

BRIGHTADVISOR®

HR Compliance Checklist

Federal and State Employment Law Compliance for Small and Mid-Sized Businesses

Staying Compliant in a Complex Regulatory Environment

Employment law compliance is not optional. Federal and state regulations impose significant obligations on employers of every size, and the penalties for non-compliance can be severe. This checklist covers the core areas every employer must address to remain in good standing and protect both the business and its employees.

The Department of Labor recovered over \$274 million in back wages for workers in a single fiscal year. Wage and hour violations are the most common and costly compliance failures for small businesses.

I-9 Employment Eligibility Verification

Requirement	Deadline	Status
Complete Section 1 of Form I-9 on or before first day of work	Day 1	
Complete Section 2 within 3 business days of start date	Day 3	
Verify acceptable identity and work authorization documents	Day 3	
Retain I-9 forms for 3 years after hire or 1 year after termination (whichever is later)	Ongoing	
Re-verify work authorization before document expiration (Section 3)	As needed	
Conduct internal I-9 audit at least annually	Annual	
Do not specify which acceptable documents employees must present	Ongoing	

FLSA Wage and Hour Compliance

Requirement	Details	Status
Minimum wage compliance	Federal \$7.25/hr; check state/local rates (many are higher)	
Overtime pay	Non-exempt employees: 1.5x regular rate for hours over 40/week	
Employee classification	Correctly classify exempt vs. non-exempt using DOL duties test	
Salary threshold for exemption	Currently \$35,568/year (\$684/week) for exempt status	
Accurate timekeeping	Maintain records of hours worked for all non-exempt employees	
Youth employment restrictions	Follow federal and state child labor laws for minors	
Equal pay requirements	Equal pay for equal work regardless of sex (Equal Pay Act)	

Misclassifying employees as exempt from overtime is one of the most expensive compliance errors. Back pay, liquidated damages, and attorney fees can quickly reach six figures even for small businesses. When in doubt, classify as non-exempt.

Leave, Accommodation, and Equal Opportunity

FMLA (Family and Medical Leave Act)

Applies to employers with 50 or more employees within a 75-mile radius.

Requirement	Details	Status
Eligibility determination	Employee must have 12 months tenure and 1,250 hours worked	
Provide up to 12 weeks unpaid leave per year	Serious health condition, new child, military family	
Maintain health insurance during leave		

	Same terms as if employee were actively working
Restore employee to same or equivalent position	Upon return from approved FMLA leave
Post FMLA notice in workplace	Required poster in conspicuous location
Provide written notice of FMLA rights	Within 5 business days of learning of need for leave
Track FMLA usage and eligibility	Maintain records for at least 3 years

ADA (Americans with Disabilities Act)

Applies to employers with 15 or more employees.

Requirement	Details	Status
Do not discriminate based on disability	Hiring, firing, promotions, compensation, training	
Engage in interactive process	When employee requests accommodation or need is apparent	
Provide reasonable accommodations	Unless undue hardship; document the analysis	
Keep medical information confidential	Separate from personnel files with restricted access	
Accessible application process	Job postings, applications, and interviews must be accessible	
Do not ask disability-related questions pre-offer	Medical inquiries only after conditional job offer	

EEO (Equal Employment Opportunity)

Requirement	Details	Status

Post EEO notice ("EEO is the Law" poster)	Required in conspicuous workplace location
Maintain non-discrimination policies	Cover all protected classes under federal and state law
File EEO-1 Report (100+ employees)	Annual filing of workforce demographic data
Anti-harassment training	Required in many states; best practice for all employers
Document all employment decisions	Hiring, discipline, promotion, and termination rationale
Establish complaint and investigation procedures	Clear process for employees to report concerns

Workplace Safety and Reporting

OSHA Recordkeeping and Safety

Requirement	Details	Status
Maintain OSHA 300 Log of injuries/illnesses	Record within 7 calendar days of learning of incident	
Post OSHA 300A Summary	February 1 through April 30 each year	
Report fatalities within 8 hours	Call OSHA or file online	
Report hospitalizations, amputations, eye loss within 24 hours	Call OSHA or file online	
Provide safe workplace free of recognized hazards	General Duty Clause obligation	
Post OSHA "Job Safety and Health" poster	Required in conspicuous workplace location	
Train employees on workplace hazards	Industry-specific training requirements apply	

New Hire Reporting

Requirement	Details	Status
Report new hires to state directory	Within 20 days of hire (some states require less)	
Report re-hires if gap exceeds 60 days	Same reporting requirements as new hires	
Include required data elements	Name, SSN, address, employer EIN, hire date	
Report independent contractors (some states)	Check state-specific requirements	

Required Workplace Postings

Federal and state law require specific posters displayed in a conspicuous location accessible to all employees. Missing posters can result in fines.

- Fair Labor Standards Act (FLSA) Minimum Wage poster
- OSHA Job Safety and Health poster
- EEO "Equal Employment Opportunity Is the Law" poster
- FMLA poster (if 50+ employees)
- USERRA (Uniformed Services Employment and Reemployment Rights Act) poster
- Employee Polygraph Protection Act poster
- State-specific posters (minimum wage, workers comp, unemployment, anti-discrimination)

BrightWealth® helps businesses stay fully compliant with federal and state employment laws. Our PEO partners handle I-9 verification, wage and hour compliance, FMLA administration, and required postings so you can focus on running your business. Contact us for a complimentary HR compliance review.