

Extended Employment Sheltered Workshop Program

November 14, 2019

Tip of the hat to our Lindsay Thomas as she has graduated from Western Governors University with a Bachelor of Arts degree with a focus on *Educational Studies*.

News

- Harvey Cooper of the Community Sheltered Workshop of Sikeston (CSW) has passed away. He assumed the Director- CEO of the workshop in the spring of 1981 until his death. He was a founding and longtime Board member of Missouri Association of Sheltered Workshop Managers (MASWM) along with being a founding member of Sheltered Workshops Insurance of Missouri (SWIM). He also served on the Missouri Developmental Disabilities Council and the Missouri Governor's' Council on Disability.
- On January 1st the new Missouri Minimum wage will be \$9.45. **This could affective for your full and part-time staff.**
- On January 1st the Fair Labor Standards Act (FLSA) will update the salary level test for overtime exempt status in the following ways:
 - Raising the exempt "standard salary level" from the current level of \$455 per week to \$684 per week (equivalent to \$35,568 per year for a full-year worker)
 - Raising the total annual compensation requirement for exempt "highly compensated employees" from \$100,000 per year to \$107,432 per year; and
 - Allowing employers to use nondiscretionary bonuses and incentive payments (including commissions) paid at least annually to satisfy up to 10% of the exempt standard salary level, in recognition of evolving pay practices.

For more information please see this link provided by Opportunity Workshop via Insurance for Non-Profits

<https://insurancefornonprofits.org/blog/flsa-overtime-exempt-salary-minimum-increases-on-january-1-2020/>

Guidance from the US Department of Labor Wage and Hour to 14c Holders

With all of Missouri's 14c certificates due this year (some as early as February 17th, 2020), the following guidelines have been issued:

An increase in the applicable state minimum wage rate will most likely impact the prevailing wage rates used to determine commensurate wage rates. This may be the case even if the current prevailing wage rates exceed the new minimum wage rate. In the event of an increase in the applicable minimum wage requirements, to ensure that all workers are properly paid in compliance with the provisions of section 14(c), certificate holders must review each of the prevailing wage rates used to determine commensurate wage rates. There are two ways to adjust prevailing wage rates after a change in the minimum wage:

- (1) Conduct a prevailing wage survey and obtain new wage rates.

Contact the sources from which you originally obtained prevailing wage rate information to determine the effect of the increase of the minimum wage on the wage rates of their experienced workers for the specific job you are surveying, or, if necessary, obtain current prevailing wage data from new sources. You should wait for the "ripple effect" of the increase, at least 30 but no more than 60 days after the minimum wage increases goes into effect. Once you have completed your wage survey, you should adjust the wage rates of workers with disabilities. The adjustment should be made retroactive to 30 days **after** (January 1st 2020) the date of the increase of the minimum wage rate or (February 1st 2020). You should make sure the updated experienced worker wage rates you collect reflect the new minimum wage. As with all prevailing wage surveys, you should document these survey contacts.

- (2) Calculate the percentage increase of the minimum wage and raise prevailing wage rates by the same percentage.

If you make a blanket adjustment (2 above) to prevailing wage rates based on the percentage increase in the minimum wage. This change should be accomplished in the next complete pay period following the minimum wage increase. For example, if the minimum wage increased from \$8.60 per hour to \$9.45 per hour effective on February 1st, the percentage increase would be 0.0109% ($\$9.45 / \$8.60 = 1.0988$). In this example, you could adjust all prevailing wage rates in the **first pay period following January 1st** by % and not conduct a new prevailing wage rate survey until you would otherwise be required to do so to maintain your section 14(c) certificate.

Continuing the example above, if your current prevailing wage rate used is \$9.50 per hour and an **hourly** paid worker with disabilities has a productivity rating of 65% and is paid \$6.18 per hour ($0.65 \times \9.50), you could adjust the prevailing wage rate to \$10.44 per hour ($\9.50×1.0988) and raise that worker's commensurate wage rate to \$6.786 or \$6.79 per hour ($0.65 \times \$10.44$).

To make this blanket adjustment to piece rates, multiply the existing piece rate by the percentage increase in the minimum wage. For example, if your current piece rate is \$0.095 per piece, the adjusted piece rate would be \$0.10439 ($\$0.095 \times 1.0988 = \0.10439).

Be sure to document the prevailing wage adjustment clearly in your records.

New Directors, Managers and CEOs

- Community Sheltered Workshop (Sikeston): E. Lee McCall

Current Job Openings

- Executive Director: Earthwise Industries (Troy)

DESE-EESW

	Employees	FTE	Hrs. Wkd	Wages Pd	Avg. Wage	Wait TBH
Current	5764	4783	632,560	\$2,576,675	\$3.39	335
<i>Last year</i>	<i>5998</i>	<i>4839</i>	<i>663,951</i>	<i>\$2,581,215</i>	<i>\$3.79</i>	<i>273</i>
YTD	5780		2,922,758	\$12,738,669	\$4.31	307
<i>Last Year YTD</i>	<i>6000</i>		<i>3,031,700</i>	<i>\$12,798,948</i>	<i>\$4.22</i>	<i>261</i>



BREAKING NEWS

Court: Positive weed test doesn't automatically mean person is intoxicated

An appeals court recently found a worker who tested positive for marijuana in a post-incident drug test was eligible for workers' compensation benefits despite the positive test results.

The worker **admitted** to using marijuana the night before his hand was crushed in a "guillotine" machine, but claimed '**I was not working while impaired**'.

He acknowledged that putting his hand in the machine was unsafe, but stated he was thinking clearly and was not working while impaired.

But, the Judge found that since "no supervisors remarked that he seemed to be impaired on the day the incident occurred, and a manager testified he had no knowledge of the worker being intoxicated on the day he was injured." But even if they did.... further evidence revealed that the company could not provide that the Supervisor or Manager had received training on **Reasonable Suspicion for Drug and Alcohol Testing**, along with the company did not have a Current and Clear policy involving Medical Marijuana.

So, are your Policies and Training ready?? Missouri Medical Marijuana Cards to possess and use are already being issued!!

Dan Gier | Director | Extended Employment Sheltered Workshops