are compliant where required.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Travel time, training time, meeting time, and waiting time are reviewed for compensability.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pay frequency complies with applicable state law.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wage statements/pay stubs include required information.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Final pay practices comply with applicable state timing and payout rules.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payroll deductions are reviewed for compliance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Potential risk indicators:

- Employees are classified as exempt based on title alone.
- Contractors work like employees but are not on payroll.
- Non-exempt employees perform work before clocking in or after clocking out.
- Bonuses are paid without reviewing overtime implications.
- Managers edit time records without clear documentation.
- Final pay practices are handled inconsistently by state.

Compensation, Pay Equity & Pay Transparency

Compensation compliance includes more than paying employees on time. Employers should review pay practices for internal equity, documentation, legally required disclosures, bonus plan clarity, and consistency in decision-making.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Compensation decisions are supported by clear criteria.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pay ranges or salary bands are documented where applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pay transparency requirements are reviewed for applicable jurisdictions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bonus, commission, incentive, and discretionary pay practices are documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Equity, phantom equity, SARs, UARs, profit-sharing, or long-term incentive plans are documented and reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Internal equity and pay compression risks are reviewed periodically.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pay decisions are reviewed for potential disparate impact or unexplained disparities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Promotion increases, off-cycle adjustments, and new hire offers are handled consistently.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Compensation exceptions are approved and documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Managers are trained on pay decision guidelines and compensation communication.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Key questions to consider:

- Can the organization explain why employees are paid differently?
- Are new hire offers creating compression with existing employees?
- Are employees in similar roles paid consistently based on legitimate factors?
- Are bonus and commission plans clear about eligibility, earning, payout timing, and employment requirements?
- Are pay ranges ready to be shared if required by law or expected by candidates?

Employee Handbook & Workplace Policies

Employee handbooks and policies should reflect actual practices and comply with federal, state, and local requirements. Outdated or inconsistent policies can create risk, especially for multi-state employers.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Employee handbook is current and reviewed regularly.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Policies are tailored for applicable states and local jurisdictions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Equal employment opportunity, anti-harassment, anti-discrimination, and retaliation policies are included.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Complaint reporting and investigation procedures are clearly stated.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wage and hour policies are accurate for non-exempt employees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PTO, sick leave, holidays, and leave policies are compliant and clearly drafted.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Remote work, expense reimbursement, travel, mobile device, and technology policies are reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Confidentiality, conflicts of interest, social media, and code of conduct policies are reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Safety, workplace violence, drug and alcohol, and reporting policies are included where appropriate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Handbook acknowledgments are collected and retained.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Policies align with actual practices.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Potential risk indicators:

- Handbook has not been updated in several years.
- Multi-state employees all receive the same policy without state-specific supplements.
- Policy language promises progressive discipline or continued employment unintentionally.
- PTO or sick leave policies do not reflect state or local requirements.
- Managers follow practices that differ from written policies.

Leave of Absence, Accommodation & Protected Time Off

Leave and accommodation compliance can be complex because federal, state, and local requirements may overlap. Employers should review how leave requests, disability accommodations, pregnancy accommodations, workers' compensation, paid sick leave, and protected time off are handled.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Leave of absence policies are current and location-specific where needed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FMLA eligibility and administration are reviewed, if applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
State family, medical, pregnancy, parental, military, voting, jury duty, witness, bereavement, domestic violence, and other protected leave laws are reviewed where applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Paid sick leave policies comply with applicable state and local requirements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Disability accommodation process is documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pregnancy and lactation accommodation requirements are reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interactive process documentation is maintained where appropriate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Managers know how to escalate leave or accommodation requests.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Workers' compensation reporting and return-to-work processes are documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Benefit continuation during leave is handled consistently.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Key questions to consider:

- Are managers trained to recognize leave and accommodation requests?
- Are leave decisions documented consistently?
- Does the organization consider overlapping leave obligations before taking action?
- Are employees informed of their rights and responsibilities during leave?
- Are return-to-work and fitness-for-duty requests handled carefully and consistently?

Performance Management, Discipline & Employee Relations

Performance management and discipline practices should be consistent, documented, and aligned with company policies. Risk increases when managers delay documentation, use inconsistent standards, or fail to escalate concerns involving protected activity or protected characteristics.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Performance expectations are documented for key roles.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Managers provide regular feedback and document performance concerns.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance review process is applied consistently.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Discipline process is aligned with handbook language and actual practice.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee complaints are investigated promptly and appropriately.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Investigation documentation is maintained confidentially.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Retaliation risks are considered before adverse employment actions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Managers understand when to involve HR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Termination recommendations are reviewed for consistency and risk.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Severance practices are documented and reviewed when used.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Potential risk indicators:

- Terminations occur without prior documentation.
- Similar conduct is treated differently across employees or managers.
- Performance concerns are documented only after an employee complains or requests leave.
- Managers use informal discipline that is not shared with HR.
- Employee complaints are handled casually without documented follow-up.

Notes: _____

Training Requirements & Manager Readiness

Training requirements vary by state, industry, role, and company size. Even when training is not legally required, manager education can reduce risk and improve consistency.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Legally required harassment prevention training has been identified and assigned where applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Safety training requirements are identified by role and location.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Industry-specific training requirements are identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Required certifications, licenses, or continuing education obligations are tracked.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Managers are trained on wage and hour basics, including timekeeping, breaks, overtime, and off-the-clock work.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Managers are trained to recognize harassment, discrimination, retaliation, leave, and accommodation issues.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Training completion records are retained.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
New manager onboarding includes HR compliance expectations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Key questions to consider:

- Which trainings are legally required based on employee location and company size?
- Are managers equipped to identify issues that should be escalated to HR?
- Are training completion records easy to access?
- Are employees paid properly for required training time when applicable?

Notes: _____

Benefits, Retirement & Employee Programs

Benefits compliance involves plan documents, notices, eligibility, enrollment, continuation coverage, deductions, and coordination with vendors. Employers should confirm that plan administration matches written plan terms and legal requirements.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Benefits eligibility rules are documented and applied consistently.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Benefit plan documents, summary plan descriptions, and required notices are available.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Open enrollment materials are current and accurate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
COBRA or state continuation requirements are administered where applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ACA reporting and measurement practices are reviewed, if applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Retirement plan eligibility, contributions, notices, and fiduciary responsibilities are reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Benefit deductions are accurate and authorized.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leave-related benefit continuation practices are documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wellness programs, stipends, reimbursements, and fringe benefits are reviewed for compliance and tax considerations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vendor responsibilities and internal ownership are clearly defined.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Potential risk indicators:

- Benefit eligibility rules are handled differently by manager or employee group.
- Employees remain on benefits after eligibility ends or are not offered benefits when eligible.
- Required notices are assumed to be handled by a vendor but not confirmed.
- Payroll deductions do not match benefit elections.
- Stipends or reimbursements are offered without tax or compliance review.

Notes: _____

Remote Work, Multi-State & Local Compliance

Remote and distributed workforces can create compliance obligations in states and localities where the employer may not have a physical office. Employers should review registration, payroll, tax, employment law, leave, benefits, and policy implications.

Readiness Item	Complete	In Progress	Needs Attention	N/A
All remote work locations are documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Process exists for approving employee moves to new states or localities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payroll tax withholding and unemployment accounts are reviewed for employee work locations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Workers' compensation coverage is confirmed for each applicable state.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
State and local employment law requirements are reviewed for each work location.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
State-specific handbook addenda, notices, and leave policies are provided where needed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Expense reimbursement requirements are reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Remote work agreements or policies are current.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Data privacy, confidentiality, and information security expectations are addressed for remote workers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Process exists to evaluate business registration or foreign qualification requirements when entering new states.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Key questions to consider:

- Does the company know where every employee is actually working?
- Can employees move to a new state without approval?
- Are policies updated before hiring in a new jurisdiction?
- Has the organization confirmed payroll, tax, workers' compensation, and unemployment requirements?
- Are remote work expenses, equipment, and data security expectations documented?

Notes: _____

Workplace Safety, Security & Required Postings

Safety and workplace compliance obligations vary based on industry, location, job duties, and work environment. Employers should review physical, remote, and field-based work risks.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Workplace safety policies are current and appropriate for the work environment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
OSHA or state safety obligations are reviewed where applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Injury and illness reporting procedures are documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Workplace violence prevention policies are reviewed where applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Emergency response procedures are communicated.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Required workplace postings are current and displayed or distributed appropriately.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Remote or field-based employees receive required notices electronically where permitted.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Safety training records are retained.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Workers' compensation notices and claim procedures are available to employees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Potential risk indicators:

- Required postings are outdated or unavailable to remote employees.
- Workplace safety policies do not reflect actual work conditions.
- Managers are unsure how to respond to workplace injuries.
- Safety training is not tracked.
- Field-based employees lack clear escalation procedures.

Notes: _____

Employee Records, Privacy & Data Security

HR records often contain sensitive personal, financial, medical, and employment information. Employers should review recordkeeping, retention, access, confidentiality, and data security practices.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Personnel files are maintained consistently.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Medical, leave, accommodation, and workers' compensation records are stored separately from general personnel files.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I-9 records are maintained appropriately.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payroll and timekeeping records are retained according to applicable requirements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recruiting and hiring records are retained appropriately.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Access to HR records is limited to authorized individuals.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee privacy notices are provided where required.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HR systems and files are protected with appropriate security measures.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Record retention schedule is documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Process exists for responding to employee personnel file requests.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Key questions to consider:

- Who has access to employee records?
- Are confidential medical and accommodation records properly separated?
- Are records retained long enough, but not longer than necessary?
- Are electronic HR files secure?
- Does the organization have a process for personnel file inspection requests?

Notes: _____

Separation, Termination & Post-Employment Practices

Employee separations can create significant risk if not handled consistently and in compliance with applicable law. Employers should review final pay, documentation, benefits notices, unemployment, severance, restrictive covenants, and return of company property.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Termination decisions are reviewed for consistency and legal risk.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Final pay timing complies with applicable state law.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Accrued vacation/PTO payout requirements are reviewed by state and policy.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Required separation notices are provided.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Benefits termination and continuation coverage processes are followed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Unemployment response process is documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Severance agreements are reviewed by counsel before use.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Age-based release requirements are considered where applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Restrictive covenant, confidentiality, non-solicitation, or return-of-property obligations are reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
System access is removed timely.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Company property is returned and documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Potential risk indicators:

- Final pay timing is handled the same way in every state.
- Termination documentation is incomplete or inconsistent.
- Employees are terminated shortly after protected activity without careful review.
- Separation notices are missed.
- Severance agreements are reused without legal review.

Notes: _____

HR Compliance Risk Summary

Use this section to summarize issues that may require attention, leadership decision-making, legal review, or process improvement.

Area	Potential Issue	Risk Level	Next Step
Workforce Profile		High Medium Low	
Hiring & Recruiting		High Medium Low	
Onboarding		High Medium Low	
Wage & Hour		High Medium Low	
Classification		High Medium Low	
Compensation		High Medium Low	
Handbook & Policies		High Medium Low	
Leave & Accommodation		High Medium Low	
Employee Relations		High Medium Low	
Training		High Medium Low	
Benefits		High Medium Low	
Multi-State / Remote Work		High Medium Low	
Safety / Postings		High Medium Low	
Records / Privacy		High Medium Low	
Separation Practices		High Medium Low	

Priority Action Plan

After completing the checklist, identify the top priorities for follow-up. Not every issue needs to be solved immediately. Focus first on areas with the highest legal, financial, operational, or employee relations risk.

Suggested prioritization approach:

1. Address high-risk wage and hour, classification, payroll, and final pay issues first.
2. Review policies and onboarding documents for states where employees currently work.
3. Confirm required notices, postings, and training obligations.
4. Review leave, accommodation, and termination practices for consistency and documentation.
5. Build a longer-term roadmap for compensation, manager training, recordkeeping, and HR governance.

	Action Item	Owner	Target Date
1			
2			
3			
4			
5			

Remember

HR compliance is not a one-time project. It is an ongoing risk management process that should evolve as the organization grows, enters new states, adds new employee groups, changes benefits, updates compensation practices, or prepares for a business transaction.

The goal is not perfection. The goal is to identify risk early, prioritize what matters most, and build practical systems that support consistent, compliant, and employee-centered decision-making.

A strong HR compliance foundation helps organizations:

- Reduce legal and financial exposure.
- Improve consistency across managers and locations.
- Support employee trust and transparency.
- Prepare for growth, investment, sale, or acquisition.
- Create stronger operational discipline within HR.



Need Support Reviewing HR Compliance Risk?

Auvinsa Consulting helps organizations assess and strengthen HR compliance practices across the employee lifecycle. Support may include HR compliance reviews, handbook and policy updates, onboarding document review, wage and hour risk assessment, multi-state compliance planning, leave and accommodation process review, compensation compliance support, and HR process improvement. To learn more, visit auvinsaconsulting.com or schedule a consultation.

Disclaimer: This checklist is provided for general informational purposes only and does not constitute legal, tax, financial, accounting, or compliance advice specific to any organization. Employment laws vary by jurisdiction and change over time. Organizations should consult qualified employment counsel regarding specific legal obligations, risk assessments, and employment decisions.