



West Sound Human Resource Management Association

# West Sound Happenings

February 2005

*Save The  
Date*

**March 9, 2005**

**Facing the Tiger:  
Turning Conflict into  
Positive Change**

Presented By:  
John Sherer

Presenter at the NHRMA  
2004 Fall Conference

**April 13, 2005**

**Tips you can use:  
Writing Effective Policies  
and Procedures**

Presented By:  
Jordon Peabody

**Spring Conference  
Friday, May 13, 2005**

Please continue to check  
our website at  
[www.wshrma.org](http://www.wshrma.org) for up-  
dated information on the  
above events.

## WSHRMA February Luncheon

### Ten Tips to Ensure Litigation by an Employee

Presented by: Terry Hall

Wolfstone, Panchot and Bloch

February 9, 2005— Red Lion Silverdale Hotel

Terry Hall has practiced law in Seattle since 1981 and is currently with the law firm Wolfstone Panchot & Bloch. Mr. Hall has an extensive background in the representation of individuals, companies and nonprofit organizations in defense of toxic tort, products liability and employment cases on a local and regional basis. He is admitted to practice in both Washington and Oregon and has also been admitted pro hac in Montana and Alaska. He is a graduate of the University of Virginia in 1972 and Seattle University, J.D., cum laude in 1980 and is a former Peace Corps volunteer, having served in Afghanistan from 1973 to 1975. He is a past trustee of the Washington Defense Trial Lawyers and currently serves on the King County Superior Court Panel of Arbitrators. Mr. Hall is a member of the Washington State Bar Association, Washington Defense Trial Lawyers, the Defense Research Institute and the Federal Bar Association.

**RSVP by February 4, 2005**

Date: February 9, 2005  
Time: 11:45 am—1:30 pm  
Place: Red Lion Silverdale Hotel  
Price: \$15.00 Member\*  
\$25.00 Non-Members\*  
RSVP: [Dhull@artanderson.com](mailto:Dhull@artanderson.com)  
360-479-5600 x2265

\*Add \$10 with no reservation. Cancel-  
lations must be received at least 2  
days prior to receive refund.



**RED LION  
SILVERDALE HOTEL**

3073 NW Bucklin Hill Road  
Silverdale, WA 98383  
360-337-8800



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2003  
CHAPTER**

**HR**

**LEADING PEOPLE**

**LEADING ORGANIZATIONS**

### Become A Member

Are you interested in a SHRM Membership or transferring your membership to our chapter? Please give Sharlene Harrigan, VP of Membership a call with any questions. 360-478-2366 or e-mail at [sharlene@pchsweb.org](mailto:sharlene@pchsweb.org)

### AFFILIATE OF



### Job Bank

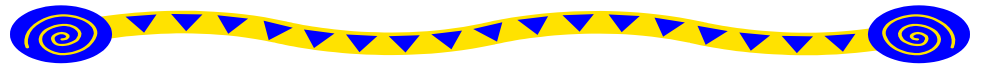
Please check out our website at [www.wshrma.org](http://www.wshrma.org) for current job openings. If you would like to advertise an open HR position in the WSHRMA job bank, please contact Debbie Laudenslager at 360-415-6533 or e-mail to [dlaudenslager@kpshealthplan.com](mailto:dlaudenslager@kpshealthplan.com)

## 2005 WSHRMA BOARD MEMBERS INSTALLED

The 2005 WSHRMA Board Members were installed at the January 12 luncheon by Lois Daigle. New Board Members are:

- President — Annie Davis
- Past President/Foundation — Linda Yerger
- President Elect — Marie LaMarche
- VP Membership — Sharlene Harrigan
- VP Programs — Sharon Tucker
- Secretary — Lisa Hecker
- Treasurer — Deanne Hull
- Legislative Reporter — Sarah Pagel
- Education and Certification Coordinator — Cynthia Crisp
- Community Liaison/Diversity Director — Linda Corpe
- Job Bank Coordinator/Publications Director — Debbie Laudenslager

We'd like to thank the 2004 Board Members for all their hard work and wish the 2005 Board Members the best of luck in the coming year.



### CONGRATULATIONS!!

Three members of WSHRMA's study group recently passed their HRCI exam. They are:

- Sarah Pagel, PHR
- Allyson Thomas, SPHR
- Audi Ritz, SPHR

**Way To Go!!**



### HRCI STUDY GROUP TO START



**WSHRMA will be starting a new study group for the Human Resource Certification Exam. The study group will meet at Olympic College. Dates and meeting times will be determined by the study group once formed. The next exam is scheduled for May.**

You may access detailed information on the HRCI exams, including cost, application process, registration deadlines, and other valuable information by visiting the website [www.shrm.org/hrci](http://www.shrm.org/hrci). You must be a SHRM member to be eligible to participate in the WSHRMA study group.

**If you are interested in joining the group contact Cynthia Crisp at 360-475-7306 or e-mail at [Ccrisp@oc.ctc.edu](mailto:Ccrisp@oc.ctc.edu).**

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## FACING THE TIGER: TURNING CONFLICT INTO POSITIVE CHANGE

Presented by: John Sherer, Founder of The Sherer Center for Work and the Human Spirit

March 9, 2005

Red Lion Silverdale Hotel

11:45 p.m. to 1:45 p.m.



Conflict cannot really be managed—which usually means make it go away. Conflicts can even be resolved, but the lesson they were bringing may be lost. John takes the approach that conflict should instead be utilized, turning opposing positions into a learning experience for those involved—and for the organization. This takes clarity of purpose, commitment to discovery, a spirit of inquiry, and the courage to put into practice a handful of fundamental principles. In his workshop, John will show you how to identify and work with seemingly unresolved situations, why and how to face the tiger, and his new model, The Three Worlds, which will

help you understand and utilize virtually any conflict at home or at work. John has taught these principles to leaders from GTE, Boeing, Marriott, Weyerhaeuser, The Ports of Tacoma and Seattle, Seattle Center, REI, Safeco and many others around the world. Get your space reserved early for this event. It is sure to be a crowd pleaser! Reserve your space in advance by contacting Deanne Hull at [Dhull@artanderson.com](mailto:Dhull@artanderson.com) or call 360-479-5600 x2265. Cost is \$15 for members and \$25 for non-members.

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## WRITING EFFECTIVE POLICIES AND PROCEDURES

Presented by: John Peabody, Founder, Peabody Communications, Lacey, WA

April 13, 2005

Do your employees understand your company's policies and procedures? Are your policies clear for managers trying to implement them? Learn some basic facts that are important to understand about those individuals reading your policies. Learn writing techniques and methods that will get your policies read and understood. Peabody's methods presented in this course on Writing Policies and Procedures are considered the "preferred" formula for state agencies throughout the Pacific Northwest. In addition, several organizations, including Washington State Department of Health and the Tacoma Police Department have hired Peabody Communications as a project lead for revising and reformatting outdated policy manuals. You will discover how to: distinguish between policies, procedures, and tasks; avoid the most common manual writing pitfalls; use east-to-read and easy-to-understand formats for all three types of written direction; decide when to write and what to write about and last but not least—encourage staff to actually use your manual! Come join us for this hands on workshop and bring back tools that you can use immediately!

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## INTERESTED IN VOLUNTEERING

### YOUR SERVICES TO HELP ON WSHRMA PROJECTS?

Contact any Board Member (see page 6 for contact information) if you are interested in volunteering your services to assist with membership activities, solicit vendors for the spring conference, or to help on other projects that may interest you.



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## MONTHLY FEDERAL LEGISLATIVE UPDATE—THE INSIDER JANUARY 2005

### DOL Issues Final Regulation for Permanent Labor Certification Program

On December 27, 2004, the Department of Labor (DOL) issued a [final regulation for the Permanent Foreign Labor Certification \(PERM\) program](#). When no U.S. workers are able to fill an available job, the PERM program helps the United States meet its workforce needs by filling vacancies with foreign workers. Foreign workers can only be processed after the employer affirms that there are no U.S. workers available for the job.

Under the old program, there was a backlog of 300,000 applications for labor certification. The new regulation will help fix the backlog by opening two new national processing centers—one in Atlanta and one in Chicago—and by allowing electronic filing of applications. The electronic filing will reduce paperwork and will enable the DOL to conduct automated screenings of applications and to identify applications for audits. Additionally, temporary backlog elimination centers in Dallas and Philadelphia will also be established.



### IRS Provides Initial Guidance on Deferred Compensation

On December 20, 2004, the Internal Revenue Service (IRS) released [Notice 2005-1](#) in response to the recently enacted American Jobs Creation Act of 2004, Pub. Law. No. 108-357. Notice 2005-1 sets forth initial guidance under new Internal Revenue Code (IRC) Section 409A regarding the taxation of nonqualified deferred compensation. The initial guidance will provide some assistance to HR professionals as the law is effective for plans on January 1, 2005. The IRS will issue additional guidance in the near future.

Notice 2005-1 outlines some compensatory awards (for example, incentive stock options (ISOs), employee stock purchase plans (ESPPs), nonqualified stock options granted at a fair market value and some bonuses) that are not treated as deferred compensation and that therefore will be exempt from IRC Section 409A. The notice further provides interim relief for some compensatory plans such as partnership interests and certain payments of cash or stocks on exercise of a stock appreciation right (SAR).

According to Notice 2005-1, Section 409A applies to compensation deferred after December 31, 2004, and to amounts deferred in taxable years beginning before January 1, 2005, if the plan under which a deferral was made is materially modified after October 3, 2004. The guidance also describes actions that will be treated as material modifications (such as accelerating vesting into 2004 and certain new grants under existing plans) and actions that will not be treated as material modifications (such as freezes or terminations of plans, qualifying replacement options, and amendments to comply with Section 409A).

Most important for HR professionals, Notice 2005-1 provides transition relief that may allow service recipients until December 31, 2005, to revise documents so that they comply with IRC Section 409A. Additionally, the information covers general deferral election dates and bonus compensation deferral election dates. Finally, the guidance states that the stipulations of Section 409A are not required to be satisfied during calendar year 2005 with respect to collectively bargained severance and severance for employees who are not "key employees," as long as (i) the severance is less than twice an individual's prior year compensation and is paid in less than two years or (ii) the severance is paid only on involuntary terminations.

## Washington State Legislative Update January 2005

### State Minimum Wage Rising to \$7.35 an hour

Washington's minimum wage is rising to \$7.35 an hour on Jan. 1. The state minimum wage was tied to changes in the Consumer Price Index by voters who approved Initiative 688 six years ago. The index rose 2.6 percent during the 12-month period that ended Aug. 31. The federal minimum wage is \$5.15 an hour. A proposal to raise the federal minimum wage to \$6.15 was defeated by the U.S. Senate in 1998

### State unemployment benefits change Jan. 2

Unemployment benefits will be calculated differently, and those expected to see the greatest effect will be seasonal workers, as well as workers with gaps in employment during their base year of calculation. Starting this year, the weekly unemployment benefit will be 1 percent of a worker's total base-year wages, which will range from a minimum of \$111 to a maximum of \$496. Previously, the weekly benefit was calculated by averaging the three highest quarters of wages in the base year, then multiplying by 4 percent. Also part-time workers who are only looking for part-time jobs can qualify for unemployment benefits beginning this year. The new rules define a part-time worker as one who worked at least 40 weeks during their base year and no more than 17 hours of any week during that base year.

**Mark These Down . . . in Pencil** - Break out that fresh 2005 calendar and take note of items in the DOL's regulatory agenda. In March, we should receive new FMLA rules incorporating the Supreme Court's *Ragsdale* decision, which struck down part of 29 CFR 825.700(a) ("If an employee takes paid or unpaid leave and the employer does not designate the leave as FMLA leave, the leave taken does not count against an employee's FMLA entitlement."). These were originally expected in January 2003 (hence, the need for a pencil, not a pen). In April, proposed TAA regs are expected, to simplify the processes for assisting workers who are displaced by increased foreign trade. In June, we should receive the final USERRA regulations, explaining the reinstatement and related rights of those who serve in the U.S. armed forces.

### **Legislative Events:**

#### **Legal Update from Around the Country**

(courtesy of Audrey Mross, Legislative Director, Texas State Council of SHRM)

**Help for Heroes** - Reservists and National Guard who are called or who volunteer for active duty are entitled to continue their civilian health care benefits for 24 months, an increase from the prior limit of 18 months. The Veteran's Benefits Improvement Act (PL 108-454) was signed by President Bush on Dec. 10. This particular provision applies to elections made on or after the enactment date of Dec. 10. The law also requires employers to provide more notification of USERRA reemployment rights and DOL is preparing a new notice. Stay tuned.

"HR Day in Olympia on February 22<sup>nd</sup>.  
Employment Law & Legislative Conference March 1, 2005, at the Meydenbauer Conference Center in Bellevue.

### **Webcast**

#### **The FLSA: Six Months Later**

Presenter: Camille Olson, Esq.

Date: Feb. 8, 2005, 2 p.m. ET

**Register at  
SHRM.org**



**Free to  
Members**

The new regulations defining which employees are exempt from overtime under the Fair Labor Standards Act (FLSA) went into effect on August 23, 2004. With the Department of Labor (DOL) promising vigorous enforcement, employers have prudently conducted intensive self-audits of their workforce to assess FLSA compliance. This has resulted in many employers across industry and geographic lines, making significant changes to their employee classifications and pay practices. For the most part, the conversions have favored employees, changing them from exempt to non-exempt status. From these audits conducted across the country, the Seyfarth Shaw FLSA task force has developed a list of the top 15 traps and audit hot points employers should consider in implementing the new FLSA regulations. It is imperative that employers be aware of these issues when conducting an audit to ensure that the audit is successful and will be legally defensible should the DOL investigate or should an employee (or former employee) sue.

West Sound Human Resource  
Management Association  
PO Box 1285  
Bremerton, WA 98337



**WSHRMA**  
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Human  
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Management  
Association

**Check out our  
website at  
[www.wshrma.org](http://www.wshrma.org)**

## **2005 WSHRMA Board of Directors**

### **President**

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### **Past President/Foundation**

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### **President—Elect**

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### **Job Bank Coord./Publications Director**

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