ONBOARDING GUIDE
FOR KENTUCKY EMPLOYERS

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INTRODUCTION

As an HR representative, one of your main responsibilities is ensuring every new employee in your company has a smooth and positive onboarding process.

You want new team members to feel welcome, but you also need to follow the policies of your company and provide the nuts-and-bolts resources such as employee handbooks. And, of course, you must comply with the new hire laws of the state of Kentucky and the federal government. Doing so will set all new team members up for success.

This guide tells you everything you need to know to onboard employees here in the Commonwealth of Kentucky. Ready to get started? Read on!

EMPLOYMENT ELIGIBILITY VERIFICATION (I-9 FORM)

The federal government mandates that every employer in the United States require every new employee to complete an I-9 Form. Issued by the United States Citizenship and Immigration Services, Form I-9 is especially crucial because it is used to verify the identity and legal authorization for all citizen and noncitizen employees to work in the United States.

As part of the process, each employee is designated as one of the following:

1. United States Citizen
2. Non-United States Citizen National
3. Lawful Permanent Resident
4. Authorized Working Alien

Section 1 of Form I-9: This includes a list of acceptable documents that new employees can provide to confirm their identity. Those include a passport or any two of the following: driver's license, social security card, or birth certificate. If these forms of identification are not available, they may use other acceptable forms of identification.

Section 2 of Form I-9: The employer or authorized representative signs and dates Section 2 to attest that they examined the documents the employee presented.

If you are a qualified employer, you can also use the E-Verify system. This database allows employers to cross reference information provided on the I-9 Form with government records.

Federal Income Tax Withholding (W-4 Form)

Another onboarding requirement is the completion of a W-4 Form. The Internal Revenue Service-issued W-4 ensures that you deduct and withhold the correct amount of federal tax from every new employee's paycheck. It uses these determinants:

- The employee's filing status
- Multiple job adjustments
- Amount of credits
- Amount of other income and deductions
- Any additional amount to withhold

As the employer, you (or another company representative) will then communicate the withholding amount to the IRS so that the agency can estimate its expected tax payment. If the employee doesn't know how much to withhold, they can use this online estimator tool.

Employees who pay more taxes per paycheck will have a higher tax refund, while those who pay less will owe taxes or receive less money back.

The IRS introduced a new W-4 in 2020. The new form is more transparent, less convoluted, and more accurate. Instead of complicated worksheets, it asks straightforward questions, so it is easier to figure out how much to withhold.

If an employee's personal situation changes – such as getting married or having a child – they might want to change the amount withheld. Or, they might find they owe more than they had hoped. Therefore, it is best to ask them to resubmit their W-4 every year.

If you hire any independent contractors, they pay their taxes directly to the IRS through personalized quarterly payments. Therefore, they won't have to fill out a W-4.

Kentucky Employee's Withholding Exemption Certificate (Kentucky State Form K4)

In addition to federal taxes, you must withhold Kentucky state taxes from every employee's paycheck. All Kentucky wage earners are taxed at a flat rate of 5% with a standard deduction allowance of $2,770. The Form K-4 gives you the information you need to deduct the correct amount of state taxes from the employee's wages.

It includes basic information such as name, social security number, address, and additional information about whether the new employee is married to a military service member.

EMPLOYEE FILES

Every company should keep a file for each worker, starting on their date of hire. Maintaining these records is important for many reasons, not least of which is if your company is sued by an individual or organization.

Here are some of the documents you should keep on hand in each employee file.

Initial records:

- An employment permit for each employee under the age of 18
- Personal information including who to contact in the event of an emergency
- Applications, resumes, and other hiring records
- How your company determined pay rates, compensation, or benefits
- A description of their position, roles, and responsibilities
- I-9, W-4, and K-4
- Other contractual documents, such as forms related to sick leave or vacation policy, non-compete agreements, employee handbook acknowledgment, confidentiality agreements, or technology-use agreements
- Results of background checks if you required those as employment terms

Subsequent records:

- Any documentation related to promotions, demotion, layoff, or termination
- Performance reviews or other performance-related documents such as reprimands
- Justification for selection for additional training or apprenticeship programs and any training they have completed

EMPLOYEE TRAINING

Employee retention is one of the main goals of any effective human resources department. Providing proper training for new employees helps them understand company culture and policies, ensures they feel valued, and gives them the confidence to perform their jobs successfully. When employees feel welcomed and understand their job's processes and procedures, they are more likely to stay. Here's what to include in new hire training:

New Hire Concerns Such as Hours and Benefits:

- Breaks
- Hours
- Sick leave and PTO
- Performance evaluation frequency and procedures
- Life, health, and dental insurance
- Vision plans
- Stock options
- Other benefit information, such as flex spending accounts and physical or wellness programs

Company Culture and Mission:

Better understanding a company's values instructs new employees on how to respond in specific situations. Here's what to include in company culture and mission training:

- Mission and vision statements
- Description of company culture
- Company history/founders

Department-Specific Training:

Include an introduction of their colleagues within the department they will work to encourage open communication and provide specific training, such as how to operate certain tools or technology that they will be using frequently. Ask department leaders to review expectations with the new worker and provide a convenient, written reference document that they can refer to.

Technology Training:

Technology training helps workers be more efficient and agile in their new roles. Your company's IT department should introduce each new employee to tools such as company-specific hardware, software, and time-tracking systems. Include details about your company's policy for acceptable use of technology.

Harassment Training:

The Commonwealth of Kentucky doesn't have a law requiring sexual harassment training in the workplace, but the U.S. Equal Employment Opportunity Commission strongly recommends it to ensure every employee feels safe and welcome.

Mentorship Programs

Mentor programs help new hires adjust to your company's culture. This allows them to get used to their new workplace environment, improves their performance, and increases their overall job satisfaction.

Usually, it is best to choose a mentor to guide or build a connection with a new employee who isn't in a position of direct authority over them. Here are some responsibilities for mentors:

- Provide constructive feedback and opportunities to practice new skills
- Make space for failure and learning
- Empower them to take calculated risks
- Ask questions to help guide the mentee
- Answer any questions about responsibilities and roles
- Review informal rules and policies

Human Resources Best Practices

A great human resources department is the glue that holds a company together. In addition to onboarding, HR's broad responsibilities include training and development, workplace safety, benefits administration, recruiting, retaining, and advocating for employees. Here are some best practices to help you run a smooth, effective HR department.

Best Practice #1: Communicate Respectfully and Empathetically

Great leaders consider the feelings of the best and worst employees. Further, an HR department that speaks to employees with respect is more successful when handling conflict or disciplinary issues and usually achieves better overall business results.

Best Practice #2: Keep Learning

HR departments that continue to learn new techniques and practices are more effective, like employees who undertake professional development. HR techniques evolve along with culture and society. Keeping up with what is new ensures your HR department serves your company well.

Best Practice #3: Hire the Right People

Choosing new employees with consideration will create a team of exceptional people who are great at their jobs. Start by researching market trends and the type of careers your ideal candidates desire, developing detailed, accurate job descriptions, and comparing candidate credentials. Lastly, narrow down your pool until you find the best fit.

Best Practice #4: Provide Fair and Performance-Based Compensation

This is another reason it is so crucial to evaluate trends in your field and adjacent fields. If you don't offer fair compensation, you can't expect anyone to attract the most highly skilled employees. Remember, compensation can include benefits as well as pay.

Employees want to know when they deliver, they will receive individual rewards. This helps incentivize workers to achieve the best outcomes for your company.

Best Practice #5: Encourage Open Discussion and Solicit Feedback

You never know where the next great idea will come from, which is why it's so crucial to give everyone a chance to contribute. Open-house discussions, suggestion boxes, and listening to good and bad feedback help build a stronger organization.

Best Practice #6: Provide Flexible Work Opportunities

COVID-19 changed everything. Going forward, Nimble HR departments should be open-minded about flexible work opportunities including how employees work, when they work, and where they work.

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