





What You Think You Know: HR Myths & Misconceptions*

*NC/SC



CATAPULT



HR Myths & Misconceptions



- > *Right to Work* versus *At-Will*
 - > You do not have to give breaks and/or meal periods to your employees.
 - > Other state requirements
 - > Rules for minors
 - > If you do...wage and hour rules
 - > You do not have to reimburse employees for mileage.
 - > It is illegal to refuse to hire — or terminate — an employee because they smoke tobacco.
 - > You can prevent smoking in the workplace.
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HR Myths & Misconceptions



- > In NC and SC, private employers do not have to show employees their personnel file.
 - > NC Parental Involvement in Schools Law
 - > You cannot hold an employee's final paycheck for ransom.
 - > Pay decreases must be communicated in writing *at least* one pay period prior to the change.
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HR Myths & Misconceptions



- > You must pay out accrued, unused, paid time off;
 - > UNLESS, you have a clearly communicated written forfeiture statement.
 - > This is also true for bonuses and commissions.
 - > Other state rules



Sample Policy Language



> Any accrued, unused, PTO will be paid to you upon resignation of employment, provided you offer to work a two-week notice, as outlined in our Resignation Policy. Failure to provide a notice will result in the forfeiture of accrued, unused PTO. This PTO payout will be less any money owed the Company, as authorized by law. If you involuntarily separate from the Company for any reason, other than a reduction in force, you will not be paid your accrued, unused PTO.

OR

> COMPANY NAME does not pay out the value of any unused accrued PTO upon separation from employment for any reason.

HR Myths & Misconceptions



> You cannot make a deduction for the benefit of the company, unless you have a signed authorization from the employee with the specific amount of the deduction.

> **Nonexempt employees only**

> *Get the employee to sign the authorization when you give them something, not when you expect it back.*



HR Myths & Misconceptions



I, Jane Doe, received a cell phone valued at \$900.00, to use in conjunction with my work assignment with XYZ Company. I understand that if I lose, break or do not return the phone upon termination of my employment, \$900.00 will be deducted from my paycheck.

Signature, Date



HR Myths & Misconceptions



- > Not all salaried employees are exempt from overtime
 - > Exemption status is based ALL THREE below criteria:
 1. Salary level test
 - > \$684 per week
 2. Salary basis test
 3. Job duties such as:
 - > Executive (Supervisor)
 - > Administrative
 - > Learned Professional
 - > Outside Sales
 - > Computer
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Salary Basis Test



- > Deductions from Exempt (Salary + no OT) Employee Pay:
 - > Absence for a complete day for personal reasons (e.g. vacation)
 - > **Not** if business closed (e.g., holiday)
 - > Absence for a complete day due to sickness or accident
 - > If eligible for sick pay and it is exhausted
 - > FMLA
 - > Suspensions, in full day increments
 - > Serious misconduct (harassment, violence, etc.) not performance or attendance issues
 - > In an employee's initial and terminal weeks of employment
 - > You only pay for the number of days worked
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HR Myths & Misconceptions



> A worker must meet certain criteria to be classified as an Independent Contractor.

> DOL Test:

1. The extent to which the work performed is an integral part of the employer's business;
2. The permanency of the relationship;
3. The amount of the worker's investment in facilities and equipment;
4. The degree of control exercised by the employer;
5. The worker's opportunity for profit or loss;
6. The level of skill required in performing the job and the amount of initiative, judgment, or foresight in open market competition with others required for the success of the worker

> Other interested agencies: IRS, Workers' Comp, Unemployment

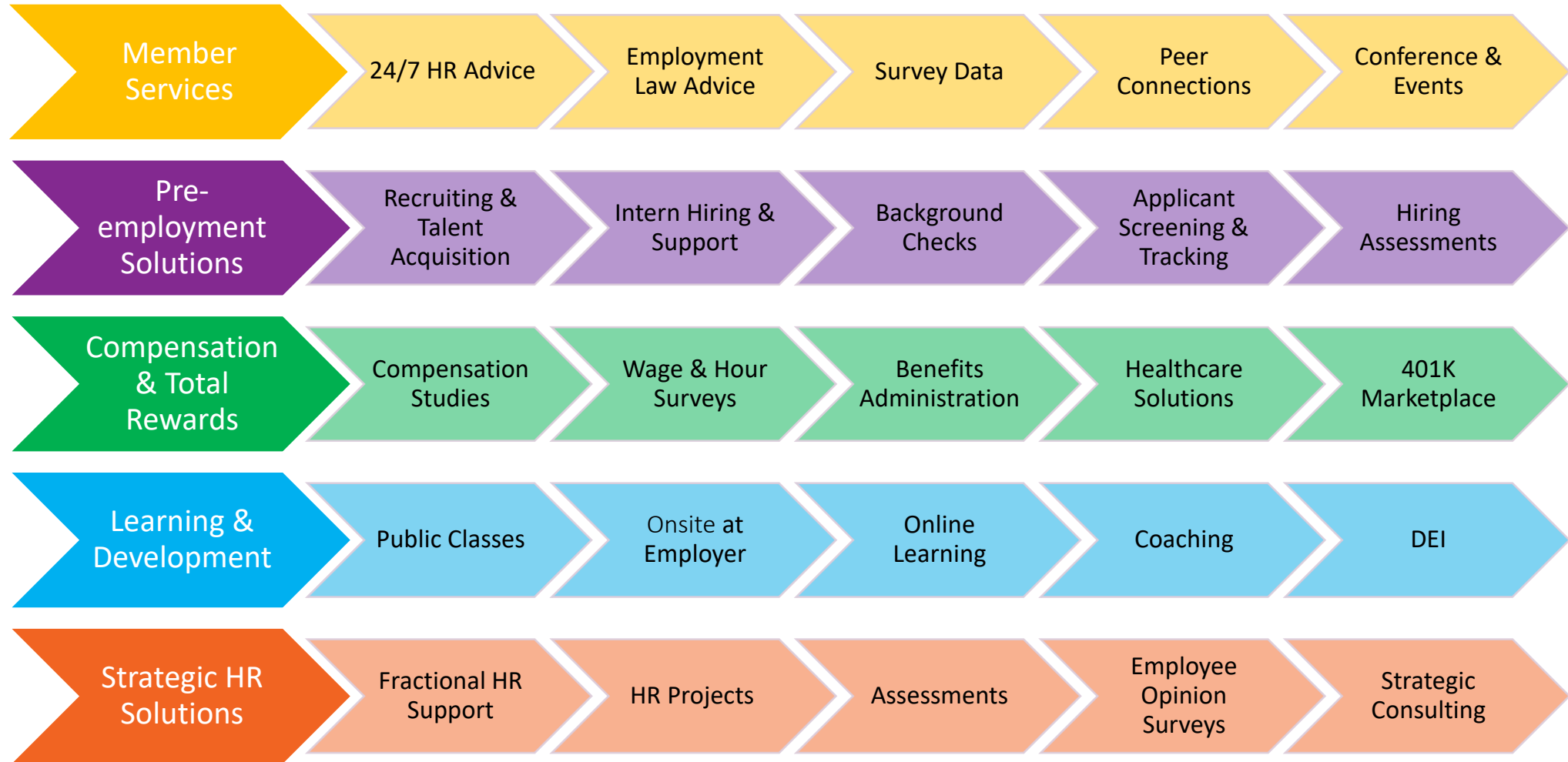


Questions?

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