



FARM Workforce  
Development

# Human Resources

Reference Manual 2019

This manual is not a legal document and is intended for educational purposes only. Dairy farmers are individually responsible for determining and complying with all requirements of local, state and federal laws and regulations.

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## **Foreword**

*U.S. dairy farmers share core values that make our industry successful. These include hard work and a commitment to providing nutritious milk and dairy products, all while caring for our cows and the land on which we all depend. And regardless of farm demographic or structure, every dairy farm relies on people to thrive.*

*Our industry has always looked to provide excellent workplaces for dairy farm families and their hired employees. The FARM Workforce Development program area underscores that existing commitment and enhances it through resources like the Human Resources Reference Manual. This new emphasis of the FARM Program is timely. Competitive labor markets and labor shortages across rural America mean that some farms are struggling to find and keep employees. Business requirements and labor regulations are growing more complex. Now is the time for FARM to support producers in this area. The program also helps share our story with customers and consumers looking to find out more about on-farm labor practices.*

*The HR Reference Manual and its accompanying templates are important resources for dairy owners and managers looking for best practice recommendations appropriate to our industry. I encourage dairy owners and managers to complete the HR self-assessment to determine the farm's strengths and opportunities for growth. Determining where you are today is the first step in setting a path toward strengthening the farm's HR management. Through the FARM HR Reference Manual, we demonstrate our industry's leadership and dedication to providing high-quality work environments.*

**Sincerely,**

**David Darr**  
**Senior Vice President, Chief Strategy & Sustainability Officer**  
**Dairy Farmers of America**

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## **FARM Workforce Development Human Resources Working Group**

The Human Resources Working Group includes farmers, cooperative staff, academic professionals and other subject matter experts. The Working Group gives strategic input into FARM program resources, reviews drafts and provides valuable feedback to ensure resources are high quality and valuable for dairy farm owners and managers.

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DMSI is a dairy customer-led collaborative effort to encourage fair, safe, and healthy work environments on U.S. dairy farms. DMSI members reviewed the FARM HR Manual and provided valuable feedback.

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Introduction



# THE FARM HR MANUAL

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The FARM HR Manual is designed to assist dairy farm owners, managers and other relevant staff with developing a consistent and compliant human resources program on their farm. It guides farm owners and managers in handling a variety of human resources activities. In addition, this manual helps address employee problems and challenges that owners and managers might face in their day-to-day farming operations. While this manual provides an overview of different human resources topics and federal employment laws, it is not intended to provide legal advice or consultation on specific human resources issues that may arise.

This manual references many federal employment-related laws, policies and procedures. However, it is imperative that farm owners and managers are aware of state and local laws that may also govern their farms and employees. FARM HR Legal Fact Sheets covering state and federal laws can be found on the **FARM program website**. When in doubt, always consult a human resources professional or legal counsel for assistance.

## What is Human Resources?

Human Resources, also called “HR,” is an important business function that focuses on managing employees and includes any activity that involves or affects farm workers. The HR function encompasses a number of different employee-focused activities:

- Recruiting and hiring
- Managing employee performance
- Training and development
- Developing HR policies and procedures
- Developing an employee handbook
- Administering compensation and benefits programs
- Maintaining acceptable working conditions
- Maintaining employee files and other HR records
- Maintaining a safe work environment
- Developing of a formal safety plan



## Why Does HR Matter?

Employees are a critical resource for dairy operations. They are responsible for crucial tasks: managing herd health, cleaning stalls, maintaining milking equipment and handling other tasks that keep the farm running. As with other farm resources – like equipment, land or animals – investing in farm workers improves overall performance, productivity and engagement on a farm.

Dairy operations of all sizes and locations, even those with only family labor, can benefit from an effective HR program. Developing and maintaining an effective HR program ensures workers are taken care of and are contributing positively to the success of the dairy operation. As a dairy

operation grows, farm owners and managers must actively grow and develop their workers and the management team to ensure business success and a profitable bottom line. An effective HR program helps the farm meet legal obligations with regard to employment-related laws, as well as maintain a positive, safe and fair work environment.

In addition, implementing an effective HR program on a dairy farm:

- Helps with hiring the right employees and setting up effective training and development. A recent study in the Work Institute’s 2017 Retention Report estimated that it costs an employer 33% of a worker’s annual salary to hire a replacement if a worker separates employment.<sup>1</sup>
- Holds employees accountable to performance requirements and recognizes workers for exceptional performance. A recent report published by Gallup on the state of the American Workplace showed that almost 70% of U.S. workers are not engaged at work.<sup>2</sup> Holding employees accountable and recognizing workers for their achievements has shown to increase engagement. The more engaged employees are, the more productive they become.
- Helps to build and maintain the farm’s culture and values. HR plays a large role in creating awareness and maintaining organizational culture and values.
- Manages conflict. Workplace conflict translates into real costs for employers. Some studies estimate that employees spend up to 2.8 hours per week dealing with conflict, which translates to \$359 billion in paid hours across the U.S.<sup>3</sup>
- Improves overall business and profits. Employers who have highly engaged employees bring in 21% more in profits than those with disengaged employees.<sup>4</sup>
- Develops good relations between workers and management. Studies show that effective relationships with managers increases the likelihood that workers are successful in their jobs. HR serves as a liaison between the two groups.

## Definitions

For the purposes of the FARM HR Manual, the following words and phrases are defined as follows:

**Business Ethics:** The standards set for what is morally right and wrong in a business setting.

**Employee Engagement:** How much commitment and satisfaction an employee has for their job and the business they work for.

**Employee Performance:** How well an employee completes job responsibilities and meets the expectations of their positions.

**Employee Productivity:** How efficiently an employee performs their jobs tasks or how much output an employee has.

**Employee Retention:** The ability of an employer to hire and retain its employees.

**Employee Turnover:** The percentage of employees who leave their employer on an annual basis, both voluntary and involuntary.

**Human Resources:** An important business function that focuses on managing employees and includes any activity that involves or effects farm workers. Frequently abbreviated as “HR.”

**Inclusion:** A work environment where employees are treated fairly and can contribute fully to the organization's success.

**Performance Management:** The process for managing employees by providing them with goals and objectives and setting expectations for effective performance.

**Progressive Discipline:** A process for handling employee performance concerns and other unacceptable behavior whereby each step becomes progressively more severe following each incident if improvements are not made.

**Protected Class:** A group of employees that has federal or state protections based on characteristics such as gender, race, religion, color, national origin, age and disability

**Transparency:** A communication style that is open, honest and upfront.

**Workplace Culture:** An organization's atmosphere, mission, vision, values, norms, assumptions, beliefs, traditions and habits.

**Workplace Diversity:** The similarities and differences between employees in the workplace, which account for all aspects of an individual's personality and identity.

**Workplace Identity:** The visible and public image of a company.

## Resources

How Much Does Employee Turnover Really Cost? [https://www.huffingtonpost.com/entry/how-much-does-employee-turnover-really-cost\\_us\\_587fbaf9e4b0474ad4874fb7](https://www.huffingtonpost.com/entry/how-much-does-employee-turnover-really-cost_us_587fbaf9e4b0474ad4874fb7)

FARM Workforce Development Human Resources Legal Fact Sheets <https://nationaldairyfarm.com/producer-resources/worker-safety-human-resources/>

The Most Important Work Relationship to Work On <https://www.forbes.com/sites/victorlipman/2017/07/01/the-most-important-work-relationship-to-work-on/#301050383412>

<sup>1</sup>Work Institute, 2017. 2017 Retention Report. <http://info.workinstitute.com/retentionreport2017>

<sup>2</sup>Gallup, 2017. State of the American Workplace. <https://www.gallup.com/workplace/238085/state-american-workplace-report-2017.aspx>

<sup>3</sup>Short, R. 2016. The Cost of Conflict in the Workplace. <http://robynshort.com/2016/02/16/the-cost-of-conflict-in-the-workplace/>

<sup>4</sup>The, E. 2018. 25 Fascinating Statistics About Employee Engagement. <https://risepeople.com/blog/employee-engagement-statistics/>



FARM HR Self-Assessment

The HR Self-Assessment serves as a starting point to evaluate current HR programs and determine HR needs. It can be used as a template for developing an effective HR program. The HR Self-Assessment should be completed on an annual basis to determine if changes are needed due to industry shifts or changes in the farm's operations.

The HR Self-Assessment closely follows each section of this manual. It assists in determining HR-related strengths, weaknesses, goals and priorities. The first step in the process is to complete the self-assessment, answering “yes” or “no” to each question. Appropriate people to complete this questionnaire include those involved in the dairy operation's day-to-day HR activities including owners, office staff and managers. The self-assessment is for internal use only. Farms are encouraged to be as honest as possible in their self-assessment because it serves as the foundation for the HR program and future initiatives. After completing the assessment, look at which topics have the most “no” answers. Focus on those topics to establish HR priorities.

Once HR priorities have been established, the corresponding chapters in this manual should be reviewed and appropriate programs, procedures and policies established from there. The long-term goal is to answer “yes” to all questions on the self-assessment.

### **Management Checklists**

Questions in the self-assessment form the basis of management checklists throughout this manual. The management checklists at the beginning of each chapter detail key guidelines and best practices for HR topics contained in the chapter.

1. Establishing Farm Identity and Culture		Notes
<p>Do the farm owners and managers encourage a positive workplace culture? Strategies include:</p> <ul style="list-style-type: none"> <li>• Leading by example; demonstrating respectful behavior.</li> <li>• Taking steps to foster an inclusive work environment, like translating materials.</li> <li>• Showing gratitude, saying thank you and recognizing accomplishments.</li> <li>• Listening, being open and being respectful of others' opinions.</li> <li>• Giving employees a way to provide feedback to managers and supervisors.</li> <li>• Communicating frequently and clearly with staff.</li> </ul>	<input type="checkbox"/> YES <input type="checkbox"/> NO	
<p>Does the farm have a mission statement that answers the following questions?</p> <ul style="list-style-type: none"> <li>• Why does the farm exist?</li> <li>• What is its purpose?</li> <li>• What does the farm do?</li> <li>• Why does the farm do it?</li> <li>• Who are the farm's customers?</li> <li>• What products or services does the farm provide?</li> </ul>	<input type="checkbox"/> YES <input type="checkbox"/> NO	
<p>Does the farm have a vision statement that answers the following questions?</p> <ul style="list-style-type: none"> <li>• What problem is the farm seeking to solve?</li> <li>• Where is the farm headed?</li> <li>• What does the farm look like 10 years from now?</li> </ul>	<input type="checkbox"/> YES <input type="checkbox"/> NO	
<p>Do managers receive training on the farm's vision, mission and culture?</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO	
<p>Does the farm have a Code of Conduct, Business Ethics Policy, and/or Employee Handbook that outlines acceptable conduct for its farm workers, managers and owners – including the farm's stance on ethical issues like safety, diversity and animal care?</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO	

2. Recruitment and Hiring		Notes
Does the farm follow a consistent new hire process for all employees?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm maintain accurate and up-to-date job descriptions for each position?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Do owners and managers know how and where to post advertisements for jobs?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm interview with a written list of questions and ask each applicant the same questions?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm use a consistent process for rating and selecting candidates when deciding who to hire for an open position?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm conduct reference checks and/or past employment verification before offering someone a position?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
If the farm conducts pre-employment background screenings, does it have a process that meets federal FCRA and state requirements when denying applicants based on their criminal background?	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A	
Does the farm keep employment applications and new hire paperwork on file in compliance with applicable federal and state laws?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm conduct new employee orientation?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Do owners, managers and/or supervisors follow up with new employees during their first few months to get feedback on their job duties, the organization, training or other job-related topics?	<input type="checkbox"/> YES <input type="checkbox"/> NO	

<b>3. Employee Communications</b>		<b>Notes</b>
Does the farm have an accurate, up-to-date Employee Handbook?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Do owners and managers regularly communicate with employees about important issues affecting the workplace?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm implement strategies to overcome language barriers?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm hold regular staff meetings?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are employees properly trained for their jobs?	<input type="checkbox"/> YES <input type="checkbox"/> NO	

<b>4. Management of Employee Performance</b>		<b>Notes</b>
Do managers and supervisors regularly set expectations for workers?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Do employees get formal performance evaluations on a regular basis and at least annually?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Is informal feedback given on a regular basis so that employees can improve over time?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm use a progressive discipline process?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm properly document all counseling and warnings when handling performance issues, unacceptable behavior or conflict?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are managers and supervisors trained to handle conflict in the workplace?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are managers and supervisors trained in the warning signs of substance abuse in the workplace?	<input type="checkbox"/> YES <input type="checkbox"/> NO	

5. Compensation and Benefits		Notes
Are owners and managers familiar with all federal and state wage payment laws?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm maintain salary data for all current positions?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm have a strategy or policy for annual pay adjustments?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm use a timekeeping method that allows for employees and managers to review and approve time each pay period?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Do workers receive pay stubs that include: <ul style="list-style-type: none"> <li>• Gross wages</li> <li>• Taxes withheld</li> <li>• Other deductions</li> <li>• Net pay</li> <li>• Year-to-date pay information</li> </ul>	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm retain signed employee authorizations on file for all wage deductions?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm offer non-wage benefits to workers?	<input type="checkbox"/> YES <input type="checkbox"/> NO	

6. Working Conditions		Notes
Are schedules made and communicated to employees in advance?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Is there a process for workers to give input on their work schedule?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are scheduling processes fair and consistent for all employees?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are employees allowed meal and rest breaks in compliance with state and federal laws?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are breaks scheduled and properly documented?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
<p>Has the farm researched other state-required breaks, such as those for:</p> <ul style="list-style-type: none"> <li>• Nursing mothers</li> <li>• Minors under the age of 18</li> <li>• Religious practices</li> </ul>	<input type="checkbox"/> YES <input type="checkbox"/> NO	
<p>Does the farm provide safe and adequate physical working conditions, including:</p> <ul style="list-style-type: none"> <li>• Restroom facilities such as toilets and sinks</li> <li>• A clean drinking water supply</li> <li>• Suitable, clean areas for rest and meal periods</li> <li>• Proper ventilation</li> <li>• Reasonable working temperatures</li> <li>• Appropriate lighting</li> <li>• Safe equipment and tools that are in good working condition</li> <li>• A workplace that is free from serious recognized health and safety hazards</li> </ul>	<input type="checkbox"/> YES <input type="checkbox"/> NO	

<b>7. Discrimination, Harassment and Other Legal Considerations</b>		<b>Notes</b>
Does the farm have a written anti-harassment policy that covers harassment and discrimination in the workplace?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm have a written policy for handling workers with permanent or temporary disabilities?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm have a written policy for medical leaves of absence?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Do employees know how to properly report complaints of discrimination and harassment in the workplace?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are managers and supervisors trained on how to handle workplace investigations?	<input type="checkbox"/> YES <input type="checkbox"/> NO	

<b>8. HR Recordkeeping</b>		<b>Notes</b>
Does the farm maintain an employee or personnel file for each worker?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Is employee medical information filed separately from the employee's general personnel file?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are completed Federal Form I-9s filed separately from all other HR files?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are completed Federal Form I-9s for active employee filed separately from those for terminated employee?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are payroll records maintained and kept for the last three years of employee pay?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are payroll records easily accessible and auditable?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm have a document retention and destruction process for all HR-related forms, documents and files?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are employees aware of how to properly request access to their employee files?	<input type="checkbox"/> YES <input type="checkbox"/> NO	

9. Special Considerations		Notes
If the farm employs minors under the age of 18, are owners and managers aware of state and federal laws on youth employment, such as permits, working conditions, hazardous work restrictions and maximum working hours?	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A	
If the farm employs minors under the age of 18, do owners and managers know what jobs on the farm are considered hazardous for minors?	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A	
If the family of owners, operators or managers are also employees of the farm, are they treated the same and held to the same expectations as non-family member employees?	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A	
If the farm employs seasonal workers, are they subject to the same HR policies and procedures as permanent workers?	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A	

10. Health and Safety		Notes
Do owners and managers take steps to build a culture of safety on the farm?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Do owners, managers and employees know the steps to take when a workplace injury or illness occurs?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Is a first-aid kit available and regularly inspected to ensure it is fully stocked?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Is there a designated safety representative to serve as the point person during an OSHA visit?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Do you have and maintain up-to-date safety records, including employee training records, for the past five years?	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A	

11. Managing Employee Housing		Notes
Has the farm consulted with an attorney to determine its local, state and federal requirements prior to providing worker housing?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Do the farm's workers know the monetary value of farm-provided housing, even if it is provided free of charge?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm use a written housing agreement signed by all occupants that outlines management and worker responsibilities? And has the written housing agreement been reviewed by an attorney?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm have a yearly budget for housing repairs and maintenance?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Is a person assigned to manage inspections and repairs of farm-provided housing?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are routine inspections conducted before new employees move in, when employees move out and at regular intervals in between?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm have a repair system in place for occupants to tell management when repairs or maintenance are needed? Does the system help management track the status of repairs, including when the work is complete?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Do housing occupants know what to do if they're in an emergency situation like a fire?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm provide functional fire extinguishers, smoke alarms and carbon monoxide detectors in all farm-provided housing?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Has the farm established house rules for occupants of farm-provided housing and made the rules available to occupants by: posting it within the house, putting it in the Employee Handbook, putting it in the housing agreement, handing it out during move-in or by some other means? Are the rules translated into the workers' primary language(s)?	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Does the farm conduct housing orientation for workers and their families when they move in that covers responsibilities, inspections, house rules, utilities, emergencies, maintenance/repair requests and how to clean/use facilities?	<input type="checkbox"/> YES <input type="checkbox"/> NO	



Establishing Farm Identity and Culture

## MANAGEMENT CHECKLIST

- ✓ Owners and managers encourage a positive workplace culture:
  - *Owners and managers lead by example and demonstrate the standard for respectful behavior in the workplace.*
  - *Owners and managers take steps to foster an inclusive work environment.*
  - *Owners and managers show gratitude, say thank you and recognize accomplishments.*
  - *Owners and managers listen and are respectful of others' opinions.*
  - *The farm provides employees a way to be open, honest and provide feedback to managers and supervisors, such as an "Open Door" policy.*
  - *Owners and managers communicate frequently and clearly with staff.*
- ✓ The farm has well-crafted mission and vision statements.
- ✓ Managers and supervisors receive training on the farm's vision, mission and culture.
- ✓ The farm has a Code of Conduct, Business Ethics Policy and/or Employee Handbook that outlines acceptable conduct for workers, managers and owners – including the farm's stance on ethical issues like safety, diversity and animal care.

This chapter covers the importance of establishing and maintaining a consistent and positive farm identity and culture. It includes the following topics:

- What are identity and culture and why are they important?
- Strategies for creating a positive workplace culture
- Establishing a mission statement and vision statement
- Establishing a business ethics policy and code of conduct

Establishing the identity and culture of a dairy operation is important for the business overall and as a first step in establishing an effective HR program. Identity and culture guide all HR actions, set a foundation for how management and workers interact, and affect how workers treat each other.



## Farm Identity and Culture

A farm's identity and culture are closely connected but are two very different ideas. A farm's identity is the more visible and public image or reputation. A farm's culture, on the other hand, is more about the atmosphere for employees and encompasses the organization's mission, vision, values, norms, assumptions, beliefs, traditions and habits.

A farm's culture is linked to what is most important for the farmer or managers of the organization. Do owners and managers pride themselves on having the latest and greatest technology? Is producing a quality product the biggest focus of the business? Is providing a good work-life balance a top priority for owners and managers? Does the farm focus on ethical and sustainable business practices? How these questions are answered likely plays into the culture on a farm.

While workplace cultures can be changed, a culture already exists within all workplaces, even if farm owners and manager didn't work toward establishing one. Culture is built over time based on factors such as how workers are treated, how customers are treated and how farm owners and managers run the business. Identity and culture affect a farm's ability to successfully recruit and retain talented and skilled employees. They also affect employee performance and productivity. A positive identity and culture can help a dairy become the "employer of choice" in the community, making recruitment efforts easier and contributing to the dairy's reputation and brand. They also affect how employees feel about the dairy farm as an employer and how employees treat each other. A positive tone in the workplace encourages retention, motivates performance and contributes to the success of the dairy.

## Strategies for Creating a Positive Workplace Culture

✓ *Owners and managers encourage a positive workplace culture.*

When it comes to establishing and maintaining a positive work environment, there is always room for improvement. Farms with a positive workplace culture are more likely to have engaged workers who treat each other respectfully. Engaged employees have better performance, which in turn translates to a farm's success and profitability. Companies with strong cultures can achieve revenue growth of up to four times according to some studies.<sup>5</sup> It takes time and effort to change and

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## COMPANIES WITH STRONG CULTURES CAN ACHIEVE REVENUE GROWTH OF UP TO 4 TIMES.

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improve workplace culture; and it starts from the top down. Owners, managers and supervisors are a key component in establishing workplace culture. They must receive appropriate training to ensure they are cultivating a positive workplace culture. Training must also ensure they understand and are able to implement HR practices with their workers.

Some strategies for encouraging a positive workplace culture include:

- Lead by example and demonstrate the standard for respectful behavior in the workplace. Set the expectation for managers and supervisors to do the same. When respectful and positive behavior is modeled at the top, employees are more likely to follow.
- Be aware of the needs of a diverse workforce and take steps to foster an inclusive work environment. If culture or language barriers

exist, take steps to ensure inclusion. Something as simple as offering employment-related documents translated into the native languages of the workforce can go a long way.

- Display positive and encouraging workplace practices with employees by showing gratitude, saying thank you and recognizing accomplishments. When employees feel appreciated, they are more engaged and more likely to contribute to the team effort.
- Listen, be open and be respectful of others' opinions. Take it one step further by welcoming and encouraging different opinions, perspectives and ideas. This also helps foster a culture that appreciates diversity.
- Give employees a way to be open, honest and provide feedback to managers and supervisors. A great example would be establishing an "Open Door" policy where employees feel comfortable going to their supervisors and managers with their issues, concerns and ideas.
- Communicate frequently and clearly with staff. To establish and maintain a positive workplace culture, owners and managers should communicate the farm's mission statements, vision statements, Employee Handbook and other key policies and procedures.

## Establishing a Mission Statement and Vision Statement

✓ *The farm has well-crafted mission and vision statements.*

✓ *Managers and supervisors receive training on the farm's vision, mission and culture.*

A mission statement is a short statement that explains what the dairy does and why. It should communicate to customers, suppliers, vendors and employees why the farm exists and what the farm's purpose is. "Mission-driven" companies have a 30% higher level of innovation, 40% higher levels of retention and are leaders in their markets.<sup>6</sup> The mission statement also serves as a guide when making business decisions, which includes HR decisions.

<sup>5</sup>Smith, A. 2018. Company Culture and Employee Engagement Statistics. <https://cultureiq.com/company-culture-employee-engagement-statistics/>  
<sup>6</sup>Bersin, J. 2015. Becoming Irresistible: A New Model for Employee Engagement. <https://www2.deloitte.com/insights/us/en/deloitte-review/issue-16/employee-engagement-strategies.html>

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**“MISSION-DRIVEN”  
COMPANIES HAVE A  
30% HIGHER LEVEL OF  
INNOVATION, 40% HIGHER  
LEVELS OF RETENTION  
AND ARE LEADERS IN  
THEIR MARKETS.**

---

A mission statement should be short and easy to remember. It should also answer most of these questions:

- Why does the farm exist?
- What is its purpose?
- What does the farm do?
- Why does the farm do it?
- Who are the farm’s customers?
- What products or services does the farm provide?

Some examples of mission statements include:

- **Milk Source:** “Milk Source’s goal every day is to be an outstanding dairy producer through quality care of animals, sustainable practices, environmental accountability and constant attention to detail. We are proud of an honest and considerate work force, and have earned a reputation as an outstanding place to work.”
- **Pagel’s Ponderosa Dairy:** “It is the promise of Pagel’s Ponderosa Dairy to deliver the highest quality dairy products. We will monitor the farms by-products in an effort to benefit the community and provide a safe environment.”
- **Table Rock Farm:** “Our mission at Table Rock Farm is to produce quality milk to fit the needs of the public and to provide a good lifestyle for the owners and employees at our farm.”

Whereas a mission statement explains current farm operations, a vision statement covers where the farm is going in the future. Having a clear concise vision statement guides business decisions when

used to consider how a decision or change affects the ability to fulfill their vision for the future.

An effective vision statement should answer the following questions:

- What problem is the farm seeking to solve?
- Where is the farm headed?
- What does the farm look like 10 years from now?

Some examples of well-written vision statements include:

- **Westby Cooperative Creamery:** “To be the best cultured dairy foods manufacturer and milk-marketing cooperative in the country. We will partner with our member-owners, employees and suppliers to provide our customers with exceptional innovation, service and safe quality dairy food products.”
- **Center for Dairy Excellence:** “To provide the leadership, voice and programs for a vibrant dairy industry where farm families, dairy businesses and associated organizations can thrive and be profitable.”
- **Dairy Farmers of America:** “Be America’s leading dairy cooperative.”

A mission and vision statement can be used for a variety of business-related purposes. Some examples include:

- Published on the farm’s website or social media pages
- Incorporated into an Employee Handbook
- Used as taglines and slogans on marketing materials
- Incorporated into job postings

The mission and vision statement examples provided above can be used as a guideline for creating or updating a custom mission and vision statement.

## Establishing a Code of Conduct and Business Ethics Policy

✓ *The farm has a Code of Conduct, Business Ethics Policy and/or Employee Handbook that outlines acceptable conduct for workers, managers and owners – including the farm’s stance on ethical issues like safety, diversity and animal care.*

Once the farm has vision and mission statements, it can use them to create a Code of Conduct and/or Business Ethics Policy. These policies guide owners, managers, supervisors and employees in all aspects of the dairy’s operations. They serve as a foundation for creating operational and HR policies and procedures. Such policies also encourage better relationships with customers, vendors, suppliers and the local community by giving a better understanding of the farm’s operations. These policies can be standalone policies or they can be included in the Employee Handbook.

Codes of conduct or business ethics policies can be combined into one policy or kept separate. They should be customized to meet the needs of the dairy operation and culture. A good way to start is by reviewing the farm’s mission and vision statements. Additional topics to consider include:

- Attitude and team cooperation
- Workplace safety
- Confidentiality
- Conflicts of interest
- Animal welfare
- Workplace relationships
- Relationships with customers and/or the public

A sample Employee Handbook containing codes of conduct and business policies is provided on the [FARM Program website](#). Once finalized, codes of conduct and/or business ethics policies should be communicated to workers. They can also be shared with customers, vendors, suppliers and other business partners. If the farm has a web presence, they can also be published on the farm’s websites or social media pages.

## Conclusion

Creating a clear mission statement, vision statement, Code of Conduct and Business Ethics Policy are the first steps in establishing a farm’s culture. Having a positive workplace improves employee engagement and has a positive impact on employee productivity and performance – ultimately improving the farm’s bottom line.

## Resources

Creating A Positive Workplace Culture  
[https://www.huffingtonpost.com/entry/creating-a-positive-workplace-culture-a-little-kindness\\_us\\_59a43419e4b0a62d0987b0f0](https://www.huffingtonpost.com/entry/creating-a-positive-workplace-culture-a-little-kindness_us_59a43419e4b0a62d0987b0f0)

Developing a Mission Statement for Your Agricultural Business [http://anniesproject.rutgers.edu/ap\\_2012winter\\_presentations\\_wk1/ap2012w\\_wk1\\_dev\\_mission\\_statem\\_FS1172.pdf](http://anniesproject.rutgers.edu/ap_2012winter_presentations_wk1/ap2012w_wk1_dev_mission_statem_FS1172.pdf)

Rutgers Cooperative Extension Agricultural Mission Statement Worksheet <https://njaes.rutgers.edu/pubs/publication.php?pid=FS1172>

SHRM Mission & Vision Statement  
<https://www.shrm.org/resourcesandtools/tools-and-samples/hr-qa/pages/isthereadifferencebetweenacompany%E2%80%99smision,visionandvaluestatements.aspx>

Top Ten Tips for Developing an Effective Code of Conduct <http://www.acc.com/legalresources/publications/topten/codeofconduct.cfm>

What is Company Culture, and How Do You Change It? <https://www.forbes.com/sites/williamcraig/2014/10/24/what-is-company-culture-and-how-do-you-change-it/#227f32f5b308>



# Recruitment and Hiring

## MANAGEMENT CHECKLIST

- ✓ The farm follows a consistent new hire process for all employees.
- ✓ The farm maintains accurate and up-to-date job descriptions for each position.
- ✓ Owners and managers know how and where to post advertisements for jobs.
- ✓ Owners and managers use a written list of questions for interviews and ask each applicant the same questions.
- ✓ The farm uses a consistent process for rating and selecting candidates when deciding who to hire for an open position.
- ✓ The farm conducts reference checks and/or past employment verification before offering someone a position.
- ✓ If the farm conducts pre-employment background screenings, it has a process that meets federal FCRA and state requirements when denying applicants based on their criminal background.
- ✓ The farm keeps employment applications and new hire paperwork on file in compliance with applicable federal and state laws.
- ✓ The farm conducts new employee orientation.
- ✓ Owners, managers and/or supervisors regularly follow up with new employees during their first few months to get feedback on their job duties, the organization, training or other job-related topics.

This chapter covers the proper steps and procedures for recruitment and hiring activities for dairy operations such as:

- Creating job descriptions
- Creating and posting jobs ads
- Conducting an interview
- Selecting the right candidate
- Handling reasonable accommodation requests
- Implementing a pre-employment screening process
- Administering new hire paperwork
- Conducting effective orientation and onboarding

Recruitment and hiring are HR activities that ensure the farm can find and hire a skilled, qualified workforce. As dairy operations grow, many dairy farms realize they have to go outside their family or outside their local communities to find the help they need to ensure business success. A dairy farm should have a consistent process for recruitment and hiring activities, from creating the initial job descriptions to handling the new hire paperwork and onboarding.

## New Hire Process

✓ *The farm follows a consistent new hire process for all employees.*

Having a good recruitment and hiring process in place impacts dairy operations in the following ways:

- Helps farms hire qualified, responsible and reliable employees
- Decreases turnover
- Increases retention
- Decreases the chance of legal issues arising from the recruitment and hiring process
- Lowers costs associated with training and turnover

No matter the size of the dairy, it is important to have a consistent hiring process to avoid claims of partiality or discrimination. This means that each step in the hiring process should be followed for all new hires, even if the owner or manager knows the new hire, there are family ties, etc. A step can be skipped or added only if the new hire process is revised for a specific class of employees (e.g. no motor vehicle record screening for employees who will not have driving responsibilities or a credit check for an employee with access to finances).

### Example New Hire Process Checklist

- Create job description*
- Advertise for job opening*
- Collect applications*
- Conduct interviews*
- Complete verifications of employment and/or reference checks*
- Select candidate and make offer of employment*
- Administer consent forms and complete pre-employment screenings*
- Complete new hire paperwork*
- Review company policies and procedures*
- Complete additional new hire training*

## Creating Job Descriptions

✓ *The farm maintains accurate and up-to-date job descriptions for each position.*

The first step in the hiring process is to create effective and accurate job descriptions. A job description is a written description of a specific position on the farm. A job description includes information regarding the general nature of the work to be performed, specific responsibilities and duties, and employee characteristics required to perform the job. Updated and accurate job descriptions enable dairies to:

- Understand and outline the responsibilities for each position
- Gauge employee performance
- Write effective job posting advertisements
- Recruit and select the right employees
- Limit legal exposure to issues such as equal opportunity and discrimination laws (For more information, see the Discrimination, Harassment and Other Legal Considerations chapter)
- Establish Fair Labor Standard Act (FLSA) Classifications (For more information, see the Overtime Section of the Compensation and Benefits chapter)

While creating new job descriptions takes time, they only need to be reviewed periodically to determine if changes should be made. Job descriptions often need to be revised when the farm experiences significant growth, changes or restructuring. Job descriptions serve as a foundation for many of the recruitment and hiring processes discussed in this chapter, such as creating and posting ads, conducting the interviews and selecting the right candidate.

A job description should include:

- Position Information: Job title and whether the position is exempt or non-exempt; can also include information specific to the farm's organizational structure such as department or division.

- Position Purpose: A general, high-level overview statement regarding the overall purpose of the position.
- Essential Functions: List of the essential job duties, responsibilities, tasks and activities that the employee performs in this position.
- Qualifications: Education, certifications, experience, knowledge, skills and abilities required to do the job.
- Physical Activities and Requirements: Physical requirements of the job including factors such as physical strength and repetitive motions an employee in that position does.
- Mental Activities and Requirements: Reasoning, mathematic and communication abilities a person in that position must have.
- Job Description Function and American's with Disabilities (ADA) Statement: This is a general statement regarding the purpose of the job description as well as an ADA statement.

When creating a job description, all listed job requirements must be job-related. Job descriptions should not contain information that could be intentionally or unintentionally discriminatory. Some examples of appropriate and inappropriate requirements on a job description can be found at the top of page 22.

The FARM Human Resources Templates document found online has worksheets to help write job descriptions and links to template job descriptions.

## Posting an Open Position

✓ *Owners and managers know how and where to post advertisements for jobs.*

Creating a job description is only the first step in posting an open position. Next the farm must create a job posting or advertisement, using the job description as a guide.

Job postings should include information about the farm, and the duties and requirements of the position. It should also include the schedule for the position, pay range, available benefits and

INSTEAD OF THIS ...	SAY THIS.
Must speak English.	Must be able to understand supervisor instructions.
Must be physically healthy.	Must be able to work extended shifts while standing.
Prefer males for this position.	Must meet the physical requirements of the position.
Must be 21 years of age.	Must meet the age requirements for the position or provide necessary work permits.
Must have their own transportation.	Must be able to meet the scheduling requirements for the position.

any special considerations such as housing. The job posting should provide enough information about the farm and the position to attract the correct applicants, and to ensure unqualified or uninterested candidates do not apply. This is a good opportunity to use the farm’s mission statement, vision statement and history to attract employees that are a good culture fit for the dairy operation. A job posting should also include how to apply for the position. Here's an effective posting for the job of Farm Worker:

*Smith Farms, a 400-acre, fourth-generation, pasture-based dairy farm focusing on sustainable farming practices, is seeking an experienced employee for our dairy operation in western Kansas. The schedule for this position is full-time, 5-6 evening shifts per week.*

*Job responsibilities include:*

- *Managing evening feedings*
- *Mucking and cleaning stalls*
- *Bedding animals*
- *Assisting with herd health*
- *Maintaining and cleaning milking units*

*Prior dairy farm experience including herd health and robotic dairy operations is preferred. Willing to train hardworking individuals who have a passion for working with animals.*

*Smith Farms offers top pay and benefits including medical insurance and paid time off. Interested applicants should apply in person at Smith Farms, 123 County Rd., Townville, KS.*

There are many free or low-cost ways to post open positions. Examples include:

- Local newspapers
- Bulletin boards at local businesses, churches, post offices or government offices
- Local colleges and vocational schools
- Craigslist.com
- Indeed.com
- State-affiliated workforce websites (i.e. Washington WorkSource, KansasWorks, etc.)

## Employment Applications

All prospective employees should complete an employment application because it helps the farm collect consistent applicant information. The employment application should be a simple form to gain basic contact information about applicants and information regarding their work history, education and skills. The application may also collect military service information as well as a list of the employee’s professional references. The application should not request information on gender, race, national origin or disabilities. The application should also not ask for date of birth or Social Security number. This is information that is collected later in the recruitment process, once a candidate has received and accepted a job offer.

PROHIBITED TOPICS
Gender
Race
National Origin
Disabilities
Marital Status
Family Status (i.e. number of children)
Medical or health-related questions such as pregnancy or genetic information

The FARM Human Resources Templates document online contains template job application forms. For more information on legal considerations in the hiring process, see the Harassment, Discrimination and Other Legal Considerations chapter.

## Interviewing

✓ *Owners and managers use a written list of questions for interviews and ask each applicant the same questions.*

Once a job ad is posted and applicants begin applying, the next step is interviewing qualified candidates. Interview questions should be limited to work-related topics. Personal questions about someone’s family, disability, financial status or any of the prohibited topics listed above are not appropriate. The job description should be used as a guide when formulating interview questions. Ask open-ended questions that cannot be answered with a simple yes or no. Open-ended questions keep the flow of conversation going and also require the employee to more fully answer the questions asked. Some examples of appropriate and inappropriate interview questions are on the top of page 24.

It is best to plan questions ahead of time so that the farm can ask consistent questions to all candidates. Planning and following a set list of questions also helps the farm collect all necessary information and easily document the interview process. A sample interview question guide can be found in the resources section.

Depending on the farm’s culture and organizational structure, a dairy may choose to do individual or team interviews. Individual interviews are easier in the sense that the farm is only coordinating with two schedules. They also allow more in-depth, one-on-one discussions between the hiring manager and the candidate. Team interviews have an advantage because the candidate is able to meet more people within the dairy operation, making it easier to transition to being part of the team once hired. Team interviews also offer the advantage of more than one opinion when it comes to making a final selection. Farms that frequently hire non-English speaking or bilingual workers should include someone who speaks the applicant’s native language to ensure effective communication. Decide who should be in the interview based on the needs of the farm and the position being hired.

INSTEAD OF THIS ...	ASK THIS.
Do you have dairy experience?	Tell me about your experience in the dairy industry.
What year did you graduate high school?	Tell me about your highest level of education achieved.
Do you have any health issues?	This position requires frequent lifting of up to 50 pounds. Are you able to perform these types of tasks?
Do you have kids?	Are you able to meet the scheduling needs of this position?

The FARM Human Resources Templates document found online contains a sample interview questionnaire form.

### Selection

- ✓ *The farm uses a consistent process for rating and selecting candidates when deciding who to hire for an open position.*
- ✓ *The farm conducts reference checks and/or past employment verification before offering someone a position.*

Once the interviews have been completed, the hiring manager selects the best candidate for the job. When doing so, the hiring manager should review applications and interview notes. If there is more than one manager involved in the hiring process, they may want to meet to discuss the final applicants and make a selection decision. Selection decisions should be based on job-related factors, such as skills, qualifications and culture fit. Intuition should also be considered. If interviewers have a bad feeling about a candidate or are unsure, they are likely not a good fit for the farm or the position.

An important part of the selection process is to verify the basic information received from the potential new hire. Information can be verified through:

- **Employment Verifications:** Contact the previous employers listed on the employment application and verify basic employment data such as dates of employment and job title with

the company's HR department.

- **Reference Checks:** Ask the applicant for professional references. Contact each professional reference and ask questions such as:
  - How long have you known the applicant?
  - What is your relationship to the applicant?
  - What can you tell me about the applicant's work ethic and dependability?
  - Why do you believe the applicant is suited for a [position applied for] position on our farm?
- **Address Verifications:** Use the U.S. Postal Service website to verify an address is valid.

While these quick verifications of information provided by applicants are often overlooked, they all help ensure the candidate is not being deceptive and is not trying to get hired for non-work-related motives or under false pretenses. For example, in 2010 an egg farm accidentally hired an undercover videographer from an animal activist organization. Looking back, the farm admitted that there were numerous warnings signs including falsified work history and providing a local motel as their permanent address. By verifying the information provided on the employment application and/or resume, situations like this can be avoided.

For legal purposes, applicant information and selection criteria should be well-documented. An easy way to document the selection process is through a selection criteria matrix. This form provides a simple way to rate candidates based on job-related factors. An example selection criteria matrix is on page 25.

Rate each candidate on each selection factor as follows: 0 – Does not meet requirements.

1 – Meets some requirements.

2 – Meets all requirements.

**Position: Farm Worker**

<b>SELECTION FACTORS</b>	<i>Candidate 1 Name</i>	<i>Candidate 2 Name</i>	<i>Candidate 3 Name</i>
1. Has 1 year of related work experience.			
2. Ability to meet physical requirements of the position			
3. Ability to meet scheduling requirements of the position			
4. Reference check response			
5. Culture fit			
<b>TOTAL</b>			

Once a final selection has been made, the hiring manager can move forward with a conditional offer of employment. The term “conditional” is used because the offer is contingent upon completion of any pre-employment screenings. Employment offers can be made verbally or more formally by providing a written offer for the employee to review and sign. Following is a simple example of an effective offer letter.

October 1, 2019

*[Candidate Name]*  
*[Street Address]*  
*[City, State Zip]*

Dear *[Candidate Name]*,

*On behalf of Smith Farms, we are pleased to offer you a seasonal Farm Worker position. The offer of employment outlined below is contingent upon successful completion of pre-employment screenings, background check and your ability to provide appropriate documentation proving you are eligible to work in the United States for form I-9 purposes.*

**Start Date: October 15, 2019**

**Pay Rate: \$14.00/hour**

**Classification: Seasonal**

**Supervisor: John Smith**

*I accept the offer of temporary employment set forth above.*

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Date

## Reasonable Accommodation Requests

After an offer of employment is made, an employee may reveal a disability and request a reasonable accommodation. A reasonable accommodation is a change or adjustment to a job, the work environment or equipment used to perform the work that allows an employee with a disability to successfully perform their job duties. As an employer, the farm must legally provide reasonable accommodations that do not create an undue hardship for the dairy operation. Examples of common workplace accommodations are:

- Modifying work schedules
- Granting additional breaks
- Reconfiguring workspaces
- Providing handicap accessible parking and restroom facilities
- Providing modified tools and equipment

For more information on reasonable accommodations, see the Discrimination, Harassment and Other Legal Considerations chapter of this manual.

## Pre-Employment Screenings

✓ *If the farm conducts pre-employment background screenings, it has a process in place that meets federal FCRA and state requirements when denying applicants based on their criminal background.*

Pre-employment screenings are an optional part of the hiring process that formally review and verify information about the selected candidate. However, they should not be completed until after a conditional offer is made. Some common pre-employment screenings include:

- Criminal background screenings
- Consumer credit reports
- License/certification verification
- Educational verification
- Drug screenings
- Physicals

Pre-employment screenings should always be job-related. For example:

- Consumer credit reports for new hires in cash-handling, finance or accounting positions
- Physicals for farm staff in positions with heavy lifting requirements
- Driver's license verifications for employees in driving positions

Once pre-employment screenings are selected, they must be administered consistently for all new hires in the same position, or for the same class of employees, regardless of if the new hire is an acquaintance or a family member. This ensures a fair hiring process that meets legal requirements.

Some states also have laws regarding pre-employment. For example, some states might not allow farms to deny employment to a candidate who fails a drug screen due to verified medical marijuana use. Another example would be restrictions on adverse action against certain types of criminal backgrounds.

In addition to state requirements, some positions on a farm may have position-specific pre-employment requirements to consider. An example of this would be following Federal Motor Carrier Safety Administration (FMSCA) and Department of Transportation (DOT) requirements by requiring DOT medical examination for drivers operating a covered farm vehicle. For more information on FMSA and DOT considerations, see the Special Considerations chapter of this manual.

Before processing any pre-employment screenings, the selected candidate must complete consent forms authorizing the farm as an employer to complete the screenings and receive the results. If background screenings have been selected there are additional disclosures that need to be provided to the employee such as the "Summary of Your Rights Under the Fair Credit Reporting Act." A link to this notice can be found in the resources section. Once the candidate has provided the appropriate consent forms, their pre-employment screenings can be processed.

When the selected candidate has successfully completed their pre-employment screenings, the hiring manager can move on to the next step in the hiring process. If the candidate does not successfully complete the pre-employment screening process, this information must be communicated to the candidate. In addition, if the candidate is being denied employment based on the results of a criminal background, there is a formal notification process required by the Fair Credit Reporting Act (FCRA). This process is called the “Adverse Action Process” and requires employers to provide candidates with copies of their background screening results and give them the opportunity to discuss the results prior to denying them employment. For more information on the adverse action process, see the resources section. As previously mentioned, there may also be state-specific requirements when it comes to notifying candidates of their pre-employment screening results, so it is imperative hiring managers know the related laws in the states in which the farm operates.

### **New Hire Paperwork**

✓ *The farm keeps employment applications and new hire paperwork on file in compliance with applicable federal and state laws.*

Once pre-employment screenings have been completed, the next step in the hiring process is to complete new hire paperwork. New hire paperwork should be customized to collect the information needed to set the employee up to receive their pay, to create a personnel file, and to meet federal and state requirements. Required parts of the new hire packet include the following:

- Employee Information Form that collects the employee’s legal name, date of birth, Social Security number, contact information and emergency contact details.
- Form W-4 (form for federal tax withholdings).
- State tax forms (if applicable).
- Form I-9, Employment Eligibility Verification that verifies an employee’s identity and eligibility to work in the United States.
- Employee Handbook Acknowledgment that acknowledges the employee has received the

employee handbook and agrees to abide by company policies.

Some states may require additional forms be completed upon hire, so it is helpful to know what is required in the states in which the farm operates.

### **Form I-9, Employment Eligibility Verification**

The federally-required Form I-9 is one of the most important legal requirements to complete on new farm workers. Form I-9 violations can lead to monetary penalties starting at \$220 per violation.<sup>7</sup>

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#### **FORM I-9 VIOLATIONS**

*can lead to monetary penalties starting at*

**\$220 PER VIOLATION.**

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Form I-9 must be completed for all new employees, regardless of background. Businesses operating in the ag industry are often targeted for I-9 audits based on the type of work performed on farms and the fact that many farms employ diverse workforces. Accurate and timely completion of this form ensures that federal requirements for verifying the identity and work status of the workers are met. Failure to meet the requirements may result in hefty fines. In 2012, a small vegetable packaging company in California was fined over \$20,000 for I-9 errors. In 2011, a Michigan dairy farm was fined \$2.7 million in connection with I-9 violations and knowingly hiring farm workers who were not authorized to work in the U.S. Having complete and accurate I-9s on file for all employees ensures legal problems and costly fines are avoided. For the current version of Form I-9, instructions for completing the form and other information regarding the I-9, see the resources section. In addition, information on filing and retention requirements for the Form I-9 can be found in the HR Recordkeeping chapter.

<sup>7</sup>U.S. Immigration and Customs Enforcement. 2018. Form I-9 Inspection Overview. <https://www.ice.gov/factsheets/i9-inspection>

## New Hire Onboarding

✓ *The farm conducts new employee orientation.*

✓ *Owners, managers and/or supervisors regularly follow-up with new employees during their first few months to get feedback on their job duties, the organization, training or other job-related topics.*

The new hire process does not end when the employee starts working; it should continue through effective onboarding. A thoughtful and planned onboarding process creates a good first impression for new employees and lays the foundation for the rest of the employee's time of employment. Recent statistics show that 69% of employees are more likely to stay with a company for three years if they had a great onboarding experience.<sup>8</sup>

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*Recent statistics show that*

**69% OF  
EMPLOYEES**

*are more likely to stay with a  
company for three years if they had a*

**GREAT ONBOARDING  
EXPERIENCE.**

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In addition to new hire paperwork, there are several other activities that should take place as part of the onboarding process. The first is a review of company policies and procedures. The Employee Handbook should be used as a guide. While the new employee is ultimately responsible for reviewing the handbook and following the policies it contains, it is still a good idea to review or highlight necessary policies. Examples of policies that might be reviewed with the new hire include:

- Timekeeping and pay schedule policies
- Attendance policies
- Discrimination and harassment policies

- Incident reporting policies
- Any policies specific to the farm or dairy operations

The following are additional activities that can be added to the new hire onboarding process:

- Tour of facility: work areas, bathrooms and break areas
- Job description review
- What to do in case of emergencies or accidents
- Introduction to coworkers and other staff members
- New hire training, including applicable safety training. Keep in mind that most training will be considered hours worked under the Fair Labor Standards Act if it is a requirement for the position and job related. This type of training should be considered paid working time.

The onboarding process should continue through the first few months of employment. Farm owners and managers should regularly follow up with employees to get feedback on their job duties, the organization and any training they have been receiving. Doing so will ensure adjustments can be made to the ongoing onboarding and/or training processes to better improve employee retention in the long run.

A farm's new hire and onboarding process can be customized to meet the needs of the farm and the needs of the position. It is highly recommended that the new hire and onboarding process be formalized into a checklist or similar document. This ensures no steps are missed and also documents that the employee reviewed or was trained on topics related to the farm and their job.

## Third-Party Staffing Services

Some farms may determine that they do not have the resources to effectively recruit for and fill their open positions. In these instances, the use of third-party staffing services may be a good alternative. Most staffing services provide two staffing solutions: temporary staffing and direct hire staffing. With temporary staffing, the farm workers are employed by and are paid through the staffing company. The farm would be charged for their hours at a marked-up billing rate per hour. With direct hire services, the staffing company would recruit for a farm's open positions, submitting top candidates to the farm owner or manager. Once a candidate is selected, the farm hires them outright. Fees for direct hire services are usually billed as a percentage of annual salary.

## Conclusion

Planning and developing a recruitment and hiring process on a farm is very important, regardless of the size of the dairy operation. It ensures that hiring managers can easily target qualified and skilled talent as well as set a consistent procedure to ensure fairness and compliance.

## Resources

Job Interview Questions for Farm Employees  
<https://www.extension.iastate.edu/agdm/wholefarm/pdf/c1-71.pdf>

Pre-Employment Screenings and Adverse Action Information  
<https://www.ftc.gov/tips-advice/business-center/guidance/using-consumer-reports-what-employers-need-know>

I-9 Information  
<https://www.uscis.gov/i-9-central>

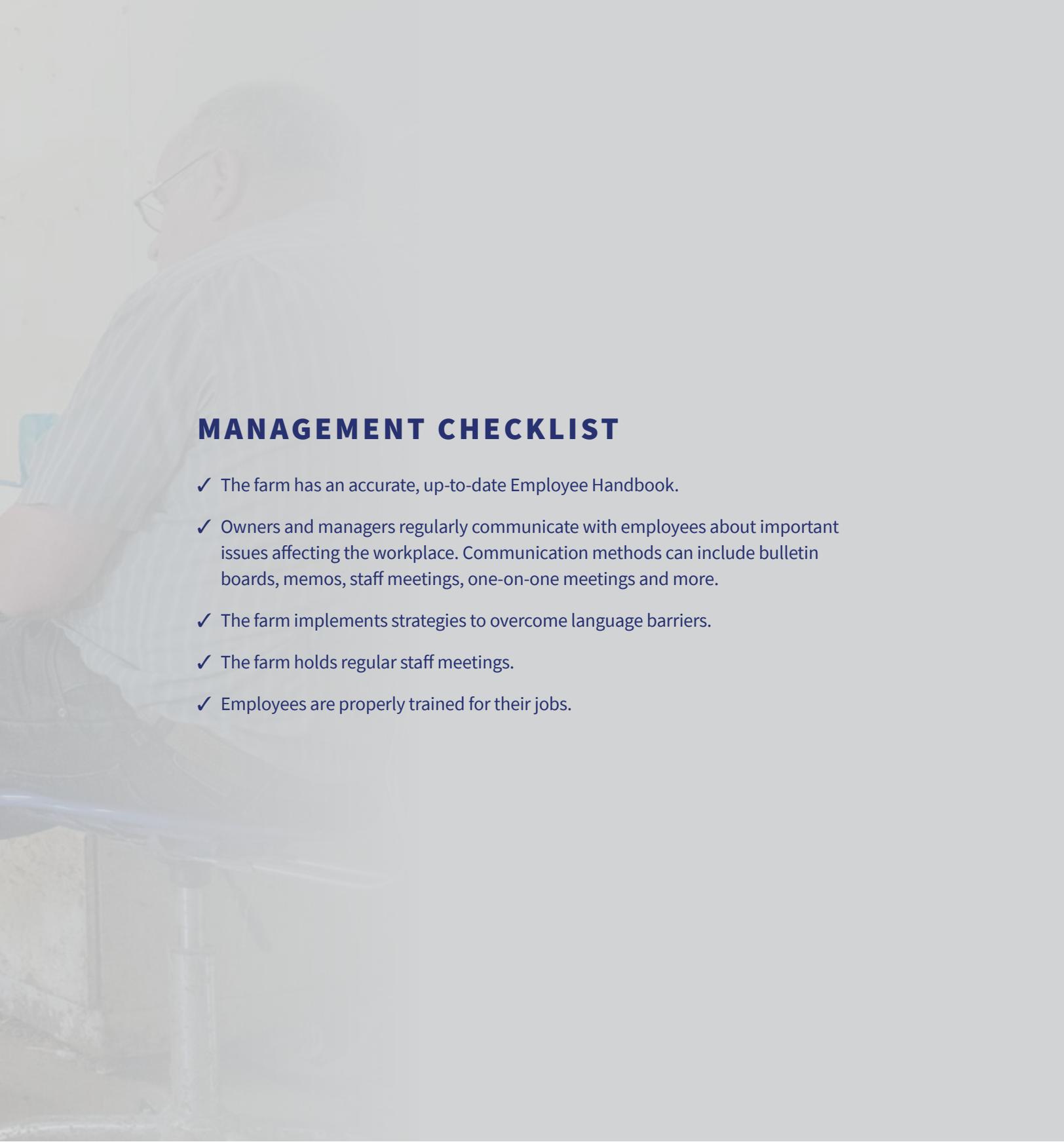
SHRM Recruitment and Selection: Hiring the Right Person  
<https://www.shrm.org/academicinitiatives/universities/TeachingResources/Documents/Recruitment%20and%20Selection%20IM.pdf>

SHRM Recruitment and Selection Process  
[https://www.shrm.org/resourcesandtools/tools-and-samples/policies/pages/cms\\_000582.aspx](https://www.shrm.org/resourcesandtools/tools-and-samples/policies/pages/cms_000582.aspx)

<sup>9</sup>Hirsch, A. 2017. Don't Underestimate the Importance of Good Onboarding. Society of Human Resources Management.  
<https://www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/dont-underestimate-the-importance-of-effective-onboarding.aspx>



# Employee Communications



## MANAGEMENT CHECKLIST

- ✓ The farm has an accurate, up-to-date Employee Handbook.
- ✓ Owners and managers regularly communicate with employees about important issues affecting the workplace. Communication methods can include bulletin boards, memos, staff meetings, one-on-one meetings and more.
- ✓ The farm implements strategies to overcome language barriers.
- ✓ The farm holds regular staff meetings.
- ✓ Employees are properly trained for their jobs.

This chapter reviews strategies for effective employee communications:

- Developing an Employee Handbook
- Methods of employee communication
- Overcoming language barriers
- Conducting staff meetings
- Employee training and development

Being able to effectively communicate with workers is a critical skill for farm owners and managers to master. Effective communication has many benefits to include:

- Building a more cohesive team
- Ensuring employees are aware of their expectations
- Setting goals effectively
- Allowing dairies to effectively deal with workplace problems

Communication in the workplace can take many forms including verbal communication (what is said to employees) and written communication (written policies, e-mails, memos, etc.). This chapter will discuss common employee communication tools, how to use them and how to overcome language barriers.



## Developing an Employee Handbook

✓ *The farm has an accurate, up-to-date Employee Handbook.*

Developing an Employee Handbook is a critical step in setting expectations for employees. An Employee Handbook also establishes performance management processes. Performance is ultimately tied back to the rules, policies and expectations that have been set for employees. A well-written Employee Handbook serves as a tool to communicate to employees, establish basic policies and procedures, and protect the farm from claims of discrimination and other legal claims.

Examples of information to include in an Employee Handbook include:

- General farm information
- Personnel policies
- Animal welfare policies
- Information about the work environment
- Benefits
- How time off is handled
- How discipline and performance management is handled
- Federal and state legal requirements

An Employee Handbook can be created by following these steps.

**1. Create an outline or table of contents of the topics covered in the handbook.** In addition to any federal and state required policies, think about the work environment and the practices currently in place. Workplace practices should serve as a basis for the formal policies in the handbook. Other information to include is the farm's mission statement, vision statement, core values and an employee welcome letter.

**2. Develop policies based on the outline.** The Employee Handbook should summarize applicable HR-related policies and procedures and clearly state the farm's position on each topic that is included in the handbook.

**3. Review the handbook.** The review process ensures that handbook policies reflect actual practices. The handbook should be reviewed by any or all of the following: Human Resources representative, legal counsel, owner, supervisor or management team. Legal review of the handbook is vital to ensure that the handbook is compliant with state and federal regulations.

**4. Select a means of publication.** Some companies choose to print paper copies of the handbook to distribute to employees. Other companies may prefer to provide the handbook in electronic format. Either way is acceptable as long as it is easily accessible by farm staff. If there are non-English speaking or bilingual workers, provide the handbook in the native languages of the workforce.

**5. Distribute handbooks to employees.** All employees should receive a copy of the Employee Handbook and distribution of the handbook should be built into the new hire process. Employees must also sign for the handbook acknowledging that they received it and agree to abide by the policies. This acknowledgment should be kept in the employee's file.

**6. Review and update periodically.** Creating an Employee Handbook takes some time but once it is in place, maintaining the handbook should be much less time consuming. Handbooks should be updated as needed when policies are changed, added or become obsolete. Annual handbook reviews are also recommended to ensure the handbook is up to date and accurately reflects current practices. Handbooks also should be reviewed and revised if there are significant changes to federal and state employment laws.

A farm's Employee Handbook should be customized based on the policies and practices of the dairy operation. It should reflect the farm's culture and how the farm actually operates. In addition, while the handbook template covers

federally required items, there may be additional policies to include based on the states in which the farm operates. Examples of handbook topics that can vary state-to-state include leaves of absence, paid time off/vacation, maternity leave, sick leave and time off to vote.

The FARM Program website has a step-by-step guide for farms to create a tailored Employee Handbook for their operation.

## Employee Communication Methods

✓ *Owners and managers regularly communicate with employees about important issues affecting the workplace. Communication methods can include bulletin boards, memos, staff meetings, one-on-one meetings and more.*

Timely and clear communication to employees is a crucial component in keeping a farm operating efficiently and profitably. Miscommunication can cost smaller companies (100 or fewer employees) an average of \$420,000 per year.<sup>9</sup> "Transparency" is a term used to describe communication within an organization that is open and upfront. Having a transparent communication style with farm workers builds better relationships. Additionally, it ensures employees are aware of the farm's vision and mission, creates a culture of trust and improves employee engagement. This further results in a more productive work environment, which directly affects a dairy operation's success and profitability.

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**MISCOMMUNICATION CAN  
COST SMALLER COMPANIES**  
*(100 or fewer employees)*

**AN AVERAGE OF**

**\$420,000  
PER YEAR.**

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<sup>9</sup>Buhler, P. & Worden, J. 2013. Up Down and Sideways: High-Impact Verbal Communication for HR Professionals.

### **Communication with Employees**

There are many ways to communicate with employees. Some examples include:

- **“All-Staff” Meetings:** Holding regular group meetings on a consistent schedule (i.e. weekly, monthly, quarterly) ensures farm workers are getting consistent communication on topics that are important to the farm owner and managers. This also provides an avenue to receive group feedback from workers.
- **Memos:** Sending memos to workers is a more formal way to communicate with employees and may be appropriate when there are policy and procedure changes or when something needs to be communicated quickly.
- **Bulletin Boards:** Posting information on bulletin boards is an easy way to communicate information to a group when a group meeting is not needed and a memo is too formal.
- **One-on-one meetings:** One-on-one employee meetings are designed to provide individual feedback to employees, outside of a group setting. Later in this chapter, individual performance communication methods are covered in more detail.

The communication method selected depends on what type of information is being communicated, management preference and the farm’s culture. Owners and managers must also determine a good location and time to get the group together. If there are different shifts, the meeting may need to happen when shifts overlap or separate meetings can be held for each shift. If there is a meeting space like a break room or conference area, this might be the best place to hold the meeting.

### **Getting Employee Feedback**

Employee feedback is one of the best ways to get information about morale and any difficulties that might be occurring on the farm. The process for receiving employee feedback should be described in writing, such as in the Employee Handbook, so that employees know how to properly communicate with management.

As always, the policy for receiving employee feedback should reflect the culture of the farm. Smaller or more informal farms might satisfy this requirement with an “Open Door” policy.” An “Open Door” policy focuses on an open flow of communication within the farm. Generally, the policy states that workers are encouraged to come to any member of management at any time to discuss concerns or issues, or to make a complaint. Larger or more formal cultures might find a formal grievance policy is more appropriate. A formal grievance or complaint procedure is similar to an “Open Door” policy but is more thorough in the structure of reporting a complaint, issue or concern. It may direct employees to a specific member of management such as the owner or HR representative or may communicate a hierarchy of reporting (i.e. starting with the direct supervisor and working up the chain of command if there is not acceptable resolution). This type of policy is more detailed than an “Open Door” policy and generally provides specific steps in the process from complaint reporting through resolution.



## Overcoming Language Barriers

✓ *The farm implements strategies to overcome language barriers.*

Depending on how diverse a farm's workers are, there may be language barriers to overcome. In a recent study conducted with dairy farms in Michigan, Pennsylvania, New York and Connecticut, more than 54% of the dairy farm workers surveyed were non-English speaking.<sup>10</sup> Communications must be tailored to the audience if multiple languages are spoken on the farm or if there are different levels of reading comprehension. To ensure the same message is being communicated to all employees, it is imperative that all workers be able to understand the message. Some ideas to overcome these types of challenges are:

- When having meetings, have a translator available to translate, answer and ask questions.
- Have written materials translated into the native languages of the workforce.
- Provide communication both in writing and verbally. There are some people who are better able to understand written communication as opposed to verbal communication and vice versa.

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*In a recent study conducted with dairy farms in Michigan, Pennsylvania, New York and Connecticut,*

**MORE THAN 54%**  
*of the dairy farm workers surveyed were*  
**NON-ENGLISH SPEAKING.**

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Farm owners and managers should be aware that everyone has different preferred communication styles. Communication should be tailored to meet the different preferences and needs of the farm's workforce.

## Conducting Effective Staff Meetings

✓ *The farm holds regular staff meetings.*

Staff meetings are a quick and easy way to communicate important information to staff at the same time. Staff meetings can be used to communicate changes, celebrate achievement of goals, discuss areas of improvement, train staff and receive feedback from workers. Staff meetings should not be used for communications that may be more appropriate to handle one-on-one, for example, addressing an employee's performance challenges. To conduct an effective staff meeting, follow these steps:

- **Determine schedule and location for staff meetings.** When determining the schedule, consider factors such as number of employees, schedule/shifts of employee and how often regular communication to the entire staff is needed. Ensure they are scheduled frequently enough but not too frequently so that every meeting has a purpose, but that they aren't a waste of time. As a best practice, staff meetings should be held at least quarterly. Some farms may choose weekly or monthly staff meetings if they are needed more frequently. When selecting a location for the meeting, try to use a common area such as a break room, where distractions are limited. The date, time and location of staff meetings should be communicated to employees ahead of time to ensure maximum attendance.
- **Create an agenda.** Each meeting should have an agenda that outlines the topics to be discussed. Goal updates, process changes, recognition and a time for employee feedback are all common topics for staff meetings.
- **Conduct the meeting.** One person should be designated to run the meeting, ensure all agenda items are discussed, take notes, make sure the meeting stays on track and is completed within the time allotted.
- **Follow up on any action items.** Once the meeting is over, review meeting notes and establish a plan for any action items.

<sup>10</sup>Durst, P., et. al. 2018. Evaluation by Employees of Employee Management on Large US Dairy Farms. Michigan State University Extension.



## Employee Training and Career Development

✓ *Employees are properly trained for their jobs.*

No matter the size of the dairy operation, training and development contributes to an effective communication strategy. Training allows farm workers the opportunity to increase their knowledge and skill, which in turn makes them a more valuable asset to the farm. When farm workers are given opportunities to broaden their knowledge and increase their skill level, they are more engaged and more productive. Training and development programs also allow a farm to hire entry-level workers and train them for the jobs for which they need them – rather than trying to find workers that already have the needed skills and experience, which can be a challenge in communities with a limited labor pool. In short, training and developing workers is good for business and helps dairies remain competitive while dealing with a shortage of skilled, qualified workers.

While employee training and development can be a formal and expensive process, there are many ways to train and develop staff using limited resources.

- **On-the-Job Training (“OJT”).** OJT training is exactly as it sounds – training completed while working on the job. Managers and coworkers are assigned as instructors to train the worker

on the knowledge, skills and tasks needed to meet the requirements of the position. The trainee learns by actually doing the job under the direction of a more experienced or skilled employee. Although it is completed on the job, OJT training should still have purpose and clear training objectives so that trainers and trainees are on the same page.

- **Job Shadowing.** Job shadowing is similar to OJT in that the training is done on the job. However, unlike OJT where the employee is performing the work, job shadowing involves following and watching another employee without performing the work. Job shadowing is a great way for farm workers to learn about the other roles on the farm, giving them a better idea of how their job affects other farm functions.
- **Cross Training.** Cross training occurs when workers are trained as backups in other positions on the farm. While cross training allows workers to broaden their skills, cross-trained employees can be assigned to different positions as the needs of the dairy operations change.
- **Job Rotation.** Job rotation is a type of development that allows workers to experience many jobs on the farm. They rotate from one job to another to learn the jobs and see how each position adds value to the farm. Like cross training, employees on job rotation have the skills necessary to fill in on other areas of the farm as the needs of the dairy operation change.

The above examples focus on ways to train and develop employees with limited resources. However, there are many other options available such as formal training programs, educational opportunities and learning management systems. For more information on training and development options, see the resource section of this chapter.

When deciding on methods for training and development, farm owners and managers should consider the needs of the farm and the needs of each individual. Regardless of what training methods are used, training should be documented and placed in the employee's file. The FARM Human Resources Templates document online has a template individual training log.

## Conclusion

Communicating effectively as an employer is a critical first step in establishing trust and setting expectations for employees. When deciding on communication methods, farm owners should take into account the culture and operations of their dairy. In addition, farm owners and managers must be highly aware of the barriers to communication and take proactive steps to overcome them.

## Resources

4 Reasons You Need to Embrace Transparency in the Workplace

<https://www.entrepreneur.com/article/245461>

7 Tips to Make Your Staff Meetings More Effective

<https://clearhrconsulting.com/blog/retention/7-tips-to-make-your-staff-meetings-more-effective/>

Dairy Farm Handbook Development Guide

<https://dairy.unl.edu/every-dairy-needs-employee-handbook>

Different Ways a Manager Can Communicate with Employees

<http://smallbusiness.chron.com/different-ways-manager-can-communicate-employees-18169.html>

Employee Development Toolkit

<https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/developingemployees.aspx>

SHRM Developing Employees

<https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/developingemployees.aspx>

SHRM How to Develop and Employee Handbook

<https://www.shrm.org/resourcesandtools/tools-and-samples/how-to-guides/pages/developemployeehandbook.aspx>

SHRM Top 10 Mistakes to Avoid with Employee Handbooks

<https://www.shrm.org/resourcesandtools/legal-and-compliance/employment-law/pages/employee-handbook-mistakes.aspx>



# 04

Management of Employee Performance

## MANAGEMENT CHECKLIST

- ✓ Managers and supervisors regularly set expectations for workers.
- ✓ The farm conducts formal performance evaluations on a regular basis and at least annually.
- ✓ Managers and supervisors provide informal feedback on a regular basis so that employees can improve over time.
- ✓ The farm utilizes a progressive discipline process.
- ✓ The farm properly documents all counseling and warnings when handling performance issues, unacceptable behavior or conflict.
- ✓ Managers and supervisors are trained to handle conflict in the workplace.
- ✓ Managers and supervisors are trained in the warning signs of substance abuse in the workplace.



This chapter reviews effective and objective management of employee performance including:

- Setting expectations for employees
- Administering performance evaluations and current trends
- Administering progressive discipline
- Resolving conflict in the workplace
- Managing employees with substance abuse issues

Effective and objective management of employee performance is critical. Individual performance has a direct connection to the overall performance of the farm. Individual performance challenges can lead to the following issues:

- Decreased productivity
- Increased frustration
- Poor employee morale
- Decreased profitability
- Increased workplace accidents/injuries
- Negative impact on reputation, image and brand

Because individual performance is linked with many aspects of a dairy's overall operation,

it is important that a formal performance management process is in place. The term “performance management” is the process of managing farm workers by providing them with goals and objectives and setting expectations for effective performance. Establishing a performance management strategy:

- Provides goals and objectives to workers
- Provides ways to openly communicate with dairy staff
- Ensures employees are meeting performance standards
- Establishes a process to assist in performance improvement and accountability

Performance issues should always be handled as soon as possible. Generally speaking, when performance issues are ignored, the problem does not go away. In fact, a delay in dealing with performance challenges only leads to bigger problems. This chapter discusses different performance management tools and processes that can be used to ensure issues are handled timely and consistently to reduce disruptions to farm operations.

## Setting Expectations

- ✓ *Managers and supervisors regularly set expectations for workers.*

A critical foundation in managing employee performance is setting expectations. As discussed in the previous chapters, job descriptions, employee handbooks and staff meetings are all methods for setting expectations. However, expectations can also be set through one-on-one informal conversations with employees. Farm owners and managers should not wait until performance issues arise to set expectations. Instead, expectation should be communicated to employees on a regular basis. Setting expectations should also occur when there are changes to workplace rules, changes to schedules, changes to performance metrics and any other changes that affect performance of employee job duties.

When setting expectations verbally, managers should still document the conversation and the expectations.

## Formal Performance Evaluations

- ✓ *The farm conducts formal performance evaluations on a regular basis and at least annually.*
- ✓ *Managers and supervisors provide informal feedback on a regular basis so that employees can improve over time.*

Performance evaluations (also called performance reviews and performance appraisals) are an individual performance management tool where an employee is evaluated on a scheduled basis. The most common performance evaluation period is annual based on the employee's anniversary (original hire) date, but some companies may choose to do formal evaluations more frequently or during a specific time of the year. While informal feedback should be provided on a day-to-day basis, performance evaluations formalize the feedback and cover a longer time period. For example, annual evaluations should cover the employee's performance for the entire year, not just recent performance.

Performance evaluations should cover both an employee's strengths and areas for improvement. The evaluation should plan for future improvement and include a list goals to accomplish before the next review. The manager or supervisor completing the review must be able to give accurate feedback and should be able to administer performance evaluations consistently and fairly, even if the employee is a family member, friend of the family or long-term employee.

Being fair, accurate and consistent is critical to performance evaluation processes. If the farm has a policy regarding when and how often performance reviews are scheduled, managers should stick to this schedule. Performance evaluations should also be an accurate reflection of the employee's performance. Not every employee should be rated "Exceeds Expectations." In fact, many workers will probably fall in the "Meets Expectations" category, which indicates they are meeting all requirements but there is still room for growth and improvements.

There are different formats and rating scales that can be used for performance evaluations. On page 42 are examples, along with pros and cons.

For additional performance review options, see the resources section of this chapter. The method and format used should reflect the farm's culture and provide valuable two-way feedback between a manager or supervisor and the farm workers assigned to them.

A successful performance evaluation is:

- Completed on a consistent basis
- Completed objectively, fairly and consistently
- Used as a tool to set expectations and improve performance
- Used as a formal method of individual feedback between a farm worker and their supervisor
- Used as formal documentation of performance issues, areas of opportunity and strengths

As with any other HR documentation, completed reviews should be kept in the employee file.

## SELF-EVALUATION

*Self-evaluation reviews use feedback from the employee as the starting point. The employee evaluates their own performance based on the established criteria first. The manager then uses this feedback when developing their evaluation.*

**Pros:** Allows the employee to be more involved in the review process.

**Cons:** The employee may not be objective when evaluating their own performance.

## RATING SCALES

*Rating scales are one of the most common types of performance evaluation methods. A numerical or alphabetic rating scale is established and the employee is rated on a list of traits or behaviors.*

**Pros:** Simple and easy to administer.

**Cons:** Employee and managers may not understand the point scale or the point scale might not be applied consistently.

## 360 FEEDBACK

*A 360 performance evaluation collects feedback from multiple people that work with the person being reviewed. This could include the employee themselves, the manager or supervisor, coworkers, customers and vendors.*

**Pros:** Accounts for not just how the employee interacts with their manager but also how they interact with other people on the farm.

**Cons:** Can be time consuming and costly.

### ***Trends in Performance Evaluations***

Recently there has been a trend toward moving away from formal annual performance evaluations to meeting with employees more frequently using a more informal process. Some companies are encouraging employees and supervisors to meet three to four times per year with an emphasis on using these meetings to provide more frequent performance feedback and focus on individual or team goal progress.

#### *The benefits and drawbacks of* **MORE FREQUENT AND LESS FORMAL PERFORMANCE EVALUATIONS:**

**Benefits:** More frequent feedback provides greater accountability for employees and is likely to feel more relaxed, which can allow the conversation to be more future focused with an emphasis on employee development and growth as opposed to a strict adherence to looking backward at only job or task performance.

**Drawbacks:** A less formal conversation can lose its significance if clear conversation objectives haven't been specified. Additionally, scheduling additional conversations throughout the year requires administrative oversight to ensure meeting frequency is consistent for all employees.

#### *The benefits and drawbacks of* **ANNUAL/SEMIANNUAL PERFORMANCE EVALUATIONS:**

**Benefits:** Engaging with employees once or twice per year to discuss performance can create a manageable timeframe where employees and supervisors expect to engage in performance reviews. If compensation increases are tied to performance evaluations, employees appreciate knowing when they will hear formal feedback and how that ties into a pay raise or bonus.

**Drawbacks:** Less frequent, more formal evaluations can lead to one-sided conversations where the supervisor does most of the talking and evaluating as opposed to a more collaborative discussion. Additionally, if compensation is tied to the evaluation, the employee may be heavily focused on learning about any changes and may miss any clear messages delivered about performance.

Regardless of the frequency of performance conversations, **it's critical that thorough written documentation of the conversation is saved and shared with the employee to sign.** Additionally, employees should walk away from performance evaluation meetings with a clear understanding of whether they are meeting, exceeding or failing to meet performance expectations.

### **Informal Performance Feedback**

In addition to formal performance evaluations, it is good to provide ongoing, regular informal feedback. Some studies show that recognition is the number one thing managers can provide employees to inspire great work.<sup>11</sup> One option is to schedule regular one-on-one check-in meetings. These can be an effective way to set the stage for ongoing communication and sharing feedback. Some supervisors hold meetings weekly or monthly; the right frequency depends on the performance needs of the employee. An agenda set in advance helps supervisors and employees come prepared. Potential discussion topics could include job performance feedback, training goals, employee questions and providing updates to any action items discussed in a previous check-in meeting.

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*Some studies show that*

**RECOGNITION**  
**IS THE NUMBER ONE THING**  
**MANAGERS CAN PROVIDE**  
**EMPLOYEES TO**  
**INSPIRE**  
**GREAT WORK.**

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On a day-to-day basis, supervisors should also provide informal feedback. This can include simple praise or offering concrete suggestions for improvement. Any feedback should be specific, explaining the what and why. It should also be timely, occurring soon after the behavior is observed.

### **Progressive Discipline**

- ✓ *The farm utilizes a progressive discipline process.*
- ✓ *The farm properly documents all counseling and warnings when handling performance issues, unacceptable behavior or conflict.*

Progressive discipline is a process for dealing with performance concerns and other unacceptable behaviors in the workplace. Steps in the progressive discipline process become more severe following each incident, or, in the event the employee does not make improvements when given the opportunity to do so. The following are used to describe steps in the progressive discipline process: write up, corrective action, counseling and warnings.

The progressive discipline process is a valuable HR tool designed to document issues, set expectations and hold employees accountable for their actions. The following reflect the stages in the progressive discipline process:

- **Verbal warning:** A verbal warning is a counseling conversation with an employee about a performance issue, unacceptable behavior or policy violation. Even though it is a verbal conversation, a best practice is to document that the conversation took place and what was discussed.
- **Written warning:** A written warning is the next step in the progressive discipline process when an employee has not made improvements or unacceptable behavior has continued after a verbal warning. Written warnings should be formally documented and include the history, current information, impact on the dairy's operations, expectations for moving forward and consequences if improvements are not made. The written warning should be signed by both the employee and the manager.
- **Final Warning:** A final warning should be issued when verbal and written warnings have not resulted in performance improvement or correction. As with the written warning, the final

warning should be formally documented and include the history, current information, impact on dairy's operation, expectations for moving forward and the consequence of immediate termination if improvements are not made.

- **Suspensions:** Suspensions should be used in conjunction with a written warning and formally documented to include the same type of information as written and final warnings. Suspensions are more severe than written warnings in that they remove the employee from work as a consequence. Suspensions can be both paid and unpaid but the consequence is more impactful if suspensions are unpaid as the employee is not receiving wages during that time. Owners and managers should keep in mind that when suspending exempt (salaried) employees, the employee must be suspended for a full work week in order for the suspension to be unpaid. Therefore, it is recommended that salaried employee suspensions are for a full week in duration.
- **Termination:** When following the progressive discipline process has not resulted in improvement or correction, termination may be the only option. In the event termination is being considered, all previous progressive discipline steps, the final incident details and any other relevant information from the employee's file should be reviewed by an HR representative or legal counsel before moving forward.

Keeping thorough records of progressive discipline is extremely important because doing so protects farms from legal liability associated with employment-related claims such as harassment, partiality, discrimination, etc. Progressive discipline records can also assist in contesting any unemployment claims that are filed, which helps keep unemployment taxes low. Finally, progressive discipline records create a formal record of issues or concerns that can be used to monitor, manage and improve performance. The FARM Human Resources Templates document found online has a template progressive discipline form.

Another tool for progressive discipline is a Performance Improvement Plan (PIP). A PIP is appropriate in situations where a farm worker's performance has declined recently but the intent is to assist in additional training, development and coaching to achieve acceptable performance levels. As with any other progressive discipline, PIPs should be properly documented in the employee file.

Progressive discipline should be handled as soon as possible to prevent the problem from getting worse, affecting other areas of the farm or disrupting operations.

Farm owners or managers must be fair, objective and professional. They should research or investigate the issue thoroughly before moving forward with progressive discipline. The employee should be given the chance to respond, tell their side of the story and add notes to the documentation if they choose.

Not every infraction or violation may warrant completion of the progressive discipline process. In cases of gross misconduct or negligence, some or all steps in the progressive discipline process may be skipped. In these situations, it is best to seek advice from an HR representative or legal counsel.

The progressive discipline process should be included in the Employee Handbook and followed consistently on the farm for all employees with similar issues. For example, if an employee is issued a written warning for an unreported tardy, all other employees should be issued a written warning if the same offense occurs. Failing to administer progressive discipline consistently could result in legal claims of partiality, unfair treatment and discrimination.

<sup>11</sup>Stuart, D. & Nordstrom, T. 2018. 10 Shocking Workplace Stats You Need to Know. <https://www.forbes.com/sites/davidsturt/2018/03/08/10-shocking-workplace-stats-you-need-to-know/#2fb478c7f3af>

## Having Difficult Conversations with Employees

When managing employee performance, it is important to communicate clearly and frequently. Inevitably, this results in having uncomfortable and difficult conversations with employees. Avoiding difficult conversations can actually lead to more conflict so they should be faced head-on in a direct and timely manner.

When having difficult conversations, owners and managers should remain calm and professional, and be as objective as possible. Farm owners and managers should plan ahead with the topics to be covered and how they will be communicated. When possible, deliver some good news with the bad news. Tell the employee what they are doing well along with their areas for improvement. To ensure success in this sensitive area and because of confidentiality considerations, supervisors should be properly trained. All performance-related communications and documentation are considered confidential and should only be shared with other supervisors or managers within the employee's line of authority.

As with any other type of employee communication, when communicating performance-related information to employees, language barriers should be considered and a translator on hand if needed. Due to the sensitive nature of these types of conversations, an appropriate translator would be a supervisor or manager who speaks the employee's native language. Other employees should never be used to translate during performance-related conversations. If needed, farms can also employ or contract a third-party translator to assist if no suitable translator is available.

## Communicating Terminations

When following progressive discipline steps does not lead to improvements or when the conduct is severe enough, farm owners and managers may need to terminate employment. When a decision

is made to terminate, farm owners and managers should first review the employee's file, review applicable company policies and consider how similar situations have been handled in the past before moving forward. In addition, protected characteristics such as gender, race, marital status, pregnancy status, disability, etc., cannot be the basis for termination decisions. In most cases, owners and managers should consult with an HR professional or an attorney prior to termination.

Communicating terminations of employment should be handled quickly and professionally. When communicating terminations, the employee should be taken to a private area to avoid embarrassment and disruption to business operations. There should be at least two company representatives in attendance – one to communicate the termination and one to serve as a witness. Examples of people who should be in attendance include owners, managers, supervisors and HR representatives.

When communicating terminations, owners and managers must be honest, accurate and direct. Termination meetings should be handled professionally but owners and manager should not apologize or try to soften the message. They should, however, try to deescalate the situation and avoid arguments to ensure the termination is handled calmly with no threats to safety and security. Besides providing the reason for termination, whether it be poor performance, poor attendance or gross misconduct, the individuals communicating the termination should plan ahead of time for any other topics to be covered in the termination meeting. Farm owners and managers should consider the following:

- Does the worker have any company property that needs to be returned (i.e. keys, badges, uniforms, company vehicle, etc.)?
- Does the worker have any personal property at their workstation, breakroom or anywhere else on company property (i.e. personal tools, food, etc.)?

- How does the employee typically get home after work? If they have their own vehicle, termination can happen at any time. If they get a ride, it may be better to communicate termination after their shift ends.
- Does the state the employee works in have final pay requirements (some states require final pay immediately upon termination)?

Once the termination has been communicated, the employee should be escorted off the worksite by the owner or manager. They should not be allowed access to their worksite or any other areas of the farm without an escort present. If communicating an employee's termination to other staff members it is best to do so professionally and concisely without revealing specifics to avoid any legal claims. Simply saying something like "Mary is no longer with the company so we need to discuss how your department will be covered until we hire a replacement" is often sufficient.

When conducting termination meetings owners and manager should consider the "human side" of the termination and attempt to be calm, direct, accurate, respectful and professional while allowing the employee to maintain their dignity.

## **Resolving Conflict in the Workplace**

✓ *Managers and supervisors are trained to handle conflict in the workplace.*

Conflict in the workplace is inevitable. Conflict can occur when there are differences in opinion, conflicting priorities and cultural differences. Changes in the workplace or increased workplace stress can also be the cause of conflict. No matter the cause, conflict in the workplace can be disruptive. It can result in performance problems, low morale and low employee engagement, which ultimately negatively impacts efficient operations and profitability.

Because conflict can affect many aspects of dairy operations, it is essential that conflict be mediated quickly. There are times when employees may be

able to resolve conflict on their own. However, there are also times a manager or supervisor must step in to assist in resolving these types of issues. When mediating conflict between employees, farm owners or managers must remain impartial and objective and encourage the employees to compromise to come up with a solution.

The following steps can be taken to resolve workplace conflict:

1. Arrange a meeting in a neutral location and set ground rules. Ask all parties to treat each other with respect and to make an effort to listen and understand each other's views. Provide a summary of the issues to be discussed and let them know how the conflict is having a negative impact on the workplace.
2. Ask each employee to state their concerns and describe the conflict in a respectful and productive way.
3. After hearing all statements, summarize what has been discussed and acknowledge the need to find a solution.
4. Brainstorm solutions. Encourage all employees involved to suggest solutions that resolve the issues.
5. Make sure all parties agree on the solutions and next steps.
6. Close the meeting by asking participants to commit to continuing to work toward resolving the conflict.

Even when the steps above are followed, some conflict cannot be resolved. Ongoing conflict may require use of the progressive discipline process to further document the issues.

There are also proactive steps that can be taken to minimize the negative impacts of conflict before conflict arises. Some examples include:

- Conducting regular training on workplace conflict and civility
- Creating a workplace culture based on treating all individuals with respect and dignity (see the Establishing Farm Identity and Culture chapter for more information)
- Keeping open lines of communication throughout all levels of the farm

## Managing Employees with Substance Abuse Issues

✓ *Managers and supervisors are trained in the warning signs of substance abuse in the workplace.*

As an employer, farm owners and managers may face workplace substance abuse problems. Workers with substance abuse problems present a unique challenge as owners and managers try to manage performance while also dealing with a potential disability. Since workplace substance abuse results in higher rates of absenteeism, declines in job performance and increased safety risks, farms

must know how to effectively manage employees with substance abuse issues. Employees who abuse prescription drugs are two-to-five times more likely to take unexcused absences, be late for work, be injured or violent at work, file workers compensation claims and quit or be fired within one year of employment.<sup>12</sup> The first step is to create a clear Drug and Alcohol Use policy that is published in the Employee Handbook. While a farm can't police an employee's activities outside of work, they can definitely establish a drug-free workplace policy that allows zero tolerance for drug use at work, possession of drugs at work or working while impaired. As a second step, managers and supervisors should be trained on the warning signs of substance abuse. Examples of warning signs include:

- Increased absences from work
- Frequently leaving their workspace
- Increase in accidents and injuries
- Increase in damage to employer-owned property
- Physical signs such as slurred speech, dilated pupils or unsteady balance, etc.

## EMPLOYEES WHO ABUSE PRESCRIPTION DRUGS ARE

# 2-5 TIMES

*more likely to take unexcused absences, be late for work, be injured or violent at work, file workers compensation claims and quit or be fired within one year of employment.*

If a farm manager or owner suspects a substance abuse problem, they must proceed with caution as there may be another reason for their behavior, such as an underlying health condition. When substance abuse issues are suspected, any conversations with the employee should be work-related and tied to a specific performance or attendance policy. Some examples of right and wrong ways to start these types of conversations include:

INSTEAD OF THIS...	SAY THIS.
We think you might have an alcohol problem.	You have missed a lot of work lately and have not been properly reporting your absences per our attendance policy. Is there something going on we can help with?
We heard a rumor that you are using illegal drugs.	You have not been yourself lately and it is resulting in performance issues. Can you explain your decline in performance?
Your eyes are bloodshot and you smell like alcohol. Have you been drinking?	We have a personal appearance policy that requires employees to arrive to work appropriately groomed. We expect you to follow that policy. Do you anticipate any issues following the policy moving forward?

Many people with substance abuse problems will not admit they have a problem. However, if a farm owner or manager has a reasonable suspicion that an employee is under the influence while at work, they have a duty and obligation to administer a reasonable suspicion drug screen and/or remove them from the jobsite until that have been cleared to return to work by a physician.

To conduct a reasonable suspicion drug screen, at least two company representatives, such as a manager, supervisor, owner or HR representative, must observe specific, physical indicators related to the workers physical appearance, behavior or speech. Observations may include:

- Odors such as the smell of alcohol
- Movements such as dizziness or imbalance
- Physical signs such as dilated pupils, watering eyes or flushed face
- Speech issues such as slurred speech or fast speech
- Emotions such sadness or becoming easily agitated

For the safety of the worker, when administering a reasonable cause drug screen, the employee should be transported to the drug testing site by a supervisor or manager. If the results come back positive, progressive discipline should be administered as outlined in the farm's drug-free workplace policy.

## Conclusion

Performance management is an essential component of any HR program regardless of the size or structure of the dairy operation. Since performance management affects so many different aspects of a business, performance issues should be addressed as soon as possible and in a fair and consistent manner. Addressing issues promptly ensures they are resolved before becoming bigger problems. Prompt handling of employee issues also ensures that farm workers are clear on performance standards and objectives so that they can meet expectations and ultimately perform their duties to maximize the success of the farm.

## Resources

Employer's Guide to Workplace Substance Abuse <https://www.businessgrouphealth.org/pub/?id=f3151957-2354-d714-5191-c11a80a07294>

How to Handle Difficult Conversations at Work <https://hbr.org/2015/01/how-to-handle-difficult-conversations-at-work>

Employing and Managing Persons with Addictions <https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/personswithaddictions.aspx>

Performance Appraisal Methods and Examples <http://open.lib.umn.edu/humanresourcemanagement/chapter/11-2-appraisal-methods/>

SHRM How to Resolve Workplace Conflict <https://www.shrm.org/hr-today/news/hr-magazine/pages/070815-conflict-management.aspx>

SHRM Termination Checklist [https://www.shrm.org/resourcesandtools/tools-and-samples/hr-forms/pages/cms\\_002039.aspx](https://www.shrm.org/resourcesandtools/tools-and-samples/hr-forms/pages/cms_002039.aspx)

UPenn Giving Informal Feedback <https://www.hr.upenn.edu/PennHR/learn-grow/leadership-development/giving-informal-feedback>

<sup>22</sup>National Safety Council. 2014. Prescription drug abuse: What Employers can do. <https://www.nsc.org/Portals/0/Documents/RxDrugOverdoseDocuments/RxKit/EMP-Prescription-Drug-Abuse-What-Employers-Can-Do.pdf>



05

Compensation and Benefits

## MANAGEMENT CHECKLIST

- ✓ Owners and managers are familiar with all federal and state wage payment laws.
- ✓ Salary data is maintained for all current positions.
- ✓ The farm has a strategy or policy for annual pay adjustments.
- ✓ The farm uses a timekeeping method that allows employees and managers to review and approve time each pay period.
- ✓ Workers received pay stubs that include the following information:
  - *Gross wages*
  - *Taxes withheld*
  - *Other deductions*
  - *Net pay*
  - *Year-to-date pay information*
- ✓ The farm retains signed employee authorizations on file for all wage deductions.
- ✓ The farm offers non-wage benefits to workers.

This chapter outlines the following compensation and benefits topics:

- Federal Wage and Hour requirements such as overtime, minimum wage, time reporting, recordkeeping and required postings
- Pay administration such as establishing pay schedules, methods of payment, timekeeping, pay stubs and handling final pay
- Deductions from pay
- Providing benefits as part of the total compensation package
- Types of benefits such as bonuses, incentive pay, meals, lodging, paid time off and health benefits

Compensation and benefits are essential components of HR that encompass how farms pay their workers and the benefits farms provide. In addition to following federal and state laws, the compensation and benefits provided on a farm should be consistent with the farm's culture, assist in recruiting qualified and skilled staff, improve retention and be used as another tool in employee engagement.



## Compensation

- ✓ *Owners and managers are familiar with all federal and state wage payment laws.*
- ✓ *Salary data is maintained for all current positions.*

Compensation is monetary payments to farm workers in exchange for the work that they perform. The U.S. Department of Labor (DOL) Wage and Hour Division (WHD) governs pay issues and enforces the Fair Labor Standards Act (FLSA). The FLSA is most commonly known for laws regarding minimum wage, overtime pay, child labor and recordkeeping. While this chapter reviews wage and hour topics at the federal level, farm owners and managers also need to be aware of laws in the states in which they operate as many states have their own requirements regarding the following topics. Farms should review the

FARM HR Legal Fact Sheets found at [nationaldairyfarm.com](http://nationaldairyfarm.com). Additionally, proper payroll recordkeeping is essential; it is covered in the HR Recordkeeping chapter of this manual.

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## *Farms should review the FARM HR* **LEGAL FACT SHEETS**

*found at [nationaldairyfarm.com](http://nationaldairyfarm.com). Additionally, **PROPER PAYROLL RECORDKEEPING** is essential; it is covered in the HR Recordkeeping chapter of this manual.*

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### **Minimum Wage**

Currently the federal minimum wage is \$7.25 per hour and represents the minimum hourly rate workers can be paid. The federal minimum wage is subject to change at any time so farm owners and managers must stay up to date on federal minimum wage changes as well as minimum wage changes in the states in which they operate. If state minimum wage is higher, the state minimum wage supersedes the federal minimum wage. Because the work performed is agricultural in nature, farms and many farm workers are exempt from minimum wage requirements.

### **Setting Pay Rates**

In addition to keeping minimum wage laws in mind, there are several other factors to consider when determining pay rates for workers:

- **Availability of workers.** In an economy where unemployment rates are low, or in rural areas where the labor pool is small, pay rates may need to be set higher to attract qualified, skilled applicants.
- **National and local wages.** There are many free, online tools that provide local and national wage information for specific positions. Complete a wage analysis to determine a consistent and fair starting wage by reviewing pay data on the following websites:
  - Bureau of Labor Statistics:  
<https://www.bls.gov/bls/blswage.htm>
  - US Dept. of Labor O\*NET:  
<https://www.onetonline.org/>
- **Salary surveys.** Because the functions of a dairy farm are unique and a farm could be located in rural areas without a lot of existing salary data, it may be useful to conduct a salary survey to get accurate pay data. There are several options:
  - Purchase a salary survey through a consulting company or trade association. Salary surveys can be commissioned and purchased through organizations like SHRM's Compensation Data Center. SHRM also offers a [directory of salary survey providers](#).
  - Conduct a salary survey. This option can be

more time consuming but less costly than purchasing a survey. Farms can conduct an informal salary survey by talking to other dairy farms in the area. For example, they can ask other dairies about the typical starting wage for a Milker position or a Feeder position. Neighboring and surrounding farms may be hesitant to share salary information. They may be more willing to participate if the data is compiled and shared with all participants. For more information on conducting salary surveys, see the resources section of this chapter.

- **Current pay rates.** When setting pay rates, farm owners and managers must consider what other workers in the same position are being paid. Employees in the same position with similar knowledge, skills and experience should be getting paid similar wages to avoid claims of discrimination.
- **Tenure, skill level and performance level of worker.** When determining pay rates or wage increases for employees, farm management should consider the tenure, skill level and experience of the individual worker. Generally, an employee with more years of service, a high skill level and/or high performance would warrant a higher pay rate than a newer, less skilled worker.

### **Calculating Pay Raises**

- ✓ **The farm has a strategy or policy for annual pay adjustments.**

Pay raises are an important part of a farm's compensation program and are often a topic that can create conflict between a farm and its workers each year. Pay raises should always be made on a fair and equitable basis based only on job-related criteria such as:

- **Cost of Living.** Each year, the federal government establishes a cost of living adjustment (COLA) percentage intended to mirror current economic inflation or deflation. COLA is a great

first step in determining pay raises each year. For example, if the COLA for a particular year is 2%, wages should be increased by 2% in line with the federal adjustment. Current and up-to-date COLA information can be found at <https://www.ssa.gov/news/cola/>.

- **Length of Service.** How long an employee has been working should be considered when determining annual raises. Longer tenured employees should be given raises commensurate with their tenure. For example, to award tenured employees, farms can establish a percentage increase for hitting tenure milestones (i.e. 1% increase after one year and 2% increases after five and 10 years).
- **Merit.** Merit increases are determined based on individual performance. Workers with higher levels of performance should receive higher raise amounts than average and low-performing farm workers. Merit increases are usually given in conjunction with a formal performance evaluation (for more information on performance evaluations, see the Management of Employee Performance chapter). An example of a merit-based pay raise schedule is found in the table at the bottom of this page.

Farm managers should note that majority of their staff will fall under the “average performer” category with only a small percentage of their top performers receiving the top merit percentage increase.

Wages should be reviewed annually and updated as needed. For ease of administration, farms should establish a schedule for wage adjustments so that raises are administered on a consistent schedule. Most employers choose either an anniversary-based pay review system (based on an individual employee’s anniversary or start date) or a one-time

per year pay review system (i.e. reviewing all pay once a year in January).

**Communicating Wage Changes**

Wage changes must be clearly communicated to employees prior to the wage change happening. While a best practice is to notify employees of wage changes in writing at least one pay period in advance of the change, some states have specific laws. In addition, some states require wage changes to be communicated on specific state-provided forms. Farm owners and managers should be aware of wage change requirements in the states in which they operate to ensure compliance. To avoid confusion or miscommunication with pay changes, a best practice is to communicate changes in writing, requiring both an employee and supervisor sign off.

**Overtime**

Overtime laws on the federal level affect how workers are paid for time worked in excess of 40 hours a week. The FLSA requires that employees working more than 40 hours in a week be compensated for those hours at a rate equal to their straight time rate plus one half (often referred to as “time and a half”). The agriculture exemptions from overtime regulations are the same as the exemptions for minimum wage.

A worker’s exemption from overtime designates their FLSA classification as “exempt” or “non-exempt.” An exempt classification indicates the worker’s pay and duties qualify them to be exempt from the overtime pay requirement. A non-exempt classification indicates a worker’s pay and duties do not qualify for an exemption from overtime, and therefore the worker must receive time and half for all hours worked over 40 hours in a work week.

LOW PERFORMERS	AVERAGE PERFORMERS	HIGH PERFORMERS
0 – 1%	3%	4 – 5%

Besides the agriculture exemptions above, other exemptions from overtime laws include:

- Executive Exemption
- Administrative Exemption
- Professional Exemption
- Computer Employee Exemption
- Outside Sales Exemption
- Highly Compensated Employee Exemption

For a description and explanation of each of these exemptions, see the resources section of this chapter.

### **Required Postings**

The FLSA requires employers to post notices in a prominent area of the workplace where workers are most likely to see them, such as a break area. Required postings include the FLSA Minimum Wage Poster. The DOL offers free downloads of all federally required posters. For a full list of required posters, visit the DOL eLaws Poster Advisor at <https://webapps.dol.gov/elaws/posters.htm>.

## **Pay Administration**

Pay administration is another topic related to compensation that deals with how and when workers are paid. Implementing pay administration policies helps keep pay programs consistent, helps keep farms in legal compliance and helps ensure farms are keeping appropriate documentation.

### **Pay Schedules**

Pay schedules have three components: the work week, the pay period and the pay date.

- **Work Week:** The work week is the 7-day period in which work is performed. Common work weeks include Monday – Sunday and Sunday – Saturday. Overtime calculations are most commonly based on work performed in a work week.
- **Pay Period:** The pay period is the entire length of time for which an employee is paid and can include one or more work weeks. Common pay periods include weekly (once a week; 52

paychecks in a year), bi-weekly (every other week; 26 paychecks in a year) and semi-monthly (twice a month; 24 paychecks in a year).

- **Pay Day:** The pay day is the day of the week when pay is due to workers. Common pay days for weekly and biweekly pay periods are Thursdays or Fridays. Common pay days for semi-monthly pay periods are the 1st and 15th of each month.

The FLSA requires employers to notify their workers of the pay schedule and further requires that the pay schedule remains consistent. However, it does not have specific requirements when it comes to how pay is scheduled. Some states have requirements on pay schedules so it is imperative to be aware of the laws regarding pay schedules in the states in which the farm operates.

In addition to state legal considerations, other considerations when determining a pay schedule for a farm include:

- The needs of the farm's workers. Consider what is reasonable and customary for the agriculture industry as well as the preference of the employees.
- The operational and financial needs of the farm. Consider customer billing cycles, customer payment schedule and cash flow to determine when in the week or month there will be sufficient funds for payroll.
- The administrative capabilities and workload of the person processing payroll. Consider the workload of the person processing payroll. Is there an employee dedicated to the payroll process who is able to process timely and accurate payrolls weekly? Is it a time-consuming additional duty and therefore makes more sense to process less payroll in a month, perhaps on a biweekly basis?
- The farm's accounting/bookkeeping system. Consider how automated the payroll process is. If payroll has a high level of automation, farms may be able to process payrolls quicker on a weekly basis. If the payroll process has a

low level of automation or has many manual processes, it may be better to process fewer payrolls.

### Timekeeping

- ✓ *The farm uses a timekeeping method that allows employees and managers to review and approve time each pay period.*

Timekeeping refers to the methods used by employees to accurately record the time they work, to include start times, end times and break periods. There are many options when it comes to timekeeping systems:

- **Time Sheets:** Time sheets are a manual way to track time that require employees to complete a physical time sheet with their hours worked.
- **Manual Time Clock:** Time clocks are devices that “punch” an employee’s time for them. Employees use a paper card, which is inserted into the time clock to create a record of clock in and clock outs.
- **Timekeeping System:** A timekeeping system is an automated system that tracks employee time. In most cases a computer or kiosk must be available for the employees to record their time.
- **Mobile Timekeeping System:** Mobile timekeeping systems allow employees to clock in and out on their own devices, such as a smart phone or tablet.

When selecting a timekeeping option, it is important to consider the level of automation needed, the cost of the system and the compatibility with other systems, such as existing accounting or payroll systems. Regardless of the timekeeping option selected, part of the timekeeping process should include getting both employee and supervisor signoffs or approvals on the timekeeping submitted for payroll each pay period prior to payroll processing. This will ensure workers and supervisors are in agreement on hours worked and employee paychecks are accurate.

### Methods of Payment

When deciding how to pay workers there are several methods of payment to choose from:

- Paper Check
- Cash
- Direct Deposit
- Pay Card

Regardless of the pay method selected, federal and state recordkeeping requirements on wages paid, taxes withheld, deductions from pay, etc. must be met. While there are no federal requirements regarding methods of payment, states may have specific requirements, especially regarding electronic methods of pay such as direct deposit and pay cards. Farm employers must be aware of the laws regarding methods of payment in the states in which the farm operates to ensure compliance.

PAY METHOD	PROS	CONS
Paper Check	Employees do not need to provide banking information; farm does not have to have a system in place to deposit funds directly.	Employees have to physically get their check and can only cash it during banking hours.
Cash	Allows employees to be paid immediately for the work they have done.	Not easily traceable (i.e. No confirmation that checks have been cashed or that pay has been deposited).
Direct Deposit	Allows for a paperless pay process. No need to reprint checks if lost or stolen.	Not all employees have access to bank accounts.
Pay Card	Allows direct deposit for employees who do not have bank accounts.	May have high fees.

## **Pay Stubs**

- ✓ *Workers receive pay stubs.*

Regardless of the pay schedule or pay method, workers should be provided a statement that details all their pay information for the pay period. These statements are often referred to as “pay stubs.” While pay stubs are not required by federal law, most states require they be provided to workers each pay period. Depending on state law, these can be provided in paper form or electronically.

Common information included on the pay stub include:

- Gross wages
- Taxes withheld
- Other deductions
- Net pay
- Year-to-date pay information

The software systems used for payroll and accounting should create pay stubs each pay period. If a farm chooses to outsource their payroll functions, pay stubs should be provided by the payroll provider.

## **Final Pay**

There are several considerations to make when processing final pay. Regardless of the farm’s regular pay administration policies, some states require final paychecks be handled in a certain way. For example, in some states terminated workers must receive their final pay immediately upon termination. Other states limit the deductions that can be taken from final pay. As a general rule of thumb, final pay should never be delayed past the next regularly scheduled pay period and farms are not able to withhold final pay for any reason. However, because state laws on final pay differ, farms must be aware of the state laws in which the farm operates.

## **Deductions from Pay**

- ✓ *The farm retains signed employee authorizations on file for all wage deductions.*

Just as workers are paid for the work they perform, farms may also take certain deductions from their pay. Deductions are defined as a cost deducted from worker’s gross wages. Some deductions (such as health benefits) are taken pre-tax, which reduces the worker’s taxable income, and some are taken post-tax, which has no effect on the worker’s taxable income. Some deductions are required by law and others are voluntary. The next section provides an overview of allowable deductions as well as deductions that are required by law.

### **Deductions Required by Law**

Some deductions from pay are required by law. These types of deductions include:

- Federal income tax
- State income tax
- Local income tax
- Social Security taxes
- Medicare taxes
- Court-ordered deductions such as garnishments

The amount of taxes withheld differs depending on the states in which the farm operates as well as employee factors such as number of hours worked and number of dependents. In addition, tax rates may change annually.

### **Allowable Deductions**

The FLSA has strict requirements when it comes to allowable and prohibited deductions. In addition, many states have laws regarding deductions. In addition to the deductions required by law as previously detailed, deductions from wages can be made for the following:

- Payments for employer-sponsored benefit premiums
- Deductions to pay back a pre-payment of wages or employee loans
- Other deductions to benefit the employee such as cost of voluntary uniforms and tools

It is important to note that all the deductions previously listed should be accompanied by a signed authorization from the worker prior to making the deduction from pay. While the deductions can be made from pay at any time, there may be state final pay requirements to consider that limit the types of deductions a farm can take from an employee's final pay check.

## Employee Benefits

✓ *The farm offers non-wage benefits to workers.*

Employee benefits are a considerable factor in a farm's total compensation and benefits program. Many studies show that benefits are more important to some workers than their actual wages and that good benefit plans can actually increase loyalty, engagement and retention.<sup>13,14</sup> According to a recent study, 79% of employees would rather have new or additional benefits instead of a pay increase.<sup>15</sup> Providing a competitive benefits package allows farms to remain competitive in the labor market by attracting skilled and qualified farm workers. It also sets farms apart from their competition who pay the same or similar wages to their workers. Following are some common benefits.

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*According to a recent study*

**79% OF  
EMPLOYEES**

**WOULD RATHER HAVE NEW  
OR ADDITIONAL BENEFITS  
INSTEAD OF A PAY INCREASE.**

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### **Health Benefits**

Health benefits are some of the most common types of benefits plans and can include medical, dental and vision insurance. There are many

different benefits insurance companies to choose from. Some are nationally companies while others may operate state-wide or locally. When deciding on what benefits plans to offer, farm owners should consider the needs of their farm, the needs of their workers and the costs associated with providing benefits. Typically, with health benefits, the employer would share premium costs with the employees. Payment of the employee portion of benefits can be processed as deductions on payroll making collecting employee premium amounts easy.

Selecting and establishing benefits plans can be a complex process. However, there are resources available to assist.

- Healthcare.gov offers insurance options for small businesses through its Small Business Health Options Program (SHOP). Farm employers can confirm their eligibility to participate by visiting <https://www.healthcare.gov/small-businesses/>.
- Private insurance brokers. Private insurance brokers assist in providing pricing for various benefits options from a number of different carriers. Farm owners can then select the plans and pricing that best fit their needs.
- Farmer's Co-op. Some co-ops may offer benefits plan options or at least point farms in the right direction.
- Direct purchase. If there is an insurance carrier the farm knows they want to work with, they can contact that carrier directly for pricing and plan options.

### **Meals and Lodging**

Meals and lodging are common benefits to provide in the agriculture industry as many farm workers live on farm property. However, meals and lodging could be considered compensation and must be taxed accordingly. For more information regarding the tax implications of providing meals, see the resource section of this chapter. For more information on lodging, see the Managing Employee Housing chapter.



When evaluating a job offer

# 81% OF FULL-TIME EMPLOYEES

CONSIDER PTO A CRITICAL FACTOR.

## ***Paid Time Off***

Paid Time Off plans such as PTO, sick leave, vacation time or other paid leave benefits are a low-cost benefit to offer farm workers. When evaluating a job offer, 81% of full-time employees consider PTO a critical factor. Paid time off benefits allow workers to take time off from work due to illness, vacation or personal reasons and still receive some compensation. While paid time

off benefits farm workers, it also benefits dairy operations by preventing workers from feeling overstressed or overworked. In addition, workers who are able to take time off with pay when ill or for personal reasons are more productive and engaged when working.

Some states require paid time off in the form of sick time and other paid leaves of absence. For more information on state requirements for paid time off, sick time and leave of absence, see the FARM HR Legal Fact Sheets at [nationaldairyfarm.com](http://nationaldairyfarm.com).

## ***Bonuses and Incentive Pay***

Incentive pay and bonuses are ways to reward workers for performance or project completion. Common types of bonuses and incentive pay in the agriculture industry include:

- ***End of season bonuses.*** Workers receive a bonus for completing the season.
- ***Quality incentives.*** Workers receive a bonus for meeting specific quality goals.

<sup>15</sup>Scorza, John. 2011. Benefits Can Boost Employee Loyalty. Society for Human Resource Management. [https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/benefits\\_loyalty.aspx](https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/benefits_loyalty.aspx)

<sup>16</sup>Dewitt, K. 2017. Why Are Employee Benefits Important?

<https://www.patriotsoftware.com/payroll/training/blog/why-are-employee-benefits-important-purpose/>

<sup>17</sup>Glassdoor. 2015. U.S. Employment Confidence Survey. <https://media.glassdoor.com/pr/press/pdf/ECS-Q32015-Supplement.pdf>

- **Production incentives.** Workers receive a bonus for meeting specific production goals.
- **Annual profit sharing.** Workers receive bonuses based on overall farm profits.

Bonuses can be offered at the farm's discretion but should be clearly communicated to employees. In addition, bonuses are considered wages and must be taxed appropriately.

## Software and Outsourcing Considerations

Compensation and benefits administration may be time consuming, depending on the size and structure of the dairy operation. Because of this, farms may consider outsourcing some or all of their compensation and benefits functions to a third-party payroll provider and/or benefits provider. For benefits, farms may also contract with a benefits broker to assist in managing benefit plans. By outsourcing these functions, farms are able to focus on their dairy operation while ensuring their benefits are being handled by benefit and payroll professionals who are keeping the farm in compliance with compensation and benefits-related regulations.

As an alternative to outsourcing, there are many software programs available to assist in compensation and benefits administration. Implementing this type of software can help automate manual payroll and benefits processes, making payroll processing quicker and more efficient. Using software saves time and money and reduces the possibility of errors. When selecting an outsourced payroll and benefits provider or purchasing software, farm owners and managers should consider the cost, how well the provider or software works with existing systems and processes, and if they have experience working with agriculture businesses.



## Conclusion

Compensation and benefits are important and heavily regulated aspects of an HR program. Being familiar with federal and state laws regarding employee pay and benefits ensures farms remain in compliance while also doing what is right for their farm workers. By offering a fair and competitive compensation and benefits package, farms can be sure they are attracting and retaining skilled and qualified workers.

## Resources

Building a Market-Based Pay Structure from Scratch  
<https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/buildingamarket-basedpaystructurefromscratch.aspx>

How to Calculate a Raise <https://www.patriotsoftware.com/payroll/training/blog/how-calculate-employee-raise-percentage-salary/>

How to Conduct a Salary Survey <https://work.chron.com/conduct-salary-survey-6645.html>

Incentive Pay (Pay for Performance) <https://nature.berkeley.edu/ucce50/ag-labor/7labor/08.htm>

IRS Fringe Benefit Guide  
<https://www.irs.gov/pub/irs-pdf/p5137.pdf>

FARM Workforce Development Human Resources Legal Fact Sheet <https://nationaldairyfarm.com/wp-content/uploads/2018/10/Federal-LegalFactsheet.pdf>

SHRM Compensation Data Center <https://www.shrm.org/ResourcesAndTools/business-solutions/Pages/Salary-Data-Service.aspx>

SHRM Salary Survey Directory <https://www.shrm.org/ResourcesAndTools/tools-and-samples/exreq/Pages/Salary-Survey-Directory.aspx>

Starting Salaries/New Hire Salaries <https://hr.berkeley.edu/hr-network/central-guide-managing-hr/managing-hr/recruiting-staff/compensation/starting-salaries>

Social Security Administration Cost-of-Living Adjustment (COLA) Information  
<https://www.ssa.gov/news/cola/>

Wage and Hour Division Fair Labor Standards Act in Agriculture  
[https://www.dol.gov/whd/ag/ag\\_flsa.htm](https://www.dol.gov/whd/ag/ag_flsa.htm)

Wage and Hour Fact Sheet #12: Agriculture Employers Under the Fair Labor Standards Act (FLSA) <https://www.dol.gov/whd/regs/compliance/whdfs12.pdf>

Wage and Hour Fact Sheet #17A: Exemption for Executive, Administrative, Professional, Computer & Outside Sales Employees Under the Fair Labor Standards Act (FLSA) [https://www.dol.gov/whd/overtime/fs17a\\_overview.pdf](https://www.dol.gov/whd/overtime/fs17a_overview.pdf)



06

Working Conditions

## MANAGEMENT CHECKLIST

- ✓ Schedules are made and communicated to employees in advance.
- ✓ There is a process for workers to give input on their work schedule.
- ✓ The scheduling process is fair and consistent for all employees.
- ✓ Employees are allowed meal and rest breaks in compliance with state and federal laws.
- ✓ Breaks are scheduled and properly documented.
- ✓ The farm has researched other state-required breaks, such as those for:
  - *Nursing mothers*
  - *Minors under the age of 18*
  - *Religious practices*
- ✓ The farm provides safe and adequate physical working conditions, including:
  - *Restroom facilities such as toilets and sinks*
  - *A clean drinking water supply*
  - *Suitable, clean areas for rest and meal periods*
  - *Proper ventilation*
  - *Reasonable working temperatures*
  - *Appropriate lighting*
  - *Safe equipment and tools that are in good working condition*
  - *A workplace that is free from serious recognized health and safety hazards*



This chapter discusses how to provide farm workers with adequate working conditions. Specific topics include:

- Work schedules
- Providing breaks and meal periods
- Maintenance of the physical work environment

Farm workers should be provided breaks and adequate facilities to ensure their safety and to improve productivity. While there are many considerations when it comes to working conditions, three that are prevalent for a dairy operation are work schedules, break and meal periods, and the physical work environment.

*Farms should review the FARM HR Legal Fact Sheets found at [nationaldairyfarm.com](http://nationaldairyfarm.com).*

## **Work Schedules**

- ✓ *Schedules are made and communicated to employees in advance.*
- ✓ *There is a process for workers to give input on their work schedule.*
- ✓ *The scheduling process is fair and consistent for all employees.*

In most circumstances, as an employer, the farm owner or manager controls the scheduling on their farm. Farms are free to base their scheduling on the needs of their dairy operation, which may change as business needs change. Farms have the legal ability to change the schedules of their workers as needed. While federal law does not place any hours or scheduling restrictions on employers, state law may apply. It is important to establish fair and consistent scheduling practices and schedule employees in such a way that efficiency and productivity are maximized. The more efficient and productive employees are, the more successful and profitable a dairy operation can be.

Farm workers in the dairy industry typically work shift work and long work hours due to the 24-hour nature of cow care and feeding. This type of work can be stressful for workers, which can affect performance and safety. It may be beneficial to

allow workers to provide input on their preferred shift or hours of work. Having some control over schedules and being able to provide input on scheduling can have positive effects on the wellbeing, safety and performance of farm workers. Additional tips for creating work schedules are:

- Ensure scheduling requirements are discussed during the interview process so that workers are aware prior to accepting the position.
- Keep the scheduling process consistent and fair.
- Make schedules as far in advance as possible to ensure farm workers can schedule their personal or family commitments accordingly.
- Communicate scheduling changes and overtime requirements as far in advance as possible so farm workers can plan accordingly.
- Offer Paid Time Off benefits to avoid burnout.

## Breaks and Meal Periods

- ✓ *Employees are allowed meal and rest breaks in compliance with state and federal laws.*
- ✓ *Breaks are scheduled and properly documented.*
- ✓ *The farm has researched other breaks required by state law, such as those for:*
  - *Nursing mothers*
  - *Minors under the age of 18*
  - *Religious practices*

It is a good business practice on a farm to ensure employees are not overworked and have time to rest. According to a recent survey, almost 90% of employees say that taking a lunch break helps them feel refreshed and ready to get back to work.<sup>17</sup> Providing adequate break and meal periods is beneficial to a farm because it results in increased productivity and morale.<sup>18</sup> In addition, it has a positive impact on workplace safety.

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Although there are no federal requirements for breaks, state regulations can vary. In some states, break requirements are very specific, with special regulations for the agriculture industry, so farms must be aware of the laws related to breaks in the states in which they operate. If the farm operates in a state that does not have legal requirements outlined, the general rule of thumb when scheduling breaks is to provide a 15-minute paid rest break for every four hours worked, and to provide a 30- to 60-minute unpaid meal period for each eight to 12 hours worked.

Scheduling breaks on a farm can be especially complicated depending on the size of the farm and given the 24/7 nature of a dairy operation. Breaks should be scheduled based on the needs of the business and based on any state laws that may require specific timing for breaks. On smaller farms or during shifts when fewer workers are scheduled, it will take some planning to schedule appropriate rest breaks and meal periods.

To ensure appropriate coverage, break scheduling should be staggered and employees may need to rotate temporarily to a different position to ensure the operational needs of the farm are met while workers are taking their breaks. Break schedules

<sup>17</sup>Tork. 2018. Take Back the Lunch Break survey findings. <https://cdntorkprod.blob.core.windows.net/docs-c5/763/185763/original/tork-takes-back-survey.pdf>

<sup>18</sup>Kohll, Alan. 2018. New Study Shows Correlation Between Employee Engagement and the Long-lost Lunch Break. <https://www.forbes.com/sites/alankohll/2018/05/29/new-study-shows-correlation-between-employee-engagement-and-the-long-lost-lunch-break/#65d6a02d4efc>

should be communicated to employees at the start of their shift and supervisors should monitor break periods to ensure employees are taking their breaks at appropriate times. It's recommended that a break relief schedule be posted each shift. It is recommended that copies of break schedules be kept for three years. Unpaid breaks (such as meal periods) should be documented using the farm's usual timekeeping system. The FARM Human Resources Templates document online contains a sample Break Relief Schedule Sheet.

Breaks for employees who use tobacco can be limited to the breaks allowed for employees who do not use tobacco. Breaks should be offered consistently to all similarly situated farm workers to ensure there are no claims of favoritism or discrimination. A farm's break policies should also be published in the farm's Employee Handbook to ensure consistent practices and be translated into the native languages of the workforce. Farms may also choose to post their break policy in common areas where all workers will see it.

### ***Breaks for Nursing Mothers***

In addition to breaks for rest and meal periods, nursing mother's must be given adequate break periods to express breast milk. They must also be provided a safe, clean and private area in which to take nursing breaks, and this area must be someplace other than a restroom facility. Breaks for nursing mothers that are 20 minutes or less are generally considered paid time while those in excess of 20 minutes are considered unpaid.

### ***Other breaks***

Some states require other types of breaks such as additional breaks for minors and breaks for religious practices. It is important that farm owners and managers are aware of the break laws in the states in which they operate to ensure compliance.

## **Facilities**

The term "facilities" encompasses the physical environment where a farm's employees work and can include work areas, work stations, break areas and any other environmental aspects of the workplace. As an employer, dairy farms must provide safe and adequate facilities to their farm workers including:

- Restroom facilities such as toilets and sinks
- A clean drinking water supply
- Suitable, clean areas for rest and meal periods. If break areas are outdoors, they must be protected from weather elements.
- Proper ventilation
- Reasonable working temperatures
- Appropriate lighting
- Safe equipment and tools that are in good working condition
- A workplace that is free from serious recognized health and safety hazards

Farms should take a proactive approach to providing appropriate facilities by keeping the farm clean and free from hazards. This includes having plans in place to assess the workplace periodically and quickly resolving any facilities issues that arise. As a best practice, farm owners and managers should conduct a worksite self-inspection at least annually to identify and correct any facilities-related issues. For more information on providing a safe and healthy working environment, see the Health and Safety chapter of this manual or the FARM Safety Manual.



## Conclusion

Providing good working conditions contributes to a successful HR program. Not only does it ensure farms are compliant with federal and state laws, it is also beneficial to farms and farm workers. Appropriately scheduling workers, providing adequate breaks and providing safe and clean facilities have a positive effect on workplace morale, productivity and workplace safety.

## Resources

OSHA Small Business Handbook and Self-Inspection Checklist <https://www.osha.gov/Publications/smallbusiness/small-business.html#check>

Sources of Work Stress [http://us.corwin.com/sites/default/files/upm-binaries/5011\\_Barling\\_Chapter\\_3.pdf](http://us.corwin.com/sites/default/files/upm-binaries/5011_Barling_Chapter_3.pdf)

Workplace Facilities  
<http://idea.ap.buffalo.edu/udny/Section4-2e.htm>

U.S. Department of Labor. Breaks and Meal Periods  
<https://www.dol.gov/general/topic/workhours/breaks>



# 07

Discrimination, Harassment  
and Other Legal Considerations

## MANAGEMENT CHECKLIST

- ✓ The farm has a written anti-harassment policy that covers harassment and discrimination in the workplace.
- ✓ The farm has written policy for handling workers with permanent or temporary disabilities.
- ✓ The farm has a written policy for medical leaves of absence.
- ✓ Employees know how to properly report complaints of discrimination and harassment in the workplace.
- ✓ Managers and supervisors are trained on handling workplace investigations.

This chapter covers legal considerations that can impact how farms handle employee relations and other employment-related matters including:

- Discrimination and Title VII of the Civil Rights Act
- Sexual and other unlawful harassment
- Age Discrimination in Employment Act
- Medical considerations such as Americans with Disabilities Act, Family Medical Leave Act and Genetic Information Nondiscrimination Act
- Pregnancy, maternity and baby bonding
- Military service and the Uniformed Services Employment and Reemployment Rights Act
- How to handle employee complaints of discrimination and harassment
- How to prevent discrimination and harassment in the workplace

A farm's policies and procedures should serve as a guide for all HR and employment-related actions. However, there are legal considerations that need to be considered as well. Often times these legal considerations are directly linked to employees who have special legal protections or are in what is called a "protected class."

A protected class is a group of employees who have federal or state protections based on characteristics such as gender, race, religion, color, national origin, age and disability. When dealing with an employee in a protected class, it is important to be aware of the laws that protect them and the dairy operation's responsibilities as an employer. Failure to take these laws into consideration can result in claims of discrimination, harassment and other legal claims.

***Farms should review the FARM HR Legal Fact Sheets found at [nationaldairyfarm.com](http://nationaldairyfarm.com).***

In addition to disruption to farm operations, financial penalties can be significant for farms who are accused of failing to follow regulations. In 2016, a dairy farm in Washington was sued by a group of seven employees alleging discrimination based on race, which eventually resulted in the owner filing for bankruptcy.

## **Discrimination and Title VII of the Civil Rights Act**

✓ *The farm has a written anti-harassment policy that covers harassment and discrimination in the workplace.*

Title VII of the Civil Rights Act of 1964 is a federal law that prohibits employers with 15 or more employees from discriminating against employees on the basis of the following protected characteristics:

- Sex
- Race
- Color
- National origin
- Religion

Discrimination is defined as judgments made against a person based on prejudices that infringe upon their rights, exclude them or punish them due to legally protected characteristics. Workplace discrimination is defined as a policy, procedure, rule or action taken in any aspect of employment, which includes recruiting, hiring, promotion, pay practices, training practices, performance management, separation of employment and any other term of condition of employment that results in unfair treatment or an unfair disadvantage for an employee or group of employees in a protected class. Treating an employee differently or unfairly based on any of the characteristics above is considered discrimination and should be prohibited in the workplace.

State laws may have a broader definition of discrimination than existing federal laws and additional protected classes of employees. Examples of additional characteristics that might be considered protected by state law are marital status, sexual orientation, political affiliation, criminal or arrest record, victims of domestic violence, smoking or tobacco use, use of medical marijuana, and many more. Because of this, farm owners and managers must ensure that they are familiar with laws in the states in which the farm operates.

Discrimination is not just harmful to employees; it is also harmful to employers who are seeking qualified, reliable workers. Farms that do not understand how to foster diversity may find they do not have access to the most qualified workers. Creating an unfair work environment could lead to costly lawsuits, loss of business and a negative reputation in the community. In farming regions where farm workers are in short supply, discrimination can limit a farm's ability to tap into a competent workforce. As a result, many dairy operations currently hire farm workers from different backgrounds, cultures, religions, political beliefs, genders, ethnicities, educational levels and more. Benefits of diversity include access to different skills, talents and experiences, access to a bigger pool of job applicants, increases in innovation and overall increases in employee performance and morale. Successful farm operators ensure that employees from all backgrounds are treated fairly and equally and understand that their contributions are valued.

With so many clear benefits to a diverse work environment, some farms may worry about inadvertently breaking the rules that may protect their workforce. As a result, having a clear understanding of what discrimination is and how to avoid it can protect workers and the farms that employ them.

There are two different types of workplace discrimination:

- Disparate Impact
- Disparate Treatment

Disparate impact is unintentional discrimination that happens as a result of policies, procedures or rules that have a negative impact on a protected class. If a farm gave a promotion test to non-English speaking workers only in English, it could be a disparate impact type of discrimination, if it prevented non-English speaking workers from being promoted.

Another form of discrimination, disparate treatment, is intentional discrimination that occurs when an employee is treated differently or unfavorably on purpose and as a result of being in a protected class. An example of disparate treatment discrimination would be paying males on a milking crew higher wage than females who have the same skills and experience and are doing the same work. Fines and penalties for intentional discrimination can be significant. A dairy operation in New Jersey agreed to pay \$324,000 in back wages and interest after being accused of violating an executive order by the U.S. Dept. of Labor by discriminating against women, African Americans and Asian Americans.

When determining if discrimination has occurred, it does not matter the intent of the discriminating party. In most cases of discrimination and harassment, impact is the deciding factor when determining if discrimination or harassment occurred or not. When it comes discrimination, "perception is reality." An accuser's perception that a behavior or action was offensive or inappropriate is more highly regarded than what the offender's actual intentions were.

In addition to disparate impact and disparate treatment discrimination, retaliation is also prohibited under Title VII of the Civil Rights Act. Retaliation is defined as any action that is taken against someone for opposing discrimination, reporting discrimination or making a complaint regarding discrimination.



## Sexual and Other Unlawful Harassment

Harassment is another specific type of discrimination that is prohibited by Title VII of the Civil Rights Act and other federal and state regulations. In 2018, the EEOC recovered nearly \$70 million for victims of sexual harassment, an increase of almost 50% from the previous year.<sup>19</sup>

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Harassment is defined as unwelcome behavior, both verbal and physical, that is based on a protected characteristic. This unwelcome behavior can occur between anyone in the workplace including managers, supervisors, other employees, and even customers and vendors. Examples of harassment include offensive verbal statements, jokes and name calling, as well as offensive physical behavior such as inappropriate touching or physical violence.

Sexual Harassment is a specific type of harassment that is based on someone's gender or sex. There are two different types of sexual harassment:

- "Quid Pro Quo"
- Hostile Work Environment

"Quid Pro Quo," also called "This for That" harassment is harassment that offers a reward such as a promotion or raise in exchange for sexual

favors. It generally occurs with a person of authority over another employee. An example of quid pro quo harassment would be a supervisor promising a pay raise to one of his farm workers if she goes on a date with him. Quid pro quo can also be a penalty that is imposed on an employee if sexual advances are rejected. An example of this would be a farm manager demoting an employee who refuses sexual advances or some other penalty such as reducing hours or giving less favorable work assignments.

Hostile work environment is a type of sexual harassment that causes an intimidating, hostile or offensive work environment. An example of hostile work harassment would be an employee subjecting a coworker to repeated jokes, comments and conversations of a sexual nature that create an offensive work environment. It's no longer acceptable to justify inappropriate jokes made on the farm saying, "We were just kidding" or believing that if a complaint is made it's because the victim is considered "too sensitive." In addition, with a heavily male-dominate workforce in the agriculture industry, it is important not to create a "boys-will-be-boys" culture where inappropriate behavior and actions are tolerated and where the male workforce is shown partiality.

A produce farm in Michigan was ordered to pay \$84,750 in restitution for failing to promote a woman to a supervisory position because of her sex. The farm denied the employee promotions to positions such as production supervisor. She had worked in various production jobs throughout the plant, had decades of experience and was repeatedly bypassed for promotions while men were promoted.

Farm owners and managers should be aware that sexual harassment can occur in many different circumstances regardless of the gender or sexual orientation of the victim or harasser. The victim and the harasser may be a woman or a man. They can be the same sex or opposite sex. The harasser or the victim can be a manager, supervisor or employee and the victim can be not only the

person who was being harassed but anyone who was witness to, offended by or affected by the harassment. In addition, sexual harassment does not necessarily have to be of a sexual nature to be considered harassment. It can be any offensive remark, behavior or conduct about a person's gender. An example would be a group of male coworkers repeatedly making offensive comments about women in general.

## Age Discrimination in Employment Act (ADEA)

The Age Discrimination in Employment Act (ADEA) is a federal law that prohibits employers with 20 or more employees from discriminating against employees based on age and offers special protections to employees who are 40 years of age or older.

## Medical Considerations and Employees with Disabilities

✓ *The farm has written policy in place for handling workers with permanent or temporary disabilities.*

✓ *The farm has a written policy in place for medical leaves of absence.*

Employees with medical conditions and disabilities are protected by a variety of laws at the federal and state levels. Three noteworthy federal regulations concerning employees with medical conditions and disabilities are the Americans with Disabilities Act (ADA), the Family Medical Leave Act (FMLA) and the Genetic Information Nondiscrimination Act (GINA).

The ADA prohibits employers with 25 or more employees from discriminating against employees and applicants with disabilities and requires employers to give employees with disabilities equal treatment to those without a disability. Fines for ADA violations are on the rise. The maximum civil penalty for a first violation has been adjusted to \$75,000; a subsequent violation is now a maximum of \$150,000.<sup>20</sup> In addition, the ADA requires employers to provide reasonable accommodations

to allow them to perform the essential functions of the position they have applied for or were hired for.

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**\$150,000.**

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Examples of reasonable accommodations include providing disabled employees special tools to assist them in performing the essential functions of their position or making changes to the job tasks or the environment in which the work is performed in order to allow the employee to perform the job tasks to farm standards. In recent years the definition of a disability has broadened to the point that many permanent and temporary medical issues are considered qualified disabilities under the ADA. See the Recruitment and Hiring chapter for more information about outlining physical requirements when preparing job descriptions.

The FMLA is a federal law that provides protections to employees dealing with their own or a family member's health condition. The regulation requires employers to provide up to 12 weeks, or 480 hours, annually of unpaid, job-protected leave for the following reasons:

- The birth of a child or placement of a child for adoption or foster care
- An employee's serious medical condition
- A family member's serious health condition that requires the employee's care
- A family member who is a covered military service member requires the employee's care due to a serious injury or illness

<sup>19</sup>EEOC. 2018. EEOC Releases Preliminary FY 2018 Sexual Harassment Data. <https://www.eeoc.gov/eeoc/newsroom/release/10-4-18.cfm>  
<sup>20</sup> ADA. 2014. Civil Monetary Penalties Inflation Adjustment Under Title III.

While employees must meet working time requirements (i.e. one year of service, 1,250 hours in the preceding year), and the employers must be a certain size (i.e. 50 or more employees within a 75-mile radius of each other) in order to be eligible for protections under the FMLA, employees are also required to provide a Healthcare Provider Certification substantiating the medical need for leave. When the employee returns from leave, the employer is required to restore the employee to the same or equivalent position. In addition to FMLA, some states provide similar protection to employees needing leave for the reasons previously listed. A sample FMLA policy can be found in the Employee Handbook sample on the FARM Program website.

GINA prohibits employers with 15 or more employees from discriminating against employees on the basis of genetic information or genetic testing. Genetic information is defined as information about an individual's genetic tests, medical history and family medical history. If the farm's management team requires pre-employment physicals or comes in contact with an employee's medical records they could be exposed to genetic information. This information should be treated as confidential information and should not be used to make employment decisions.



## Pregnancy, Maternity and Baby Bonding

Pregnancy, maternity and baby bonding are protected under many different laws including those already mentioned in this chapter, such as Title VII of the Civil Rights Act, ADA and FMLA.

While a woman is pregnant, employers should provide reasonable accommodations to allow them to meet the essential functions of their position while pregnant. Reasonable accommodations for a pregnant farm worker could include:

- Providing additional rest periods throughout the work day.
- Providing light duty work that is less strenuous than the worker's regular duties. For example, limiting lifting to no more than 15 pounds.
- Providing schedule modifications such as shorter shifts or shifts during hours when heat exposure is limited.
- Allowing the employee to work in a climate-controlled area or a work area that has less temperature extremes than her normal work area.
- Allowing the employee to carry a water bottle with her.

The key to providing a successful reasonable accommodation is to keep the lines of communication open and to consider any accommodation that is not a hardship for the farm. The suggestions listed are simple ways to accommodate a pregnant worker with little to no disruption to the dairy operation.

In most cases, expectant mothers are also legally allowed a leave of absence for the purposes of child birth and recovery from childbirth. As such, farms should establish a maternity leave policy that is compliant with federal and state law. A sample maternity leave policy can be found in the Employee Handbook template on the FARM Program website.

## Uniformed Services Employment and Reemployment Rights Act and Military Service

The Uniformed Services Employment and Reemployment Rights Act (USERRA) offers federal protections for employees who are also serving in the Armed Forces. USERRA requires all employers

to provide leave to employees who are called to service and place employees returning from military leave in the position, pay, benefits and seniority that they would have achieved had they not been on military leave. In addition to the federal protections, farm owners and managers should also be aware of protections provided by the state in which the employee works.

FEDERAL ACT	NUMBER OF EMPLOYEES
Age Discrimination in Employment Act (ADEA)	20 or more
Genetic Information Nondiscrimination Act (GINA)	15 or more
Americans with Disabilities Act (ADA)	25 or more
Family Medical Leave Act (FMLA)	50 or more
Pregnancy Discrimination Act	15 or more
The Uniformed Services Employment and Reemployment Rights Act (USERRA)	All employers

## How to Handle Employee Complaints of Discrimination and Harassment

- ✓ *Employees know how to properly report complaints of discrimination and harassment in the workplace.*
- ✓ *Managers and supervisors are trained on handling workplace investigations.*

Claims and complaints from farm employees related to discrimination and harassment must be taken seriously and handled accordingly. In fact, it is a dairy farm's responsibility to conduct a thorough, impartial and timely investigation into claims of discrimination and harassment, evaluate the findings and take any necessary corrective action.

Farm workers should be encouraged to properly follow the reporting procedures established by the farm and to follow the appropriate chain of command when making a report. However, a

formal report is not always required to initiate an investigation. Farm owners and managers are also obligated to look into potential harassment and discrimination issues if they witness behavior or have other information that would lead one to reasonably believe that harassment or discrimination is occurring.

### **Completing an investigation is a six-step process.**

#### **1. Collect the complaining employee's detailed statement along with any potential witnesses.**

Make sure the complaining employee understands the investigation process and that while the farm will attempt to keep the investigation as confidential as possible, 100% confidentiality cannot be promised. Let them know the investigation will be completed as quickly as possible and that the investigator will follow up with them upon the close of the investigation.

**2. Select the investigator(s).** When selecting an investigator, the farm owner or manager should ensure the person is impartial and able to investigate objectively. Examples of acceptable investigators include a farm manager who is not involved in the allegations or a member of Human Resources. As an alternative, a farm may involve independent legal counsel to conduct the investigation if there is no acceptable investigator internally.

**3. Conduct interviews.** The investigator should notify all witnesses about the need for the investigation and the process of the investigation. The investigator should ask clear, complaint-related questions, take notes and ask follow-up questions as new information is uncovered. In addition, the investigator should review any related evidence, which could include text messages, e-mails, written notes, security camera footage, images, social media accounts, etc. When reviewing evidence, owners and managers should be aware of the laws regarding employee monitoring in the states in which they operate.

**4. Make a decision and take necessary corrective action.** After completion of all necessary interviews, the investigator will need to review all information and make a determination. As part of this determination, the investigator must also decide what corrective action is appropriate, which could include progressive discipline. For more information on progressive discipline, see the Management of Employee Performance chapter. Other types of corrective action could include revisions to the farm's company policies or anti-harassment and anti-discrimination training. If an employee disagrees with the action, it is their right to follow any grievance or problem resolution procedure available on the farm or to file a rebuttal document to be filed along with the corrective action documentation.

**5. Close the investigation.** In this step, corrective action should be administered and the

complaining employee should be notified that the investigation is closed and that corrective action will be taken.

**6. Write a summary of the investigation and results.** This is a key step in the process as it will serve as documentation that the employer took the complaint seriously, that an investigation was conducted and that appropriate corrective action was taken. As a best practice, all documentation regarding complaints and investigations should be retained for at least three years from the date of termination (voluntary or involuntary) of all employees involved.

Ensuring investigations are done fairly and in a timely manner, and are properly documented, is a necessary part of any farm's HR program. It ensures that employees feel their complaints are taken seriously, that the employer is fulfilling their legal obligations when it comes to harassment and discrimination and ensures the situation does not escalate further, which may prevent the incident from becoming a larger issue internally or turning into a legal claim.

## Preventing Discrimination and Harassment in the Workplace

Farm employers are responsible for ensuring that their workplace is free from discrimination and harassment. This includes not just harassment/discrimination between management and employees but also between employees at the same level. Farm owners and managers shouldn't wait for a complaint of harassment and discrimination to take preventative measures. There are many proactive ways to prevent workplace harassment and discrimination and the farm's culture can prevent negative workplace interactions.

- Ensure the farm has clear policies regarding workplace harassment and discrimination in the Employee Handbook including complaint procedures and a chain of command related to making complaints.

- Treat all similarly situated employees the same when it comes to employment decisions.
- Provide employee anti-harassment and anti-discrimination training.
- Provide supervisor/manager anti-harassment and anti-discrimination training.
- Establish a workplace culture that is fair, positive and respectful of workplace diversity.

## Conclusion

In addition to company policies, procedures and rules, farm employers and managers must take various legal considerations into account before making employment decisions. In addition to federal laws, owners and managers must ensure they are familiar with any state laws concerning employees in protected classes. Always remember that farms are obligated to make fair and legal employment decisions based solely on job-related criteria.

In the event of a complaint of discrimination or harassment in the workplace, it is the farm's responsibility to conduct a fair, impartial and timely investigation into the complaint and to take any necessary corrective action, ensuring the investigation and outcome are properly documented. However, any agriculture operation should not wait until a complaint is received to take preventative measures. There are a variety of proactive ways to prevent discrimination and harassment.

## Resources

FMLA Employer Guide <https://www.dol.gov/whd/fmla/employerguide.pdf>

SHRM How to Conduct an Investigation <https://www.shrm.org/resourcesandtools/tools-and-samples/how-to-guides/pages/howtoconductaninvestigation.aspx>

Step-by-Step ADA Reasonable Accommodation Process <https://www.dol.gov/odep/pubs/misc/job.htm>

Summary of State Family and Medical Leave Laws <http://www.ncsl.org/research/labor-and-employment/state-family-and-medical-leave-laws.aspx>

SHRM How to Conduct an Investigation <https://www.shrm.org/resourcesandtools/tools-and-samples/how-to-guides/pages/howtoconductaninvestigation.aspx>

U.S. Equal Employment Opportunity Commission. Age Discrimination <https://www.eeoc.gov/laws/types/age.cfm>

U.S. Equal Employment Opportunity Commission. Facts About the Americans with Disabilities Act <https://www.eeoc.gov/eeoc/publications/fs-ada.cfm>

U.S. Equal Employment Opportunity Commission. Genetic Information Discrimination <https://www.eeoc.gov/laws/types/genetic.cfm>

U.S. Equal Employment Opportunity Commission. Harassment <https://www.eeoc.gov/laws/types/harassment.cfm>

U.S. Equal Employment Opportunity Commission. Pregnancy Discrimination <https://www.eeoc.gov/laws/types/pregnancy.cfm>

U.S. Equal Employment Opportunity Commission. Sexual Harassment [https://www.eeoc.gov/laws/types/sexual\\_harassment.cfm](https://www.eeoc.gov/laws/types/sexual_harassment.cfm)



08

HR Recordkeeping

## MANAGEMENT CHECKLIST

- ✓ The farm maintains an employee or personnel file for each worker.
- ✓ Employee medical information is filed separately from an employee's general personnel file.
- ✓ Completed Federal Form I-9s are filed separately from all other HR files.
- ✓ Active employee I-9s are filed separately from terminated employee I-9s.
- ✓ Payroll records are maintained and kept for the last 3 years of employee pay.
- ✓ Payroll records are easily accessible and auditable.
- ✓ The farm has a document retention and destruction process for all HR-related forms, documents and files.
- ✓ Employees know how to properly request access to their employee files.

This chapter covers topics related to the maintenance, storage and retention of HR-related files, documents and records:

- Employee files and medical records
- Form I-9 files
- Payroll files
- OSHA safety and health files
- Destruction of HR records
- Employee access to HR files

The HR tasks completed on a farm result in a variety of files and documents that may need to be filed a certain way and kept for a specific amount of time. Knowing the requirements and best practices when it comes to HR recordkeeping ensures a farm is compliant with recordkeeping rules and also ensures HR files and documents are up to date in case of an audit.

The farm owner and managers are responsible for the safekeeping of employee personal information. In a day and age when identity theft is prevalent, the farm is responsible for the safekeeping of the records they keep on file related to their workers as well as the records they destroy once retention requirements are met.

## Employee Files and Medical Files

- ✓ *The farm maintains an employee or personnel file for each worker.*
- ✓ *Employee medical information is filed separately from an employee's general personnel file.*

In general, a farm should have the following types of files on each of their farm workers:

- Employee or Personnel File
- Medical File

The Employee or Personnel File should contain all documents related to a specific employee. Some examples of documents that might be kept in an employee file:

- New hire paperwork (with the exception of the Federal Form I-9)
- Tax forms
- Performance reviews
- Training documentation
- Position or pay change information
- Deduction authorization forms
- Documentation related to performance management such as employee coaching, counseling and formal warnings
- Termination or separation documents such as termination notices and resignation letters

The medical file should contain all documents related to specific employees that are medical related and include information regarding an employee's medical history. Some examples of documents that should be kept in an employee's medical file include:

- Pre-employment drug screen or physical results
- Doctor's notes
- Health benefit forms
- Health questionnaires
- FMLA records

Medical files should be kept separate from the general personnel files as medical information has additional protections under federal law. Both employee files and medical files should be kept in an organized manner and should be secured in a locked file cabinet or office. As an alternative, files and documents can be kept electronically but should also be safeguarded from unauthorized access.

Employee files and medical files generally should be kept for three years after the date of the employee's termination. However, there are some documents that may need to be kept longer. A complete list of common HR-related documents and their retention requirements can be found at: [https://www.shrm.org/resourcesandtools/tools-and-samples/policies/pages/cms\\_017186.aspx](https://www.shrm.org/resourcesandtools/tools-and-samples/policies/pages/cms_017186.aspx).

## Form I-9 Files

- ✓ *Completed Federal Form I-9s are filed separately from all other HR files.*
- ✓ *Active employee I-9s are filed separately from terminated employee I-9s.*

As mentioned above, the Form I-9 is a part of new hire paperwork that should not be filed in the employee file. I-9 Records should be stored separately. In addition, I-9 files for active employees should be kept separate from the I-9 files for terminated employees. There are many ways to maintain I-9 files but the most common is to keep the I-9s alphabetically in binders, one for current active employees and another for terminated employees. Not only does this method keep I-9s organized, it also keeps them readily available in one place in case of an I-9 Audit. The audit is usually conducted on site with U.S. Citizenship and Immigration Services (USCIS) or other federal governing authorities arriving on site with no notice, giving you three days to produce I-9 files. I-9 audits and investigations of employers have nearly quadrupled from 2017 to 2018.<sup>21</sup>

An HR best practice is to ensure I-9 Files are always up to date. Depending on the needs of the farm, turnover and number of employees, the following should be done weekly or monthly:

- The active files should be checked to ensure all new hire I-9s have been added.
- Terminated employees should be moved from the active to inactive files.
- The terminated files should be reviewed and I-9s removed and destroyed based on the I-9 retention required by federal law.

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## I-9 AUDITS AND INVESTIGATIONS OF EMPLOYERS HAVE NEARLY **QUADRUPLED** from 2017 to 2018.

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I-9 files have very specific retention requirements that differ from other HR recordkeeping retention rules. Form I-9s must be kept for three years from the date of hire or one year from the date of termination, whichever is later. More information on recordkeeping, storage and retention requirements for the Form I-9 can be found at <https://www.uscis.gov/i-9-central>.

To calculate how long to keep an employee's Form I-9, enter the following:

- |  |          |
|--|----------|
| 1. <i>Date the employee began work for pay</i> | 1. _____ |
| <i>A. Add 3 years to the date on line 1.</i>   | A. _____ |
| 2. <i>The date employment was terminated</i>   | 2. _____ |
| <i>B. Add 1 year to the date on line 2.</i>    | B. _____ |
| 3. <i>Which date is later; A or B?</i>         | 3. _____ |
| <i>C. Enter the later date.</i>                | C. _____ |

*The employer must retain Form I-9 until the date on Line C.*

<sup>21</sup>Feng, A. 2018. I-9 Audits and Investigations of Employers Have Nearly Quadrupled in 2018. <https://www.natlawreview.com/article/i-9-audits-and-investigations-employers-have-nearly-quadrupled-2018>

## Payroll Records

✓ *Payroll records are maintained and kept for the last 3 years of employee pay.*

✓ *Payroll records are easily accessible and auditable.*

Federal and state laws require employers to keep accurate records of hours worked, wages paid and other pay-related items. The recordkeeping requirements to document employee payroll information and history are complex. The following is a partial list of records that a farm is required to keep on the worker's they pay through payroll – however, the farm should refer to relevant state laws to ensure compliance. Refer to the FARM HR Legal Fact Sheets at [nationaldairyfarm.com](http://nationaldairyfarm.com) for more information.

- Employee's full name and Social Security number
- Address, including zip code
- Birth date
- Occupation
- Time and day of week when employee's workweek begins
- Hours worked each day (for non-exempt employees)
- Total hours worked each workweek (for non-exempt employees)
- Basis on which employee's wages are paid (e.g., \$9 per hour, \$440 a week, piecework)
- Regular hourly pay rate
- Total daily or weekly straight-time earnings
- Total overtime earnings for the workweek (for non-exempt employees)
- All additions to or deductions from the employee's wages
- Total wages paid each pay period
- Date of payment and the pay period covered by the payment

Payroll records can be kept in the worker's employee file or in separate payroll files. Payroll records may be kept in paper form but many times these records are also stored in the farm's payroll or accounting software. Since employee wage

information can be audited at the state and federal levels, the system used for recordkeeping should be easily accessible and auditable.

Regardless of the method used for recordkeeping, the minimum retention time is three years. Many payroll and tax professionals recommend keeping payroll records for seven years as that is the timeframe on which most IRS audits would be based.

## OSHA Health and Safety Records

Health and Safety records have specific recordkeeping requirements as defined by the Occupational Safety and Health Administration (OSHA) and should be filed separately from the employee and medical files. This includes workers compensation claims information. For more information on these requirements see the FARM Safety Manual.

## Electronic Recordkeeping

For the most part, employers are able to choose their preferred method of recordkeeping to maintain their files. Many companies are finding it more effective to maintain their employment-related records electronically rather than devoting physical space and time to paper recordkeeping. There are many options available for electronic recordkeeping to include different records management vendors and systems. Electronic files can be housed in company systems or be cloud-based.

One of the most important aspects of electronic recordkeeping is safety and security. No matter what vendor or system is used for electronic recordkeeping, dairies must ensure that safeguards are in place to protect the information. Another important aspect related to electronic recordkeeping is legal concerns. There are certain types of records that have very specific rules regarding electronic filing including the Federal Form I-9.

When deciding if electronic recordkeeping is the right fit for a farm, farm owners and manager should consider:

- The laws governing HR recordkeeping
- The different options for electronic recordkeeping
- The unique needs and business operation of the farm
- The ease of accessibility

## **Destruction of HR Records**

✓ *The farm has a document retention and destruction process for all HR-related forms, documents and files.*

When an HR file, document or record has met the retention requirements, they should be destroyed in a safe and secure manner to ensure the information is protected and disposed of appropriately. The most common way to destroy HR records is shredding. Depending on the size of the farm, number of workers and volume of HR records, it may be cost effective and more efficient to hire a third-party shredding company. Many of them come onsite and provide secure shredding services.

Electronic files should be destroyed by permanently erasing the electronic file so that it cannot be recreated or reconstructed.

## **Employee Access to HR Files**

✓ *Employees know how to properly request access to their employee files.*

In most cases, HR records, employee files and documents filed in employee files are the property of the farm. Depending on the state in which the farm operates, the farm may not be legally obligated to provide their workers copies of their employee files or copies of documents contained within the file. However, by request, farm workers should have the opportunity to review what is contained in their employee file in the presence of a manager, HR or the farm owner.

It is recommended to have the farm's policy on employee access to their files published in the Employee Handbook to ensure that farm workers are aware of the process. This also assists the farm in handling requests to review employee files consistently.

## **Conclusion**

Every HR or employment-related activity on a farm produces some sort of documentation in the form of forms, files, documents and records. A dairy operation must have a system in place for the filing, maintenance, retention and destruction of these records. An HR recordkeeping process benefits the farm by keeping these types of documents organized and also ensures compliance with federal and state recordkeeping requirements.

## **Resources**

Complete list of Recordkeeping and Retention Rules [https://www.shrm.org/resourcesandtools/tools-and-samples/policies/pages/cms\\_017186.aspx](https://www.shrm.org/resourcesandtools/tools-and-samples/policies/pages/cms_017186.aspx)

I9 Central <https://www.uscis.gov/i-9-central>

Personnel Records: Electronic: What Factors Should We Consider When Converting Personnel Files From Hard Copy to Electronic Format? <https://www.shrm.org/resourcesandtools/tools-and-samples/hr-qa/pages/convertingfiles.aspx>

SHRM Complying with Employment Record Requirements <https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/complyingwithemploymentrecordrequirements.aspx>

SHRM I-9 Retention: How and What to Keep <https://www.shrm.org/hr-today/news/hr-magazine/pages/0211chichoni2.aspx>

United States Department of Labor Fact Sheet #12: Recordkeeping Requirements under the Fair Labor Standards Act (FLSA) <https://www.dol.gov/whd/regs/compliance/whdfs21.htm>



## Special Considerations

## MANAGEMENT CHECKLIST

- ✓ If the farm employs minors under the age of 18, owners and managers are aware of state and federal laws on youth employment, such as permits, working conditions, hazardous work restrictions and maximum working hours.
- ✓ If the farm employs minors under the age of 18, owners and managers know what jobs on the farm are considered hazardous for minors.
- ✓ If the family of owners, operators or managers are also employees of the farm, they are treated the same and held to the same expectations as non-family member employees.
- ✓ If the farm employs seasonal workers, they are subject to the same HR requirements as permanent workers.

This chapter covers certain special situations that may be encountered on the dairy:

- Child labor and applicable child labor laws
- Employment of family members
- Seasonal labor

While handling HR on a farm, there are a number of special situations a farm owner or manager might encounter. The most common special situations are child labor, family labor and seasonal labor situations.

### Child Labor

✓ *If the farm employs minors under the age of 18, owners and managers are aware of state and federal laws on youth employment, such as permits, working conditions, hazardous work restrictions and maximum working hours.*

✓ *If the farm employs minors under the age of 18, owners and managers know what jobs on the farm are considered hazardous for minors.*

Child labor refers to the practice of employing minors under the age of 18. It is heavily regulated by the federal Department of Labor (DOL) Wage and Hour Division (WHD). There are special rules regarding employment of minors in agricultural work that apply to most dairy farms. Below is a summary of federal regulations regarding child labor in the ag industry.

### School Hours

The term “school hours” for the purpose of child agricultural labor is defined as those set by the official calendar of the school district in which a minor is living while employed. Work before local school hours and days schools are closed for holiday are all considered to be “outside of school hours.” The school hours regulation applies even if the child worker is not currently going to school, is home schooled or attends private school.

### Hazardous Occupations

Child laborers under the age of 16 are prohibited from working in any hazardous occupations. For the purpose of child labor laws, hazardous occupations are defined as positions that are particularly hazardous for minors and could compromise their health and well-being. Jobs that require operation of power-driven machinery or equipment, work performed off of the ground or work involving hazardous chemicals are all considered hazardous occupations. Specific examples of hazardous occupations include:

- Operating a tractor of over 20 power-take-off (PTO) horsepower
- Operating pickers, combines, mowers, balers, feed grinders, blowers or conveyors
- Operating trenchers, forklifts, circular band saws and chain saws
- Working in a yard, pen or stall with a cow and her newborn calf

AGE	SUMMARY OF FEDERAL REGULATIONS
16	Workers who are at least 16 years of age may perform any farm job, including agricultural occupations declared hazardous by the Secretary of Labor, at any time, including during school hours.
14	Minimum age for employment outside of school hours in any agricultural occupation except those declared hazardous by the Secretary of Labor.
12 - 13	May be employed outside of school hours with written parental consent or on a farm where the minor’s parent or person standing in place of the parents is also employed.
Under 12	May be employed outside of school hours with parental consent on a farm where employees are exempt from the federal minimum wage provisions.

(From U.S. Department of Labor Wage and Hour Division Child Labor Bulletin 102)

- Working on a ladder or scaffold over 20 feet
- Driving a bus, truck or automobile when transporting passengers or riding on a tractor as a passenger or helper
- Working inside a grain bin
- Handling or applying toxic agricultural chemicals

For a complete list of hazardous occupations in agricultural child labor, view the DOL's Child Labor Bulletin 102 at <https://www.dol.gov/whd/regs/compliance/childlabor102.pdf>.

### **Exemptions**

There are some exemptions to child labor laws on the federal level. The following are cases of child employment that would be exempt from following some or all child labor laws:

- Parental Exemption: A child of any age may be employed by their parent at any time in any occupation on a farm owned or operated by that parent.
- Student Learners: Student learners in a vocational agricultural program may work in some occupations deemed hazardous under a written agreement.
- 4-H Federal Extension Service Training Program: 14- and 15-year-old minor workers who hold certificates of completion of either the tractor operation or machine operation training program under 4-H may work outside school hours in the occupations for which they have been trained.

### **State Law Considerations**

Child labor is highly regulated on both the federal and state level so it is important to be aware of the state laws regarding child labor in the states in which the farm operates. Where state laws are stricter than federal law, the stricter law must be observed.

Some common requirements that may be covered by state-specific laws include:

- Minimum age requirements that differ from the federal regulations
- Maximum daily and weekly hours
- Restrictions on night time work
- Restricted and prohibited occupations that differ from the federal hazardous occupations
- Working permits or working papers on file for all minor works

## **Family Labor**



- ✓ *If the family of owners, operators or managers are also employees of the farm, they are treated the same and held to the same expectations as non-family member employees.*

It is common on dairy farms that farmers may employ members of their own family. Regardless of the relationship, all workers should be treated the same to ensure a workplace that is free from discriminatory practices and favoritism. Most wage and hour laws, and employment-related laws apply to all employees regardless of a family relationship, with the exception of overtime, minimum wage and child labor (all previously discussed in this manual). Family members should still be subject to pre-employment requirements and must complete all new hire paperwork including the Form I-9 and applicable tax forms.

It is also common that dairies may hire members of the same family. When employing members of the same family, if they are hired within the same line of authority (i.e. supervisor/supervisee reporting relationship), these situations must be monitored to ensure there is no actual or perceived favoritism. When a family relationship creates conflict in the workplace, farm owners and managers must remain objective and fair, handling conflict like they would with any other employees. In addition, owners and managers should set clear expectations and boundaries when hiring relatives so that all parties understand that there should be no acts of favoritism and that personal family issues must be kept separate from the workplace.

### **Seasonal Labor**

✓ *If the farm employs seasonal workers, they are subject to the same HR policies and procedures as permanent workers.*

The needs of a dairy operation may change seasonally throughout the year. To accommodate the needs of the farm, owners and managers have the ability to hire seasonal employees who work on an as-needed basis when the needs of the dairy operation increase. Seasonal workers are still considered employees and are subject to the same HR policies and procedures that regular full-time and part-time employees are subject to – such as codes of conduct or discrimination and harassment policies. Some states may have state-specific laws related to seasonal employment so farm owners and managers must also be aware of the state laws in which they operate.

While seasonal laborers are normally not eligible for many of the benefits offered to full-time workers, farms may have to offer incentives to hire and retain a seasonal workforce, especially when unable to guarantee long-term or regular employment. Season completion bonuses and housing benefits are two common incentives provided to seasonal laborers.

Some farms may employ seasonal laborers who are residents of countries outside of the U.S. These types of workers must have a work visa or be otherwise authorized to work in the U.S. in order for farms to employ them. When hiring seasonal migrant or nonimmigrant workers, farms must be aware of their responsibilities as an employer. For example, some types of visas require employers to file petitions with United States Citizenship and Immigrations Services (USCIS) and labor certificates with the United States Department of Labor. To ensure compliance, farm owners and managers should consult an attorney who specializes in immigration matters before implementing a hiring program that includes the use of seasonal migrant or nonimmigrant workers.

### **Federal Motor Carrier Safety Administration and Department of Transportation Considerations**

Some farms may be subject to Federal Motor Carrier Safety Administration (FMCSA) and Department of Transportation (DOT) requirements if workers operate covered farm vehicles (CFM) as part of their jobs.

A CFM is defined as a vehicle that:

- Travels in the state in which the vehicle is registered or in another state, is operated by an owner or operator of a farm or ranch, or by a family member or employee of the owner or operator. Transports agricultural commodities, livestock, machinery or supplies to or from a farm or ranch. Has a license plate or some other means specified by the state that identifies it as a farm vehicle. Is not used in for-hire motor carrier operations (but for-hire operations do not include use of a vehicle owned and operated by a tenant farmer to transport the landlord's portion of the crops under a crop-share agreement).
- Is not transporting hazardous materials that require placarding, and either of the following:
  - Has a GVW or GVWR (whichever is greater) of 26,001 or less, in which case CFV exemptions

apply anywhere in the United States.

- Has a GVW or GVWR (whichever is greater) of more than 26,001 pounds and travels within the state where it is registered or, if traveling out of the state where it is registered, stays within 150 air miles of the owner or operator's farm or ranch.

If workers operate a CFM as part of their job responsibilities, there are several areas of HR that could be affected:

- Recruiting and hiring. Operators of CFMs may have special hiring requirements such as Commercial Driver's License (CDL) checks and DOT medical exams.
- Training. Operators of CFMs may require specialized, position-specific training.
- Health and safety. Operators of CFMs may have specialized safety training that is required for their position.
- HR recordkeeping. Operators of CFMs may need position-specific, DOT records on file.

Just because a farm has a CFM does not mean that they are always covered by FMCSA and DOT regulations. As with many HR-related laws, there are exemptions for the agriculture industry. There may also be state-specific farm waivers to consider. For more information on FMCSA and DOT requirements and waivers, see the resources section.

### ***Out-of-Country Drivers Licenses***

All workers with driving responsibilities must have a valid driver's license. On a federal level, the United States and Canada have reciprocity when it comes to commercial drivers' licenses. However, many states require International Driving Permits in order for workers with permanent residences outside of the U.S. to drive in the U.S. in any type of vehicle in any capacity. Farm owners and managers must be familiar with the driver's license requirements in the states in which they operate to ensure workers are properly licensed to operate vehicles.

## **Conclusion**

When handling HR-related activities, farm owners and managers must be prepared for special situations that might arise on their dairy. While child labor, family labor and seasonal labor are some of the most common in the agriculture industry, there may be other special considerations specific to the dairy that should be well researched to ensure compliance with federal and state regulations.

## **Resources**

Agricultural Exceptions and Exemptions to the Federal Motor Carrier Safety Administration Hours of Service (HOS) and Commercial Driver's License (CDL) Rules <https://www.fmcsa.dot.gov/hours-service/elds/agricultural-exceptions-and-exemptions-fmcsa-safety>

CDL Overview <https://www.fmcsa.dot.gov/registration/commercial-drivers-license>

Child Labor Requirements in Agricultural Occupations Bulletin <https://www.dol.gov/whd/regs/compliance/childlabor102.pdf>

FMCSA Agriculture Exemption Reference Guide [https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/docs/regulations/hours-service/elds/396526/agricultural-reference-guide\\_0.pdf](https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/docs/regulations/hours-service/elds/396526/agricultural-reference-guide_0.pdf)

Foreign Nationals Driving in the U.S. <https://www.usa.gov/visitors-driving>

Supervising Seasonal and Temporary Workers: Special Considerations <https://cpb-us-e1.wpmucdn.com/blogs.cornell.edu/dist/4/7493/files/2017/12/Supervising-Seasonal-and-Temporary-Workers-15vvpf9.pdf>

United States Department of Labor Agricultural Employment Information <https://www.dol.gov/general/topic/youthlabor/agricultureemployment>



# 10

Health and Safety

## MANAGEMENT CHECKLIST

- ✓ Owners and managers take steps to build a culture of safety of the farm.
- ✓ Owners, managers and employees know the steps to take when a workplace injury or illness occurs.
- ✓ A first-aid kit is available and regularly inspected to ensure it is fully stocked.
- ✓ The farm has a designated safety representative to serve as the point person during an OSHA visit.
- ✓ The farm has and maintains up-to-date safety records, including employee training records, for the past five years.

This chapter introduces health and safety as it relates to human resource and farm workers:

- Building a safety culture
- Employee injuries, accidents and illnesses
- Handling OSHA audits and inspections

Farmworker health and safety are both ethical and legal responsibilities of a farm. Additionally, providing a safe and healthful work environment can also reduce the direct and indirect costs associated with workplace injuries and regulatory fines. When farms are found in violation of safety laws, they can be subject to corrective action and hefty fines. Some examples include:

- A holding company in Missouri was found responsible for the death of a worker and found to have failed to follow basic safety procedures on a Missouri dairy farm. The proposed penalties were \$189,000.
- A Wisconsin dairy farm faced fines of \$70,000 after an inspection resulted in 15 safety and health violations.
- A poultry processing farm in Ohio was cited for failing to properly report employee illnesses and violations of OSHA recordkeeping rules and faced penalties of \$23,100.

Farms must take appropriate action to ensure they are providing a healthy and safe working environment.

**Detailed information on OSHA and health & safety management can be found in the FARM Safety Manual.** Health and safety from an HR and employment perspective includes building a safety culture, providing safe working conditions and ensuring employer recordkeeping requirements are met.

## Building a Safety Culture

✓ *Owners and managers take steps to build a culture of safety of the farm.*

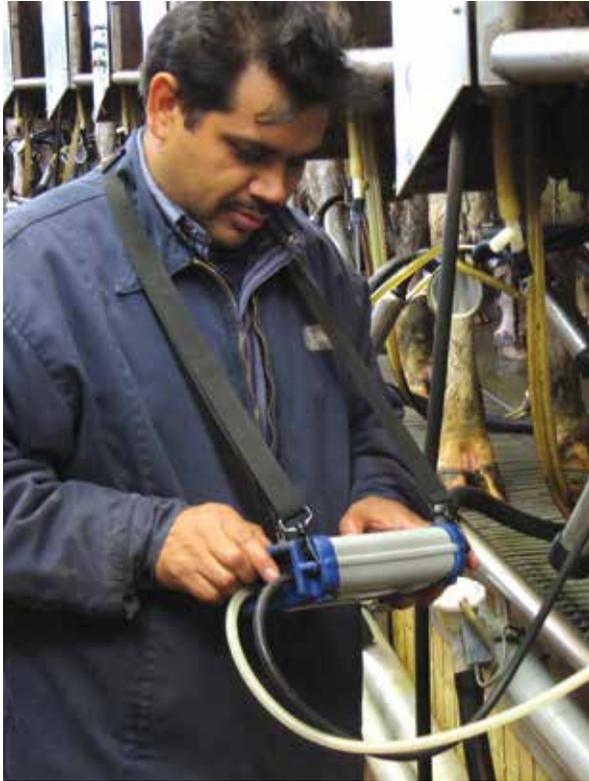
Building a safety culture on a farm goes beyond meeting the minimum OSHA requirements. To build a safety culture, the farm owner and manager must consider safety as a core value and safety

should be ingrained in the farm's vision, mission, and branding.

There are six key components to building a successful safety culture:

- 1. Owner and management commitment.** In order to establish and maintain a safety culture on a farm, the farm owner and management team must be committed to health and safety and lead by example in all safety initiatives.
- 2. Treat safety as an investment rather than a cost.** By investing in worker safety whether it be training, workplace safety improvements, personal protective equipment (PPE), etc., farms can achieve a safe workplace which in turn benefits both the farm and the worker.
- 3. Training and evaluation program.** All farms should have a training program in place to train workers on identifying and mitigating workplace hazards. For more information on required training, see the FARM Safety Manual.
- 4. Continuous process improvement.** As previously discussed, establishing and maintaining a safe and healthful work environment is a continuous process. A farm should be constantly evaluating its worksite and making necessary improvements.
- 5. A non-punitive work environment for open communication.** Farm workers should feel comfortable reporting unsafe conditions to the farm owner or manager. Every farm should have a policy in place for reporting health and safety violations.
- 6. Celebrating the success.** Success when it comes to health and safety should always be communicated to workers, just as areas of improvements should be. By celebrating the successes, workers are aware of the importance of safety in the workplace and are more likely to work safer. One example is posting the number of days without a lost time injury.

Building a safety culture is a continuous process whether a farm is just beginning or already has a solid safety program in place. The process of improving safety is continuous and the farm owner or manager should conduct safety and risk assessments annually in order to maintain a safety culture. For more information on risk assessments, see the FARM Safety Manual.



## Workplace Illnesses and Injuries

- ✓ *Owners, managers and employees know the steps to take when a workplace injury or illness occurs.*
- ✓ *A first-aid kit is available and regularly inspected to ensure it is fully stocked.*

Even farms with an effective safety plan in place experience workplace illnesses and injuries. In the event of a workplace injury or illness, farm managers or owners should take the following steps:

- 1. Direct the employee to a treatment facility as needed.** Many farms are located in rural areas, so it is important to know where employees

go to be treated for emergency illnesses and injuries. For life-threatening situations where the employee is too injured to transport themselves, they should be transported by an ambulance or medical professionals. For non-life-threatening situations or cases where an ambulance would not arrive fast enough, an owner or manager should transport the individual if he/she can be safely moved.

- 2. Complete an injury report.** Collect all details regarding the incident such as date, time, location and what the employee was doing at the time of injury. The OSHA 301 can be used as a guide to collect all needed information. Many states also have their own injury reporting forms.
- 3. Report the injury to the workers compensation insurance carrier.** All carriers have different processes when it comes to reporting so owners and managers should be aware of how to report injuries to their carrier.
- 4. Complete an incident investigation.** Once the employee has been properly treated, farm owners and managers should investigate the incident to determine if anything could have prevented the incident from occurring. Important questions to ask while investigating are:
  - Was the employee performing their job safely?
  - Are the tools, equipment or machinery the employee was using safe and in working order?
  - Are there any workplace hazards that could have caused the incident?
- 5. Take action.** Based on the results of the accident investigation, owners and managers should make any necessary changes to ensure similar injuries or illnesses do not occur again.

Employees must know who to contact and how in the event of a workplace injury or illness. For all incidents, employees should be directed to notify a supervisor and/or a designated health and safety manager. For emergencies, employees must be

made aware of the 9-1-1 system. This information should be covered during onboarding or orientation. An emergency contacts poster can serve as a reminder and easy reference. The above process can also be used to document and investigate near-misses.

First-aid kits should be available and kept fully stocked. For easy treatable injuries, such as a minor scrape, employees can self-treat with items from a first-aid kit.

## Handling OSHA Audits and Inspections

- ✓ *The farm has a designated safety representative to serve as the point person during an OSHA visit.*
- ✓ *The farm maintains up-to-date safety records, including employee training records, for at least the past five years.*

OSHA devotes many of its resources to enforcement activities, which means that on-site, unannounced OSHA audits and inspections are quite common especially in targeted industries such as agriculture where the work is in plain sight. OSHA audits can be conducted when a complaint has been made, when there is an increased frequency or severity of workplace injuries, or at random (if the farm has 11 or more employees). Having a plan already in place in the event OSHA visits ensures on-site inspections

go as smoothly as possible with minimal disruption to the farm's operations.

First, a farm should designate a safety representative ahead of time. In the event of an audit, this person is the safety point person and will accompany the OSHA inspector throughout the facility. The representative selected should be knowledgeable in the day-to-day operations of the farm and also be knowledgeable in the safety procedures and hazards in the workplace.

Second, a farm should always have accurate and up-to-date recordkeeping for five years available and inspection-ready at all times. OSHA inspectors frequently ask to inspect the OSHA 300 and 300A for the past three to five years, as well as employee safety training records. States may require business to retain safety records for a longer period; farms should check their state OSHA requirements. Farms with fewer than 11 employees are usually exempt from federal OSHA recordkeeping requirements, but all farms are subject to the reporting requirements no matter how many employees they have (i.e. they must notify OSHA of fatalities and severe injuries. See the FARM Safety Manual for more information).

When an OSHA inspector shows up it is acceptable to ask them to verify their identity and credentials,



ask for the purpose of their visit and keep them in an area where work being done is not visible while they are going over the necessary documents. It is important to remain calm and professional in the presence of the inspector. If the inspector wants to interview employees as part of the inspection, the employees interviewed should remain calm and professional as well. The inspector should be accompanied by the designated safety representative as he or she completes the walk-through.

Once the inspection is complete, a closing conference will be conducted. Sometimes these are done in the facility on the same day. Other times they can be conducted at a future date and time after the inspector has had time to review all documentation, interview all employees, etc. Many times, these closing conferences are done via phone rather than additional on-site visits. The closing conference generally provides a summary of what they found, along with action items and in some cases citations. It is important any hazards found are corrected as soon as possible, even as the inspector is there, as doing so can prevent citations and fines.

## **FARM Safety Manual**

Because workplace health and safety are such critical topics covering many different aspects of dairy operations, FARM has created the FARM Safety Manual to fully cover topics related to health, safety and OSHA requirements. For more information on safety topics, reference the FARM Safety Manual.

## **Conclusion**

Health and safety go beyond checking the boxes on a compliance checklist. It is about doing what is right for employees as well as implementing a safety culture of continuous improvement. Providing a safe and healthful work environment should be an ongoing process to ensure safety policies and procedures are updated as the dairy operation changes. Providing a safe workplace benefits worker as well as the farm as a whole as health and safety issues translate directly to a farm's bottom line.

## **Resources**

Agricultural Operations Safety and Health Topics <https://www.osha.gov/dsg/topics/agriculturaloperations/>

Required OSHA Posters <https://www.osha.gov/Publications/poster.html>

OSHA Employer Responsibilities <https://www.osha.gov/as/opa/worker/employer-responsibility.html>

OSHA Farm Safety Fact Sheet [https://www.osha.gov/OshDoc/data\\_General\\_Facts/FarmFactS2.pdf](https://www.osha.gov/OshDoc/data_General_Facts/FarmFactS2.pdf)

OSHA Recordkeeping Forms and Requirements <https://www.osha.gov/recordkeeping/>

OSHA Sample Safety Programs [https://www.osha.gov/dcsp/compliance\\_assistance/sampleprograms.html](https://www.osha.gov/dcsp/compliance_assistance/sampleprograms.html)

OSHA Small Business Handbook <https://www.osha.gov/Publications/smallbusiness/small-business.html>

SHRM Developing Effective Safety Management Programs <https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/developingsafetymanagementprograms.aspx>



# Managing Employee Housing

## MANAGEMENT CHECKLIST

- ✓ The farm has consulted with an attorney to determine its local, state and federal requirements prior to providing worker housing.
- ✓ The farm's workers know the monetary value of farm-provided housing, even if it is provided free of charge.
- ✓ The farm has a written housing agreement signed by all occupants that outlines management and worker responsibilities. The written housing agreement has been reviewed by an attorney.
- ✓ The farm has a yearly budget for housing repairs and maintenance.
- ✓ A person is assigned to manage inspections and repairs of farm-provided housing.
- ✓ Routine inspections are conducted before new employees move in, when employees move out and at regular intervals in between.
- ✓ The farm has a repair system in place for occupants to tell management when repairs or maintenance are needed. The system helps management track the status of repairs, including when the work is complete.
- ✓ Occupants know what to do if there is an emergency situation like a fire.
- ✓ The farm provides functional fire extinguishers, smoke alarms and carbon monoxide detectors in all farm-provided housing.
- ✓ The farm has established house rules for occupants of farm-provided housing. The house rules are made available to occupants by posting the document within the house, putting it in the employee handbook, putting it in the housing agreement, handing it out during move-in or by some other means. The rules are translated into the workers' primary language(s).
- ✓ The farm has a housing orientation for workers and their families when they move in. The orientation covers responsibilities, inspections, house rules, utilities, emergencies, maintenance/repair requests and how to clean/use facilities.

## Farm-Provided Housing

Farm-provided housing can be a valuable benefit for farm workers. Dairy farms are in rural areas where housing options can be scarce. Farm owners and managers offer housing benefits to:

- Reduce the burden on employees to find housing in areas with limited options
- Avoid a long commute for employees
- Provide a housing option that is of lower cost than other options in the area
- Attract high-quality workers

Properly managed housing gives dairy farm workers and their families a place to rest, relax and make memories. But without proper management, housing can quickly become a headache and a liability for farm owners and managers. This document covers legal considerations and management recommendations to promote safe, clean and comfortable living spaces for dairy farm workers.



## Shared Goals

Managers and workers have at least two shared housing goals:

- Provide safe, healthy and comfortable housing for workers.
- Maintain housing in a good state of repair for the health and enjoyment of current and future occupants.

Managers have the added goal to:

- Minimize property damage to decrease operational costs and maintain the value of the housing investment.

To achieve all these goals, farm managers must do three things:

- Set clear expectations about housing responsibilities and follow up with routine inspections to be sure they are met.
- Establish a culture that reinforces every day that both workers and management are responsible to keep housing in good condition for the benefit of everyone.
- Train farm workers about using, cleaning and maintaining the housing. The training should address how to report maintenance issues.



## Legal Context

- ✓ *The farm has consulted with an attorney to determine its local, state and federal requirements prior to providing worker housing.*
- ✓ *The farm's workers know the monetary value of farm-provided housing, even if it is provided free of charge.*

Farms that provide housing should determine their legal requirements. Regulatory oversight varies based on the number of workers housed and the type of work arrangement (year-round, seasonal, etc.).

### **Wage Laws: Payment for Housing**

Farms must decide how to handle payment for employee housing. Options include:

- Provide the housing at no cost
- Include the cost of housing as a form of wages
- Charge for housing through a wage deduction

- Charge rent or a housing license fee separate from wages

Farms that provide housing as a form of wages or as a wage deduction should review federal and state wage laws.

- ***Federal rules on wage credits for lodging:***  
***Fair Labor Standards Act***

The reasonable cost of lodgings can be considered a form of wages, but an employee must agree in writing to receive part of their wages as lodgings. In this case, the lodging must be provided for the employee benefit, not for the convenience of the employer. Reasonable cost generally means the cost to the employer to provide it – not the fair market value. Because it is considered part of wages, lodging deductions can take a worker's cash wages below the federal minimum wage. The U.S. Department of Labor provides additional [guidance online](#).

- ***State rules on wage credits for lodging***  
At the state level, farms should review laws around wage deductions and credits found in the FARM HR Legal Fact Sheets. The Legal Fact Sheets summarize deduction rules for each state and provide links to more information.

In deciding whether to provide housing as a form of wages, farms should consider the potential impact on overtime compensation and taxable income. When part of wages, the lodging credit becomes part of the regular rate of pay for calculating overtime pay, if applicable in the farm's state. Owners and managers should consult their accountant or payroll manager for guidance on tax implications.

No matter how a farm handles payment (or non-payment) for housing, the policy should be clear. Employees living in the housing should know exactly how much they are paying for housing – whether that is through a paycheck deduction or through a separate payment. Additionally, being clear on the value of housing can reduce tensions between workers receiving housing and those that

are not receiving housing. Any communication around the value of housing should be translated into the workers' primary language(s) to make sure they understand.

### **General Laws: Conditions and Maintenance**

Farms have an ethical responsibility to ensure housing is safe and a comfortable place for workers to rest, eat, relax and meet their living needs. It is also important to understand the legal requirements for maintenance and upkeep.

Federal regulations for employee housing, which are focused on migrant and seasonal labor, do not usually apply to dairy farms. Farms that provide housing for seasonal workers may benefit from reviewing federal requirements outlined below.

- **The Migrant and Seasonal Agricultural Worker Protection Act (MSPA)**

MSPA sets employment standards for migrant and seasonal workers. It is administered by the U.S. Department of Labor. Each person who owns or controls housing for migrant or seasonal workers must comply with federal and state safety and health standards relating to housing. The federal safety and health standards for structures built after 1980 are set out by OSHA standard 1910.142. More details are found online.

- **H2-A Visa Program**

Dairy farms are not currently eligible to use H2-A visas for their year-round agricultural workers. Agricultural operations that use H2-A visas must provide housing at no cost to the worker. The housing must meet federal OSHA standards. More details are found online.

At the state and local level, regulations vary widely. A few states have explicit laws about agricultural employee housing. The FARM state-by-state HR Legal Fact Sheets provide a good starting point for information about state ag housing laws. However, farms are encouraged to review their legal requirements with an attorney.

Additionally, landlord/tenant laws, building codes and public health codes may apply to the farm's housing depending on where the farm is located and whether workers have signed a lease. These laws vary by state and even county. For the most part, they focus on providing sanitary and safe conditions. This document outlines recommendations for management of farm housing for owners and managers to provide sanitary, safe and comfortable conditions.

### **Written Housing Agreement**

✓ *The farm has a written housing agreement signed by all occupants that outlines management and worker responsibilities. The written housing agreement has been reviewed by an attorney.*

Having a written housing agreement helps both dairy owners / managers and their employees understand expectations about upkeep, rent/ payments and maintenance procedures (like repair requests). Even if the farm provides housing at no cost, a housing agreement is a useful legal document that can prevent problems down the road.

There are two main types of housing agreements: a license and a lease / tenancy. Dairies should review these two options with an attorney to determine the best one for their individual operation.

- **License** This type of agreement states that an employee is in the housing in connection with their job and under the owner's permission. The owner retains control over the premises.
- **Lease / Tenancy** A lease or tenancy agreement makes it easier to separate the housing from employee wages, but it gives a tenant the right of occupancy. Both the landlord (the dairy) and the occupant would have rights and responsibilities under state or local landlord-tenant laws.

Distinguishing between a lease and a license is not as simple as whatever title is given to the housing agreement. In other words, calling the agreement

a “License Agreement” does not make it a license. Without a legally-sound written agreement, courts will decide if the housing arrangement is a lease or a license when there is a dispute. A written agreement lets employers and workers agree on mutual terms before there is a problem; and, ideally, it creates clear expectations that help prevent misunderstandings and disputes.

### **Considerations**

A housing agreement should set clear expectations for using and maintaining the housing. When preparing a housing agreement with an attorney, farms may consider some of the following issues:

- **Defining Occupants** Often, employer’s want some control over who will be living in the housing. In single family housing, for example, the owner / manager may choose to limit the occupants to the employee, a spouse and children. While temporary visitors may be acceptable, dairies may want to avoid a situation in which extended family, such as cousins or grandparents, or friends live in the housing for an indefinite amount of time without prior approval. If family, especially children, will be living with the employee, the agreement should specify that work areas are off-limits to the worker’s family (like manure lagoons, milking parlors, etc.).
- **Housing Rules** A housing agreement is also an opportunity to state that the employee must follow house rules. The agreement should also specify the consequences for breaking the house rules. Dairies can define the rules within the agreement or in a separate document signed by the employee. Rules can include quiet hours, responsibility for visitors, pets and more.
- **Utilities** The housing agreement should state who is responsible for paying utilities. If paid by the employer, the agreement can state a cap above which the employee becomes responsible for the cost. One approach is to set up utilities in the employee’s name so that the dairy is not responsible for the cost if the employee quits.
- **Insurance** A housing agreement may also require employees to acquire renter’s insurance. It is good practice to check with the dairy’s liability insurance company to ask about coverage for worst-case scenarios.
- **Rent or Wage Deductions** Some dairies use wage deductions to collect payment for housing. State and federal law may limit the amount that can be charged for lodging as a wage deduction – either a set dollar value per day or up to the reasonable cost to provide the housing. Wage deductions have the benefit of easy administration. Other dairies may choose to charge rent.
- **Right to Inspections** The housing agreement should specify the owner’s right to periodic housing inspections. This ensures the dairy can identify and perform any necessary repairs in a timely manner. Housing inspections are described in more detail in Routine Inspections on Page 6.
- **Repairs and Renovations** The agreement should state whose responsibility it is to arrange and pay for repairs. Often, that depends on the type of maintenance needed. For example, a major appliance malfunction is usually the responsibility of the owner, whereas routine upkeep like changing light bulbs are the responsibility of the occupant. The agreement may also specify that it is the occupant’s responsibility to notify management of repair needs and outline the process for occupants to request repairs.
- **Employment Separation** Check local laws before evicting any employee after employment ends to avoid inadvertent violations. The Housing Agreement can address the process and timeline for moving out after separation.

A housing agreement is a legally binding contract. Farms are encouraged to seek legal advice in creating the agreement. To accommodate non-native English speakers, owners and managers should have a translated copy of the housing agreement. An official legal translator should be consulted to translate the agreement.



## **Maintenance and Inspections**

- ✓ *The farm has a yearly budget for housing repairs and maintenance.*
- ✓ *A person is assigned to manage inspections and repairs of farm-provided housing.*
- ✓ *Routine inspections are conducted before new employees move in, when employees move out, and at regular intervals in between.*
- ✓ *The farm has a repair system in place for occupants to tell management when repairs or maintenance are needed. The system helps management track the status of repairs, including when the work is complete.*
- ✓ *Occupants know what to do if there is an emergency situation like a fire.*
- ✓ *The farm provides functional fire extinguishers, smoke alarms and carbon monoxide detectors in all farm-provided housing.*
- ✓ *The farm has established house rules for occupants of farm-provided housing. The house rules are made available to occupants by posting the document within the house, putting it in the employee handbook, putting it in the housing agreement, handing it out during move-in or by some other means. The rules are translated into the workers' primary language(s).*

Farms that provide housing should have a yearly budget for repairs and maintenance. Keeping the house in good condition achieves two goals: (1) keeps employees living in a safe and comfortable environment; and, (2) protects the long-term value of the farm's investment.

### **Routine Inspections**

Regular housing inspections allow management to check on cleanliness and identify needed repairs. Owners should conduct the inspections or assign someone to complete them. An inspection checklist ensures consistency and helps keep track of any needed repair follow-ups. A Housing Inspection Checklist template is provided in the FARM Human Resources Templates document at [nationaldairyfarm.com](http://nationaldairyfarm.com).

Inspections should be conducted:

- Before a worker moves in
- After a worker moves out
- At regular intervals in between

During the inspection, take pictures of any problem areas and keep them on file. Problem areas can mean items needing repair or issues with cleanliness. This paper trail helps document the condition of the housing in case there are any disputes.

Owners should consider setting up a regular schedule for inspections, like every other Wednesday or every 15th of the month. Regular inspections are important no matter the nature of the relationship with the occupants. For example, even for a family that has worked with the farm for years, an annual inspection is useful. The owner or manager may notice an issue during the annual inspection that the occupants did not see or did not realize was a problem.

### **Repair Request System**

Workers should not wait until an inspection to let management know about maintenance needs. Consider designating one person to be responsible for managing repairs. A good maintenance request system is one where: workers know exactly how to communicate a problem, they know when to expect the repair and they know when the repair is complete. The system must also help management keep track of repair needs and document them over time.

There are many repair request systems, for example:

- **Ticket System** Provide a stack of printed, bilingual forms (“tickets”) that workers can fill out to report any problems or request information/help about housing. Provide a box for workers to place the tickets. Check the box daily. On the ticket, write down the date that follow-up is complete. Follow-up can mean completing repairs, installing new appliances or answering occupant questions. Keep the tickets for the dairy’s records. A Repair Ticket template is provided in the FARM Human Resources Templates document at [nationaldairyfarm.com](http://nationaldairyfarm.com).
- **Journal System** Managers may wish to provide a binder or notebook at a central location for repair requests. The binder can be filled with pre-printed sheets for workers to fill out. A manager or designated person should check the binder every day and write down follow-up notes. A Repair Journal System template is provided in the FARM Human Resources Templates document at [nationaldairyfarm.com](http://nationaldairyfarm.com).

- **Phone System** Workers with low literacy may not be able to confidently fill out written maintenance requests. One option is to encourage workers to ask a housemate or co-worker to fill out the request. Another option is to set up a dedicated phone line or voicemail to report problems. Remind workers to state their name, their housing location and the problem. Check the voicemail daily and write down the issue in the ticket, journal or other written system so that it is documented.

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## **EMERGENCY SITUATIONS NEED TO BE ADDRESSED IMMEDIATELY.**

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### **Emergency Situations and Safety**

Emergency situations need to be addressed immediately. An overflowing toilet, a burst pipe or a heating malfunction in freezing weather can quickly cause expensive damage and/or endanger lives. Owners and managers may consider displaying a poster with directions on how to handle different types of emergencies.

Owners and managers should designate someone to be the emergency contact for urgent maintenance issues. Owners and managers may choose to have one person responsible for daytime hours and someone else for overnight hours. Occupants should know who to contact and how.

To promote on-going safety of occupants in farm-provided housing, owners and managers should:

- Ensure fire extinguishers are available and up-to-date on inspections. If possible, place the extinguisher close to the kitchen.

- Check smoke and carbon monoxide detectors during regularly scheduled inspections.
- Keep window and door locks in good working order.
- Ensure workers know evacuation procedures in case of natural disasters like tornado, hurricane, earthquake, mudslide or wildfires. Consider a poster that provides information on where to seek shelter in an emergency. If an evacuation shelter is an option, consider including a simple map on the poster to direct employees.
- Provide traps and sprays so occupants can prevent and treat any problems.
- Check for cracks and crevices where bugs or rodents can enter. Patch any holes.
- Check for problems during routine inspections, like overflowing trash, that can attract pests. Work with occupants to correct the problem.
- Hire a pest control company to inspect and preventatively treat housing on a regular basis. The appropriate frequency will depend on the climate, the location and the type of housing.

As a reminder, foreign-born workers may not be familiar with the 911 system. Never assume that everyone knows about it, even if they have lived in the U.S. for many years.

### ***Cleanliness and Incentives***

During housing orientation (see Orientation on Page 9), it's good to do a walk-through of the house and point out how to clean and use parts of the house. Knowing how to clean and the expectations for cleanliness is an important first step. The next step is actually finding time. Employees may have busy work schedules that make finding free time for cleaning difficult. Owners and managers may consider providing occupants with a suggested household cleaning schedule to help them plan, as found in the FARM Human Resources Templates document at [nationaldairyfarm.com](http://nationaldairyfarm.com). But while an employer can require that the house be maintained in good condition, the employer cannot dictate a cleaning schedule because employees are off-duty when at home.

Insect and rodent pests are both a nuisance and a health risk. Owners and managers should cover prevention tips during the housing orientation. Additionally, owners and managers should consider the following basic strategies:

- Provide bedbug-proof, zippered mattress encasements. Basic encasements are affordable and can be found online or at major stores.

Incentives are a useful tool to motivate good cleaning and upkeep habits. Owners and managers may consider providing a cash bonus, a pizza party or another prize to occupants of housing that maintain sanitary and damage-free housing conditions.

### ***Updates and Renovations***

Owners and managers may wish to update, renovate or offer new housing from time to time. It is useful to talk with workers about their viewpoint and preferences. For example, a new house – while more spacious and updated – may not appeal to occupants who prefer their current location because it is closer to work or family members.

### ***Culture***

Culture is essentially a group of people's understanding of "how things are done around here." Management must communicate, with words and actions, that housing is cared for, kept clean and repaired promptly.

A good housing culture is established by management training workers to care for housing (see Orientation on Page 9), following up with inspections, creating a way for workers to report problems/ask questions and, making repairs as quickly as possible. If management fails to communicate expectations, ignores problems or neglects their maintenance duties, then a poor housing culture will result.

## Community

Foreign-born workers or others who come from outside the local area may have trouble integrating into the community without help from the farm owner or managers. Many may not own a car or have a driver's license. Additionally, language can be a barrier.

### Considerations

- Offer regularly scheduled transportation into town to buy supplies or visit other stores.
- Introduce workers to neighbors.
- Tell workers and their families about local events, like fairs or festivals. A bulletin board may be a useful way to communicate.
- Create a list of local churches or other places of worship to give to employees.

### Orientation

✓ *The farm has a housing orientation for workers and their families when they move in. The orientation covers responsibilities, inspections, house rules, utilities, emergencies, maintenance/repair requests and how to clean/use facilities.*

Hiring new employees takes a lot of thought – safety training, setting up payroll and more. Farms that provide employee lodging should also consider a housing orientation. Orientation is the

manager's opportunity to explain expectations and train employees on how to properly use, clean and maintain farm-provided housing. It is particularly valuable for foreign workers, who may be unfamiliar with facilities, appliances and systems commonly found in the U.S. Orientation should involve any family members who will be sharing the housing.

Below are some common topic areas and suggestions for content. Farm owners and managers are encouraged to tailor the orientation to fit the needs of their individual operation. In the following text, farm owners and managers responsible for farm-provided housing are referred to as "management."

### Responsibilities

Both farm workers and management are responsible for maintaining housing so it is safe and comfortable. Employees must keep the house clean and avoid any unnecessary damage. Managers make any needed repairs and will regularly inspect the housing for health and safety reasons.

*Note: Sometimes workers are not sure which maintenance issues they should tackle on their own versus reporting them to management. A simple table outlining responsibilities, like the following, is useful. The farm owner or manager may also choose to encourage workers to report any problems, even if ultimately the worker is responsible. This avoids a situation where a problem goes unaddressed for a long time.*

MANAGEMENT	WORKER / OCCUPANT
<ul style="list-style-type: none"> <li>• Repair major appliances, like stove or refrigerator</li> <li>• Repair structure problems, like a leaking roof or a broken door</li> <li>• Arrange for pest or bug treatments and/or provide traps</li> <li>• Fix toilets that leak or persistently will not flush</li> <li>• Pay for _____ <i>[Specify which utilities are paid by management]</i></li> <li>• Inspect house regularly</li> </ul>	<ul style="list-style-type: none"> <li>• Replace light bulbs</li> <li>• Keep the house clean – sweep, mop, wash windows, etc.</li> <li>• Don't leave food where bugs and rodents can get to it</li> <li>• Use plunger to try to fix a toilet before calling management</li> <li>• Pay for _____ <i>[Specify which utilities are paid by occupants]</i></li> <li>• Report any issues that management needs to fix</li> </ul>

## Inspections

An assigned person will inspect this house regularly to make sure it is clean and safe.

This housing will be inspected every \_\_\_\_\_ (weeks/months) by \_\_\_\_\_, who can be reached by phone at \_\_\_\_\_.

## House Rules

Anyone living in the farm-provided housing must follow the house rules.

*Note: The following are examples only. Farm owners and managers should tailor these to their individual operations. House rules should be translated into appropriate languages. For low literacy workers, read the rules out loud in the language they speak.*

- Keep the house clean and in good working order. Avoid causing any damage.
- Report any maintenance or repair needs to management as soon as possible. The sooner management knows about it, the faster it can be fixed.
- Quiet hours are between 11:00 p.m. and 5:00 a.m. Avoid making too much noise during quiet hours.
- Do not paint without permission from management.
- Do not remove furniture or appliances without permission from management.
- Do not remove or tamper with smoke alarms. They are there for your safety.
- Smoking indoors is prohibited.
- The use of illegal drugs is prohibited on the farm property, including farm-provided housing.
- Pets and other animals are not allowed without written permission from management. All pets must have up-to-date rabies shots.
- Long-term, overnight visitors are not allowed without permission from management. If you plan to have a visitor stay more than one week, please discuss it with management.
- Family and visitors are not allowed to enter the worksite, including the milking parlor, any barns, feed storage or anywhere near equipment or the manure lagoon. This is for the safety of family and visitors because they have not gone through safety training.

## Utilities

The following list shows who is responsible for setting up utility accounts and who will pay the bill.

*Note: Employers can consider the following list, where they circle 'Management' or 'Worker' for each type of utility. Any special situations should be clearly communicated to workers. For example, the owner/manager plans to split the electricity bill with workers. Or, the owner/manager will pay up to \$\_\_\_ for electricity and the worker is responsible for anything above that amount.*

- Electricity: Account set up by (Management / Worker). Paid by (Management / Worker)
- Gas: Account set up by (Management / Worker). Paid by (Management / Worker)
- Heat: Account set up by (Management / Worker). Paid by (Management / Worker)
- Water: Account set up by (Management / Worker). Paid by (Management / Worker)
- Internet: Account set up by (Management / Worker). Paid by (Management / Worker)
- Phone: Account set up by (Management / Worker). Paid by (Management / Worker)
- Cable: Account set up by (Management / Worker). Paid by (Management / Worker)

Owners/managers should consider how they want to handle satellite dishes. To avoid multiple satellite dishes, owners/managers can work with the satellite provider to set up multiple accounts with one dish. Or they can state that satellite dishes are not allowed in the Housing Agreement. No matter how an owner/manager wants to manage satellite dishes, they should decide in advance so they can tell employees during the housing orientation.

## Emergencies

If there is a fire or life-threatening emergency, call 911 from any cell phone or landline.

For other urgent matters, like an overflowing toilet or a burst pipe, call \_\_\_\_\_ immediately on his/her phone number: \_\_\_\_\_.



### **Maintenance or Repair Requests**

Report any maintenance or repair needs using the provided (notebook / tickets / phone line). Management cares about your safety and comfort. Reporting issues as soon as possible helps management address it sooner.

### **How to Clean and Use Facilities**

This housing is provided to you in good condition. Every occupant has a responsibility to make sure it stays that way. The best way to do that is to keep it clean and use it properly.

We will do a walk-through and talk about proper cleaning and use in each part of the house.

A cleaning schedule is optional, but you may find it useful to stay on track.

*Note: To avoid any obstacles to keeping the house clean, farm owners and managers may consider providing workers with cleaning tools and supplies (buckets, mops, sponges, and spray and liquid cleaners for floors, windows and other surfaces).*

## **KITCHEN**

### **Cleaning**

- Clean up crumbs and food waste immediately after eating. Do not leave out open containers of food.
- Wash dishes after eating and clean countertops, tables and sinks with hot, soapy water.
- Sweep kitchen floors every day. Mop floors at least once a week.
- Cockroaches can be kept out of the housing. They are only present when the kitchen is dirty and food and water is available for them. Wipe up spills right away and report any leaks to management.

### **Refrigerator**

- The refrigerator keeps food cool and prevents it from spoiling. Set the thermostat to stay under 40 degrees.
- Keep the refrigerator door closed when you are not taking out or putting in food.
- Any opened perishable food should be kept in the refrigerator as well as any food marked as needing to be refrigerated (milk, eggs, cheese, meat, yogurt, vegetables, etc.). If it was refrigerated when you bought it, then you need to refrigerate it at home!
- Frozen foods should be defrosted in the refrigerator, not on the counter or anywhere else.
- Be respectful of the space and make sure all people have room to keep their food. Clean up any spills immediately.

### **Stove**

- Be careful not to boil food over or spill food on the burners. This damages them.
- Do not put tinfoil under the burners. When burners do not work, please tell management.
- Clean the stove when something spills on it.
- Do not use the stove for heating the house and do not leave burners on when unused. Someone could get burned or a fire could start.
- Do not leave pots of cooking food unattended on the stove.
- Do not use cookie sheets for cooking tortillas on the stovetop; use a griddle or frying pan.

### *Kitchen Trash and Recycling*

- Cooking fats, oils and grease should never be poured down the sink drain. They will clog the pipes. Instead, allow them to cool, put into a container and throw out in the trash.
- Keep lids can on trash and recycling containers. Empty indoor containers when they are full and bring bags to the dumpsters or the recycling area. Never keep full trash bags in your house.

## **BATHROOMS**

### *Toilet*

- Put the used toilet paper into the toilet bowl and flush. Toilet paper will not clog the pipes. Do not put any other paper or waste in the toilet. It will clog the pipes. Feminine products go in the trash.
- If your toilet runs, open the back and make sure the handle, float or flapper is not stuck. If it gets stuck or the toilet runs frequently, tell management.
- Clean the toilet at least once per week. Pour ½ cup of bleach into the bowl, let sit for a few minutes and scrub the bowl with a toilet bowl brush. Clean the outside of the bowl and toilet seat with bathroom cleaner and a wash cloth or sponge.

### *Shower and Sink*

- Hot water should come within a minute of turning on the water. If no hot water comes, report the problem to management.
- Turn water off all the way when finished using.
- Keep the shower curtain inside the shower base so water won't splash onto the floor. Wet bathrooms will get moldy.
- Use bathroom fans, if available, during and after showering to draw out moist air.
- Clean the shower and sink at least once per week. Spray the sink and shower with bathroom cleaner and wipe down with a wash cloth or sponge.

## **BEDROOMS**

- Mattresses and bedding must be kept on the frames provided. Do not put them on the floor.
- Keep beds separated at least 36 inches (91 centimeters) apart. Bunk beds should be at least 48 inches apart.
- Bedbug covers must stay on the mattresses. They are there for your protection.
- Use sheets on the mattress and wash them weekly. Do not sleep directly on the mattress. It is more sanitary to sleep on clean sheets.
- Avoid eating or keeping food in bedrooms. It attracts insects and mice. Make sure to remove any used dishes or food containers.
- If you lock your door, then you must provide a key or combination to management.

## **WINDOWS AND DOORS**

- Doors and windows are for your comfort and safety. They provide fresh air and a place to exit in an emergency. Do not place furniture or other objects in front of windows or doors that might block people from exiting.
- Keep screens in place for safety and pest control. Do not push on the screens. They will break or tear easily. Insects will enter through holes or tears in the screens.
- Make sure windows and doors open and close properly. Report any problems to management.
- Broken glass will result in the loss of cold and hot air making rooms uncomfortable and wasting energy and money. Report any broken glass in windows or doors.

## **WASHER AND DRYER**

- Do not overfill the washer. Lightly fill with clothes; do not pack them in. Use laundry detergent in correct amounts.
- Do not overfill the dryer. There must be room for clothes to tumble while the dryer is running. Empty the lint filter after each load. Leaving the lint in the filter can cause a fire.
- Ask management if you have questions about operating these machines. Tell management if these machines do not work.

## COMMON AREAS

- Living rooms are for the enjoyment of all; be respectful of each other and share the space.
- Take care of the furniture and electronics that are provided. Clean up any spills right away.

## HEATING SYSTEMS

- Interior doors affect heating systems. Some systems need air to flow from bedrooms to common areas to work properly.
- The thermostat controls the heating system and it is usually found in a common area. Keep the thermostat around 70 degrees. Turn down the thermostat if your room is too hot. Do not open the window.
- In cold weather, do not open your window if the heat is on. If windows are open and the heat is on, the heating system will run constantly wasting energy and money.
- Report any problems with the heating system to management.

## AIR CONDITIONERS

- Air conditioners cool the air inside the building. Windows and doors should be closed when the air conditioner is on to keep the cool air inside.
- Do not operate the heating system at the same time as the air conditioner.
- Air conditioners drip water as a normal part of operation. This water should drip outside. Report any air conditioner problems to management.

## WATER SYSTEM

- Your house should have both hot and cold water. If the hot water doesn't come after a few minutes, tell management. Do not let water run if it is not being used.
- Any water leaks should be reported to management right away. If your water is unusual or changes in any way, tell management.

## SMOKE AND CARBON MONOXIDE ALARMS

- Smoke alarms can save your life! They detect smoke or fire and make a loud alarm to warn of fire dangers and wake up sleeping people so they can escape to safety outside of the house. If a smoke alarm goes off, make sure everyone exits the house to safety.
- If a smoke alarm goes off due to normal cooking, open windows and turn on fans to clear the smoke from the house. Never remove batteries or otherwise tamper with an alarm. If a smoke alarm makes a beeping noise it may need new batteries. Report this to management.
- Carbon monoxide is an invisible, odorless gas that can kill people. It comes from burning materials such as gas or wood. A carbon monoxide detector sounds an alarm if the gas is present so that people can exit the house to safety. If the alarm sounds, make sure everyone is awake and exits the building. Contact management immediately!

## FIRE EXTINGUISHERS

- Fire extinguishers are used to quickly put out a fire, like a grease fire on a stovetop.

## WASTE

- Kitchen trash and other garbage should be taken out frequently. If the bag is full, take it to the outside trash container and replace with a new bag.
- Outside trash containers should be kept closed. They have tight fitting lids so they do not attract raccoons and other pests.
- If the outside trash containers are full, please call management.
- The outside trash will be removed every \_\_\_\_\_ [fill in with day of the week]

## PESTS

- Rodents and insects are both annoying and a health risk. There are steps you can take to prevent an infestation.
- Bedbugs can come from secondhand furniture, like couches. When you are buying something, check for signs of bedbugs. Look for them in the seams of chairs and couches, between the cushions, in the folds of curtains and in the joints of wooden furniture.
- Bedbug covers must stay on the mattresses. They are there for your protection.
- Tell management if you notice rusty or reddish stains on sheets or mattresses. This can be a sign of bedbugs.
- Cockroaches can come in through cardboard boxes, so dispose of boxes as soon as you are done with them.
- Keep the housing clean and vacuum often to help prevent cockroach problems.
- Tell management if you see mouse droppings or any other sign of rodents.

## Resources

### General

- Cornell Agricultural Workforce Development. Cornell University. <http://agworkforce.cals.cornell.edu/human-resource-management/worker-housing/>
- Essential Home Maintenance. Kansas State University, Agricultural Experiment Stations and Cooperative Extension Service. <https://www.bookstore.ksre.ksu.edu/pubs/s134c.pdf>

### Housing Agreements

- Sample Housing Agreement. Northwest New York Dairy, Livestock, and Field Crops. Cornell Cooperative Extension. <https://nwnyteam.cce.cornell.edu/submission.php?id=621&crumb=bilingual%257C13> [NOTE: Contract law varies by state. Employers should consult with a licensed attorney to tailor a housing agreement to be sure it complies with local laws.]
- Sample Housing Agreement. Farm Employers Labor Service. <http://fels.net/Data/Laws/>

Housing/Housing-Sample-Agreement-Eng-Spn.pdf [NOTE: Contract law varies by state. Employers should consult with a licensed attorney to tailor a housing agreement to be sure it complies with local laws.]

- Where's your employee housing agreement? Dairy Herd Management. <https://www.dairyherd.com/article/wheres-your-employee-housing-agreement>

### Cleaning and Food Safety

- Protecting Your Home from Bed Bugs. Environmental Protection Agency. <https://www.epa.gov/bedbugs/protecting-your-home-bed-bugs>
- Cleaning & Sanitizing the Kitchen. Colorado State Extension. <https://extension.colostate.edu/docs/pubs/foodnut/kitchen-sanitize.pdf>
- Cleaning your Kitchen on a Budget. University of Wisconsin-Madison. Food Safety & Health. [https://foodsafety.wisc.edu/consumer/fact\\_sheets/Cleaning\\_Budget.pdf](https://foodsafety.wisc.edu/consumer/fact_sheets/Cleaning_Budget.pdf)
- Kitchen Clean-up. Oregon State University Extension Service. [http://foodhero.org/sites/default/files/resources/kitchen\\_clean\\_up.pdf](http://foodhero.org/sites/default/files/resources/kitchen_clean_up.pdf)
- Household Cleaning. UT Extension. <https://extension.tennessee.edu/publications/Documents/SP459-E.pdf>
- A Clean Kitchen Required for Food Safety. University of Minnesota Extension. <https://extension.umn.edu/sanitation-and-illness/clean-kitchen-required-food-safety>
- Cleaning the Kitchen. Mississippi State University Extension. <http://extension.msstate.edu/sites/default/files/publications/information-sheets/is1979.pdf>
- Be Food Safe Brochure. USDA and the Partnership for Food Safety Education. [https://www.fsis.usda.gov/wps/wcm/connect/f8d66b64-104b-4638-8f38-c203d-2cd8684/BeFoodSafe\\_Logo\\_\\_\\_All\\_Ads.pdf?MOD=AJPERES#page=2](https://www.fsis.usda.gov/wps/wcm/connect/f8d66b64-104b-4638-8f38-c203d-2cd8684/BeFoodSafe_Logo___All_Ads.pdf?MOD=AJPERES#page=2)
- Be Food Safe Poster. USDA and the Partnership for Food Safety Education [https://www.fsis.usda.gov/wps/wcm/connect/7ac29301-d89e-4121-ba63-3fe64626e11f/BFS\\_Brochure\\_SP.pdf?MOD=AJPERES](https://www.fsis.usda.gov/wps/wcm/connect/7ac29301-d89e-4121-ba63-3fe64626e11f/BFS_Brochure_SP.pdf?MOD=AJPERES)





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