



# COMP T I M E S



The Summer is off with a BANG! Since we last talked, President Bush signed legislation increasing the Federal minimum wage from \$5.15/hr to

\$5.85/hr. Nearly a decade has passed since an increase to the Federal minimum wage has been approved. However, this is not the last increase we can expect to see.

Over the next three years, plan for an increase of \$.70 every July until the Federal minimum wage reaches the rate of \$7.25 in 2009.

RCA will continue providing information and reminders to its membership on upcoming total reward news. Until next time...

Anne Jernigan, Director of Communications

## Minimum Wage Information Resources

Overwhelmed by the minimum wage changes occurring this Summer? The organization, GovDocs Inc., has released a free [Minimum Wage Compliance Guide](#) for businesses.

Don't forget the Department of Labor's website, [www.dol.gov](http://www.dol.gov). It's always a good source for regulatory information.

**PLEASE NOTE:** GovDocs Inc. should not be used as an alternative to legal counsel. RCA does not endorse or support GovDocs, Inc in any way.

## Survey the Membership

Do you want to know what other companies are doing in the area? We will survey the membership about topics or questions of interest. Please send your requests to [SurveyQuestions](#).

## President's Message

I hope everyone is having a great summer! With our second quarterly meeting now completed, it's hard to believe we are already half way through the year!

I had a chance to meet many of you at the World at Work conference that was held in Orlando, Florida in May. There were a number of great learning opportunities there and I'm sure many of you picked up some great new information.

Part of this year's World at Work Conference focused on local network leadership. Board members from all over the nation came together to discuss what was working well in their association and shared solutions to common challenges. I was excited to attend this section of the conference on behalf of RCA. I was able to bring back some fresh ideas for our organization that we will review for the coming year. I look forward to sharing these ideas with you.

Warmest Regards,  
Jennifer Atkins, President

## Notes from the Second Quarterly Meeting

It was a hot day, but the turn out at the Second Quarterly Meeting of 2007 was outstanding!

As always, the meeting was held at the beautiful Lewis Ginter Botanical Gardens. The panel discussion, Succession Planning, Leadership Development & Retention, moderated by Cathy Krevonick, CCP, Senior Compensation and Reporting Analyst with The Brinks Company, was one of the most highly attended meetings in RCA history.

Panelists represented a wide variety of Richmond public and private sector businesses. The distinguished panelists shared succession planning and leadership development initiatives designed to counter the upcoming "brain drain" due to the aging population of the workforce and the high number of prospective retirees.

Keep an eye out for news related to our next breakfast meeting, to be held on Wednesday, September 12<sup>th</sup> at Lewis Ginter Botanical Gardens.

Leslie VanAuken, Co-Director of Programs

## W@W Conference Highlights

As the representative for RCA at this year's World at Work conference held in Orlando- FL, I wanted to share some highlights from one of the most interesting workshops I attended.

The workshop was presented by Culture Rx, a consulting subsidiary of Best Buy Stores. About four years ago Best Buy Stores started a phenomenon known as a "Results Only Work Environment" or ROWE. This phenomenon involved replacing the traditional 9 to 5, 40-hour workweek with a come and go as you

please work style that emphasizes freedom for employees and results for employers.

The ROWE culture has 13 commandments but they did not mention all 13, as Culture Rx is now in the business of selling this concept to other employers. Five of the most important included:

- ✓ ROWE is all about results. No results, no job. It's that simple
- ✓ There is no need for schedules
- ✓ Nobody focuses on "how many hours did you work?"
- ✓ There's no judgment on how people spend their time, or what they call "Sludge"-negative language in the workplace that is used to cast judgment, place guilt, or add stress. Examples include: "Ten o'clock and you're just getting in? Wish I had your job? Women with kids should go part-time? Leaving early again?"
- ✓ Everyday feels like Saturday

Best Buy has since implemented ROWE in over 90% of its corporate office and experienced a 35% increase in productivity over time as well as a reduction in voluntary turnover in one department from 31.5% to 2.31%. The creators promote this type of culture change as part of the total rewards package that will help employers create their own secret recipe for success to attract, motivate, and retain the right talent to achieve optimum business results.

If you are interested in finding out more about ROWE, you can visit their website at [www.culturerox.com](http://www.culturerox.com).

In closing, I would like to say it was my pleasure and honor to represent RCA at this year's annual conference. If you have never attended the annual World at Work conference I highly recommend it and hope to see you at next year's

annual conference held in Philadelphia, PA, at the Pennsylvania Convention Center on May 20-23, 2008.

Vanessa George, Director of Education

## Job Postings

If your company has HR job openings, we can post it on our website. Simply email the position and description to [Job Posting Dropbox](#). Posting is free to all RCA members. For **non-members** the fee for each job posting is \$75. Job postings will remain on the website for 60 days.

## 2007 Courses

Pricing: RCA member \$920  
W@W member \$1,020  
Non-member \$1,540  
Exam only \$395

Location: Richmond Marriott West  
(804)965-9500  
[www.marriott.com](http://www.marriott.com)

B2 - Retirement Plans - Design and Management  
When: September 19-21, 2007

C2 - Job Analysis, Documentation and Evaluation  
When: December 5-7, 2007

Courses can fill up quickly, so sign up now!

For these courses, please sign up with W@W by contacting Customer Relations at (877) 951-9191 or [customerrelations@worldatwork.org](mailto:customerrelations@worldatwork.org)

## Articles of Interest

### Electronic Filing of Form 5500 Delayed

A requirement to electronically file Form 5500, Annual Return/Report of Employee Benefit Plan, has been delayed from Jan. 1, 2008, to Jan. 1, 2009, Joe Canary, deputy director, Office of Regulations and Interpretations for the Department of Labor's Employee Benefits Security Administration (EBSA), said May 25.

The delay means Form 5500 will now have to be filed electronically for plan years beginning on or after Jan. 1, 2009, Canary told a Washington, D.C., conference sponsored by EBSA and the American Society of Pension Professionals and Actuaries.

As a result of the revised requirement, "most people will be dealing with the electronic filing of the Form 5500 requirements in 2010," Canary said. A notice informing employers how to comply in 2007 and 2008 will be published later this year, according to Canary.

### EBSA Releases Request for Information on 401(k) Plans

The U.S. Department of Labor's Employee Benefits Security Administration (EBSA) is requesting information regarding the disclosure of plan administrative and investment related fees and expense information to participants and beneficiaries in participant-directed individual account plans, such as a Section 401(k) plan.

"This RFI [request for information] is an important step—it will help us determine what information is most useful to workers in making investment decisions, and how to convey this information in a user-friendly and cost-effective manner," Acting Assistant Secretary of Labor Bradford P. Campbell told BNA April 24.

The RFI was published in the April 25 Federal Register. The purpose of the RFI is to determine to what extent rules should be adopted or modified, or other actions taken, to ensure that participants and beneficiaries have the information they need to make informed decisions about the management of their individual accounts and the investment of their retirement savings.

A proposed regulation addressing the issue is planned for later in the year, according to Campbell.

## Compensation Growth Slowed in First Quarter as Benefit Costs Fell

Growth of compensation costs paid by employers in the private sector slowed in the first quarter of 2007, as the first-ever drop in benefit costs helped offset the rise in wages, according to figures released by the Labor Department's Bureau of Labor Statistics.

Total compensation costs, including wages, salaries and benefits, in private industry in the January-through-March period grew 0.6 percent, less than the 0.8 percent growth of private industry compensation costs in the fourth quarter. Wages and salaries of private sector workers grew by 1.1 percent in the first quarter, up from the 0.8 percent gain in the fourth quarter of 2006, BLS said in its employment cost index.

The gain in wages and salaries were partially offset by a benefit-cost decline in the private sector. Health and other benefit costs paid by private industry employers dropped 0.3 percent in the first quarter, down sharply from a 0.9 percent gain in the fourth quarter and a 1.0 percent gain in the third quarter.