

Wages, Salary and Overtime: Six Mistakes to Avoid

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The federal Fair Labor Standards Act underwent major revisions in 2004. Confusion over the consequences of these changes may have you scratching your head and wondering if you should be worried. If so, take time to look at your payroll situation and make sure you're not making the following mistakes:

- Automatically exempting salaried employees from overtime.
- Relying on job titles.
- Automatically not paying for meal breaks.
- Requiring advance approval of overtime.
- Permitting employees to waive overtime.
- Improperly making deductions from salaried-exempt employees' pay.

Loss of the exemption status can result in significant liability when such an affected employee seeks time-and-a-half for all hours worked over 40 for each workweek for the prior three years, plus an equal amount in liquidated damages, plus attorney's fees.

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