

Miscalculating overtime pay costs San Antonio company almost \$150K

San Antonio-based Costa Solutions has agreed to pay 63 current and former employees \$146,459 in back pay and overtime following a U.S. Department of Labor (DOL) investigation. Costa provides logistics and freight-handling services to retail business, including the H-E-B Grocery chain.

The DOL's Wage and Hour Division found that the company failed to pay overtime to hourly supervisors and assistant supervisors even though they frequently worked more than 40 hours per week. The company incorrectly classified them exempt from the Fair Labor Standards Act (FLSA). The DOL also alleged that Costa failed to include all employee earnings when calculating overtime.

Advice: An employee who works in a management position isn't necessarily exempt under the FLSA. Review all management positions with your attorney to ensure they are truly exempt under the law.