

NETWORKING

INNOVATION

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SUSTAINABILITY

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MENTORING

BUSINESS

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SUCCESS

HR101



LARIMER *Small Business Development Center*

Who We Are & What We Do



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Co-Founder and Certified HR Professional and Business Partner at simplyHR, LLC

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Overview of Discussion

Employee vs Independent Contractor

Pay Structures

Hourly vs Salary

Exempt vs Nonexempt

Colorado Overtime Minimum Pay Standards (COMPS)

Nonexempt Employee Rules

Federal Overview

Equal Pay for Equal Work

Healthy Families & Workplaces Act

Paid Sick and Safe Time

Public Health Emergency Leave

Public Health Emergency Whistleblower Act

CROWN Act

Handbooks

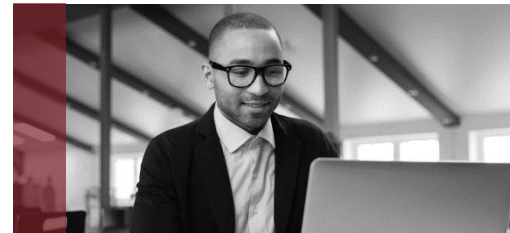


Employee vs Independent Contractors



EMPLOYEE

Employees perform work that's an integral part of the business.



INDEPENDENT CONTRACTOR

Doing work that's not a regular part of the business. Payments are made to business name, not personally & ICs work for multiple entities.

Pay Structures



HOURLY

Employees are paid a specified amount for the time that they work.



SALARY

Employees are paid a weekly wage that does not fluctuate.



PIECE RATE

Employees are paid a set amount according to each task.

Non-Exempt vs Exempt



NON-EXEMPT

Employees are NOT EXEMPT from minimum wage and overtime rules.



EXEMPT

Employees must pass a series of tests to prove that they may be EXEMPT from minimum wage and overtime rules.

Pay + Exempt Status Combos

Hourly Nonexempt

The most common way to pay someone

Salary Exempt

The typical way to pay an exempt employee

Salary Nonexempt

A less common but allowable way to pay someone. Speak to attorney or HR Pro first.

Piece Rate Exempt or Nonexempt

Allowable in some specific situations

Exemption History

Recent Changes



2004 - Exempt Salary set at \$455/week

May 2016 - Exempt Salary of \$916/week announced

Dec 2016 - Exempt requirements effective date

Nov 2016 - TX judge files injunction

Nov 2019 - CO Introduces COMPS proposal

Jan 2020 - New Exempt Salary Test of \$684/week effective

Mar 2020 - COMPS effective date

Jan 2021 - New CO Exempt Salary Test of \$778.85/week effective

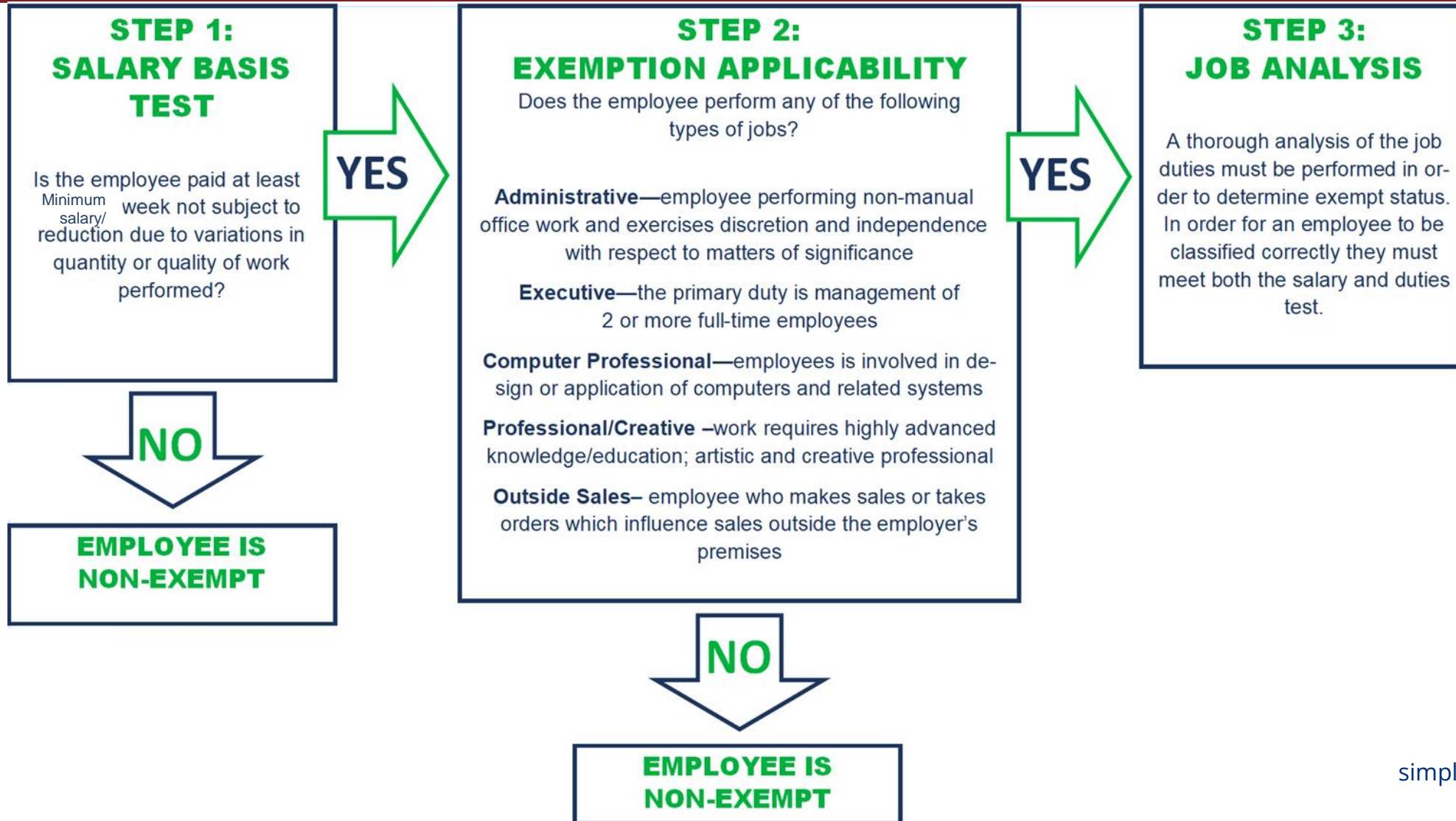
Exemption Tests

TO QUALIFY FOR THE EMPLOYEE EXEMPTION, AN EMPLOYEE MUST MEET THE SALARY MINIMUM (*with limited deductions*) AND **ALL** OF THE DUTIES LISTED UNDER ONE OF THESE EXEMPT CLASSIFICATIONS:

- Executive
- Administrative
- Professional
- Outside Sales
- Highly Compensated
- (20% or more owners are exempt)

DOL Fact Sheet 17A &
CO COMPS Order #37

Exemption Flow Chart



COMPS Salary Rules

<u>Date</u>	<u>Weekly Exempt Salary (Rounded Annual Equivalent)</u>	
July 1, 2020	\$684/week	(\$35,568/yr)
Jan 1, 2021	\$778.85/week	(\$40,500/yr)
Jan 1, 2022	\$865.38/week	(\$45,000/yr)
Jan 1, 2023	\$961.54/week	(\$50,000/yr)
Jan 1, 2024	\$1,057.69/week	(\$55,000/yr)
Jan 1, 2025	The 2024 salary adjusted by CPI	

Other COMPS Changes

Effective March 16, 2020

REST BREAKS

- Medicaid Exception
- Penalties

NOTICES

- Posters
- Printed materials

ACKNOWLEDGEMENT

- Employer can create this

CLARIFICATION

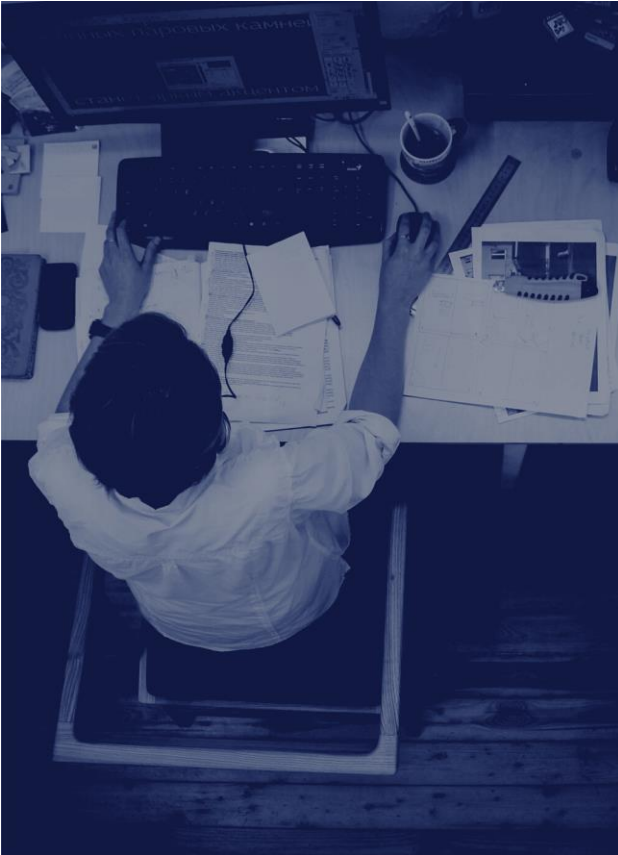
- Regular Rate of Pay calculation
- Salary nonexempt example

New Hire Documents



1. I-9
2. W-4
3. Model Notice of Healthcare Marketplace
4. Pregnant Workers Fairness Act
5. COMPS Notice
6. Current State & Federal Posters

Non-Exempt Employee Rules



- Minimum wage for all hours worked
- Timekeeping - Accurate records
- Overtime for 40+ hours in a workweek
- Overtime for 12+ hours in a workday (CO) and
- Overtime for 12 consecutive hours (CO)
- Meal and Rest Breaks (CO)
- Travel Time
- Compensation for meetings/trainings
- "Working Interviews" should be kept under 2 hours
- Volunteers only allowed with Nonprofits
- NO COMP TIME ALLOWED

Federal Legislation

1+ employees

Fair Labor Standards Act (FLSA)
Employee polygraph protection act
Uniformed Services Employment & Re-employment Rights Act
Equal Pay Act
Consumer Credit Protection Act
National Labor Relations Act (NLRA)
Employee Retirement Income Security Act (ERISA)
Uniform guidelines for Employee Selection Procedures
Federal Insurance Contributions Act (FICA)

4 - 19 employees

Immigration Reform & Controls Act (IRCA) (4+ EEs)
Occupational Safety & Health Act (OSHA) (10+ EEs)
Civil Rights Act of 1964 Title VII (15+ EEs)
Civil Rights Act of 1991 (15+ EEs)
Americans with Disabilities Act (ADA) (15+ EEs)

20 - 49 employees

Age discrimination in Employment Act (20+ EEs)
Consolidated Omnibus Budget Reconciliation Act (COBRA)
(Federal 20+ EEs) (CO 10+ EEs)

50 or more employees

Family and Medical Leave Act (FMLA)
EEO-1 Report (if a federal contractor)

100 or more employees

Worker Adjustment and Retraining Notification Act (WARN).
EEO-1 Report (if NOT a federal contractor)

Equal Pay for Equal Work Act



REQUIREMENTS

- Job Descriptions
- Pay Ranges
- Job Posting Requirements
- Salary Inquiries Prohibited
- Recordkeeping Requirements

Healthy Families & Workplaces Act (HFWA)



Effective July 15, 2020 (replaces HELP Rules which expired July 14, 2020)

All employers must provide 3 types of paid sick leave:

- COVID-19 Emergency Paid Sick Leave (CO-EPSL)
- Paid Sick & Safe Time (PSST)
- Public Health Emergency Paid Sick Leave (PHEL)

All employees regardless of how long they've worked for your company

Full-time and part-time employees.

Paid Sick & Safe Time (PSST)



Effective January 1, 2021 for employers with 16 or more employees.
Effective January 1, 2022 for all employers regardless of size.

Employees must accrue one (1) hour of PSST for every 30 hours worked (or 0.0333 hours per hour worked), up to a maximum of 48 hours per year.

Accrual starts on day one of employment.

For overtime-exempt employees, the accrual rate is based on a 40-hour workweek or their regular workweek if less than 40 hours.

PSST Uses

Sick Time purposes:

- mental or physical illness, injury, or health condition of the employee or family member
- medical diagnosis, care, or treatment related to an employee's or family member's illness, injury, or condition
- preventive medical care

Safe Time purposes:

- seeking medical attention to recover from a mental or physical illness, injury, or health condition caused by the domestic abuse, sexual assault, or harassment
- obtaining services from a victim services organization
- obtaining mental health or other counseling
- seeking relocation due to the domestic abuse, sexual assault, or harassment
- seeking legal services, including preparing for or participating in a civil or criminal proceeding relating to or resulting from the domestic abuse, sexual assault, or harassment



Public Health Emergency Leave (PHEL)



In addition to PSST, while a public health emergency is declared, employers must supplement an employee's PSST to ensure the employee may take at least two (2) weeks of leave as follows:

- at least 80 hours for employees who normally work 40 hours or more per week
- at least the amount of time the employee is scheduled to work or actually works during an average 14-day period, whichever is greater, for employees who normally work less than 40 hours per week

PHEL is available only once during the entirety of the public health emergency.

**This leave is tentatively set to take effect January 1, 2021, for all employers. Guidance has not yet been provided with regards to any overlap of the PHEL and an FFCRA extension for 2021. Stay tuned.*

Public Health Emergency Whistleblower Act (PHEW)

Effective July 11, 2020

Prohibits adverse action, discrimination, or retaliation against “workers” who, in good faith, raise “any reasonable concern about workplace violations of government health or safety rules, or an otherwise significant workplace threat to health or safety, related to a public health emergency.”



CROWN Act of 2020



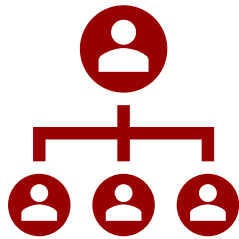
The **CROWN** Act

Effective March 6, 2020

Creating a Respectful and Open World for
Natural Hair

Prohibits discrimination on the basis of one's race including hair texture, hair type, or a protective hairstyle commonly or historically associated with race, such as braids, locs, twists, tight coils or curls, cornrows, Bantu knots, Afros, and headwraps.

Employee Handbooks



**COMPANY INFO &
EXPECTATIONS OF
EMPLOYEES**



**EMPLOYEE RIGHTS,
RESPONSIBILITIES
& BENEFITS**



**PROCUEURES
AROUND TIME OFF,
LEAVES, ETC.**

Questions



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