



Salary Levels

- ▼ Salary Basis
 - ▶ The minimum salary level is \$455 per week (\$23,660 per year).
 - ▶ Absolute requirement whether the employee is full time or part time.
- ▼ Highly Compensated Employees
 - ▶ Exempt if the employee performs any one or more of the exempt duties.
 - ▶ Total annual compensation of at least \$100,000.



Executive Employees

- ▼ Employee must be compensated on salary basis.
- ▼ Primary duty must be managing the enterprise, or department of the enterprise.
- ▼ Must regularly direct the work of at least two or more employees.
- ▼ Authority to make hiring or firing decisions.



Administrative Employees

- ▼ Must be compensated on a salary basis.
- ▼ Primary duty is the performance of office or non-manual work.
 - ▶ Directly related to general business operations.
- ▼ Must exercise discretion and independent judgment with respect to matters of significance.



Professional Employees

- ▼ Must be compensated on a salary basis.
- ▼ Work requiring advanced knowledge.
 - ▶ Predominately intellectual, consistent exercise of discretion and judgment.
- ▼ Field of Science or Learning
- ▼ Course of specialized intellectual instruction.



Business Support

- ▼ *Skill/Knowledge:* Possesses all basic and some advanced skills and knowledge. Has a thorough understanding of the total process flow.
- ▼ *Duties and Tasks:* Works on assignments that are moderately complex in nature where judgment and analysis are required in resolving problems and making recommendations. Insures that all details of a task are accomplished properly.
- ▼ *Personal Competencies:* Sets good examples for others, good role model. Participates in continuous improvement efforts. Uses judgment and tact.
- ▼ *Supervision Given and Received:* Works under minimum supervision.



Business Project Manager, Senior

- ▼ Manager in charge of designated projects having significant business unit impact. Responsible for planning, administering and completing assigned projects, which may cross several functional areas of the business.
- ▼ Assignments may vary in length and complexity. Does not typically supervise staff, but may provide work direction to individuals supporting a project. Typically requires a bachelor's degree and 6+ years of experience.
- ▼ Does not include IT project managers or individuals managing construction projects.



Non-Exempt Employees

Basic Overtime Rule

- ▶ Pay 1½ times the *regular rate* of pay for all hours worked over 40 in a *workweek*.
- ▶ Employees covered by Colorado Minimum Wage Order 25 will also need to be paid overtime for work in excess of 12 hours in a day.
- ▶ Comp time is not allowed for private employers.



Workweek

- ▼ Fixed and regularly recurring period of 168 hours - seven consecutive 24-hour periods.
- ▼ Each workweek stands alone for the purpose of overtime analysis, regardless of the work shift or how often the employee is paid.



Hospital Overtime Provision

▼ Hospitals

- ▶ Overtime Pay for hospital employees may be figured on a 14 day period, rather than usual seven-day work week if the following is satisfied:
 - Agreement or understanding between employer and employee exists prior to performance of work AND
 - Overtime is paid for hours worked in excess of 8 hours in a workday AND in excess of 80 hours in a 14-day period.



Volunteer or Charitable Work

- ▼ Volunteers are individuals who perform services for a **public agency** if:
 - ▶ Services are for civic, charitable or humanitarian reasons
 - ▶ And services performed without promise, expectation or receipt of compensation for services rendered.
- ▼ Under the FLSA, employees may not volunteer services to **for-profit** private sector employers.



Employee vs. Volunteer

- ▼ Red Flags: Signs of a Worker and not a Volunteer.
 - ▶ Tasks performed benefit organization itself, rather than the community the organization serves.
 - ▶ Individual receiving compensation greater than what is needed for expenses or hardship incurred in volunteering.
 - ▶ Displacement of paid employees.
 - ▶ Employee who performs same work for the employer when volunteering.
 - ▶ Individual economically dependent upon organization where volunteering is done.



Employee vs. Volunteer

- ▼ An employment relationship is also contemplated where volunteers:
 - ▶ Referred to as “employees.”
 - ▶ Subject to employee handbook provisions.
 - ▶ Individual fills out employment application.
 - ▶ Are hired and fired.



Paying Volunteers

- ▼ Compensation in any form to an individual, indicates an employment relationship.
- ▼ FLSA allows some reasonable benefits.
 - ▶ Scholarships
 - ▶ Liability, health or life insurance
 - ▶ Stipend or allowance for expenses or hardship associated with volunteering.



Lilly Ledbetter Fair Pay Act

- ▼ Unlawful employment practice occurs when:
 - ▶ A discriminatory compensation or other practice is adopted,
 - ▶ An individual becomes subject to the discriminatory decision or practice, or
 - ▶ An individual is affected by the application of the discriminatory decision or practice, including each time discriminatorily impacted compensation is paid.



Lilly Ledbetter Fair Pay Act

- ▼ Aggrieved parties may seek to get back lost compensation.
- ▼ Unlawful employment practice includes not only compensation decisions but also “other practices.”
 - ▶ Promotions, demotions, and transfers may be actionable so long as the decision continues to affect the employee’s pay.



Minimize Fair Pay Act Exposure

- ▼ Conduct review of compensation practices, policies, and decisions.
- ▼ Use objective criteria to determine prior relevant experience at the time of hire and its affect on starting salary.
- ▼ Periodically review employee compensation for disparities.
- ▼ Review and document compensation decisions early to ensure those decisions can be defended.



Thank you!

Let MSEC be your employment resource

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