

HR Compliance Readiness Checklist

For Small & Midsize Businesses

How to use this checklist: Use it as a high-level readiness review. A checked item means you have reviewed the area; it does not by itself confirm legal compliance. Requirements vary by business size, industry, entity type, work location, and jurisdiction.

1. Workforce Structure & Hiring

Review the foundation of the employment relationship before problems arise.

- ☐ Job descriptions reflect the actual duties, responsibilities, and essential functions of each role.
- ☐ Employee vs. independent contractor classifications are reviewed under applicable federal and state standards.
- ☐ Exempt vs. nonexempt classifications are reviewed under applicable wage-and-hour rules.
- ☐ Recruiting, interviewing, selection, promotion, discipline, and termination practices are applied consistently and without unlawful discrimination.
- ☐ Background-check or screening practices are reviewed for applicable federal, state, and local requirements before use.

2. Onboarding & Employee Documentation

Maintain a consistent onboarding process while protecting confidential employee information.

- ☐ A current Form I-9 process is in place for employees hired in the United States, using current USCIS requirements.
- ☐ Required policies, acknowledgments, notices, and workplace expectations are provided at onboarding.
- ☐ Employee personnel records are organized, access-controlled, and retained according to applicable requirements.
- ☐ Medical or accommodation-related information is handled confidentially and separately when required.
- ☐ Employees know how to report changes in home address, work location, name, tax status, or other information that can affect HR or payroll compliance.

3. Policies, Posters & Workplace Practices

Requirements can change based on workforce size and where employees work.

- ☐ Required federal, state, and local workplace posters are current and displayed or distributed as required.
- ☐ Handbook and workplace policies are reviewed periodically for consistency with current law and actual company practice.
- ☐ Anti-harassment, anti-discrimination, anti-retaliation, complaint, and investigation processes are documented and communicated.
- ☐ Required training is identified and completed when a federal, state, local, or industry rule applies.
- ☐ Remote-work and employee-relocation expectations clearly require employees to report changes that may affect compliance.

4. Leave, Accommodations & Benefits Administration

Applicability varies by employee count, location, plan design, and other factors.

- ☐ The business has identified which federal, state, and local leave laws apply to its workforce.
- ☐ Requests for disability, pregnancy, religious, or other protected accommodations are routed through a consistent review process.
- ☐ Benefits eligibility, enrollment, continuation, and required notices are administered consistently with plan and legal requirements.
- ☐ Leave status, expected return dates, work restrictions, and payroll impacts are communicated accurately between HR, payroll, and management.

5. Employee Relations, Safety & Separation

Good documentation and consistent processes help reduce avoidable risk.

- ☐ Performance, discipline, complaints, investigations, and employee-relations decisions are documented consistently.
- ☐ Safety responsibilities, required OSHA or state-plan notices, and injury/incident reporting procedures are understood.
- ☐ Separation procedures address company property, system access, benefits notices, record retention, and required documentation.
- ☐ Final-pay and accrued-leave payout requirements are coordinated with payroll based on the employee's work jurisdiction.

Multi-State / Multi-Jurisdiction Considerations

These items matter only when the business has employees, registrations, operations, or other obligations in more than one jurisdiction.

- ☐ For employees working in different states or localities, the business reviews employment laws based on where work is actually performed.
- ☐ State/local requirements for leave, pay transparency, notices, training, personnel records, and final pay are reviewed where applicable.
- ☐ Employee relocations or remote-work changes trigger an HR and payroll compliance review before or as soon as the work location changes.

Not sure where the gaps are? WMP Compliance Partners can help you identify priority HR compliance areas without overwhelming your team.

Authoritative reference points

- [U.S. Department of Labor - Fair Labor Standards Act resources](#)
- [U.S. Equal Employment Opportunity Commission - Small Business](#)
- [USCIS - I-9 Central](#)
- [OSHA - Employer Responsibilities](#)

Important: This checklist is general educational information, not legal, tax, accounting, or insurance advice. Confirm requirements with the appropriate federal, state, and local agencies and qualified advisers for your specific business.