

**PERMITTED SALARY DEDUCTIONS FOR ABSENCES
AND DISCIPLINE OF CERTAIN EXEMPT EMPLOYEES**

Policy Code: 7560

1 The Transylvania County Board of Education (the “board”) will comply with the salary basis
2 requirements of the Fair Labor Standards Act (FLSA) and applicable state laws and State Board
3 of Education policies. ~~A Sschool employees who is are~~ classified as ~~an exempt employee subject~~
4 ~~to the salary basis requirement of~~ under the FLSA ~~must be paid on a salary basis, which means~~
5 ~~that the employee regularly receives a predetermined amount of compensation each pay period.~~
6 ~~This predetermined amount may not be reduced because of variations in the quality or quantity~~
7 ~~of the employee’s work . Subject to the exceptions listed below, an exempt employee must~~
8 receive the full salary for any workweek in which the employee performs any work, ~~subject to~~
9 ~~the exceptions listed below~~ regardless of the number of days or hours worked. Exempt
10 employees need not be paid for any workweek in which they perform no work.

11
12 The board prohibits making improper deductions from the salaries of exempt employees. The
13 provisions provided in this policy do not require a deduction if an employee has applicable leave
14 available under the school’s leave policies.

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16 **A. DEDUCTIONS FROM PAY**

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18 The following information applies only to exempt employees subject to the FLSA salary
19 requirements as described in 29 C.F.R. Part 541 Subpart G.

- 20
21 1. The board will make partial or full day ~~D~~deductions from the pay of an exempt
22 employee if: the employee accrues paid leave; the employee is absent for personal
23 reasons or because of illness or injury; and the employee does not use accrued
24 leave because of one of the following reasons ~~are permissible in the following~~
25 ~~circumstances:~~
- 26
27 a. ~~permission for its use has not been sought or has been sought and denied~~
28 ~~for absences of one or more full day(s) for personal reasons other than~~
29 ~~sickness or disability;~~
 - 30
31 b. ~~accrued leave has been exhausted for absences of one or more full day(s)~~
32 ~~due to sickness or disability if the deduction is made in accordance with~~
33 ~~the school’s leave policies; or~~
 - 34
35 c. ~~the employee chooses to use leave without pay. to offset amounts~~
36 ~~employees receive as jury or witness fees or for military pay; or~~
 - 37
38 d. ~~for unpaid disciplinary suspension of one or more full days imposed in~~
39 ~~good faith for workplace conduct rule infractions.~~
- 40
41 2. In addition, the board may make partial day or full day deductions from the pay of
42 an exempt employee salary in the following circumstances:

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- 44 a. to offset amounts the employee received as jury fees, witness fees, or
45 military pay;
- 46
- 47 b. during the initial or final week of employment;
- 48
- 49 c. for penalties imposed in good faith for infractions of safety rules of major
50 significance; or
- 51
- 52 d. for unpaid disciplinary suspension of one or more full days imposed in
53 good faith for infractions of workplace conduct rules. ~~for weeks in which
54 an exempt employee takes unpaid leave under the Family and Medical
55 Leave Act.~~
- 56

57 **B. REPORTING IMPROPER DEDUCTIONS**

58
59 If an employee believes that an improper deduction has been made to his or her salary,
60 the employee should report this information to his or her direct supervisor as soon as
61 possible. Any supervisor who receives a report of an alleged improper deduction must
62 notify the payroll department immediately.

63
64 Reports of improper deductions will be promptly investigated promptly. If it is
65 determined that an improper deduction has occurred, the employee will be promptly
66 reimbursed for the improper deduction.

67
68 If the complaining employee is not satisfied with the investigation concerning improper
69 deductions, he or she may file a grievance pursuant to policy 1750/7220, Grievance
70 Procedure for Employees.

71
72 Legal References: The Fair Labor Standards Act of 1938, as amended, 29 U.S.C. 201 *et seq.*, 29
73 C.F.R. Part 541; *North Carolina Public Schools Benefits and Employment Policy Manual (N.C.
74 Dept. of Public Instruction, current version)*, available at [https://www.dpi.nc.gov/districts-
75 schools/districts-schools-support/district-human-capital/employee-policy](https://www.dpi.nc.gov/districts-schools/districts-schools-support/district-human-capital/employee-policy)

76
77 Cross References: Grievance Procedure for Employees (policy 1750/7220), Leave of Absence
78 (policy 7510), Family and Medical Leave (policy 7520), Military Leave (policy 7530),
79 Voluntary Shared Leave (policy 7540)

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81 Adopted: March 7, 2016

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83 Revised: [DATE]