Georgia Baptist Mission Board
Church Administration Ministry

Overtime Laws for Churches

Churches are not exempt from the U. S. Department of Labor's **Fair Labor Standards Act (FLSA)**. Most church support staff employees like secretaries, administrative assistants, pianists, organists, kitchen help, clerks, bookkeepers, childcare workers, and custodians are considered **nonexempt** employees according to the U. S. Department of Labor. The church must pay nonexempt employees overtime regardless of the amount of income the employees earn from the church if they work over 40 hours a week. If other church employees like an office manager or building superintendent make less than $455 a week, then they would be subject to the provisions of the law and the church would be required to pay overtime. The Department of Labor issued new regulations that will take affect December 1, 2016. The new salary threshold will increase from $455 a week to $913 per week ($47,476 a year).

The law requires the church to pay overtime for all full-time nonexempt employees regardless of income and other fulltime exempt employees making less than $913 weekly. Overtime as defined by the U. S. Department of Labor is 1 ½ times the regular rate of pay for all hours over 40 hours in a workweek. Even if the church pays an impacted employee a salary, a time sheet should be submitted by the employee to the church to make sure the employee is not working over 40 hours a week. Also, the church cannot allow the employee to volunteer the extra hours over 40 hours a week. "In general, compensable hours worked include all the time an employee is on duty or at a prescribed place of work and any time that an employee is suffered or permitted to work. This would generally include work performed at home, *business* travel time, waiting time, training, and probationary periods." (U.S. Department of Labor)

The **Fair Labor Standards Act** requires churches to keep records on wages, hours, and other items, as specified in Department of Labor record-keeping regulations. Most of following records are kept through the church's accounting system except for the time sheet. The records do not have to be kept in any certain form and time clocks need not be used. If an employee is subject to the overtime pay provisions, the following records must be kept:

- Personal information, including employee's name, home address, occupation, sex, and birth date if under 19 years of age;
- Hour and day when workweek begins;
- Total hours worked each workday and each workweek;
- Total daily or weekly straight-time earnings;
- Regular hourly pay rate for any week when overtime is worked;
- Total overtime pay for the workweek;
- Deductions from or additions to wages;
- Total wages paid each pay period; and date of payment and pay period covered.

Type of Employee	U. S. Department of Labor classification	Action Required by the Church
Ministerial staff	Unclear	Unclear
Support staff	Nonexempt	Pay Overtime
Other employees making less than $913 a week	Nonexempt	Pay Overtime

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