BusinessManagement DAILY

NOVEMBER 1, 2010

Altering time sheets can mean personal liability for managers

If you're responsible for approving time sheets or signing off on alterations to the hours reported by employees, take note: It's not just your organization that risks a big fine and costly litigation.

Your *personal* assets are also at risk, as a new court ruling shows.

That's because the Fair Labor Standards Act (FLSA) allows employees to sue their bosses, execs and HR professionals for personal liability for altering pay records.

For that reason, make sure supervisors don't tolerate—or, worse, encourage—off-the-clock work or the altering of time records. U.S. Department of Labor officials announced last year that they're receiving more complaints about employees forced to work through breaks.

For breaks to be unpaid, employees must be *completely* relieved of their duties. (That's one reason to discourage them from eating lunch at their desks.)

Recent Case:

A group of "living assistants" (hourly workers) at a home for the disabled worked 48-hour weekend shifts and were required to check on each resident every two hours, around the clock. When those employees turned in their time sheets, managers routinely deducted eight hours because each living assistant supposedly got two four-hour breaks. The CEO then signed off on the altered time sheets.

The problem:

The employees couldn't leave the building during "breaks" and had to call the main office once an hour. Because the time wasn't their own, the court said they should be compensated.

The Kicker:

The court held the CEO *personally* liable, ordering him and the company to pay more than $500,000 to the employees, including $155,000 as a penalty. (*Chao v. SelfPride,* No. 06-1203, 4th Cir.)

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