FLSA EXEMPTION DETERMINATION CHECKLIST

Administrative Exemption Checklist

		YES	NO
1.	SALARY THRESHOLD: The annual rate of basic pay for this position is equal to or greater than \$23,660? (Rate of basic pay includes any locality payments under 5 CFR part 531, Subpart F, and special rate supplements under 5 CFR part 530, Subpart C, or other similar legal authorized payments or supplement, before any deductions. The pay rate does not include any other kinds of pay, such as premium payments, differentials, and allowances. <i>See 5 CFR 551.203.</i>)		
2.	If the answer to Question 1 is YES, move to the remaining questions to determine whether the employees qualify for exemption. If the answer to Question 1 is NO, go to # 7	If YES, go to # 3	If NO, go to # 7
3.	 Management or general business operations. The primary duty of an employee in this position is the performance of office or non-manual work that is directly related to management or general business operations of the employer or the employer's customers, as those terms are defined in 5 CFR 551.104 and 551.206. a. MANAGEMENT: An employee in this position performs work that is directly related to activities such as interviewing, selecting, and training employees; setting and adjusting rates of pay and hours of work; directing the work of employees; maintaining production or financial records for use in supervision or control; appraising employee productivity and efficiency for the purpose of recommending promotions or other changes in status; handling employee complaints and grievances; disciplining employees; planning the work; determining techniques to be used; apportioning the work among employees; determining the type of materials, supplies, machinery, equipment, or tools to be used or merchandise to be bought, stocked and sold; controlling the flow and distribution of materials or merchandise and supplies; providing for safety and security of the employees or property; planning and controlling the budget; monitoring or implementing legal compliance measures. See 5 CFR 551.104. 		
	b. <u>GENERAL BUSINESS OPERATIONS</u> : An employee in this position performs work that is directly related to the general business operations of the employer or the employer's customers (i.e., directly related to running or servicing the business), as distinguished from the performance of production activities. <i>See 5 CFR 551.206.</i>		
4.	If the answer to Question 3a OR b is YES, move to the remaining questions to determine whether the employees qualify for exemption. If the answers to Question 3a <u>and</u> b are NO, go to # 7.	If YES, go to # 3	If NO, go to # 7

		YES	NO		
5.	Discretion and independent judgment: The <u>primary duty</u> of an employee in this position involves the exercise of <u>discretion and independent judgment</u> with respect to <u>matters of</u> <u>significance</u> , as those terms are defined in 5 CFR 551.104 and 551.206.				
	DISCRETION AND INDEPENDENT JUDGMENT: An employee in this position is responsible for comparing and evaluating possible courses of action, and deciding or acting after considering the various possibilities. He/she need not be the final authority in approving a decision. Factors to consider include, but are not limited to, whether the employee: 1) has authority to formulate, affect, interpret, or implement management policies or operating practices; 2) carries major assignments in conducting the operations of the organization; 3) performs work that affects the organization's operations to a substantial degree; 4) has authority to commit the employer in matters that have significant financial impact; 5) has authority to waive or deviate from established policies and procedures without prior approval; 6) has authority to negotiate on behalf of and bind the organization on significant matters; 7) provides consultation or expert advice to management; 8) is involved in planning long- or short-term organizational objectives; 9) investigates and resolves matters of significance on behalf of management; and 10) represents the organization in handling complaints, arbitrating disputes, or resolving grievances. <i>See 5 CFR 551.206</i> .		If NO, go to # 7		
	AND:				
	MATTERS OF SIGNIFICANCE: An employee in this position exercises discretion and independent judgment, as described above, with respect to matters of importance and consequence to the organization. <i>See 5 CFR 551.206.</i>		If NO, go to # 7		
6.	PRIMARY DUTY: An employee in this position spends more than 50% of his/her work time performing the work indicated above, <u>or</u> a duty constituting less than 50% may be credited if such work: 1) constitutes a substantial, regular part of the work assigned and performed; 2) is the reason for the existence of the position; <u>and</u> 3) is clearly exempt work in terms of the basic nature of the work, the frequency with which the employee must exercise discretion and independent judgment, and the significance of the decisions made. <i>See 5 CFR 551.104.</i>				
Administrative Exemption					
7.	The employee meets the definition of FLSA-exempt administrative employee only if you answered YES to <u>all</u> questions, and should be marked as exempt.	EXEMPT			
	If you answered NO to any of the questions, then the employee does not meet the definition for the administrative exemption, and you must mark the employee as non-exempt.	NON-E)	СЕМРТ		

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