

<b>Chapter:</b>	Human Resources		
<b>Title:</b>	Wage, Hour and Time Reporting Compliance		
<b>Policy:</b> <input checked="" type="checkbox"/> <b>Procedure:</b> <input type="checkbox"/>	<b>Review Cycle:</b> Triennial <b>Author:</b> HR Spec. and Fin. Dir.	<b>Adopted Date:</b> 08.2020 <b>Review Date:</b> 11.2023	<b>Related Policies:</b> Payroll, Fiscal Policy 3.0-3.3 <a href="#">Family Medical Leave (FMLA)</a> <a href="#">Medical Leave</a>

**Purpose:**

This policy is set forth to ensure Hopeful Horizon’s compliance with federal and state employment laws specifically related to wage, hour and time reporting requirements.

**Scope:**

This policy applies to:

- All HH Staff
- HH Board Members
- Other:
- Selected HH Staff, as specified:
- HH Volunteers

**Policy:**

It is the policy of HH to pay employees for time worked in an accurate and timely manner, in accordance with applicable federal state and local laws, and to maintain the required supporting documents and records. To this end, HH and its employees shall also comply with time and effort reporting as stipulated in federal and other grants.

Employees are responsible to comply with HHS’ procedures with respect to time and attendance reporting. Supervisors are responsible to be familiar with those procedures as well as the basic provisions of the Federal Fair Labor Standards Act (FLSA) covering time reporting, record keeping, overtime and travel. This policy applies to both exempt and nonexempt employees under the FLSA.

- A. **Employee Record Requirements:** HH shall keep employee records as specified by the United States Department of Labor including:
  1. Personal information, including employee's name, home address, occupation, sex, and birth date if under 19 years of age. Information shall be obtained at the start of employment and updated as information changes.
  2. Hour and day when workweek begins
  3. Total hours worked each workday and each workweek
  4. Total daily or weekly straight-time earnings
  5. Regular hourly pay rate for any week when overtime is worked
  6. Total overtime pay for the workweek
  7. Deductions from or additions to wages
  8. Total wages paid each pay period
  9. Date of payment and pay period covered
  
- B. **Employee Classifications:** Consistent with the FLSA, HH classifies employees for the purposes of human resources administration and as required for time reporting and payroll transactions. All exempt and nonexempt employees have a paid 30 minute lunch break.
  1. Exempt: This category generally includes salaried employees who are in executive, supervisory, professional, and administrative positions, among other positions, as

defined by the FLSA and accompanying regulations. Exempt employees are those to whom the overtime provisions of the FLSA do not apply.

2. **Non-Exempt:** This category generally includes all employees who are paid on an hourly basis and whose jobs are not exempt as determined by the FLSA. Non-Exempt employees are entitled to overtime pay for work exceeding 40 hours in each work week.

**B. Standard Work Schedule:** The standard work week for full-time employees is a 40-hour week consisting of five 8-hour days. Because HH operates some services 24/7/365 and some positions require flexible work hours including evening and weekends, HH does not have a standard schedule for all employees. Employees shall be informed of their work schedules by their immediate supervisors.

1. **Non-exempt (hourly) employees:** Work schedules for non-exempt employees normally include a paid meal period of 30 minutes. During the meal period the employee is free from all work unless they are working alone in 24-hour staffed setting in which case the meal period may be spread over the shift. Additionally, work schedules may provide for one paid 15-minute rest period for each consecutive four hours worked.
2. **Exempt employees:** Work schedules for exempt employees normally include a meal period and break period similar to the above. However, a salaried exempt employee is expected to work to the completion of their tasks and duties and at times this may require the employee to work through a break period, stay past normal hours of operation, or come in on weekends.
3. **Flexibility in the work schedule** may be approved as part of reasonable accommodation, in accordance with a Family Medical Leave request or to accommodate special circumstances for the employee or HH. Adjustments to the work schedule require prior approval of the supervisor. Required accommodations or FMLA requests shall be made and approved in accordance with HHs' procedure.

**C. Overtime:** Overtime work is strongly discouraged; however, HH recognizes that the nature of the services rendered by this organization is such that overtime work is occasionally necessary as part of the fulfillment of the professional responsibilities of the organization and its employees.

**Exempt Employees:** Flex time may be provided at the discretion of the supervisor for hours worked beyond 40 hours. Exempt employees are not entitled to overtime pay.

**Non-Exempt Employees:**

1. All overtime work must be pre-approved by the employee's immediate supervisor.
2. Employees shall be paid at a rate of one and one-half times the employee's regular rate of pay for hours worked more than forty hours during the regular workweek. For purposes of determining overtime, the regular workweek begins 12:01 a.m. Sunday and ends at 12:00 a.m. the following Saturday night. The overtime rate shall be computed by multiplying the regular rate of pay by 1.5.
3. Only hours actually worked shall be used to calculate overtime pay. Paid time off for holidays, jury duty, vacation, sick leave or any leave of absence will not be considered "hours actually worked."
4. Lunch breaks of thirty (30) minutes or more are not counted toward the calculation of overtime unless the employee is engaged in work during their lunch break. It is the employee's responsibility to inform their supervisor if they perform work during a lunch break.
5. Compensatory time off in lieu of overtime payments will not be granted.

- D. **Travel Time:** Travel time for non-exempt employees is paid in accordance with the FLSA. Whether time spent traveling by an employee is compensable work time depends on the type of travel and its purpose.
1. **Travel from Home to Work:** In general, the time an employee spends going from home to work and from work to home is not work time, whether the employee reports to a fixed location or to different job sites. There are limited instances when travel from home to work is considered work time:
    - a. If an employee who is already home from work is called and must return to work for an emergency.
    - b. If an employee has a special assignment for one day in another city and travels outside the regular workday to get there and back.
  2. **Single-Day Travel:** Time spent by the employee on travel as part of normal work activities – such as travel from the job site to a seminar during regular working hours – is considered hours worked. If the employee is required to travel to another city and return home on the same day, the travel time to and from the other city is considered hours worked.
  3. **Travel Away from Home Overnight on a Workday:** Travel time involving a required overnight stay is considered hours worked if performed during the employee’s regular workday or outside of normal work hours.
  4. **Travel on a Non-Workday:** If the employee regularly works from 8 a.m. to 5 p.m., Monday through Friday, traveling during the same hours on Saturday and/or Sunday is considered hours worked. Any work that the employee performs while traveling is considered hours worked even if these hours are outside the employee’s normal work schedule.
  5. **Travel as Part of Job:** Time spent traveling as part of an employee’s daily work activity (during normal work hours) is compensable work time, including travel from one job site to another or travel from a designated meeting place to a job site.
  6. **Travel to and from Home in a Company Vehicle:** Use by an employee of an employer’s vehicle for commuting and other incidental travel is not part of the employee’s principal activities and is not compensable time if the vehicle is used within the normal commuting area for the employer’s business.

Unless approved otherwise, employees are responsible, with supervisory input, to adjust their work schedule accordingly if travel is required and part of compensable work so as not to create an overtime situation.

- E. **Time Reporting and Approval:** HH uses a HRBP to administer employee time reporting for the purpose of recording hours worked and as required for payroll.
1. Employees shall complete accurate and timely reporting of actual time worked in accordance with approved procedures.
  2. Supervisors shall provide timely review and approval of the submitted time, for each employee, for the reporting period in accordance with approved procedures. Any modifications to an employee’s report of time worked shall be made in consultation with the employee and in accordance with approved procedures.
- F. **Time and Effort Reports:** All HHs’ employees who are paid in full or in part with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities using an “Activity Timesheet”. In addition, employees who are paid from state and local funds, but whose salaries are used for cost sharing or matching, must also keep time and effort documentation. Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. In accordance with § 200.430(i)(1), these records must:

1. Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated
2. Be incorporated into official records
3. Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities
4. Encompass both federally-assisted and all other activities compensated by the agency on an integrated basis
5. Comply with the established accounting policies and practices of the agency
6. Support the distribution of the employee's salary or wages among specific activities or cost objectives

Employees shall provide timely and accurate time and effort reporting consistent with approved procedures and as required by HHs' Finance Department.

G. Payment of Wages: HHs' Finance Department shall administer payroll in accordance with approved procedures.

1. HH shall pay wages for time worked in accordance with federal and state laws.
2. If wages are paid through direct deposit to the employee's approved financial institution, HH shall provide the employee with a statement of earnings and withholdings.
3. HH shall not withhold or divert any portion of an employee's wages unless the organization is required or permitted to do so by state or federal law, or the employer has given written notification to the employee of the amount and terms of the deductions.
4. When HH separates an employee from employment for any reason, HH shall pay all wages due to the employee within forty-eight hours of the time of separation or the next regular payday, which may not exceed thirty days.

H. Policy Violations: Employees who knowingly violate provisions of this policy are subject to discipline up to and including termination.

### **Communication and Training:**

The Board shall receive a copy of the policy at the time of periodic review and will have an opportunity to ask clarifying questions during the approval process. Employees and volunteers shall receive notice of the Board's policy review and approval including notice of any substantive changes. The notice will provide a link to the policy located on the HH website.

HR staff shall have sufficient orientation to the HRBPs' online time reporting technology to orient new employees to the process and to support other employees in problem solving time reporting. HR staff shall also stay abreast of changes to state and federal employee laws in order to appropriately recommend updates to HHs' policies and procedures.

### **Definitions:**

1. Fair Labor Standards Act: The FLSA is a federal law that defines minimum wages, overtime pay, equal pay for equal work, and other standards.
2. Human Resource Business Partner (HRBP): A human resource business partner is an HR professional who uses their experience to help companies and their leadership teams create or evolve their HR departments. HHs uses a Professional Employer Organization (PEO) as our HRBP.

- Professional Employer Organization: A PEO, or professional employer organization, is a type of full-service human resource outsourcing known as co-employment. In this arrangement, the PEO performs various employee administration tasks, such as payroll and benefits administration, on behalf of a business.

**Other Related Materials:**

Activity Timesheet  
 Time Sheet Procedure  
 Request for Reasonable Accommodations  
 ADP Workforce Now – Essential Time Employee User Guide

**References/Legal Authority:**

[Compensation Personal Services, Code of Federal Regulations, 200.430\(i\)\(1\).](#)

[Fair Labor Standards Act \(FLSA\) 29 U.S.C. § 203](#)

[Hiring Employees, Internal Revenue Services, 2023](#)

[Record Keeping Requirements Under the FLSA, Wage and Hour Division US Dept. of Labor, 29 CFR Part 516, 2008.](#)

[Overtime Pay, Wage and Hour Division, US Department of Labor, 2023.](#)

[Payment of Wages, Labor and Employment, SC Code of Laws, 41.10 10-110, 2023.](#)

[Travel Time, Portal-to-Portal Act §4; W-H Regulation 29 CFR §785.33 - §785.41.](#)

**Change Log:**

Date of Change	Description of Change	Responsible Party
11.2023	This policy is updated to the new templated; combines classification and overtime policies and adds requirements for time reporting procedures; adds communication and training, definitions, other related materials and references.	N. Miller, Prog. Eval Consultant in consultation with R. Lucovich, HR Spec. and M. Cruz, Director of Finance