

HOT SHEET

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Full-Circle HR



"We should never have hired that Waldo chap."

HR Trends:

- The current Form I-9 expires on 8/31/2019 but experts expect that the current form expiration date will be extended.
- The Department of Labor hopes to finalize the revision to the Overtime Regulations under the Trump Administration. It was scheduled to submit the new rules that include an annualized exempt salary of \$35,308 to the White House this month.
- Cannabis Oil can show up in drug tests, even if it is strictly CBD oil, which is derived from hemp and should not contain THC.
- If you have questions regarding pension benefit status for veterans returning to employment from military service, the Department of Labor recently released a fact sheet. This [Fact Sheet](#) helps employers remain compliant with USERRA, the law that governs how returning veterans must be treated regarding status and benefits. Basically, time spent deployed is considered as time employed.
- The updated toolkit for WA State Paid Family/Medical Leave can be found at: [WA Paid Family and Medical Leave Toolkit](#)

Response to an EEOC Charge

Before an employer can sue an employer for alleged discrimination, they must file a complaint with the Equal Employment Opportunity Commission (EEOC) or a similar State agency. This agency notifies the employer of the charge and, in most cases, requests a formal written response called a position statement. This is your first opportunity to state your case and make a positive impression on the EEOC; it is critical that you do it well. Not responding thoroughly, clearly and consistently on your behalf can potentially lead to years of time-consuming and expensive litigation. Therefore, while you may feel the charge is unfounded, it is critical that

you take this seriously and seek legal assistance in making this response. If you have a Human Resources department, they can, with the assistance of any managers who are involved in the situation, create the first draft of your response. Have legal counsel review the draft for corrections, tone, clarifications, inconsistencies, omissions, or other helpful information.

Any documented facts must be verified and reverified and your reasons for your employment action must be clear and agreed upon by all managers at the company. Even the smallest inconsistency can cause the EEOC to allow the claim to proceed to trial. In one

instance an employer had documented 18 days of an employee working for a second job while out on sick leave from their primary job. One of these days was incorrect causing the court to decide that retaliation may have been the actual reason for termination; the case went to trial.

Some precautionary steps you can take in preparing your statement include:
- **Assure** that all decision-makers are on the same page about reasons and underlying justifications for an employment action before it is taken. - **Be thorough** from the start. If there are multiple reasons for the action, clearly

articulate each one and do so consistently each time you respond. - **Take time** to investigate before writing the position statement; interview all decision-makers and make them aware that they may have to testify under oath. - **Compare** all factual representations made in the statement to the actual documentation. - **Ask all decision-makers to review** the statement before you send it to the EEOC and remind them they may be called to testify. - **Spend the time up front!** This also includes creating policies and training managers on them beforehand to reduce the risk of a claim.

My own business always bores me to death; I prefer other people's business.
—Oscar Wilde

Helping Employees Save for Rainy Days

A Federal Reserve survey conducted at the end of 2018 showed that 40% of Americans could not cover a \$400 emergency with cash, savings or a credit card they could quickly pay off. About 27% would need to borrow money or sell something to cover it. Another 12% wouldn't be able to cover it at all. 17% of adults said that even without an emergency, they cannot cover their monthly bills.

Financial stress can cause employees to be distracted and less productive. So, when considering how you want to structure your benefits programs, you would do well to consider options that can help alleviate this stress. One such way would be to provide a resource for financial planning and budgeting for your

employees. One such resource is an Employee Assistance Program that includes this support. This is usually an affordable monthly fee based on the number of employees in your organization. Other traditional options include 401k plans that have loans and hardship withdrawals.

Recently, some employers are also trying some less traditional approaches. These include arranging discounts for their employees on products that might be needed unexpectedly, such as appliance replacement, etc. and then offering their employees a payroll deduction option to pay for the item. One company reports that after implementing this program the number of 401k loans and withdrawals dropped by 3% and average contributions

went up from 5% to 7.5%. Additionally, this company also began offering employees the opportunity to make after-tax payroll deductions to fund a rainy day fund. Another possibility is to make arrangements with a bank or credit union that will give employees a savings incentive or special interest rates for making deposits to their rainy day fund. Providing online financial management and budgeting training is also a benefit to your employees. If able companies could also give a small award for completing the training and then offer an incentive themselves to employees to begin saving to a rainy day fund.

According to a benefit survey by SHRM here is a list of employee financial benefits and percentages employers offer their employees: 53%

hardship withdrawals from a defined benefit plan (such as 401k); 46% loans from such plans; 36% non-retirement financial advice (online, in-group/classroom, and one-on-one); 20% help setting up savings accounts with a credit union; 18% credit counseling services; 17% loans for emergency/disaster assistance; 15% payroll advances; and 8% student loan repayment assistance. One organization deposits up to \$1,000 into an emergency fund for their employees once they complete the financial wellness program.

A recent Boston survey found that 71% of employees would make deposits to a rainy day fund if it was offered. 87% said they would be likely if their employer provided a match.