



Wage and Hour Self-Audit

How do your HR practices measure up with California employment regulations and recommended defensible employer practices? Please call Silvers HR with your questions 916-791-8506.

Meal Periods (Unpaid)

1. Are meal periods initiated before the end of the fifth hour (4 hours 59 minutes)?
2. Are meal periods at least 30 minutes in duration?
3. Are meal periods completely uninterrupted?
4. Does the employee clock in and out for their meal period?
5. Are meal period in/out times accurately recorded without rounding?
6. Are meal periods automatically deducted from hours worked?
7. If applicable, if the meal period is not started before the end of the fifth hour, is shorter than 30 minutes, or is not taken, is the meal period premium paid?
8. If applicable, is the meal period premium paid at the regular rate of pay?
9. Do you use a meal period waiver form when employees work between five and six hours and choose to waive their meal period?
10. Do your employees take an "on-duty" meal period? If so, has legal counsel reviewed your on-duty meal period agreement? (Please note in most situations an on-duty meal period will not be permissible.)

Rest Breaks (Paid)

1. How are employees informed of their right to take a rest break?
2. Are rest breaks provided for every four hours worked, or major fraction thereof?
3. Are employees allowed to leave the workplace during rest breaks?
4. If an employee is unable to take their rest break, is the rest break premium paid at their regular rate of pay?

Overtime Pay for Nonexempt Employees

1. What is your workweek and workday? Is this stated in your Employee Handbook?
2. Are you paying overtime after eight hours per day and 40 hours per week (workweek)?
3. For employees with multiple rates of pay, are you calculating overtime using a weighted average?
4. When paying overtime, do you include other forms of remuneration (e.g., bonuses, commissions, incentives, stipends for declining health insurance) in the regular rate of pay calculation?

Payment of Non-Discretionary Bonuses

1. Do any of your employees receive non-discretionary bonuses (i.e., a bonus based on a metric)?
2. Are these bonuses included in the calculation of the regular rate of pay?

Exempt Classification

1. Are your exempt employees earning at least twice the state minimum wage?
2. Do your exempt employees meet the criteria for exemption and spend at least 50% of their work hours performing exempt duties?

Wage Statements (Paystubs)

1. Do your paystubs include all required information? (See sample: [Paystub Requirements](#))

Final Payment of Wages

1. Do you pay final wages within 72 hours if no notice is given for voluntary resignations?
2. Do you pay final wages on the last day of employment if more than 72 hours' notice is provided for voluntary resignations?
3. Do you pay final wages on the last day when terminating an employee?
4. If mailing final wages, do you obtain written authorization from the employee?
5. If using direct deposit for final wages, do you obtain written authorization, and does the payment arrive within the required timeframes?
6. Do you make any deductions from final paychecks for money owed?

Other**On Call/Standby Time**

1. Are employees required to be on controlled standby?

Split Shifts

2. If employees work a split shift, are they paid a split shift premium or is the split shift offset by a split shift premium payment?

Shift Differentials

3. Are employees compensated for different job duties or shifts at different rates of pay?

Reporting Time Pay

4. If employees report to work and no work is available, are they paid for at least half of their scheduled shift?

Travel Time

5. Are non-exempt employees compensated for business-related travel time?

Pay for Mandatory Meetings/Training

6. Are employees compensated for attending mandatory meetings or training sessions?
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Makeup Time

1. If offering makeup time, do employees complete a makeup time form for each occurrence?
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Off-the-Clock Work

1. Are employees working off-the-clock?
 2. Do you have a policy that explicitly prohibits off-the-clock work?
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Lactation Accommodation (Additional Break Time)

1. Are lactating employees provided with additional break time if requested or needed?
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Expense Reimbursements (e.g., Personal Cell Phone Use/Remote Work)

1. Are employees reimbursed for the business use of their personal cell phones?
 2. If employees work remotely, do you provide a stipend to cover business-related expenses (such as internet)?
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Timekeeping (Rounding)

1. Are exact in/out times recorded or is the timesheet prepopulated?
 2. Are employee in/out times for the day or meal periods rounded, and if so, how is this handled?
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Expense Reimbursements (e.g., Personal Cell Phone Use/Remote Work)

1. Are employees reimbursed for the business use of their personal cell phones?
 2. If employees work remotely, do you provide a stipend to cover business-related expenses?
 3. Are employees who use their personal vehicle for business-related reasons, reimbursed for mileage at the IRS rate?
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Paid Sick Leave Payments at Regular Rate of Pay

1. Are hours paid at the regular rate of pay when a non-exempt employee uses Paid Sick Leave?
 2. If you combine your PTO and PSL into one bank of time, is your PTO paid at the regular rate of pay?
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Pay Dates

1. What is your pay cycle (i.e., weekly, biweekly or semimonthly)?
 2. Do you pay your employees within seven days after the end of the pay period?
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Recovery Periods (Indoor/Outdoor Heat Illness)

1. If an employee is unable to take a recovery period due to heat illness, is a recovery period premium paid at the regular rate of pay?
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