

Small Business Employee Handbook Template



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Employer checklist for completing this template

- ❓ **Make an editable copy.** Go to File > Make a copy. This is a view-only file, so you won't be able to edit anything here.
- ❓ **Look over highlighted text.** Pay special attention to anything that's highlighted -- those are sections that you either need to replace (i.e. [Company name]) or read before deciding if you want to keep or change the wording (i.e. the section on PTO).
- ❓ **Remove non-template pages.** Delete the last page in the handbook as well as any page that comes before the *second* cover.
- ❓ **Change logos + company info.** Be sure to change the footer in the template to reflect your company logo + information.
- ❓ **Want it in Word?** Go to File > Download As > Microsoft Word if you'd rather work on this handbook in Word instead of Google Docs.
- ❓ **Make it custom.** Customize this template in accordance with your company's style + tone guides (i.e. change colors, add graphics, lighten up the tone).

Pro tip:

We chose to play it safe and use formal language when writing this template. But if you'd prefer something more casual, feel free to change it!



Inspiration

Feeling a little lost design-wise? Never fear! There are [many great handbooks](#) out there you can look to, but we've selected three examples that can hopefully get those creative juices flowing:

Austin Fraser:

An information technology and engineering recruitment firm, Austin Fraser commissioned London-based design studio *Felt Branding* to help with rebranding efforts which also included a physical, simply laid-out handbook.



[Check it out here.](#)



Zingerman's Community of Businesses:

This Michigan-based food company's handbook includes interviews, a word-search game, profiles of managers, and more!

[Check it out here.](#)

Crispin Porter + Bogusky:

This advertising agency's handbook lays out expectations clearly and concisely so there's no confusion on what is expected of you.



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[Check it out here.](#)

Who is Human Interest and why are they giving me this template?

Glad you asked!

When our co-founders, Roger and Paul, started Human Interest, they wanted to ensure that *all* businesses, no matter their size, could offer a 401(k). Since then, we've grown to a much bigger team and have continued to work on our product: an affordable, automated 401(k) for startups and small businesses.

Along the way, we've experienced some classic, small business growing pains including, but not limited to, figuring out [how much health insurance](#) would cost us, [staying competitive](#) in the intense hiring market of San Francisco, and staying on top of [important, end-of-year HR deadlines](#).

We're certainly not perfect, but we've actively taken measures to help course-correct and prepare for the other hurdles we will inevitably face down the road. We also just talk to lots and lots of startups, from small to large, so we know what common issues tend to arise as they grow.

Which is why we knew we had to share what we've learned in the hopes of making your and your employees' lives that much easier.

Below are just a few of the small businesses in the [Human Interest family](#):



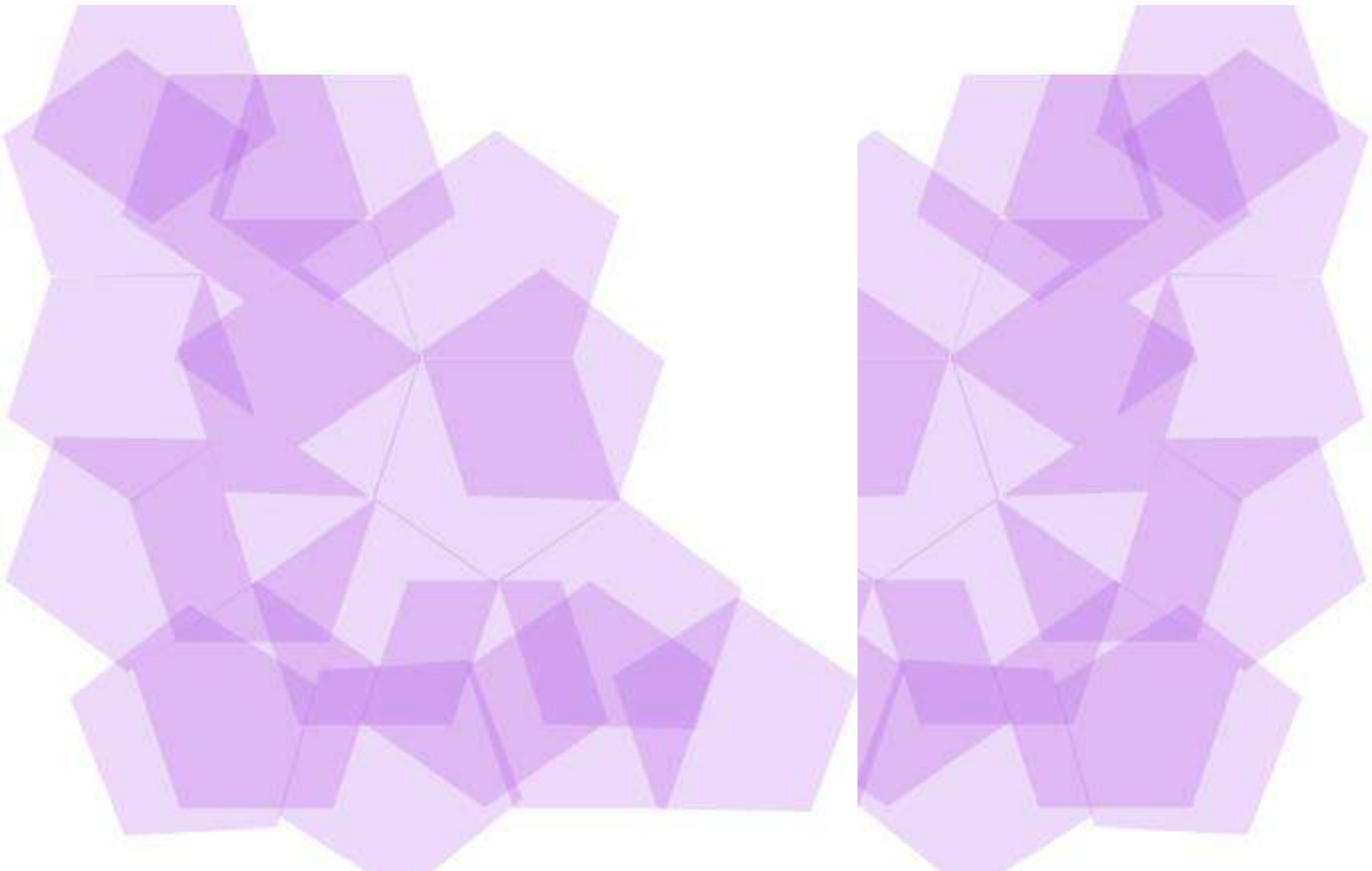
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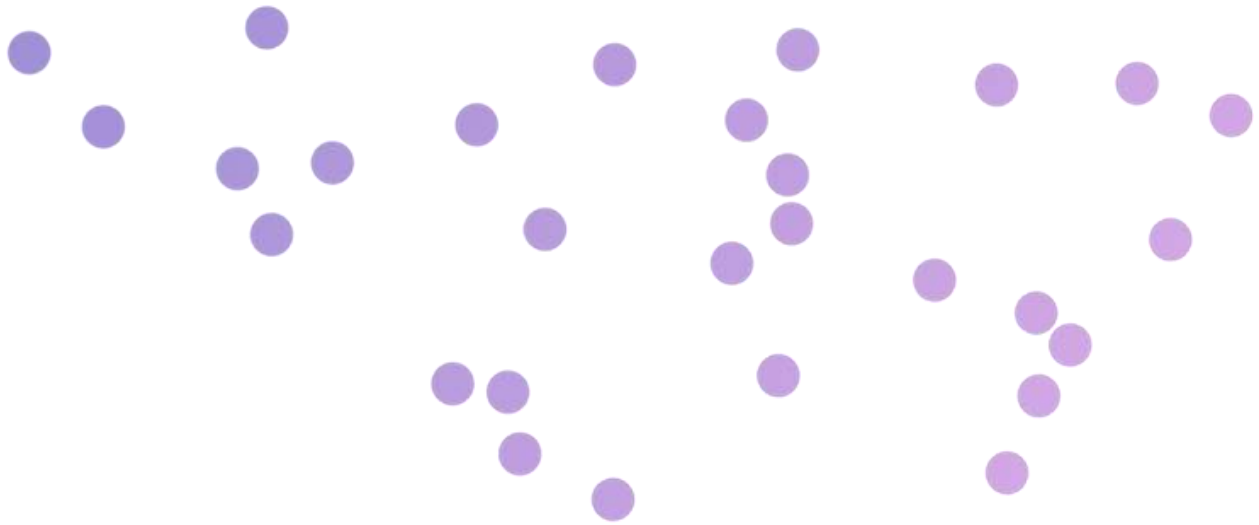
Our legal disclaimer

To avoid boring you to sleep, we'll give you the short version: this is simply a sample handbook and doesn't include everything you'll want to include in your final version. You might also want to consult with legal counsel before implementing or developing your handbook.

Sources

This handbook was adapted from HR360's [Sample Employee Handbook](#) to fit typical small business norms and size considerations.





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Sign up at humaninterest.com/start
for a free consultation!



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[Company Name] Employee Handbook

[Customize the first page with your company logo, a team picture, etc.]



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Welcome to [Company name]!

What you're trying to do here is get your new hires excited about being a part of your team! Below are a few examples of things you could write:

- A welcome note from HR, the president, business owner, or general manager
- A summary of your company's history and mission
- Customer and/or employee quotes
- A touching story from a current employee



Our Values

Corporate values are the operating philosophies or principles that guide an organization's internal conduct as well as its relationship with its customers, partners, and shareholders. Core values are usually summarized in the mission statement or in the company's statement of core values.

It's helpful to include them in the handbook to provide employees with a sense of who the company is and where they are heading.

But if you don't have them figured out just yet, that's okay. You can just write up some rough ideas on what it is you want your employees to embody and throw in a disclaimer at the bottom that says something along the lines of, "this is a work in progress".

Here's a list of [100 core values](#) from 15 successful companies for inspiration in case you get stuck here!



Introduction

This Employee Handbook (“Handbook”) is a compilation of personnel policies, practices and procedures currently in effect at [Company Name] (“Company”).

The Handbook is designed to introduce you to our Company, familiarize you with Company policies, provide general guidelines on work rules, benefits and other issues related to your employment, and help answer many of the questions that may arise in connection with your employment.

This Employee Handbook is not a contract. Like most American companies, [Company Name] generally does not offer individual employees formal employment contracts with the Company. This Handbook does not create a contract, express or implied, guaranteeing you any specific term of employment, nor does it obligate you to continue your employment for a specific period of time. The purpose of the Handbook is simply to provide you with a convenient explanation of present policies and practices at the Company. This Handbook is an overview or a guideline. It cannot cover every matter that might arise in the workplace. For this reason, specific questions regarding the applicability of a particular policy or practice should be addressed to the Human Resources Department.

The Company reserves the right to modify any of our policies and procedures, including those covered in this Handbook, at any time. We will seek to notify you of such changes by email and other appropriate means. However, such a notice is not required for changes to be effective.



General Employment Policies and Practices

Equal Employment Opportunity

The Company is an equal opportunity employer. We will extend equal opportunity to all individuals without regard to race, religion, color, sex (including pregnancy, sexual orientation and gender identity), national origin, disability, age, genetic information, or any other status protected under applicable federal, state, or local laws. Our policy reflects and affirms the Company's commitment to the principles of fair employment and the elimination of all discriminatory practices. Details of our equal employment opportunity policies are further explained in Part 2 below.

Your Employment Relationship with the Company

Like most American companies, [Company Name] generally does not offer individual employees a formal employment contract with the Company. Employment is "at will," meaning that you or the Company may end your employment at any time for any lawful reason.

This Employee Handbook is not a contract. It does not create any agreement, express or implied, guaranteeing you any specific terms or conditions of employment. Nothing contained in this Handbook should be construed as creating a contract guaranteeing employment for any specific duration, nor does the Handbook obligate you to continue your employment for a specific period of time. Unless you have entered into an employment agreement that supersedes this document, either you or the Company may terminate the employment relationship at any time. The Handbook does not guarantee any prescribed process for discipline and discharge.

No manager or other representative of the Company, other than the President, has the authority to enter into any agreement guaranteeing employment for any specific period. No such agreement shall be enforceable unless it is in writing and signed by the [signer, usually CEO] and the employee.

Immigration Law Applicable to All Employees

The Company complies with the Immigration Reform and Control Act of 1986 by employing only U.S. citizens and non-citizens who are authorized to work in the United States. All employees are asked on their first day of work to provide original documents verifying the right to work in the United States and to sign a verification form required by federal law (Form I-9). If you cannot verify your right to work in the United States within three (3) days of hire, the Company is required by law to terminate your employment.



Employment Classifications

The following terms will be used to describe employment classifications and status:

Exempt Employees

Exempt employees are not subject to the overtime pay provisions of the federal Fair Labor Standards Act (FLSA). An exempt employee is one whose specific job duties and salary meet all of the requirements of the U.S. Department of Labor's regulations. In general, an exempt employee is one who is paid on a salary basis at not less than \$455 per week (\$913 per week as of December 1, 2016) who holds an administrative, professional, or management position. Certain outside sales persons and a few other job categories are also exempt.

Non-Exempt Employees

Salaried employees who are not administrative, professional, or managerial employees (as defined by the U.S. Department of Labor) and many hourly employees are generally not exempt from the FLSA's overtime provisions.

Full-Time Employee

Full-time employees are those who are regularly scheduled to work at least **[40 hours]** per week that are not hired on a temporary basis.

Part-Time Employee

Part-time employees are those who are regularly scheduled to work fewer than **[40 hours]** per week that are not hired on a temporary basis. Part-time employees *[are/are not]* eligible for Company paid benefits, *[include only if you offer a 401(k): with the exception of the 401(k) plan, except as required by law. Any employee who works 1,000 hours per year or more may participate in the 401(k) plan, in accordance with the federal Employee Retirement Income Security Act].*

Temporary Employee

Employees hired for an interim period of time, usually to fill in for vacations, leaves of absence, or projects of a limited duration. Temporary employees are not eligible for Company paid benefits, except as required by law.



Office Standards

Office Standards



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Hours of Work

Fill in with any expectations on when employees should work (if any), as well as telecommuting and flex time policies For example:

The Company recognizes that many employees need flexibility in work schedules in order to meet child care and other needs. Core hours are [9:30 a.m. to 2:30 p.m.] and all employees should be at work during those hours. Within the structure of the core hours, you may schedule your workday as you choose, if the nature of your job permits such flexibility and your supervisor approves your schedule.

The Company also offers employees the opportunity to telecommute. Not all jobs are suitable for telecommuting. You may telecommute up to [three (3) days] per week with the approval of your supervisor.

Attendance and Punctuality

It is important for you to report to work on time and to avoid unnecessary absences. The Company recognizes that illness or other circumstances beyond your control may cause you to be absent from work from time to time. However, frequent absenteeism or tardiness may result in disciplinary action up to and including discharge. Excessive absenteeism or frequent tardiness puts an unnecessary strain on your co-workers and can have a negative impact on the success of the Company.

You are expected to report to work when scheduled. Whenever you know in advance that you are going to be absent or delayed, you should notify your immediate supervisor or the designated manager. If your absence is unexpected, you should attempt to reach your immediate supervisor as soon as possible. In the event your immediate supervisor is unavailable, you must speak with a manager. If you must leave a voicemail, you must provide a number where your supervisor may reach you if need be.

Dress Code and Public Image

As an employee of the Company, we expect you to present a professional appearance when you represent us, whether you are in or outside of the office. You are, therefore, required to dress in appropriate attire and to behave in a professional, businesslike manner. The current Company dress code is [casual]. Please keep in mind, however, that the Company is a professional business office, where clients and others often visit. Generally, clean, neat clothing is acceptable. However, torn jeans or other torn clothing and shirts with inappropriate verbiage or pictures are not appropriate attire. As always, please use common sense.

It is the intent of this policy to comply with applicable state, local and federal laws prohibiting discrimination on the basis of color, race, religion, sex (including pregnancy,



sexual orientation and gender identity), national origin, disability, age, genetic information and any other status protected under such laws.

Office Equipment

Certain equipment is assigned to staff depending on the needs of the job, such as a calculator, personal computer, printer and access to our central computers and servers. *[Include if you don't want employees taking computers, etc. off the premises: This equipment is the property of the Company and cannot be removed from the office without prior approval from your supervisor].* It is expected that you will treat this equipment with care and report any malfunctions immediately to staff members equipped to diagnose the problem and take corrective action.

Remote Work

For security reasons, some startups want employees to only work on company-provided computers or use a VPN when working remotely. You can include language such as:

All office work must be completed on computers provided by the Company. Employees may remove laptops from the office to work remotely, but may not use personal computers for Company business. Employees may not download any Company data to their personal computers. If you choose to work remotely, you must use a secure Virtual Private Network.

Personnel Records

It is important that the Company maintain accurate personnel records at all times. You are responsible for notifying your immediate supervisor or the Human Resources Department of any change in name, home address, telephone number, marital status, number of dependents, immigration status, or any other pertinent information. By promptly notifying the Company of such changes, you will avoid compromise of your benefit eligibility, the return of W-2 forms, or similar inconvenience.

Performance Reviews, Salary Reviews

If your startup is large enough to have a formal performance review system, outline it here. Don't just copy-paste this language, though; make sure it aligns with your actual policy. For example:

You will have your first performance review at the end of your first **[three (3) months]** of employment with the Company. Thereafter, performance reviews will normally be conducted **[annually]**. All performance reviews will be completed in writing by your supervisor or manager on the form designated by the Company, and reviewed during a conference with you. Compensation increases are given by the Company at its discretion in consideration of various factors, including your performance review.



Internet Access

Access to the Internet is given principally for work-related activities or approved educational / training activities. Incidental and occasional personal use and study use is permitted. This privilege should not be abused and must not affect the employee's performance of employment-related activities.

Right to Monitor

The Company email and Internet system is at all times the property of the Company. By accessing the Internet, Intranet and electronic mail services through facilities provided by the Company, you acknowledge that the Company (by itself or through its Internet Service Provider) may from time to time monitor, log and gather statistics on employee Internet activity and may examine all individual connections and communications. Please note that the Company uses email filters to block spam and computer viruses. These filters may from time to time block legitimate email messages.

Responsibilities and Obligations

Employees may not access, download or distribute material that is illegal, or which others may find offensive or objectionable, such as material that is pornographic, discriminatory, harassing, or an incitement to violence.

You must respect and comply with copyright laws and intellectual property rights of both the Company and other parties at all times. When using web-based sources, you must provide appropriate attribution and citation of information to the websites. Software must not be downloaded from the Internet without the prior approval of qualified persons within the Company.

Violation of this Policy

In all circumstances, use of Internet access and email systems must be consistent with the law and Company policies. Violation of this policy is a serious offense and, subject to the requirements of the law, may result in a range of sanctions, from restriction of access to electronic communication facilities to disciplinary action, up to and including termination.

Email

The email system is the property of the Company. All emails are archived on the server in accordance with our records retention policy, and all emails are subject to review by the Company. You may make limited use of our email system for personal business matters, so long as such use is kept to a minimum and does not interfere with your work.



The Company email system is Company property, and as such, is subject to monitoring. System monitoring is done for your protection and the protection of the rights or property of the provider of these services. Please consider this when conducting personal business using Company hardware and software.

Electronic mail is like any other form of Company communication, and may not be used for harassment or other unlawful purposes. Your email account is a Company-provided privilege, and is Company property. Remember that when you send email from the Company domain, you represent the Company whether your message is business-related or personal.

Confidentiality of Electronic Mail

As noted above, electronic mail is subject at all times to monitoring, and the release of specific information is subject to applicable laws and Company rules, policies and procedures on confidentiality. Existing rules, policies and procedures governing the sharing of confidential information also apply to the sharing of information via commercial software.

Social Media

You may want to consider requiring employees to maintain certain standards, even on their personal social media accounts. For example:

The term “social media” includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else’s web log or blog, journal or diary, personal website, social networking or affinity website, web bulletin board, or a chat room, whether or not associated or affiliated with the Company, as well as any other form of electronic communication. The same principles and guidelines found in the Company rules, policies and procedures apply to an employee’s social media activities online.

Any conduct that adversely affects an employee’s job performance or the performance of fellow employees, or otherwise adversely affects the Company’s legitimate business interests, may result in disciplinary action, up to and including termination. Similarly, inappropriate postings, including but not limited to discriminatory remarks, harassment and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may result in disciplinary action, up to and including termination. However, this restriction will not apply to any postings made in the exercise of any rights granted to an employee by federal law.



Telephones

Access to the Company telephone system is given principally for work-related activities or approved educational / training activities. Incidental and occasional personal use is permitted. This privilege should not be abused and must not affect the employee's performance of employment-related activities. Telephone usage should be based upon cost-effective practices that support the Company's mission and should comply with applicable rules and regulations.

You should use common sense and your best judgment when making or receiving personal cellular phone calls at work. To the extent possible, employees should make personal cell phone calls during their breaks or lunch times. The use of cameras on cell phones during work hours is prohibited to protect the privacy of the Company as well as of fellow employees. However, this restriction will not apply to any recordings made in the exercise of any rights granted to an employee by federal law.

The Company telephone system is at all times the property of the Company. By accessing the telephone system through facilities provided by the Company, you acknowledge that the Company has the right to monitor its telephone system from time to time to ensure that employees are using the system for its intended purposes.

Substance policy

Many startups provide alcohol, but you'll want to make sure it doesn't get out of hand. When in doubt, it's better to have a more strict written policy than to have to implement one after the fact. Most small startups won't have drug-testing policies; if you do, you'll want to include language for that as well. Consider language such as:

Smoking

In order to provide a safe and comfortable working environment for all employees, smoking is strictly prohibited at all times inside any Company building. [Note that there might be state regulations regarding smoking, including whether it's allowed in certain buildings and whether e-cigarettes are also prohibited.]

Substance Abuse

The Company takes seriously the problem of drug and alcohol abuse, and is committed to providing a substance abuse-free workplace for its employees. Substance abuse of any kind is inconsistent with the behavior expected of our employees, subjects all employees and visitors to our facilities to unacceptable safety risks, and undermines our ability to operate effectively and efficiently.



All employees are prohibited from engaging in the unlawful manufacture, possession, use, distribution or purchase of illicit drugs, alcohol or other intoxicants, as well as the misuse of prescription drugs on Company premises or at any time and any place during working hours. While we cannot control your behavior off the premises on your own time, we certainly encourage you to behave responsibly and appropriately at all times. All employees are required to report to their jobs in appropriate mental and physical condition, ready to work.

Alcohol

While alcohol is allowed on company premises, we expect you to use good judgment. Excessive or inappropriate use will not be tolerated and may result in disciplinary action, up to and including termination.

Safety and Accident Rules

Safety is a joint venture at the Company. We provide a clean, hazard-free, healthy, safe environment in which to work and make every effort to comply with all relevant federal, state and local occupational health and safety laws, including the federal Occupational Safety and Health Act. As an employee, you have a duty to comply with the safety rules of the Company, and you are expected to take an active part in maintaining this hazard-free environment. You should observe all posted safety rules, adhere to all safety instructions provided by your supervisor and use safety equipment where required. Your workspace should be kept neat, clean and orderly. You are required to report any accidents or injuries – including any breaches of safety – and to promptly report any unsafe equipment, working condition, process or procedure to a supervisor. In addition, if you become ill or get hurt while at work, you must notify your manager immediately. Failure to do so may result in a loss of benefits under the state workers' compensation law.

Failure to abide by the Company's safety and accident rules may result in disciplinary action, up to and including termination.

Workplace Violence Prevention Policy

As stated above, the Company is committed to the safety and security of our employees. Workplace violence presents a serious occupational safety hazard to our organization, staff, and clients.

Workplace violence includes any physical assault or act of aggressive behavior occurring where an employee performs any work-related duty in the course of his or her employment including but not limited to an attempt or threat, whether verbal or physical, to inflict physical injury upon an employee; any intentional display of force which would give an employee reason to fear or expect bodily harm; intentional and wrongful physical contact with a person without his or her consent that entails some injury; or stalking an



employee with the intent of causing fear of material harm to the physical safety and health of such employee when such stalking has arisen through and in the course of employment.

Acts of violence by or against any of our employees where any work-related duty is performed will be thoroughly investigated and appropriate action will be taken, including involving law enforcement authorities when warranted. All employees are responsible for helping to create an environment of mutual respect for each other as well as clients and visitors, following all policies, procedures and practices, and for assisting in maintaining a safe and secure work environment.



Anti-Discrimination and Harassment



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Anti-Discrimination and Harassment

Discrimination Is Prohibited

The Company is an equal opportunity employer and makes all employment decisions without regard to race, religion, color, sex (including pregnancy, sexual orientation and gender identity), national origin, disability, age, genetic information, or any other status protected under applicable federal, state, or local laws. This policy applies to all terms and conditions of employment, including but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, benefits, compensation and training. We seek to comply with all applicable federal, state and local laws related to discrimination and will not tolerate the interference with the ability of any of the Company's employees to perform their job duties.

The Company makes decisions concerning employment based strictly on an individual's qualifications and ability to perform the job under consideration, the comparative qualifications and abilities of other applicants or employees, and the individual's past performance within the organization.

[Insert appropriate resources, such as [our blog post on how startups can fight bias and harassment even without an HR team.](#)] Your complaint will be promptly, thoroughly and impartially investigated. There will be no retaliation against any employee who files a complaint in good faith, even if the result of the investigation produces insufficient evidence to support the complaint.

Americans with Disabilities Act

The federal Americans with Disabilities Act (ADA) prohibits discrimination against qualified individuals with disabilities in job application procedures, hiring, firing, advancement, compensation, fringe benefits, job training and other terms, conditions and privileges of employment. The ADA does not alter the Company's right to hire the best-qualified applicant, but it does prohibit discrimination against a qualified applicant or employee because of his or her disability, or because of a perceived disability. As a matter of Company policy, the Company prohibits discrimination of any kind against people with disabilities.

Disabled Defined

An applicant or employee is considered disabled if he or she (1) has a physical or mental impairment that substantially limits one or more major life activities; (2) has a record or past history of such an impairment; or (3) is regarded or perceived (correctly or incorrectly) as having such impairment.



A qualified employee or applicant with a disability is an individual who satisfies the requisite skill, experience, education and other job-related requirements of the position held or desired, and who, with or without reasonable accommodation, can perform the essential functions of that position.

Reasonable Accommodation

A reasonable accommodation is any change in the work environment (or in the way things are usually done) to help a person with a disability apply for a job, perform the duties of a job, or enjoy the benefits and privileges of employment.

Qualified applicants or employees who are disabled should request reasonable accommodation from the Company in order to allow them to perform a particular job. If you are disabled and you desire such reasonable accommodation, contact your immediate supervisor, designated manager, or Human Resources. On receipt of your request we will meet with you to discuss your disability. We may ask for information from your health care provider(s) regarding the nature of your disability and the nature of your limitations or take other steps necessary to help us determine viable options for reasonable accommodation. We will then work with you to determine whether your disability can be reasonably accommodated, and if it can be accommodated, we will explore alternatives with you and endeavor to implement a mutually agreeable accommodation.

Reasonable accommodation may take many forms and it will vary from one employee to another. Please note that according to the ADA, the Company does not have to provide the exact accommodation you want, and if more than one accommodation works, we may choose which one to provide. Furthermore, the Company does not have to provide an accommodation if doing so would cause undue hardship to the Company.

Workplace Harassment

The Company is committed to providing a work environment that provides employees equality, respect and dignity. In keeping with this commitment, the Company has adopted a policy of “zero tolerance” with regard to employee harassment. Harassment is defined under federal law as unwelcome conduct that is based on race, color, religion, sex (including pregnancy, sexual orientation and gender identity), national origin, age (40 or older), disability or genetic information. Harassment becomes unlawful where: (1) enduring the offensive conduct becomes a condition of continued employment; or (2) the conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile, or abusive.

This policy applies to all terms and conditions of employment. Harassment of any other person, including, without limitation, fellow employees, contractors, visitors, clients or



customers, whether at work or outside of work, is grounds for immediate termination. The Company will make every reasonable effort to ensure that its entire community is familiar with this policy and that all employees are aware that every complaint received will be promptly, thoroughly and impartially investigated and resolved appropriately. The Company will not tolerate retaliation against anyone who complains of harassment or who participates in an investigation.

Sexual Harassment

Sexual harassment is prohibited by federal, state and local laws, and applies equally to men and women. Federal law defines sexual harassment as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when the conduct: (1) explicitly or implicitly affects a term or condition of an employee's employment; (2) is used as the basis for employment decisions affecting the employee; or (3) unreasonably interferes with an employee's work performance or creates an intimidating, hostile or offensive working environment.

Such conduct may include, but is not limited to: subtle or overt pressure for sexual favors; inappropriate touching; lewd, sexually oriented comments or jokes; foul or obscene language; posting of suggestive or sexually explicit posters, calendars, photographs, graffiti, or cartoons; and repeated requests for dates. Company policy further prohibits harassment and discrimination based on sex stereotyping. (Sex stereotyping occurs when one person perceives a man to be unduly effeminate or a woman to be unduly masculine and harasses or discriminates against that person because he or she does not fit the stereotype of being male or female.) The Company encourages reporting of all perceived incidents of sexual harassment, regardless of who the offender may be. Every employee is encouraged to raise any questions or concerns with [\[insert appropriate resources, for example: his or her immediate supervisor, designated manager, or Human Resources\]](#).

Supervisors' Responsibilities

All managers are expected to ensure a work environment free from sexual and other harassment. They are responsible for the application and communication of this policy within their work area. Managers should:

- Encourage employees to report any violations of this policy *before* the harassment becomes severe or pervasive.
- Make sure the management is made aware of any inappropriate behavior in the workplace.
- Create a work environment where sexual and other harassment is not permitted.



Procedures for Reporting and Investigating Harassment

Employees should report incidents of inappropriate behavior or sexual harassment as soon as possible after the occurrence. Employees who believe they have been harassed, regardless of whether the offensive act was committed by a manager, co-worker, vendor, visitor, or client, should promptly notify their immediate supervisor, designated manager, or Human Resources. If the employee's immediate supervisor is involved in the incident, the employee should report the incident to [insert appropriate resources, for example: Human Resources]. Every claim of harassment will be treated seriously, no matter how trivial it may appear. All complaints of harassment, sexual harassment, or other inappropriate sexual conduct will be promptly, thoroughly and impartially investigated by the Company.

There will be no retaliation for filing or pursuing a harassment claim. To the extent possible, all complaints and related information will remain confidential except to those individuals who need the information to investigate, educate, or take action in response to the complaint.

All employees are expected to cooperate fully with any ongoing investigation regarding a harassment incident. Employees who believe they have been unjustly charged with harassment can defend themselves verbally or in writing at any stage of the investigation.

To protect the privacy of persons involved, confidentiality will be maintained throughout the investigatory process to the extent practicable and appropriate under the circumstances. Investigations may include interviews with the parties involved, and where necessary, individuals who may have observed the alleged conduct or who may have relevant knowledge.

At the conclusion of a harassment investigation, the complainant and the "alleged harasser" shall be informed of the determination.

Penalties for Violation of Anti-Harassment Policy

If it is determined that inappropriate conduct has occurred, the Company will act promptly to eliminate the offending conduct, and take such action as is appropriate under the circumstances. Such action may range from counseling to termination of employment, and may include such other forms of disciplinary action, as the Company deems appropriate under the circumstances and in accordance with applicable law.





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Compensation



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Compensation

Payroll Practices

Insert your own payroll and withholding practices, for example:

Employees are paid [*semi-monthly*], on or about [*the 15th and the 30th of each month*]. If the regularly scheduled payroll date falls on a Saturday, the Company will attempt to deliver paychecks on Friday. If the regular payday falls on a Sunday, employees will be paid on Monday. When a payroll date falls on a holiday, employees will, when possible, be paid on the last business day before the holiday. Otherwise, employees will be paid on the first business day following the scheduled payroll date.

Salary Deductions and Withholding

The Company will withhold the following from your paycheck:

Taxes

Federal, state and local taxes, as required by law, as well as the required FICA (Social Security and Medicare) payments.

Insurance

Your contribution to health insurance or other insurance premiums for yourself and any eligible family members or to other contributory benefit programs.

Other Deductions

Other deductions which you authorize, including [*short-term disability insurance, flexible spending account (FSA) contributions, and 401(k) contributions*].

Direct Deposit

You may have your paycheck deposited directly into your bank account. You will be given the authorization form for deposit by your immediate supervisor, designated manager, or Human Resources.

Equity

Your compensation package may include equity in the form of stock grants or stock options.



Vesting schedule

Equity will vest according to the standard four-year schedule: 1/4th of your shares will vest one year after your date of hire, and 1/48th will vest each month thereafter until you are fully vested in four years.

Exercising options

You may exercise your options as soon as they vest, but must do so within **[10 years]** of vesting or **[90 days]** of leaving the company (see “Leaving the Company” for details).

Right of first refusal

The Company will have the right of first refusal with respect to any proposed disposition of shares in accordance with applicable laws.

Liquidity events

In the case of a liquidity event such as an acquisition or initial public offering, unvested stock will ***[state what will happen if you're acquired or go public, for example: receive accelerated vesting, that is, all stock options granted in an employee's contract will immediately be exercisable, regardless of the original vesting schedule].***



Benefits



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Benefits

Once again, this section will require extensive customization to reflect your benefit policies as well as applicable regulations. Want an example? Here's [our own benefits policy](#).

Not sure what benefits to offer in the first place? Here's [how to survey your team](#).

General

This section describes the fringe benefits provided by the Company and information on your eligibility for benefits. Benefit plans governed by the federal Employee Retirement Income Security Act (ERISA) may be further described in formal summary plan descriptions or other legal documents available for your review in the Human Resources Department.

Full-time employees are eligible to participate in the various insurance programs offered by the Company on their first day of employment. Periodically there will be an Open Enrollment period (described below). If you decline to participate in these programs on your initial eligibility date, you may request entry into the plan during Open Enrollment or Special Enrollment (described below).

Medical Insurance

The Company offers medical insurance to all full-time employees. Employees may choose from several plans. Details of the plans may be found in the benefit booklets. This Handbook does not constitute such a legal document. The Company offers medical and dental coverage for eligible employees and their eligible dependents. These programs are administered by a major medical insurance carrier or health maintenance organization (HMO). An employee contribution for coverage will be deducted from your salary based on your benefit selections. Your Summary Plan Description (SPD) contains more details about these plans. For more details, please refer to the specific SPD that governs each of the plans. In the event of any conflict between the information contained in this Handbook and in the Company's SPDs, the SPDs shall govern. These plans are subject to change at the Company's discretion. Additionally, the amount that you may be required to contribute towards the premiums for any of these plans may be changed at the Company's discretion.

Employee Contributions

The Company's benefit package is contributory; that is, you are responsible for a portion of the premium for your benefits. A portion of the premium, up to a maximum per month, is contributed by the Company. Your contributory cost is deducted from your paycheck.



Late Applicants

At the time you are hired, you are given an opportunity to elect certain benefits. If you waive participation in any of these programs for either yourself or your eligible dependents, you will generally be allowed to apply for entry into the various plans only during Open Enrollment.

Open Enrollment

The Open Enrollment period allows employees to add or change their benefits coverage. Applications for [*medical, dental, short-term disability (STD), long-term disability (LTD), life insurance and supplemental life insurance, etc.*] may be submitted during this period. Changes, additions and other elections made during Open Enrollment will take effect on the effective date following the Open Enrollment period. Once you have made a change, you generally cannot change that selection until the next Open Enrollment period (except in the case of certain life events; see Special Enrollment).

Special Enrollment

Special enrollment allows individuals who previously declined coverage to enroll in the plan upon loss of eligibility for other coverage and upon certain life events, such as marriage and the birth, adoption, or placement for adoption of a child. Employees must generally request enrollment within 30 days of the loss of coverage or life event triggering the special enrollment. For specific details regarding special enrollment, please refer to your Summary Plan Description.

Continuation of Health Coverage

Federal law generally requires employers with 20 or more employees to give employees, spouses (including same-sex spouses) and dependent children the right to continue group health benefits for limited periods of time under certain circumstances, such as voluntary or some types of involuntary job loss, reduction in hours worked, death, divorce and other life events. Employees ordinarily may continue their health coverage for up to 18 months when their employment is terminated.

Dental Insurance

The Company offers a dental plan for eligible employees. Please refer to the dental Summary Plan Description for an explanation of the plan benefits and limitations.

Short-Term Disability Plan (STD)

A short-term disability plan is provided for eligible full-time employees. Please refer to the STD Summary Plan Description for an explanation of the plan benefits and limitations.



Long-Term Disability Plan (LTD)

Long-term disability coverage is a voluntary benefit that may be made available to employees. This benefit would pay a portion of your regular salary for an extended period of time. LTD is employee-specific. If you elect this type of coverage, please refer to the LTD Summary Plan Description for an explanation of the plan benefits and limitations.

Life Insurance

Full-time employees are eligible for and are automatically enrolled in a group term life insurance program. Enrollees may designate or change the beneficiary for this policy at any time. The Company pays the premium for this program. The face value of this benefit is equal to one times the employee's annual salary. For details please refer to the plan SPD.

Supplemental Life Insurance

Full-time employees are eligible to purchase supplemental life insurance for themselves at group rates. Supplemental life insurance is a voluntary benefit and is employee-specific. Enrollees should refer to the plan SPD for eligibility requirements, plan limitations and additional information.

Workers' Compensation Insurance

To provide for payment of your medical expenses and for partial salary continuation in the event of a work-related accident or illness, you are covered by workers' compensation insurance, provided by the Company and based on state regulations. The amount of benefits payable, as well as the duration of payments, depends upon the nature of your injury or illness. However, all medical expenses incurred in connection with an on-the-job injury or illness and partial salary payments are paid in accordance with applicable state law. If you are injured or become ill on the job, you must immediately report the injury or illness to your manager and the Human Resources Department. This ensures that the Company can help you obtain appropriate medical treatment. Your failure to follow this procedure may delay your benefits or may even jeopardize your receipt of benefits. Questions regarding workers' compensation insurance should be directed to the Human Resources Department.



Holidays, Vacation, and Other Leave





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Holidays, Vacation and Other Leave

This entire section should be customized based on your policy. Here's an example of language for [an unlimited PTO policy](#). Be sure to outline any differences in vacation policy (especially vacation pay) between full-time, part-time and temporary workers, if any.

Vacation

The Company recognizes the importance of vacation time in providing rest, recreation and personal enrichment. While we have no explicit limit on the amount of vacation time you take, we ask that you use discretion with both timing and duration. Abuse of this policy may result in disciplinary action. All vacation requests must be approved by your supervisor, and we ask that you provide as much notice as possible.

Holidays

The office will be closed on the following days:

New Year's Day

Birthday of Martin Luther King, Jr.

Washington's Birthday

Memorial Day

Independence Day

Labor Day

Thanksgiving Day

Christmas Day

Voting

The Company encourages all employees to vote. Most polling facilities for elections for public office are scheduled to accommodate working voters. The Company, therefore, requests that employees schedule their voting for before or after their work shift. An employee who expects a conflict, however, should notify his or her supervisor, in advance, so that schedules can be adjusted if necessary. ***[Note: Make sure this complies with local voting rights laws.]***

This section is required for companies with 50 or more employees. However, details vary by location, so make sure you're in compliance with local laws.



Family and Medical Leave

The federal Family and Medical Leave Act (FMLA) allows certain employees to take up to 12 weeks of unpaid leave per year for the serious health condition of the employee or an immediate family member, or for childbirth or adoption. An employee who assumes the role of caring for a child is also entitled to receive parental rights to family leave, regardless of the legal or biological relationship. Either day-to-day care or financial support may establish a parental relationship when the employee intends to assume the responsibilities of a parent with regard to a child. The Human Resources Department will guide you in completing appropriate forms for the leave. Any paid leave that you have accrued may be counted as part of your FMLA leave.

To take FMLA leave, you must provide the Company with appropriate notice. If you know in advance that you will need FMLA leave, you must notify your supervisor or the HR Department at least 30 days in advance. If you learn of your need for leave less than 30 days in advance, you must give notice as soon as you can (generally either the day you learn of the need or the next work day). When you need FMLA leave unexpectedly (for example, if a family member is injured in an accident), you must inform your supervisor or the HR Department as soon as you can.

Military Caregiver Leave

The FMLA also allows an eligible employee who is the spouse, son, daughter, parent or next of kin of a member of the Armed Forces, National Guard or Reserves or of certain recent veterans with a serious illness or injury, up to 26 weeks of unpaid leave within a 12-month period to care for the injured or ill servicemember or veteran. A “serious illness or injury” is generally an injury or illness incurred by the covered servicemember in the line of duty on active duty (or that existed before the beginning of the member’s active duty and was aggravated by service in the line of duty on active duty) that may render the servicemember medically unfit to perform the duties of the member’s office, grade, rank, or rating.

An eligible employee is entitled to a combined total of 26 workweeks of military caregiver leave and leave for any other FMLA-qualifying reason in a single 12-month period, provided that the employee may not take more than 12 weeks of leave for any other FMLA-qualifying reason during this period. (For example, in the single 12-month period an employee could take 12 weeks of FMLA leave to care for a newborn child and 14 weeks of military caregiver leave, but could not take 16 weeks of leave to care for a newborn child and 10 weeks of military caregiver leave.) Generally, you must give the Company at least 30 days’ notice before the commencement of any military caregiver leave.



Qualifying (Military) Exigency Leave

The FMLA also provides for up to 12 weeks of unpaid leave within a 12-month period when an eligible employee's spouse, son, daughter, or parent is on (or has been notified of an impending call to) "covered active duty" in the Armed Forces. ("Covered active duty" for members of a regular component of the Armed Forces means duty during deployment of the member with the Armed Forces to a foreign country. "Covered active duty" for members of the U.S. National Guard and Reserves means duty during deployment of the member with the Armed Forces to a foreign country under a call or order to active duty in a contingency operation.) The leave may also be extended to the family members of certain retired military. This leave may be used to take care of such things as child care or financial and legal arrangements necessitated by the deployment of the family member

Military Service Leave

Employees serving in the uniformed services, including the Army, Navy, Marine Corps, Air Force, Coast Guard and Public Health Service commissioned corps, as well as the reserve components of each of these services, may take unpaid military leave, as needed, to enable them to fulfill their obligations as servicemembers. Servicemembers must provide advance written or verbal notice to the Company for all military duty, unless giving notice is impossible, unreasonable, or precluded by military necessity. Employees should provide notice as far in advance as is reasonable under the circumstances.

Break Time for Nursing Mothers

The federal Fair Labor Standards Act (FLSA) allows employees to take reasonable, unpaid break time to express breast milk as needed for up to one (1) year after the birth of a child. The Company will provide a place for the employee to express breast milk, other than a bathroom, that is shielded from view and free from intrusion from co-workers and the public. Employees will not be discharged or in any other manner discriminated against in exercising their rights under this policy.

Civic Duty Leave

Include this if you plan to change compensation or vacation time based on civic obligations.



Jury Duty

The Company encourages employees to fulfill their civic duties. To that end, employees will be allowed leave to serve on a jury, if summoned. We request that you bring in a copy of your summons notice as soon as you receive it, so that we may keep it on file. If you are called during a particularly busy period, we may ask you to request a postponement. The Company will provide additional documentation in this regard, if necessary, to obtain such postponement.

Jury duty can last from a portion of a single day to several months or more. During this time you will be considered on a leave of absence and will be entitled to continue to participate in insurance and other benefits as if you were working. While serving on jury duty, you are expected to call in to your supervisor periodically to keep him or her apprised of your status.

The Company will compensate full-time employees for the difference between jury duty compensation and your current daily pay for the first **five (5) days** of jury service (or in accordance with applicable law, if different). If additional time is required, it will be granted, but without pay.

Appearance as a Witness

An employee called to appear as a witness will be permitted time off to appear, but without pay. Employees will be permitted to use accrued vacation time when appearing as witnesses.



Miscellaneous



Miscellaneous

Leaving the Company

If you wish to resign your employment with the Company, you are requested to notify your manager of your anticipated departure date **[time period, for example: at least two (2) weeks in advance]**. This notice should be in the form of a written note, letter, or email sent to a company address.

The Company asks all employees to participate in an exit interview with their immediate supervisor prior to leaving the Company. This provides an opportunity to return company property and to tie up any loose ends. You will receive preliminary information at that time regarding continuation coverage and any other continuation of benefits for which you may be eligible.

If you leave the Company in good standing, you may be considered for reemployment at a later date. However, in the case of rehiring, you may be considered a new employee with respect to vacation time, benefits and seniority.

Equity

This section should be tailored to your policy on unvested stock, exercising options, and any other equity-related regulations.

If you leave the Company **[include potential cases in which employees can have more time to exercise their stock, if any. For example: for any reason other than death or disability]**, you will have a period of **[exercise period, typically: 90 days]** following your last date of employment to exercise your outstanding vested options. **[How long those potential cases mentioned above can exercise their options, for example: If you leave our employment due to disability or death, you or the representative of your estate will have a period of 12 months to exercise.]** At our discretion, we may extend the period of time to exercise your options upon your departure.

Should you leave the Company before your stock is fully vested, the unvested stock is forfeit.

Dispute Resolution

In the case of a disagreement, all employees of the Company agree to first seek to mediate any dispute with the Company with a mediator from the American Arbitration Association or similar organization trained and experienced in employment disputes. If mediation is not successful, both the Company and the employee agree to submit their dispute to arbitration. The arbitrator will be chosen from a panel presented by the American Arbitration Association or such other organization as is acceptable to both parties. The



cost of the arbitrator will be split between the Company and the employee. Each party will be responsible for its own attorney or other related fees. Both the Company and the employee acknowledge that by agreeing to arbitrate each gives up its right to litigate their employment dispute in court or to submit it to a jury. The decision of the arbitrator is final and binding.

However, either party may seek to have a court of competent jurisdiction enforce an arbitration award. In addition, the Company retains the right to seek injunctive or other relief in the case of misappropriation of trade secrets or other confidential information, or any other action by an employee which might reasonably be expected to lead to irreparable harm to the Company.



Acknowledgement of Receipt of [Company Name] Employee Handbook

I acknowledge that I have received a copy of the [Company Name] Employee Handbook (“Handbook”). I understand that I am responsible for reading and abiding by all policies and procedures in this Handbook, as well as other policies and procedures of the Company.

I also understand that the purpose of this Handbook is to inform me of the Company’s policies and procedures, and it is not a contract of employment. Nothing in this Handbook provides any entitlement to me or to any Company employee, nor is it intended to create contractual obligations of any kind. I understand that the Company has the right to change any provision of this Handbook at any time and that I will be bound by any such changes.

Signature

Date

Full Name (please print)

Please sign and date one copy of this acknowledgement and return it to Human Resources. Retain a second copy for your reference.



Further reading:

You've made it to the end! Congratulations!

Now that you have your employee handbook set up and ready to go, what's next? Well, we've thought this through for you and below are a few sources that will help guide you into the future:

- [New Hire Onboarding: Compliance, Clarification, Culture, and Connection](#)
They say first impressions are everything, so you want to ensure that your newest employees have the best first day you can provide. We understand that a lot goes into making this transition as smooth as possible, so we've written this comprehensive guide on the entire new hire onboarding process.

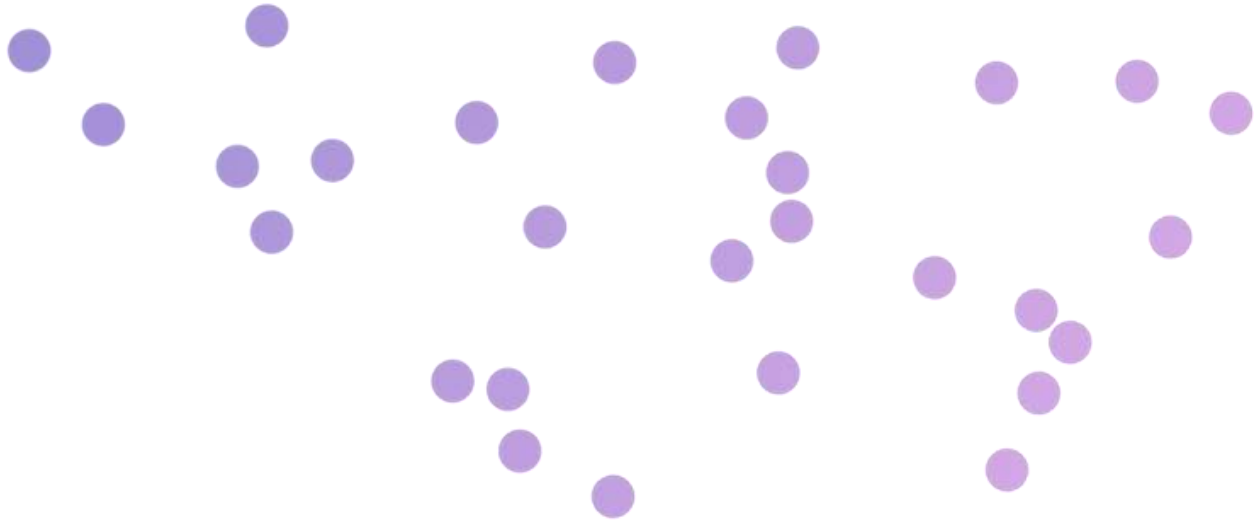
- [What Defines a Competitive Compensation and Benefits Package?](#)
The job market today can be extremely competitive, there's no other way to put it, but there are ways, as a small business, that you can keep up with the competition. We hope that this post can help you figure out the right compensation package for you.

- [Small Business HR Checklist](#)
As a fellow small business, we know how uncommon it is for companies like us to prioritize HR. It often falls on the backburner, but we've created this blog post to look at the "essentials", i.e. what HR items a small business *needs* to consider for long-term success.

- [The 6 Best Financial Perks and Benefits You Can Provide Employees](#)
Among the other perks people are looking for when job searching (think flextime and unlimited vacation), financial benefits, aside from salary increases, are highly valued. Here are some of the best ones you can offer, not matter your company size.

- [Employee Benefits: The Ultimate Guide for Small Business Owners](#)
A comprehensive piece on everything benefits-related for small businesses. Whether you want to know more about what you can offer as a small business owner or who can provide these benefits, you'll find it all here.





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