Federal Overtime Pay Applicability – Churches and Religious Organizations Employee is likely Do employee's Flowchart for simple analysis for new rule issued September 24, 2019. (version 2019.1) exempt from federal duties meet the overtime pay rules. Effective January 1, 2020 definition for an "executive." Make sure to check Copyright © Batts Morrison Wales & Lee, P.A. • All rights reserved. administrative," or "professiona state law for potential position as defined state law overtime below? Start Here requirements. Yes Does Your organization is Is the Is the employee an likely subject to organization ordained, licensed, or Is the employee Is your "enterprise coverage" generate \$500<u>.0</u>00 employee a commissioned paid hourly or organization a and you should analyze Is weekly or more in revenues from minister or otherwise bona fide teacher, does pay vary bona fide nonprofit each employee's roles salary at least No 🛶 Yes -> sales of goods or service employed in a religious computer specialist, based on the and duties to determine church or religious \$684? other than operation eadership role in which the lawyer, doctor, or No amount of time if he/she is exempt or organization? employee's duties are seasonal of a school worked? non-exempt from worker? primarily religious overtime pay rules. in nature? or day care? No Consult employment law Yes counsel to address Your school, preschool, definitions and or daycare activity is Yes subject to "enterprise applicability of these special roles. coverage" and you STOP Does your organization should analyze each This flowchart is operate a school. employee's roles and Is the - Yes ---> Employee is nondesigned exclusively preschool, or daycare? duties in that activity to employee exempt and is for churches and determine if he/she is involved in Employee is likely eligible for overtime exempt or non-exempt interstate commerce? religious No exempt from federal pay at the rate of from overtime (Uses debit or credit cards. organizations overtime pay rules. 1.5 times the pay rules. makes interstate phone Make sure to check regular pay rate for Your organization is likely calls, uses the internet No For employees not state law for not subject to "enterprise hours worked over in job, ships materials coverage" for your nonin that activity potential state law to other 40 in a work week. school activities which states, overtime means that you will need to etc.) requirements. consider each person's For each duties to determine if he/she < employee is involved in interstate commerce before evaluating

Executive

- · Primary duty is management of organization
- Must manage the work of two or more employees
- · Authority to hire and fire, or makes hiring and firing recommendations that are given serious consideration

other factors.

Administrative

- · Primary duty office or non-manual work directly related to management of employer
- · Must exercise discretion and independent judgment with respect to matters of significance
- Specific examples: human resources managers (make or interpret policy), employees with authority to bind the organization

Professional

- Performance of work requires advanced knowledge in a field of science or learning acquired by a prolonged course of specialized instruction; or
- Job requires invention, originality, or talent in recognized field of artistic endeavor
- Examples: registered nurse, engineer, accountant (not clerks or bookkeepers)

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Chart does not address hospitals, nursing homes, or residential care facilities, to which special rules apply.

Important Notice:

This chart is for limited, simplified informational and educational purposes only and does not constitute legal or professional advice. Further, this chart does <u>not</u> consider all aspects of federal overtime pay rules and does <u>not</u> address state overtime pay rules, which may be more restrictive or otherwise different from the federal rules. This chart is not a substitute for professional advice from qualified legal counsel.