

WAGE & HOUR ISSUES

CELEBRATING
20
YEARS

NonprofitHR

STRENGTHEN YOUR PEOPLE.
ACHIEVE YOUR MISSION.



Must we keep paying employees who are not working?

The Fair Labor Standards Act (FLSA) does not typically require employers to continue to pay employees who are not working. Minimum wage and overtime requirements attach to hours worked in a workweek so employees who are not working are typically not entitled to payment.

Employers may, however, still be required to pay exempt “white collar” workers that are paid on a salary basis. If an exempt employee performs at least some work in a workweek, the salary basis rules require that they be paid the entire salary for that particular workweek.

Employers may also have a legal obligation to continue paying employees because of an employment contract, collective bargaining agreement, or some other policy or practice that is enforceable as a contract under state law.

When thinking through whether or not to pay employees, employers should also consider the public relations aspect of not paying employees who may not be working if they have contracted or are avoiding COVID-19. Given the publicity surrounding this outbreak, it is possible that situations involving these kinds of issues could reach the media and damage an employer’s reputation and employee morale.

Can we charge time missed to vacation and leave balances?

The FLSA generally does not govern any leave policies an employer may have in place; however, state laws will vary on what may or may not be done with leave depending on the circumstances.

Generally, an employer may reduce leave balances for time not worked to continue to pay the employee. This should be done in full-day increments for exempt employees to preserve their FLSA classification. Non-exempt employees’ balances may be reduced in any increment practical or as designated by policy.

If you are ready to improve your social impact organization’s approach to Total Rewards or simply have a question, contact us. Someone from our team will be in touch shortly.

📞 Call us: 202.785.2060

✉️ Email us: covid19@nonprofithr.com

Nonprofit HR is the leading professional services firm focused exclusively on the talent and culture needs of the social impact sector.



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YOUR MISSION-DRIVEN ORGANIZATION. OUR HELP THROUGH COVID-19 CHALLENGES



What an employer may, must, or cannot do where paid leave is concerned might be affected by an employment contract, a collective bargaining agreement, or some policy or practice that is enforceable as a contract or under a state wage law.

See more information: <https://www.dol.gov/agencies/whd/flsa>.



Total Rewards is not just about financials, it is also about creating programs that engage your staff, connect them to your organization, and allow them to grow their career while also managing their lives.

Nonprofit, Association, and Social Enterprise Missions we Serve

We have serviced clients across in all social impact mission areas. Below are some specific examples of how we have supported organizations such as yours!

- Compensation Program Design, including Compensation Philosophy, Practices and Policies
- Job Description Review, Revision or Creation
- Benefit Program Design and Implementation
- Benefit Compliance to State and Federal regulations
- Retirement Plan Guidance and Support
- Leave Benefit Programs
- FLSA Compliance
- Market Valuation of Positions
- Performance Compensation Policies
- Rewards and Recognition Programs
- Executive Compensation and Benefit Program Design/990 Analysis and Reasonableness Testing
- Pay Equity Review and Recommendations



Contact us now. We will show you how to maximize service and performance recognition programs to engage and motivate your staff.

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