Professional Certificate in Social Security Laws and Payroll Legislation

Legal Aspects of Employee Compensation

Accounting Period refers to the timeframe during which the financial activities of an organization are recorded and reported, which can be a month, quarter, or year, and is crucial in calculating employee compensation.
Accrued Leave is the amount of leave time that an employee has earned but not yet taken, which can be paid out upon termination of employment or carried over to the next year.
Actuarial Valuation is the process of determining the value of a pension or other retirement plan, taking into account factors such as life expectancy, interest rates, and investment returns.
Adverse Employment Action refers to any action taken by an employer that negatively impacts an employee's job, such as demotion, termination, or reduction in pay.
Affirmative Action is a program or policy designed to promote equal employment opportunities for underrepresented groups, such as minorities or women.
Allowance is a type of benefit provided to employees, such as a housing allowance or transportation allowance, which can be taxable or non-taxable.
Annual Leave is the time off from work that an employee is entitled to each year, which can be paid or unpaid, and is usually accrued based on the employee's length of service.
Apprenticeship is a training program that combines on-the-job experience with formal instruction, allowing employees to learn a trade or skill.
Attendance Bonus is a type of incentive that rewards employees for good attendance, such as a bonus or extra time off.
Audit is the process of reviewing and examining an organization's financial records and practices, including those related to employee compensation.
Award is a type of recognition or reward given to employees for outstanding performance or achievement, which can be monetary or non-monetary.
Base Pay is the minimum amount of compensation that an employee receives, excluding any bonuses or benefits.
Benefits in Kind are types of benefits that are not monetary, such as health insurance, retirement plans, or company cars.
Bonus is a type of incentive that rewards employees for good performance or achievement, which can be a one-time payment or a recurring payment.
Career Development is the process of improving an employee's skills and knowledge to advance their career, which can include training, mentoring, and education.
Collective Bargaining is the process of negotiating a labor agreement between an employer and a union, which can cover issues such as wages, benefits, and working conditions.
Commission is a type of compensation that is based on an employee's sales or production performance, which can be a percentage of sales or a flat fee.
Compensation Package is the total amount of compensation and benefits that an employee receives, including salary, bonuses, and benefits.

Compliance is the process of ensuring that an organization is adhering to all relevant laws and regulations, including those related to employee compensation.
Contract of Employment is the agreement between an employer and an employee that outlines the terms and conditions of employment, including compensation and benefits.
Contribution is the amount of money that an employer or employee pays into a retirement plan or other benefit plan.
Corporate Tax is the tax that an organization pays on its profits, which can include taxes on employee compensation.
Cost of Living Adjustment is the increase in an employee's compensation to keep pace with inflation or changes in the cost of living.
Deferred Compensation is the practice of delaying the payment of compensation until a later date, such as through a retirement plan.
Defined Benefit Plan is a type of retirement plan that provides a guaranteed benefit amount to employees based on their salary and years of service.
Defined Contribution Plan is a type of retirement plan that provides a contribution amount to employees based on their salary and years of service.
Dependent Care Assistance is the benefit provided to employees to help with the cost of child or elder care, which can include flexible spending accounts or dependent care assistance programs.
Disability Insurance is the type of insurance that provides income replacement to employees who are unable to work due to illness or injury.
Disciplinary Action is the process of taking action against an employee for misconduct or poor performance, which can include warnings, suspensions, or termination.
Discrimination is the practice of treating employees unfairly or differently based on their race, gender, age, or other characteristics.
Employee Assistance Program is the program that provides confidential counseling and support services to employees to help with personal or work-related issues.
Employee Handbook is the document that outlines the policies and procedures of an organization, including those related to employee compensation and benefits.
Employee Stock Ownership Plan is the type of retirement plan that provides employees with ownership in the company, which can include stock options or equity.
Employer Identification Number is the unique number assigned to an organization by the government, which is used to identify the organization for tax purposes.
Employment Contract is the agreement between an employer and an employee that outlines the terms and conditions of employment, including compensation and benefits.
Employment Law is the body of laws that regulate the relationship between employers and employees, including those related to compensation and benefits.
Equal Pay Act is the law that requires employers to pay male and female employees equally for equal work.
Esop is the type of retirement plan that provides employees with ownership in the company, which can include stock options or equity.
Executive Compensation is the type of compensation provided to senior executives, which can include salary, bonuses, and benefits.
Fringe Benefits are the types of benefits that are provided to employees in addition to their salary, such as

health insurance, retirement plans, or company cars.
Garnishment is the process of deducting a portion of an employee's wages to pay a debt, such as a court-ordered garnishment.
Gross Income is the total amount of income earned by an employee before any deductions or taxes.
Group Life Insurance is the type of insurance that provides life insurance coverage to a group of employees, which can be paid for by the employer or employee.
Health Insurance is the type of insurance that provides medical coverage to employees and their dependents, which can be paid for by the employer or employee.
Hourly Wage is the rate of pay for an employee who is paid by the hour, which can include overtime pay.
Immigration Reform and Control Act is the law that requires employers to verify the immigration status of their employees.
Incentive Plan is the type of plan that provides incentives to employees to improve their performance, which can include bonuses or other rewards.
Income Tax is the tax that is paid on an employee's income, which can include taxes on compensation and benefits.
Individual Retirement Account is the type of retirement plan that allows employees to save for retirement on a tax-deferred basis.
Industrial Relations is the study of the relationship between employers and employees, including the laws and regulations that govern this relationship.
Injury on Duty is the type of injury that occurs to an employee while they are working, which can be covered by workers' compensation insurance.
Insider Trading is the practice of buying or selling company securities based on inside information, which is illegal.
Insurance Premium is the amount of money that an employer or employee pays for insurance coverage, such as health or life insurance.
Internal Revenue Code is the law that governs the taxation of income in the United States, including the taxation of employee compensation.
Job Description is the document that outlines the responsibilities and duties of a particular job, which can include information about compensation and benefits.
Job Evaluation is the process of evaluating the value of a particular job, which can include determining the salary range for the job.
Labor Law is the body of laws that regulate the relationship between employers and employees, including those related to compensation and benefits.
Labor Union is the organization that represents the interests of employees in collective bargaining with employers.
Leave of Absence is the period of time that an employee is allowed to take off from work, which can be paid or unpaid.
Long Term Disability is the type of disability that prevents an employee from working for an extended period of time, which can be covered by disability insurance.
Management by Objectives is the process of managing an organization by setting goals and objectives, which can include setting performance targets for employees.
Maternity Leave is the type of leave that is provided to female employees who are pregnant or have

recently given birth, which can be paid or unpaid.
Medicare is the type of insurance that provides medical coverage to senior citizens and disabled individuals, which can be paid for by the government or individuals.
Merit Increase is the type of increase in an employee's compensation that is based on their performance, which can include raises or bonuses.
Minimum Wage is the lowest amount of compensation that an employer is required to pay an employee per hour, which can vary by state or country.
National Labor Relations Act is the law that regulates the relationship between employers and employees, including the right to collective bargaining.
Occupational Safety and Health Act is the law that regulates the safety and health of employees in the workplace, which can include requirements for training and equipment.
Overtime Pay is the type of compensation that is paid to employees who work more than a certain number of hours in a week, which can be required by law.
Paid Time Off is the type of leave that is provided to employees to take time off from work, which can be paid or unpaid.
Pension Plan is the type of retirement plan that provides a guaranteed benefit amount to employees based on their salary and years of service.
Performance Appraisal is the process of evaluating an employee's performance, which can include setting goals and objectives for future performance.
Performance Management is the process of managing an employee's performance, which can include providing feedback and coaching.
Personnel Management is the function of an organization that is responsible for managing the workforce, including recruitment, selection, and compensation.
Profit Sharing Plan is the type of plan that provides employees with a share of the company's profits, which can be in the form of cash or stock.
Recruitment is the process of attracting and hiring new employees, which can include advertising job openings and conducting interviews.
Retirement Plan is the type of plan that provides income to employees in retirement, which can include pension plans or individual retirement accounts.
Salary is the type of compensation that is paid to employees on a regular basis, such as weekly or monthly.
Salary Range is the range of salaries that are paid to employees in a particular job or industry.
Savings Plan is the type of plan that allows employees to save for retirement or other goals, which can include 401(k) plans or other types of savings plans.
Severance Pay is the type of compensation that is paid to employees who are terminated or laid off, which can include a lump sum payment or continuation of pay and benefits.
Social Security is the type of insurance that provides income to senior citizens and disabled individuals, which can be paid for by the government or individuals.
Social Security Tax is the tax that is paid on an employee's income to fund social security and medicare, which can be paid by the employer or employee.
Stock Option is the type of equity that gives employees the right to purchase company stock at a fixed price, which can be used as a form of compensation.
Tax Deferred is the type of compensation or benefit that is not subject to taxation until a later date, such as

retirement plans or flexible spending accounts.
Termination is the process of ending an employee's employment, which can include termination with or without cause.
Trade Union is the organization that represents the interests of employees in collective bargaining with employers.
Training and Development is the process of improving an employee's skills and knowledge to advance their career, which can include training, mentoring, and education.
Unemployment Insurance is the type of insurance that provides income to employees who are unemployed, which can be paid for by the government or employers.
Union Contract is the agreement between a union and an employer that outlines the terms and conditions of employment, including compensation and benefits.
Vacation Pay is the type of compensation that is paid to employees for time off from work, which can be accrued based on the employee's length of service.
Wage and Hour Law is the law that regulates the payment of wages and hours worked by employees, including minimum wage and overtime requirements.
Workers Compensation is the type of insurance that provides income and medical benefits to employees who are injured on the job, which can be paid for by employers.
Worklife Balance is the concept of achieving a balance between an employee's work and personal life, which can include providing flexible work arrangements and employee benefits.
Wrongful Termination is the type of termination that is illegal or unfair, which can include termination based on discrimination or retaliation.