



1080 Iris Drive, Ste. 101  
Conyers, GA 30094  
470-419-4674 (GNSI)

## COMPENSATION PLAN GUIDELINES

### REQUIREMENTS OF PLAN:

1. Must be a written plan of method of payment (cash or non-cash) for all personnel within the organization.
2. May be separate policy or included in the organization's employee policies and procedures manual.
3. Required by USDA effective January 1, 2002.
4. Required of organizations who pay their administrative and food service personnel (in full or part) with reimbursement funds from CACFP.
5. Must reflect Fair Labor Standards act requirements for all FLSA nonexempt employees.

### Purpose of Plan:

To ensure that salaries and fringe benefits of administrative and food service personnel compensated with Child and Adult Care Food Program (CACFP) funds are allowable and reasonable.

### PLAN MUST INCLUDE INFORMATION ON THE FOLLOWING:

#### SALARY OR RATE OF PAY:

Salary or Rate of Pay Scale  
 Pay Period (hour/week/month)  
 Breaks and Meals  
 Job Descriptions  
 Time and Attendance Reports are required  
 Overtime Pay  
 Severance Pay/Scale  
 Compensatory Time  
 Bonuses

#### FRINGE BENEFITS: (MAY INCLUDE ANY, ALL, OR NONE OF THE FOLLOWING):

Vacation Policy (Annual Leave)  
 Holidays  
 Sick Leave  
 Unavoidable Absences  
 Insurance (Medical, Life, Accidental Death, Dismemberment)  
 Retirement  
 Tax Savings Plan  
 Travel  
 Drug Free Workplace  
 Employee Morale Activities

### UNALLOWABLE CACFP EXPENDITURES INCLUDE THE FOLLOWING:

- Payment to non-employees
- Non-compliance to tax laws
- Employees share of taxes or benefits
- Insurance when organization is beneficiary
- Compensation to repay debts or over-claims
- Overtime resulting from failure to employ sufficient number of employees to cover normal operations.
- Incentive payments to improve employee performances
- Incentive payments to non-employees, contractors, or board members
- Cars provided by organization for personal travel
- Gifts, social events, entertainment, meals flowers, plaques, service pins, or gift certificates exceeding \$25.00
- Severance pay when terminated for program misconduct and violation, criminal conviction, or violation of ethics standards.



Compensation Questionnaire

Center Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

County: \_\_\_\_\_ E-Mail Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Tax ID Number: \_\_\_\_\_

INSTRUCTIONS: ALL Centers participating in the CACFP must answer the following questions:

DOES YOUR CENTER PAY ANY SALARIES FOR ADMINISTRATIVE AND /OR FOOD SERVICES FROM YOUR CACFP ACCOUNT? THIS INCLUDES ENTIRE OR PARTIAL SALARY.

YES, IF YES, then complete the application by answering all questions with explanations where needed. Type or print in black ink. Attach an additional sheet of paper if more space is needed. A copy of your organization’s compensation plan of personnel payroll policies must be attached to this application form for approval. (0-15%, not to exceed 15%)

COMPENSATION PLAN ON FILE AT YOUR CENTER? YES NO

FOR OWNERS OF MULTIPLE CHILDCARE CENTERS:

If the owner of centers and the compensation plan differs at each center, then this form must be completed for each site and a copy of the corresponding plan attached.

SALARY:

PERSONNEL ARE PAID WITH CACFP FUNDS IN YOUR CENTER?

Food Service

IS THIS SALARY PAID WITH CACFP FUNDS? Please check one.

IN FULL OR IN PART

CENTER FUNDS

OTHER: \_\_\_\_\_

If salaries are paid in part with CACFP funds, please specify source for the remainder of the salary:

\_\_\_\_\_
\_\_\_\_\_



SALARY OR RATE OF PAY SCALE: (Use additional sheet if necessary)

Indicate your organization's pay scale (lowest to highest):

Our salary or rate of pay scale starts at \_\_\_\_\_ and ends at \_\_\_\_\_ for all employees.

**YES** If you checked YES , then complete the following:

1. List the title or position of each employee paid with CACFP funds.
2. Give the rate of pay
3. Indicate if paid by hour/week/month.
4. Give the number of hours per day
5. Give the number of days per week.
6. Give the number of weeks per year
7. Show the total yearly salary earned (gross earnings) for CACFP position. Round to nearest whole number.

**FOOD SERVICE**

TITLE/POSITION	RATE OF PAY	HR/WK/MO	DAYS OF WEEK	#WEEKS PER YEAR	TOTALSALARY

**ADMINISTRATIVE SERVICE**

TITLE/POSITION	RATE OF PAY	HR/WK/MO	DAYS OF WEEK	#WEEKS PER YEAR	TOTALSALARY

**NO** If No, then complete the following:

Explain under what circumstances are personnel doing comparable work Not paid the same salary and given the same benefits.

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**JOB DESCRIPTIONS**

For each of the CACFP personnel listed, list specific duties of position or attach a copy of job description.

**FOOD SERVICE**

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**ADMINISTRATIVE SERVICE**

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**TIME SHEETS**

Time Sheets are required.

YES  NO Do any of your personnel perform other jobs at your center?

YES  NO Are time sheets used to document hours of duties of these personnel?

If YES, then how many persons? \_\_\_\_\_

**OVERTIME PAY**

YES  NO Is there provisions for OVERTIME PAY?

If YES, describe and include rate of pay.

**FRINGE BENEFITS:**

YES  NO DO YOU OFFER FRINGE BENEFITS TO ALL OF YOUR FULL/PART TIME EMPLOYEES?

If YES, check the ones applicable to your organization and briefly explain the benefits offered below unless it is explained in your organization's handbook of policies and procedures.

If you offer other benefits not listed, please specify under "OTHER."

YES  NO Employee Accident and Health Insurance (Includes medical, dental, life, accidental death, dismemberment, unemployment)

YES  NO Paid Vacation (Annual Leave)

YES  NO Sick Leave

YES  NO Retirement Plan

YES  NO Education Assistance

YES  NO Holiday Policy

YES  NO Other



**CERTIFICATION STATEMENT**

I certify that the information on this form and subsequent attachments is true and correct to the best of my knowledge. I understand that this information is being given in connection with the receipt of Federal Funds and that deliberate misrepresentation may subject me to prosecution under applicable state and federal criminal statutes. The US Department of Agriculture prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, gender, age, or disability.

\_\_\_\_\_  
Signature of Center's Official Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of Center's Official Representative

\_\_\_\_\_  
Date

**APPROVED**

**DENIED, REASON FOR DENIAL**

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Administrative Sponsor

\_\_\_\_\_  
Date



## **SAMPLE**

### **Equal Opportunity**

\_\_\_\_\_ is an equal opportunity employer. We do not discriminate against age, sex, religion, or sexual preference.

### **Payroll Deductions**

The following mandatory deductions will be made from every employee's gross wages: Federal Income Tax, Social Security FICA Tax, and applicable city and state taxes.

Every employee must fill out and sign a federal withholding allowance certificate, IRS Form W-4, on or before his/her first day on the job. This form must be completed in accordance with federal regulations. The employee may fill out a new W-4 at any-time when his/her circumstances change. Employees who paid no federal income tax for the preceding year and who expect to pay no income tax for the current year may fill out an Exemption Form Withholding Certificates, IRS Form W-4E. Employees are expected to comply with the instructions on Form W-4. Questions regarding the propriety of claimed deductions may be referred to the IRS in certain circumstances.

Taxes will be deducted according to the federal guidelines.

Method: Multiply the Social Security @ .062 times employee total wages

Multiply the Medicare @ .0145 times employee total wages

Federal Withholdings will be deducted according to the employee W-4

Other optional deductions include the portion of medical benefits not paid by the company, which is deducted from each payroll check. Other voluntary contributions, such as credit union and pension plan, may also be deducted each pay period.

Every employee will receive annual Wage and Tax Statement, IRS Form W-2, for the preceding year on or before January 31. Any employee, who believes that his/her deductions are incorrect for any pay period, or on Form W-2, should check with the Director immediately. Your Director will give you time to do this during the workday.

### **Prorated Salaries:**

Salaries will be prorated when employees work multiple programs according to policy.

**Method:** Divide 40 hours worked by 100 to get percentage for program #1

Divide 60 hours worked by 100 to get percentage for program #2

Multiply percentage times the total approved salary/hours for the program

### **Employee Salaries:**

**Pay:** The employees rate of pay is paid by the \_\_\_\_\_ of each month as agreed upon whether hourly rate or salaried, the rate of pay will be consistent with the guidelines for time worked. Employees are to submit their time card to their \_\_\_\_\_ the last work day prior to the \_\_\_\_\_ of the month.



For paydays that fall during the weekend, checks/direct deposits will be distributed on \_\_\_\_\_ prior to the payday. If a company holiday falls on the \_\_\_\_\_, employees will receive their payroll checks/deposits on \_\_\_\_\_ prior to the holiday.

Guidelines for Pay:	Position	Pay Range
	_____	\$ _____
	_____	\$ _____
	_____	\$ _____
	_____	\$ _____

**Workday and Payday**

The Director based on the operational needs of \_\_\_\_\_ will determine specific workday and workweek hours for each employee from time to time.

\_\_\_\_\_ will attempt to notify employees of any changes in workdays or workweek hours one week in advance of the effective date of any such change.

A workday begins at \_\_\_\_\_ and ends at \_\_\_\_\_ with \_\_\_\_\_ off for lunch for full-time salaried/hourly employees. Hourly workweek consists of \_\_\_\_\_ or more hours for full time employees and generally includes work performed \_\_\_\_\_ through \_\_\_\_\_ depending on the days of operation \_\_\_\_\_ is open. Salaried employees must work a \_\_\_\_\_ hour week and generally includes work performed \_\_\_\_\_ through \_\_\_\_\_ depending on the days of operation a \_\_\_\_\_ is open. Salaried employees who do not work a \_\_\_\_\_ hour work week will have their pay prorated at the end of the fiscal year to offset any overage of pay. Part-time employees will work \_\_\_\_\_ or fewer hours a week depending upon the work schedules.

However, the nature of our business sometimes demands workday or workweek hours different from those set forth above. Variation to the schedule will be made or approved by the Director.

**Time Report:**

Employee time sheets for hours worked must include the following information and must be documented daily. Every employee must clock in and out daily. Every employee must clock out during lunch hour and any and all time not related to \_\_\_\_\_. All time-card must have a signature prior to submitting to Director for payment. Any time not recorded by the time clock must be initialed by the \_\_\_\_\_. Supervisors must have their time cards initialed by the Director. Written in times must be initialed at point of service (not days after). NO employee can clock in another employee. (Immediate termination if this happens) Time sheet hours for the cook (s) must be recorded on the Time Distribution Sheet prior to the day before payday.

**Time Distribution Requirements for cook:**

- Month, Date, Signature
- Beginning time and ending time of work hours
- Total hours daily
- Total hours worked for the month
- Total amount of pay
- Authorized official signature for approval



## **Compensatory Time**

According to FLSA, Comp. Time is lieu of cash for FLSA is not permitted. However, under certain circumstances a public employer may pay (at least some) FLSA overtime with "Comp. Time" instead of cash. If this option occurs, the Director and Board of Directors will meet and obtain the advice of a legal representative before it becomes a part of this policy.

## **Overtime Compensation**

Overtime is never at the employee's discretion. It shall only be incurred and paid at the request of the company through employee's Director. The Director shall ensure that no unauthorized overtime hours are worked.

There are 5 full-time employees and 1 part-time employee. Employees may be eligible for overtime compensation, in appropriate circumstances; for hours worked in excess of a \_\_\_\_ hour workweek. However, the \_\_\_\_\_ is encouraged to recognize necessary overtime by allowing compensatory time off to be taken at a time and under conditions mutually agreed upon between the employee and his/her supervisor. \_\_\_\_\_ must approve overtime compensation for employees, other than compensatory time off, in advance. Directors making such a request should provide \_\_\_\_\_ memorandum stating the reasons for such overtime, the maximum hours requested and the dates the overtime shall be worked.

## **Severance Pay**

Severance pay will be paid at the employee's normal rate of pay times the number of hours worked for the company. An employee will not be eligible for severance pay when the individual's employment was terminated for:

1. Program misconduct;
2. Violation of program requirements
3. Violation of the organization's ethics and code of conduct requirements; or
4. Conviction for criminal misconduct

## **Full-Time Employee**

The normal workday is eight hours, commencing at \_\_\_\_\_ and ending at \_\_\_\_\_ with a one hour unpaid lunch period beginning at noon.\*

Employees who work less than \_\_\_\_ hours a day are granted an unpaid 30-minute meal period.\*

Employees are permitted \_\_\_\_\_paid 10-minute breaks. Breaks are to be scheduled as near the middle of the morning and afternoon as possible.\*







The employee's anniversary date is established according to the policy. To be eligible to take vacation, the employee must be in active pay status. Vacation is not vested, and a terminating employee will not be paid for vacation not taken. Vacation not taken during the calendar year is forfeited.

New employees become eligible to take vacation after they have worked one year of employment. Part-time employees are not entitled to paid vacation. Employees who are not entitled to paid vacation may request permission from their Director to take up to one week of unpaid vacation time.

\_\_\_\_\_ administers vacation entitlements and is responsible for scheduling vacations. Employees are responsible for planning ahead for vacation and working out a complete schedule with their \_\_\_\_\_. The vacation times are preferred to occur between the \_\_\_\_ and \_\_\_\_ of the month due to high volume of workload between the \_\_\_\_ and \_\_\_\_ of every month. Normally, two-week advance notice of vacation is expected and necessary to ensure scheduling of work. Employees who desire to take more than two weeks of vacation at one time should give their \_\_\_\_\_ more than two weeks advance notice.

### **Holidays**

\_\_\_\_\_ provides \_\_\_ holidays each year. The company is officially closed on the following days:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.

\*If these holidays fall on a Saturday, the proceeding \_\_\_\_\_ will be a holiday. If they fall on Sunday, the following \_\_\_\_\_ will be a holiday.

\*\*If these holidays fall on weekdays, \_\_\_\_\_ day off will be observed on the last workday proceeding the holiday.

### **Sick Leave**

A regular full-time employee will receive 40 hours of sick leave after the three months of continuous employment. A regular part-time employee will be credited with an appropriate prorated number of hours. After the first three months of employment, sick leave is accrued monthly at a rate of 1.50 hours for full-time employee and at a prorated amount of 1.125 hours for a part-time employee. Sick leave is accrued on the last workday of the month. Employees must be in active pay status on the last day of the month to accrue sick leave for that month.

It is in the best interest of the employee who is ill or injured that the employee not remains at work. It is the Director or supervisor's responsibility to send the employee home if the employee is incapacitated.



Time for routine doctor or dentist appointments is not to be charged to sick leave. Employees are encouraged to make such appointments before arriving to work or after leaving work for the day, if possible. If time off is required for such appointments, arrangements should be made in advance with the Director. The employee must use accumulated sick leave in conjunction with income protection plans or other sources of disability income to achieve full pay for as long as possible. However, at no time can the combination of these exceed normal earnings.

An employee is expected to notify his/her Director/supervisor at the beginning of each workday during illness or injury. Exceptions to this include a serious incidental injury, hospitalization, and when it is known in advance that the employee will be absent for a certain period of time.

A Medical Release Statement is to be submitted to the \_\_\_\_\_ for review before the employee returns to work in the following situations:

- Five or more consecutive workdays of absence due to illness or injury;
- In all cases of work-related injury when the employee has been unable to work after the time of injury; or
- When returning from medical or maternity leaves of absence.

In the case of a work-related accident or injury, the company will compensate an employee for any lost work hours beginning on the date of the accident or injury. The employee's sick leave is not used for this purpose. The employee must then use accumulated sick leave in conjunction with worker's compensation or other disability income to achieve full pay for as long as possible. However, at no time can the combination of these exceed normal earnings.

Unused sick leave will be forfeited upon termination. No employee will be allowed to overdraw sick leave beyond 8 hours without approval in writing from \_\_\_\_\_. Such approval will only be granted on the condition, in writing and signed by the employee, that overdrawn sick leave will be deducted from the employee's next pay period.

\*Sick leave is not earned while an employee is on a leave of absence.

### **Bereavement Leave**

The company will provide time off for employees to attend the funerals of family members and friends. \_\_\_\_\_ will approve whatever period of time is necessary and appropriate under the circumstances.

If the conditions warrant and \_\_\_\_\_ agrees; paid leave will be granted, but the amount of paid leave time will not exceed three days at regular straight-time wages. Such leave is in addition to all other paid leave time. Paid leave is reserved for the death of immediate family members.

Leave for attendance at the funeral of a non-immediate family member or person with an especially close relationship may be granted without pay. \_\_\_\_\_ will make the determination.



## **Jury Duty**

\_\_\_\_\_ will grant employees time off for mandatory jury duty or court appearances as a witness when the employee must serve or is required to appear as a result of a court order or subpoena. A copy of the court order or subpoena must be supplied to the \_\_\_\_\_ when requesting time off.

The employee is entitled to full pay for each day of jury or service as a witness up to a maximum of 10 days per year, in addition to any other paid leave. However, time off for court appearances as a party to any civil or criminal litigation shall not be compensated, and the employee must arrange for time off without pay or use accrued vacation or personal leave for such appearance.

## **Voting**

\_\_\_\_\_ encourages all employees to vote. Employees are encouraged to take advantage of polling hours prior to the beginning or following the end of their workday.

If this cannot be arranged, the \_\_\_\_\_ will approve time off to vote either at the beginning or end of the workday, provided the employee gives at least one day's notice.

## **Employee-Incurred Expenses and Reimbursement**

\_\_\_\_\_ will pay all actual and reasonable business-related expenses incurred by employees in the performance of their job responsibilities. The Director must approve all such expenses incurred by an employee before \_\_\_\_\_ will make payment.

Expense reports must be submitted and supported by evidence of proof of purchase, e.g., receipts. Expense reports are due in the Director's office the last working day of each month.

## **Mileage Reimbursement**

For the convenience of the employee, when he or she is required to use his/her personal vehicle for company business, all employees of \_\_\_\_\_ shall be reimbursed for company related business travel at the rate of \_\_\_\_\_ per mile.

If an employee is required to travel from home directly to a third location on company business and then to work, the company will reimburse the employee for the difference between the mileage the employee normally drives to work and the total miles driven for business purposes.

Request for reimbursement of business-related travel will be submitted to the \_\_\_\_\_ for approval on a standard company expense report. Reimbursement requests will include the following:

- Date of travel
- Beginning and ending odometer readings for each trip
- Travel destination
- Number of miles traveled on company business
- The reason for company travel
- Time in and Time out



The expense report must be signed and dated by the employee and initialed by the \_\_\_\_\_. The reports must be submitted to the \_\_\_\_\_ and will be processed according to policy, Employee-Incurred Expenses and Reimbursement

### **Conferences and Meetings**

Employees may request time off or company financial support or both to attend conferences or meetings sponsored by institutions or professional organizations. The subject matter presented must relate to the employee's position or provide beneficial information to be shared as it relates to the \_\_\_\_\_ policy and procedures.

The \_\_\_\_\_ must approve the employee's participation in the conference or meeting.

The company will pay for the following expenses if attendance is approved by the governing agency: tuition, or registration fees, travel costs, lodging, and meal expenses not covered by registration.

Time off for attendance and travel during normal working hours will be paid at the normal rate of pay.

### **Required Management Approval**

All travel expense requests, mileage or subsistence expense reports, purchase requisitions, educational assistance reimbursements, and other business-related expense reports must be approved by \_\_\_\_\_ before the \_\_\_\_\_ will process the request for payment.

\_\_\_\_\_ may only approve expenditures that are business-related, reasonable, and consistent with the letter and intent of company policies. Occasionally, a policy will not cover a specific expenditure. Similarly, the facts and circumstances relating to a particular item or expense may justify an exception to the letter of the policy. In these events, the \_\_\_\_\_ should consult with the \_\_\_\_\_ for guidance. Among the factors to be considered in resolving such issues:

1. The intent or purpose of the policy,
2. The particular facts or circumstances surrounding the expenses;
3. The necessity for the expense;
4. The amount involved; and
5. Previous similar situations: Employees who incur expenses, or charge expenses to the company, without prior approval does so at their own risk. Employees are invited to seek prior approval from management in questionable situations.