

Did you know that “Joe” got a 5% pay increase? How did you know that? I looked in his employee file!

Employee Files – you collect forms and data from employees, probably because somewhere along the way someone told you that you needed to, you keep the files but don’t really think about them. You open them when you need something and they sit for the rest of the time. Why should you be concerned about the state of your employee files? Don’t you have more important things to concern yourself with? Of course you do, but what happens when someone that should not have access to the private documents contained in the employee files, accesses them. OR even worst an auditor shows up to review those files? Think that won’t ever happen to you. Well we hope you are right... but remember... “hoping” is not a defensible strategy.

What if confidential information contained in an employee’s file is seen by someone who is not supposed to see it, and they take legal action? You could be held liable for the information you misfiled. Think it’s a small risk? Think again. Ever hear of identity theft? Take the time to be sure your employee files are accurate, up-to-date, and contain only the information they should contain. You may thank yourself one day!

What should an employee file contain?

Typically, it holds the employee’s job application and anything pertaining to the interview or selection process. If you have paperwork detailing any background checks, they should remain here. Also, contracts regarding non-compete or confidentiality agreements are filed in this location. Got a signed acknowledgement for the employee’s receipt of their handbook? Put it in here as well along with job descriptions, performance evaluations, attendance documentation, transfers, salary history, promotions/demotions and pertinent contact information.

What should NOT be included are any forms or documentation that are private. Examples include medical examinations and physician notes, health care insurance enrollment forms, beneficiary information, disability statements and workers’ compensation matters. These should be held in a separate file and accessed by select Human Resource staff who are trained to know what needs to remain private. **Also, I-9 Forms and supporting documentation are to be maintained separately from the employee personnel files, unless you are looking for a \$1000+ fine per infraction!**

While it may seem like just one more thing to be concerned about, the proper maintenance and keeping of employee files is actually an area that demands some structure and rules. You are responsible for the information you request from your staff members. With the right filing system in place and trained personnel to oversee it, you can help keep you company from losing time and money due to litigation or fines. For help organizing or maintaining your employee files, look to McCloskey Partners. We can help get you compliant today so you’re ready for business tomorrow!

McCloskey Partners 623 W. Market Street, Perkasio, PA 18944; 215-453-1978 phone; 215-220-3422 fax; www.mccloskeypartners.com; email info@mccloskeypartners.com.

Find us on [Facebook](#), [Twitter](#), [Pinterest](#) and [LinkedIn](#): McCloskey Partners.