

THINK FEDERAL LABOR LAWS DON'T AFFECT YOUR NON-PROFIT ORGANIZATION? READ THIS.

I am a small non-profit organization with less than 10 employees. Are there any specific labor laws that will apply to my company?

Yes, even if you have only one employee there are several labor laws that can have a significant impact on your company. Following are four examples:

1. The Fair Labor Standards Act is one of the most important. The FLSA establishes laws on how to pay your employees such as whether the employee is eligible for overtime pay after working 40 hours in a work week. In August 2004, the Department of Labor issued new regulations for determining which employees could be classified as exempt (from overtime). One misconception is that all sales people can be exempt. In fact, most inside sales people are not exempt from overtime pay. To qualify for outside sales exemption from overtime, several tests must be met including the following: "The employee must be customarily and regularly engaged away from the employer's place or places of business."
2. All U.S. employers are responsible for completion and retention of Form I-9 for each person they hire in the U.S. This includes citizens and non-citizens. A new form and new requirements were effective including recent changes in the law with stiffer penalties for non-compliance. Indications are that federal officials are not going after companies but after the individuals who have responsibility for I-9's in those companies and charging them with conspiracy or "harboring illegal aliens." Consequently, it is imperative that the person responsible for completing the I-9 forms understand the new laws. Go to this link to get the latest form.
<http://www.uscis.gov/files/form/i-9.pdf>
3. If you conduct background or credit checks, you must adhere to The Fair Credit and Accurate Credit Transactions Act of 2003. If anything negative is found in the investigation, the employer must let the job applicant know and actually provide the applicant with a copy of the report. The employer must also allow a fair amount of time for the job applicant to contest the findings.
4. The Uniformed Services Employment and Reemployment Rights Act (USERR) protects employees who are returning from Military leave and grants them the right to be placed in the positions they would have attained had they remained continuously employed—in a comparable one.

These are just a few of the labor laws that apply to employers with ten or fewer employees. If you have 11 employees, you must adhere to OSHA record keeping and with 15, you are required to comply with several anti-discrimination acts. It is, therefore, critical that you understand and comply with these laws.

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