

CHAMELEON STRATEGIES, LLC'S END OF YEAR HR CHECKLIST

TALENT MANAGEMENT STRATEGY

***Strategic Plan.** Create a Talent Management Strategic Plan for 2021, including Talent Management Goals (aligned with company's Core Values), quarterly Rocks (deliverables), Hiring Plan, Leadership & Development, Performance Management, Employee Engagement Initiatives, and Budget.

***Align Talent Management Strategic Plan with Business Strategy.** HR should meet with business leaders to ensure Talent Management Strategy aligns with Business Strategy for 2021.

***2021 HR Budget Building.** Draft 2021 HR Budget with specific allocations for accuracy. Review retention/turnover rates, training costs, etc. to prevent overspending. They can help you not only plan for what's coming AND give you an opportunity to head it off.

***Recruiting Lifecycle 2021.** Review/build your Recruiting Lifecycle to ensure it fits with business strategy. Rolling out a Recruiting Lifecycle is perfect to do in the beginning of the new year. Review hiring processes for effectiveness, compliance, and timing. Ensure your Hiring Plan includes timelines for time to fill.

COMPLIANCE

***Review Non-Competes/Non-Solicits/Confidentiality Agreements.** Review and update to ensure they are legally compliant with changing laws (e.g., laws changed in Massachusetts in 2018).

***Review Offer Letters and Independent Contractor Agreements.** Offer letters are legal agreements. So are independent contractor agreements. Review and update them to ensure they are legally compliant. Independent contractor relationships are slated for targeted audits by state Departments of Labor in 2021. And, if you operate in California, know when you have to register your ICs with the State.

***Build an Employee Handbook/Culture Book.** Create an Employee Handbook/Culture Book if you don't have one. The new year is the key time to level set employee expectations, meet your legal responsibilities, roll out policies and train on them, especially with the new Paid Family Medical Leave laws coming into effect in Massachusetts and elsewhere on January 1st!

***Ensure your existing Employee Handbook meets current law/business needs.** Lots of employment laws have changed. Is everything current? Is the language up-to-date with all the newest federal, state and local mandates, especially with Massachusetts' new PFML law coming into effect January 1st? If you have an existing Employee Handbook, review and update all company policies and consider an Infectious Disease Policy. Take that policy manual down off the shelf, give it a thorough dusting and a walk-through.

***Schedule Training.** Plan Training on the Employee Handbook, key policies, sexual harassment/discrimination, workplace safety, and any other mandated industry training. Many states now require mandatory harassment training for employees, and an additional one for supervisors. Scheduling required compliance training ensures your employees meet federal and state laws and protects your company from compliance violations.



COMPLIANCE (cont'd)

***Review labor laws.** Check for updates on filing requirements for contract and remote workers located in other states. Do you need to apportion payroll taxes where your employees have moved during COVID-19 telecommuting?

***Check Labor Law Posters.** Verify that the correct labor laws are properly posted. Review all state, county, and local labor laws that apply to your company, and make sure all applicable labor laws are posted, and in the right locations throughout your facilities.

***Prepare OSHA Forms & Update Workplace Postings.** Certain employers are required to post a completed OSHA Form 300A, summary of work-related Injuries and Illnesses, every year from February 1 until April 1. Document that employees have completed training on OSHA-mandated standards that apply to the company.

***Audit HR files.**

~Did you know you should have separate files for employees' personnel and medical information? Create a medical/leave/ADA file for each employee and file these materials separate from their personnel files. No one but your HR or benefits person should have access to these files to ensure no one can "accidentally" come upon information to which they aren't entitled. Why bother? In the event of a discrimination claim on the basis of real or perceived medical issues, having separate files with limited access can be an affirmative defense.

~Separate termed employee files from active employee files.

~Have sponsored employees? Make sure your Public Access file is in order with necessary immigration paperwork in case the government shows up to do an onsite audit (they don't call first).

~Is everything included in the file HR-compliant and relevant? If not, you might want to create a separate file. Things like date of birth, national origin, religion, criminal history, and even social security numbers should be kept separate from the regular file if anyone other than HR has access to it. Some companies allow managers to review a staff member's file in anticipation of performance evaluations – bad idea. If they're interested in looking at past evaluations, that's okay, but the totality of the file is on a need to know basis only. This is a great time to make sure what *is* in the file belongs there.

***Review Retention Policies.** Do you have retention guidelines for paperwork? You should ~ otherwise you may end up not keeping what you should and get hit with penalties in a government audit. And, if you keep everything, you will be required to produce it all, causing potential liability and wasted administrative time/effort/energy.

***Employee Classification Review.** Ensure employees are classified the right way. Workers should be in the correct classification for the work they perform. This is especially important in light of the DOL rules that came out last January 15th.

***Performance Reviews.** Schedule any remaining performance reviews.





GENERAL HR

***Schedule a team meeting to highlight accomplishments of the past year.** Take some time to recognize the 2020 achievements of your team members! In that same meeting, you can also announce 2021 Goals.

***Develop Your 2021 Calendar.** Do your employees all try to take the same time off? Are you dealing with vacation conflicts all year long with managers and employees? Start early. Send out company observed holidays and vacation planning calendars. Supervisors can communicate openly with their team that dibs start after the first of the year. Get your team to submit their requests in writing for any planned time off and discuss any scheduling concerns early to set your team up for success in being able to rest and recharge without worry.

***Ask Team Members for Updated Information.** Remind employees to update their personal information for benefits cards, tax documents, etc. These are the main things employees should review to ensure accuracy: Home address / Mailing address; Phone number; Beneficiary for life insurance; Name change; Emergency contacts; Dependent information.

***Ensure proper PTO carryover or pay out PTO per Company policy/state requirements.**

BENEFITS

***Check updated healthcare deadlines and filing requirements.** Finalize open enrollment and verify that all employees have made necessary changes. For the 2021 coverage year, Open Enrollment goes from November 1 to December 15, 2021.

***Did you Prepare Medicare Part D?** If you provide prescription drug coverage to your employees, you are required to provide a creditable coverage notice, Medicare Part D, to plan participants by October 14th.

***Prepare Forms 1094-C & 1095-C for the IRS.** Under the Affordable Care Act (ACA), employers with at least 50 workers must provide health insurance and must file a report with the IRS for every full time employee – determine who reports (insurer or employer). Information must be sent to the IRS by the end of February 2021 if paper filed, or by the end of March 2021 if the forms are filed electronically.

***Flexible Spending Accounts.** If you offer an FSA, make sure team members have been notified to spend their FSA dollars. Now's the time to determine who's rolling over and who's using the grace period. AND, new laws are about to come out from Congress on permitted rollovers.



PAYROLL

***Update your W4.** The W4 changed significantly at the beginning of 2020. Employees hired prior to 2020 who want to adjust their withholdings are required to complete the new Form W-4. Existing employees with the “old” Form W-4 on file are not required to complete a new Form W-4, though employers may ask for an updated one.

***Update Section 125 Cafeteria Plan enrollment forms.** For small businesses, employees are required to opt in to elect their ability to have premium costs deducted from their pay pre-tax.

***Check for minimum wage changes at federal, state, and city levels.**

***Update all W-2 and W-3 forms and get ready to file 1096 and 1099 MISC forms as needed. Independent Contractors get a new Form 1099 NEC.** The IRS waits on no one: all employee and independent contractor-related forms are due by January 31, 2020.

***Confirm 2021 payroll schedule.** Prepare for the first payroll run of 2021.

***Prepare for last payroll of 2020.** If applicable, make sure these are submitted before processing the last payroll in 2020: Bonuses; PTO/Vacation/Sick payouts; Cash and prizes; Gift cards and certificates; Business expense reimbursements; Personal use of company vehicles; relocation expenses; Group term life over \$50,000.

If you'd like to learn more about Employers' HR responsibilities, let us know ~ missy@chameleon-strategies.com. Chameleon Strategies offers a unique suite of adaptable solutions for your dynamic business, from strategic HR to employment law needs and everything in between.

