

FLSA-324

December 6, 1983

This is in reply to your letter of November 14 requesting an opinion as to the exempt status of a lease coordinator under Section 13(a)(1) of the Fair Labor Standards Act (FLSA).

You state that the primary functions of the lease coordinator include coordinating activities relating to leased equipment with various marketing personnel; maintaining the day-to-day liaison with the leasing companies initiating, preparing and submitting lease and rental invoices; assisting the accounting department in reconciliation of leasing revenues; assisting the manager of financial operations; developing and maintaining automated systems for repetitive invoices; preparing and submitting of software and maintenance invoices; and performing tasks relating to leaseing and other financial operations. The lease coordinator is paid a salary of \$325 per week. In addition, you state that the lease coordinator must have computer and word processing skills, administrative/systems capabilities, writing and oral skills, knowledge of contracts, the ability to pay attention to details and to "follow-up," and typing and other secretarial skills.

Section 13(a)(1) of FLSA provides a complete minimum wage and overtime pay exemption for any employee employed in a bona fide executive, administrative or professional capacity, as those terms are defined in 29 CFR Part 541, a copy of which is enclosed. For an employee to qualify for exemption, all the pertinent tests relating to duties, responsibilities and salary, as discussed in the appropriate section of the regulations, must be met. We have considered the possible application of the exemption for bona fide administrative employees contained in section 541.2 of the regulations to the employee you have in mind. A bona fide administrative employee who is compensated on a salary or fee basis of not less than \$250 per week may qualify for exemption if his or her primary duty consists of the performance of office or nonmanual work directly related to the management policies of the employer or the employer's customers, which includes work requiring exercise of discretion and independent judgment.

From the information contained in your letter, it is our opinion that the exemption for bona fide administrative employees does not apply to the lease coordinator you describe. It is apparent that the kinds of decisions that the lease coordinator may be required to make do not require the level of discretion and independent judgment contemplated by section 541.207 of the regulations. Rather, it appears that the employee in question is merely applying knowledge in prescribed techniques, procedures, and specified standards in the performance of his or her duties. Such an employee would not qualify for exemption under section 541.2 of the regulations. Where an employee does not qualify for exemption, he or she must be paid in accordance with FLSA's minimum wage and overtime requirements.

If, after reading the enclosed material, you have any further questions on this matter or any other section of FLSA, you may find it more convenient to get in touch with our Area Office at the Butler Square Building, Room 303 West, 100 North Sixth Street, Minneapolis, Minnesota 55403 (telephone: 612-725-8106). That office is responsible for the Administration of FLSA in your area, and will be pleased to offer every possible assistance.

Sincerely,

William M. Otter
Administrator

Enclosure