

Definitions and Examples

Primary Duty

The principal, main, major or most important duty that the employee performs. The employee must perform work directly related to assisting with the running or servicing of the business AND typically represents at least 50% of the job function.

Factors to consider include:

- The relative importance of the major or most important duty as compared with other types of duties;
- The amount of time spent performing the major or most important duty;
- The employee's freedom to exercise discretion independent from direct supervision; and
- The relationship between the employee's salary and wages paid to other employees for the same kind of exempt work.

Discretion and Independent Judgment

Involves the comparison and evaluation of possible courses of conduct and having the authority to make an independent choice, free from immediate direction with respect to matters of significance.

Discretion and Independent Judgment include, but are not limited to:

- Having the authority to depart from prescribed standards or permitted tolerances;
- Having the authority to formulate, affect, interpret, and/or implement policies or operating practices;
- Investigating and resolving matters of significance on behalf of management; and/or
- Having the broad authority to commit the employer in matters that have significant financial impact

Discretion and Independent Judgment does not include:

- Applying knowledge, following prescribed procedures, or determining which procedures to follow;
- Determining whether specified standards have been satisfied, even if there is some leeway in reaching a conclusion;
- Performing inspection functions by following established techniques and procedures with skills acquired through specialized training or experience;
- Formulating recommendations based upon the development of facts concerning conformity with a known standard;
- Comparing items based upon established standards, known through experience or written manuals;
- Screening applicants or conducting interviews to determine satisfaction of certain minimum qualifications;
- Making decisions that do not commit the employer in substantial respects financially or otherwise; and/or
- Negotiating settlements with policyholders where the individual is not given "reasonable latitude" in carrying on those negotiations.

Matter of Significance

Refers to the level of importance or consequence of the work performed. If this employee did not perform the job, the department would not be able to conduct business because the decision-making authority and representation is absent or nonexistent.

Fair Labor Standards Act Administrative Exemption Verification Test

Date: _____ Department: _____

Position Number: _____ Job Title: _____

Instructions

After reviewing the position description, complete this form answering each question with a “yes” or “no” based upon the job functions listed in the position description.

Salary Test

The employee must be compensated on a salary basis at a rate of at least \$913.00 per week in order to be exempt from the FLSA provisions including overtime pay requirements. Pay rates cannot be prorated for employees that work less than 40 hours per week.

Is the employee compensated on a salary basis at a rate not less than the \$913.00 per week?

Yes No

**If the answer is “no,” the employee is non-exempt. He or she must be paid an hourly wage and report hours as they are worked through the department's chosen timekeeping method.*

Administrative Duties Test

This test should be used for employees whose primary duty is office or non-manual work related to the management or general business operations of the university. Work involves exercising discretion and independent judgment related to matters of significance.

Does the employee's primary duty consist of office or non-manual work directly related to the management or general business operations of the university?

Yes No

Does the employee customarily and regularly exercise discretion and independent judgment on matters of significance?

Yes No

**If the answer to either question is “no,” the employee is non-exempt. He or she must be paid an hourly wage and report hours as they are worked through the department's chosen time keeping method.*

Form Completed By: _____
(Name and R#)

Verification Approved By: _____
(Department Leader and R#)