



# HR Bulletin

November 17, 2014

## At a Premium:

### *Paying Employees NOT to Work*

As managers and HR professionals, we know that accurately tracking and paying employees' hours worked can be tricky. The matter becomes even more challenging when you consider certain types of premium pay that may be due to employees when they are not working.

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**Reporting Time:** If an employee reports to work and is furnished with less than a full day's shift, the organization must pay the employee for half of the regularly scheduled hours, with a minimum of two hours' pay, but not more than four hours' pay. If an employee is required to report back to work a second time in the same day, he/she must receive at least two hours' pay. There are exceptions to this rule including when work is interrupted by an act of God, public utility failure, or threats to the organization. Reporting time also applies if an employee is terminated without notice and is provided with less than half of the usually-scheduled shift on the final day.

**Split-Shift Pay:** A split shift occurs when an employee is scheduled for two distinct work times in one day, such as 7:00am to 10:00am, and then again from 1:00pm to 5:00pm. When there is an unpaid interruption of more than one hour, the employee must be paid an additional premium hour at minimum wage. However, the premium pay is not required if the employee's pay for hours worked equals at least minimum wage plus the additional hour. For example, an employee earning \$9.00 per hour would earn \$72 for eight hours worked. With a split-shift premium of one hour, total pay for the day would increase to \$81. If the employee's hourly rate were \$10.50, he would earn \$84 for his work hours, and no additional premium would be due.

**On-Call/Stand-by Pay:** When an employee is asked to be on-call and the employer places certain restrictions on his/her freedom to engage in personal business, the on-call time may be compensable. This time may be paid at a different rate than the employee would receive for working.

These types of premium pay are not considered hours worked, and do not count toward calculations for overtime or vacation accrual. Failure to provide premium payments could lead to a claim for waiting time penalties and attorney's fees, so it is important to understand when they are triggered and how much is due.

Finally, be sure to stay in compliance with Labor Code section 226 by separating actual hours worked from any premium hours on employees' paycheck stubs.

Sierra HR Partners is here to help you apply the various rules for premium payments to your individual employee schedules. Contact one of our certified Consultants to be sure you're on the right track!

## Employee Handbook Year In Review

If Sierra HR Partners has prepared your Employee Handbook, we are committed to helping you stay up-to-date and compliant with ever-changing employment laws. This year, you may have questions about how **California's new Paid Sick Leave law** will affect your policies, or whether the **Affordable Care Act** will have an impact on your business.

As 2014 draws to close, it is almost time for the annual Year In Review, in which the law firm of Fishman, Larsen, Chaltrow and Zeitler (FLCZ) will provide legal guidance and policy updates to answer your questions and ensure that your handbook is ready for the year ahead.

Sierra HR Partners will be happy to incorporate all of the 2014 legal updates into your handbook for you, or you may choose to make the policy changes on your own. This is also an ideal time to review any changes to company practices, so we can provide you with a fully updated handbook for the new year.

Watch for your FLCZ Year In Review invitation letter for employer training dates and additional details.

## Events Calendar

### **Leadership Academy: Prioritization & Time/Work Life Balance – November 19.**

Email [woods@sierrahr.com](mailto:woods@sierrahr.com) to register.

### **Legal Beagle Bagel Breakfast: California's Paid Sick Leave Law – November 25.**

Email [receptionist@flcz.net](mailto:receptionist@flcz.net) to register.

### **Sierra HR Partners will be closed for the Thanksgiving holiday weekend, November 27 and 28.**

We wish you and your loved ones a very happy Thanksgiving!

### **Sexual Harassment Prevention Training – December 10.**

Email [woods@sierrahr.com](mailto:woods@sierrahr.com) to register.

## Sierra HR Partners Team

Sierra HR Partner's team of certified professionals are here to support you in the areas of legal compliance, training, recruitment, handbooks, audits, policy development, job descriptions, performance evaluations, compensation, terminations, and related employment areas.

*Reminder that as an HR Business Partner you are entitled to:*

- ❖ Unlimited phone consultation by certified HR consultants (M – F)
- ❖ Free monthly LBBB seminars for designated representative
- ❖ HR bulletins covering breaking employment news and employment best practices
- ❖ Discounted rates on projects

Contact us at (559) 431-8090 or toll free 1-844-431-HR4U (4748).

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