



New Jersey Schools Insurance Group  
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[www.njsig.org](http://www.njsig.org)

**Board of Trustees Meeting of June 20, 2018**  
**Action Item**  
**Second Policy Reading**  
**Policy 6111 Exempt and Non-Exempt Employees and Overtime**

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**Recommended Resolution:** Approve policy 6111 as a second reading.

*William Mayo*

William Mayo, CPCU, ARM  
Executive Director

# NJSIG Policies

Adopted: 09/83

Index #: 6111

Amended: 06/12

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Reviewed: 03/12, 03/18, 06/18

## **WORKWEEK**

The workweek runs from 12:00 a.m. Monday, through 11:59 p.m. on the following Sunday.

## **EXEMPT AND NON-EXEMPT EMPLOYEES AND OVERTIME**

At times, ~~in order to meet the needs of the business and the needs of our customers,~~ it may become necessary for employees to work in excess of their normal hours. This policy discusses how such time may be compensated for certain employees.

Exempt Employees:

~~Exempt employees – those salaried employees whose primary duty consists of exempt managerial, professional, administrative or outside sales responsibilities -~~ are not eligible to receive additional payment for overtime work, regardless of the number of hours worked during the work week.

Exempt employees will not be paid for overtime.

~~The Group~~ **NJSIG** pays exempt employees on a salary basis and makes only **those** deductions from salary which comply with state and federal law. ~~Exempt employees should be aware that workplace misconduct may result in unpaid suspensions from work.~~

Exempt employees shall not have their regular salary reduced based on the quality or the quantity of their work in any work week in which they perform any work, except for those deductions allowed by law. If you believe that you have had monies improperly deducted from your pay based on the quality or quantity of your work in violation of this policy, you may bring your concern to Human Resources for review. If a determination is made that an improper deduction was made, you will be reimbursed for the amount of the deduction. ~~Please note that~~ variations in the quality or quantity of an employee's work may subject the employee to counseling and/or discipline. Further, ~~also note,~~ an employee may be subject to unpaid suspensions for violations of workplace rules and regulations.

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## **EXEMPT AND NON-EXEMPT EMPLOYEES AND OVERTIME**

Non-~~e~~Exempt employees:

Non-~~e~~Exempt employees are those employees not meeting the criteria for "exempt" status and are eligible to receive overtime pay for hours worked over 40 in a work week. Non-~~e~~Exempt employees regularly scheduled to work less than 40 hours per work week shall be paid at their normal straight time rate for all hours worked up to 40 hours per week. Non-~~e~~Exempt employees shall be compensated for hours worked over forty (40) in any work week at a rate of 1 ½ times the employee's regular rate.

Please note that ~~E~~employees are not permitted to work overtime without prior management authorization **in writing**, and that ~~e~~Engaging in unauthorized overtime work may result in discipline.

Scheduled holidays, **floating holidays**, vacations, paid sick time, or any other time in which the employee performs no work (**such as a snow day**) will not count as hours worked for the purposes of overtime. ~~However, in addition to their hourly pay (either at straight time or time and one half) for hours worked by Non-Exempt employees on a scheduled holiday, such employee will also be paid for the holiday.~~

~~Non-Exempt employees will be entitled to their choice of compensatory time or overtime pay for hours worked over 40 in the work week. Compensatory time shall be granted at the rate of time and one half. The accrual of comp time is subject to certain limitations. Non-Exempt employees may accrue up to 30 hours of comp time (which is 20 hours of actual overtime work). Employees shall be allowed to take compensatory time within a "reasonable period" after making the request if it does not unduly disrupt the operations of the employer.~~

Failure to follow or adhere to this policy may lead to disciplinary action up to and including termination.