



Quarterly Resource Newsletter

2nd Quarter 2015

Coastal Human Resource Group, Inc.

Drug and Alcohol Screening

In today's business environment, it is more important than ever to have a thorough and effective drug and alcohol screening program that not only meets the needs of your company, but is also in compliance with state and federal regulations.

Drug and Alcohol Testing

Substance abuse is an important concern. While not all companies are legally obligated to have a drug and alcohol policy, many – such as federal contractors and companies that employ DOT drivers – do have to have a drug testing policy and program. For companies that don't have to have this type of policy, putting one in place – and enforcing it! – is a best practice that can help protect against unnecessary risk and liability.

Consider these statistics:

- The U.S. Department of Health and Human Services (HHS) reports that 13 million Americans admit to having used illicit drugs within the past 12 months.
- The Occupational Safety and Health Administration (OSHA) indicates that those who abuse substances miss work ten times more often than other workers.
- According to the Department of Labor (DOL), people who abuse drugs and alcohol utilize their medical benefits 300% more often than others.
- According to the National Council on Compensation Insurance, as many as half of all Workers' Compensation claims involve substance abuse.

- The DOL indicates that 11 million Americans consider themselves to be heavy drinkers (consuming 5+ drinks on 5+ days per month).

Coastal HR team can help with every aspect of your drug and alcohol screening needs, from working with you to develop a policy that meets your company's needs to ensuring that any actual testing performed is handled in a compliant way, from selection, collection, reporting and maintaining confidentiality.

SERVICES

Drug and alcohol testing options available through Coastal HR include:

- Lab-based urinalysis (DOT and Non-DOT)
- Rapid drug screen urinalysis
- Alcohol Testing – DOT and Non-DOT
- Hair testing for drug presence
- On-site testing

Learn How We Can Help

If we're not already helping with your drug and alcohol screening – or if it's time to review and update your current program – contact Coastal HR today to find out how we can help. Whether you need DOT or non-DOT drug screening, our services can meet your need.

Client Highlight

Pediatric Associates of Mobile



Pediatric Associates of Mobile is a long-time Coastal HR client. Specializing in pediatric medicine, the practice currently has 24 employees and has been operating for more than 50 years.

Coastal HR strives to simplify things for clients, and that's one of the things that Diana Cale, Pediatric Associates' Office Manager, really likes about being a Coastal HR client. She states, "It is easy – nothing is complicated, even for the person with hardly any computer knowledge."

Cale also really appreciates the fact that Coastal HR provides access to an HR person to help deal with issues, even ones that are complicated, as well as that the firm provides access to and secure storage for

all necessary employee forms.

She also appreciates the personal service she receives from Coastal HR, indicating that one of the biggest benefits of working with Coastal HR is having "a place to call where all I have to do is give my first name and they know who I am and where I am calling from!"

Visit pediatricassociatesofmobile.com to learn more about Pediatric Associates.

Key Areas for Wage & Hour Compliance

Fair Labor Standards Act (FLSA) compliance is a key area of regulatory concern for all businesses. The law's primary focus lies with ensuring that workers are properly classified and compensated. Some areas of FLSA compliance – such as tip pools and being sure to capture and pay employees for all hours worked – can be a bit tricky to navigate. Employers who aren't careful to stay in compliance can face costly penalties.

Tip Pool Compliance Challenges

If you have employees who receive tips and those tips go into a "pool," it's important to make sure that the pool is consistent with FLSA requirements. For example, only employees who customarily receive tips from customers can participate in tip pools or be paid a cash wage as low as \$2.13 per hour. A tip pool cannot include workers such as dishwashers, cooks, chefs, janitors, managers or anyone else who does not customarily receive tips directly.

Including workers not eligible for tip pools leads two types of FLSA violations: (1) improper wage deductions and (2) improper wage payments.

- Invalid tips pools lead to improper wage deductions for true tipped employees, such as servers, service bartenders and counter workers. Employers cannot force employees who earn tips with workers in positions that do not qualify for tip pool participation.
- Workers who don't customarily receive tips from customers can't lawfully be paid less than the full minimum wage directly from the employer. If you have prohibited positions grouped into the tip pool and they're not being paid at least the full minimum wage, then you are out of compliance with the minimum wage part of the law.

Key tips to keep in mind for non-exempt employees:

- An employee who eats lunch in the office and answers work-related phone calls, checks work-related

Continued: Wage & Hour Compliance

email, or otherwise performs any work must be paid for that time.

- If an employee comes in before or after his or her scheduled shift and does any kind of work at all, payment can't start and end based on the schedule. It has to start – or be extended to include – all time work was performed.
- If an employee runs work-related errands while out of the office for a lunch break, he or she must be paid for the time performing the errand and getting to and from it.
- An employee who offers to take work home over the weekend and specifically states that he or she doesn't expect to be paid for doing it must still be paid for that time. It doesn't matter that the work was voluntary; if it takes place, it was "suffered or permitted."
- An employee who violates a policy by working overtime without getting pre-approval to do so must still be paid for the overtime – regardless of company policy. You can discipline the employee for violating your policy, but you cannot punish that employee by failing to pay for the work that was performed.

Failing to properly record and pay non-exempt employees for all compensable time can lead to under-paying workers, failing to properly pay overtime and a lack of compliance with FLSA record keeping requirement.

Compliance Is Key

These are just a few of the many FLSA compliance concerns that can lead to costly penalties if employers aren't aware of the specifics of what they can and can't do. Let Coastal HR help you ensure that your organization's approach to paying employees meets FLSA requirements in all aspects of the law.

Employee Spotlight

Maury Bond



Our Employee of the Quarter! Maury has more than 20 years of experience in payroll and taxes, and he has been with Coastal HR for 18 years. Maury is Manager of Coastal HR's tax department, where he is responsible for tax filings and compliance, setup and management of garnishments, accrual setup and more. He previously worked as Manager of the payroll department.

Happy Easter!

