**WORKING HOURS AND SALARY DEDUCTIONS**

**Section 1. General**

**Section 1.1** Hawthorn will regularly pay employees for work performed and will not make deductions from salary except as required by law or in accordance with Board policy.

**Section 1.2** Nothing in the policy shall prevent Hawthorn from properly charging absences against Board-approved Paid Time Off or other such leave or from making deductions from pay for unapproved or unpaid absences, as established in Board policy.

**Section 2. Working Hours**

**Section 2.1** Non-exempt employees must maintain a record of the total hours worked each day. These hours must be accurately recorded on a time sheet that will be provided by Hawthorn. The employee must sign the time sheet to verify that the reported hours worked are complete and accurate. The time sheet must accurately reflect all regular and overtime hours worked, any absences, late arrivals, early departures and meal breaks. Employees should review each paycheck, and verify immediately that the employee was paid correctly for all regular and overtime hours worked during each work week.

**Section 2.2** Employees should not work any hours that are not authorized by a supervisor. Employees should not start work early, finish work late, work during a meal break or perform any overtime work unless authorized to do so and the time is recorded on the time sheet. Employees are prohibited from performing any “off-the-clock” work. “Off-the-clock” work means work performed but not reported on the employee’s timesheet. Any employee who fails to report or inaccurately reports any hours worked will be subject to disciplinary action, up to and including termination.

**Section 3. Voluntary Deductions**

**Section 3.1** The employee must authorize all voluntary deductions in writing. Hawthorn will deduct the administrative cost of compliance in addition to the deduction amounts authorized by the employee.

**Section 3.2** The Board may authorize voluntary payroll deductions from compensation earned by employees. These deductions may be taken for, but are not limited to, credit unions, individual retirement accounts (IRAs), group insurance premiums or other voluntary contributions. The amount deducted will be remitted to the organization, company or association authorized by the employee. The Board shall not be responsible for any good-faith error in the administration of this service.

**Section 4. Involuntary Deductions**

**Section 4.1** Hawthorn will make all deductions as required by law and will make deductions when presented with a garnishment, wage attachment or other legal order. The Head of School or designee may authorize an administrative fee for processing these mandatory deductions when allowed by law.

**Section 4.2** In addition, Hawthorn may make deductions from an employee's salary or wages for unauthorized absences, absences for which there is no paid leave or absences that exceed the paid leave provided to the employee. Hawthorn may also make deductions for disciplinary purposes, such as an unpaid suspension, in accordance with law and Hawthorn policy.

Hawthorn may make deductions when an employee clearly owes Hawthorn money and the deduction does not otherwise violate the law.

**Section 4.3** Salary deductions for exempt employees shall be computed by dividing the salary, excluding extra-duty pay, by the number of days in the contract period. Deductions for nonexempt employees shall be based upon the hourly rate of the individual employee.

**Section 5. Improper Deductions**

**Section 5.1** Hawthorn will comply with federal and state wage and hour regulations. The Head of School or designee shall be informed of any required wage adjustments and any necessary budget adjustments shall be brought to the Board of Directors for approval.

**Section 5.2** Hawthorn shall pay its exempt employees on a salary basis and will not make deductions from the salary that are prohibited under the Fair Labor Standards Act (FLSA). Employees who believe their pay has been improperly reduced should immediately report this information to their direct supervisor(s). If not resolved by the supervisor to the employee's satisfaction, the employee should contact the Head of School to request an investigation. The employee will be asked to complete an investigation form. If the deduction is determined to be improper, Hawthorn will reimburse the employee as promptly as possible, but in no case longer than two pay periods from the identification of the problem. The resolution of the situation will be documented on the part of the employee that the situation has been resolved and placed with the employee's pay records.