



Illinois Pay Equity Checklist

Illinois Equal Pay Act

The Equal Pay Act was amended to expand pay transparency requirements to require posting wage range, disclosure of promotional opportunities and expanded record-keeping requirements.

This takes effect January 1, 2025 and applies to companies with 15 or more employees, offices, or work sites based in Illinois, or those who have employees reporting to supervisors, offices, or work sites in Illinois.

To Do:

- Disclose** the “good faith” pay scale and benefits in all job postings that (1) will be performed, at least in part, in Illinois, or (2) will be performed outside of Illinois if the hired employee will report to a supervisor, office or other work site in Illinois.
 - Postings must include,
 - wage or salary, or the wage or salary range, a general description of benefits and other forms of compensation, including bonuses, stock options and other incentives the employer expects to offer for the position.
 - Employers may meet their obligation to disclose benefit information by reference to an easily accessible public section of an employer’s website.
 - If a third-party recruitment vendor is used, then provide the pay range and benefits information to the third party or provide a hyperlink to where the information is available. The third party is obligated to include this data in job postings.

- Announce**, post, or otherwise make known all opportunities for promotion to current employees no later than 14 calendar days after making an external job posting for the same position.

- State Reporting**
 - Biennially submit employee level data & Compliance Statement to Illinois Equal Pay Registration Certificate portal to obtain Equal Pay Registration Certificate (applies to employers with 100 employees in the State of Illinois).



Best Practices

- Conduct a market analysis to establish **external** equity.
 - Benchmark salaries against external market.
 - Define salary range/grades for each position.

- Safeguard organization by conducting Proactive Pay Equity Study to assess **internal** equity based on established ranges/pay grades (*recommended*).
 - Perform a company-wide multiple regression analysis under Attorney-Client Privilege to identify pay disparities by gender or race after controlling for job-related criteria.
 - Test consistency of pay practices.

- Update policies/practices regarding retaliation of those who refuse to disclose wage history to extend protection to employees.
 - Employers cannot retaliate against or refuse to promote or transfer employees who choose not to disclose their wage history or request the wage range for a position.

- Recordkeeping - retain records demonstrating compliance with the law for each position for at least five years after the position is filled or the position was initially posted, if not filled.
 - Employers must maintain records of the following;
 - Employee name, address, occupation/position.
 - Wages paid.
 - Pay scale, benefits and job posting for each position occupied.

- Assess Documentation and policies that explain factors and reasoning used to set compensation.
 - Assess
 - Pay Structures, Formulas, Benchmarks, Policies.
 - Schedules Processes for Job Evaluations.
 - Focus on processes around setting initial pay.
 - Performance evaluation and adjustment documentation.
 - Confirm
 - Policies include EEO, non-discrimination, non-retaliation, pay equity, and pay transparency language.
 - Policies forbid consideration of prior pay.



- Hiring Managers Training – Provide training on compensation administration.
 - Ensure managers are aware of compensation policies and processes and are applying these processes consistently.
 - Review the role of job descriptions in the pay process and the job-related factors that should dictate starting pay.
 - Review Pay Transparency policies.
 - Ensure managers understand that employees should be paid based on their value to the organization rather than their past salary, personal relationships or negotiations with management.

- Talent Acquisition Staff Training – Provide pay transparency training on compensation.
 - Review the role of job descriptions in the pay process and the business factors that should dictate starting pay.
 - Review Pay Transparency policies.
 - Ensure that employees' starting pay aligns with their value to the organization, rather than their past salary, personal relationships, or negotiation skills.

For more information regarding pay equity maintenance and monitoring solutions please [contact us](#) or [subscribe](#) to regular updates.

Checklist is subject to change as regulations are revised or implemented.

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