

The Importance of Routine Form I-9 Audits



Employers must ensure that all new domestic hires demonstrate identity and work authorization by timely completing a Form I-9.

These forms and associated documents are subject to potential compliance audits by Immigration and Customs Enforcement ("ICE"). To that end, internal Form I-9 reviews are critical for evaluating compliance with U.S. immigration and employment law.

Benefits of Regular Internal Audits

Conducting regular, internal audits helps employers:

Mitigate Legal Risks. Proper, organization-driven audits can help mitigate risk and ensure that all forms are accurate and complete per Immigration and Customs Enforcement (ICE) standards. These internal audits can also serve as a way to confirm that processes are in compliance with the [anti-discrimination prohibitions](#) as enforced by the [Department of Justice](#), further reducing the risk of penalties during a government inspection. Monetary penalties for non-compliance can range from \$250 to more than \$10,000 per violation.

Ensure Proper Documentation. Internal audits can identify and correct any missing or improperly completed documents. Reviewing documents also helps ensure that your staff is work authorized and that documents are current.

Educate Your Staff. One of the most important steps an organization can take in support of Form I-9 compliance is enshrining processes into policies that are reviewed by leadership and/or legal teams. During policy implementation periods, staff trainings should be conducted to ensure employees are aware of policy terms.

Strengthen Internal Processes. Additionally important is testing the application of those policies through audits. This involves auditing *the Form I-9 completion workflow* as opposed to simply auditing the Form I-9 document itself. A few factors organizations should focus on during this workflow audit process include completion timeliness, potential risk for document abuse, and any phases of the workflow that could benefit from refinement/improvement. →

Learn More

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How to Complete a Form I-9 Audit

- 1. Review Company Form I-9 Records.** First, compile a roster of all current employees and those terminated within the last three years. Then, gather all current and historical Forms I-9 for both active and applicable terminated employees.
- 2. Review for Accuracy.** Verify that a completed Form I-9 exists for each employee on the roster. Further verify that each form is correctly completed. This minimally includes ensuring that:
 - All required fields are completed in a timely manner ([Section 1](#), [Section 2](#), and any [reverifications](#)).
 - [Appropriate documents](#) (e.g., passports, green cards, driver's licenses) have been presented and recorded accurately.
- 3. Correct Mistakes.** If errors are found, correct them using [USCIS guidelines](#) and implement corrective actions for your team.
- 4. Secure I-9 Forms.** Store Forms I-9 separately from personnel files in a secure location. Electronic storage is permissible but must comply with [USCIS guidelines](#) for security and accessibility.



When to Conduct a Form I-9 Audit

- 1. Regularly Scheduled Audits.** Companies should conduct Form I-9 audits at regularly-scheduled intervals, depending on the size of the workforce and the volume of new hires.
- 2. Before [Mergers or Acquisitions](#).** Conduct a comprehensive audit before any merger or acquisition to ensure that all employee records are up to date and that compliance is maintained across the workforce. This is particularly critical if you are the acquiring organization. Uncorrected Form I-9 errors can be charged as violations by the acquiring organization.
- 3. During a [Government Inspection](#):** In case of a government audit or investigation, completing an internal audit assists in estimating any possible exposure or liability and provides the organization with a head-start on negotiating with the inspecting agency.
- 4. [Post-Reorganization](#):** Conduct audits when restructuring, transitioning to new HR systems, or undergoing major internal changes that impact employment verification practices.

By regularly auditing Forms I-9, companies bolster compliance with U.S. labor laws, mitigate risk, and operate more efficient and compliant hiring programs. ■