

Fair Labor Standards Act Self-Quiz

Paying employees accurately can help prevent getting blind-sided by audits or fines.

The Fair Labor Standards Act ([FLSA](#)) has been around since 1938 and it governs how employers pay their employees.* This act established the eight-hour workday, overtime and the minimum wage among other standards.

The FLSA is not just a guideline, there are enforcement teeth. Run afoul of the FLSA and you may have to shell out back pay and also be subject to fines.

You may be out of compliance and not even know it. Take this quick quiz to help you get a better sense of whether you might be headed for an FLSA audit.**



	Yes	No
1. Are all positions in your company classified as either exempt, non-exempt or independent contractor?	<input type="radio"/>	<input type="radio"/>
2. Do all employees classified as “exempt” fall under the Executive, Administrative, Professional, Computer Employee, Outside Sales or Highly Compensated Employee exemption categories in the FLSA ?	<input type="radio"/>	<input type="radio"/>
3. Are your non-exempt employees paid at least minimum wage for all their hours worked?	<input type="radio"/>	<input type="radio"/>
4. Are your non-exempt employees paid at least 1.5 times their regular rate of pay for hours worked over 40 hours in a workweek?	<input type="radio"/>	<input type="radio"/>
5. When calculating regular rate of pay for overtime purposes, do you count non-discretionary bonuses, commissions and other forms of compensation not specifically excluded?	<input type="radio"/>	<input type="radio"/>
6. Are employees paid their wages as agreed upon by company policy and in accordance with state and federal laws?	<input type="radio"/>	<input type="radio"/>
7. Does the company take immediate action to correct any wage and hour violations and prohibit any retaliation against an employee filing a complaint?	<input type="radio"/>	<input type="radio"/>
8. Are wage, hour and other employee records retained as mandated by the FLSA for at least three years?	<input type="radio"/>	<input type="radio"/>

If you answered *no* to any of these questions, you may not be following the law and could face a fine if subjected to an FLSA audit.

One way to potentially avoid problems—and handle audits—is time tracking software that records accurate hours, lunches and overtime for all employees in real time.

Ready for a better way to record time worked?

Arcoro offers the #1 time and attendance solution for the construction industry—[ExakTime](#). Our cloud-based system tracks your employees’ work hours with the level of detail required by the FLSA.

Pay employees only for the hours they work and be prepared in case an auditor comes calling.

*The FLSA is a federal law. Some states also have their own labor laws that need to be adhered to.

**This quiz is for information purposes only. If you are concerned about a potential FLSA violation please consult your legal counsel.