

# TEG Client Connection

- HR News and Best Practices for our Valued Clients

July 2010  
Volume 1, Issue 1

---

## **Introducing the TEG Client Connection**

The Employer Group will be publishing a quarterly client newsletter to provide you with payroll and HR updates as well as information on wellness, training, legal updates and much more. We hope that this information will be helpful to you. Please feel free to [email](#) us with anything you would like to see in a future newsletter.

## **The Employer Group wins the 2010 Dane County Small Business Award!**

The Employer Group is a 2010 winner of the Dane County Small Business Award. This award is provided to businesses in Dane County that had made a contribution to the community by becoming involved with different service organizations in the community and proving a valued service to the area. In addition to being an asset to the community TEG was also deemed a great place to work by their employees! We are very honored to accept this award and will continue to strive to provide our community with a valuable service in the years to come.



## **The Employer Group celebrates 15<sup>th</sup> Anniversary!**

2010 marks The Employer Group's 15<sup>th</sup> anniversary in business as a professional employer organization (PEO). We are very excited to have reached this milestone. The Employer Group looks forward to continuing to serve our clients in the years to come.

## **Payroll News**

### **2010 HIRE Act**

The Hiring Incentives to Restore Employment (HIRE) Act was signed into law in April 2010. The passing of this act may provide you with a valuable tax credit on newly hired employees.

The first part of the act provides employers with an exemption from paying Social Security tax (6.2%) on new hires who were previously unemployed.

In order to qualify your new hire must meet the following criteria:

- A newly hired employee would qualify for this exemption if that employee worked less than 40 hours in the 60 day period prior to their start date.
- This exemption applies to wages earned after March 18, 2010 and before January 1, 2011.

- Family members do not qualify for this exemption.
- Employees hired to replace a worker, who was terminated without cause, do not qualify for this exemption
- Exemption is for the employer portion of Social Security tax only. Employers are still required to pay Medicare tax on these wages and both Social Security and Medicare taxes will be withheld from these employee's paychecks.

The second part of the act is a new hire retention credit. The credit is up to \$1,000 for each qualified employee hired and employed for 52 consecutive weeks. This is an **income** tax credit, not a payroll tax credit, and should be claimed on your **2011** income tax return.

If you have a new hire eligible under this act please have them fill out a W-11 form, available on our website, and fax to The Employer Group. Please feel free to contact The Employer Group's payroll department with any questions on the HIRE Act.

## HR News

### Health Care Reform

The Employer Group has continued to follow the changes taking place as a result of the recently passed Health Care Reform legislation. Although most of the Health Care Reform changes are several years away there are a few changes that will go into effect in 2011.

#### Major Changes in 2011

- As of January 1, 2011 all over the counter medications such as cold/allergy medication, Tylenol, Advil, etc. cannot be reimbursed under your Medical Flexible Spending Account without a prescription from your doctor.
- Dependent children age 26 and younger can now be covered on their parents insurance regardless of student status under federal law. Wisconsin passed a similar law as of January 1, 2010 allowing dependent children to be covered to age 27.
- No pre-existing condition exclusions will be allowed for children under age 19.
- No plan maximums or limits will be allowed on any health plan. Currently, most health plans, including our WPS plan, have a lifetime limit on coverage. As of January 1, 2011 no lifetime limits will be allowed.

More details on these upcoming changes will be provided to you later this year during our annual open enrollment process. The Employer Group will continue to follow the ongoing changes to the Health Care Reform legislation and will keep you updated of any changes that may affect you and your employees.

Please feel free to contact The Employer Group with any immediate questions.

### **WPS named one of the 2010 Most Ethical Companies**

WPS was named one of the top 100 World's Most Ethical companies in 2010. The list is compiled annually by the Ethisphere Institute, a research firm dedicated to corporate social responsibility, anti-corruption and environmental practices.



Ethisphere collects nominations from peers, suppliers and customers from the 36 industries that it tracks in 100 nations; it then evaluates a series of practices for each, including investments in innovation and sustainable practices; corporate citizenship; and leadership on issues such as legal matters and compliance programs.

WPS was the only health insurance company to be recognized with this honor in 2010. Other 2010 winners included Aflac, Campbell Soup, General Electric, Google, Whole Foods Market, and Xerox.

As The Employer Group continues to partner with WPS to provide health insurance to our employees we are very happy that they have been acknowledged as one of the world's most ethical companies. Congratulations WPS!

You can view the complete list of the 2010 World's Most Ethical Companies and the methodology used to compile the list at <http://ethisphere.com/wme2010/>.

### **Wisconsin Workplaces go smoke free July 2010**

On July 5, 2010, Wisconsin became the 32<sup>nd</sup> state to enact a 100% smoke-free workplace law. The Smoke-Free Wisconsin Act 12 prohibits smoking in places of employment. The Act defines a "place of employment" as an enclosed place where employees normally frequent during the course of employment. To fit the definition of enclosed place, the area or structure must have a roof and have two or more substantial walls.

Places of employment include:

- office or work areas
- elevators, stairways, and hallways
- employee lounges or employee cafeterias
- restrooms
- conference rooms, meeting rooms and classrooms
- common areas and lobbies
- company-owned vehicles (may or may not fit definition of enclosed place)

There are no changes to current laws pertaining to smoking outdoors, so smokers will continue to be allowed to smoke outdoors, however, the Act does require employers to post "no smoking" signs in the workplace. Employers must also report anyone refusing

to comply with the Act to law enforcement. Penalties for violating the Smoke-free Wisconsin Act are \$100 to \$250 per violation.

The Employer Group's "HR Best Practices" to comply with this law suggest:

- reviewing current workplace smoking policies and implement a smoke-free policy on or before July 5<sup>th</sup>, 2010
- notifying employees of the new policy
- posting "no smoking" signs in the workplace as required by law

Click on the following link to download a "smoke-free establishment" sign for your workplace. <http://www.smokefreewi.org/implementation/businesses.html>

Please contact The Employer Group with questions or for compliance assistance.

## **Training**

### **Documentation... What, When and Why**

As an employer, documenting things that happen with your employees is one of the most important things you can do. What, when and why should you document and what resources are available to assist you?

#### **Why Document?**

The goal of good documentation is to create a record of employment for each employee including facts of incidences and the steps and actions taken by the employer in an employment matter. Effective documentation serves as an aid to future managers and HR professionals for historical perspective, audits, and legal claims.

#### **What and When Should you Document?**

- Performance feedback – Supervisors should not rely on their memory to put together an annual review. Document specific positives and negatives throughout the year and then place them in a file to be used in the performance review process.
- Disciplinary actions, harassment claims and investigations
- Medical leave, and accommodations for a disability
- Employee training and career development
- Official exchanges – pay changes, promotions, demotions, layoffs and terminations
- Customer complaints, team issues and attendance

#### **Remember to:**

1. Be thorough in your documentation. If you are addressing a performance issue, it is important to document both verbal and written warnings. Make sure to include

when (date and time), who was present, what was discussed, the employee's response, and the outcome, including a date for a follow-up meeting. Keep in mind that new leaders might need to use your documentation so make sure it doesn't contain too much company jargon.

2. Document immediately and include only the facts, not subjective judgments and conclusions.

4. Request that the employee sign the documentation acknowledging that the conversation took place. The employee's signature confirms that they understand the information that was shared, not acknowledging wrong doing or that they agree with the feedback. If the employee refuses to sign, ask a witness in the meeting to sign and/or follow up with an e-mail to the employee outlining the conversation and include the fact that they refused to sign.

The Employer Group is here to help you with your documentation needs. Our website, [www.theemployergroup.com](http://www.theemployergroup.com) provides the following forms:

- Employee Status / Rate Change Form
- Employee Disciplinary Report
- Performance Review
- Termination Form
- Voluntary Resignation Notice Form

Don't hesitate to contact The Employer Group if you have any questions. Your HR Client Relations Manager can assist you in creating forms and providing personalized HR guidance.

## **Wellness Tips**

### **Employee Assistance Program**

Do you have an employee who appears to be struggling with finances, mental health, marital issues, drug or alcohol abuse that might benefit from talking to a professional? The Employer Group offers an Employee Assistance Plan and an online resource center which is available to all of your employees at no cost to you or the employee!

As a client of The Employer Group, the Employee Assistance Program (EAP) is available 24/7 to all employees and their families. This valuable service refers employees to trained counselors who will provide assessments on a confidential basis and determine if further assistance is necessary. Employees can contact EAP by calling toll-free 1-800-854-1446 (English), 1-277-858-2147 (Spanish), or visit them online at [www.lifebalance.net](http://www.lifebalance.net) (user ID and password: lifebalance).

The Employee Assistance Program also offers the Work-Life Balance site, [www.lifebalance.net](http://www.lifebalance.net), which provides an online resource center to help employees manage and cope with their busy lives. Employees can take advantage of resources provided to tackle life's challenges. The site contains articles, toolkits, self-assessment, podcasts and more. Employees can also sign up to receive an online newsletter to receive information on managing work/life challenges on a regular basis.

Employers cannot require an employee to take advantage of an Employee Assistance Program however; you should make them aware of this resource and encourage them to consider it if the employee thinks it might be helpful. Please contact your HR Client Relations Manager directly if you have questions regarding this benefit.

### **Ask Angie?**



Do you have any questions or topics you would like to see addressed in future newsletter? Please [click here](#) to contact TEG. We would love to here from you! We will print your questions and the answers to your questions every quarter in the Ask Angie? column.

*If you do not wish to receive future newsletters from The Employer Group, please reply to this email and type "REMOVE" in the message area. You will be removed from our mailing list.*