To: Site Administrators, Finance/HR Staff, Principals, Pastors, & Program Directors  
From: Office of Human Resources & Legal Services  
Re: FINAL Rule | FLSA Changes to Salary Threshold for Overtime Exemption - effective January 1, 2020

FLSA | Fair Labor Standards Act

1938 Law governing Minimum Wage, Overtime and Child Labor  
Enacted following the great Depression; overtime regulations initially helped put more people to work.  
Current Minimum Wage is $7.25 / hour.

Who does it affect?  
Employees who meet the standard and work for your Programs, Churches & Schools

Who is not subject to the law?  
Teachers, Coaches, Ministers of the Church | nor Contracted Vendors on 1099’s  
   Ministers may include Deacons, Church Musicians and Music Directors, DRE’s, etc.

Who will now be affected?  
NEW Changes to Salary Threshold Requiring Overtime pay for some previously exempt Staff  
Salaried Staff who fall below the required pay threshold of $684/week or $35,568/year; [previously $455/week or $23,600/year]  
*Salary CAN be annualized for a 10 month staff member IF they still make the required $684/week for the months actually worked

What is needed to meet the requirements?  
1) ‘Bump’ salaries to $684/week | equivalent of $35,568 / year to maintain exemption from overtime  
2) Convert to hourly staff-member or continue as salaried – tracking all hours worked as required  
3) Pay 1.5 times their rate for time worked over 40 hours in weekly period, for BOTH hourly & salaried NON-exempt  
4) Keep records of TIME WORKED for all ‘non-exempt’ staff on a per week basis  
5) Legal requirement to preserve time records for at least 3 years  
   NOTE: School Staff may qualify for special exemption: Administrators of Schools if at least at entrance salary of teachers  
See Fact Sheet # 17-C

When must all be in place?  
JANUARY 1, 2020

Why do we care?  
Matter of social justice for our staff; the right thing to do  
Fines & penalties for failure to 1) Keep accurate records 2) pay overtime when due

What steps Office of Legal Services & Human Resources has taken to work with Parish/School Staff  
   VISIT our "Wage & Hour" resource area in HR Download pages of Arch-NO website  
   Links to Wage & Hour "Fact Sheets" for easy reference  
   SAMPLE Timesheets as Template for locations to track hours worked  
   "Understanding Pay & Overtime" presentation to explain steps & timeline for compliance  
   Revised & Updated FAQ’s online with specific examples of Locations/Entities within our Local Church  
   Memo to all Exec Directors, Principals, Pastors & Office Administrators re/ Change  

Memo to all Archdiocesan Staff re/ January 1, 2020 Changes  
HR Open House for Site Administrators / General overview of HR Processes  
HR "Confession Sessions" HR Process training for Site Administrators / General overview of overtime exemptions

Further Recommendations?  
Make sure you are displaying required Legal Poster/s  
Categorize all positions as Exempt / Non-Exempt  
Update job descriptions to include primary duties  
COMMUNICATE with staff  
Monitor non-exempt time  
Flex schedules to hold to 40 hours, or pay overtime if above  
illegal to ‘waive right’ to overtime  
VOLUNTEERS! Duties other than ‘day job’ for Parish / School |  Sign ‘Volunteer’ form

JANUARY 1, 2020: "Go Live"! Changes are effective for the payroll which includes this date.  
All non-exempt, whether salaried or hourly must be recording time worked each week & paid overtime if over 40 hours.