



FLSA GUIDANCE



FINAL PAY FOR EXEMPT EMPLOYEES WHEN TERMINATED MID-WEEK

Understanding Pay Obligations for Exempt (Salaried) Employees Under the Fair Labor Standards Act (FLSA)



What's the Issue?

If an **exempt employee** is **terminated mid-week**, is the employer required to pay them for the **entire week**, or only for the days worked?



The FLSA Rule

Under the Fair Labor Standards Act (FLSA), **exempt employees must be paid their full weekly salary** if they perform *any* work during the workweek — **regardless of how many days or hours were worked**.



Key Rule: If an exempt employee works even one day in a workweek, they are typically entitled to full salary for that week.



Exceptions (Limited)

An employer can reduce pay for an exempt employee only if:

- It's the first or last week of employment, and the employee didn't work the full week; and
- The separation is voluntary (resignation) or for cause (e.g., gross misconduct).



Termination due to contract cancellation, lack of work, or budget constraints does not justify prorating the final week's pay.



Outcome: Employee must be paid their full weekly salary, unless one of the narrow FLSA exceptions applies.



Key Takeaways

- Exempt = Paid for the full week if any work is done.
- Mid-week terminations still require full pay for that week.
- Lack of work or contract loss is the employer's burden — not the employee's.



Need Help?

If you believe you haven't been properly paid, you can:

- Contact your HR or payroll team.
- File a complaint with the U.S. Department of Labor Wage and Hour Division.

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