



Employee Benefits

Holidays

In most states, paid holidays are not required of the employer and so paying for holidays that fall on a normal business day in which the business chooses to close, is a benefit that can be offered to employees. The major, traditional paid holidays are:

- ❖ New Year's Day
- ❖ Memorial Day (last Monday in May)
- ❖ Independence Day (July 4th or the recognized weekday)
- ❖ Labor Day (First Monday in September)
- ❖ Thanksgiving Day (fourth Thursday in November)
- ❖ Christmas Day

Of course, if there are other days requiring time off, they can always be added, but once they are given, they are difficult to retract.

Sick Leave

The number of days allowed to an employee for sick leave needs to be set prior to interviewing. Some companies are very lax in the number of days allowed as sick time, and others are very strict. The business can offer a certain number of sick days based on the number of hours worked in a quarter or have a flat figure available for sick leave after a certain date. Remember, because employees are handling food, the business should not want a sick employee touching food or exposing others to an illness. This is of course a business's judgment call.

Vacation

Everyone needs a break from the daily tasks at hand. When putting together the benefits package, take into account the amount of time needed to recharge employee batteries. The business might offer paid vacation time to employees based on years of service, allow them to earn a set number of hours per month that can only be taken after 40 hours have been accrued. The key to keeping hardworking and dedicated employees is to have a written vacation policy established prior to beginning the interview process.

Medical

This is a tough subject to cover and to grasp. First of all, the cost of medical insurance can be astronomical. A business can offer it, but it has to determine if it will pay part of the monthly premium or if the employee pays the monthly premium. Or, some businesses opt not to offer medical coverage, and offer a higher pay rate than the norm for the area. Visiting with an insurance agent and CPA is recommended so an educated decision can be made as to the effect of medical insurance on the bottom line. Federal and state regulations and options have changed many times in recent history. You are advised to fully understand what is, and is not available in your state and situation.



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Payroll

Employees mean payroll, even if it is small. There are federal and state withholding taxes from the paychecks that are regularly submitted to the proper entities. Remember, using a payroll service will generally, cost less than the penalty for filing required forms incorrectly or late or depositing payroll taxes late. A payroll service company can be inexpensive even for a single employee. Consider hiring the services of a professional payroll service company. Some larger banks also provide a basic payroll service.

Pay Days

When an employee is hired one of the important pieces of written information that is supplied is the frequency of pay. Determine if the business will pay employees, weekly, bi-weekly, bi-monthly or monthly; remembering that how often an employee is paid also regulates the state and federal payments the business is required to make – see a tax accountant for this information prior to determining a pay schedule.

Bottom Line –

You set all benefits and requirements. Benefits can be earned through longevity. But most important -treat all employees equally, otherwise you may be spending most of your time completing legal papers and making court appearances - none of which help you make money.

Please Note:

This information is not intended to be the rule.
You, the business owner sets Employee Benefits.
Benefits may also be added/earned through longevity in the position or job.

The Culinary Business Institute provides this information as “suggested” - check with your own state for employee benefits requirements. Some states strictly enforce their standards, while others will make this optional and allow the business owner to decide. Whatever you elect to adopt, be certain this is written into your business policies. The wise way to operate for you and your employee(s) – is “no surprises”.