

Legal Compliance Audit: *Employment Practices*

What is a Legal Compliance Audit?

A *Legal Compliance Audit* for employment practices serves two purposes: (1) it ensures that companies are complying with state and federal requirements relating to their employment practices; and (2) it ensures that companies have in place effective, efficient employment policies and procedures to help them reduce legal fees and limit their liability.

Why does my business need a Legal Compliance Audit?

While no policy can eliminate lawsuits in their entirety, ensuring that your company has comprehensive and proactive employment policies in place can (1) limit the number of employment lawsuits filed against your company, and (2) reduce the cost of litigating the lawsuits that are actually brought. In the end, the goal of the *Legal Compliance Audit* is to reduce your business' legal fees by ensuring that an adequate structure is in place to both prevent lawsuits from occurring in the first place and to defend lawsuits that are filed in an proactive and cost-effective manner.

How is the Legal Compliance Audit conducted?

The *Legal Compliance Audit* implements a two step process. First, a comprehensive review of the company's current policies and practices is conducted, including review of current employee handbooks, manuals, contracts, and policies; interviews with management and key personnel; and review of the company's personnel and business goals. And second, a detailed report or "action plan" is prepared that grades the company's current employment practices and highlights those areas that need improvement. Both steps of the process rely on a collaborative effort between the company and the legal advisors. As a result, a comprehensive, tailor-made plan is developed that addresses the companies' specific needs. Once the "action plan" is completed, the company and legal advisor can discuss the best way to implement the plan so that sound policies are instituted in a cost-effective manner.

How much does the Legal Compliance Audit cost?

The cost of the *Legal Compliance Audit* depends on the size of your business and the number of employees you have. What makes the *Legal Compliance Audit* affordable and cost-effective is that it is billed as a one-time fee, regardless of how long the audit takes. Most employment law services are billed on an hourly basis once the work is completed. As a result, the legal fees required to perform a full-scale review of a business' employment practices can be overwhelming and, ultimately, prohibitive. The services offered in a *Legal Compliance Audit* are bundled into one fee that depends on the size of your business, not the time it takes to actually complete the audit. This ensures that the fee remains consistent regardless of what the audit uncovers, and it adds value because it includes a set number of services that will be included regardless of how long it takes to provide those services.

What areas of my business are covered by a Legal Compliance Audit?

The *Legal Compliance Audit* focuses on the following areas:

Employment policies

- Employee handbook
- Sexual harassment policy

- Anti-discrimination policy
- Termination and hiring
- Training
- Retaliation
- Personnel files (content, requirements)
- Code of conduct – Dress codes, drug and alcohol, violence and abuse policies
- Signature page – employee at will and acknowledgement of receipt
- Federal statutory compliance: ADA, ERISA, FMLA, ADEA
- State statutory compliance (and local counterparts) – overtime, minimum wages
- Record keeping and retention (federal and state requirements)

Employment contracts

- Employee at will
- Non-compete clauses
- Non-disclosure/non-solicitation/confidentiality provisions
- Arbitration provision

Vendor and Customer Contracts

- Invoices
- Vendor agreements/subcontracts (requirements)
- Document retention requirements

Benefits and Insurance

- Workers Compensation
- COBRA
- State and Federal requirements
- Overtime
- Unemployment
- Employment practices
- General Commercial
- Data protection

Safety

- Safety program and policies (training, oversight, reporting)
- Reporting
- OSHA

Records retention

- Destruction/retention
- Business continuity
- Litigation holds
- Insurance
- Employment
- Subcontractors

How do I schedule a Legal Compliance Audit?

Pleas contact Alex R. Thiersch at 312.753.6012, or via email at alex@gtpclaw.com, to schedule a *Legal Compliance Audit* or to answer additional any questions you might have.