POLICY STATEMENT

Exempt and Non-Exempt Status:

**Non-Exempt** – In accordance with the Federal Fair Labor Standards Act (FLSA), non-exempt employees are paid for every hour worked. Non-exempt employees are paid at a premium rate of one and one half times their regular rate for all hours worked in excess of forty hours in a single workweek.

**Exempt** – Exempt employees are paid a salary and are not eligible to be paid for hours that are worked beyond their scheduled workweek. Exempt, as that term is used in this policy, means exempt from the overtime pay requirements of the FSLA. The workweek for exempt employees varies in accordance with staffing needs and operational demands, but is not less than 40 hours per week, unless specifically approved and scheduled as such.

The Human Resources Department determines exempt and non-exempt status for employees using the tests utilized by the U.S. Department of Labor.

Full-time, Part-time and Temporary Employee Definitions:

**Full-time** – An employee scheduled to work 40 or more hours per seven-day workweek on a continuing basis. These employees are eligible to participate in NUHS' benefit program as outlined in related policies and benefit plan documents, or as required by law.

**Part-time** – An employee scheduled to work 20 hours, but less than 40 hours per seven-day workweek on a continuing basis. These employees are entitled to limited benefits.
Temporary – An employee hired for a specific period of time. A temporary employee hired for a minimum of six months of employment may be entitled to some benefits. A temporary employee hired for less than six months of employment is not entitled to any benefits, but will receive overtime pay if employed in a non-exempt position.

Classification changes:

1. A change to full-time status will qualify an employee for benefits, including but not limited to medical, dental, long-term disability and life insurance.
2. A change from full-time status to part-time status will disqualify an employee from receiving benefits, including, but not limited to, medical, dental, long-term disability and life insurance.