

Refreshing Your Employee Handbook: Best Practices for Policies, Structure, and More

October 23, 2025



Agenda

Updates and Modern Leave Policies

Handbook
Structure &
Best Practices

Beyond the Handbook: Other Maintenance Tips

A neglected handbook is a risky move

- Only 25% of companies review their handbook more than once per year
 - There were over 300 individual changes to the law in 2024 alone
- 1 in 5 teams said they couldn't remember the last time they updated their handbook or agreements
 - Successful claims against employers for compliance-related infractions cost an average of \$160,000 per case



2025 Key Handbook Updates

1	Captive Audience Meetings	Alaska
2	School Activities Leave	Indiana
3	Military Leave	Illinois
4	Protected Characteristics	Federal, Connecticut, Iowa, Washington, Elkins County (WV)
5	Sick Leave	Alaska, California, Michigan, Missouri, Nebraska, Washington
6	Emergency Services Leave	Montana
7	Lactation Accommodation	New Hampshire
8	Family and Medical Leave	Vermont
9	Pay Transparency	Massachusetts, New Jersey, Cleveland (OH), Vermont



When it comes to combining policies, you have options

Paid Time Off

- Combines different types of leave into a single bucket
- Simplifies leave management and tracking
- You must allow employees to take leave for all legally-required reasons provided for under each type of leave that your PTO policy incorporates

Same Leave Policies

- One-size-fits-all approach that applies the strictest state law to all employees
- Easier to maintain, but it can result in giving more leave than is necessary
- Typically shorter and easier for employees to read and understand than state-specific policies

Unlimited/Flexible Leave

- Like PTO, combines types of leave into a single bucket
- No cap on leave amounts
- Can *possibly* help avoid leave payout upon separation
- Leave requests can be denied but must be allowed for legally-required reasons



Using PTO to meet sick leave requirements

Amount

Accrual rate or frontloaded amount must be at least as generous as sick leave law requires

Carryover

Allow employees to carry over unused leave if the law requires it

Payout

Follow PTO rules, which have more payout requirements that sick leave laws



Replacing sick leave with PTO: Amounts

Accrual

- Employees earn leave at a certain rate per work hour
- Employees can only use leave after they have earned it

Frontloading

- Employees get a lump sum of leave at the beginning of the year
- This amount may need to be added to if leave is uncapped





Replacing sick leave with PTO: Carryover

Accrual

- Employees earn leave at a certain rate per work hour
- Commonly, that's 1 hour of leave per 30 hours worked
- Employees can only use leave after they have earned it

Frontloading

- Employees get a lump sum of leave at the beginning of the year
- Commonly, that's 40 hours
- This amount may need to be added to if leave is uncapped
- Leave is available immediately





Replacing sick leave with PTO: Payout

Accrual

 Employees only need to be paid out for the hours they have earned

Frontloading

Employees must be paid for all their unused leave





Unlimited/Flexible PTO: a way to avoid tracking accrual, caps, carryover, and payout

- Must be truly unlimited
- Be careful denying leave under an unlimited policy
- Make clear that the policy can be used for vacation and sick leave
- Consider exceptions for long-term medical leaves of absence or parental leave



If you want your handbook to be a resource for your employees, you need to make it:

- Easy for employees to access
- Easy for employees to navigate
- Easy for employees to read and understand
- Set expectations and maintain culture
- Complaint with the law



If you want your handbook to establish employee expectations and maintain culture, you may need to include more than just required policies.

Consider including:

- Your mission statement
- Your values
- Policies that reflect those values

You may want to consider policies such as:

- Code of conduct
- Social media
- Outside employment
- Pets in the workplace
- Employee dating
- Dress Code



Do you want your employee handbook to help you comply with federal, state, and local employment laws?

If so, you need to know:

- How many employees you have
- Where each of your employees work
- What policies are required for each of those locations



Which state's laws govern your employment relationships?

Lawyer answer: It depends.

General rule: The law of the state where the employee works.

Follow ups: What if an employee lives in one state and works in another?

What if an employee works in multiple states?





"Which employees do I count?"

Lawyer answer: It depends.

Some laws clearly define which employees to count—many laws don't provide a definition.

Examples:

- Worldwide
- In the US
- In the State/Locality
- At a worksite
- Eligible/Covered Employees
- Full-time Employees





Different ways to structure an employee handbook

All-in-one

All of your policies for all of the states where you have employees in one handbook.

Core + Addenda

Core policies in main handbook with state differences in addenda.

Same Leave

Core policies set to comply with all of the states where you have employees.

Separate Handbooks

Separate handbook for each state where you have employees.



Different ways to structure an employee handbook, continued

All-in-one

Pros

Easy to navigate and maintain

Cons

- Can get long if you have employees in multiple states
- Applies different rules to employees in different states, which can be administratively complex

Core + Addenda

Pros

- Allows for a shorter core handbook when employers have employees in lots of states
- Relatively easy to update when hiring an employee in a new state

Cons

• Employees may have to flip between core handbook and addenda and can compare benefits

Same Leave

Pros

- Can help keep handbook short and easy to maintain
- Treats employees in different states uniformly

Cons

 Likely requires giving some employees more benefits than they are entitled to under state law

Separate Handbooks

Pros

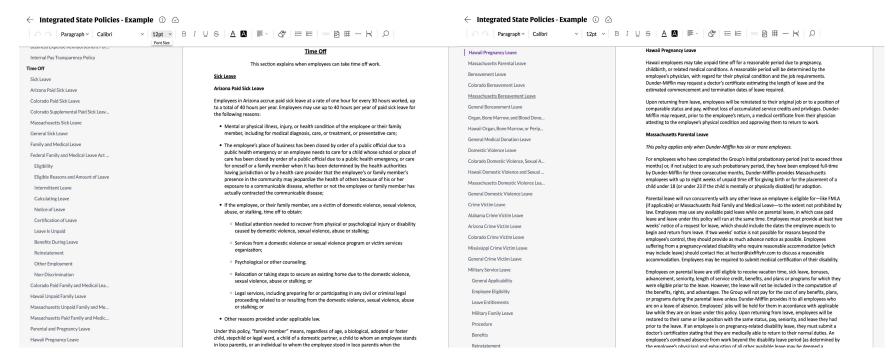
- Handbooks can be shorter and easier for employees to navigate
- Employees can't compare benefits across states

Cons

• It can be a larger administrative burden to maintain multiple handbooks



SixFifty Employee Handbook





SixFifty lets you put handbook updates on easy mode.



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Tips for Drafting Effective Policies

- Use common words that are easy to understand.
 - Avoid legal terms and unnecessarily complicated language.
- Keep your sentences short and simple.
 - Make sure that it's easy to identify the subject and verb of each sentence.
 - Break long sentences into multiple short sentences.
- Avoid unnecessary repetition.
- Organize your policies in ways that help people find answers to their questions.





Example of Policy Formatting

- At SixFifty, our new employee
 handbook engine generates policies in
 a question and answer format.
- The format is designed to make it easy for readers to find answers to their questions.
- We use similar questions across similar policies.

Paid Time Off

Ryan's Rhubarb believes that taking time away from work is essential to staying healthy, happy, and productive. This policy is designed to give employees the flexibility to take the time they need—whether it's for rest, travel, personal matters, family commitments, or just to recharge. We trust employees to use leave in a way that works best for them and their team, and we encourage employees to plan ahead so they can fully enjoy their time away.

Taking care of oneself outside of work helps employees bring their best self to work—and we're committed to supporting that balance.

Who can take this leave?

all employees are eligible to accrue leave under this policy.

How much leave do employees get?

Eligible employees accrue 1 hour of paid time off for every hours worked. Employees can use any available paid time off.

Will unused leave be carried over to the next year?

Employees can carry over all unused paid time off to the next year.

Will unused leave be paid out at the time of separation?

Unused paid time off will be paid out at the time of separation.

When do employees need to provide notice?

Employees should give their supervisor at least 30 days' advance notice before they take paid time off. Approval of leave requests is based on the Company's needs and other employees' requests for paid time off and leave of absence. All requests must be approved in writing by the employee's supervisor.

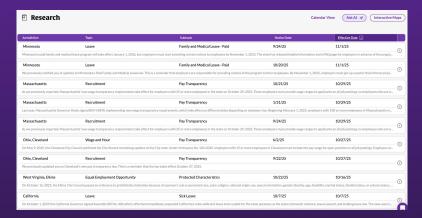
How soon after starting work can employees use this leave?

Employees can start taking paid time off 1 month after starting work, subject to the employee's work schedule and the needs of the Company.



Updating Your Employee Handbook

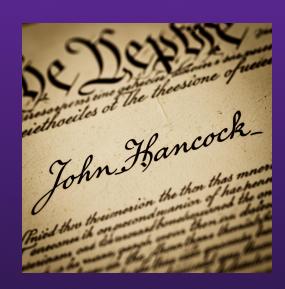
- How often do you need to update your employee handbook?
- The lawyer's answer to every question: It depends!
- Best practice: Review your employee handbook every month for possible updates.
 - Consider changes to laws, your organization's footprint, and your employee count.
 - You may not need to make changes every month.
 - A little time each month can save you a lot of time down the road.





Signatures and Acknowledgements

- When do you need to send your employee handbook to employees for signature or acknowledgement?
- An Employee Handbook **is not** a contract.
- Different approaches:
 - Send out for acknowledgement every time there is a significant change
 - Make employees aware of changes as they occur and send out for acknowledgment once a year
 - Make employee aware of changes as they occur but only get acknowledgments when employees start





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Thanks for joining!

What questions do you have?



Or visit **sixfifty.com/demo**

