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DETERMINING WHETHER THE EXECUTIVE, ADMINISTRATIVE, AND PROFESSIONAL EXEMPTIONS APPLY

Salary Basis Test

Primary Duties Test

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1 Is the employee paid a salary of **at least \$684 per week** (eff. Jan. 1, 2020)

No

Employee is likely **Non-Exempt¹**

Yes

2 Do the employee's **primary** duties involve **non-manual** work?

No

Employee is likely **Non-Exempt**

Yes



Remember!

A thorough analysis of the duties employees **actually perform** is **critical**. While they may be relevant, job title or description is **not determinative**.

Is the employee's **primary duty** ...



1. Be mindful that the salary basis requirements do not apply to bona fide outside sales employees, computer professionals, teachers, or practitioners of law or medicine, which are outside the scope of this chart.

2. Examples include: tax; finance; accounting; budgeting; auditing; quality control; purchasing; advertising; marketing; safety and health; personnel management; human resources; employee benefits; public relations, government relations; computer network, internet, and database administration; legal and regulatory compliance; and similar activities.

3. Factors to consider include whether the employee: has authority to formulate, affect, interpret, or implement management policies or operating practices; carries out major assignments in conducting the operations of the business; performs work that affects business operations to a substantial degree, even if the employee's assignments are related to operation of a particular segment of the business; has authority to commit the employer in matters that have significant financial impact; has authority to waive or deviate from established policies and procedures without prior approval; has authority to negotiate and bind the company on significant matters; provides consultation or expert advice to management; is involved in planning long- or short-term business objectives; investigates and resolves matters of significance on behalf of management; or represents the company in handling complaints, arbitrating disputes, or resolving grievances.

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