3E. **Exempt Employees**

For positions determined to be exempt from state and federal overtime provisions (FLSA), overtime is considered part of the job responsibility and no overtime pay or compensatory time is provided. To be exempt, the position must meet the FLSA short or long test criterion under the Executive, Administrative or Professional standard.

In lieu of compensation for overtime worked, each exempt employee shall be credited with 40 hours of administrative leave per year. Such leave must be used in the fiscal year credited or be forfeited. No payment of administrative leave shall be made at termination. For new hires, the administrative leave shall be prorated based on the proportion of the fiscal year remaining at the time of hire.