

# **Compensation Policy for Administrators and Staff**

## **Policy Statement**

This safe harbor policy assures employees of Marywood University of its practice to accurately compensate them, to do so in compliance with all applicable state and federal laws, and to correct mistakes when they are called to its attention. It is expected, therefore, that all employees of Marywood University will review their payroll record promptly each time compensation is received, and report any perceived error to the Office of Human Resources.

The Office of Human Resources will fully investigate every report of perceived error or violation of this policy, will take corrective action when appropriate, and will make a good will effort to avoid violations in the future. In addition, the University will not allow any form of retaliation against individuals who report alleged violations or who cooperate in the University's investigation of such reports. Any form of retaliation in violation of this policy may result in disciplinary action, up to and including discharge.

## **Definitions**

The following definitions of exempt and nonexempt status are based on provisions of the Fair Labor Standards Act (FLSA) and state law:

Exempt employees are management, supervisory, professional and administrative employees whose positions meet specific tests established by the FLSA and state law and who are exempt from overtime pay requirements.

Nonexempt employees are those whose positions do not meet FLSA exemption tests and who are paid one-and-one-half times their regular rate of pay for hours worked in excess of 40 in one week.

## **Procedures**

### ***Nonexempt Employees***

A nonexempt employee must maintain an accurate record of the total hours worked each day. The record must include all regular and overtime hours worked, any absences, late arrivals, early departures and meal breaks. The signature of the employee is required as an indication that the record is complete and accurate. The signature of the immediate supervisor is required for verification and approval.

A nonexempt employee may not work any hours that are not previously authorized. They do not start work early, finish work late, work during a meal break, or perform any other unauthorized extra or overtime work. They are prohibited from performing "off-the-clock" work, i.e, work performed and not reported.

Falsifying a report of time worked, or altering another employee's report may be subject to disciplinary action, up to and including discharge.

### ***Exempt Employees***

The salary of an exempt employee is established at the time the position is classified as exempt. While it may be subject to review and modification at appropriate times, the salary is a predetermined amount.

For accrual purposes, an exempt employee must report absences on an employee personal record sheet. The signature of the immediate supervisor is required for verification and approval.

Under federal and state law, the salary of an exempt employee is subject to certain deductions, as follows:

- full day absences for personal reasons, other than those provided in University policy;
- full day absences for sickness or disability, other than those provided in University policy;
- full day disciplinary suspensions for infractions of the University's written policies and procedures;
- full or partial day absences that constitute unpaid leave under the Family and Medical Leave Act;
- to offset amounts received as payment for jury and witness fees or military pay;
- absences during the initial or terminal week of employment in the event the employee works less than a full week.

The exempt employee's salary may also be reduced for certain types of deductions such as the employee's portion of health; dental or life insurance premiums; state, federal or local taxes; social security; voluntary contributions to a 401(k) or pension plan, and garnishments directed via court order.

In any work week in which the exempt employee performs any work, the salary will not be reduced for any of the following reasons:

- partial day absences for personal reasons, sickness or disability;
- absence on the day before or after a paid holiday or because the University is closed on a scheduled work day;
- absences for jury duty, attendance as a witness, or military leave in any week in which the exempt employee has performed any work;
- any other deductions prohibited by state or federal law.

The regulations of the Department of Labor entitles the University to reduce any employee's accrued vacation, personal or other forms of paid time off for full or partial day absences for personal reasons, sickness or disability.

Any employee of Marywood University who believes that improper deductions have been made, or that there is any other error in the amount compensated, should contact the Office of Human Resources immediately.

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## **Related Policies and Committees**

Employment Classifications  
Compensation Policy for Faculty  
Payroll

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## **History of Compensation Policy for Administrators and Staff**

07/01/91 - Reaffirmed with publication of Personnel Manual with the title Wage and Salary Program  
11/06/98 - Revised to clarify calculation of overtime as recommended by University Committee on Policy  
02/24/06 – Revision, including change of title to Compensation Policy for Administrators and Staff, approved by the President of the University as recommended by the Policy Committee of the University

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MARYWOOD UNIVERSITY  
POLICIES AND PROCEDURES MANUAL