

Employers That Fail To Comply With Record-Keeping Requirements Face Potentially Significant Penalties

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09.04.2018

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Numerous federal, state and local laws require employers to maintain and preserve a lengthy list of employment-related records. For example, the Illinois Department of Labor requires that records of the hours worked by exempt employees must be kept for at least three years.

Similarly, employers covered by the Family and Medical Leave Act (FMLA) are required to maintain records relating to FMLA leave for at least three years. Laws relating to workplace injuries, employee benefits and paid sick leave also impose recordkeeping obligations. Employers that fail to meet record retention requirements may be subject to fines, revocation of business licenses, debarment from being awarded contracts and even criminal prosecution.

For these reasons, employers should continually monitor their record-keeping practices to ensure compliance with the law.