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## Did You Know?

According to the Mayo Clinic, when you eat a healthy diet, your body reaps the benefits. For example, when you eat fruits, starchy vegetables and whole grains throughout the day you keep your body fueled and your blood sugar level on an even keel. And you're getting vitamins, minerals, and antioxidants. Combining carbohydrates and proteins enhances the availability of serotonin in your brain, which can have a calming effect and can play a role in sleep.



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## BLOG CORNER: Winning Unemployment Claims

Stay connected  
to Four Point HR.  
Post a response  
on this topic and  
others to our blog  
at  
[fourpointhr.com/peo](https://fourpointhr.com/peo).

How many times have you terminated an employee for cause, received an unemployment claim notice from the employee and lost the claim hearing? So often we terminate employees for good reason and wind up losing the unemployment claim simply because we have not documented the employee's performance properly. Here's a refresher to avoid this common pitfall and improve the probability of winning an unemployment claim.

1. Document all performance related meetings with employees. You don't have to have typewritten notes or fancy terminology. You simply need to clearly define the issues that you are discussing.
2. Clearly define the improvement that you want to see from the employee and provide a 30-day period to improve.
3. Begin this process early. Don't put these meetings off. Starting the coaching process early makes a statement that you are not the type of manager to allow behavior or performance issues to go unnoticed. In addition, you begin the documentation process early and allow yourself plenty of time to build three documentations of issues prior to termination, if this becomes necessary.
4. Be sure to have the employee sign the documentation of each meeting.
5. Let the process do the heavy lifting. There is no need to be confrontational in this process. A courteous, detailed business demeanor may dissuade a harassment claim. You will make a positive statement to the remainder of your staff that you are serious about their performance and that you will treat them with respect.



# Recordkeeping Requirements Under FLSA

The Fair Labor Standards Act, or FLSA, has specific requirements as to what records are to be retained on non-exempt employees. Employers are required to keep accurate records. While the FLSA does not specify what forms this information is to be recorded on, employers are required to keep the following basic records on each of their employees.

- Employees Full Name and Social Security Number
- Address including zip code – Actual physical address
- Birth date, Sex and Occupation
- Time and Day of week when an employee's workweek begins
- Hours worked each day
- Total hours worked each workweek
- Regular hourly pay rate
- Basis on which employee's wages are paid (\$10 per hour, \$500 per week, etc)
- Total daily or weekly straight time earnings
- Total overtime earnings for the workweek
- All additions to or deductions from the employee's wages
- Total wages paid each pay period. Date of payment and the pay period covered by the payment

While most of this is not "new", it may be time to check your file cabinets to ensure compliance and clean out some old files. The chart below shows the required duration for file retention, but employers may consider keeping these records for longer time periods. Records must be stored at the business location or at a central records office.

<b>TYPE OF FILE</b>	<b>FILE STORAGE MANDATE</b>
Payroll records, bargaining agreements, sales and purchase records	3 years
Wage computation records such as timecards, work and time schedules, wage rate tables, records of additions and deductions from wages	2 years

The Department of Labor (DOL) may update the current recordkeeping requirements to enhance awareness among workers of their status as employees and their employee rights. Four Point HR will keep our network advised of any changes to the recordkeeping requirements. As the DOL has the right to come in and review any records, it is always a best practice to stay on top of your record retention.



# OSHA Chief Dr. David Michaels Calls For Increased Fines

Take heed. Employers who ignore OSHA's rules and risk workers' lives should pay higher penalties, Assistant Secretary Michaels told Congress.

In testimony given by Dr. David Michaels to the House Subcommittee on Workforce Protections, he stated, "Safe jobs exist only when employers have adequate incentives to comply with OSHA's requirements. Meaningful penalties provide an important incentive to do the right thing. Unscrupulous employers who refuse to comply with safety and health standards as an economic calculus will think again if there is a chance that they will go to jail for ignoring their responsibilities to their workers. Higher penalties and more aggressive, targeted enforcement will provide a greater deterrent and further encourage these employers to furnish safe and healthy workplaces for their employees."

According to OSHA, every day, about 14 Americans fail to come home from work to their families. Tens of thousands die from workplace disease and more than 4.6 million workers are seriously injured on the job annually.

The U.S. Department of Labor's Occupational Safety and Health Administration is implementing a new Severe Violator Enforcement Program and increasing civil penalty amounts. The new Severe Violator Enforcement Program (SVEP) is intended to focus OSHA enforcement resources on resistant employers who endanger workers by demonstrating indifference to their responsibilities under the law. This supplemental enforcement tool includes increased OSHA inspections in these worksites, including mandatory OSHA follow-up inspections, and inspections of other worksites of the same employer where similar hazards and deficiencies may be present.

According to Michaels "SVEP will help OSHA concentrate its efforts on those repeatedly recalcitrant employers who fail to meet their obligations under the Occupational Safety and Health Act. It will include a more intense examination of an employer's practices for systemic problems that would trigger additional mandatory inspections."

According to OSHA, the current maximum penalty for a serious violation, one capable of causing death or serious physical harm, is only \$7,000 and the maximum penalty for a willful violation is \$70,000. The average penalty for a serious violation will increase from about \$1,000 to an average \$3,000-\$4,000. Monetary penalties for violations of the OSH Act have been increased only once in 40 years despite rising inflation. The Protecting America's Workers Act would raise the aforementioned penalties for the first time since 1990, to \$12,000 and \$250,000, respectively. Future penalty increases would also be tied to inflation. In the meantime, OSHA will focus on outreach in preparation of implementing this new penalty policy, which will take effect within the next 45 days.

For help with your company safety and health program, please contact our Risk Management Department.

## Transamerica Participants Can Now Monitor their Retirement Accounts Via iPhone or Blackberry®

Transamerica Retirement Services is committed to using technology to enhance the participant experience. Participants now have the ability to monitor their retirement accounts via the iPhone, iPod Touch, or Blackberry®.

No special application needs to be downloaded. Participants can simply visit [www.TA-Retirement.com](http://www.TA-Retirement.com), and enter their login and password.

Once a participant has entered their login information, they will be provided with "read-only" access to their account where they can view account information, future investment choice selections, allocation percentages, and current investment performance.

Account information will display account balances, vested balances, available loan amounts, most recent contribution dates, year-to-date rates of return, and pending transactions including distributions.

# Mortgage Rates Continue to Decline

Mortgage rates have declined to the lowest rates since St. Patrick's Day. Bankrate.com's national survey shows that an average 30-year fixed mortgage rate has declined to 5.07% with an average of 0.42% discount.

The last time that interest rates were above 6.00% was in November 2008. The average interest rate was 6.33% meaning a \$200,000 loan would have had a monthly payment of \$1,242. With the current interest rate of 5.07% the same loan would have a monthly payment of \$1,082, a significant savings of \$160 per month.

### Compare Mortgage Rates Since February 2010

30-year fixed: 5.07% - down from 5.12% -  
(average points: 0.42)

15-year fixed: 4.45% - down from 4.49% -  
(average points: 0.39)

5/1 ARM: 4.27% - down from 4.31% -  
(average points: 0.35)

One reason for the drop in mortgage interest rates is the current European economic uncertainty. This uncertainty in global markets allows the Federal Reserve to keep the mortgage interest rates down for now. The Federal Reserve is also motivated to keep mortgage rates low to encourage our own economic growth to assist buyers to gain access to the best mortgages.



# Direct Deposit For All Employees

Through Four Point HR's payroll services, client companies can streamline their payments process, relieving many headaches associated with this non-revenue producing function.

One of the biggest benefits of this streamlined process for companies is the ability to place the complete employee payroll onto direct deposit. However, because not all employees are banked, achieving 100 percent direct deposit has remained elusive for companies.

As a Four Point HR's partner, Directo, Inc. provides a solution for those unbanked employees. As the industry's customer-service leader and paycard pioneer Directo maximizes a company's distribution of payments while minimizing risks.

While providing a safe and proven solution to achieve 100 percent direct deposit within a company, our mission is delivering uncompromising customer service to the estimated 40 million unbanked Americans by meeting their evolving needs during this time of economic turmoil. We are a company that is solution based, creating a win/win for employers and employees.

Without adding additional software or expenses, a business can achieve 100 percent direct deposit, eliminating the hassle associated with paper checks, streamlining its unique payments programs, and meeting green initiatives. No employee of the company can be turned down for a Directo account and all employees can now receive direct deposit.

Directo works through an ACH-secure system that allows employers to directly deposit onto the paycard, which in effect becomes the employee's bank account. Carrying the security of a FDIC-insured account, Directo's debit card solutions allow employees the convenience of ATMs, purchasing power in stores, and online bill pay.

Because the cardholders have instant access to their funds, they also avoid the need for using check-cashing outlets, which can charge up to 10 percent for such transactions.

*Robert Howe, President and CEO of Directo, contributed this article. To learn more about Directo please visit [www.directocard.com](http://www.directocard.com) or call (770) 242-6000.*