



**ADMINISTRATIVE  
POLICIES AND PROCEDURES MANUAL**

**DATE ISSUE  
6/1/98**

**REVISION  
1**

**PAGE  
D3-110.0**

SUBJECT

**PAY ADMINISTRATION**

SUB-TOPIC

**FAIR LABOR STANDARDS ACT (EXEMPT STATUS)**

The U.T. System, and therefore UTD, is governed by the Fair Labor Standards Act which provides overtime pay exemptions for employees in legitimate executive, administrative and professional capacities (including academic administrative personnel and faculty members). Whether or not an employee is "exempt" from coverage under the Act depends upon his/her duties, responsibilities, and salary paid for the position held. Title alone does not make an employee exempt.

The Act has established the following criteria for employees in given categories, all of which must be met to qualify for "exempt" status:

**A. EXECUTIVE**

1. Meet current minimum salary requirements specified in the Act,
2. Devote no more than twenty percent (20%) of a work week to non-exempt work,
3. Primary duty is the management of UTD or a department, division, program, or other major subdivision,
4. Regularly direct the work of at least two (2) full-time employees,
5. Have the authority to hire and fire, or recommend hiring and firing, and
6. Regularly exercise discretionary powers in the position held.

**B. ADMINISTRATIVE**

1. Meet current minimum salary requirements specified in the Act,
2. Devote no more than twenty percent (20%) of the work week to non-exempt work,
3. Primary duty is responsible office or non-manual work of substantial importance to the management and operation of UTD,
4. Regularly and customarily exercise discretion and independent judgment, and
5. Regularly and directly assist the Administration, or an employee who is a bona fide executive of administrative position; (or) perform under only general supervision which is specialized or technical requiring specialized training; (or) perform under only general supervision for special assignments.and salary policy.



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C. PROFESSIONAL

1. Meet current minimum salary requirements specified in the Act,
2. Devote no more than twenty percent (20%) of the work week to non-exempt work,
3. Primary duty must require advanced knowledge normally acquired through advanced study; (or) be original and creative in a recognized artistic field whose results depend upon the inventiveness, imagination, or talent of the employee; (or) be teaching, tutoring, instructing, or lecturing in an activity imparting knowledge and be certified or recognized to do so at UTD,
4. Regularly and customarily exercises discretion and independent judgment, and
5. Perform work which is predominantly intellectual and varied in character to the extent the results cannot be standardized.

The Human Resources Office has a copy of the Fair Labor Standards Act for employee use and periodically issues a memorandum indicating those positions which are categorized as "exempt".