



Your Advantage

News and information to help you and your business succeed

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Employer Advantage announces

Employer Advantage is pleased to announce that **Steve Chaquette**, Human Resources Representative, recently earned the national certification of Professional in Human Resources (PHR).

Steve has been with Employer Advantage for three years and serves a variety of clients. Prior to joining Employer Advantage, he worked in the retail services industry and law enforcement.

To become certified, an applicant must pass a comprehensive examination given by the HR Certification Institute and demonstrate a strong background of professional human resource experience. The HR Certification Institute is the credentialing body for human resource professionals and is affiliated with the Society for Human Resource Management (SHRM), the world's largest organization dedicated exclusively to the human resource profession.

Michelle Frost, Benefits Manager, **Susan Hutcheson** and **Suzanne Bowling**, Human Resource Representatives, attended the Spencer Fane Britt and Browne 2009 Annual Labor and Employment Seminar, "Human Resources in the Era of Change" on June 11, 2009. The seminar offered attorney-led workshops on Employment Law, Compensation, Workforce Reduction, and Organized Labor Strategies. Ms. Frost is a Professional in Human Resources (PHR) and Ms. Hutcheson and Ms. Bowling are Senior Professionals in Human Resources (SPHR) as recognized by the HR Certification Institute.

Information Security

These days, it seems that you can't do anything that doesn't involve a computer in some way. Shopping from home, hotel and plane reservations, email, MP3 players, cable TV, cell phones, employment information and direct deposit are just a few of the things in our daily lives that are run through a computer.

There is risk in putting information through a computer system. There are hackers, many of whom want the personal information to sell while some just want a thrill, and malicious viruses that erase almost everything. We always want to think that it won't happen to us and the best way to make sure of that is to take proactive steps now.

Employer Advantage has recently taken steps to increase information security for the protection of our clients and employees. Some recent activities include:

- Systems Penetration Studies by Baird, Kurtz & Dobson CPAs
- SAS 70 Audit by Accell CPAs
- 24/7 Intrusion Prevention/Detection Monitoring Service by SecureWorks, (a recognized leader in the IT security field)
- Enhanced Video Security System
- Document Imaging System
- Enhanced Disaster Recovery Plan

These measures include outside experts examining and testing our systems' processes and controls for design and effectiveness and comparison to "Best Practices." While there is ample concern about cyber fraud, we are also mindful about physical security measures and protection against natural disasters.

We want to assure our clients that we take security seriously and continue to look to new and improved ways to safeguard information and our employees.

Federal Contractors Need Posters Too

In general, employers are required to post six federal posters:

- Employee Rights Under the Fair Labor Standards Act (revised 06/07)
- Job Safety and Health: It's the Law (OSHA) (revised 2006)
- Employee Rights and Responsibilities Under The Family and Medical Leave Act (revised 1/09)
- Equal Employment Opportunity is the Law (EEO) (revised 08/08)
- Employee Polygraph Protection Notice (revised 06/03)
- Your Rights under USERRA (either 07/08 or 10/08 version)

In addition to the federal posters, employers must comply with any required state posters.

Employers of specific groups of employees must display additional posters.

If you are an agricultural employer or farm labor contractor that is subject to the Migrant and Seasonal Agricultural Worker Protection Act (MSPA) you must post the

- Migrant and Seasonal Working Protection Act Notice in English and Spanish (revised 04/83)

If you employ workers with disabilities under special minimum wage certificates by the Fair Labor Standards Act, the McNamara-O'Hara Service Contract Act, and/or the Walsh-Healey Public Contracts Act you must display the

- Employee Rights for Workers with Disabilities Paid at Special Minimum wages (revised 07/07)

Federal contractors have a posting requirement in addition to the federal and state posters required by law.

Under the Davis-Bacon Act, federal contractors and subcontractors who receive \$2000 or more for: construction, alteration, or repair of public buildings, or public works, or work on buildings that is financed by federal funds must post:

- Employee Rights Under the Davis-Bacon Act (revised 04/09)

The Walsh-Healy Act directs federal contractors and subcontractors with a contract of \$10,000 or more and who have 50 or more employees must post:

- Notice to All Employees Working on Government Contracts (revised 04/09)

Future Posters

President Obama issued an Executive Order on January 30, 2009 that requires federal contractors and subcontractors to post a notice of employees rights under the National Labor Relations Act. This poster has not been released yet.

Finally, some good news

Federal contractors and subcontractors who post the "Equal Employment Opportunity is the Law" (as required above) will be in compliance with the: Rehabilitation Act of 1974, Vietnam Era Veterans Readjustment Assistance Act and Executive Order 11246, so no additional posters will be required under these laws.

In addition, the Jobs for Veterans Act doesn't require any additional worksite posters, but does state that government contractors with contracts of \$100,000 after December 1, 2003 must post job openings with an "employment service delivery system." The state workforce agency job bank is considered sufficient to comply with the act. Employers with contracts still in force that began prior to December 1, 2003 and are over \$25,000 have additional rules.

Employer Advantage supplies the appropriate worksite posters to clients free of charge. If you want a poster audit or have questions about which posters are required for your business, please contact the Human Resource Department at Employer Advantage.

Federal Minimum Wage Increase

July 24, 2009 will mark the last of the federal minimum wage increases that were originally put into effect on May 25, 2007. The current minimum wage will change from \$6.55 per hour to \$7.25 per hour.

Some employers may not feel the change as many states have enacted their own minimum wage laws over the past few years that are already at \$7.25 or have exceeded it. Other employers will certainly feel the increase of the wage change.

Employer Advantage staff will work with clients to identify those employees whose wages need to change to ensure compliance with the new federal law.

USCIS Issues Guidance on Employment Eligibility Verification Form

(From USCIS Website) U.S. Citizenship and Immigration Services (USCIS) announced on June 26, 2009 that the Employment Eligibility Verification form I-9 (Rev. 02/02/09) currently on the USCIS Web site will continue to be valid for use beyond June 30, 2009.

USCIS has requested that the Office of Management and Budget (OMB) approve the continued use of the current version of Form I-9. While this request is pending, the Form I-9 (Rev. 02/02/09) will not expire.

USCIS will update Form I-9 when the extension is approved. Employers will be able to use either the Form I-9 with the new revision date or the Form I-9 with the 02/02/09 revision date at the bottom of the form.

Clients should review their current forms to ensure that they are the most recent forms issue. In addition to the small "Rev. 02/02/09" in the lower right hand corner, you can easily see if the I-9 has four boxes in the citizenship area of Section 1 instead of three. Discard any blank I-9s with three boxes as they are no longer compliant and get your newest I-9s from your web access.

If you don't currently have web access contact your payroll specialist for more information on how it can benefit you and your company.

Unemployment Series

When are your former employees eligible for unemployment?

There are employees who believe that any type of quit, voluntary or involuntary, for good reason or just any reason will be covered by unemployment insurance. There are employers who believe that no one deserves the benefit of unemployment insurance. What we really have is something in the middle.

Since Employer Advantage is in Missouri, we looked at Missouri information for this article. Below is a short discussion on the four prongs of unemployment insurance eligibility for individuals.

Partially or Totally Unemployed

Unemployment benefits are offered to individuals who lose their job, or who lose part of their job. An employee who suffers a work reduction of 20% or higher may apply for unemployment benefits to make up for the lost wages.

Wages During Base Period

All states are different, but in Missouri, an employee must work the first four quarters during the previous five quarters and earn \$1500 in one quarter in order to be eligible for unemployment.

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Approved Job Separation

This is probably the most controversial part of the eligibility test. Basically, employees who lose their jobs through “no fault of their own,” are eligible for unemployment insurance. This can include involuntary termination, constructive discharge (where a company makes it too hard on the employee to continue to work), lack of work, or even a termination for cause, but without sufficient documentation.

Weekly Requirements

Employees must be physically and mentally able to work, available for and seeking work, and filing weekly claim for benefits on a timely basis in order to meet weekly requirements to continue to receive unemployment insurance.

Before you think every claim is accepted, Missouri denied the following claims during fiscal year 08:

REASON	NUMBER OF CLAIMS DENIED
Voluntary quit	32,829
Refusal of suitable work	840
Not able or available for work	42,702
Discharge for misconduct	29,475
Other	47,057
Total	152,903

Employers Still Pay

During the week of July 4, initial unemployment claims rose to 565,000 as compared to 367,000 for the same time period in 2008. Employers should expect to see an increase in the SUTA and FUTA rates to make up for the increased benefits being paid nationally due to heavy job losses. Some things that can be done now to try to offset potential cost increases include:

- Documentation on employee performance/behavior. While it’s tempting to “lay off” a poor performing employee and not have to address their productivity or attitude; you will be rubber stamping their ability to get unemployment benefits. Progressive disciplinary action AND documentation can demonstrate the employer’s case that the employee was terminated for cause.
- Ensure that you have documentation for each employee’s separation. If they are voluntarily resigning – get it in writing, in case they file for unemployment in the future.
- If you must reduce payroll, look for alternatives to lay offs. Have employees take vacation time or time off without pay. Reduce hours (if possible) that your company is open, or creatively schedule fewer staff to be at work during some of your down hours. Ask for voluntary reduction in hours – which might work for someone wanting to be at home with family more this summer.
- Look to employee sharing. Are there other local companies that could use some of your employees for a temporary basis? Come to an agreement to share some employees for a specific period of time.

While these practices may not totally mitigate your future unemployment costs, they can help.

Employer Advantage can help clients with answering unemployment claims, as well as disciplinary action and documentation training. Contact your Human Resources Representative or Risk Management Specialist for more information.