

MARKLUND
HUMAN RESOURCES POLICY AND PROCEDURE

POLICY NO: 2.2.1

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SUBJECT: EMPLOYMENT CLASSIFICATIONS

DEPARTMENT AFFECTED: ALL APPROVED BY: LEADERSHIP 12-12-12

ISSUED: 12-1-90 REV. DATES: 2-14-95, 6-1-98, 1-10-00

EFFECTIVE DATE: 12-1-90

PURPOSE:

To define the various staff classifications which exist among employees and clarify the application of the Fair Labor Standards Act to each classification.

POLICY/PROCEDURE:

All employees are assigned a staff classification based upon the nature of the work they perform. The classifications are: hourly paid staff, salaried staff and management staff. These classifications are categorized as Exempt or Non-exempt in compliance with the Fair Labor Standards Act.

DEFINITIONS:

A. Non-exempt Employees

The Fair Labor Standards Act provides minimum wage, overtime pay, timekeeping and child labor standards for employees. All hourly employees of the organization are considered non-exempt and are classified as hourly paid staff. Hourly paid staff are fully covered by the Act and are paid in accordance with all of its provisions.

B. Exempt Employees

Exempt employees have been so designated on strict criteria outlined in the Fair Labor Standards Act. To be classified as exempt an employee must meet the test of a bona fide executive, administrative or professional exemption. No more than 20% of the employee's work may be in pursuits which are non-executive, administrative, or professional in nature as outlined by the Act.

1. Salaried Professional Staff are those employees whose primary duties consist of the performance of work that is of a teaching or technical nature requiring knowledge of an advanced type in a field of science or learning, customarily obtained by a prolonged course of specialized education, as distinguished from a general academic education or training program where the work is a routine mental, manual or physical process. The work of a salaried professional staff member is predominantly intellectual and varied in character so that output or results accomplished cannot be standardized in relation to a given period of time. Salaried professional employees are exempt under a Professional Exemption from the Fair Labor Standards Act.

2. Management staff are those employees either exercising considerable independent judgment and discretion in directing the activities of an organization recognized sub-division, department or unit; or those who directly and regularly assist an executive, the President or the Board of Directors with specialized or technical expertise acquired through advanced or specialized education or experience. The exercise of considerable judgment and discretion includes interviewing, selecting and overseeing the training of employees; adjusting and approving rates of pay and work hours; determining techniques to be applied by employees; evaluating employee efficiency and productivity; keeping performance records; disciplining employees and directly dealing with employee problems and providing for the safety of employees and property. Management staff are exempt under an Executive or Administrative Exemption from the Fair Labor Standards Act.