

## Spring Cleaning Your Employee Files

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Spring inspires a certain kind of ambition. Closets are reorganized. Garages are reclaimed. Kitchen drawers finally surrender their mysterious collections of takeout menus and expired soy sauce packets.

Employers would do well to apply the same seasonal energy to another space that tends to accumulate clutter quietly over time: employee records.

Personnel files have a remarkable way of expanding without supervision. A performance note here, an email printed there, a manager's handwritten reminder tucked into a folder for "later." Years later, the file resembles less of a clean employment record and more of a historical archive.

Unfortunately, when a dispute arises, those archives tend to become exhibits.

Spring is a useful moment for employers to step back and examine how employee records are organized, what should be retained, and what should not be living in the same file in the first place. A thoughtful approach to data retention is not just good housekeeping, it is a meaningful risk management strategy.

One of the most common misconceptions about employee files is that everything related to an employee should live in one folder. Legally speaking, that approach creates more problems than it solves.

Most employers should maintain several distinct categories of employee records, each with its own purpose and level of confidentiality.

The **traditional personnel file** is the record most employers think of first. It typically contains materials related to hiring, compensation, performance evaluations, promotions, disciplinary actions, and other employment decisions. In short, it tells the professional story of the employee's relationship with the company.

But certain types of information should not live in that same file.

**Medical information** is a prime example. Documents related to medical conditions, disability accommodations, and medical certifications for leave must be maintained separately and treated as confidential under federal law, including the Americans with Disabilities Act. Keeping medical records apart from the general personnel file helps limit access and ensures managers reviewing performance information are not inadvertently exposed to protected medical details.

**Immigration related documents** are another category that deserve their own home. Form I-9s, which verify employment

eligibility, should be stored in a separate I-9 file or electronic system rather than within the personnel file itself. There is a practical legal reason for this. If the Department of Homeland Security or another agency conducts an I-9 audit, employers are required to produce those forms. Housing them separately allows employers to provide the required documents quickly without turning over the entire personnel file or exposing unrelated, potentially sensitive employment records.

A similar logic applies to **background check documentation**. Reports obtained under the Fair Credit Reporting Act often contain personal information that should be maintained separately from routine personnel materials and handled in accordance with the statute's confidentiality requirements.

If this sounds like a lot of folders, it is. But the structure matters. Separating records by category is not about bureaucracy. It is about protecting sensitive information, limiting unnecessary disclosure, and ensuring compliance with multiple overlapping employment laws.

Consistency is equally important. Employers should aim for uniform recordkeeping practices across the workforce. Documents that are routinely created, such as performance evaluations or written warnings, should appear consistently in employee files. Sporadic documentation invites uncomfortable questions later about whether records were selectively created or preserved.

This becomes especially relevant in litigation. When employee files contain scattered notes, informal comments, or partial documentation, they often raise more questions than they answer. The absence of records can be just as problematic. If an employer asserts that an employee struggled with performance but the file contains no documentation of those concerns, that gap becomes difficult to explain.

Of course, spring cleaning does not mean shredding everything in sight.

Employers must comply with a bevy of federal and state record retention requirements. Under the Fair Labor Standards Act, for example, payroll records must generally be retained for at least three years. The Equal Employment Opportunity Commission requires employers to preserve personnel and employment records for at least one year, and longer if a charge of discrimination has been filed. Form I-9s must be retained for a specific period tied to the employee's date of hire and separation. Benefit plan records, tax documents, and workplace injury reports often carry their own retention timelines as well.

Because the rules vary, the most effective approach is to adopt a written document retention policy that clearly identifies which records must be maintained and for how long. A well-designed policy helps HR teams manage records consistently and prevents the ad hoc cleanups that tend to occur when file cabinets become too full.

Those spontaneous cleanups can create real problems.

Once an employer becomes aware of a dispute, investigation, or potential claim, the organization has a legal obligation to preserve relevant records. Destroying documents after that point, even if it would normally be permitted under a retention policy, can lead to allegations of evidence destruction. Courts tend to take a dim view of that kind of spring cleaning.

Modern technology has also complicated the recordkeeping landscape. Employee information now lives in HR platforms, email systems, messaging tools, shared drives, and occasionally personal devices. A comprehensive retention strategy should account for both physical and electronic records and ensure they are governed by consistent rules.

At the same time, employers should resist the temptation to keep everything forever. Over retention can create its own problems. The more documents an organization keeps, the more it may have to search, review, and produce in the event of litigation or an investigation.

In other words, the goal is not hoarding. It is curation.

Spring cleaning employee files may not provide the immediate satisfaction of finally conquering the garage, but it offers something arguably more valuable: clarity. Organized, compliant records help employers make better decisions, respond

confidently to audits or claims, and protect the confidentiality of sensitive information.

And unlike that kitchen drawer full of soy sauce packets, an orderly recordkeeping system rarely produces unpleasant surprises later.