

FLSA Risk Assessment Chart

Effective July 1, 2024. Determining whether a position should or can be classified exempt is a complicated process that must be applied to each individual position. While no concrete test exists to determine whether an exemption is met, this tool can help you assess the risk involved when classifying an employee as exempt. To weigh the risk, answer the statements in each column as true or false. Count the number of “true” statements in the column and compare to the meter near the bottom of the column.

Does the position qualify for the ministerial exception?	Is the position specifically exempted from FLSA requirements?	Does the position fail to require regular and recurrent participation in interstate commerce?	Does this position meet both the Salary Basis and Salary Level* tests AND:
The individual was hired based “largely on religious criteria.” T F	The individual is a teacher, academic advisor, or admissions counselor employed by an elementary school, secondary school, or institution of higher education. T F	The position does not require the employee to make interstate phone calls on at least a weekly basis. T F	The position meets the “executive” exemption qualifications under FLSA regulations. T F
The ministry authorizes the individual to perform ceremonies (baptism, weddings, communion) of the church. T F	The individual is a preschool or kindergarten teacher whose primary duty is teaching, not caring for the physical needs of children. T F	The position does not require regular travel outside of the state. T F	The position meets the “administrative” exemption qualifications under FLSA regulations. T F
The ministry holds the individual out as a member of clergy (more than just title). T F	The employee serves in a medical position requiring a valid medical license or certificate. T F	The position does not require the employee to send or receive interstate mail at least weekly. T F	The position meets the “professional” exemption qualifications under FLSA regulations. T F
The individual regularly engages in religious or ecclesiastical activities and “attends to the religious needs of the faithful” as part of their job function. T F	The position’s primary duty involves exempt-level work and meets the highly compensated employee threshold.* T F	The position does not require the employee to order materials from another state regularly. T F	The position meets the “computer employee” exemption qualifications under FLSA regulations. T F
The position requires the individual complete a formal process such as ordination, licensure, divinity degree, etc. in order to perform the position. T F	The position is seasonal at a recreational establishment that doesn’t operate more than 7 months in any calendar year. T F	The position does not require the employee to interact with people in other states via the internet on at least a weekly basis. T F	The position meets the “combination” exemption because primary duties involve more than one exemption qualification mentioned above. T F
SCORE RISK 0–1 True = Higher 2–3 True = Moderate 4–5 True = Lower	SCORE RISK 0 True = Higher 1–5 True = Lower	SCORE RISK 0–1 True = Higher 2–3 True = Moderate 4–5 True = Lower	SCORE RISK 0 True = Higher 1–5 True = Lower
If you determine the position meets the ministerial exception, the FLSA would not apply. T F	If you determine that the position qualifies under at least one of the above tests, the FLSA likely would not apply. T F	If you determine that the position does not require regular and recurrent participation in commerce, the FLSA likely would not apply. T F	If you determine that the position qualifies for one of the white-collar exemptions, and the employee exceeds the salary level, the FLSA likely would not apply. T F

If a position does not pass any of the above assessments, it likely should be classified as non-exempt and the FLSA rules should be applied. When in doubt, it’s best to err on the side of non-exempt. Consult a locally licensed attorney before classifying an employee as exempt.

***Starting July 1, 2024:** The standard salary level increases to \$844 per week (equivalent to \$43,888 per year). The total annual compensation threshold for highly compensated employees is \$132,964 per year, which includes at least \$844 per week paid on a salary or fee basis.

Starting January 1, 2025: The standard salary level increases to \$1,128 per week (equivalent to \$58,656 per year). The total annual compensation threshold for highly compensated employees is \$151,164 per year, which includes at least \$1,128 per week paid on a salary or fee basis.

Starting July 1, 2027, and every 3 years thereafter: The standard salary level and the total annual compensation threshold for highly compensated employees will be determined by applying the methodology used to set the salary level in effect at the time of the update to available data.

