



Email Communication

From: Honna Rogers, MTAS Management Consultant
Chattanooga MTAS Office

To: Burt Johnson, Finance Director/Recorder
City of Soddy-Daisy, TN

August 16, 2017

Question from Burt Johnson:

We have a Senior Center Director that supervises “Participants” provided by Goodwill Industries. Goodwill pays their wages. The “Participants” are part-time employees. Can we make the Director an exempt employee even though she is supervising people that are not paid by the City of Soddy-Daisy? Is there a requirement that states an employee must supervise a specific minimum number of people to be eligible to be exempt?

Response from Honna Rogers, with assistance from John Grubbs, MTAS Human Resource Consultant:

Volunteers cannot count as supervised employees. You should consider whether she would qualify for an Administration exemption. The qualifications are below so you’ll need to look through and see if she meets them.

Administrative Exemption (from the Fair Labor Standards Act)

To qualify for the administrative employee exemption, all of the following tests must be met:

- The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$455 per week;
- The employee’s primary duty must be the performance of office or non-manual work directly related to the management or general business operations of the employer or the employer’s customers; and
- The employee’s primary duty includes the exercise of discretion and independent judgment with respect to matters of significance.

Right off the bat that easiest thing to look at is the salary because if she doesn’t need that amount then she will not qualify as exempt. Please let me know if you have follow-up questions on this.