PURPOSE:

Camden County Developmental Disability Resources (CCDDR) complies with the salary basis requirements of the Fair Labor Standards Act (FLSA) regarding exempt employees. Therefore, CCDDR prohibits making any improper deductions from the salaries of exempt employees that would violate the FLSA. The purpose of this policy is also to provide expectations for CCDDR's exempt employees regarding pay practices, paid-time-off (PTO), other leave usage, and performance of duties based on outcomes as well as meeting CCDDR's clients' and operational needs.

POLICY:

Exempt Employee Expectations

Exempt employees are paid an established salary each pay period and are expected to fulfill the duties of their position regardless of the number of hours worked. Full-time exempt employees are expected to be working during CCDDR's office hours (8:30 AM to 4:00 PM Monday through Friday). The number of hours worked each workweek may vary to meet the responsibilities assigned to the position.

Exempt employees are expected to work no less than 40 hours per workweek; however, exempt employees do have the flexibility to work more (or less with supervisor, manager, and/or Executive Director approval) than 40 hours per workweek, with an emphasis on results meeting CCDDR's clients' and operational needs. Exempt employees are expected to communicate proactively with their supervisors, managers, and/or the Executive Director regarding any variances in their schedule. Unless the circumstance prohibits or an emergency precludes them from doing so, exempt employees shall submit requests for desired PTO or other leaves of absence to their supervisor for approval sufficiently in advance of the planned PTO or other leaves of absence to permit scheduling of substitute personnel if necessary.

CCDDR seeks to provide the opportunity for exempt employees to balance their professional and personal commitments. It is understood that a full-time exempt employee will generally work a minimum of 40 hours per workweek; however, in the scope of an exempt employee's responsibilities, work outside the usual schedule is often required. This might include evenings, weekends, extended travel, or other work hours well beyond 40 in any workweek.

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Exempt employees may (with supervisor, manager, and/or Executive Director approval) come in later than usual, take additional lunch time, or leave work early to provide some balance to work time and personal time without having to utilize PTO or other leaves of absence.

Exempt Employee Pay Deductions

Subject to a few exceptions, exempt employees will receive their full salary for any workweek in which the employee performs any work, regardless of the number of days or hours worked. However, exempt employees need not be paid for any workweek in which they perform no work at all for the organization. In accordance with FLSA regulations, exempt employees cannot have their pay reduced based on the quantity or quality of work performed. Deductions from pay cannot be made because of absences due to the circumstances listed below:

- Attendance as a juror, witness in court proceedings or other official investigations or temporary military leave
- Absences caused by CCDDR office closure
- Absences caused by other CCDDR operating requirements
- Partial day amounts other than those specifically discussed below

The few exceptions to the requirement to pay exempt employees on a salary basis are listed below. In these cases, deductions are permissible:

- Absences of one or more full days for personal reasons other than sickness or disability. Thus, if an employee is absent for two full days to handle personal affairs, the employee's salaried status will not be affected if deductions are made from the salary for two full-day absences. However, if an exempt employee is absent for one and a half days for personal reasons, a deduction will be made only for the one, full-day absence. (NOTE: Employees may use any available PTO to cover such full day absences.)
- Absences of one or more full days due to sickness or disability (including work-related accidents) if the deduction is made in accordance with a bona fide plan, policy, or practice of providing compensation for loss of salary occasioned by such sickness or disability. CCDDR is not required to pay any portion of the employee's salary for full-day absences for which the employee receives compensation under the plan, policy, or practice. Deductions for such full-day absences also may be made before the employee has qualified under the plan, policy, or practice, and after the employee has exhausted the leave allowance thereunder.
- While deductions of pay will not be made for absences occasioned by jury duty, attendance as a witness or temporary military leave, any payments received by the employee for jury or witness duty, or military leave may be applied to offset the pay otherwise due to the employee for the workweek.
- Penalties imposed in good faith for infractions of safety rules of major significance.
- Unpaid disciplinary suspensions of one or more full days imposed in good faith in accordance with a CCDDR written policy applicable to all employees.
- Deductions for the first and last workweek of employment, when only part of the workweek is worked by the employee.
- Deductions for unpaid leave/time off taken under the Family and Medical Leave Act

Deductions to pay are only made in whole-day increments. Exempt employees request, use, and report PTO or other leave of absences time in whole-day increments.

<u>What to do if an Improper Deduction Occurs</u>

Improper deductions are not allowed. If you believe an improper deduction has been made to your salary, you should immediately report this information to your direct supervisor, Compliance Manager, and/or Executive Director.

Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, you will be promptly reimbursed for any improper deduction made.

REFERENCES:

- FLSA Regulations

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