

Federal Wage/Hour Record Keeping

Employers must record and preserve specified information and records to show compliance with Fair Labor Standards Act (FLSA) provisions ... relating to minimum wage, overtime, equal pay and child labor. The following record keeping requirements are for non-agricultural employees.

Required Information and Records

Retention Period

For each employee COVERED by FLSA:

3 Years

- Name, address
- Date of birth
- Gender, occupation
- Workweek days
- If paid O/T... regular pay rate and exclusions
- Wage basis
- Hours worked
- Straight-time earnings
- Weekly overtime pay
- Deductions from and additions to wages
- Pay period covered
- Pay dates
- Wages paid by pay period
- Retroactive payment

Also, payroll certificates, union agreements and benefit plan documents.

Supplemental records:

2 Years

- Time cards
- Wage rate tables
- Work time schedules
- Job evaluations, etc.

For each "white collar" employee EXEMPT from FLSA:

3 Years

Executive, administrative, professional and outside sales employees are exempt from the overtime and minimum wage requirements of FLSA. Records are kept to substantiate the claimed exemption, including:

- The wage basis for the exempt employee (e.g. \$500 per week)
- Total remuneration (sum of pay plus fringe benefits)

For each employee paid SUB-MINIMUM wage rate:

3 Years

• Qualifying learners, apprentices and handicapped employees, for example, may be employed at sub-minimum wage rates. However, the employer must first obtain the proper authorization certificate from the Secretary of Labor. The certificate must be preserved in the employer's records for a specific period from the certificate's expiration date.

• Also, the employer must identify any employees paid at a sub-minimum wage rate, using a letter symbol on their pay records, and the employer must retain evidence substantiating the special characteristics of the employee that justify the sub-minimum

wage rate.

- The foregoing requirements are in addition to the normal record-retention requirements applicable to employees covered by the FLSA.

Record keeping to substantiate special wage/hour practices:

3 Years

- For example, employers who credit tips toward the minimum wage requirement must record the following items, in addition to the information normally applicable to a covered employee: weekly or monthly tip amount reported by the employee, amount of tip credit taken, hours of untipped work and hours of tipped work.
- Another example is an employer that pays employees on a piece-rate basis. In addition to the information normally required for a covered employee, the employer must record each piece rate applicable to the employee. The employer must record the number of units completed at each applicable rate during the hours worked in excess of the statutory workweek, and the total weekly overtime excess compensation for the employee at the applicable rate.

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