

No holiday pay for exempt staff in first 90 days?

Q. Our company has a 90-day probationary period that employees must complete before they're eligible for holiday pay. We've always made salaried exempt employees meet this requirement, too. So if a holiday occurs during their first 90 days, we only pay them for the days worked that week. Is this legal? — V.T., Illinois

A. While your treatment of exempt employees might be legal, it will jeopardize their exempt status. Exempt employees must be paid a weekly salary. With limited exceptions, deductions from pay for anything less than a full week could cost you the exemption for that employee.

Your pay practice is not illegal. But if you face a legal claim, it will probably result in you having to treat the employees as nonexempt and pay overtime for all hours worked in excess of 40 in any given workweek.