

January 20, 2015

## Inclement Weather Delays and Closings – Employee Compensation

It is that time of year again when the weather may cause your office to adjust its hours of operation or be closed altogether. What compensation is an employer required to provide to its employees in these instances?

At the outset, salaried exempt employees must be treated differently than hourly nonexempt employees.

## Hourly Non-Exempt Employees

An employer needs to pay its hourly employees only for hours worked. Thus, if the office or worksite is closed, the employer is not required to pay those employees. Likewise, if the time to start work is delayed, the employer need not pay those employees for the time not worked. An employer may give hourly employees the option of using paid time off.

Note that if hourly employees are performing work while at home, such as checking email or participating in telephone conferences or other duties, those employees must be compensated for the time worked.

Some states have enacted "report-in pay" laws. These laws provide guaranteed compensation for hourly employees who come into work and are sent home early. Employers who have multi-state operations should familiarize themselves with the state laws where they have operations. Currently, Pennsylvania does not have a "report-in pay" law. However, if an employee is required to be on the employer's premises even if operations are delayed because of the weather, the employee must be compensated for that time.

## Salaried Exempt Employees

There are very limited situations where an employer can dock a salaried employee's pay. If a salaried employee performs any work for the employer during the course of day, the employee must be paid for the entire day. If the employer closes for the day, the employer January 20, 2015 Page 2

likewise must pay the salaried employee for the day. If the employer is open but the employee does not come in and the employee performs no work during that day, the employee's pay may be docked.

If the employer's business is shut down for an entire week and the employee performs no work in that week, the employer may dock the employee's pay.

Employers may require salaried exempt employees to use paid time off when the employer is closed due to weather. It is important for an employer to specify in its policy situations where employees may be required to use paid time off. It is important to note that if a salaried employee does not have sufficient paid time off to cover the absence, the employer cannot dock the difference from the employee's pay.

If you have any questions regarding your inclement weather policy or any other employment law-related concerns, please contact any GKH employment law attorney.

As each employment situation is unique, this material is not intended to be relied upon for specific employment decisions. Please contact an employment law attorney at Gibbel Kraybill & Hess to discuss a specific employment situation.

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