

§100 EMPLOYMENT RELATIONSHIPS

§101 EMPLOYMENT STATUS

“Exempt” and “Non-Exempt” are terms used by the federal government to indicate which employees are, and which employees are not, subject to the provisions of the Fair Labor Standards Act (FLSA). This is the federal law that requires the payment of overtime wages to employees who are not exempt from its provisions (e.g. non-exempt). FLSA requires the determination “exempt” or “non-exempt” positions be made as described below in the procedures under policy 102.1. Such determination is not discretionary and is not subject to the preference of the employee or administrator. Examples of “exempt” employees are teachers, principals, directors of religious education, pastoral associates, youth ministers, music ministers, business managers, and those who have the authority to hire, fire, discipline, evaluate and supervise the work of others. Examples of “non-exempt” employees include parish and agency secretaries, school secretaries, housekeepers, cooks, maintenance/custodial workers, teacher’s aids and bookkeepers.

§101.1. Exempt vs. Non-exempt

101.1. Policy Each employee of the Archdiocese of Chicago, its parishes, schools and agencies¹, shall be categorized as either "exempt" or "non-exempt".

Procedures

- a) An exempt position is one that is predominantly executive, managerial or administrative in nature, or one that requires either a college degree or a combination of knowledge and experience in a specific field which is considered professional within the framework of diocesan operations. Outside salespeople and those employed on a commission basis are also exempt. Because these positions are "exempt," they do not require compensation of 1 1/2 times the regular hourly rate for work in excess of 40 hours in a week (Fair Labor Standards Act)
- b) Non-exempt positions are those which have responsibilities or requirements other than those listed in procedure a. (Fair Labor Standards Act)

¹ From this point on, the term “Archdiocese of Chicago employee” or “Archdiocese of Chicago personnel” means “Employees of the Archdiocese of Chicago, its parishes, schools and agencies.”

§101.2. Full-time/Part-time Status

101.2.1. Policy "Full time employees" shall be those employees who are scheduled to work the regular, weekly full-time schedule established by the location at which they are employed, but not less than 35 hours per week.

101.2.2. Policy Those employees who work fewer hours than 35 hours per week, but are regularly scheduled to work a minimum of 26 hours per week for 8 or more months per year, shall be "**benefits eligible part-time employees.**"

101.2.3. Policy Those employees who are regularly scheduled to work fewer than 26 hours per week or 8 months per year shall be "**regular part-time employees,**" and shall not be eligible to participate in employee benefit programs.

[Cf. OCE Personnel Policies, Title II, Chapter I]

§101.3. Independent Contractor vs. Employee

In general, all persons receiving compensation from the parish should be listed as employees. Individuals considered independent contractors are the limited exceptions to this general rule. These exceptions generally do not apply to most parishes, but are designed primarily to cover professionals such as lawyers, architects and accountants as opposed to maintenance workers, catechists, organists, cooks and housekeepers, receptionists, etc. Those who receive incidental payments such as payments to catechists (\$50 at Christmas and \$50 at the end of the year) should not be considered employees or independent contractors.

The Internal Revenue Service has 20 factors to be used to evaluate whether an individual is an employee or not. If the majority of these factors exist for the individuals hired, then they should be considered "employees."

101.3. Policy If the majority of the following factors exists for an individual who receives compensation from a parish, school or agency, then they shall be considered employees.

Factors

1. Worker is required to comply with instructions about when, where, and how work is done.
2. Worker needs to be trained.

3. Worker's tasks are integrated into normal business operations.
4. Worker's services must be personally rendered.
5. Worker is not responsible for hiring, paying,, or supervising assistants.
6. Worker has continuing relationship with the "employer."
7. Working hours are set by "employer."
8. Worker is required to devote full-time efforts to "employer's" business.
9. Job must be performed on "employer's" premises.
10. Worker's services must conform to order or sequence set by "employer."
11. Worker is required to submit regular or written reports.
12. Worker's payment is based on time spent instead of by the job.
13. Worker is reimbursed for travel and other expenses.
14. "Employer" furnishes tools, materials, and other equipment.
15. Worker has no significant investment in facilities (such as an office).
16. Worker has no risk of real economic loss.
17. Worker is not working for more than one "employer" at a time.
18. Worker does not make services available to the general public.
19. Worker is subject to discharge without "employer" penalty even if job specifications are met.
20. Worker can terminate relationship with "employer" without worker liability.

§101.4. Time Sheets and Work Schedules

*The Fair Labor Standards Act (FLSA) is the federal law that addresses the payment of overtime wages to employees who are not exempt from its provisions. FLSA also requires that **non-exempt employees** complete their own time records for each work week, and submit them to the employer. This is intended to ensure that employees are properly paid, and that they receive any overtime wages they may have coming. Time records are also necessary as documentation of an employee's hours in the event a dispute should arise over compensation issues. While FLSA does not mandate time records for employees who are **exempt** from its provisions, it is required under Archdiocesan policy as a means of administering our various paid time-off benefits.*

§101.4.1. Full-Time Exempt Employees

101.4.1. Policy Every exempt full-time employee shall complete and submit a time record according to the following procedures.

Procedure

- a) Time records are submitted on a weekly, bi-weekly or semi-monthly basis, as appropriate in keeping with the local pay frequency.
- b) An exempt full-time employee is only required to indicate whether he/she is present or absent each day, and when appropriate, indicate the type of absence where requested. An exempt full time employee is considered to be present if he/she works any portion of the day (i.e., only whole day absences are considered for a full-time exempt employee).
- c) Time records must be signed by the employee and his/her direct supervisor prior to submission to the payroll processor.
- d) The supervisor must maintain a copy of all time records. The supervisor, not the employee, must deliver or mail the time record to the payroll department.
- e) Work schedules and break periods are determined locally.

§101.4.2 Full-Time Non-Exempt Employees

101.4.2. Policy Every non-exempt full-time employee shall complete and submit a time record according to the following procedures.

Procedure

- a) Time records must be submitted on a weekly, bi-weekly or semi-monthly basis, as appropriate in keeping with the local pay frequency.
- b) Non-exempt full-time employees are required to indicate the total hours worked each day, excluding lunch periods. When applicable, employees are to indicate the type of absence where requested. A line must be drawn through open dates and spaces before the supervisor signs the time record.
- c) Time records must be signed by the employee and his/her direct supervisor prior to submission to the Payroll Processor.
- d) The supervisor must maintain a copy of all time records. The supervisor, not the employee, must deliver or mail the time record to the payroll department.
- e) Work schedules and break periods are determined locally. Employees scheduled to work 7 or more hours in a day are entitled under state law to an unpaid meal period of not less than 20 minutes, which must be taken in the first 5 hours of work. Actual meal periods are determined locally, but should not exceed 1 hour.

§101.4.2 Full-Time Non-Exempt Employees

101.4.3. Policy Every part-time employee shall complete and submit a time record according to the following procedures.

Procedure

- a) Time records must be submitted on a weekly, bi-weekly or semi-monthly basis, as appropriate in keeping with the local pay frequency.
- b) All exempt and non-exempt part-time employees are required to indicate the total hours worked each day, excluding lunch periods. Where applicable employees are to indicate the type of absence where requested. A line must be drawn through open dates and spaces before the supervisor signs the time record.

- c) Time records must be signed by the employee and his/her direct supervisor prior to submission to the payroll processor.
- d) The supervisor must maintain a copy of all time records. The supervisor, not the employee, must deliver or mail the time record to the payroll department.

§101.5 Absences and Tardiness

101.5. Policy If for some reason an employee will be absent from work, or significantly late in arriving, the employee shall notify his/her supervisor no later than the locally specified time period past the employee's scheduled starting time. Excessive absence or tardiness may result in disciplinary action, including discharge, as provided in §703.

§102 CIVIL AND CANON LAW

102.1. Policy The Archdiocese of Chicago shall follow all applicable civil and canon laws pertaining to the employment of church personnel (see especially Canon 231).

Note

This policy covers the numerous laws and regulations that are not mentioned in this manual, but which the Archdiocese follows. Some civil and canon laws will be covered in this manual because of their importance and frequency of application in the Archdiocese.