

# FEDERAL MINIMUM WAGE COMPLIANCE

## Making Sure Students are Paid Wages in Compliance with the Federal Minimum

There are edits in the Student Appointment/Payroll System to assure that a base rate cannot be added or managed with a rate that is less than the pay category, campus and federal minimum rates. However, there are situations/scenarios where these edits are not initiated and therefore it is the responsibility of the campus payroll staff to enforce the federal minimum wage/rate.

### Reactivations The Major Cause of Under Federal Minimum Payments

#### 1. When an appointment is reactivated and the base rate is not reviewed.

##### Example:

- Appointment created with an effective date equal to the beginning of the fall semester and an end date equal to the last day of the following spring semester.
- The appointment is given a base rate equal to the federal minimum in effect at the time.
- The appointment is reactivated the next fall semester with no review.
- The student works and is paid at the rate in effect at the time the appointment was created which is less than the new federal minimum in effect at the time of the reactivation.

**Note:** the Mass Rate Change process which programmatically adds new base rate records when a new federal minimum becomes effective only impacts active appointments - ended appointments are not included in the automated process.

#### 2. When an appointment is reactivated and the base rate is reviewed, but the base rate added is in error:

##### Example A:

- Appointment is created with an effective date equal to the beginning of the fall semester and an end date equal to the last day of the following spring semester.
- The appointment is given a rate equal to the federal minimum in effect at the time.
- The appointment is reactivated the next fall semester and a new base rate is added with a rate equal to campus/federal minimum and an effective date within the Sept B pay period (not equal to the first day of the pay period).

- The student starts working the beginning of the Sept B pay period, but is paid at the rate in effect for the Sept A ('old' federal minimum) because the new rate is not recognized until the next pay period (Oct A).

**Example B:**

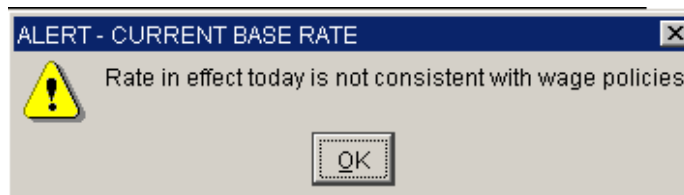
- Appointment is created with an effective date equal to the beginning of the fall semester and an end date equal to the last day of the following spring semester.
- The appointment is given a rate equal to the federal minimum in effect at the time.
- The appointment is reactivated the next fall semester and a new base rate is added equal to campus/federal minimum in effect at that time with an effective date equal to the begin date of the Sept B pay period.
- However, the student starts work on the Sept A pay period instead and is therefore paid at the 'old' federal minimum rate which was in effect at that time.

**IMPORTANT:** In all these examples Retro Rate Adjustment(s) have to be made to compensate the student for all hours paid under the federal minimum.

## Steps to Avoid Under Federal Minimum Payments

1. When an appointment is reactivated the status of all the fields must be reviewed to insure they are still valid and accurate, but in particular the Base Rate.

The reactivation process will initiate the display of an alert if the rate is below the campus/federal minimum, but it is only an alert.



You will need to access the Base Rate tab and enter a new rate that is equal to the new federal minimum rate with an effective date equal to the effective date of the new minimum.

Access the Base Rate Tab and Add a Base Rate

University of Wisconsin Processing Center - UWT1  
Manage Appointment

Name: MALY, JOSEPH  
SSN: \*\*\*\*\* Person ID: 90001652 Enrolled At: Student ID: Help

Appt ID: 90001674 Salary Basis: HOURLY Appt Major Dept: L857001 Max Stdnt CBC: Cancel Appt

Pay Category: D1A. SERVICE/SUPPORT - CLASS A Pay Category Effective: 06 07 2009

Eff Date	Base Rate	Over / Under Ind
06 07 2009	\$7.000	

Rate Adjustment Details

Add Base Rate

Main Print Clear Exit

2. Before every calc run the 'Edit' Report and occasionally run the 'Appointment' report. Both reports can be created in the excel format, sorted by Base Rate Ascending and reviewed.

Edit Report (data as of the last time the edit ran):

	A	C	D	E	F	G	H	I	J	K	L
	APPT ID	CALC NUMBER	FICA	EST GROSS PAYMEN T	PAY CODE	BASE RATE	PAY BEGIN DATE	PAY END DATE	HHH:MM	PERSON ID	PERSON NAME
2	1218339	200910600	N	0.63	PR	0.05	19-Apr-09	2-May-09	1230	526542	ANDERSI
3	1235774	200910600	N	4.5	PR	0.25	6-Sep-09	19-Sep-09	1800	518012	AVIKAIKE
4	1235774	200910600	N	1.5	PR	0.25	23-Aug-09	5-Sep-09	600	518012	AVIKAIKE
5	1381633	200910600	N	3	PR	0.25	23-Aug-09	5-Sep-09	1200	519190	BRAUN, S
6	1381633	200910600	N	6.88	PR	0.25	6-Sep-09	19-Sep-09	2730	519190	BRAUN, S
7	1218132	200910600	N	0.5	PR	0.25	23-Aug-09	5-Sep-09	200	525421	OLSON, S
8	1218132	200910600	N	2.25	PR	0.25	6-Sep-09	19-Sep-09	900	525421	OLSON, S
9	1291107	200910600	N	8.33	PR	0.5	23-Aug-09	5-Sep-09	1640	492125	MATA CZ
10	1291107	200910600	N	6	PR	0.5	6-Sep-09	19-Sep-09	1200	492125	MATA CZ
11	1208758	200910600	N	30.13	PR	0.5	6-Sep-09	19-Sep-09	6015	518219	MILLIUREN
12	1208758	200910600	N	31	PR	0.5	23-Aug-09	5-Sep-09	6200	518219	MILLIUREN
13	1327043	200910600	Y	57	PR	2	23-Aug-09	5-Sep-09	2830	518135	HIBBLER
14	1327043	200910600	N	70	PR	2	6-Sep-09	19-Sep-09	3500	518135	HIBBLER
15	1290930	200910600	N	262	HR	6.55	20-Sep-09	3-Oct-09	4000	520434	MOOS, E
16	1302133	200910600	N	262	HR	6.55	20-Sep-09	3-Oct-09	4000	546772	PETERSK
17	1207488	200910600	Y	60.75	HR	6.75	20-Sep-09	3-Oct-09	900	521948	DEFERE
18	1380764	200910600	N	125.66	HR	7.25	20-Sep-09	3-Oct-09	1720	546637	HOLST, N
19	1391314	200910600	N	134.13	HR	7.25	20-Sep-09	3-Oct-09	1830	574901	PAGELS,
20	1391314	200910600	N	43.5	PP	7.25	6-Sep-09	19-Sep-09	600	574901	PAGELS,

Appointment Report (all appointments active on the day the report is run):

	A	B	C	D	E	F
1	PERSON ID	PERSON NAME	APPT ID	APPT EFF DATE	APPT END DATE	BASE RATE
2	523402	ELMER, M	1236570	10-Feb-08	29-May-10	6.5
3	547491	UPADHYA	1324490	25-Jan-09		7
4	548634	DELOSIEF	1393492	6-Sep-09	29-May-10	7.25
5	576787	SCHILL	1393490	6-Sep-09	29-May-10	7.25

**IMPORTANT:** If base rates are found that are below the minimum (with the exception of rate adjustments), they must be resolved immediately to avoid US Department of Labor fines/penalties.