



## ADMINISTRATIVE POLICIES AND PROCEDURES

Policy: Salary Deductions for Exempt Employees Policy

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Prepared By: HR Department

Approved By: City Manager

Legal Review: Elizabeth Ruhmann

### **POLICY: SALARY DEDUCTIONS FOR EXEMPT EMPLOYEES POLICY**

The City of El Paso ("City") is committed to complying with the pay practices governed by the Fair Labor Standards Act (FLSA). If exempt employees have questions about this policy or the regulations defining it, or feel that salary deductions have been improperly made, they should immediately contact the Human Resources Department, which can help the employee to understand how the regulations affect a given situation and/or investigate a complaint.

#### **I. GENERAL PROVISIONS**

- A. The City prohibits deductions from the salary of a salaried-exempt employee based on the quality or quantity of work performed or any other reason that is inconsistent with pay on a salary basis under federal wage and hour regulations. Subject to certain exceptions, a salaried exempt employee must receive his or her full salary for any week in which he or she performs any work without regard to the number of days or hours worked. Exceptions to the general rule include the following:
1. The City need not pay the salary of a salaried-exempt employee for any workweek in which the employee performs no work.
  2. The City may make deductions from salary for absences in excess of one-half work day or more.
  3. The City may make deductions from salary for absences in excess of one-half work day or more, occasioned by sickness or disability so long as the City maintains its leave plan that provides compensation for loss of pay occasioned by sickness or disability. Deductions for such absences may be made, for instance, when the employee has insufficient leave or after the

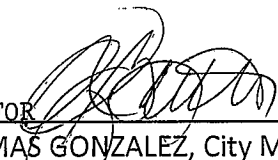
employee has exhausted his or her leave. *An exempt employee's record of sick usage is subject to investigation pursuant to the City's Investigating Sick Leave Abuse and Overuse Policy.*

4. The City may make deductions from the salary of exempt employees for penalties imposed in good faith for infractions of safety rules of major significance.
  5. The City may also make deductions from the salary of exempt employees for unpaid disciplinary suspensions of one or more full days imposed in good faith for infractions of workplace conduct rules such as insubordination, sexual harassment, workplace violence, or other City or departmental workplace conduct rules. The City may make any other leave deductions permitted under the public accountability rules of the Department of Labor, and as otherwise permitted by law.
  6. The City is not required to pay the full salary of a salaried-exempt employee in the initial or terminal week of his or her employment if the employee works a partial week during such week.
- B. Deductions from Leave Bank Balances: For absences taken of one-half work day or more, due to personal or health-related reasons, the City may deduct from an exempt employee's applicable leave bank balance the number of hours missed.

## II. COMPLAINT PROCEDURE

- A. If a salaried-exempt employee believes that the City has made an improper deduction from his or her salary, he or she should immediately report the alleged improper deduction to the Human Resources Department. Once notified, the City will work to resolve the issue and reimburse the employee if an improper deduction has in fact been made.
- B. If the employee believes the resolution offered by the City is unsatisfactory or unlawful, the employee may file a complaint with the US Department of Labor, Wage and Hour Division.
- C. The City will in no way retaliate against any employee for making a good-faith complaint about any payroll discrepancies or problems.

APPROVED BY:

FOR   
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TOMAS GONZALEZ, City Manager

DATE: 9/17/15