

TOP TEN HOT TOPICS FOR EMPLOYERS TO CONSIDER IN 2007

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- 1) Effective January 1, 2007, North Carolina's minimum wage has increased to \$6.15 per hour. The federal minimum wage and South Carolina's minimum wage remain at \$5.15 per hour.
- 2) Employers should be careful about making any deductions or even "threats" of deductions from salaried exempt employees' pay for lost or damaged property, repayment of debts to the company, and partial absences. To do so could result in a loss of the exemption from overtime requirements and result in substantial back pay liability for overtime worked by those employees.
- 3) Employers should review any noncompete covenants they have in effect with employees and be sure that they comply with the applicable state law and to make sure they are enforceable.
- 4) Employers should make sure that their FMLA policies alert employees that FMLA leave runs concurrently with workers compensation leave and other paid or unpaid leave.
- 5) Employers should make sure that they have an anti-harassment policy and that they train their managers and supervisors annually regarding the laws relating to harassment and discrimination.
- 6) Employers should have all their policies and procedures reviewed this year to make sure they accurately reflect the way the company operates its business and are compliant with state and federal laws.
- 7) Employers should have all pay practices clearly defined in writing to avoid claims of back pay after employees have terminated. Vague undefined practices lead disgruntled employees to seek back pay and attorney's fees.
- 8) Review all employment contracts to determine where updates may be needed.
- 9) Conduct informal perception surveys with employees to determine their morale and identify areas of improvement.
- 10) Consult with counsel whenever you consider making any employment-related decisions to ensure that all legal and practical factors are considered, in order to limit your legal exposure and liability.