

6/11/2018



SPHM
HOSPITALITY

PAY POLICIES



By: | Agustinus Agus Purwanto, SE MM



Series 400

Pay Policies



Subject: Work Schedules

P-400.01

- A. Policy. It is the policy of the club that department heads post work schedules in a designated, conspicuous place within each department not later than 72 hours before the beginning of the schedule period.
- B. Discussion
 - 1. Because of the nature of our business, the club may sometimes have staffing requirements seven days a week. Department heads are responsible for determining the appropriate staffing and scheduling to accomplish the level of work for the forecasted business.
 - 2. Periodically, as business demand warrants, department heads may have to change hours of work without notice to meet operational needs.
 - 3. It is common courtesy and demonstrates respect for employees when department heads ensure that schedules are posted in advance of schedule periods. This allows employees to make necessary adjustments to their personal lives in relation to their work schedules. The 72-hour requirement is a minimum. Department heads are encouraged to be organized enough to post schedules further in advance for the convenience of their staffs.
 - 4. Department heads should save back copies of work schedules for at least 3 months in case any questions arise about a particular employee's schedule and hours.



Policy

1. It is the policy of the club that the established workday is the 24-hour period beginning at 12:01 a.m. and ending at midnight.
2. The workweek extends from 12:01 a.m. Friday to midnight the following Thursday.
3. Each pay period consists of two workweeks.
3. The club pays employees biweekly, i.e., every two weeks, on Friday after 2 p.m. for the pay period ending the previous Thursday. Paychecks may be dispersed in one of three ways:
 - a. Direct deposit to the employee's bank, if previously arranged by the employee. See [Direct Deposit of Paychecks] for more information.
 - b. If requested under special circumstances, mailed to the employee's home address of record.
 - c. Given to the employee's department head to be distributed to the employee only.
 - (1) Employees may receive their paychecks from their Department Heads after 2 p.m.
 - (2) If a paycheck is not picked up by Monday morning, it will be returned to the Accounting Office for safekeeping.
4. From time to time, employees may request that some other individual pick up their paychecks for them. In this case, they should identify to their department head the individual who will pick up their check.



Subject: Timekeeping

P-400.03

- A. Policy. It is the policy of the club that whenever possible an electronic timekeeping system will be used to record and compute non-exempt, hourly pay.
- B. Discussion
 - 1. To ensure prompt and accurate processing of payroll, employees must adhere to proper timekeeping procedures:
 - a. Each employee must punch in at the beginning and punch out at the end of each shift using their electronic badge or timecard.
 - b. Employees must use only their own badge. Using other employees' badge to punch them in and out is considered misconduct and will result in disciplinary action.
 - 2. Employees must notify their supervisors of punching irregularities, such as failing to punch in and out, so that they may be corrected.
 - 3. Employees must punch out for meal breaks unless they are unable to leave their workstations for at least twenty (20) minutes for meals. Supervisors must be made aware when this happens and approve employees' eating at their workstation.
 - 4. Employees are not permitted to punch in more than five minutes before their regularly scheduled starting time unless specifically requested to do so by their supervisor. When this happens, the supervisor will authorize that he requested the employee to punch in early by noting the fact on the timekeeping report.
 - 5. Department heads are responsible for verifying the punches of all their employees. See [Verification of Hours] for more information.



Subject: Verification of Hours

P-400.04

A. Policy. It is the policy of the club that department heads are required to verify the hours of all hourly employees who report to them.

B. Discussion

1. The club has a computerized timekeeping system. Hourly employees are issued magnetic timecards (badges) and are required to punch in and out from work by swiping their badge through the timekeeping terminals.
2. The timekeeping terminal reads each employee's swipes and computes time worked.
3. Failing to punch in or out and other factors will cause the system to incorrectly compute employee hours.
4. It is the department head's responsibility to verify each employee's hours.
5. Department heads should monitor employees' punches on a daily basis to better understand and control their payroll cost.
 - a. Department heads will make the necessary corrections, deletions, and additions pertaining to each employee's hours throughout the pay period. Changes to employees' punches must be signed by both the employee and department head.
 - b. Sick days, vacation days, or other absences must be documented on an Absentee Record, [SPHM Form 121].
6. It is particularly important that department heads check the final timecard report at the end of the pay period to verify all employee hours.
 - a. Department heads must check the following:
 - (1) That individual punches agree with work schedules,
 - (2) That all overtime is approved,
 - (3) That any necessary absences are supported by Absentee Records,
 - (4) That all employees punched in and out for each shift and meal break.
 - b. These checks must be done and the verified report turned in to the Accounting Office by 8 a.m. on Mondays following the end of the pay period so that the payroll may be processed in a timely manner.



Personnel Policies

7. If for any reason, the department head will be unavailable to review the final timecard report of the pay period, he or she must designate another person to do the job and inform the Controller who will be responsible for doing so.
8. Should any department not have an electronic timekeeping system, a mechanical or manual time recording system will be used. All of the above procedures and responsibilities still apply in these situations.



Subject: Overtime

P-400.05

- A. Policy. It is the policy of the club to meet all requirements of the Federal Fair Labor Standards Act (FLSA) and State Wage and Hour laws in compensating employees for overtime.
- B. Discussion. Whenever a non-exempt employee works more than forty hours in a workweek, he will be paid time-and-a-half for each hour worked in excess of forty in a week, exclusive of holiday, vacation, or sick leave hours.



Subject: Exempt Employees

P-400.06

- A. Policy. It is the policy of the club that certain employees who meet the requirements of the Federal Fair Labor Standards Act (FLSA) be declared exempt from overtime payments.
- B. Discussion
1. Generally, management and supervisory staff who meet specific tests regarding salary level and degree of supervision are considered exempt from the overtime provisions of the FLSA. Exempt employees can be expected to work as many hours as necessary to get the job done. However, the club will have concerns about exempt staff who work over 50 hours per week on a regular basis.
 2. When hiring new employees, supervisors must indicate on the Personnel Data Sheet (PDS), [SPHM Form 104], whether or not the position is to be considered exempt.
 3. The following guidance is given to assist in classifying positions as exempt or non-exempt:
 - a. Typically exempt:
 - (1) General Manager
 - (2) Controller
 - (3) Head Golf Professional
 - (4) Head Tennis Professional
 - (5) Golf Course Superintendent
 - (6) 1st Assistant Golf Course Superintendent
 - (7) Executive Chef
 - (8) Clubhouse Manager
 - b. Possibly exempt:
 - (1) Membership Director
 - (2) Maintenance Supervisor
 - (3) Dining Room Manager
 - c. Not exempt:



Personnel Policies

- (1) Assistant Golf Professionals
- (2) Sous Chefs
4. It is the responsibility of the Personnel Administrator, and ultimately the General Manager, to ensure that any exempt position meets the requirements of the FLSA.



Subject: Working Off the Clock

P-400.07

- A. Policy. It is the policy of the club that hourly employees are not permitted to work off the clock at any time for any reason.
- B. Discussion
 - 1. Federal law mandates that hourly, non-exempt employees receive pay for all hours worked. It further mandates that employers provide documentation of hours worked.
 - 2. Allowing an employee to work off the clock violates Federal law and opens the club to payments of back wages and penalties.
 - 3. Supervisors may not require or make agreements of any kind with employees allowing them to work off the clock, whether in exchange for future time off or not.
 - 4. Supervisors must ensure that employees are paid for all time actually worked. Employees cannot be allowed to do work for the club before or after their scheduled shift, unless they are on the clock and being paid for such work.
 - 5. Any supervisor who wishes to change the punched time of an employee on the timecard report (except as noted in paragraph 6. below) must get the employee to sign the affected punch and sign it himself to indicate that no work was done during the period affected by the change.
 - 6. Supervisors are authorized to deduct up to five (5) minutes (but no more) from employees' time when they punch in prior to their scheduled start time. See [Punching in Early] for more information.



Subject: Punching in Early

P-400.08

- A. Policy. It is the policy of the club that hourly employees will not punch in more than five minutes before their scheduled starting time unless specifically requested to do so by their supervisor.
- B. Discussion
 - 1. If the club “suffers or permits” an employee to punch in more than five (5) minutes early on a regular basis, the club may be held liable to pay the employee for such time.
 - a. It is the responsibility of the supervisor to ensure that this does not happen by using appropriate disciplinary procedures.
 - b. Supervisors may dock up to five minutes from an employee’s time if they have punched in early, but will not dock any additional time (i.e. more than five minutes) before the scheduled starting time.
 - c. Employees who continually punch in more than five minutes before their scheduled starting time are subject to disciplinary action. It is the department head’s responsibility to ensure such action is taken. Ultimately, if an employee refuses to desist punching in more than five minutes early, he may be discharged for misconduct.
 - 2. If a supervisor has a legitimate need to have the employee begin working more than five minutes before the regularly scheduled starting time, he needs to note this on the employee’s punch report and pay the employee for the time.
 - 3. Employees are expected to report to work at their scheduled starting time dressed in the appropriate dress or uniform for work. Employees may not punch in and then go to the staff locker room to shower or change into their proper dress while on the clock. Conversely, showering or changing after work shifts may not be done while on the clock.



Subject: Exempt Employee Time Documentation

P-400.09

- A. Policy. It is the policy of the club that exempt employees record and report all hours worked.
- B. Discussion. It is necessary for the club to have a written record of all hours worked by exempt employees. All time spent working will be recorded as well as the use of vacation, sick days, and holidays.
- C. Procedures
 - 1. Exempt employees will use an Exempt Employee Hours Log, [SPHM Form 129], to record all hours worked as well as vacation, sick days, holidays, and other time used.
 - 2. Copies of each exempt employee's log will be turned in bi-weekly to the Accounting Office by the payroll due date (Mondays of the week following the end of the pay period).
 - 3. Hours worked each day will include a deduction for lunch breaks. A minimum of ½ hour or the actual time taken for lunch, whichever is greater, must be deducted from the daily time recorded.



Subject: Pay Procedures

P-400.10

- A. Policy. It is the policy of the club that employees are paid in a timely and accurate manner.
- B. Discussion
 - 1. Supervisors will return the verified and corrected time punch report to the Accounting Office as quickly as possible, but no later than 8 a.m. on Mondays.
 - 2. The Accounting Office will verify supervisors' time punch reports and transmit payroll data to the club's processing service who will prepare and return the checks by Thursday.
 - 3. Supervisors will distribute paychecks to employees on Friday afternoons after 2 p.m.
 - a. Supervisors will not distribute paychecks to anyone other than the employee without notification from the employee to do so.
 - b. If any paycheck has not been picked up within three days, i.e., by Monday morning, of the initial distribution of paychecks, it will be returned to the Accounting Office.
 - 4. Employees should report any suspected errors on their paychecks to their supervisors as quickly as possible. Supervisors should review the suspected error and bring the pay stub to the Accounting Office should the reported error seem bona fide.



Subject: Deductions from Paychecks

P-400.11

- A. Policy. It is the policy of the club that it will make all deductions from employee paychecks as required by law.
- B. Discussion
 - 1. The club is required by law to make deductions from employee paychecks for Federal and State income taxes and employee contributions to Social Security and Medicare. The amount deducted depends upon individual earnings and the information provided by the employee on his Federal W-4 form and State 4 forms regarding number of dependents and the exemptions claimed.
 - 2. Employees who are eligible and choose to take advantage of club benefits may also have deductions for certain benefits such as dependent coverage under the medical and dental plans and life insurance premiums.
 - 3. In addition, the club periodically receives notice of garnishment of wages or other court ordered deductions from employee paychecks. We are required by law to withhold these amounts.
 - 4. The club requires each employee to sign an Authorization to Make Deductions, [SPHM Form 109], giving the club authority to make deductions in these instances or when an employee fails to return or damages club property, or in other specified cases.



Personnel Policies

Subject: Severance Pay

P-400.12

Policy. It is the policy of the club that severance pay is not routinely paid to terminating employees.



Subject: Final Paychecks

P-400.13

- A. Policy. It is the policy of the club that when an employee is terminated for any reason, his final paycheck must be computed and paid in a timely manner according to the requirements outlined below.
- B. Discussion
1. The supervisor must complete a Personnel Data Sheet (PDS), [SPHM Form 104]. The PDS must indicate the type of termination, the effective date, reason for the termination, and whether a number of actions, such as turning in uniforms, keys, etc., have been completed.
 2. In addition to completing the PDS, the supervisor must complete an Employee Separation Document, [SPHM 117], to document the details of the employee's separation.
 3. The supervisor must also verify the employee's hours and submit the verified final timecard report for the individual to the Accounting Office so the final paycheck may be prepared.
 4. In the case of an employee who is being discharged:
 - a. The General Manager must give prior approval, and
 - b. Some States require that the employee be paid his final wages by the next regular payday, while others require he be paid his final wages within three (3) working days of the discharge. The club will meet the requirements of its State.
 5. Because some employee's have been issued uniforms, keys, banks, etc., supervisors should always closely coordinate any termination with the Personnel Administrator.