

Date: May 30, 2024

To: Employee

From: *Enter Name of Church or School*

**Subject: New Rule Regarding Overtime and Exempt Classification**

Effective July 1, 2024, the Department of Labor (DOL) will increase the minimum salary required for a position to be exempt that would increase the salary threshold to $844 a week ($43,888 annualized) effective July 1, 2024, and $1,128 a week ($58,656 annualized) effective Jan. 1, 2025, for the Fair Labor Standard Act's (FLSA's) white-collar exemption from overtime pay. This new minimum salary would apply to any position classified as exempt under the executive, administrative or professional exemption already subject to salary requirements.

The FLSA (the federal law that primarily governs compensation) does allow for a few exceptions to the minimum salary requirement. Specifically, those exceptions are:

**Teachers** – Elementary and secondary school teachers, substitute teachers, and coaches are in this category and do not have a minimum salary in order to be considered exempt under the federal law. Also, under many circumstances, pre-school teachers and librarians may also be considered teachers under the exception.

**Academic Administrative Employees** – Primary duty must be performing administrative functions directly related to academic instruction or training in an educational establishment. Examples include:

* Head of a school, (i.e., superintendent, principal, etc.) including any assistants responsible for administration of such matters as curriculum and other aspects of the teaching program.
* Academic counselors who perform work such as administering school testing programs, assisting students with academic problems and advising students concerning degree.

**Ministerial Employees** – Under civil law, a “minister” is broadly defined as a person who functions in a significant religious capacity (not necessarily ordained). Typical positions that are within the Ministerial Exception include: Clergy (Priest or Deacon), Religious (Nun or Brother), Seminarian, Director of Religious Education (or equivalent), RCIA Director, Director of Adult Religious Formation, Liturgical Minister, Youth Minister, Director of Music, Choir Director, Catechist, Sacristan.

After reviewing your current job description, it has been determined that:

**\_\_\_** Your “Exempt” status is **not affected** by the upcoming changes of the Fair Labor Standards Act (FLSA) because:

**\_\_\_**Your current position meets the salary and job duties test of the FLSA

**\_ \_\_**Your position falls under one of the FLSA exceptions listed above (Ministerial)

**\_\_\_** Your salary has been increased effective July 1, 2024, to meet the new minimum set by the FLSA

\_\_\_Your “Exempt” status is changing to “Non-Exempt” effective July 1, 2024. As a Non-Exempt employee you will now be required to submit a timesheet indicating hours worked, approved time off, etc.

If you have any questions or concerns, please direct them: *Insert Name of Parish Administrator or Priest*

Employee Signature:

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Pastor(s) Name and Signature:

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