



Pennsylvania Compensation Rating Bureau

The Widener Building • 6th Floor
One South Penn Square • Philadelphia, PA 19107-3577
(215)568-2371 • FAX (215)564-4328 • www.pcrb.com

July 13, 2001

PENNSYLVANIA TEST AUDIT PROGRAM

BULLETIN #65

REGULAR AND FREQUENT

In determining the classification assignment for an employee who may have (to varying degrees) multiple operational exposures, the term “regular and frequent” has historically been used by the PCRB in evaluating the duties of the employee in question. The purpose of this Bulletin is to briefly (but not exhaustively) clarify the PCRB’s use and application of this classification assignment concept.

The word regular is defined as “usual, normal, customary, recurring at fixed times and periodic.” The word frequent is defined as “happening or occurring at short intervals, constant or habitual.” The intent of the PCRB’s classification procedure is to assign the payroll of an employee having multiple operational exposures to that classification most consistent with the overall nature of that employee’s exposure. The term “regular and frequent” is a benchmark used to help determine whether exposure in a given operational area is or is not sufficient to warrant assignment of an employee to the Manual classification applicable to such exposure.

An employee need not actually work at a production machine in order to have their payroll assigned to the appropriate basic production classification. If in the course of performing their work, the employees’ duties bring them into regular and frequent contact with the production work area, then that person’s payroll would be assigned to the appropriate basic production classification.

The above observation should not be construed to mean that any individual who ever steps into the plant or shop area would automatically have their payroll assigned to the higher rated classification. The intent of the PCRB’s classification procedure is to be reasonable and fair in assigning the appropriate classification that best reflects the employee’s job duties. Therefore, an employee who was temporarily engaged in a job duty beyond the restrictive definition of the standard exception classifications on an infrequent or emergency basis would not have their payroll assigned to the basic classification.

Please note that the existence of a portal door or window in a floor to ceiling partition to allow an interface between employees, visitors or customers, does not in and of itself invalidate the floor to ceiling partition.

Some additional examples may further clarify these considerations.

- Employee X of ABC Corporation makes outside sales calls and visits prospective customers one day a week every week. The employee will typically visit five to six customers. The other four days of the week, employee X works at ABC Corporation's offices handling administrative paperwork and other clerical duties. Employee X's payroll would be allocated to Code 951, Outside Sales, because this employee is regularly (every week) and frequently (one day every week) engaged in outside sales duties away from the premises.
- Employee X of ABC Corporation makes a trip to a sales convention for a week, two times a year. The rest of the employee's duties keep employee X working strictly in the company's corporate offices. Employee X's payroll should be assigned to Code 953 as two sales convention trips a year should not be construed as either regular or frequent.
- Employee Y of DEF Corporation spends about 2 hours (of an 8 hour work day) every day in the production plant. Employee Y will go to each of the production areas of the plant and physically observe and talk with foremen and workers at their machines to get feedback as to when a certain job will be completed. Employee Y may also set up a complex job on a machine or do an emergency repair during these 2 hours. Employee Y spends the other 6 hours of each day in an office handling production scheduling, administrative paperwork, finances and management reports. Employee Y's payroll would be assigned to the production plants' governing classification as this employee is regularly and frequently exposed to the plant production area, even though employee Y does not actually work on a production machine.

If this same employee had spent only ten to fifteen minutes once or twice a week in the shop conferring with foremen, greeting employees or had been called into the shop only in case of an emergency with the rest of their time spent in an office, then the payroll of employee Y would be assigned to Code 953 as the employee is not frequently in the shop.

The major points attempted to be made here are as follows:

- Determining the amount of time an employee spends exposed to the operational hazards of the business is extremely important.
- Determining the duties of the employee during that time may give a clearer picture of the extent of the employee's duties.

As usual, the more involved in presenting and exploring a line of questioning, the more information comes to light. With the benefit of such enhanced information the auditor will more likely be able to make an informed judgment on assignment of payroll.