

**August  
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## ***Exempt vs Non-Exempt***

Exempt and non-exempt are classifications under the Fair Labor Standards Act (FLSA), a federal law requiring that most employees receive at least minimum wage for each hour worked and overtime pay for hours worked over 40 in a workweek. Employees who are entitled to both minimum wage and overtime are called non-exempt, while those who are not entitled to both are called exempt.

### In Order To Classify As Exempt:

- The employee must perform specific tasks and regularly use their own judgment and discretion. Each exemption has its own duties test.
- The employee must make at least \$455 per week (expected to be \$679 per week starting around January 2020).
- The employee must be paid the same each week regardless of hours worked or the quantity or quality of their work. Reducing an exempt employee's pay is only allowed in very narrow circumstances.

