



Quick Quiz: Part-Time Exempt Status

Insights

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Tom is the Department Manager for Bigtown Computer Corporation's ten-employee Research and Development department. Bigtown treats him as being exempt from the federal Fair Labor Standards Act's minimum-wage and overtime requirements, and Tom's actual duties and responsibilities as a full-time employee clearly meet all of the requirements for the FLSA's executive exemption. Bigtown also pays Tom bi-weekly on a salary basis at a rate of \$850 a week.

Tom has decided to return to school part-time. He has asked to manage the Department on a half-time basis while he is in school. Bigtown is willing to agree to this, but only at a new salary rate equal to one-half of his current level.

Can Bigtown continue to treat Tom as an exempt executive under the new arrangement?

[Editor's Note: Click [here](#) for the answer.]