

Unmasking the Mysteries of Human Resources and Payroll

SASBO/LASBO March 2025



Table of contents

01

Fair Labor
Standards Act

03

Garnishments

02

Compensable Time

04

Family and Medical
Leave Act



1



Fair Labor
Standards
Act




Original Purpose was Twofold



Spread Employment



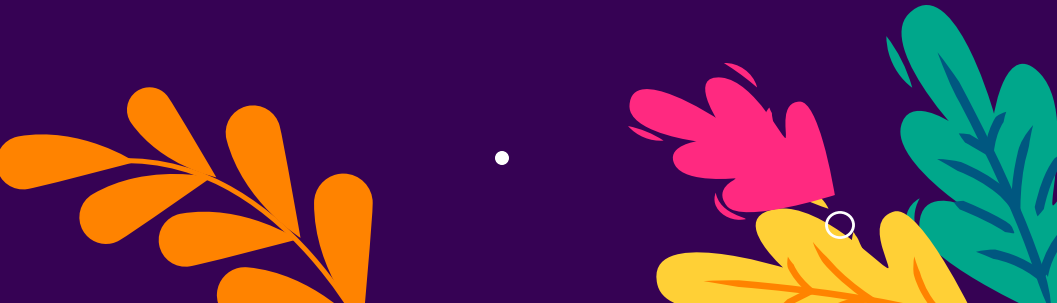
To spread employment by discouraging the practice of hiring a few workers and requiring them to work long hours



Protective Floor




To establish a protective floor for workers' wages



What FLSA Regulates

- Minimum Wage
- Exemption Criteria
- Overtime Requirements
- Child Labor Provisions
- Recordkeeping

The background is a dark purple color with a grid of thin, light purple lines. At the top, there are two strings of colorful bunting flags in shades of pink, yellow, blue, and red. The text is centered in the upper half of the image.

Minimum wage laws have changed
23 times since 1938.

The background is a dark purple color with a grid of thin, light purple lines. At the bottom, there are two clusters of stylized foliage in shades of yellow, orange, and teal. The text is centered in the lower half of the image.

The last change
was in 2009



\$7.25/hr

Current Federal Minimum Wage Rate

Employee Classifications

Exempt

Meets specific FLSA exemption criteria and is not subject to overtime pay



Non-Exempt

Entitled to overtime pay



Independent Contractor

Self-employed and not subject to payroll taxes or benefits. They are workers hired for a specific job or service performed outside of the normal employer-employee relationship





To qualify for exemption, employees generally must be paid not less than \$684 per week on a salary basis (\$35,568 per year).



Job titles do not determine exemption status. An employee's specific job duties and compensation must meet all the requirements of the Department of Labor regulations.

The Exemption Tests



Executive



Administrative

Professional

Computer Employee

Highly Compensated



IRS Control Tests for Independent Contractor

Behavioral

Financial

Relationship





Record Keeping

It is critical for an employer to keep accurate documentation of all hours worked by non-exempt employees.

When a complaint has been made against an employer, it is up to the employer to provide evidence of compliance with the law.

What Employee Personal Information to Keep

Wages

Hours

Identifying Information

Hours and Wages Paid

Overtime Calculations and Deductions

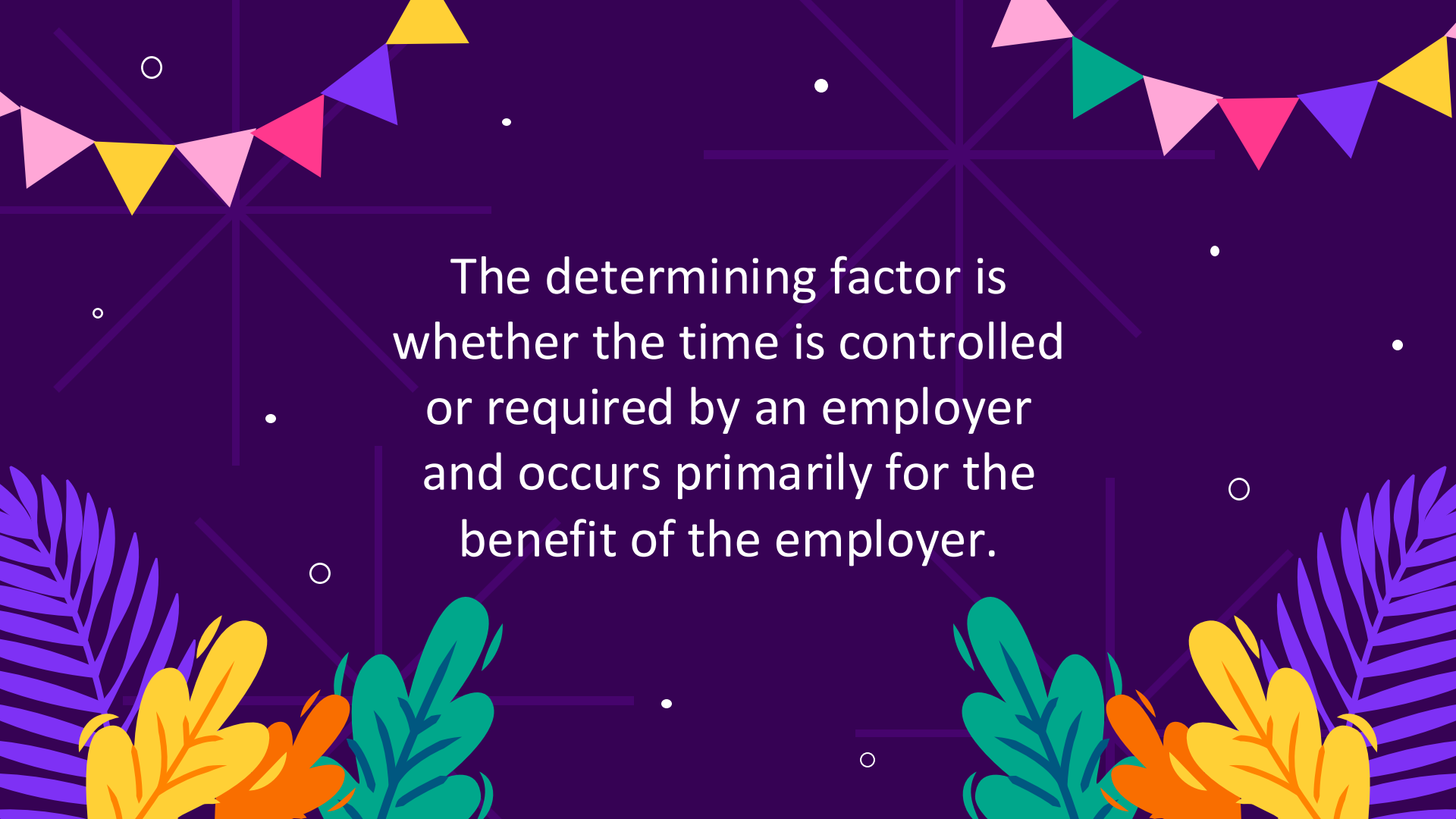
The background is a dark purple color. It features several decorative elements: colorful bunting flags in shades of pink, yellow, blue, and green at the top; a grid of thin purple lines forming a starburst pattern; and stylized foliage in shades of purple, yellow, and teal at the bottom. Small white circles and dots are scattered throughout the background.

Most records for the FLSA should
be kept for a minimum of 3 Years



2

Compensabl
e
Time

The background is a dark purple color with a grid of thin, light purple lines. At the top, there are two strings of colorful bunting flags in shades of pink, yellow, and blue. At the bottom, there are stylized illustrations of green and yellow foliage. The text is centered in the middle of the page.

The determining factor is whether the time is controlled or required by an employer and occurs primarily for the benefit of the employer.

The background is a dark purple color with a grid of thin, light purple lines. At the top, there are two strings of colorful bunting flags in shades of pink, yellow, blue, and red. At the bottom, there are stylized illustrations of green and yellow leaves and ferns. Small white circles and dots are scattered throughout the background.

Any work performed by an employee, authorized or not, is compensable time.

The background is a dark purple color. At the top, there are two strings of colorful bunting flags in shades of pink, yellow, and blue. At the bottom, there are stylized illustrations of green and yellow foliage. The background also features a faint grid of light purple lines and several small white dots.

Refusing to pay for
unauthorized time worked is
NOT an option

Compensable time may include:

- Waiting time required by the job (bus drivers)
- Rest periods for less than 20 minutes
- Training time required by the employer
- On-call time when the employee's degree of freedom is restricted
- Preparatory and cleanup time
- Travel time that is an integral part of the employee's job

Common Compliance Issues



Meals/Breaks

Is the employee completely relieved from duty for 30 or more minutes



Multiple Assignments

Employing one employee in two different work capacities



Volunteers

Depends on the circumstances



Travel Time

Depends on who, what day, length of travel, what time of the day, etc



Training Time

Must compensate employees for time spent in training given by the employer or under the employer's auspices



Extracurricular Activities

Is the employee exempt or nonexempt and how many hours does the stipend buy?

The background is a dark purple color. It features a light purple grid pattern. A yellow dotted path starts from the bottom left, curves upwards and to the right, then loops back to the left, and finally curves downwards and to the right. There are several colorful floral and leaf patterns: orange and blue leaves in the top left, blue and yellow leaves in the top right, and a pink leaf in the top center. Small white circles and decorative swirls in various colors (orange, purple, green, pink) are scattered throughout the background.

Garnishments

3

What is a **wage garnishment**?

Court-mandated deductions from an employee's earnings to satisfy a debt



Types of Garnishments



Child Support



Tax Levy

Consumer Debt



Student Loans

Bankruptcy Orders



Payroll Department Responsibilities



1. Review the garnishment order
 2. Notify the employee
 3. Calculate disposable earning
 4. Apply garnishment limits
 5. Deduct and remit payments
 6. Monitor for changes
- 
- 

The background is a vibrant purple with a grid of thin, darker purple lines. It is decorated with various festive elements: yellow and pink streamers, purple and yellow confetti, and dotted lines in yellow, pink, and purple. In the bottom left corner, there is a stylized masquerade mask with teal, purple, and yellow sections. In the bottom right corner, there are stylized orange and blue floral or leaf-like patterns. The text is centered in the upper half of the image.

Read the Garnishmen

t

Notify the Employee

Inform



Inform the employee promptly about the garnishment order

Provide




Provide details on the amount to be deducted and their legal rights

Maintain

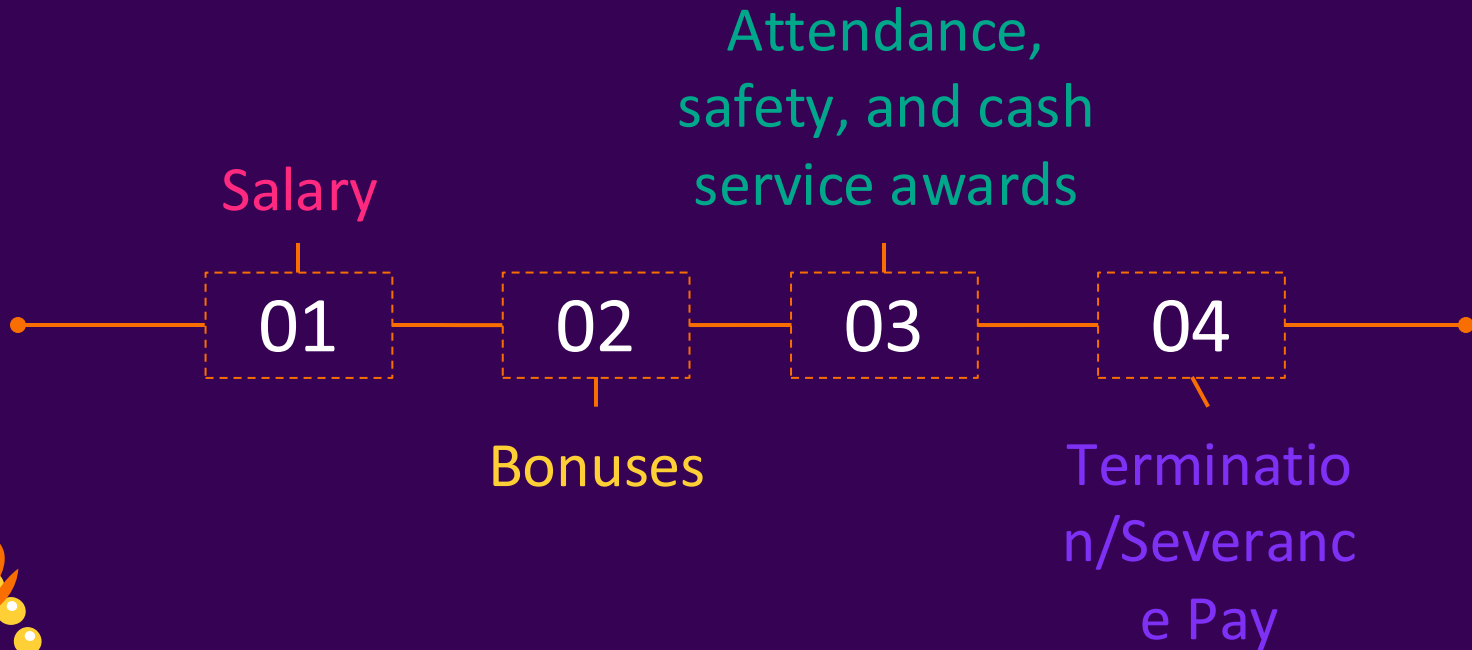


Maintain confidentiality to protect employee privacy

The background is a vibrant purple with a grid of thin, darker purple lines. It is decorated with various festive elements: yellow streamers, purple and orange streamers, and dotted lines in yellow, purple, and pink. There are also colorful teardrop shapes and small white circles scattered throughout. In the bottom left corner, there is a stylized masquerade mask with teal, purple, and yellow sections. In the bottom right corner, there are orange and blue floral or leaf-like patterns.

Calculate Disposable Earnings

Total Compensation Includes



Mandatory vs Voluntary Deductions

Mandatory

Federal, state, and local taxes

Social Security and Medicare (FICA)

State Unemployment Insurance

Voluntary

Health/Dental insurance premiums

Life or Disability insurance premiums

Retirement Contributions

FSA/HSA Contributions

Charitable Contributions

Union Dues

Apply the Garnishment Limits

Federal Law (Consumer Protection Act):

- Up to % of disposable earnings
- Or, the amount exceeding 30 times the federal minimum wage (whichever is less)

State Laws

Some states have stricter limits; payroll must apply the lower threshold

Garnishment Calculation Example



Employee: weekly wages are \$500

Garnishment: 25% of disposable earnings

Calculation: $\$500 - \$75 = \$425$

$\$425 \times 0.25 = \106.25 (garnishment remittance)





Consequences of Errors



Penalties

Fines and penalties for non-compliance

Liability

Liability for the employer to pay the garnished amount directly



Reputation

Damage to the school district's reputation





4

 Family and 
Medical Leave
Act



What is FMLA?

Federal law granting eligible
employees up to 12 weeks of
unpaid, job-protected leave per
year

Eligibility Requirements

Employer

Has 50 or more employees within a 75-mile radius

For FMLA purposes, this number includes part-time employees

Employee Work History

Employee has worked for the employer at least 12 months (do not have to be consecutive and looks back 7 years)

The employee has worked at least 1,250 hours in the past 12 months

Reason for Leave

Must be for one of the following reasons:

Personal Health Condition

Family Care

Childbirth/Adoption

Military Family Leave

Personal Health Condition

A serious health condition that makes the employee unable to to perform their job

This is determined by a DOCTOR and NOT the employee



Family Care

Spouse

Current and legally
recognized

Parent

Biological, Adopted, or Step

Child

Must be younger than 18



Family Care Does Not Apply To

Siblings
Grandparents
Grandchildren
Aunts/Uncles/Cousins
In-Laws



Childbirth/Adoptio

n

Bonding with a new child is
available to both men and women

FMLA Fast Fact:

You are not required to pay for FMLA leave - BUT - if you offer paid time off as a job benefit, the employee can ask or the employer can require the employee to substitute paid leave for unpaid leave.

FMLA Fast Fact:

Leave does not have to be taken in huge blocks of time

FMLA Fast Fact:

- You must maintain coverage for employees who are on FMLA leave
- The coverage must be kept at the same level the employee would have if they worked continuously
- You can require the employee to repay premiums if he/she is taking unpaid leave

FMLA Fast Fact:

You must have a doctor's
release in order to return to
work



Thanks!

Do you have any questions?

Terri Raskiewicz
raskiewicz@gosiloam.com
479-524-3191

CREDITS: This presentation template was created by **Slidesgo**, including icons by **Flaticon**, and infographics & images by **Freepik**