

LEGAL NOTICE TO ALL EMPLOYEES

To settle and resolve a dispute with the Department of Labor, the United States District Court entered an Order prohibiting **Paul Johnson Drywall, Inc.** from violating the overtime requirements of the Fair Labor Standards Act. All employees who work for **Paul Johnson Drywall, Inc.**, can help the employer not to violate the Court's Order. If you think you are not being paid in accordance with the law, call the U.S. Department of Labor, Wage and Hour Division, at (602) 514-7100 and your name will be kept confidential.

The Fair Labor Standards Act provides that all employees must be paid minimum wage for all hours worked. In addition, employees must be paid overtime, at a rate of time and one half their regular rate, for the hours they work over 40 in a workweek. All employees, whether they are paid hourly or on a piece or flat rate basis are entitled to overtime when they work over 40 hours.

If you are paid by piece the following examples show how to compute minimum wage and overtime:

Example 1:

Employee A produced \$200 in piecework and worked 40 hours in a week

$$\$200.00 / 40 \text{ hours} = \$5.00 \text{ per hour}$$

$$\text{Difference} = \$7.90 \text{ (Arizona Minimum Wage)} - \$5.00 = \$2.90 \text{ per hour}$$

$$\underline{\$2.90 \text{ per hour} \times 40 \text{ hours} = \$116.00 \text{ minimum wage due}}$$

Total Pay: \$200.00 in piecework + \$116.00 in minimum wage = \$316.00.

Example 2:

Employee B produced \$425.00 in piecework and worked 50 hours

$$\$425.00 / 50 \text{ hours} = \$8.50 \text{ per hour}$$

$$\$8.50 \text{ per hour} \times 0.5 \text{ (half time)} = \$4.25 \text{ per hour due for OT hours}$$

$$**\$4.25 \times 10 \text{ hours} = \$42.50 in overtime premium due**$$

Total pay: \$425.00 in piecework + \$42.50 in overtime premium = \$467.50.

Example 3:

Employee C produced \$600.00 in piecework and worked 60 hours

$$\$600.00 / 60 \text{ hours} = \$10.00 \text{ per hour}$$

$$\$10.00 \text{ per hour} \times 0.5 \text{ (half time)} = \$5.00 \text{ per hour due for OT hours}$$

$$**\$5.00 \times 20 \text{ hours} = \$100.00 in overtime premium due**$$

Total pay: \$600.00 in piecework + \$100.00 in overtime premium = \$700.00.

Example 4:

Employee D produced \$365.00 in piecework and worked 50 hours

$$\$365.00 / 50 \text{ hours} = \$7.30 \text{ per hour}$$

$$\text{Difference in Reg. Rate} = \$7.90 \text{ (State minimum wage)} - \$7.30 = \$0.60 \text{ per hour}$$

$$\$0.60 \times 50 \text{ hours} = \$30.00 \text{ in regular rate due}$$

$$\$7.90 \times 0.5 \text{ (half time)} \times 10 \text{ hours of OT} = \$39.50 \text{ in overtime premium due}$$

$$**\$30.00 in regular rate and \$39.50 in overtime premium = \$69.50**$$

Total Pay: \$365.00 in piecework + \$30 in regular rate + \$39.50 in overtime premium = \$434.50

If you are paid by the hour the following examples show how to compute minimum wage and overtime:

Example 5:

Employee E was paid \$5.00 per hour and worked 40 hours in a week

Difference = \$7.90 (Arizona Minimum Wage) - \$5.00 = \$2.90 per hour

\$5.00 per hour x 40 hours = \$200.00 paid

\$2.90 per hour x 40 hours = \$116.00 minimum wage due

Total Pay: \$200.00 + \$116.00 in minimum wage = \$316.00.

Example 6:

Employee F makes \$10.00 per hour and worked 60 hours in a week

\$10.00 x 40 hours = \$400.00

\$10.00 x 1.5 = \$15.00 overtime hourly rate

\$15.00 x 20 overtime hours = \$300.00 for overtime hours

Total pay: \$400.00 for the first 40 hours and \$300.00 for 20 overtime hours = \$700.00.

For more information you can visit the U.S. Department of Labor Website:

www.dol.gov/whd.

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