

# NOT JUST RIGHT, RIGHT FOR YOU.

### **Brook Bise, CPA**



Brook has nearly 25 years of experience in accounting, consulting,

and large corporate human resource departments, primarily focused on employee benefits. Brook provides insightful consulting on all aspects of employee benefit plans, including on-site internal human resource department support, with the goal of assisting companies in ensuring their plans are both technically compliant, and are operating efficiently and effectively in support of the company's strategic objectives.

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Rick Wagner, JD

Rick has over 30 years of experience custom designing

human resource solutions. He has deep technical expertise in areas such as employee stock ownership plans, equity-based long-term incentive plans, deferred compensation structuring, retirement and welfare plans, and compensation benchmarking/ reasonable compensation analyses in both the for-profit and not-forprofit sectors. These skills enable Rick to help his clients pursue their strategic objectives by aligning owner and employee interests, while navigating the myriad of tax, accounting, and regulatory challenges.

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## **Pay Equality**

More than a dozen states have passed pay equality statutes in recent years. These statutes are intended to protect against gender-based (as well as race/ethnicity) pay discrimination for work requiring similar skill, effort and responsibility. The statutes generally provide that employers cannot pay employees less than those of the opposite sex for "substantially similar work," even if their titles are different or they work at different sites. For instance, a female housekeeper who cleans hotel rooms may challenge higher wages paid to a male janitor who cleans the lobby and banquet halls.

Employers can take some solace in the safe harbors found in the law. For example, the California Fair Pay Act provides that Employers may still pay men more than women if the wage differential is based on: (1) a seniority system, (2) a merit system, (3) a production/quality-based system, or (4) a bona fide factor other than sex, such as education or experience. Colorado's Equal Pay for Equal Work Act provides similar relief, however, these 'safe harbors' require a more fact-intensive inquiry regarding the reason for a pay disparity and adequate documentation to support the affirmative defense.

These 'safe harbors' make it prudent to conduct proactive self-evaluations of pay practices. A self-evaluation is not a complete defense against lawsuits, but employers may use evidence of a "thorough and comprehensive pay audit" conducted with the "specific goal of identifying and remedying unlawful pay disparities" to avoid an award for liquidated (double) damages.

### **Thorough Analytical Review**

We can assist in performing an in-depth statistical analysis of current pay assignments within an organization. This analysis includes determining appropriate groupings of employees, identifying factors influencing pay, compiling data and review to determine issues. Review of analysis with leadership for groups with statistical indicators to identify unexplained pay differences. If pay adjustments are necessary, we can assist with necessary adjustments including when and how to implement.

### Why Consider Using Us.

**Independent** – fewer internal partners need to be brought into what is a "Privileged and Confidential" project.

**Experienced** – CHRS has a long history of working with HR, Payroll, and Auditing partners to find solutions to current retirement plan and human resources issues. We have the skillset to quickly and accurately assess the health of pay equity within your organization.

**Cost Effective** – Consider the cost of proactive pay analysis Vs defense/penalty costs?

Impact - Impacts on business from noncompliance can be dramatic:

- Losing high performers
- Reputational costs
- Transparency on employee perspective
- Positive step to show proactive compliance