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Ideas & Trends

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Wolters Kluwer

POLICY MANAGEMENT

Six ways to strengthen policy management and effectiveness

With increasing regulatory oversight and legal obligations, geographic expansion of business operations and the spike in employee lawsuits, more and more organizations are turning to automated policy management. MetricStream, Inc. a supplier of governance, risk, compliance, and quality management solutions, says that policies are a dynamic body of shared knowledge which can strengthen, support, and protect a company's success. Therefore, they say, employers may benefit from adopting a more streamlined and standardized approach to policy management.

Though automating policy management is certainly trending at the moment, manual policy management via Excel, Email, the Intranet and even 3-ring binders is still the preferred method of choice for many organizations. Whether an organization manages their policies via an automated system or with that 3-ring binder, here are six ways to strengthen policy management:

1. **Define a meta-policy.** A standard format to create policies should be defined and a definitive process—or meta-policy—should be followed across different siloes in an organization. This allows policies to be created uniformly and makes it easier for employees to understand them. Organizations of all sizes will benefit from this.
2. **Short and concise policies.** To the point and crisp policies are extremely efficient and easy to understand. Shorter policies are also shared more frequently, promoting communication across departments.
3. **Delegate responsibility.** Every policy should have an owner who is responsible for creating, circulating, and maintaining the policy. The owner should also be aware of when a policy needs to be updated, modified, or discontinued based on changing organizational and regulatory policy changes. Additionally, the owner of the policy should be responsible for sending out timely updates on every policy, specifying how it affects the employees.
4. **Centralized access.** It is extremely important for an organization to have a centralized repository for all its policies so employees have direct access to all organizational policies. If policies are difficult to locate, employees will be less likely to read them. Today, mostly companies provide electronic copies of their policies via their Intranet site, portal, or policy management software. A centralized repository for policies also makes it easy to maintain them.
5. **Track policies.** Changing a policy requires documentation. An organization should have a system in place which tracks and logs a trail of every policy change in the system. The system should be able to track who, when, why, what and where changes were made. This helps the organization to track how many times a document is viewed, downloaded, shared etc. Sometimes, a simple process of tracking

policies can help an organization in tracking unethical behavior across the organization.

6. **Encourage feedback.** Since employees must follow policies, it is highly recommended that they be allowed to give their feedback. This can be made possible by providing options to post questions and suggestions for every policy. Furthermore, encouraging feedback shows that employees are reading and understanding policies. Good feedback can be incorporated when improving policies periodically. A culture that does not readily accept employee comments will most likely produce a substandard set of policies that probably would not be used. ■

LIABILITY

Supervisors say the 'darndest' things

It was Art Linkletter, not Bill Cosby, who popularized the "kids say the darndest things" concept in his radio and TV shows (and in a 1957 book by that name). To that end, workplace situations seem to elicit some of the "darndest" responses from supervisors, remarks that at the very least got their employers into litigation and often resulted in liability. This vein never seems to run dry, unfortunately. Here are some of the freshest examples:

Confidentiality

Supervisor shares firefighter's PTSD diagnosis. Take a firefighter, still active in the Selected Marine Corps Reserve after having served eight years. His supervisor allegedly formally requested a "Fit-for-Duty" (FFD) evaluation after the firefighter became visibly upset and left work early when routine job tasks triggered memories of his military service. During the FFD evaluation (clearly a medical exam covered by ADA confidentiality requirements), the firefighter disclosed his PTSD. Two days later, his supervisor held a meeting to discuss the employee "having PTSD and [to] get the opinion of other firefighters." Temporal proximity between the exam and the meeting, coupled with the alleged purpose of the meeting, made it plausible that the supervisor disclosed information obtained through the authorized medical inquiry (*Perez v. Denver Fire Department City and County of Denver, D. Colo.*, January 26, 2016, Shaffer, C.).

Age bias

"Too old to cry." Repeated comments by an employee's former supervisor that she was "too slow" and "too old to cry," combined with comparator evidence, suggested that her firing was motivated by age bias. Although the employee received only one informal disciplinary notice during her first 20 years on the job, during her last two years she received 26 informal employee discussions, two verbal warnings, two written warnings, and three 90-day action plans, a dramatic increase in disciplinary actions that she claimed was the result of age bias by her latest supervisor. She also alleged her supervisor said she was "too old to act like [she] was acting." which, combined with evidence that at least one other younger employee who made substantially similar errors was not disciplined, supported an inference of age bias (*Sampson v. Sisters of Mercy of Willard, Ohio*, N.D. Ohio, February 16, 2016, Helmick, J.).

National origin bias

You're "a turkey from Turkey?" A teacher in a gifted and talented elementary education program claimed her new principal encouraged a culture of racial and ethnic insensitivity. While the staff was discussing an American movie, the principal told her, "You wouldn't know about this. You are not from here." After an after-school Christmas concert in which the teacher's child participated, the principal asked, "What are you doing here?" Another staff member called her "a turkey from Turkey." The principal and her staff also made insensitive remarks about other nationalities, referring to a Vietnamese family as the "little people" and joking about an Asian family's surname, and making announcements over the intercom in feigned foreign accents and laughing. When the teacher complained, the principal is-

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Managing Editor
Heidi J. Henson, J.D.

Contributing Editors
David Stephanides, J.D.
Tulay Turan, J.D.

Newsletter Design
Publishing Production & Design Services

Newsletter Layout
Don Torres

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sued her three disciplinary letters. The Tenth Circuit found that a jury could reasonably find she was subjected to sufficiently severe or pervasive conduct due to her nationality based on these comments (*Unal v. Los Alamos Public Schools*, 10th Cir. (unpublished), January 29, 2016, McHugh, C.).

Supervisors can't even get his nationality right. The only non-white employee on his team, a nuclear plant's Asian security supervisor was regularly subjected to slurs based on his race and national origin by both coworkers and supervisors. He was called "porch monkey," "towel head," "Taliban," "Mexican," "Jap," "chink," and "Hajji." His supervisor's boss referred to him as "Mexican" or "Puerto Rican" even though he had told him that he was Asian. He asked that boss to tell other managers to use his name rather than racial references and reported specific racial slurs used against him, but the boss changed the subject. Evidence that he was treated dissimilarly and subjected to racial slurs was enough to refute his employer's contention that it legitimately fired him for taking too long to report that a subordinate may have nodded off on the job (*Schumann v. G4S Secure Solutions (USA) Inc. dba G4S Regulated Security Solutions*, D. Minn., February 8, 2016, Davis, M.).

Race bias

"It's disgusting that you two are together." Remarks by supervisors that the interracial relationship of two correctional officers was "disgusting" and "sickening," as well as allegations that certain workplace policies were only enforced against the couple after they started dating but were not enforced against other COs, were enough to support disparate treatment and hostile work environment claims. In addition to numerous examples of disparate discipline, a lieutenant told the female CO "you know if your white ass gets pregnant by him he's just going to leave you and have nothing to do with the kid. That's what black men do. . . . Why are you with him? It's disgusting that you two are together." A captain told the female CO it "sickened" her to see the two together and later said she would not tolerate the relationship, and that she treated the employee that way because she was trying to show "how the real world works when dealing with a black man." After the two filed administrative charges with the EEOC, the male CO was issued more discipline and the female CO was terminated (*Autrey v. State of Maryland*, D. Md., January 29, 2016, Russell, G., III).

"An African-American should not have been hired to work in sales." A CFMOTO Powersport regional sales manager for the south, who was hired after a phone interview with its CEO but who said management decided to fire him once they learned he was black, advanced his claims of race bias. He lived in Kentucky but was soon sent for training in Minnesota, where the company's executives worked and where the CFO and operations manager learned for the first time that he was black. Comments that "an African-American should not have been hired to work in sales" and that "a black person cannot sell power sports in the South" were direct evidence of bias. A white sales rep allegedly complained to the CEO that the employee should not have been hired because "black people did not buy mopeds and ATVs" and that "black people do not ride ATV's [and] do not come to shows." He was ultimately terminated by the CEO. The court rejected the contention that the comments by the CFO and sales rep were stray remarks by non-decisionmakers (*Wilson v. CFMOTO Powersports, Inc.*, D. Minn., March 7, 2016, Tunheim, J.).

"N-word" and "b-word." Despite an employee's poor performance, her supervisors' racially demeaning, derogatory, offensive remarks supported her discrimination claim. Remarks by two Caucasian supervisors calling her "an old ni**er b*tch," a "stupid b*tch," and an "old black b*tch" resulted in a city being denied summary judgment on her race discrimination and retaliation claims, even though the employee had been disciplined 25 times in 18 years for poor performance. Also, when the employee asked why she was the only one getting suspended, one of the foul-mouthed supervisors allegedly responded "As long as you keep filing charges, I'll keep suspending you" (*Cage v. City of Chicago*, N.D. Ill, February 25, 2016, Zagel, J.).

Religious bias

"Your religion is less than my religion." A Catholic farmworker survived summary judgment on his claim that his Mormon foreman harassed him based on religion by making almost daily statements such as "I'm a better person than you guys because your religion is less than my religion," "Your religion is nothing, less than my religion," or "I'm a better person than you guys because your religion is less than my religion," or "You are less than me. I have a better job than you guys. I'm a Mormon and you guys are less than me," or "My religion is on top. We are better than anyone else." Although his employer suggested this alleged harassment was not severe or pervasive, the foreman was a type of supervisor, reasonable people might find this offensive, and most importantly, the farmworker estimated that there were roughly 60 such statements (four comments a day for 15 days), which the court found "more than sporadic, it is a pattern of routine conduct" (*Robles v. Agreserves, Inc.*, E.D. Cal., January 27, 2016, Ishii, A.).

Sex bias

It is no longer news that the EEOC filed its first two sexual orientation discrimination lawsuits on March 1, 2016. And it's no secret that the agency has been working for several years toward clearly establishing that sexual orientation discrimination offends Title VII. Although no judicial decisions have been reached on these EEOC "test cases," it's illustrative for employers to take a look at the alleged supervisor comments that the agency found particularly egregious.

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"F*ing queer can't do your job."** According to the EEOC complaint, a gay male telemarketer for a clinic was repeatedly referred to by his manager as "fag," "faggot," "f***ing faggot," "queer," and told "f***ing queer can't do your job." The manager allegedly made these highly offensive comments to the employee at least three to four times a week. When the telemarketer complained, the clinic director allegedly said that the manager was "just doing his job," and refused to take any action to stop the harassment (*EEOC v. Scott Medical Center*, is case No. 2:16-cv-00225-CB).

"I want to turn you back into a woman." In the second lawsuit, a lesbian forklift operator allegedly was harassed by her supervisor, who made repeated comments such as "I want to turn you back into a woman"; "I want you to like men again"; "You would look good in a dress"; "Are you a girl or a man;" and "You don't have any breasts." Although the employee purportedly complained to the general manager and called the employee hotline, the company first tried to force the employee to resign and fired her just a few days later, allegedly in retaliation for making the complaints (*EEOC v. Pallet Companies dba IFCO Systems*, case No. 1:16-cv-00595-RDB).

The ones they got away with ...

Not every patently offensive, rude, or simply mean comment is actionable, of course. Still, the remarks made by supervisors reflected below got their employers dragged into court and came very close to crossing the line. After all, you don't want a federal appeals court calling your company management's behavior "inexcusable and offensive."

"Inexcusable, offensive" comments ... but not actionable. According to three female pharmaceutical sales reps who worked at Eli Lilly, their direct supervisor engaged in conduct described by the district court below as "inexcusable and offensive:" He said he majored in home economics to be around women, remarked on the appearance of female reps and referred to them as "Barbie dolls," mocked the accent of a Hispanic employee in front of all district employees, said that "black people do not speak fast" during a role-playing exercise, said "let's let the pretty girls go first" during a group activity, made offensive comments about an employee's practice of breastfeeding her child, and criticized an employee for asking for time off to care for her sick child. However, the Third Circuit agreed with the district court that the incidents "did not unreasonably interfere" with the employees' ability to do their jobs and so were not sufficiently severe or pervasive to create a hostile work environment (*Tourtellotte v. Eli Lilly and Co.*, 3d Cir. (unpublished), January 13, 2016, Van Antwerpen, F.).

"Monkey," "take your black behind and go clean tables." Despite allegedly being called "monkey" by one manager and told by another manager to take his "black behind and go clean tables," a federal district court in Georgia dismissed a restaurant busser's Title VII hostile work environment claim on summary judgment. The alleged harassing conduct was "simply too infrequent" and not sufficiently severe to be actionable, since there were only four comments over approximately 11 months. The court considered the remarks merely "unpleasant," and not physically threatening or "particularly humiliating"—not enough to be found objectively severe (*Lang v. Bloomin' Brands, Inc.*, S.D. Ga., February 9, 2016, Moore, W.).

Lesson for managers

It never hurts to remind supervisors that treating employees, even poor-performing or difficult employees, with dignity and respect is a time-honored approach to good employee relations. In addition, racist and sexist language simply has no place in the workplace, whether or not it is actionable under federal or state discrimination laws. Finally, consider supervisor training: It is entirely possible that front line supervisors have either never been trained, or have not been trained recently, in what kind of language to avoid. ■

Source: *Written by Joy P. Waltemath, J.D., and originally published in the March 29, 2016, edition of Employment Law Daily, a Wolters Kluwer publication.*

FAMILY AND MEDICAL LEAVE ACT

New FMLA notice poster, employer guidebook unveiled

The Department of Labor will require employers to post a new FMLA notice in their workplaces, the agency announced on Monday, April 25, on the opening day of the Disability Management Employer Coalition (DMEC) FMLA/ADA Employer Compliance Conference in Pittsburgh. On that same day, the DOL unveiled a new guide to help employers administer the FMLA's requirements, according to Franczek Radelet's Jeff Nowak, who shared the news on his FMLA Insights blog.

The new poster offers little in the way of substantive changes—thus, employers can still use the current poster if they so choose—but the revised version has been reorganized for clarity, Helen Applewhaite, DOL's Branch Chief for FMLA, told Nowak.

The DOL's Employer's Guide to the Family and Medical Leave Act aims to "provide essential information about the FMLA, including information about employers' obliga-

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tions under the law and the options available to employers in administering leave under the FMLA," according to the agency. (Nowak notes that the agency consulted him, along with other key FMLA practitioners, for feedback on the document before releasing it.) According to Nowak, the user-friendly document:

- Follows the FMLA regulations and the course of a typical leave request in a relatively orderly manner;
- Contains easy-to-follow flowcharts so that employers can better understand the typical FMLA process, including a "Road Map to the FMLA" that provides an overview of the FMLA process;
- Includes "Did You Know?" sections to give employers a heads-up on some of the lesser-known provisions and nuances of the FMLA regulations;
- Highlights user-friendly charts and explanation of the medical certification process, including what information is required in certifications;
- Provides an overview of military family leave, which (as Nowak notes) "often can be a bit overwhelming to employers attempting to navigate this portion of the FMLA." ■

OCCUPATIONAL INJURIES

Final count of 2014 fatal occupational injuries highest since 2008

The final count of fatal work injuries in the United States in 2014 was 4,821, up from the preliminary count of 4,679 reported in September 2015 and the highest annual total since 2008. The overall fatal work injury rate in 2014 was 3.4 fatal injuries per 100,000 full-time equivalent (FTE) workers, slightly higher than the final rate of 3.3 reported for 2013, the Bureau of Labor Statistics reported April 21. The higher overall rate in 2014 is the first increase in the national fatal injury rate since 2010.

The final 2014 numbers reflect updates to the 2014 Census of Fatal Occupational Injuries (CFOI) file made after the release of preliminary results in September 2015. Revisions and additions to the 2014 CFOI counts result from the identification of new cases and the revision of existing cases based on source documents received after the release of preliminary results.

Among the changes resulting from the updates:

- **Construction … up.** The private construction industry saw a net increase of 25 fatal work injuries after updates were added, resulting in a revised count of 899. The 2014 total was 9 percent higher than the 2013 total and represented the largest number of fatal work injuries in private construction since 2008.
- **Mining, oil and gas … up.** After the updates, fatal injuries in the private mining, quarrying, and oil and gas extraction industries rose to 183, the highest since 2007. Fatal work injuries in oil and gas extraction industries increased to 144 in 2014, a new high for that series.
- **Older workers … up.** Workers age 55 and over incurred 1,691 fatal work injuries in 2014, increasing by 70 after updates were included. The 2014 figure represents the largest number ever recorded for this group of workers and is 8 percent larger than the next largest annual total.
- **Roadway incidents … up.** Fatal work injuries due to roadway incidents were higher by 82 cases (8 percent) from the preliminary count, increasing the total number of deaths in 2014 to 1,157 cases. The final 2014 total represented a 5 percent increase from the final 2013 count.
- **Falls, slips, and trips … up.** Fatal falls, slips, and trips rose by 25 cases after updates, increasing the falls, slips, and trips total to 818 cases.

Overall, 33 states revised their fatal work injury counts upward as a result of the update. CFOI has compiled an annual count of all fatal work injuries occurring in the U.S. since 1992 by using diverse data sources to identify, verify, and profile fatal work injuries. The original September 2015 press release with the preliminary results can be found here: National Census of Fatal Occupational Injuries in 2014. ■

DIVERSITY

DiversityInc unveils 2016 Top 50 Companies for Diversity

DiversityInc has announced its 2016 Top 50 Companies for Diversity list and the company in the No. 1 slot is healthcare company Kaiser Permanente. The annual survey tracks the hiring, retaining, and promoting of women, minorities, people with disabilities, LGBT and veterans at organizations that have applied to be named to the list. It is a data-driven survey, gauging detailed demographics based on race/ethnicity and gender at some of the largest U.S. employers.

Among the top 10 most diverse corporations in the country, women have achieved near parity when it comes to their numbers in management and are also among the top earners. Among DiversityInc Top 10 companies,

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there are nearly 50 percent more Blacks, Latinos and Asians in management than in U.S. companies in general. In addition, DiversityInc Top 10 companies have achieved near parity with women in management (48 percent). In the Top 10, women also represent 40 percent of the top earners. Here are the top 10 companies for diversity in 2016:

1. Kaiser Permanente
2. Novartis Pharmaceuticals Corporation
3. EY
4. AT&T
5. Pricewaterhouse Coopers
6. Sodexo
7. MasterCard
8. Johnson & Johnson
9. Marriott International
10. Prudential Financial

"It's clear that corporate America understands how diversity and inclusion strengthens everything, from recruiting and retention to overall business success," said Luke Visconti, DiversityInc's founder and CEO. "This was a year of many companies moving up on the Top 50 list. We saw 23 companies increase their standings on the DiversityInc Top 50 and Specialty Lists in 2016, and more than 1,000 companies submitting for contention on the list. It's a sign of their commitment and dedication to diversity management."

Participating in the survey. Companies with more than 1,000 U.S.-based employees are eligible to enter the DiversityInc Top 50 competition each year, and there is no cost to compete. Each company's rank is based on an objective analysis of 183 separate factors, based on data from a 300-question survey. The four equally weighted areas of measurement are Talent Pipeline, Equitable Talent Development, CEO/Leadership Commitment and Supplier Diversity. ■

EMPLOYEE TERMINATION

Documentation, preparation essential at employee termination

Documentation is the single most important thread running throughout the lifecycle of an employee from hiring through termination, according to Shareholder Bradley Kafka, leader of Polsinelli's St. Louis labor and employment practice and vice chair of the firm's national labor and employment practice. And when it comes to terminating an employee, documentation is essential.

Kafka and other Polsinelli attorneys were speaking at the final presentation in the firm's *Life Cycle of an Employee* webinar series. This series final brought attendees full circle to the last stage of employment—termination. The overriding message was that whether due to resignation, reduction in force, poor performance, or another reason, employers must be proactive and plan for terminations.

Wolters Kluwer reached out to the webinar presenters to get their take on the most important takeaways for employers.

Important takeaways

Documentation is key. Kafka stressed the importance of having documentation to support the legitimate, nondiscriminatory reason for the termination. "For example, with respect to reductions in force, documentation is key to developing the criteria that will be used to select employees," Kafka explained. "Who is performing consistently with their job description? Who has the lowest performance ratings?"

Documentation is similarly crucial in a termination for poor performance. Without it, employers run the risk of losing on a claim that the stated reason for termination was pretext. "The documentation may show how the employee's performance meets (or does not meet) the expectations set forth in the job description, whether there were prior disciplinary actions, and whether the employee is being treated consistently with other similarly situated employees," Kafka said.

Risk management. Polsinelli Shareholder Judy Yi discussed the risk management process, where documentation continues to be essential. "It is important to have documentation to support a termination decision, including disciplinary documentation and company policies," she said. "Additionally, it is vital to ensure consistent treatment. These are both major components in defending a discrimination claim."

Yi pointed to additional risk management considerations, including whether the employee is a member of a protected classification such as age, race, or gender, and whether the employee has recently engaged in protected activity such as filing a discrimination complaint or for workers' compensation benefits. She noted that specific types of terminations require additional considerations. "Reductions in force must be carefully scrutinized to make sure they do not disproportionately impact a protected classification," Yi cautioned. "Employers must also review WARN Act (and state mini-WARN act) requirements to determine applicability and ensure compliance."

Planning and logistics. Polsinelli Shareholder Lon Williams walked through some of the logistics of the termination meeting and the importance of careful planning. "Employers should plan the termination meeting in advance—consider who will attend, when to conduct the meeting, where

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to conduct the meeting, security concerns, and communications to remaining employees." He stressed that what is said and how it is communicated goes a long way.

"If severance is offered, it is also important to make sure to have a properly drafted severance and release agreement," Williams suggested. "Depending on the employee's age and whether the termination is part of a reduction in force, it is important to ensure compliance with the Older Workers Benefit Protection Act." Employers should in addition consider the implications of Section 409A of the Internal Revenue Code, which can impact the timing and method of payment of severance.

Protecting intellectual property. Once the decision to terminate an employee is made, employers must consider how they can protect their intellectual property, according to Polsinelli Shareholder Elizabeth Gross. "From reminders of post-termination obligations to litigation to enforce restrictive covenant and confidentiality agreements, employers must be prepared to take action to protect their valuable information," she explained.

Employers should also consider the use of alternative dispute resolution (ADR) to manage post-employment claims, Gross suggested. Noting that ADR is an alternative to litigation in state and federal court and includes mediation and arbitration, she said that it can be a good option for employers. "It is important to consult with counsel regarding any ADR policies or agreements, as such policies and provisions must be carefully drafted," Gross observed.

Preparation essential. Williams said that as in all in all other stages of the life cycle of an employee, preparation at the termination phase is key. To limit the risk of employment claims at termination, employers must, among other things:

- Comply with company policies;
- Document the reasons for termination;
- Carefully evaluate the reason for termination to ensure it is legitimate and nondiscriminatory;
- Determine whether layoffs meet WARN and other requirements;
- Ensure severance and release agreements are properly drafted;
- Control post-termination communications by other employees; and
- Take proactive steps to protect intellectual property. ■

Source: *Written by Pamela Wolf, J.D., and originally published in the October 8, 2015 edition of Employment Law Daily, a Wolters Kluwer publication.*

HR QUIZ

Can employees make 401(k) contributions from severance payments?

Q Issue: *Your company will be having a reduction in force, and you are planning to offer laid-off employees severance benefits, including severance payments. For laid-off employees who are participants in the company's 401(k) plan and have elected to defer compensation into the plan from their regular pay, will their deferral elections apply to the severance payments?*

A Answer: No. For a participant's compensation to be deferred into a 401(k) plan, the amount must meet the 401(k) plan's definition of "compensation," which must comply with Internal Revenue Code Sec. 415. Generally, to be treated as compensation under that provision, the compensation must be paid or treated as paid to the employee before he or she separates from employment. A plan may provide for certain exceptions — for example, compensation paid after termination of employment that is regular compensation for the employee's services, commissions, bonuses, or similar payments, or other payments that would have been made to the employee if the employee had continued in employment, provided that:

1. the amounts are paid by the later of two and a half months after severance from employment or the end of the plan's limitation year that includes the date of severance from employment; and
2. the amounts would have been included in the plan's definition of "compensation" if they had been paid before the employee separated from employment.

Any post-termination payment that does not meet one of the exceptions in the Internal Revenue Code Sec. 415 rules does not meet the provision's requirements for the definition of "compensation." A severance payment, such as the one noted above, would not qualify. As a result, the laid-off employees will not be able to make deferrals into the 401(k) plan from their severance payments.

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TURNOVER

Employees seeking financial security are loyal to employers

Employee loyalty is on the rise, with 45 percent of employees saying they plan to work for their current employer 12 months from now, compared with 41 percent last year, according to MetLife's *14th Annual U.S. Employee Benefit Trends Study*. Loyalty is strong among all generations with 57 percent of baby boomers and 53 percent of both Generation X and millennials saying they are committed to their current employer's goals. This may be due to increasing financial concern: just 46 percent of all employees expect their personal financial situation to get better in the next year, compared to over half (52 percent) in 2014.

Employees, particularly millennials, are looking to their employers for help when it comes to addressing financial matters.

Benefits as means of obtaining financial support. Employees, particularly millennials, are looking to their employers for help when it comes to addressing financial matters. Just under half of millennials (44 percent) say they want their employer to help them solve their financial concerns, a response more than double that of boomers (20 percent). Similarly, three-fourths (75 percent) of millennials say their employers have a responsibility for the financial well-being of their employees.

Employees have grown increasingly interested in workplace benefits as a means of obtaining financial support. Nearly two-thirds (62 percent) of employees say they're looking to their employer for more help in achieving financial security through employee benefits, compared to 49 percent in 2011.

"Today, millennials represent the largest share of the American workforce, and by the year 2020 nearly half of workers will be millennials. While it's common knowledge that millennials are often more motivated by meaningful work than the size of their paycheck, our study shows that millennials – and all employees – are looking to the workplace for guidance and support to achieve financial security," said Todd Katz, executive vice president, Group, Voluntary & Worksite Benefits, at MetLife. "With only 44 percent of employees feeling in control of their finances, employers today have a unique opportunity to drive loyalty and retention by empowering employees to make informed benefits decisions."

Benefits education yields results

Employers have a significant opportunity to educate employees on traditional and voluntary benefits and how they can be used to address financial concerns. There's a real need for this education, especially among younger workers. The study revealed that among millennials, confusion reigns: only 52 percent had an understanding of life insurance, compared to 69 percent of boomers; similarly, only 38 percent of millennials had an understanding of long term disability insurance, compared to 57 percent of boomers.

Employees are also unclear as to the practical and financial value of voluntary benefits, with only 47 percent of employees agreeing that non-medical benefits can help them limit their out-of-pocket medical expenses. For employees without a savings cushion of three months – including approximately 65 percent of millennials – these expenses could lead to a financial drain.

For employers, this is an opportunity to evolve into a more consultative role and provide meaningful education and training for employees, while also engendering loyalty.

Optimal enrollment conditions key for benefits confidence

To alleviate confusion about benefits, it's critical that employers create optimal enrollment conditions, enabling their employees to make informed decisions about which benefits best suit their specific needs. This includes providing employees with a variety of robust decision-support resources and personalized offerings to help them make educated benefits decisions for their individual situations.

This is especially important for millennials: compared to their older counterparts, younger employees feel the least confident in their benefits decisions. To address this, the study found that strong communication is a key driver of employee confidence during benefits selection, with the most effective resources being one-on-one consultation. Despite popular perception that younger adults prefer technology over one-on-one interaction, the study found that 68 percent of millennials value one-on-one consultations with a non-sales benefits expert, compared to 62 percent of Gen X and 57 percent of boomers. Employers looking to harness the power of one-on-one consultations can turn to outside experts such as brokers, consultants and enrollment communications firms.

"Helping employees to understand the value of their benefits through engaging communications is critical for both the employee and the workplace," said Katz. "If employees fully understand their benefits options, they'll make better purchasing decisions and in turn, decrease their financial stress." ■

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HR NOTEBOOK

CPI for all items rises 0.1% in March

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.1 percent in March on a seasonally adjusted basis, the U.S. Bureau of Labor Statistics (BLS) reported April 14. Over the last 12 months, the all items index rose 0.9 percent before seasonal adjustment.

The food index declined in March, while the indexes for energy and for all items less food and energy rose, leading to the slight seasonally adjusted increase in the all items index. The food index fell 0.2 percent after rising in February, as five of the six major grocery store food groups declined. The energy index rose for the first time since November, with all of its major components except natural gas increasing. While the index for all items less food and energy increased in March, the 0.1 percent advance was the smallest increase since August.

Real average hourly earnings increase 0.2% in March

Real average hourly earnings for all employees increased 0.2 percent from February to March, seasonally adjusted, the BLS reported April 14. This result stems from a 0.3-percent increase in average hourly earnings being partially offset by a 0.1-percent increase in the Consumer Price Index for All Urban Consumers (CPI-U).

Real average weekly earnings increased 0.2 percent over the month due to the increase in real average hourly earnings combined with no change in the average workweek. Real average hourly earnings increased 1.4 percent, seasonally adjusted, from March 2015 to March 2016. This increase in real average hourly earnings combined with a 0.3-percent decrease in the average workweek resulted in a 1.1-percent increase in real average weekly earnings over this period.

Unemployment rate holds at 5.0% in March

Total nonfarm payroll employment rose by 215,000 in March, and the unemployment rate was little changed at 5.0 percent, the BLS reported April 1. Also little changed was the number of unemployed persons (8.0 million).

Employment increased in retail trade (+48,000), construction (+37,000), and health care (+37,000). Over the month, employment continued to trend up in food services and drinking places (+25,000) and in financial activities (+15,000).

Job losses occurred in manufacturing (-29,000) and mining (-12,000). Employment in other major industries, including wholesale trade, transportation and warehousing, information, and government, changed little over the month.

FY 2017 H-1B cap premium processing to begin May 12

On May 12, 2016, U.S. Citizenship and Immigration Services (USCIS) will begin premium processing for cap-subject H-1B petitions requesting premium processing, including petitions seeking an exemption for individuals with a U.S. master's degree or higher. USCIS first announced in a news release that it would temporarily adjust its premium processing practice due to the historic premium processing receipt levels, combined with the possibility that the H-1B cap will be met in the first five business days of the filing season.

USCIS provides premium processing service for certain employment-based petitions and guarantees a 15-calendar-day processing time.

For H-1B petitions that are not subject to the cap and for any other visa classification, the 15-day processing period for premium processing service begins on the date that USCIS receives the request. However, for cap-subject H-1B petitions, including advanced degree exemption petitions, the 15-day processing period set by 8 CFR Sec. 103.7(e)(2) will begin on May 12, 2016, regardless of the date on the Form I-797 receipt notice, which indicates the date that the premium processing fee is received.

H-1B applicants may subscribe to the H-1B Cap Season email updates located on the H-1B FY2017 Cap Season Web page. ■

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