

Washington State Minimum Wage Overtime Eligibility Review and Recommendation

Complete each section below to show the analysis was done to make a proper determination, as more than one exemption may apply. If none apply, the position will be considered overtime eligible. Disclaimer: This worksheet does not replace the position's full analysis of duties on file.

For more information see [RCW 49.46](#) et seq. and [Washington Administrative Code 296-128](#) et seq.

Position Information		
Date:	Class Title:	Position Number:
Incumbent's Name (If filled position):		Supervisor's Name:
Salary Test		
Is the employee paid on a salary or fee basis, regardless of the number of hours worked? (See Overtime Eligibility Guidance on page 3 for dollar amount.) If the answer is no , the analysis is complete. Sign and date on page 2. <i>(NOTE: Practicing Teachers, Doctors and Attorneys DO NOT need to meet the salary threshold requirements.)</i>		Yes <input type="checkbox"/> No <input type="checkbox"/>
Administrative Exemption – In order to qualify for this exemption the answer to the first three (3) questions must be yes; or the answer to the fourth question must be yes.		
Do the employee's primary ^① duties consist of office or non-manual work directly related to the management or general business operations of the agency?		Yes <input type="checkbox"/> No <input type="checkbox"/>
Is the employee's office or non-manual work directly related to assisting with the running or servicing of the business?		Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the position require the exercise of discretion and independent judgment ^③ with respect to matters of significance? (See Overtime Eligibility Guidance on page 3.)		Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the employee's primary duty consist of performing administrative functions directly related to academic instruction or training in an educational establishment or department or subdivision thereof? (See Overtime Eligibility Guidance on page 3.)		Yes <input type="checkbox"/> No <input type="checkbox"/>
Professional Exemption – Is the primary ^① duty (See Overtime Eligibility Guidance on page 3.) one or more of the following?		
Performance of work requiring advanced knowledge in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study ^④ . (Work which is predominantly intellectual and requires consistent exercise of discretion and judgment as distinguished from routine mental, manual, mechanical or physical work.)		Yes <input type="checkbox"/> No <input type="checkbox"/>
Work requiring invention, imagination originality or talent in a recognized field of artistic or creative endeavor. This includes such fields as music, writing, acting, and the graphic arts.		Yes <input type="checkbox"/> No <input type="checkbox"/>
The primary duty consists of teaching, tutoring, instructing, or lecturing in the activity of imparting knowledge and who is employed and engaged in this activity as a teacher in an educational establishment by which the employee is employed; and who is compensated on a salary or fee basis.		Yes <input type="checkbox"/> No <input type="checkbox"/>
The employee is the holder of a valid license or certificate permitting the practice of law or any of their branches and is actually engaged in the practice thereof.		Yes <input type="checkbox"/> No <input type="checkbox"/>
The employee is the holder of a valid license or certificate permitting the practice of medicine or any of their branches and is actually engaged in the practice thereof; or who is the holder of the requisite academic degree for the general practice of medicine and is engaged in an internship or resident program pursuant to the practice of the profession. (See WAC 296-128-530 and 532 for a more detailed description of medical practitioner.)		Yes <input type="checkbox"/> No <input type="checkbox"/>
Executive Exemption – Answer to all questions must be yes to qualify for this exemption.		
Does the employee manage the enterprise and regularly supervise at least two employees? (If the employee supervises part-time employees, they must aggregate to at least two full-time employees.)		Yes <input type="checkbox"/> No <input type="checkbox"/>

Overtime Eligibility Guidance

Salary basis test:

- Effective July 1, 2020, L&I's new phased in salary threshold for overtime exempt employees:

Start	Multiplier	MinWage	Weekly	Annual
7/1/2020	1.25	\$13.50	\$675	\$35,100
1/1/2021	1.75	\$13.69	\$958.30	\$49,831
1/1/2022	1.75	\$ 13.93	\$975	\$50,700
1/1/2023	2	\$14.10	\$1,128	\$58,656
1/1/2024	2	\$14.21	\$1,137	\$59,124
1/1/2025	2.25	\$14.40	\$1,296	\$67,392
1/1/2026	2.25	\$14.53	\$1,308	\$68,016
1/1/2027	2.5	\$14.82	\$1,482	\$77,064
1/1/2028	2.5	\$15.12	\$1,512	\$78,624
Federal FLSA Salary Basis (1/1/2020): \$35,568 (annual)				

- Effective July 1, 2020, L&I's new phased in salary threshold for Hourly Computer professionals:

Start	Multiplier	MinWage	Hourly Wage
7/1/2020	2.75	\$13.50	\$37.13
1/1/2021	3.5	\$13.69	\$47.92
1/1/2022	3.5	\$ 13.93	\$(TBD)*
*L&I has not determined the hourly wage for 2022.			

Additional considerations for the salary test:

General –

- The employee's salary basis rate must be exclusive of board, lodging or other facilities. The employee's salary must be free from reduction for absences caused by witness service, jury duty, or temporary military service.
- The employee's salary must be free from reduction based on quantity or quality of work performed.
- The employee's salary is free from deduction for disciplinary suspensions of less than a full workweek (except for infractions involving matters of major safety significance).

Teachers –

- The employee's salary basis rate must be exclusive of board, lodging or other facilities or they must be paid on a salary basis which is at least equal to the entrance salary for teachers in the educational establishment by which they are employed.

① **Primary** is defined as the principal, main, major, or most important duty that the employee performs. See WAC 296-128-505(4) for additional clarification.

② **Directly Related to Management or General Business Operations:** An employee must perform work directly related to assisting with the running or servicing of the business as distinguished from selling a product or service for an establishment.

③ **Discretion and Independent Judgment:** The following factors were developed for guidance on whether an employee exercises "discretion and independent judgment with respect to matters of significance".

- Does the employee have authority to formulate, effect, interpret or implement management policies or operating practices?
- Does the employee carry out major assignments in conducting the operations of the business?
- Does the employee perform work that affects business operations to a substantial degree, even if the employee's assignments are related to operations of a particular segment of the business?
- Does the employee have authority to commit the employer in matters that have significant impact?
- Does the employee have authority to waive or deviate from established policies or procedures without prior approval?
- Does the employee have authority to negotiate and bind the company on significant matters?

7. Does the employee provide consultation or expert advice to management?
8. Is the employee involved in planning long-term or short-term business objectives?
9. Does the employee investigate and resolve matters of significance on behalf of management?
10. Does the employee represent the company in handling complaints, arbitrating disputes or resolving grievances?

④ **Performing administrative functions directly related to academic instruction or training:** Work related to the academic operations and functions in a school rather than to administration along the lines of general business operations. Such academic administrative functions include operations directly in the field of education. Jobs relating to areas outside the educational field are not within the definition of academic administration.

⑤ **Customarily acquired by a prolonged course of specialized intellectual instruction:** Department of Labor and Industries provides the following two factors for consideration.

1. The standard prerequisite for trained entry into the job must be “specialized academic training”, and
2. Employees who work in such a profession must either possess an advanced degree or have attained substantially the same knowledge level through a combination of work experience and intellectual instruction and perform substantially the same work as the degreed employees.

The learned professional exemption is *not* available for occupations that may be performed with:

- Only the general knowledge acquired by an academic degree.
- Knowledge acquired through an apprenticeship.
- Training in the performance of routine mental, manual, mechanical or physical processes.

The exemption also does not apply to occupations in which most employees acquire skill by experience.

⑥ **Management:** This includes, but is not limited to, activities such as interviewing, selecting, and training of employees; setting and adjusting their rates of pay and hours of work; directing the work of employees; maintaining production or sales records for use in supervision or control; appraising employees' 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 the techniques to be used; apportioning the work among the 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 the safety and security of the employees or the property; planning and controlling the budget; and monitoring or implementing legal compliance measures.