

Wisconsin Small Business HR Compliance Checklist

*Is Your Business
Actually Compliant?*



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Is Your Business Actually *Compliant*?



Many Wisconsin small business owners assume they're compliant until a minor oversight results in costly penalties. This **checklist** highlights key HR requirements, helping you identify gaps and protect your business with confidence.



Hiring & Onboarding

Onboarding errors can follow employees (and employers) for years.

- ☐ Complete Form I-9 for every new hire within 3 days of start date.
Note: Keep on file for 3 yrs after hiring or 1 yr after termination.
- ☐ Process I-9s in E-Verify (if applicable to your industry or contracts).
Note: Required for federal contractors; optional but recommended statewide.
- ☐ Provide a written offer letter stating at-will employment status.
- ☐ Collect W-4 (federal) and WT-4 (Wisconsin) withholding forms.
Update when employees report life changes.
- ☐ Report new hires to the Wisconsin DWD within 20 days of hire.
Required for all employers; submit at wi-newhire.com.
- ☐ Provide written notice of wage rate, pay period, and pay date.
Required under [Wis. Stat. 103.457](#).
- ☐ Provide employee handbook (or written workplace policies).
- ☐ Obtain signed acknowledgment of handbook receipt.
Keep in personnel file.
- ☐ Complete background check (if required for role).
Follow [Wisconsin Fair Employment Act](#) for criminal history.



Wage & Hour Compliance

Wisconsin's wage and hour rules have a few key differences from federal law, and ignoring them can be expensive.

- ☐ Pay at least Wisconsin minimum wage: \$7.25/hr (state); check local ordinances.
Some counties/cities may have higher rates.
- ☐ Pay tipped employees at least \$2.33/hr with tip credit structure documented.
Total must equal \$7.25/hr; make up the difference if not.
- ☐ Pay overtime at 1.5x for worked hours over 40/week for non-exempt employees.
Federal FLSA applies; Wisconsin mirrors federal rules.
- ☐ Properly classify all workers as exempt or non-exempt.
Misclassification is the #1 wage violation for small businesses.
- ☐ Properly classify independent contractors vs. employees.
Wisconsin uses a multi-factor test; when in doubt, classify as employee.
- ☐ Maintain accurate time records for all non-exempt employees.
Keep for at least 3 years.
- ☐ Pay employees at least twice per month (semi-monthly minimum), per Wis. Stat. 109.03. More frequently is fine.
- ☐ Provide itemized pay stubs showing gross/net pay and deductions.
- ☐ Issue final paycheck by the next regular payday after termination.
- ☐ Avoid making unauthorized deductions from employee wages.
Written authorization required for most deductions.

Required Workplace Postings & Notices

Employers are required by federal and state law to display certain notices informing employees of their workplace rights. The posters below must be posted in a conspicuous location accessible to all employees and provided electronically to any remote workers. Some postings apply to all employers, while others vary by workforce size, industry, or employment practices.

Review the list to see which apply to your organization.

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- Fair Labor Standards Act (FLSA) Minimum Wage Poster.
- FMLA Rights Poster.
(50+ employees).
- EEO / Know Your Rights Poster.
Updated August 2022 version required.
- OSHA Job Safety & Health Poster.
- Employee Polygraph Protection Act Poster.
- Your Rights Under USERRA (military leave) Poster.
- Employee Rights Under the H-2A Program.
Agricultural employers hiring temporary agricultural workers under H-2A visas.
- Migrant and Seasonal Agricultural Worker Protection Act Notice.
Agricultural employers, associations, and farm labor contractors subject to the MSPA and who employ any migrant or seasonal agricultural workers.



Required Workplace Postings & Notices

Review the list to see which apply to your organization. (Continued)

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- Minimum Wage Poster.
WI-specific version.
- Notice to Employees About Applying for Wisconsin Unemployment Benefits.
- Family & Medical Leave Act (WFMLA) poster.
Wisconsin's own FMLA applies at 50+ employees.
- Employee Rights Under Wisconsin's Business Closing/Mass Layoff Law.
- Hours and Days of Work Minors May Work in Wisconsin.
Posting is optional for employers who do not hire minors.
- Employee Protections Against Use of Honesty Testing Devices.
- Fair Employment Law poster.
- Wisconsin Bone Marrow and Organ Donation Leave Act.
- Notification Required for Cessation of Health Care Benefits.
Employers who plan to discontinue health benefits only.
- Minimum Wage, Workers with Disabilities Paid at Special.
Employers with a special minimum wage license issued by DWD only.
- Retaliation Protection for Health Care Workers.
Health care providers and facilities only.
- Update all postings annually or when notices are revised.
Sign up for free update alerts at dol.gov and dwd.wisconsin.gov.

Leave & Time Off Policies

Wisconsin has its own Family & Medical Leave Act (FMLA) that extends beyond federal FMLA. It's important to know which law applies to your situation.

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- FMLA: Provide up to 6 weeks of unpaid leave for birth/adoption
(50+ employees) Wis. Stat. 103.10
- FMLA: Provide up to 2 weeks for serious personal illness or family care
More generous than federal in some respects
- Wisconsin Bone Marrow Donation Leave: up to 6 weeks
(50+ employees)
- Jury Duty Leave: Employees may not be terminated or penalized
Wis. Stat. 756.255

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- FMLA: Provide up to 12 Weeks of Unpaid Leave
(50+ employees within 75 miles) Track and document carefully
- Military leave: Comply with USERRA for Reinstatement and Benefits Continuation.

Best Practices:

- ☐ Written leave policies in place and communicated to all employees.
- ☐ Designate FMLA leaves correctly when it qualifies.
- ☐ Document all leave requests and approvals in writing.
Retain records for 3 years.



Anti-Discrimination & Harassment Prevention

Wisconsin's protected classes go beyond federal law.
Cover all of them in your policies.

- Written anti-harassment and anti-discrimination policy in place.
Must cover all Wisconsin protected classes.
- Policy covers: race, color, sex, age, disability, religion, national origin, marital status, sexual orientation, arrest/conviction record, military status.
- Designated complaint procedure with named point of contact.
- Non-retaliation clause included in policy.
- Annual harassment prevention training for all employees.
Document dates and attendees.
- Managers trained on how to receive and escalate complaints.
- All complaints investigated promptly and documented.
Retain records for duration of employment + 5 years.
- No discriminatory language in job postings, interviews, or performance reviews.
Audit existing postings annually.
- Reasonable accommodation process in place for disabilities and religion.
Interactive process documentation required.



Benefits & Insurance Requirements

Some benefits are optional, others are required.
It's important to know the difference.

- Carry Wisconsin Worker's Compensation insurance.
(3+ employees) Serious penalties for non-compliance.
- Carry Unemployment Insurance. Register with Wisconsin DWD.
Required for most employers with 1+ employees.
- ACA compliance: offer minimum essential coverage if you have 50+ FTEs (ALEs).
File Forms 1094-C and 1095-C annually.
- COBRA: provide notice and continuation of coverage upon qualifying events.
(20+ employees).
- Provide Summary Plan Descriptions for all group health plans.
- HIPAA privacy and security safeguards for health plan data.
- Section 125 Cafeteria Plan administered correctly (if offered).
- 401(k) or retirement plan administered per ERISA (if offered).
Annual testing, disclosures, and filing requirements.



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Recordkeeping Requirements

You can't prove compliance if you don't document it.
Here's what to keep and for how long.

- Payroll records (wages, hours, deductions).
3 years (federal); 7 years (recommended).
- I-9 Employment Eligibility forms.
3 yrs after hire OR 1 yr after termination (whichever is later).
- Personnel files (hire date, performance reviews, disciplinary actions).
Duration of employment + 7 years.
- Job applications and hiring records (including rejected applicants).
2 years.
- FMLA leave records.
3 years.
- Safety and injury records (OSHA 300 logs).
5 years.
- Benefits plan documents and summary plan descriptions.
6 years.
- EEO-1 reports (if required).
2 years.
- Personnel files stored securely, separate from medical records.
HIPAA and ADA require separate storage.

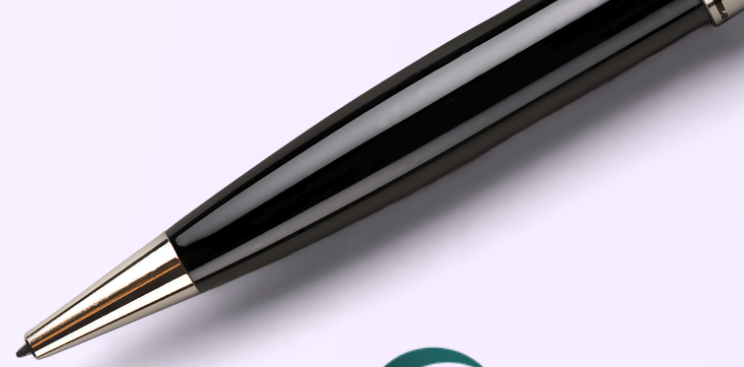
Termination & Separation Procedures

How you end employment matters as much as how it begins.
Get the process right every time.

- ☐ Issue final paycheck by the next regular payday.
Do not withhold for unreturned equipment without written authorization.
- ☐ Provide COBRA continuation notice within 14 days of a qualifying event.
Use the DOL's model notice.
- ☐ Provide unemployment insurance notice/information.
Wisconsin employers must provide ERD-7280 or equivalent.
- ☐ Document reason for termination in writing, kept in personnel file.
- ☐ Conduct exit interview (recommended, not required).
Document findings.
- ☐ Retrieve company property and revoke system access on last day.
- ☐ Review any non-compete or confidentiality agreements in place.
- ☐ Be sure termination is not discriminatory, retaliatory, or in violation of any protected status.
When in doubt, consult an employment attorney.



Compliance Gaps *Increase* Business Risks



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Employment lawsuits and government audits are costly and can harm company culture. Most violations happen not from ignorance of the rules but from overlooked gaps. If you found issues after reviewing this checklist, act quickly to resolve them.

[Take Our Free HR Risk Survey](#)

Need HR Help?

This checklist gives you a clear picture of where you stand, but proper implementation can require an experienced advisor. **Workforce Solutions** specializes in helping Wisconsin small businesses build compliant, people-first workplaces without the overhead of a full in-house HR department. [Contact us for a free consultation.](#)



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