

	Human Resources POLICIES AND PROCEDURES		
	SUBJECT Pay Policy	ISSUED 03/01/2007	REVISED
APPROVED <i>Approved with Policy A-100</i> President			

Purpose: This policy explains D. W. Tower, Inc.'s procedures to accurately compensate team members for the valuable services they provide to the Company and our clients.

Policy: All team members are paid bi-weekly, resulting in 26 pay periods per year. Pay periods begin each Monday and end on the Sunday of the second week. Generally, paydays are every other Thursday. All team members are required to report the time they began and ended their workday, and the time meal breaks began and ended.

Scope: This policy applies to all team members of D. W. Tower, Inc.

Procedures:

1. Office and Field Management are responsible for ensuring that this policy is enforced.
2. All employees are paid bi-weekly, resulting in 26 pay periods per year.
3. Generally, paychecks will be distributed each Thursday no later than 5:00 PM.
4. Pay periods begin each Monday and end on the Sunday of the second week.
5. On paydays, employees will receive pay for hours worked and/or available paid time off for the preceding pay period, including overtime if any.
6. Non-exempt employees will be paid 1.5 times their normal hourly rate for hours worked over 40 in a workweek. In California, non-exempt employees are eligible for overtime pay for any hours over 8 worked within a given workday.
7. Employees must accurately complete and submit the Time Sheet on a bi-weekly basis. The Time Sheet, with expenses and receipts for the period, must be submitted to the Albuquerque by 10:00AM on the Monday preceding payday.
8. Employees must not allow any other employee or person to enter time on the Time Sheet Without consent from original employee to acct dept. Failure to follow this procedure may result in discipline, up to and including immediate termination.
9. Employees who inaccurately report time will be notified. Employees who inaccurately report time on more than one occasion may be subject to disciplinary action, up to and including termination.
10. Any timesheet that is unclear, illegible, not accurate or not approved by the manager may delay that employee's payroll.

11. Each time record must be reviewed and signed by a Supervisor or Manager.
12. Deductions from pay will be made according to law and by signed authorization.
13. Management and designated supervisory personnel will randomly audit Time Sheets for accuracy.
14. D. W. Tower, Inc. provides the convenience of Direct Deposit of pay. If team members have elected not to use Direct Deposit, and are not able to pick up their paychecks on payday, the Company will release the check to someone else, provided team members have authorized release to the designated individual in writing.
15. Team members who voluntarily terminate employment, for any reason, will receive their final pay, if any, no earlier than the next regular pay day, or in accordance with state law, whichever is sooner.
16. Team members who are terminated by the Company, for any reason, will receive their final pay within six (6) calendar days, or in accordance with state law, whichever is sooner.
17. 14. Authorized contributions for the 401(k) plan and other authorized deductions will be deducted from the team member's final paycheck.
15. **No payment for unused or accrued vacation, if any, will be made for team members who voluntarily or involuntarily terminate employment.** The Company will pay out unused vacation to team members on a Military Leave of 31 days or more at the commencement of the Leave. California employees will be paid for earned, unused vacation at termination per state law.
16. Except for federal and state law requirements, no deductions will be taken from a team member's paycheck without written consent. This includes, but is not limited to, insurance premiums, 401(k) contributions, advances, etc.
18. Team members who have questions regarding pay for hours worked, deductions from their paycheck, or possible errors on their pay should immediately discuss the issue with their Supervisor and/or the Accounting Department. If questions remain following these initial steps, the employee should contact the Controller.

Also see the Holiday Policy, the Travel & Business Expenses Policy, and the Vacation Policy for further information.

Anyone found violating any portion of this policy may be subject to disciplinary procedures, up to and including termination.

No changes will be made to this policy or any deviations authorized without the express written permission of the President.