

Overtime Pay Exemption Checklist



In order for an exemption to apply, an employee’s specific job duties and salary must meet all the requirements of the Department’s regulations. To qualify for an exemptions, all of the following must be met. Ensure your business is in compliance by contacting us today at solutions@mercadien.com or 609-689-9700.

Employee earning:	Eligible for duties test?	Overtime compensation:
Less than \$47k	No	Must be paid overtime at rate of time and one-half the regular hourly rate
More than \$47k but less than \$134k	Yes	Paid overtime only if does NOT meet criteria of duties test
More than \$134K	Highly compensated test	Paid overtime only if does NOT meet criteria of highly compensated test

Executive		✓
Compensation	Salary employees compensated at no less than \$455/week or \$47,476 annually	
Primary Duties	Managing enterprise, division or subdivision	
Supervision	Direct the work of at least 2 or more FT employees or their equivalent	
Decision Making Authority	Hiring, firing, advancement and promotion input or authority	
Administrative		
Compensation	Salary employees compensated at no less than \$455/week or \$47,476 annually	
Primary Duties	Performance of office or non-manual work for the employer or employers customers Exercise of discretion and independent judgment with respect to matters of significance	
Professional		
Compensation	Salary employees compensated at no less than \$455/week or \$47,476 annually	
Primary Duties	Performance of work requiring advanced knowledge defined as work which is predominantly intellectual in character and which includes work requiring the consistent exercise of discretion and judgment The advanced knowledge must be in a field of science and must be customarily acquired by a prolonged course of specialized intellectual instruction	

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Creative Professional	
Compensation	Salary employees compensated at no less than \$455/week or \$47,476 annually
Primary Duties	The performance of work requiring invention, imagination, originality or talent in a recognized field of artistic or creative endeavor
Computer	
Compensation	Salary employees compensated at no less than \$455/week or \$47,476 annually or if compensated on an hourly basis, at a rate not less than \$27.63 an hour
Primary Duties	The application of systems analysis techniques and procedures, including consulting with users, to determine hardware, software or system functional specifications The design, development, documentation, analysis, creation, testing or modification of computer systems or programs, including prototypes, based on and related to user or system design specifications The design, documentation, testing, creation or modification of computer programs related to machine operating systems A combination of the aforementioned duties, the performance of which requires the same level of skills
Outside Sales	
Primary Duties	Making sales (as defined in the FLSA), or obtaining orders or contracts for services or for the use of facilities for which a consideration will be paid by the client or customer
Supervision	Customarily and regularly engaged away from the employer's place or places of business
Highly Compensated	
Compensation	Paid total annual compensation of \$100,000 or more (which must include at least \$455 per week paid on a salary or fee basis)
Primary Duties	Customarily and regularly perform at least one of the duties of an exempt executive, administrative or professional employee identified in the standard tests for exemption

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