



*Hamilton Insurance Agency*

## Hamilton News

December 2014

*Happy  
Holidays!*



*We Hope You Have a Safe and Happy Holiday Season!*

**3 Tips for Managing Employee  
Records and Files**

**Are You In**

The end of the year is a great time to review your employee records and files. In addition to making sure that you're keeping any records that may be required by law, you should be sure to update any information that has changed and get rid of any documents that no longer need to be retained. The guidelines below can help you get organized.

### **1. Determine which records you need to maintain.**

Employers may be required to keep certain types of records, such as payroll records and tax records, for a specified period of time in order to comply with federal and/or state law. Other documentation may be important to support disciplinary action or a termination. The following are some examples of the types of records a personnel file may include:

- **Basic Information:** Employee's full name, social security number, address, and birth date.
- **Hiring Documents:** Job descriptions, employment applications, and resumes.
- **Job Performance and Development:** Performance evaluations, corrective action or disciplinary letters, awards, promotion records, and records of education or trainings.
- **Compensation:** Documents related to compensation and benefits information, such as W-4's and beneficiary forms, payroll records, and time cards for prior year(s).
- **Termination and Post-Employment Information:** Exit interview forms (if applicable), any final employee performance appraisal, and a record of documents provided to the employee along with the final paycheck (e.g., termination letter, benefits notices, and unemployment compensation forms).

**2. Consider which documents need to be kept in a confidential file.** It's a good idea (and in certain instances may be legally required) to keep certain employee records and information in a confidential file separate from the personnel file.

- Examples of records that should be kept in a separate, confidential file include: medical records and documents that relate to an injury; material relating to workers' compensation claims; Forms I-9 and other employment verification information; wage garnishment documentation; and documents pertaining to sensitive matters, such as harassment investigation records or any information pertaining to an employee's religion. Many employers also keep aptitude test scores, background checks, and credit reports in the employee's confidential file.

**3. Make sure you have a policy in place that outlines the procedures for how your company will manage employee records and files.** At a minimum, your policy should:

- Clearly state which records to maintain and how long

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## Multitask Mania

When did multitasking become such a buzzword and the ability to multitask get added to every job description? It sounds good, in theory. You definitely want your employees to be mentally agile, able to think on their feet and adapt to changing priorities. But, you do not really want your employees to multitask unless only one of those tasks involves critical thinking while the other involves simple muscle memory (e.g., planning the next marketing strategy while stuffing envelopes).

Multitasking is really a series of stops and starts - it is not a single fluid process of concentrating on several things at one time.

There is a time "cost" associated with each switch in task as your brain adjusts its control settings. So, if you need your employees to be efficient during the work day, allow for blocks of time to complete tasks or at least hit milestones. Concentrating and use a "once and done" approach is recommended as a best practice by experts in organization and is supported by research in productivity. One study found that people, who often multitasked, believing they were good at it and that it improved their

certain documents should be kept.

- Require that all employee records be maintained in a locked cabinet or office. The policy should also identify those individuals who are authorized to access personnel and confidential files, and ensure that safeguards are in place that restrict access to those individuals only.
- Define the specific circumstances by which an employee may access or copy files, including which records may be accessed. Keep in mind that some states require employers to provide employees with access to their files (or to certain information contained in the file). Files should be accessed under supervision of management.
- Develop procedures for handling third party requests for disclosure of employee information, including what information may be released. Consider obtaining the employee's prior written authorization to release such information.
- Determine whether any personnel records will be stored electronically, as opposed to in paper format. Include security protections for electronically-stored records so that only authorized users may access the data. Also consider if and how you will maintain back-up storage in the event that data is destroyed.
- Ensure that a proper procedure is in place for disposing of employee records in accordance with any applicable federal or state laws. Records containing sensitive employee information, for example, may be required to be purged in accordance with the federal Disposal Rule.

## Employer Year-End Checklist

1. Assess your compliance obligations under the Employer Shared Responsibility provision of the ACA (FTE calculations, analysis of hours worked for variable hour employees)
2. Calculate PTO/Vacation carryover or forfeit amounts
3. Remind employees to submit new tax forms if they want to change withholdings for 2015
4. Verify 1099 vendor information
5. Ask employees for updated home addresses (*for W-2 mailings*), emergency contacts, and beneficiaries
6. Update HR/Payroll systems (*pay changes, benefits deductions, taxes, personal information*)
7. Audit the dependents covered under benefits programs to ensure eligibility (*over-age children, ex-spouses*)
8. Make arrangements for required Cafeteria Plan Non-Discrimination Testing
9. Check that you have current Employment Law Posters at all locations
10. Communicate your inclement weather/emergency

performance, were actually slower than others. Another study found that multitasking resulted in lowered IQ scores during cognitive tests!

## About Us

Hamilton Insurance, a top ranked independent broker in the Washington DC/Metropolitan Area and the nation, has over 35 years of experience in providing insurance brokerage, risk management and employee benefit solutions. It represents a full suite of commercial, health & welfare, and personal insurance solutions, supported by risk compliance and group benefit administrative services.

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closing policy and call-in procedure  
11. Establish holiday calendar for 2015

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