



ELIZABETH'S NEW LIFE CENTER

ENLC POLICY

For: Salaried, Exempt Employees

Date: May 12, 2021

Purpose

Salaried, exempt employees are compensated based on an agreed upon number of hours per work week, normally 40 hours. Salaried, exempt employees are not entitled to overtime pay when they work more than 40 hours in a work week. This policy defines “salaried, exempt employees” and the minimum standards required for meeting the federal definitions as such, and covers the exempt employee’s management of time.

Definition

The Fair Labor Standards Act (FLSA) requires that *most* employees in the United States be paid at least the federal minimum wage for all hours worked and overtime pay at time and one-half the regular rate of pay for all hours worked over 40 hours in a work week. Exempted from this requirement are salaried employees as defined by Section 13(a)(1) of the FLSA defined by Regulations, 29 CFR Part 541.

Section 13(a)(1) of the FLSA provides an exemption from both minimum wage and overtime pay for employees employed as bona fide executive or administrative employees. To qualify for exemption, employees generally must meet certain criteria regarding their job duties and be paid on a salary basis at not less than \$684 per week. Job titles do not determine exempt status. In order for an exemption to apply, an employee’s specific job duties and salary must meet all the requirements of the Department of Labor regulations.

Executive Exemption

To qualify for the executive employee exemption, all of the following criteria must be met:

- The employee must be compensated on a salary basis (as defined in the regulations) at a rate not less than \$684 per week;
- The employee’s primary duty must be managing the enterprise, or managing a customarily recognized department or subdivision of the enterprise;
- The employee must customarily and regularly direct the work of at least two or more other full-time employees or their equivalent;
- The employee must have the authority to hire or fire employees, or the employee’s suggestions and recommendations as to the hiring, firing, advancement, promotion or any other change of status of other employees must be given particular weight.

Administrative Exemption

To qualify for the administrative employee exemption, all of the following criteria must be met:

- The employee must be compensated on a salary at a rate not less than \$455 per week;
- The employee's primary duty must be the performance of office or non-manual work directly related to the management or general business operations of the employer or the employer's customers;
- The employee's primary duty includes the exercise of discretion and independent judgment with respect to matters of significance.

Paid Holidays

ENLC's exempt employees enjoy 9 paid holidays as follows:

New Year's Day	Thanksgiving Day
Good Friday	Day after Thanksgiving
Memorial Day	Christmas Eve
Independence Day	Christmas Day
Labor Day	

For Part-time, exempt employees, holidays which fall on their scheduled day off may be taken within the same work week of the holiday or may be credited to the employee's PTO bank, equal to the employees weekly hours divided by 5 (days per week).

*Note: Non-Exempt employee's Holidays are included in their PTO accrual rate.

Absences from Work

ENLC respects exempt employee's time spent away from work and wants to provide employees with time for rest and relaxation. The object of PTO is the maintenance of employee health and morale. PTO is a system of providing vacation time, personal and sick leave for eligible employees. This system is more flexible than separate vacation, personal and sick leave time because employees can decide for themselves how many paid hours off they will use.

Exempt employees are responsible for notifying their supervisor as far in advance as possible of the need for leave. Employees may request PTO for emergencies as long as they notify their supervisor within one hour of their scheduled start time. Employees are responsible for making arrangements for coverage for their commitments during the time requested off. Notification from any individual other than the employee is unacceptable except under emergency conditions.

Exempt employees still under their initial 90 days of their probationary period are not permitted to use their PTO for routine absences or vacations. However, the use of PTO is permitted for sickness, holidays or emergencies that occur during the first 90 days of the probationary period. If the accrued PTO is insufficient to account for the time away from work, then advanced PTO may be granted.

After successful completion of the first 90 days of the probationary period, employees may enjoy full use of accrued PTO.

Salaried, exempt employees are expected to make up any absence not eligible for PTO use.

The following guidelines apply to salaried, exempt employees:

- Any voluntary absence during normal business hours, require the salaried, exempt employee to use the equivalent time of accrued PTO or compensation time (see item 8 under Compensation Time). This requirement only applies to weekly work hours totaling less than or forecasted for less than the hours on which the salary is based.
- During any unplanned ENLC schedule adjustments, such as severe weather, salaried, exempt employees are requested to work in alternative ways, such as remotely, to make up scheduled hours or use comp. time.
- Employees will not be paid for PTO in excess of the regular salary received.
- All salaried, exempt employees, regardless of their probationary status, are entitled to use accrued PTO for illnesses. For employees still under their initial probationary period, any illness requiring three or more days off from work require a doctor's note.

Compensation Time

Only salaried, exempt employees are authorized to accrue and use compensatory time (comp time).

Procedures:

1. The work week consists of seven consecutive 24-hour periods starting at 12:01 a.m. Sunday and ending at 12:00 a.m. the following Saturday.
2. Hours worked in a given work week in excess of the hours hired to work may be accrued as comp time.
3. The maximum accrual for comp time is 20 hours.
4. It is the responsibility of the employee and the employee's immediate supervisor to maintain accurate and complete records on the employee's comp time accrual and usage.
5. Hours worked include all time an employee is required or permitted to work for ENLC, including work which the employee performs on or away from ENLC property.
6. Employees do not accrue comp time for hours worked under their budgeted hours in a work week.
7. The use of accrued comp time should be granted to exempt employees upon request unless the granting of such time would unduly disrupt the effective functioning of the work unit. Mere inconvenience is not a sufficient basis for denial of a request to use comp time.
8. An exempt employee who is absent from work may use earned comp time in lieu of PTO with supervisory approval.