

Policies – Mandatory, Suggested and Optional

An employee handbook or policies manual provides your employees with notice of and a reference regarding their rights and obligations at your company. If you have a handbook, it must contain certain policies. Further, you should take the opportunity to include other information regarding your company that is helpful to employees. This chart lists the mandatory policies as well as policies that CalChamber suggests. Using this document with CalChamber's Employee Handbook Creator® will help you create a comprehensive handbook.

CalChamber is not engaged in rendering legal, technical or other professional advice or service. Nothing in this document should be interpreted or relied upon as legal advice. It is strongly recommended that you consult with a qualified attorney if you have any questions about how the information contained in this document applies to your company.

Policies – Mandatory, Suggested and Optional

The following table indicates which policies are:

M	Mandatory: A policy that you must include in your handbook, as required by law or to maintain employment at-will status.
S	Suggested: A policy that is based on a law or benefit, which you may want to include if it applies to your company.
O	Optional: A policy that you may choose to include if it applies to your company.

Policy	Mandatory/Suggested/Optional	
<i>General Employment Policies</i>		
At-Will Employment Status	M	An employee in California can be terminated at the will of either party. Must include to establish your company's employment at-will policy.
Confirmation of Receipt of Employee Handbook	M	More a form than a policy, you must use it to maintain a written record of each employee's receipt of the handbook and establish that employees had notice of your policies, expectations and prohibitions.
Introductory Statement	M	Must use to override any existing policies and practices. Specifically states that the current handbook supersedes all previous handbooks and policies.
Right to Revise	M	Must use to establish your company's right to change the handbook.
<i>Harassment/Discrimination Prevention</i>		
Confirmation of Receipt of Harassment, Discrimination and Retaliation Prevention Policy	M	More of a form than a policy, you must use it to maintain a written record of each employee's receipt of your prevention policy and establish that employees had notice of your policies, expectations and prohibitions. Employers in California are required to distribute this policy and confirm receipt.
Harassment, Discrimination and Retaliation Prevention	M	Most employers are subject to discrimination and sexual harassment laws. A harassment, discrimination and retaliation prevention policy is mandatory for California employers.
Diversity, Equity and Inclusion	O	
<i>Hiring</i>		
Full-Time Employees	O	
Inactive Status	O	
Job Duties	O	
Job Sharing	O	
New Hires	O	
Part-time Employees	O	
Regular Employees	O	
Service Credit	O	
Temporary Employees	O	

Policies – Mandatory, Suggested and Optional

<i>Leaves of Absence</i>		
Bereavement Leave	S	California employers with five or more employees must provide this leave, but you are not required to have this policy in your handbook. If you have five or more employees, it's suggested that you include a policy describing this mandatory leave to demonstrate compliance with the law.
California Family Rights Act (CFRA) Leave	M	Mandatory for employers with 5 or more employees, or public employers.
Civil Air Patrol Leave	S	California employers with 16 or more employees must provide this leave, but you are not required to have this policy in your handbook. If you have 16 or more employees, it's suggested that you include a policy describing this mandatory leave to demonstrate compliance with the leave law.
Crime or Abuse Victims' Leave and Accommodation	S	California employers must provide this leave, but you are not required to have this policy in your handbook. It's suggested that you include a policy describing this mandatory leave to demonstrate compliance with the leave law.
Crime or Abuse Victims' Leave for Treatment	S	California employers with 25 or more employees must provide this leave, but you are not required to have this policy in your handbook. If you have 25 or more employees, it's suggested that you include a policy describing this mandatory leave to demonstrate compliance with the leave law.
Criminal Judicial Proceedings and Victims' Rights Leave	S	California employers must provide this leave, but you are not required to have this policy in your handbook. It's suggested that you include a policy describing this mandatory leave to demonstrate compliance with the leave law.
Extended Medical Leave	O	
Family and Medical Leave Act (FMLA) Leave	M	Mandatory for employers with 50 or more employees, or public employers.
Jury Duty and Witness Leave	S	California employers must provide this leave, but you are not required to have this policy in your handbook. It's suggested that you include a policy describing this mandatory leave to demonstrate compliance with the leave law.
Leave Donation Program	O	
Military Leave	S	Employers must provide this leave, but you are not required to have this policy in your handbook. It's suggested that you include at least a general provision about military leave to demonstrate compliance with the leave law.
Military Spouse Leave	S	California employers with 25 or more employees must provide this leave, but you are not required to have this policy in your handbook. If you have 25 or more employees, it's suggested that you include a policy describing this mandatory leave to demonstrate compliance with the leave law.
Organ and Bone Marrow Donor Leave	S	California employers with 15 or more employees must provide this leave, but you are not required to have this policy in your handbook. If you have 15 or more employees, it's suggested that you include a policy describing this mandatory leave to demonstrate compliance with the leave law.
Paid Time Off	S	It's suggested that you include this policy if you consolidate vacation, holiday and sick pay into "paid time off" or "PTO." Note: If you use a Paid Time Off policy to meet your requirements to provide California's mandated paid sick leave, then this policy is considered mandatory to demonstrate compliance with the mandatory paid sick leave law.

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<i>Leaves of Absence (Cont.)</i>		
Personal Leave	S	It's suggested that you include this policy if you offer personal leaves of absence.
Pregnancy Disability Leave	M	Mandatory for California employers with five or more employees. Contains an option to include language in the PDL policy addressing the federal Pregnant Workers Fairness Act, applicable to employers with 15 or more employees.
Reproductive Loss Leave	S	California employers with five or more employees must provide this leave, but you are not required to have this policy in your handbook. If you have five or more employees, it's suggested that you include a policy describing this mandatory leave to demonstrate compliance with the law.
School and Child Care Activities Leave	S	California employers with 25 or more employees working at the same location must provide this leave, but you are not required to have this policy in your handbook. If you have 25 or more employees, it's suggested that you include a policy describing this mandatory leave to demonstrate compliance with the leave law.
School Appearances Involving Suspension	S	California employers must provide this leave, but you are not required to have this policy in your handbook. It's suggested that you include a policy describing this mandatory leave to demonstrate compliance with the leave law.
Sick Leave	M	California employers are required to provide paid sick leave. This policy is considered mandatory for California employers in order to demonstrate compliance with the mandatory paid sick leave law. Inclusion of this policy allows you to specifically describe and clearly communicate your company's approach to providing the mandatory benefit. A written policy is also required if you place any limits on paid sick leave that are allowed within the law.
<i>Sick Leave - Local Ordinances</i>		
<i>If you are covered by any of the local ordinances below, then a policy is considered mandatory in order to demonstrate compliance with local paid sick leave laws.</i>		
	M	Berkeley Paid Sick Leave
	M	Emeryville Paid Sick Leave
	M	Los Angeles City Paid Sick Leave
	M	Oakland Paid Sick Leave
	M	San Diego Paid Sick Leave
	M	San Francisco Paid Sick Leave
	M	Santa Monica Paid Sick Leave
Time Off for Voting	S	California employers must provide this leave, but you are not required to have this policy in your handbook. It's suggested that you include a policy describing this mandatory leave to demonstrate compliance with the leave law.
Vacation	S	It's suggested that you include this policy if you choose to offer paid vacation.
Volunteer Civil Service Personnel	S	California employers must provide this leave, but you are not required to have this policy in your handbook. It's suggested that you include a policy describing this mandatory leave to demonstrate compliance with the leave law.
<i>Benefits</i>		
Benefits Overview	O	
External Employee Education	O	
Holidays	S	It's suggested that you include this policy if you provide paid holidays.
Lactation Accommodation	M	California requires employers to reasonably accommodate employees who wish to express breast milk at work. A written policy is required under California law.

Policies – Mandatory, Suggested and Optional

<i>Benefits (Cont.)</i>		
Paid Family Leave Benefits	S	Paid Family Leave is a benefit to provide partial wage replacement for individuals who take time off work to care for a covered family member, to bond with a child or for a qualifying exigency related to a covered family member's active duty in the Armed Forces. It's suggested that you include a policy describing this mandatory benefit.
Workers' Compensation	S	You must carry workers' compensation insurance and comply with applicable laws, but you are not required to have this policy in your handbook. It's suggested that you include a policy describing this mandatory benefit.
<i>Benefits - Local Ordinances</i>		
		<i>San Francisco requires covered employers to provide the following benefits.</i>
	M	San Francisco Lactation Accommodation: All employers with an employee working within the geographical boundaries of San Francisco must reasonably accommodate employees who wish to express breast milk at work. A written policy is required under the San Francisco Lactation in the Workplace Ordinance.
	M	San Francisco Military Leave Pay Protection Act: All employers that regularly employ 100 or more employees globally must provide supplemental compensation for up to 30 days to employees who work in San Francisco and are on leave for military duty. A written policy is required in any employee handbook that describes other kinds of leave available to employees.
	M	San Francisco Paid Parental Leave: All San Francisco employers, that regularly employ 20 or more employees globally, must pay a partial weekly salary for up to eight weeks to employees who receive California Paid Family Leave (PFL) wage-replacement benefits during authorized leave for purposes of bonding with a new child. A written policy is required in any employee handbook that describes other kinds of leave available to employees.
<i>Management</i>		
Employee Property	S	Your company may inspect employees' personal property upon reasonable suspicion of unauthorized possession of company property, possession of dangerous weapons or firearms, or abuse of your company's drug and alcohol policy, and with advance notice. If you wish to reserve this right to inspect, it's suggested that you include this policy.
Employment of Relatives	O	
Names and Addresses	O	
Open-Door	O	
Performance Evaluations	S	Formal performance evaluations are not required by law but are recommended for many reasons. It's suggested that you include this policy to set forth the general procedures surrounding performance evaluations and reserve flexibility to the employer.
Personnel and Payroll Records	S	Under California law, you must allow employee access to personnel and payroll files. A policy is suggested to set forth the general parameters, procedural requirements and restrictions in compliance with the law.
Telecommuting	S	This policy is suggested if you allow employees to work remotely.
Workplace Privacy - Audio/Video Recordings	O	
<i>Company Property</i>		
Bulletin Boards	O	

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<i>Company Property (Cont.)</i>		
Electronics and Social Media	M	This policy is considered mandatory to protect your company-owned computer systems and electronic information and to set forth your policies regarding permitted and prohibited uses of electronic and social media. This policy can also provide advance notice to employees of your right to monitor company-owned property (such as email monitoring).
Employer Property	S	This policy is suggested to address company-owned property and equipment. An employer property policy can give advance notice of your right to inspect or monitor company-owned property.
Guests and Visitors	O	
Housekeeping	O	
Off-Duty Use of Facilities	O	
Parking	O	
Personal Use of Company Cell Phone	O	
Smoking	S	California law generally prohibits all workplace smoking. This policy is suggested to demonstrate compliance with smoke-free workplace rights.
Solicitation and Distribution of Literature	O	
<i>Employee Conduct</i>		
Business Conduct and Ethics	O	
Conducting Personal Business	O	
Confidential Information	O	
Conflicts of Interest	O	
Customer Relations	O	
Dress Code and Other Personal Standards	O	
Drug and Alcohol Abuse	S	This policy is suggested. A drug and alcohol abuse policy expresses your concern about the use of drugs, marijuana and alcohol in the workplace and sets forth your company's rules regarding drug, marijuana and alcohol use.
News Media Contacts	O	
Other Employment	O	
Political Activity	O	
Prohibited Conduct	O	
Prohibited Use of Company Cell Phone While Driving	S	This policy is suggested. California law prohibits motorists from using cell phones, or any other type of electronic communication device, to talk or text without the use of a hands-free device. This policy notifies employees of your company's expectations.
Punctuality and Attendance	O	
Use of Personal Devices	O	

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Wages		
Advances	O	
Alternative Workweek	O	
Reporting-Time Pay	O	
Deductions for Exempt Employees	O	
Expense Reimbursements	O	
Final Pay	S	It's suggested that you include this final pay policy regarding the timing of an employee's last paycheck after resignation or termination to demonstrate compliance with California wage and hour laws.
Makeup Time	O	
Meal and Rest Periods	M	This policy is considered mandatory for California employers. Policies regarding meal and rest periods for nonexempt employees are regulated by state wage-and-hour laws. Inclusion of this policy can allow you to specifically describe and clearly communicate applicable meal and rest periods.
On Call and Standby Time	S	If you assign employees to on-call/standby duties, it is suggested that you include this policy to effectively communicate your company's practices regarding on-call/standby time, ensure employees are properly compensated for all hours worked, and demonstrate compliance with California's wage and hour laws.
Overtime for Nonexempt Employees	S	State and federal laws govern overtime for nonexempt employees, but your handbook does not have to describe the specific legal requirements. This policy is suggested to show your commitment to complying with overtime laws.
Pay Differentials	O	
Pay for Mandatory Meetings/ Training	O	
Payment of Wages	S	It's suggested that you include a policy setting forth employee paydays and pay periods.
Recruitment Bonus	O	
Split Shift Pay	S	If you assign employees to split shift schedules, it is suggested that you adopt this policy to effectively communicate your company's split shift premium pay practices, ensure employees are properly compensated for all hours worked and demonstrate compliance with California's wage and hour laws.
Timekeeping Requirements and Off-the-Clock Work	M	This policy is considered mandatory for California employers. State wage-and-hour laws require your company to keep accurate records of hours worked, including recording meal breaks.
Wage and Hour Training	S	Training supervisors and other personnel assigned with payroll tasks on all applicable wage and hour policies and practices can help ensure employees are compensated according to the law and demonstrate your commitment to wage and hour compliance. If you implement supervisor wage and hour training, it's suggested that you include this policy describing your training practices.
Work Schedules	O	

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<i>Health and Safety</i>		
Employees Who Are Required to Drive	O	
Ergonomics	S	Companies with more than one employee affected by a repetitive motion injury must comply with California's ergonomics standard, and this policy is suggested.
Fragrance	O	
Health and Safety	S	This policy is suggested. California employers are required to establish a written Injury and Illness Prevention Program (IIPP). This policy can refer employees to the IIPP and discuss your commitment to workplace safety.
Heat Illness	S	This policy is suggested if your company has employees that work outside.
Inclement Weather/Natural Disasters	O	
Recreational Activities and Programs	O	
Workplace Violence	S	This policy is intended to emphasize your company's commitment to a safe workplace; to put employees on notice of unacceptable behaviors; and to communicate important workplace violence prevention information and procedures to employees, such as how employees may report workplace violence incidents, risks and concerns, and obtain a copy of the company's workplace violence prevention plan. This policy is suggested to help ensure workplace safety and assist in complying with California's workplace violence prevention requirements.
<i>Termination</i>		
Employee References	O	
Involuntary Termination and Progressive Discipline	O	
Reductions in Force	O	
Voluntary Resignation	O	