



TOWN OF SHALLOTTE

TIMEKEEPING POLICY & GUIDELINES

SECTION 1: POLICY

The Town allows Department Heads, with approval from the Town Manager, to establish work schedules that align with the department's operational needs in a cost-effective manner. If an employee is unable to report to work due to unavoidable circumstances, they should promptly notify their Supervisor.

A. Non-Exempt Employees

Non-exempt employees are expected to work during their assigned periods excluding breaks or mealtimes, and record their work hours in the Kronos system following the FLSA limits for their position (usually 40 hours in a 7-day period; 171 hours for sworn police in a 28-day cycle or 212 hours for fire staff in a 28-day cycle). Hours worked beyond the FLSA established limit will be compensated in either time or pay at the appropriate overtime rate. If a non-exempt employee works less than 40 hours, they may be required to use accrued paid leave or other approved time off to meet the 40-hour requirement.

B. Exempt employees

Exempt employees are salaried employees and are exempt from the overtime provisions of the Fair Labor Standards Act (FLSA). They are not required to track their time but are expected to fulfill their job responsibilities and manage their work hours to meet the needs of the position. Any absences, such as sick leave or personal business, should be reported. If an exempt employee works fewer than 40 hours in a workweek, they must use accrued paid leave to make up the difference unless otherwise approved by their supervisor.

SECTION 2: PURPOSE

The Town is committed to helping employees balance their professional responsibilities with personal and family obligations, while recognizing that the primary goal is to ensure the effective and efficient delivery of services to the community. The Town reserves the right to adjust work schedules, either temporarily or permanently, as necessary to meet the needs of Town operations.

SECTION 3: SCOPE

This policy applies to all employees. As Town services are essential and continuous, employees are expected to minimize unnecessary absences and tardiness. Attendance and punctuality are fundamental responsibilities of the employee. Frequent absenteeism or tardiness, except for reasons protected by applicable law, may result in disciplinary action, up to and including termination.

SECTION 4: USE OF TIME CLOCKS & KRONOS SYSTEM

The Town of Shallotte uses an electronic time tracking system, Kronos, to record and manage employee time records. Kronos collects the actual time worked by employees using a time clock. Kronos allows employees to accurately monitor and keep track of their time and enables Town of Shallotte to efficiently process employee time worked and leave taken for payroll purposes. The following procedures and

guidelines have been created to ensure accurate recordkeeping and maintain compliance with Town policies.

Non-exempt (hourly) employees are required to clock in/out via the Kronos system for payroll and attendance purposes at the beginning and end of each workday. The Kronos system may include various time-tracking methods, such as electronic time clocks and mobile applications.

Some employees may be required to download a mobile application onto their Town-owned or personal mobile device to record their hours worked. When using the mobile application for time entry, the GPS positioning must be 'on'.

Each pay period, the employee's time card must be reviewed and electronically approved by the supervisor and/or Department Head. If the supervisor or Department Head will be unavailable, they may with the approval of the Town Manager, delegate this responsibility to the on-duty supervisor.

SECTION 5: ROUNDING HOURS WORKED

The FLSA allows an employer to round employee time to the nearest quarter hour. Kronos system clock ins will be rounded according to a seven (7) minute grace period with a fifteen (15) minute round. Use the following guide when determining the round:

7:53 am to 8:07 am = 8:00 am

8:08 am to 8:22 am = 8:15 am

8:23 am to 8:37 am = 8:30 am

8:38 am to 8:52 am = 8:45 am

SECTION 6: CLOCKING IN AND OUT

Employees utilizing an electronic time clock or a mobile application are expected to clock in and out at their regularly scheduled times, as close to the beginning or ending of their shift as possible, or at other times approved by the Department Head. Employees should not clock in more than seven (7) minutes prior to the beginning of their shift and clock out no later than seven (7) minutes after their shift ends.

The Town compensates general employees for overtime at the rate of one and one-half times the hours worked either with time off or by overtime pay. Regular employees are paid overtime for in excess of 40 hours, law enforcement for hours in excess of 171 in a twenty-eight day cycle and firefighters for hours in excess of 212 in a twenty-eight day cycle. Paid overtime will NOT be authorized for the time an employee clocks in early or out late without being specifically required to do so by his/her supervisor for specific circumstances.

Employees who continually clock in early/late or clock out early/late may be subject to disciplinary action. Clocking in before your shift or not clocking out will not be compensated unless approved by the Department Head. Abuse of this may be subject to disciplinary action up to, and including, termination.

If an employee leaves for family or medical reasons and then returns to work the same day, the employee shall clock in at the start of the day, clock out for their appointment, and clock back in when returning to work.

If the total hours entered for an employee does not equal their scheduled work period, the employee must request leave (i.e. vacation, sick, PTO) to make up the time necessary to meet the scheduled work period.

It is the employee's responsibility to enter the appropriate amount of leave time to ensure compensation for the full scheduled work period. Failure to do so will result in lower pay than usual due to decreased hours paid. There will be no time adjustments made after Department Heads have processed time sheets.

Employees on approved leave (i.e. vacation, sick, PTO) for an entire work shift are not required to clock in or out until they return from the approved leave. Supervisors/ Department Heads will notate the leave taken during the administrative approval process prior to the finance department completing payroll for that time period.

Mobile clocking

The Town of Shallotte has made available for select employees the optional use of the Kronos "UKG Ready" mobile clock application (available on Apple App Store or Google Play Store). The will allow employees to perform clocking operations (clock in, clock out, check hours, check accruals, submit time off requests, etc.) from their cell phone. Technical controls have been implemented to prevent abuse of this system. Location services must be enabled for this app to utilize it for clocking in or out. When clocking in or out from the UKG Ready app, the employee's physical location will be registered and recorded for manager verification. Additionally, geofencing has been enabled, which requires employees to be physically present in specific work locations before a clock in/clock out operation is permitted. These geofencing policies will be applied to individual employees based on work needs and typical, appropriate work locations.

The system is monitored and attempts to bypass are recorded. Employees who violate this policy will face consequences ranging from loss of mobile clocking privileges, up to dismissal from their role.

Any use of the Kronos UKG Ready mobile clock application, or any other method of clocking in from a computer or mobile device is subject to these rules. This addition supplements, but does not supersede any other rules, regulations, or requirements in this policy. All employees are expected to clock in and out at times appropriate for their job role.

SECTION 7: MISSED CLOCK INS/OUTS AND ADJUSTMENTS

If an employee misses clocking in or out, they should notify their supervisor immediately via email, text, or phone call, so the Department Head can make the manual adjustment to their timecard via the Kronos system.

If an employee has up to three (3) missed punches within a month, a written warning will be given and placed in the employee's personnel file. Should, after a written warning, missed punches continue, the employee is subject to dismissal. ***This does not pertain to emergency calls (police & fire) or on-call personnel (maintenance)***

Under certain conditions, where specific work required by a Department Head that requires an employee(s) to be at a location where the Kronos time clock system is not available, the employee should report times worked to their supervisor/ Department Head so their times can be manually entered by the Department Head. Any adjustments to the recorded time must be approved by the employee's supervisor and documented in the Kronos time system. Supervisors/ Department Heads will be accountable to the Town Manager for any manual changes submitted.

All supervisors and Department Heads are expected and required to view and maintain time records on a regular basis. All corrections to time entries, approval for leave, etc. should be processed and completed prior to payroll processing dates.

SECTION 8: CLOCK MALFUNCTION

If any employee is unable to clock in or out because of a time clock malfunction, it is the employee's responsibility to immediately inform their supervisor. In the event of a time clock malfunction, supervisory personnel will clock employees in and out and will notify Payroll.

SECTION 9: LUNCH BREAKS

At this time, employees will not be required to clock out for lunch.

Employees may work through their lunch break once per pay period to leave early or make up missed time. It is the employee's responsibility to obtain prior approval from their supervisor to work through lunch. Additionally, the employee must communicate with their supervisor to ensure the 'cancel lunch' option is updated in the Kronos timekeeping system.

SECTION 10: TIME OFF REQUESTS

Exempt (salaried) and non-exempt (hourly) employees are required to submit all time off requests (vacation, sick, PTO, etc.) via the Kronos system. In the case of sick time, employees may enter the time using the UKG mobile application or by logging into the Kronos system from a home computer. Sick time must be entered before the end of the workweek in order to be compensated. If sick time is not submitted by the end of the workweek, an employee will not be compensated for the missed time.

An employee cannot use sick, vacation, compensatory time, or PTO time to receive pay, in excess of their normally scheduled hours in any workweek. The only exception is on a workweek containing a holiday. For those employees eligible to receive holiday pay (non-shift employees), eight hours of pay should be included on the time sheet for the appropriate day even if this pay will be in excess of the regularly scheduled hours. Holiday pay will not be used to calculate weekly overtime pay.

Exempt employees are encouraged to record their daily work attendance and report absences from work for reasons such as leaves of absence, sick leave, or personal business. If an exempt employee works less than 40 hours in a workweek, accrued pay leave (vacation, sick, or PTO) must be recorded to the time for the workweek totals at least 40 hours, unless otherwise approved by the employee's supervisor.

Non-exempt employees who receive on-call pay may use those hours to fulfill their 40-hour workweek and will not be required to use annual leave, personal time off, or sick leave.

The Kronos system will accrue vacation, sick, and PTO time for all employees. The hours will be accurate and accessible in the Kronos system.

It is the employee's responsibility to input their time off requests in the Kronos system. Failure to do so before timesheets are processed may result in a reduced paycheck.

Upon approval by the Town Manager, Payroll may approve time and attendance records for an employee in an extreme, extenuating circumstance (i.e. when it is critical to processing payroll and in instances of catastrophic leave or a terminated employee). Payroll will enter a note in the Kronos time system

documenting circumstances. Forgetting to submit time because the employee is out is NOT an extreme extenuating circumstance.

For more information regarding time off requests, please refer to the Town of Shallotte Personnel Policy.

SECTION 11: DISCIPLINARY ACTION

An employee may be subject to disciplinary action up to, and including, termination of employment for the following:

- A.** Any attempt to tamper with the electronic time clock or mobile application hardware or software
- B.** Interfering with another employee's ability to utilize the electronic time clock or mobile application
- C.** Falsifying another employee's time entry transactions
- D.** Clocking in or out for another employee
- E.** Failure to utilize the electronic time clock or mobile application correctly after receiving initial and remedial training
- F.** Failure to promptly verify and reconcile time worked and PTO records
- G.** Falsification of hours worked
- H.** Excessive missed punches without a valid reason
- I.** Excessive early or late punches without a valid reason
- J.** Excessive unauthorized overtime
- K.** Inappropriate use or misconduct using the mobile application in Kronos "UKG Ready"

Violations of these procedures may result in disciplinary actions; including oral or written warnings, suspension without pay and/or termination. Under no circumstances may one employee clock in or out for another employee. Any employee participating in this type of violation will face immediate termination.