

## HR Compliance Audit overview

A HR Compliance Audit is a great tool to undertake an assessment of your current HR practices. It will ensure you are compliant with the key provisions of the *Fair Work Act 2009*, mitigating risks associated with non-compliance.

The HR Compliance Audit will involve a consultant coming on site for 1 day. At the end of the audit you will be presented with a comprehensive report outlining the review findings and recommendations for areas that can/should be improved.

Below you will find a detailed overview of what is included as part of the HR Compliance Audit.

### Document Review

Integral to any HR audit is the employment contract. Liquid HR will review the employment contract templates currently used by your organisation and a sample of executed employment contracts on file to ensure compliance with applicable Modern Awards and associated Individual Flexibility Agreements, Annualised Salary/Guaranteed of Annual Earnings Agreements and the *Fair Work Act (2009)*. A sample position description will also be reviewed to ensure compliance with the express and implied obligations of the employment relationship.

Existing HR policies and procedures will be reviewed to further determine your organisations level of compliance and duty of care to mitigate risk. Amendments and recommendations for additional policies will be made for both compliance and best practice purposes.

### Records Review

As part of the on-site review, Liquid HR will randomly select and examined a sample of 10 hard copy employee files to determine the completeness and accuracy of a range of information and data. Accurate employee records are a requirement of the *Fair Work Act (2009)*. This aspect of the review supports recommendations to address gaps in your organisations record keeping and improve the data integrity of workflow systems and processes. Employee records include the following:

- Signed employment agreement
- Signed taxation declaration form
- Signed position description
- Signed superannuation choice form
- Resume & references
- Educational qualifications
- Personal records, contact details, bank details
- Payroll details (pay rates, bonuses, incentives, salary sacrifices)
- Centrelink letters
- Acknowledgment of policies & procedures

- Probation / Confirmation of employment
- Change of employment status (casual, part-time, full-time, contractor)
- Completion of employer funded training
- Salary increases / Increments
- Higher duties / Loadings
- Leave verifications
- Medical certifications
- Change of hours
- Staff transfers & change in reporting line
- Terminations (Resignations / Redundancies)

### **Payslip Compliance**

Liquid HR will review a payslip from the latest pay run and check that the employee was paid appropriately.

### **Worker Compensation Insurance**

It is a legal requirement that your organisation keeps accurate and up-to-date workers compensation insurance. Liquid HR will review the current policy against the current state of the organisation to ensure that your organisation is appropriately covered and it is applying the appropriate WIC code for your industry.

### **Looking for more?**

We have a 3 day HR Performance Audit, which in addition all of the above, will involve an analysis of the current HR practices, including:

- Recruitment and Selection
- Onboarding
- Managing Performance
- Retention
- Learning and Development
- Remuneration