



EMPLOYMENT CLASSIFICATIONS

DEFINITIONS OF EMPLOYMENT STATUS

The following terms will be used to describe the classification of employee-owners and their employment status:

EXEMPT

Employee-owners whose positions meet specific tests established by the Fair Labor Standards Act (FLSA), applicable state law, and who are exempt from overtime pay requirements. Exempt employees are paid on a salary basis and generally receive the same weekly salary regardless of hours worked, subject to certain, limited and legally permitted deductions. Capisce?

NON-EXEMPT

Employee-owners whose positions do not meet FLSA, state exemption tests, and may be eligible for overtime. Non-exempt positions require signed timesheets on a weekly basis, and all overtime must be approved in advance by the acting supervisor. Partners should be working during normal business hours and taking their scheduled breaks, including lunch breaks, unless otherwise authorized by the acting supervisor.

UNDERSTOOD? GOOD. LET'S KEEP THINGS MOVING.

FULL-TIME

Employee-owners scheduled to work 30 hours or more per week.

PART-TIME

Employee-owners scheduled to work 29 or fewer hours per week.

Part-time team members under 30 hours are ineligible for company benefits. A bummer, we know. But it's the way it has to be.

Part-time team members are ineligible for PTO.

WORK WEEK & HOURS OF WORK

TIME TO GET DOWN TO BUSINESS.

Our normal work week consists of at least forty hours, unless on an approved reduced schedule. In our business, hours vary considerably depending on the time zone in which our clients are located and depending on workload -- but it is important that we remain available during the hours when most clients' offices are in operation. Basically, if there's a chance the phone'll ring, we're at our posts.

Generally, our office hours are 7:00 am to 5:00 pm, Monday through Friday. The nature of our business sometimes requires us to work beyond the normal business hours. Nonetheless, employee-owners are still expected to be accessible during normal business hours. If you cannot be accessible for any reason, please notify your supervisor. Ghosting is prohibited. (And pretty d*mn rude to boot.)

WAGE RATES

WE PUT IN THE TIME.

It is our policy and practice to compensate employee-owners for all time worked, and to do so in compliance with all applicable state and federal laws.

To ensure that you are paid properly for all time worked and that no improper deductions are made, please record time worked correctly. Review your paychecks and pay stubs promptly to identify any errors. Please notify your supervisor immediately of any errors.

If you receive payroll information via text message on Mondays, it is your responsibility to notify your supervisor immediately of any errors.

No one who is eligible for overtime should perform any work that is not authorized and recorded on his/her timesheet. While all time worked will be paid, even if not authorized, working without authorization could lead to disciplinary action. So don't do it.

PER DIEM POLICY

EMERY SAPP & SONS, INC. PER DIEM POLICY

ESS continues to grow and expand geographically, share resources among teams, and travel further to deliver results for our clients.

Kicking *ss is hungry work. The following per diem guidelines and rates have been established to reduce the burdens of travel.

It's our goal to have a consistent approach to how per diem is assigned and managed. Please note the following rates are subject to change and are assigned at the discretion of your Vice President or Assistant Vice President.

Sometimes there are reasonable circumstances that require a deviation from the rates below. All deviations must be pre-approved in advance by your Vice President. Otherwise, stick to the guidelines.

WHAT ARE OUR CURRENT PER DIEM RATES?

\$110 PER SHIFT (NON-PREVAILING WAGE) OUT-OF-MARKET RATE (OVER 100 MILES)

- Hourly craft, dump truck driver, or lead person

\$65 PER SHIFT (NON-PREVAILING WAGE) SPECIAL IN-MARKET RATE (UNDER 100 MILES)

- Hourly craft, dump truck driver, or lead person
- Supervisors use of this rate must be pre-approved by your Vice President

\$55 PER SHIFT (WITH CREDIT CARD TO PAY FOR HOTEL ROOM)

- Lowboy drivers or mechanics
- Foreman or superintendents

\$0 PER SHIFT (PREVAILING WAGE)

- Hourly craft or lead person

*Mileage is calculated from the office location.

PERPLEXED ABOUT PER DIEM?

YOUR VICE PRESIDENT WILL DESIGNATE IF PER DIEM IS APPLICABLE ON YOUR JOB, AND WHAT PER DIEM RATE MAY APPLY TO YOU. WHEN IN DOUBT, ASK YOUR SUPERVISOR.

RECORDING HOURS

ACCURACY PAYS.

If you are required to fill out a timesheet, please record your hours on a daily basis to ensure the most accuracy. When recording your hours worked, please note the following:

- Timesheet requirements sometimes vary. Be aware of any changes, and follow timesheet guidelines as required.
- Supervisors may record your hours. It is the responsibility of the employee-owner (that's you) to communicate their hours worked accurately to their supervisor.
- It's your responsibility to review your hours for accuracy and report any inconsistencies as soon as possible. If you receive payroll information via text message on Mondays, it is your responsibility to notify your supervisor immediately of any errors. Basically, pay attention to when **and where** you're working - we want to make sure you get exactly what you're owed.

Sometimes mistakes happen. If you have a question or find an inconsistency, please:

- Check with your supervisor. Your supervisor is often the best resource to provide clarifications and make corrections in a timely manner.
- If your supervisor does not have the answer, they will contact a member of the job cost team.

The payroll team is a resource for all employee-owners. But, please remember! When it comes to recording hours and making corrections, your supervisor will be your first line of defense!

PAYROLL DEDUCTIONS

THE TAX MAN COMETH.

Various payroll deductions are made each pay day to comply with federal and state laws pertaining to taxes and insurance. (Good ol' Uncle Sam) Deductions will be made for the following:

- Federal, State, City and/or local (where applicable) Income Tax Withholding
- Social Security (FICA)
- Other items consented to by the employee-owner

By January 31st of the following year, you will be supplied with your Wage and Tax Statement (W-2) form including income and unemployment taxes, Federal Insurance Contributions Act (FICA) contributions (Social Security and Medicare), and any other deductions required under law or by court order for wage garnishments. The amount of your tax deductions will depend on your earnings and the number of exemptions you list on your federal Form W-4 and applicable state withholding form. Employee-owners may also authorize voluntary deductions from their paycheck, including contributions for insurance premiums, retirement plans, spending accounts, or other services. Your deductions will be reflected in your pay statement. This statement summarizes your income and deductions for the year. So, you know, it's kinda important. Might want to hang on to that one. The company will not make deductions to your pay that are prohibited by federal, state, or local law. If you have any questions regarding these deductions, please contact the payroll team at payroll@emerysapp.com.

PAYSTUBS

KEEP RECEIPTS.

Your pay stubs are available to view each pay period. You may view digital records of your recent and archived pay stubs by visiting your Workday account. Within Workday, you have the option to print your pay stubs to keep copies for your own records.

We encourage employee-owners to check their pay stubs for accuracy. If you have any questions regarding your pay stubs, please contact a member of the payroll team at payroll@emerysapp.com.

PAYDAYS

CHA-CHING.

Employee-owners are paid weekly, on Fridays. If pay day falls on a holiday, paychecks will be distributed on the last working day before.

Our pay period is Sunday through Saturday. When you get paid on Friday, you are receiving compensation for work performed the previous pay period (not the current pay period).

Basically it goes like this: we pay you for work ya did already, not for work ya pinky swear you'll do this week. Got it? Good.

OVERTIME

CHA-CHING AND A HALF.

In accordance with government regulations, those who are classified by job description as "non-exempt" under the wage and hour laws may be eligible to receive overtime.

LET'S UNPACK WHAT THAT MEANS.

- Non-exempt personnel must work in excess of 40 hours in a given week to earn overtime pay, which will be calculated at a rate of one and a half times the regular rate of pay. Paid time off (holidays, PTO, etc.) does not count as time worked.
- Many times, the projects we work on have specific overtime regulations. It's ESS' policy and practice to compensate employee-owners in compliance with all local, state, and federal wage laws. No one who is eligible for overtime should perform any work that is not authorized and recorded on their timesheet.
- All overtime must be approved by your supervisor.

FINAL CHECK UPON TERMINATION

ALAS, BREAKING UP IS HARD TO DO.

Normal deductions will be withheld from your last ESS paycheck. In the event any partner has a current receivables account as a result of relocation, company-approved loans, equipment purchase, etc., ESS will recuperate any and all monies allowable under federal and state guidelines.

RETURN OF PROPERTY

Return all ESS property at the time of separation, including, but not limited to: laptops, iPads, cellphones, hotspot, keys, key fobs, tools, credit cards, and fuel cards. Failure to return items may result in deductions from your final paycheck where state law allows. In some circumstances, ESS may pursue criminal charges for failure to return company property.