**Employment Offer Letter Guide**

**Overview**

* An employment offer letter confirms the details of an offer of employment. It generally follows an oral offer.
* It is important that the offer letter accurately and appropriately establishes the employer’s expectations and obligations, including the nature of the employment as at-will.
* A well-crafted offer letter can help protect an employer in an employment law dispute by clearly defining expectations and by including protective language.
* A poorly worded offer letter can cause confusion and result in a weaker defense against contractual claims.

**Discussion**

NC law § 95-25.13 requires, at time of hire, written notification of promised wages, day and place of payment for all employees. Promised wages includes regular rate of pay, sick and vacation, PTO, non-discretionary bonuses, commissions, etc. Place is interpreted to also mean “method,” for example direct deposit.

SC law §41-10-30 requires the above listed information as well as, the normal hours of work (i.e., number or range of hours) per week, day, other, etc.) and deductions to be made from wages such as insurance deductions.

It is recommended to satisfy these requirements through the use of an offer letter.

In addition, there are many practical advantages to a written offer letter, including clarity on key terms and a defined acceptance date. The letter should, at a minimum, include the following:

* title of the position
* starting date
* department and supervisor
* location
* salary or hourly rate of the position expressed in a weekly, bi-weekly, semi-monthly or monthly amount (or other pay method, which could be commission, etc.)
* eligible benefits
* any non-compete or other restrictive covenant requirements (may reference a separate agreement)
* acceptance deadline and method
* offer contingency upon drug test and/or background screenings
* at-will statement
* relocation or locating housing assistance (may reference a separate agreement)

**Additional Information**

* If the candidate is salaried, it is important to state a weekly or monthly amount and not simply state an annual amount. This is to avoid implying a guaranteed one-year term of employment.
* You do not need to go into too much detail about required paperwork to be completed upon start of employment or the specifics of all company benefits or policies. This information can be covered in a follow-up communication or during the new hire orientation.
* Also, avoid making statements in an offer letter that imply a fixed-term employment contract. These statements can lead to litigation if an employer later decides to terminate the employee. Any statements that allude to job guarantee can also be problematic as negating at-will.
* Frequently offers of employment are made contingent on a background check or drug test. This should be outlined in the offer letter.

**Note:** Review state laws for state-specific provisions. Written by a Catapult Advisor.