

Fact Sheet #4: Security Guard/Maintenance Service Industry Under the Fair Labor Standards Act (FLSA)

This fact sheet will briefly cover how the <u>FLSA</u> applies to the Security Guard and Maintenance Service Industries.

Characteristics

The security guard service industry includes those firms that provide protection to firms or individuals. Normally, the guard obtains a State license which is portable from firm to firm. The guards cover a post daily and are usually paid on an hourly basis.

The maintenance service industry includes those firms that provide janitorial services in general. Normally, the firm provides the necessary materials to do the cleaning. The employees generally perform work at one or more locations during the work shift.

Coverage

If the security guard or maintenance worker is employed in an establishment that is engaged in commerce or in the production of goods for commerce, such as a warehouse, factory, bank, insurance company, etc, he/she is covered by the FLSA.

If the security guard or maintenance firm has sales or projects sales in excess of \$500,000 per year, or is part of other related businesses where there is common ownership, control, or business purpose and the combined sales or projected sales are in excess of \$500,000 per year, then the FLSA will apply to all employees of the firm/enterprise.

Requirements

The FLSA requires the payment of the Federal <u>minimum wage</u> and the payment of time and one-half the regular rate of pay for hours worked in excess of 40 in the workweek. The FLSA also requires the firm to <u>make, keep</u> and preserve certain records among which are the hours worked on a daily and weekly basis by non-exempt employees.

There are also certain restrictions in the <u>employment of minors under age 18</u>, such as the number of hours worked per day/week, how late they can work in the day, and the work they may engage in.

<u>Youth Minimum Wage</u>: The 1996 Amendments to the FLSA allow employers to pay a <u>youth minimum wage</u> of not less that \$4.25 an hour to employees who are under 20 years of age during the first 90 consecutive calendar days after initial employment by their employer. The law contains certain protections for employees that prohibit employers from displacing any employee in order to hire someone at the <u>youth minimum wage</u>.

Typical Problems

Security Guard Firms: The security guard cannot bear the cost of the uniform, gun, whistle, belt, and other employer/industry required tools if by purchasing them he/she receives less than the applicable <u>minimum wage</u> or such purchasing would cut into any overtime wages earned. This applies whether she\he buys the uniform directly or if it is sold to the employee by the firm.

The cost of dry cleaning the uniform cannot be borne by the employee if in doing so he/she receives less than the <u>minimum wage</u> or the costs would cut into any overtime wages.

Overtime must be calculated on a workweek basis, and the hours cannot be averaged over a two week period.

The hours worked by guards in more than one post in the same week must be counted together for overtime purposes.

Travel time between work sites must be treated as hours worked..

<u>All hours of work</u> must always be recorded; sometimes they are hidden by showing "expense" payments for hours over 40 in a week, which is illegal.

Maintenance Service Firms: Every person who works must receive payment. If a man and wife team, and/or other family members work together, each member of the team must be carried on the payroll and each must receive proper compensation for their hours worked.

Minors under the age of 16 cannot work past 7:00 p.m., except from June 1st through Labor Day, when they may work until 9:00 p.m.

If minors work, they must also receive proper compensation for the hours they work.

<u>Overtime</u> must be paid after 40 hours of work in the workweek to all non-exempt employees regardless of the method of compensation, i.e., hourly, piece rate, task basis, salary, etc.

The hours worked by a janitor who works in more than one establishment must be counted together for overtime purposes.

Where to Obtain Additional Information

For additional information, visit our Wage and Hour Division Website: <u>http://www.wagehour.dol.gov</u> and/or call our toll-free information and helpline, available 8 a.m. to 5 p.m. in your time zone, 1-866-4USWAGE (1-866-487-9243).

This publication is for general information and is not to be considered in the same light as official statements of position contained in the regulations.

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