

Compliance Reset Checklist

Q1 risk audit and regulatory checklists in the first 60 days.

Included:

- High Risk
- Medium Risk
- Wage and Hour
- Retirement Plan
- Handbook and Policy
- ACA and Benefits
- Payroll Tax & Insurance Rate
- Labor Law
- And More!



Updates to make by:

**MARCH
2026**

WHAT HR MUST UPDATE BY MARCH 1, 2026

COMPLIANCE RESET

The first 60 days of the year carry the highest concentration of HR compliance deadlines. Missing Q1 requirements can trigger penalties, DOL audits, IRS notices, or employee claims. Use this structured review to ensure your organization is aligned before March 1, 2026.

Q1 COMPLIANCE RISK PRIORITIZATION

Not all compliance items carry equal exposure. Use this priority guide to focus your efforts.

HIGH-RISK (Immediate Action Required)

Failure in these areas most commonly results in regulatory penalties or wage claims.

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| | Minimum wage & exempt threshold verification |
| | 401(k) nondiscrimination testing (ADP/ACP) |
| | ACA form distribution (1095-C / 1095-B) |
| | OSHA 300A posting (Feb 1–April 30) |
| | Paid sick leave accrual audit |
| | Labor law poster verification (on-site + remote access) |

MEDIUM RISK (Complete Before End of Q1)

These areas frequently create operational or compliance errors if overlooked.

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| | State unemployment insurance (SUI) rate updates |
| | Workers' compensation payroll true-up & classification review |
| | Pay transparency template audit (job postings & offers) |
| | Handbook leave language update |
| | COBRA notice template review |
| | Background check & adverse action form compliance (FCRA + state) |

DO THIS NOW: Highest Exposure Items

If you only address **6 things before March 1**:

- ✓ Confirm minimum wage & exempt thresholds
- ✓ Complete 401(k) nondiscrimination testing
- ✓ Distribute ACA forms to employees
- ✓ Confirm minimum wage & exempt thresholds
- ✓ Complete 401(k) nondiscrimination testing
- ✓ Distribute ACA forms to employees

COMPLIANCE RESET

Wage and Hour Compliance

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|---|---|
| | Minimum Wage Increases (Federal, State, Local) |
| <ul style="list-style-type: none">• Confirm January 1 wage updates were implemented• Verify compliance in all states where employees reside• Review city/county increases | |

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| | Exempt Salary Thresholds |
| <ul style="list-style-type: none">• Confirm federal and state thresholds are met• Audit newly promoted exempt employees• Review Highly Compensated Employee (HCE) thresholds | |

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| | Overtime & Timekeeping Practices |
| <ul style="list-style-type: none">• Audit rounding practices• Review meal/rest break compliance (state-specific)• Ensure no off-the-clock work is occurring• Confirm remote time tracking accuracy | |

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| | Independent Contractor Classification |
| <ul style="list-style-type: none">• Reassess contractor relationships under DOL standards• Review state ABC test exposure (CA, NJ, MA, etc.) | |

WHAT HR MUST UPDATE BY MARCH 1, 2026

COMPLIANCE RESET

Retirement Plan Compliance

For calendar-year 401(k) plans, Q1 is deadline-heavy.

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| | Employer Match / Profit-Sharing Contributions |
| | <ul style="list-style-type: none">• Confirm prior year contributions are funded per plan document• Verify timely deposit of employee deferrals |
| | Nondiscrimination Testing (ADP/ACP) |
| | <ul style="list-style-type: none">• Complete testing by March 15 (or initiate corrective action)• Document refunds or corrective contributions |
| | Form 1099-R Distribution |
| | <ul style="list-style-type: none">• Confirm issued by January 31 |
| | Form 945 Filing (If Applicable) |
| | <ul style="list-style-type: none">• Confirm filed by January 31 |
| | SECURE 2.0 Compliance |
| | <ul style="list-style-type: none">• Review auto-enrollment rules (if applicable)• Confirm long-term part-time employee tracking |
| | State-Mandated Retirement Programs |
| | <ul style="list-style-type: none">• Confirm registration or exemption• Validate payroll deduction accuracy• Verify remittance timing |

WHAT HR MUST UPDATE BY MARCH 1, 2026

COMPLIANCE RESET

Handbook & Policy Reset

Q1 is ideal for aligning policies after January 1 law changes.

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| | Paid Sick Leave Policy |
| | <ul style="list-style-type: none">• Confirm accrual rates• Review carryover limits• Ensure payout compliance |

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| | Family & Medical Leave Updates |
| | <ul style="list-style-type: none">• Update state-specific addenda• Confirm PTO bank integration |

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| | Pay Transparency Language |
| | <ul style="list-style-type: none">• Audit job posting templates• Review internal promotion postings |

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| | AI & Technology Use Policy |
| | <ul style="list-style-type: none">• Address AI use in recruiting and workplace tools• Implement bias mitigation safeguards |

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| | Workplace Safety & Violence Prevention |
| | <ul style="list-style-type: none">• Confirm compliance with state prevention plan laws• Update emergency action plans |

COMPLIANCE RESET

ACA & Benefits Reporting Deadlines

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| | ACA Form Distribution (1095-C / 1095-B) |
| | <ul style="list-style-type: none"> • Confirm employee copies distributed • Calendar IRS filing deadlines |

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| | Form 1094-C Filing Preparation |
| | <ul style="list-style-type: none"> • Validate full-time employee calculations • Confirm measurement period documentation |

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| | Affordability Threshold Review |
| | <ul style="list-style-type: none"> • Confirm 2026 affordability calculations • Audit lowest-cost plan offering |

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| | COBRA Administration Review |
| | <ul style="list-style-type: none"> • Confirm updated DOL model notices are used • Audit recent terminations for timely notification |

Payroll Tax & Insurance Rate Reset

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| | State Unemployment Insurance (SUI) Rate Updates |
| | <ul style="list-style-type: none"> • Confirm new annual rate notices received • Update payroll system accordingly • Review experience rating accuracy |

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| | Workers' Compensation Review |
| | <ul style="list-style-type: none"> • Submit payroll true-up (if required) • Review classification codes • Confirm multi-state coverage accuracy |

COMPLIANCE RESET

Labor Law Posting & Required Notices

| | Federal Poster Updates |
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| | <ul style="list-style-type: none"> • FLSA • EEOC (including PWFA updates) • OSHA • FMLA |

| | State & Local Poster Updates |
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| | <ul style="list-style-type: none"> • Minimum wage changes • Paid leave updates • State disability insurance • Workers' compensation updates |

| | Remote Workforce Posting Compliance |
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| | <ul style="list-style-type: none"> • Ensure digital posting access • Confirm compliance in all employee residence states |

Reporting & Government Filings

| | OSHA 300A Posting (Feb 1–April 30) |
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| | <ul style="list-style-type: none"> • Confirm posting in visible location • Validate injury log accuracy |

| | EEO-1 Reporting Preparation |
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| | <ul style="list-style-type: none"> • Audit demographic data integrity • Confirm reporting categories |

| | State Pay Data Reporting (If Applicable) |
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| | <ul style="list-style-type: none"> • Confirm deadlines (CA, IL, etc.) • Validate compensation data accuracy |

COMPLIANCE RESET

Employment Verification & Background Screening

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| | I-9 Internal Audit |
| | <ul style="list-style-type: none">• Correct technical errors properly• Confirm correct version of form in use• Review retention timelines |
| | E-Verify Compliance (If Applicable) |
| | <ul style="list-style-type: none">• Confirm active participation• Review tentative non-confirmation procedures |
| | Background Check Compliance (FCRA + State) |
| | <ul style="list-style-type: none">• Audit authorization forms• Review adverse action templates• Confirm state disclosure compliance |