



*This article presents general guidelines for Georgia nonprofit organizations and should not be construed as legal advice. Always consult an attorney to address your particular situation.*

## **Employee Handbooks for Nonprofit Organizations**

An employee handbook can be an important tool in clarifying roles, enhancing performance management, and reducing legal risk in a nonprofit organization. A clearly drafted and comprehensive employee handbook that contains policies the organization *actually follows*, can help ensure not only that managers, supervisors and employees understand the rules and guidelines that govern their employment, but also that the organization is in compliance with legal requirements.

The purpose of this article is to provide you with general information about the types of provisions you may want to consider including in an employee handbook, and the benefits of including these provisions. One thing to keep in mind is that the employee handbook should not impose legal obligations on the organization that the organization does not have under the law, or create administrative burdens on the organization with which it is not willing to comply. A handbook that is not followed by the organization can be more damaging than not having a handbook at all.

### **Information in Employee Handbooks.**

Here are examples of some of the information that is commonly included in employee handbooks, and that a nonprofit organization should consider when putting a handbook in place:

- *Getting to Know the Organization.* It is typical for a nonprofit organization to include identifying information, such as its mission statement, vision, values, goals, and a description of its programs in its employee handbook. Some organizations also choose to include the story of their founding or some information about the organization's history. In addition, the handbook is an appropriate place to explain any benefits specific to the organization, such as paid holidays or vacation, health or dental benefits, or a retirement savings plan, if any, to employees.
- *Work Rules and Standards.* The employee handbook provides a forum for clear work rules and conduct standards for employees. The organization can communicate its expectations for employees, such as regular workdays and work hours, attendance rules, employee classifications, employee conduct guidelines, and

office policies, such as dress code, safety, or emergency procedures, as well as policies prohibiting violence or the use of or being under the influence of drugs or alcohol while working. The potential consequences for violating these policies should also be indicated clearly in the handbook.

- *Performance Management.* The handbook provides the organization with an opportunity to communicate the timing for performance reviews and information about how discipline may be administered, including whether the organization uses progressive discipline, and, if so, the steps involved. Organization managers and supervisors also need to be familiar with these policies, and be trained to enforce them in a uniform manner.
- *Communicating Legal Protections.* Some provisions in employee handbooks directly address the organization's legal obligations, and help to reduce legal risk for the organization. These include an at-will employment statement (indicating that employment can be terminated by the employee or the organization at any time and for any reason), and protections from harassment, discrimination and retaliation. In particular, policies prohibiting harassment and discrimination, and indicating that the organization will not retaliate against an employee who raises a concern, with an explanation of each of these prohibitions, are crucial to ensure compliance with employment laws that may apply to the organization.<sup>1</sup> Such policies should also include a process for raising concerns internally with multiple avenues for doing so to help motivate employees to raise their concerns within the organization rather than going outside to seek assistance, such as through government agencies or litigation.
- *Protecting Organization Clients, Information and Property.* Organizations that work with children, the elderly or other vulnerable populations may have a legal obligation to have a mandatory reporting policy. If required, such a policy should be included in the employee handbook. In addition, organizations often have confidential information such as personal information of clients, donors or employees, or other confidential business information. The handbook can include policies requiring employees to maintain the confidentiality of such information, and requiring that they return any such information to the organization when employment ends. The handbook may also address the care and return of computer equipment, tools, or other property employees use that belongs to the organization. The use of the

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<sup>1</sup> The employment laws that apply to your organization will depend on both the number of employees you have and where the organization is located. Please refer to this link: <https://www.pbpatl.org/resources/employment-law-table/>, for information about federal, Georgia and Atlanta employment laws that may apply to your organization. Additional local laws may exist in the jurisdiction where the organization is located that are not included on this table.

organization's computer systems and social media many also be addressed in an employee handbook.

- *Acknowledging receipt and understanding of the policies.* Employees should be required to sign an acknowledgement indicating that they have read and understand the policies in the handbook. This acknowledgement may become important evidence that the policies were distributed to employees, and that they were read and understood by employees in the event there is a legal claim.

As indicated above, employee handbooks work to eliminate ambiguity for employees regarding their job duties and the organization's expectations. In addition, policies to which the organization adheres can help demonstrate consistency in the organization's actions regarding employees and provide some elements of a defense in the event of a legal claim.

If you need assistance drafting or revising your employee handbook, please contact your PBPA attorney.