

A man with dark hair and glasses, wearing a light blue button-down shirt, is seated at a white table in a bright, modern office setting. He is looking down at a document he is holding in his hands. The background is slightly blurred, showing office furniture and large windows. The overall tone is professional and focused.

EBOOK

5 Ways

**to Be Better Prepared
for an HR Audit
or Complaint**

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Equal Employment Opportunity Commission (EEOC) complaints are on the rise

and high-dollar labor and employment class action lawsuits seemingly pop up weekly in the news.

For the 2023 fiscal year (FY), the EEOC secured more than \$665 million in monetary relief for more than 22,000 victims of employment discrimination, a 29.5% increase over fiscal year 2022.

They received 81,055 new charges of discrimination in fiscal year 2023, a more than 10% increase over the number of charges filed in fiscal year 2022. It appears the landscape is becoming more litigious, making the prospect of facing a lawsuit or audit, now or in the near to mid-term, a more genuine possibility.

Lack of good process and procedures could be a catalyst to attracting litigation and/ or an audit.

You could have a disgruntled employee or former employee that knows that the HR forms processes or procedures you have in place really are not adequate. If so motivated, they could begin to file complaints against you based on that information. These complaints could actually be tied to something like state forms or some information that was not presented to that employee in a timely fashion, either pre-, during, or post-employment.

Government agencies have been known to talk to each other, so if you see an EEOC complaint filed, that could eventually also trigger an ICE audit or vice versa. You might be convinced you are doing all the right things, but a minor mistake in procedure or execution can sometimes snowball quickly and could lead to additional scrutiny.

Errors in these processes could even potentially be uncovered and attempted to be used against you during litigation that may seem unrelated to on- and offboarding forms. Consistent and efficient form management can be crucial to helping protect your company and your organization and better mitigate these risks.

Here are a few best practices to consider in your forms processes to help potentially avoid a lawsuit and better prepare, if you do.

1 **Prioritize the entire employee experience**

You want employees to have a positive experience throughout the complete employee lifecycle from hire to retire. Onboarding tends to get the most attention. However, offboarding is equally as important as you can strategically provide a more positive employee experience, help protect your company's reputation, and help mitigate risk caused by complicated offboarding requirements. A disgruntled former employee is just as important as your active employees.

Try to have repeatable processes, when you onboard as well as offboard. This can help create a better experience for the employee and better experience for you to meet some of those tight timelines when working through a separation. Having a way to secure some of that important documentation like policies and acknowledgments when you're onboarding could help for a smoother and more pleasant offboarding. If you can, have those documents in one centralized location where you can access them as part of the offboarding process to support things like unemployment claims filings, workers compensation filings, and any litigation that may come up.





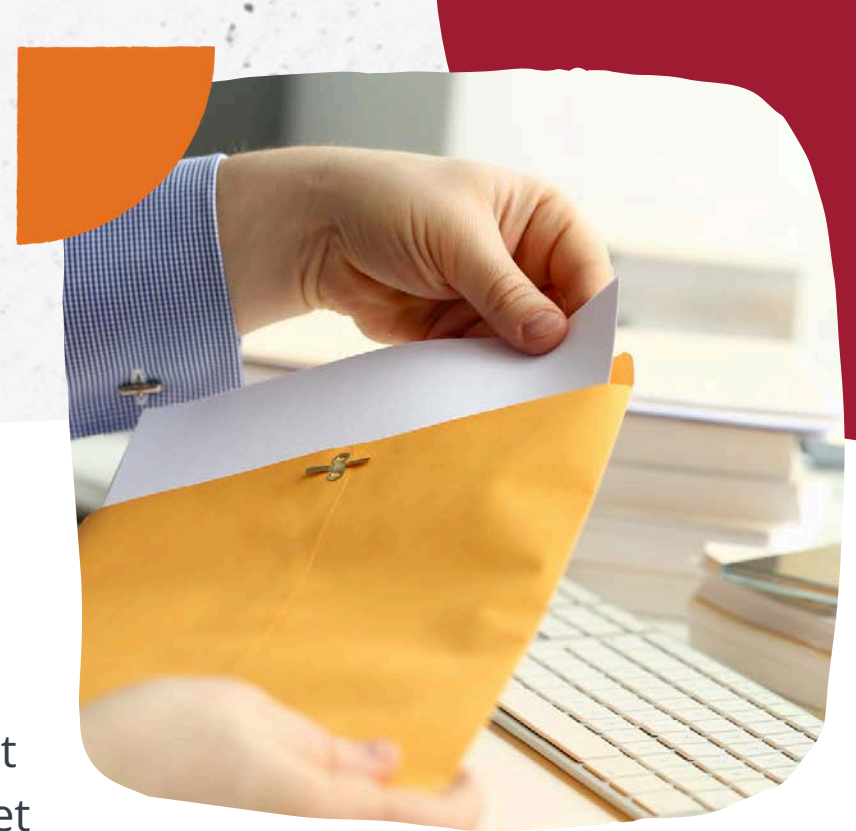
Having one process in place that employees are used to throughout their lifecycle can really help make sure that they are completing the forms and that they are going through the workflows in an expedited manner because they're not questioning where it's coming from.

2 Send everything out in one packet

One packet, that's one packet every time you send stuff out. Throughout the entire lifecycle of an employee, there can be multiple times that forms have to go out to that employee. It is important to make sure that you're able to get these forms out in the required timeframes. The timelines can be quick, so you want to make sure you have a way to distribute and track their delivery. If you have it all in one system, and send it all at one time, management of these documents can be much easier for you and the employee.

Watch out: Remote workers up the ante

Form management is especially tricky for multi-state employers with an increasing number of remote employees who may work in a state where there isn't a physical office location. Where the employee sits and works often determines the forms they must complete, so regularly verifying your employee's physical address, if working remotely, is key.



3 Stay aware of state-specific forms

There are hundreds of forms that are unique to specific states and can cover everything from pregnancy accommodations to wage theft.



Many of these forms require employers to inform employees of their rights — sometimes at the time of hire as well as throughout their lifecycle. Because these requirements are unique to particular states and change frequently, they can be difficult to keep up with. A defined and repeatable state forms process can help you get the right form, to the right employee, at the right time. This systematic process should include the distribution of both the required onboarding paperwork as well as things like your employee handbook and employment expectations, so you can get signatures on everything at one time.

Many states also have required separation notices that must be sent to the separating employee. Additionally, many employers have their own offboarding forms and notices that need to be delivered, creating further administrative burden and a disjointed offboarding experience for the employee. When not managed properly, one result could be litigation by an employee or group of employees who may claim that they never receive the required forms.

4 Be audit-ready



When facing litigation, a very important step to helping prepare your defense is collecting relevant documentation,

including emails, text messages, and any other forms of communication.

It is important to have an audit trail in place, so you have access to and can identify when something was sent, when something was signed, if something was sent, but not signed, or if you neglected to send it. Preparing for an audit can be an extremely time-consuming process if you don't have an easy way to track when forms were sent to an individual.

Making sure you have the ability to gather the information you need to respond to an audit easily can be helpful instead of scrambling at the last minute to gather documentation. With audits often having very quick turnaround times, having the information you need in one system can help ease administrative burden on your team and help shorten your response time. An EEOC complaint could include supplying investigators with documents from multiple pieces of that employee's time within your organization as well. It helps to make sure that it is a process that the employee is already used to so they're more likely to actually look at what you're sending during offboarding as well.



It is best to be prepared and have a process in place for the paperwork that needs to be distributed when employees leave, including those that may vary by state. The information you present to that employee is critical to a smooth offboarding process and should be concise and timely.

Having one unified system that employees are used to using to submit and receive forms can help not only in the onboarding and offboarding processes, but to better organize and manage these documents in case of an audit.

5 Automate



Typically, the more you can automate things, the better. Whether you have employees working remotely, in the office, or on hybrid schedules, automation can help you more consistently and properly manage your offboarding process with less effort, while also helping you mitigate your risk. A forms management solution for onboarding, annual notices, offboarding, and state required forms can help alleviate that manual burden and reduce the chance for errors.

The right automated forms platform can give you the ability to communicate the forms and information you wish to your employees in one packet. This information can be delivered to them either via email and or via text when permitted. And to help protect you, it can have an audit trail capability to document that the notices were presented to the employee and acknowledged. An all-in-one automated platform can help with maintaining more up-to-date compliance and practices as well as the convenience and ease of organizing and accessing your forms all in a single platform.



To learn more about how Equifax can help you get your right form packet, to the right person, at the right time, throughout the employee lifecycle, [contact us](#) or [visit our Forms HQ page](#).



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