

Personnel Rule 3.12 – Salary Basis Policy

3.12.0 Authority

SMC 4.04.040 and subsequent revisions thereto, Administration

SMC 4.04.050 and subsequent revisions thereto, Rule-making authority

Fair Labor Standards Act of 1938 as amended, and 29 CFR Part 541

Washington Minimum Wage Act and WAC 296-128-532 Deductions for salaried, exempt employees

3.12.1 Definitions

- A. "Appointing authority" shall mean the head of an employing unit, authorized by ordinance or City Charter to employ others on behalf of the City. The term includes and can be used interchangeably with department head, department director, superintendent, and chief.
- B. "Days" shall mean work days.
- C. "FLSA" shall mean the Fair Labor Standards Act, which regulates minimum wage and overtime compensation requirements.
- D. "Salaried employee" shall mean an employee who is exempt from the overtime provisions of the FLSA and the Washington Minimum Wage Act.

3.12.2 Application of this Rule

- A. This Rule applies to salaried employees.
- B. Appointing authorities may establish written policies and procedures for the implementation and administration of this Rule to facilitate the management of the personnel system within their employing units, provided that such procedures do not conflict with the provisions of this Rule.

3.12.3 Salary Basis

It is the City's policy to comply with applicable wage and hour laws and regulations. The City of Seattle intends that deductions be made from salaried employees' pay only in circumstances permitted by the FLSA, the Washington Minimum Wage Act and the regulations promulgated pursuant to those acts and subsequent amendments.

3.12.4 Complaint Mechanism

- A. Salaried employees should immediately inform their direct supervisor if they have any questions or concerns regarding their salaried status or if they believe that a deduction has been made from their pay that is inconsistent with their salaried status.

- B. To ensure that a department understands a concern or complaint (hereinafter, both referred to as "complaint") and is able to conduct a proper investigation, it is required that any complaint that seeks the payment of money or requests a change in policy be submitted in writing. Each complaint must include the employee's name, employee number, a brief description of the issue and the pay period(s) to which the complaint relates.
- C. If the complaint is not resolved by the supervisor within ten (10) days of the date it was brought to his or her attention, or if, for any reason, the employee is uncomfortable discussing the matter with the supervisor, the employee can submit their complaint to their department's HR representative.

3.12.5 Commitment to Compliance

The City of Seattle is committed to investigating and resolving all complaints promptly and accurately. Any complaint will be resolved within a reasonable time given all the facts and circumstances. If an investigation reveals that an employee was subjected to an improper deduction from pay, the employee will be reimbursed and the City of Seattle will take whatever action it deems necessary to ensure compliance with the salary basis test in the future.