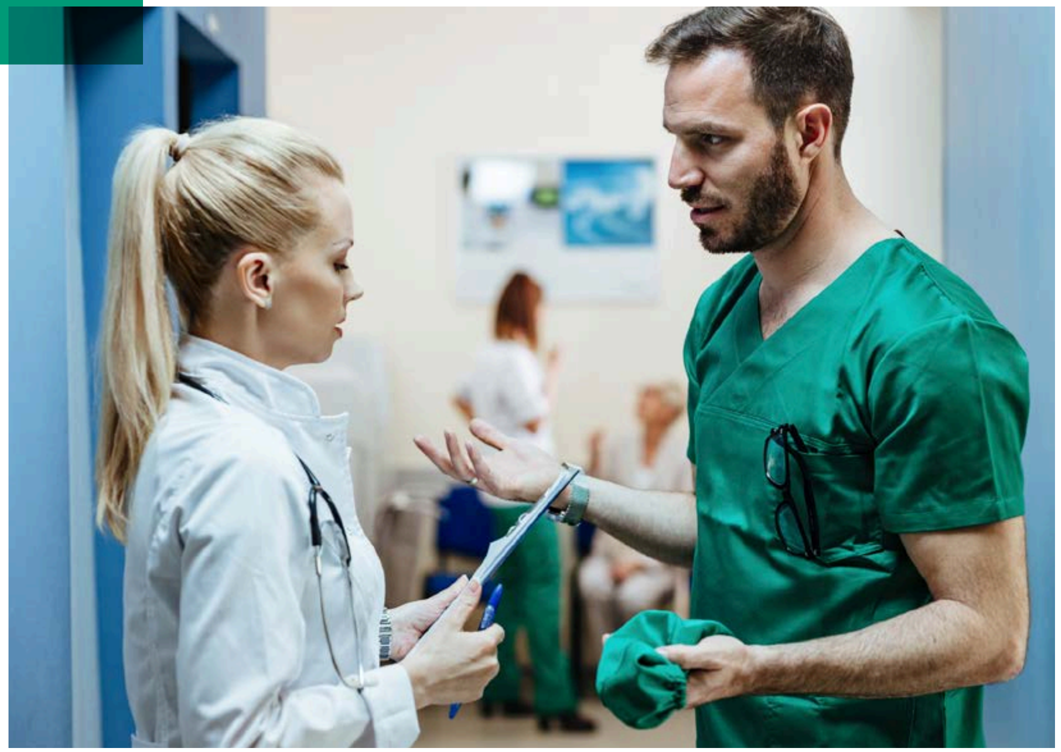
INSIDE:

"Setting measurable standards is the best way to achieve consistency and a higher level of client service."



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HR HUDDLE

Time Theft at Work

It may start small with a few minutes here or a missed punch there, but the minutes — and the employer's risk — add up.

BY KELLIE OLAH, SPHR, CVPM, SHRM-SCP

Q: I have two employees who regularly clock in for each other. Employee A arrives and clocks both employees in. Five or 10 minutes later, Employee B walks in with coffee for both of them, and they start working. I have this on camera. It's only a few minutes here and there. Should I let it go? Can I terminate them? Should I?

A: No, you should not just let it go. This is time theft. It may feel small, but the issue is not only the number of minutes; it's dishonesty, falsification of time records, and a breakdown of trust. When one employee clocks in another employee who is not present and not working, both employees are creating a false payroll record. That matters.

Employers are required to maintain accurate records of hours worked, and the timekeeping system only works if employees use it honestly. The U.S. Department of Labor says employers may use the timekeeping method they choose, but the records must be complete and accurate; when an employee works a different period than scheduled, the actual hours worked must be recorded.

A few minutes can quickly add up. Five minutes a day, several days a week, multiplied by two employees, multiplied over months, can become significant paid time that was not worked. But even if the dollar amount is small, the conduct is serious because it's intentional.

Investigate and document. Start by pulling the time records and camera footage for the dates in question. Confirm the pattern. Look for consistency: Who clocked in, who was actually present, what time the second employee arrived, and when work actually began. Then meet with each employee separately. Give them a chance to explain.

I would say, "Our records show you clocked in at 8 a.m. The camera shows you entered the building at 8:08. Help me understand that." For the employee doing the clocking, the question is just as direct: "The video shows you clocking in both employees. Did you clock in your co-worker before they arrived?" Don't accuse more than you can prove. Don't debate. Let the facts do the work.

You should also review your handbook, timekeeping policy, and past practice. If your policy says that employees may only clock themselves in and out, and that falsifying time records may result in discipline up to and including termination, this becomes more straightforward. Even if your policy isn't perfect, repeated falsification of time records is generally serious misconduct.

Can you terminate them? In many workplaces, yes, assuming they are at-will employees, not protected by an employment contract — even then there's usually a caveat for misconduct — and the decision is applied consistently and not for a discriminatory or retaliatory reason.

Should you terminate them? That depends on the facts, but for repeated clocking in for each other, termination is a reasonable outcome. For a one-time, unclear incident, a final written warning may be appropriate. For a repeated pattern caught on camera, especially where both employees benefit, and both appear to know exactly what they are doing, termination is defensible. Most employees understand that they cannot punch in someone who isn't there.

A word of warning: Don't shave the time off their checks without careful review. You can correct time records so employees are paid for time actually worked, but wage deductions and recoupment rules can be tricky and vary by state. Handle that part carefully and with legal guidance.

I would then reiterate the rules to the team. You don't need to announce the details or shame anyone, but state, "Employees must clock in and out only for themselves. Clocking in or out for another employee, or allowing another employee to do so, is falsification of time records and may result in discipline up to and including termination."

The goal is to protect the integrity of payroll, enforce basic workplace honesty, and make clear that time records are not optional.

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Q: An employee consistently clocks in 20 minutes before her scheduled shift. However, she does not begin working right away. Instead, she gets coffee, eats breakfast in the break room, chats with co-workers, and generally prepares for her day before starting work at her scheduled start time. Because she clocks in early every day, those extra minutes accumulate and regularly push her into overtime. Do I have to pay her for that time?

A: Twenty minutes may not sound like much in the moment, but it adds up quickly. If it happens five days a week, that's one hour and 40 minutes of extra recorded time each week. Over the course of a year, that's more than 86 additional hours — over two weeks of extra pay. If those hours are pushing the employee into overtime, the cost is even higher.

You need to separate two issues: whether the time must be paid, and whether the employee is violating policy. If the employee is actually working after clocking in, even if you didn't authorize the early start, that time generally needs to be paid. You can discipline an employee for working unauthorized time, but you usually cannot refuse to pay for time you allowed or knew was being worked.

The harder situation is when the employee is clocked in but not working. If she's drinking coffee, eating breakfast, or chatting, that isn't working. However, without clear evidence, it can be difficult to prove after the fact that she wasn't working during those minutes. That's why, in many cases, the safer approach is to pay the recorded time, address the issue directly, and set clear boundaries going forward.

Create a policy that sets boundaries. For example, "Employees may not clock in more than 10 minutes before the start of their scheduled shift unless specifically authorized by management. Employees must be ready to begin working when they clock in. Clocking in before starting work, remaining clocked in while not working, or recording time not actually worked may result in disciplinary action, up to and including termination."

Enforce your policy consistently. Meet with the employee, explain the concern, show the pattern if needed, and document the conversation. You might say, "We noticed that you've been clocking in about 20 minutes before your shift, but not beginning work until your scheduled start time. Going forward, you may not clock in more than 10 minutes before your shift unless a manager authorizes it. Once you clock in, you are expected to begin working. Continued early clock-ins or recording time not worked may result in discipline."

Q: Our employee regularly "forgets" to clock in or out and then submits missed-punch corrections. At first, we approved them, but now the times she submits don't match camera footage or when other employees say she arrived or left. This has happened more than once. How should we handle it?

A: A missed punch every now and then happens. People get busy, distracted, or forget. But when missed punches become frequent, and the correction requests don't match what actually happened, it's no longer just a timekeeping error. That is falsification of time records, and it should be treated seriously.

Start by reviewing the time records, correction requests, schedules, camera footage, and any other information you have. Then, meet with the employee and give her a chance to explain. Keep it factual, not emotional: "You submitted 8 a.m. as your start time, but the video shows you arriving at 8:22 a.m. Can you explain the difference?"

You should pay the employee for the time she actually worked, but you do not have to ignore the dishonesty. If the pattern is confirmed, discipline is appropriate, up to and including termination, especially if your policy makes clear that falsifying time records is grounds for discipline. TVB

SAMPLE: TIME-KEEPING POLICY

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Employees are responsible for accurately recording all hours worked. Accurate time records are necessary to ensure proper pay and compliance with applicable wage and hour laws. "Time worked" includes all time a non-exempt employee spends performing work for the hospital.

Non-exempt employees must record the actual time they begin and end work, meal periods, split shifts, and any time they leave work for personal reasons during scheduled hours. Employees may not work off the clock, clock in before they are ready to begin working, or remain clocked in after they have stopped working unless authorized by management.

Each employee must record only their own time. Employees are prohibited from clocking in or out for another employee, allowing another employee to clock in or out for them, sharing timekeeping credentials, recording time not actually worked, or altering, falsifying, or tampering with time records.

Falsification of time records is considered serious misconduct and may be treated as time theft. Violations of this policy may result in disciplinary action, up to and including termination.

Employees must promptly report any missed punch or timekeeping error to their supervisor so the record can be reviewed and corrected. The manager will review time records before payroll is processed. The hospital reserves the right to investigate timekeeping discrepancies through time records, security footage, access records, witness statements, and other available information.

Employees will be paid for all hours actually worked.