

Acquisition Checklist for Human Resources

I. Employee Benefit Plans: List all benefit plans (qualified and non-qualified).

A. Welfare Plans.

1. Group life, health, accident and disability.
2. Insured and unfunded.
3. Compliance with ERISA Title I disclosure.
4. Information for all plans:
 - a. Carriers for each plan.
 - b. Amount of premium paid by employees for each plan.
 - c. Amount of premium paid by employer for each plan.
 - d. Last two years claims data for medical.
 - e. List of people on long-term disability and their diagnosis and prognosis.
 - f. List of people on short-term disability, the first date of absence, diagnosis and prognosis.
 - g. List of employees who are potential long-term disability cases.
5. COBRA: Determine past COBRA compliance and ensure proper assignment of COBRA responsibilities and liabilities.
6. Compliance with the Patient Protection and Affordable Care Act (PPACA)

B. Qualified Retirement Plans.

1. Defined benefit and/or defined contribution.
2. ERISA compliance.
3. Qualification status (IRS determination letters).
4. If defined benefit:
 - a. PBGC filings.
 - b. Funding status.
 - c. Actuarial Reports (Form 5500).
5. Trustees Annual Reports (Form 5500).
6. ERISA Title I Disclosure.

a. Summary Plan Description.

b. Annual Reports and Summary Annual Reports.

C. Effects of Structure of Acquisition.

1. Effect on Control Group.

2. Carryover of tax attributes.

D. Prior Terminated Plans.

1. Frozen or terminated.

2. Carryover of tax attributes.

E. Method of funding existing plans.

F. Stock purchase plans.

G. Restricted stock plans, stock option plans, SARS, etc.

H. Employment agreements, consulting agreements, non-compete agreements.

I. Pension and profit sharing plans.

J. Deferred compensation plans and supplemental retirement plans.

K. Effect of acquisition on adoption of plans.

L. Commitments to retirees.

M. Actuarial consulting firm.

N. Other agreements or promises (cars, club dues, etc.).

O. Copies of short-term and long-term management incentive plans.

P. Copies of severance pay plans.

II. Employee Relations and Benefits.

A. Management.

1. Review of organization chart.

2. Arrangement of management functions.

3. Employee handbook or guidelines.

4. Employment contracts (written and oral).

5. Key employee listing with salary, title, function.

6. Indemnification agreements.

B. Benefits and Guidelines.

1. Career handbook.

2. Vacation plans.

3. Compensation agreements (written and oral).

4. Bonus payments/payment dates.

5. Other fringe benefits.

6. Effective dates of plans/benefits.

C. Workers' Compensation.

1. Insured or self-insured.

2. Individual claim files.

3. Loss experience.

4. Potential large claims.

D. Unemployment Compensation.

1. State rates.

2. Number of recent claims.

E. Employee Census Data.

1. Date of birth.

2. Age.

3. Date of hire.

4. Salary.

5. Sex.

6. Location.

7. Position.

8. Medical coverage election.

9. Life insurance amount.

10. Number of employees scheduled to work at least 30 hours per week.

11. Sort by class of employees (exempt versus non-exempt, denote officer titles).

12. Any studies concerning worker productivity.

13. Copies of any wage and benefit surveys for the geographical area.

F. Compliance.

1. Copies of EEO-1 reports for past five years.

2. Copies of VETS 100 reports for past five years.

3. Copy of affirmative action plan.

4. OSHA reports 300, 300A, and 301 for the past 5 years.

5. Schedule of any employment related legal proceedings or charges during the past five years with settlement costs, if any.

G. Other.

1. Unwritten practices affecting compensation and/or benefits.

2. Executive management biographies.

H. Wage/Hour Matters.

1. Employee claims for overtime.
2. Employee claims for minimum wage.
3. Review any files regarding Wage/Hour Division investigations
4. Conciliation agreements with Wage/Hour.

I. OFCCP.

1. Affirmative action programs.
2. Conciliation agreements.
3. Charges or complaints alleging violation of Executive Order 11246.
4. Files and correspondence regarding prior OFCCP audits or investigations.

J. Equal Employment Opportunity Commission.

1. Prior charges closed files.
2. Potential charges.
3. Pending charges.
4. Litigation arising from charges.

K. Age Discrimination in Employment Act, Americans With Disabilities Act, Family and Medical Leave Act.

1. Potential charges.
2. Pending charges.
3. Litigation arising from charges.
4. Files concerning prior charges.

L. Occupational Safety and Health Act.

1. Complaints.
2. Investigation files.
3. Citations.

M. National Labor Relations Board.

1. Existing petitions.
2. Files concerning prior petitions.
3. Existing unfair labor practice charges.
4. Files concerning prior unfair labor practice charges.
5. Litigation with the National Labor Relations Board.
6. Collective Bargaining Agreements.

N. Pension Benefit Guarantee Corporation.

1. Correspondence.
2. Inquiries.
3. Charges and litigation.

O. Litigation.

1. Whistleblower matters.
2. Sexual harassment claims.
3. Wrongful discharge matters.
4. Breach of contract claims.
5. Any and all federal, state, municipal and administrative decrees, judgments, decisions, opinions or settlement agreements issued or entered into either for or against the company in employment matters.
6. Any present or ongoing employment litigation brought by past or present employees or on behalf of past or present employees by any agency of the federal, state or municipal government.
7. Any litigation note otherwise disclosed concerning employment matters.

P. Miscellaneous.

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