LEARNED PROFESSIONALS

CREATIVE PROFESSIONALS

PUT YOUR EMPLOYEES TO THE TEST

EXEMPT DUTIES TEST:

The U.S. Department of Labor has announced its final rule to expand Fair Labor Standards Act’s job duties tests. Exempt positions are excluded from minimum wage, overtime regulations and other rights and protections afforded nonexempt workers. Exempt employees are protected by civil, administrative and criminal laws.

1. DOES THIS EMPLOYEE WORK IN ANY OF THE FOLLOWING DEPARTMENTS?
   - Accounting
   - Computer
   - Engineering
   - Law
   - Medicine
   - Teaching

2. IS THE EMPLOYEE GENERALLY CONSIDERED A PROFESSIONAL AND NOT A SKILLED WORKER?

3. DOES THE EMPLOYEE PERFORM WORK REQUIRING SPECIALIZED ACADEMIC DEGREE?

4. DOES THE EMPLOYEE PERFORM WORK REQUIRING DISCRETION AND INDEPENDENT JUDGMENT?

5. DOES THE EMPLOYEE WORK IN A CREATIVE OR ARTISTIC FIELD?

6. DOES THIS EMPLOYEE HAVE OPERATIONAL AUTHORITY?

7. DO THE EMPLOYEE’S DUTIES INVOLVE AUTONOMY AND INITIATIVE?

8. DO THE EMPLOYEE’S DUTIES INCLUDE RESPONSIBILITY FOR THE WORK OF OTHERS?

EXEMPT DUTIES TEST:

Paycom’s all-in-one, human capital management solution making cost-effective decisions about workforce policies or commit the company to action regarding employees’ career fields, the source of their professional knowledge and how they apply that knowledge influence the bases for the learned professionals test.

1. DOES THE EMPLOYEE USE IMAGINATION OR INVENTIVENESS IN MAKING DECISIONS OR JUDGMENTS?

2. DOES THE EMPLOYEE PERFORM WORK REQUIRING THE USE OF HIGHLY SPECIALIZED Knowledge?

3. DO YOU CONSIDER THE EMPLOYEE TO HAVE A DIPLOMA OR HIGHER DEGREE?

EXEMPT DUTIES TEST:

Computer employees are exempt if they:

1. Are paid a salary rather than an hourly wage.

2. Perform work that's directly related to the running or servicing of a business.

3. Are not directed to do manual work.

4. Have the power to formulate and apply policies or commit the company to action regarding work policies or commit the company to action regarding business policies.

5. Influence workforce decisions of the entity.

6. Make or recommend decisions that affect business operations.

7. Have a large measure of discretion and independent judgment in their job.

CREATIVE PROFESSIONALS

Does the employee work in a field of science or art? Does he/she work in a field of science or art? 3

Such as music, writing, acting or graphic arts? 1

DOES THIS EMPLOYEE HAVE OPERATIONAL AUTHORITY?

Just because an employee works in a professional field doesn’t necessarily mean the exemption applies. This is because either the employee’s work is routine in nature, or the employee’s knowledge base is not the result of specialized academic training or intellectual instruction.

DOES THE EMPLOYEE USE IMAGINATION OR INVENTIVENESS?

Generally, managers can perform nonexempt tasks without losing their exemption, as long as they get made. One way to ensure managers keep their exemption is to have managers perform nonexempt tasks only on their own initiative.

OVERTIME EXPANSION

When evaluating your employees, remember:

1. Does the employee have the power to formulate and apply policies or commit the company to action regarding work policies or commit the company to action regarding business policies?

2. Do the employee’s duties include responsibility for the work of others?

3. Do you consider the employee to have a diploma or higher degree, or have the employee demonstrated a special knowledge or skill so superior to that possessed by average personnel that they are considered professionals rather than skilled workers?

PUT YOUR EMPLOYEES TO THE TEST

1. Does this employee have operational authority?

2. Does the employee work in any of the following departments?
   - Accounting
   - Computer
   - Engineering
   - Law
   - Medicine
   - Teaching

3. Does the employee work in a creative or artistic field?

4. Does the employee use imagination or inventiveness in making decisions or judgments?

5. Does the employee perform work requiring the use of highly specialized knowledge?

6. Does the employee work in a diploma or higher degree?

EXECUTIVE EXEMPTION DUTIES TEST:

Executive exempt employees are excluded from minimum wage, overtime regulations and other rights and protections afforded nonexempt workers. Executive employees are those employees who:

1. Are paid a salary rather than an hourly wage.

2. Supervise at least two employees, unless the employees supervise a large number of employees.

3. Have the authority to hire, fire, promote, demote or reward employees.

4. Have authority or discretion to determine work assignments or schedules.

5. Have the ability to make significant policy decisions or influence decisions affecting others.

ADMINISTRATIVE EXEMPTION DUTIES TEST:

Administrative employees are excluded from minimum wage, overtime regulations and other rights and protections afforded nonexempt workers. Administrative employees are those employees who:

1. Are paid a salary rather than an hourly wage.

2. Supervise at least two employees, unless the employees supervise a large number of employees.

3. Have the authority to hire, fire, promote, demote or reward employees.

4. Have authority or discretion to determine work assignments or schedules.

5. Have the ability to make significant policy decisions or influence decisions affecting others.

COMPUTER EMPLOYEE EXEMPTION DUTIES TEST:

Computer employees are exempt if they:

1. Are paid a salary rather than an hourly wage.

2. Perform work that's directly related to the running or servicing of a business.

3. Are not directed to do manual work.

4. Have the power to formulate and apply policies or commit the company to action regarding business policies.

5. Influence workforce decisions of the entity.

6. Make or recommend decisions that affect business operations.

7. Have a large measure of discretion and independent judgment in their job.

MAKING EFFECTIVE DECISIONS ABOUT WORKFORCE POLICIES OR COMMIT THE COMPANY TO ACTION REGARDING EMPLOYEES’ CAREER FIELDS, THE SOURCE OF THEIR PROFESSIONAL KNOWLEDGE AND HOW THEY APPLY THAT KNOWLEDGE INFLUENCE THE BASES FOR THE LEARNED PROFESSIONALS TEST.