



Deductions from Salary of Exempt Employees

Policy Number	3-003.4
Responsible Authority	Associate Vice President and Chief Human Resources Officer
Initiating Authority	Senior Vice President for Administration and Finance
Effective Date	7/7/2023
Date of Origin	12/1/2004

APPLICABILITY/ACCOUNTABILITY

This policy applies to all exempt employees of the university.

POLICY STATEMENT

Employees who are classified as exempt from the overtime provisions of the Fair Labor Standards Act (FLSA) are paid on a salary basis at a rate intended to compensate the employee for all hours worked during the pay period. While the salary may be subject to review and modification from time to time, the salary will be a predetermined amount that will generally not be subject to deductions based on variations in the quantity or quality of the work performed, except for deductions made in compliance with the requirements of federal, state, or local law, and consistent with any applicable collective bargaining agreement, such as for the withholding of applicable taxes and for voluntary payroll deductions.

The university does not allow deductions from pay that violate the FLSA or reduce wages to less than minimum wage (unless otherwise permissible by federal, state, or local statute).

Partial day or full day deductions from pay are permissible under certain circumstances, including the following:

- for absences from work when an employee has exhausted personal, annual, or sick leave
- to offset amounts employees receive as jury or witness fees or for military pay
- for unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace conduct rule infractions
- in the employee's initial or terminal week of employment if the employee does not work the full week

- for penalties imposed in good faith for infractions of safety rules contained in UCF policy 3-122 and subsequent revisions
 - for time in which an exempt employee takes unpaid leave under the Family and Medical Leave Act
 - for replacement value of unreturned business property
 - for overpayment of wages
 - to recover unauthorized payments
 - for repayment of obligations incurred by the employee relating to their university employment
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DEFINITIONS

Deduction. An employer-initiated adjustment to the employee's biweekly base salary pay calculation.

Exempt employee. An exempt employee, in the context of this policy, is any employee of the university who qualifies for an exemption from the overtime requirements of the Fair Labor Standards Act (FLSA).

FLSA. FLSA establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in federal, state, and local governments.

Voluntary Payroll Deduction. Any payroll deduction from an employee's salary where the employee has authorized the deduction.

PROCEDURES

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CONTACTS

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POLICY APPROVAL (For use by the Office of the President)	
Policy Number: 3-003.4	
Initiating Authority: 	Date: 7/3/2023
University Policies and Procedures Committee Chair: 	Date: 6/27/2023
President or Designee: Alexander Cartwright 	Date: _____

History: 3-003 12/1/2004; 3-003.1 4/21/2010; 3-003.2 2/26/2016; 3-003.3 11/28/2016