



EXEMPT/NON-EXEMPT EMPLOYEE STATUS

I. PURPOSE

To define exempt and non-exempt employee status and to provide guidelines for determining this status according to law.

II. SCOPE

This policy applies to all City employees.

III. POLICY

It is the intention of the City to classify all positions as either exempt or non-exempt in compliance with law and for payroll administration purposes. Employees who feel their pay has been improperly reduced should report this immediately following the procedures specified below.

IV. DEFINITIONS

Definitions of exempt and non-exempt status are based on provisions of the Fair Labor Standards Act (FLSA) and state law. These definitions are summarized as follows:

A. Exempt

Exempt employees primarily include those individuals occupying bona fide executive, administrative, and professional positions under the FLSA.

B. Non-exempt

Non-exempt employees include hourly employees (where pay is directly related to the number of hours worked) and some non-exempt salaried workers (clerical, supervisory, and paraprofessional job categories). See [Overtime: Non-exempt employees # 220](#).

V. PROCEDURE



- A. In cases where the exempt/non-exempt status of an employee is in doubt, the Human Resources Department will review position duties and responsibilities against FLSA exemption tests.
- B. The Human Resources Department will make the final decision in all cases.
- C. Complaints
 - 1. Employees who believe their pay has been improperly reduced should contact the Human Resources Department immediately to request an investigation.
 - 2. The employee will be asked to specify in writing, the circumstances of the pay deduction and whether it has occurred on other occasions.
 - 3. The City of Georgetown will review pay records and interview the supervisor or manager, as well as the payroll representatives handling the employee's pay, to determine if the allegation is correct.
 - 4. If the deduction was in fact improper, the City will reimburse the employee as promptly as possible (but in no case longer than two pay periods from the identification of the problem).
 - 5. The individual(s) responsible for the error will be investigated further to determine if this was an isolated incident or a pattern of conduct that requires further action on the part of the City. If warranted, the responsible person(s) will be held accountable for the error(s) made consistent with company disciplinary policy.
 - 6. The resolution of the situation will be documented (including confirmation on the part of the employee that the situation has been resolved) and placed with the employee's pay records.
 - 7. Following the identification of such a problem, the City will establish a practice to regularly audit employee pay records to ensure no further issues arise.