

PAY POLICY

Employee Classifications / Hours of Work

Regular Full-Time Employees

Regular full-time employees are those scheduled to work at least thirty-five (35) hours per week on a regular basis. Such employees shall be eligible to receive the benefit package as set forth in this Handbook, following completion of any applicable waiting periods.

Regular Part-Time Employees

Regular part-time employees are those scheduled to work less than thirty-five (35) hours per week on a regular basis, for an indefinite period. Such employees are entitled to receive only certain benefits specifically stated in this Handbook. Benefit entitlements may vary based upon the actual number of hours worked per week.

Temporary Employees

Temporary (or per diem) employees are those hired for a fixed time period or for specific projects of limited duration. Such employees are not entitled to any benefits.

Compensation Classifications

Hourly

Hourly employees work and are paid an hourly rate of compensation for all hours worked. Hourly employees are eligible for overtime pay, at a rate of one and one-half times their hourly rate, for all hours worked in excess of thirty-seven and one half (37.5) hours in any one week for contract employees and forty (40) hours in any one week for non-contract employees.

Salaried

Salaried employees receive a fixed weekly sum for all hours worked each week.

Non-Exempt

Some salaried employees are non-exempt and, therefore, entitled to receive overtime pay in addition to their weekly salary. Salaried non-exempt employees shall receive one and one-half times their hourly rate for all hours worked over thirty-seven and one-half (37.5) hours for contract employees and forty (40) hours for non-contract employees. This includes employees in some clerical and some administrative categories.

Exempt

Executives, supervisors, and professionals are paid a salary which covers all hours, regardless of the number of hours worked, and are **not** entitled to overtime pay.

Introductory Employee Period

Federation requires that all employees satisfy an introductory employment period during which the employee can learn his/her job and familiarize himself/herself with the way Federation operates. Federation can then evaluate the employee's fit within Federation. During the introductory period, an employee may not take vacation or paid sick time.

Completion of any introductory period in no way entitles the employee to employment of any fixed duration. Except as set forth in any collective bargaining agreement, all employees are "at-will" and can be terminated at any time for any reason or no reason at all, except as prohibited by law. The introductory period is three (3) months for all employees.

Payday

Payday is semi-monthly, on or around the 15th and 31th of the month, or last workday of the month. If the regular payday falls on a holiday or weekend, direct deposits will be made on the previous workday.

Every effort is made to avoid errors in your paycheck. If an error should occur, inform payroll so that an appropriate adjustment can be made in your next paycheck. All payment information can be found on the Paycom website: paycom.com. All employees will be set up with direct deposit after the first pay period for new employees.

Payroll Deductions

Mandatory Payroll Deductions - Federation will make deductions from each employee's pay as authorized by the employee and/or as required or permitted by law. Examples of mandatory withholding/deductions include: federal, state and local income taxes, federal unemployment tax, FICA (Social Security and Medicare), Unemployment Insurance, Temporary Disability Insurance, Paid Family Leave Insurance, and child support and other court-mandated garnishments. There also are additional types of deductions, which are permissible under state law.

Tax withholdings are based on information each employee provides to Federation on IRS form W-4. Employees may submit revised W-4 forms at any time, and any changes generally will be implemented by the second payroll period following submission to the payroll service.

Federation will comply with the salary basis requirements for exempt employees provided by the Fair Labor Standards Act. Therefore, no improper deductions from the salary of employees will be permitted, particularly as to exempt employees. Federation wants employees to be aware of this policy and that Federation does not allow deductions that violate state and/or federal wage and hour laws. If there are any questions regarding the propriety of such deductions, please contact the Vice President, Human Resources.

Employees who believe that an improper deduction has been made should immediately report this information to the Vice President, Human Resources. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, Federation will reimburse the affected employee(s) promptly to correct any confirmed, improper deduction, and will take any action it deems necessary to ensure compliance with the salary basis test in the future.