



## Policy

Title:	<b>Pay Practices</b>
Effective Date:	March 11, 2016
Approved By:	President's Council
Responsible Party:	Vice President of Finance
History:	
Related Documents: Hours of Work and Overtime Policy; Direct Deposit Authorization Agreement form;	

### I. PURPOSE

To define the day on which all University employee's will receive cash compensation in return for their provided services to the University and to define the manner in which such compensation will be issued.

### II. DEFINITIONS

N/A

### III. POLICY

All employees are paid bi-weekly schedule, every other Friday. When a holiday occurs on a biweekly pay day, paychecks are distributed the last business day before the holiday. Each pay week in the biweekly pay period runs from 12:00 a.m. Sunday until 11:59 p.m. midnight the following Saturday. Any overtime is calculated on the basis of the work week in which extra working hours occur.

Full-time and part-time exempt employees are paid on a two-week pay period and the pay includes pay earned on the actual payday.

Full-time and part-time non-exempt employees are paid on a two-week pay period and the pay date is the Friday after the pay period ends.

### IV. PROCEDURE

#### Overtime

Every attempt is made to accomplish all necessary work without requiring overtime from our employees. When overtime is necessary to meet the needs of the academic programs, patient needs or the University's business commitments and operational demands, supervisors will try to provide employees with as much notice as possible of required overtime.

Overtime is permitted only as authorized and approved by an employee's supervisor in advance of it being worked.

Non-exempt employees who work more than forty (40) hours in a workweek will be paid at one-and-one-half (1 ½) times their regular hourly rate of pay for all hours beyond forty (40). Special rules apply to bargaining unit employees for work performed on Sundays and/or Holidays. Refer to the applicable current collective bargaining agreement for more information.

Exempt employees are not eligible for overtime.

### **Issuance of Pay Checks**

Employees may be paid via two methods: direct deposit or paper paycheck.

All employees receive paychecks on the same day – every other Friday. However, the University utilizes two separate pay periods for exempt and non-exempt employees. Exempt employees utilize a two-week pay period that begins the week before pay day and ends on the Saturday after the pay date. Non-exempt employees have a pay period that begins three weeks before the pay date and ends on the Friday one week prior to the pay date.

### **Direct deposit**

Direct deposit provides the convenience of having paychecks electronically deposited into checking or savings accounts. All faculty and staff are strongly encouraged to take advantage of direct deposit because of the many advantages it offers. In addition to being efficient and convenient, direct deposit is the most reliable method of receiving pay.

- Pay may be directed into to a maximum of five financial institution accounts. Direct deposit allocations may be viewed on the employee pay and taxes tab in the ADP Employee Portal.
- Pay will be available on each pay date in the appropriate financial accounts.
- Employees may enroll in, change or cancel direct deposit allocations by completing and submitting the appropriate on-line form via the ADP Employee Portal. A minimum of 7 working days prior to pay date is required to process a direct deposit enrollment, change or cancellation.
- Employees enrolled in direct deposit will have access to their pay stubs on-line via the ADP Employee Portal.

### **Paper paychecks**

- Paychecks will be available for pick-up from 9:00AM until 3:00 PM on each pay date in the Business Office on the Elkins Park campus.
- An employee may pick-up his/her own paycheck by showing valid picture identification. The employee may designate in writing a representative to pick-up pay his/her paycheck.
- Paychecks not picked up will be mailed to the local mailing address of the employee on file in the ADP Employee Portal.
- Pay information may be viewed on-line via the ADP Employee Portal.

### **Deductions**

The University is required to withhold tax and to report taxable income according to the requirements of federal, state and local government agencies and the Social Security Administration. All employees are required to complete the appropriate tax information forms prior to being placed in the payroll system. Revised tax forms are required whenever the employee's tax status, geographical location of employment,

or number of allowable exemptions changes. Forms are available on the ADP Employee Portal or in the Office of Human Resources.

The University will deduct employees' share of any University-provided benefit or voluntary deduction from the first two paychecks of each month (24 times per calendar year).

The University prohibits improper deductions from pay and considers improper deductions as serious violations of University policy. Pursuant to the Fair Labor Standards Act (FLSA), the University provides a complaint process whereby employees who think that their pay has been docked improperly can complain. If an employee notifies the University that he or she believes that an improper deduction has occurred, the University is committed to the prompt resolution of the complaint.

### **Limitations on the Reduction of the Salary of an Exempt Employee:**

FLSA requires exempt employees be compensated on a "salary basis," as required by the U.S. Department of Labor. The salary of an exempt employee cannot be reduced because of variations in the quality or quantity of work performed. An exempt employee must be paid the full salary for any day in which work is performed. No salary will be paid in any workweek when no work is performed.

Authorized Reductions in the Salary\* of an Exempt Employee are limited to the Following Situations:

- Absences from work for one or more full days for personal reasons, other than sickness or disability;
- To offset any amounts received as payment for jury duty fees, witness fees, or military pay;
- Penalties imposed in good faith for violating safety rules of "major significance";
- Unpaid disciplinary suspension of one or more full days imposed in good faith for violations of workplace conduct rules;
- A portion of an employee's full salary may be paid for time actually worked in the first and last weeks of employment;
- Unpaid leave taken pursuant to the Family Medical Leave Act; or
- Deductions in the salary of exempt employees due to a budgetary required furlough.
- Mandatory deductions required by Federal, State or court order.

*\*These are reductions in salary. Reductions from leave accruals for sick, vacation and other authorized leaves will still be made in half or full day increments.*

### **Good Faith Effort**

In the event of an error in payment or an improper deduction, staff should contact their supervisor as soon as possible. Supervisors will then contact the payroll office and send the necessary paperwork to correct the matter. When Payroll receives the correction, the Controller will determine how the error is to be corrected – either through a manually created paycheck or in the individual's subsequent paycheck.

### **Non-retaliation**

In the case of a reimbursement for improper deduction, the University makes a good faith commitment to comply with the law in the future. A good faith effort will include, but not be limited to, providing a notice to all supervisors and managers for employees in the same job classification where the improper deduction occurred. That notice will describe the improper deduction and its resolution and describe the potential impact for University loss by any future, and particularly repeated, improper deduction.

### **Lost or Stolen Checks**

One of the reasons that direct deposit is strongly encouraged is that checks that are physically lost or stolen can significantly delay the delivery of pay to staff. If a paycheck is lost or stolen, staff should contact the payroll representative immediately. A payroll representative will contact the University's Payroll Service provider to issue a stop payment on the lost or stolen check. Once the payroll provider has been notified of the stop payment, the payroll department has two (2) business days to issue a new check.

### **Additional Work**

Employees who perform work outside their Faculty Assignment Sheet or normal duties will be compensated accordingly. The employee's supervisor is responsible for completing and approving a check request which must include the dates and hours worked, cost center, amount of payment and description of services performed. The check request must be received by the Payroll Department the Monday prior to the pay date to allow sufficient time for processing.