



UPDATE to FLSA In The Works

■ Exemptions for white-collar employees and Comp time in lieu of Overtime

Secretary of Labor, Elaine Chao has announced that the Labor Department will update the FLSA (Fair Labor Standards Act) provisions addressing the overtime exemptions for white-collar employees. The FLSA was first written in 1938. The regulation governing who is considered a true manager that is exempt from overtime was developed in 1950. Over the last 50 years the distinction between true managers and who is not has become less clear. She hopes the new rules will be simple and easy to understand and will apply to real life situations. Although many business owners assume that paying an individual on a salary basis, exempts them from overtime, it is actually the individual's job duties that determine if an employee must be paid overtime.

The Labor Department is also considering updating or revising some other sections of the FLSA. One of the most controversial regulations contained in the FLSA that is under consideration is the rule stating that compensatory time off in lieu of overtime pay is illegal in private sector businesses. At a Washington summit in June on the 21st Century Workforce, President Bush stated that "Wherever possible, we should find ways to remove conflicts between home and work. For example, more workers should be able to take advantage of comp time. Federal workers already have this privilege, and private section employees deserve the same." Assistant Secretary of Employment Standards Victoria Lipnic signaled that the Department of Labor may be willing to accommodate mutually agreed-upon comp time arrangements. "However, allowing comp time, will require a change in the current laws," she said. "The DOL should really try to encourage this kind of flexibility in the workplace and Labor Secretary Elaine Chao, has made it a priority for all of us in the department to look to all of our laws, and regulations, and to try to bring them in balance with the 21st Century," Lipnic stated. We will keep you advised of any changes to the regulations of the Fair Labor Standards Act, however, in the meantime we encourage you to call us with any concerns you may have regarding who is and who is not exempt from overtime pay. ☺

Apple pie...
geese flying by,
pumpkins piled high.
It must be Autumn!

Climb the mountains and get their
good tidings. Nature's peace will flow
into you as sunshine flows into trees.

The winds will blow their own
freshness into you, and the storms
their energy, while cares will drop off
like autumn leaves.

—John Muir



Closed Labor Day Closed

Our office will be closed Monday, September 2nd, 2002 for Labor Day. All payroll hours for that week need to be called into the office by 11:00 am on Tuesday September 3rd, to allow us the time to generate payroll and send direct deposits to the bank by 2:00 pm. Direct deposit and payroll delivery will still be on Thursday, September 5th, 2002. If you have payroll hours ready on Friday August 30th or over the weekend, you may either fax them to the office or call them in on the payroll answering machine at 1-800-858-7887. **Our offices will be open for business on Columbus Day, Monday October 14th.**

Help Us - Help You

If you have any personnel changes to your payroll, or new hires (that are not hired during the weekend) we would like to have the information on Fridays so that we can get it in on the next payroll.


All hours and hours sheets should be called/faxed in on Mondays and direct deposits need to be transmitted to the bank by 2 pm on Tuesday to be effective for Thursday.

Observance of the above will help us to insure that your payroll is accurate and on time. Thank you.

New Employee Orientation Checklist

The sooner new employees are able to learn about your workplace rules and practices, the sooner they become productive workers. The following is a sample checklist that we hope you and your new employees might find helpful.

- Introduction to Co-workers
- Company operations and activities
- Building layout, including employees' parking areas, entrances, fire exits, bulletin boards, cafeteria or break areas and rest rooms.
- Starting and quitting times, work schedule location, pay rates, time cards and payroll procedures, overtime, paid time off or other forms compensation matters.
- Attendance policy and whom to contact in case of absence, guidelines for medical or other appointments that require time off, policies regarding leaves of absences
- Breaks and Meal periods
- Safety policies, and how to reporting accidents or obtain emergency medical attention
- Dress Code or Uniform policies
- Telephone use policies
- Confidential Information and handling thereof
- Computer or Internet access, Email policies
- Policies regarding the employer's right to monitor phone calls/emails etc. or policy regarding the right to search lockers, desks, and computer hard drives, videotape surveillances, etc.
- Provide a copy of the written job description if applicable
- Performance standards and review procedures. Provide a blank copy of the performance evaluation form and procedure. (Example after 90 days then annually.)
- Disciplinary procedures and prohibited conduct rules
- Procedures for obtaining work supplies
- First work assignments
- Training to do the job
- Person to go to for help
- Other company policy or procedures such as smoking, nonsmoking areas and who to contact to report acts of harassment

If you have many of these topics in writing, Allegiant Management can help you put together a formal Orientation Checklist for your business or even a complete employee handbook. You can contact the Human Resource Department for further information or a copy of our sample handbook and work sheet that will help you draft the basics. Once you have the basics, we can put it all together and review your policies in light of current state and federal regulations. 

Quick Response to Sexual Harassment Claim Nulls Liability

The quick response by the New Hampshire Department of Corrections to a correctional officer's sexual harassment complaint relinquishes it from liability under the state laws, the New Hampshire Supreme Court ruled on 5/7/02. The issue before the court was whether the Department had responded appropriately to her complaint. The court felt that the Department suspension of the officer and threatening to terminate him for any future violations was reasonably likely to prevent the harassment from reoccurring. Since the Department of Corrections acted promptly it avoids liability. Thus the court overturned the \$200,000 award by the New Hampshire Human Rights Commission.

"Managing is the art of getting things done through and with people in formally organized groups. It is the art of creating an environment in which people can perform as individuals and yet cooperate towards the attainment of group goals. It is the art of removing blocks to such performance."

Harold Koontz.



401(k) OPEN ENROLLMENT

Open Enrollment for Allegiant's 401(k) plan will be held during the month of September

During this period you will be allowed to change your contribution amount or enroll in the 401(k) plan. The deadline to submit changes or enrollment forms will be Friday September 27, 2002. All changes will take effect for the first payroll in October.

Allegiant's 401(k) Plan is a long-term savings plan for retirement in which all contributions are made on a tax-deferred basis. To be eligible, you must be at least 21 years of age and have completed six months of service with Allegiant. The Plan will also accept rollovers from many other types of retirement plans, even prior to completion of 6 months of service.

There are 10 different mutual investment funds to choose from, offering participants a wide variety of investment options. Please call the Human Resource Department for a change form or new enrollment kit. You should request enrollment information by September 13, 2002.



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(Content herein is in no way intended to be legal advice, such should be obtained directly from a lawyer)