



*Working in the spirit of communion, solidarity and subsidiarity, the Office for Catholic Schools engages leadership and strategies to support excellence in Catholic education.*

March 7, 2016

Dear Principal,

This letter comes to you with the understanding that February is a busy ... very busy... time of year. We completely understand the challenges that schools face during the Lenten season. Administrators are tasked with maintaining the regular and positive hum of the school year, while at the same time, get ready for next year. Before we add one more task to your to do list, we would like to say *Thank you* for your dedication to the vocation of Catholic school leadership.

This letter is about exempt and non-exempt employees. As you may be aware, the US Department of Labor is in the process of implementing changes in the definitions and regulations regarding employee status that will affect all of our schools. Additionally, many of our Catholic schools have one final step to take regarding the transition of exempt / non-exempt employees. To address these necessary changes and in preparation of the proposed changes by the federal government, please note:

**Beginning with the 2016-2017 school year, all support staff school employees shall be paid on an hourly basis.** This includes the employees who have been transitioning via the "Box" system this year (i.e. benefit eligible non-exempt employees).

The following classification for school employees shall apply:

**Exempt Employees** (exempt from overtime pay):

1. Teaching Faculty
  - a. School employees who are primarily responsible for regularly teaching children in a classroom
  - b. School employees who are provided a teaching covenant/contract by the school, and:
    - i. have a state issued Teaching Certificate
    - ii. do not have a Teaching Certificate because OSPI does not offer one in their subject area, i.e. Religion / Theology Teacher
    - iii. do not have a Teaching Certificate because the employee is in the process of earning one in his/her teaching field / subject area.
2. School Administration
  - a. Those school employees who are designated as a school administrator, such as President, Principal, or Director,
  - b. Are primarily responsible for hiring, supervising, evaluating, and if necessary, terminating school employees,
  - c. Are provided an employment covenant/contract by the school and:
    - i. have a state issued School Administrative Certificate
    - ii. do not have an Administrative Certificate because OSPI does not offer one in their area of administration, i.e. Development Director

*Exempt employees are paid a monthly salary, regardless of the hours worked.*

### **Non-Exempt Employees (not exempt from overtime pay):**

#### **3. Support Staff**

- a. All school employees who are not Teaching Faculty or School Administration, including
  - i. Paraprofessionals; School Office Staff; Early Learning Staff; Food Service Staff; Transportation Staff; Facility Maintenance & Cleaning Staff; Campus Ministry Staff; Marketing, Development, or Advancement Office Staff, etc.

*Support Staff are paid for each hour worked and overtime (1.5 times hourly rate) for each hour worked over 40 hours / week.*

***If a school administrator has reason to believe that an employee is misclassified, please contact Chancery Human Resources, as soon as possible.***

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### **WHAT ARE THE CHANGES – for the 2016-2017 school year?**

#### **1) Support Staff shall be paid for each hour worked.**

- a) They may no longer receive pay on a salary basis and will not receive pay over the Summer Break, Christmas Break, or Easter Break; unless they work during the break.

#### **2) Support Staff who are currently receiving a salary, shall be transitioned to an hourly rate.**

- School administrators should re-calculate their annual pay and translate it into an hourly rate, based upon school days/hours worked. This will likely result in a higher hourly rate than what is currently reflected in UltiPro. For example:
  - 2015–2016 annual salary is \$30,000/year
    - Based on a full time position (2,080 hours) his/her hourly rate is \$14.42/hour
  - 2016–2017 salary is \$30,000/year
    - New schedule is for this person to work 200 days (ten days after school is out and ten days before school starts)
    - New hours will be 8.0 hours per day (7:30 AM – 4:00 PM with a 30 minute lunch) for a total of 1,600 hours' work during the school year.
    - New hourly rate will be \$18.75/hour
- Included with this letter is an Excel spreadsheet, "Annual to Hourly Converter", designed to help school administrators convert support staff annual salary to an hourly wage.

#### **3) Holidays Leave.**

- a) Support Staff must work the last scheduled workday before a holiday and the first workday after a holiday to be eligible for holiday pay, unless time off on these days has been excused with pay (e.g. vacation, sick leave).
- b) Holidays are annually designated by the canonically appointed leader or school administrator (Archdiocesan Policy (3.26).
- c) School administrators should include Holidays when calculating the number of days a Support Staff Employee is budgeted to work.
  - i) Example: school secretary is scheduled to work 180 instructional days, 10 days before the school year starts, 10 days after the school year ends.

#### **4) Sick and Personal Leave**

- a) Employees will continue to receive ten sick days as well as two personal days per school year.

#### **5) Employees who are health insurance benefit eligible (based on 30 hours / week) will continue to receive health insurance benefits during the Summer, Christmas, and Easter breaks**

## HOW SHOULD THIS BE IMPLEMENTED – for the 2016-2017 school year?

- The school leader, in a parish school should not rely on the PAA to bring this information to the school employees or manage the transition. This is a school issue and school leaders should have the autonomy to implement this program, as he/she deems necessary and appropriate. *OCS recommends that the school leader (Principal / President, etc.) meet with the affected support staff employee(s) and explain the changes to their hourly wage (Note: this should NOT impact their annual income) and that they will not be receiving a pay check for the days they are not scheduled to work, including the summer months.*
- The school will continue paying the employee's health insurance premium but will have to collect any health insurance payment for dependents for payments during the summer months. *OCS recommends that schools make arrangements to receive support staff employee's dependent health insurance payments on a monthly basis, during the summer months.*
- The financial transition of not receiving a pay check every other week may catch support staff employees off guard, especially during the summer months. *OCS recommends each school leader inform support staff employees that the Archdiocese of Seattle provides financial services support through our Employee Assistance Program by calling 800-311-4327 or by visiting the website at [www.GuidanceResources.com](http://www.GuidanceResources.com) (Employee Web ID: ASEAP).*

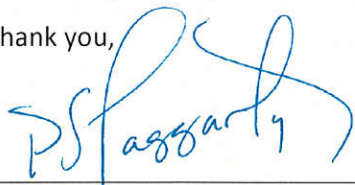
**Please feel free to share this letter with any support staff who may be affected by this transition.** We want to give them as much time as possible to address the implications of the new pay practice. It is important to note that affected employees should not experience a reduction in pay. Instead, they will experience a change in the timing of their pay and the amount they receive. It will require them to budget their salary appropriately, paying special attention to the fact that they will only receive a paycheck for the hours they work.

Finally, it is important and necessary that Support Staff Employees receive and sign the attached form, "Change in Terms or Conditions of Employment". Please be certain to include this document in the support staff's personnel file.

***There will be time during the March 15 All Principals meeting to discuss this transition. If you have questions, about the pending change from salary to hourly, would you be so kind to email them to us and we will do our best to have them answered for all principals at the March Meeting.***

In the meantime, if you have timely questions that need to be addressed now, please contact one of us so we can provide you with the necessary support as you assist your staff with this transition.

Thank you,



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Patrick Haggarty, Ed.D,  
Superintendent



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Karen Tarabochia  
Assistant Superintendent,  
Governance, Operations, Personnel



# Change in Terms or Conditions of Employment

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**Location:** [SCHOOL]

**Employee:** [FIRST, LAST]

**Effective Date:** [START OF SCHOOL YEAR]

**Description of Change:** The following change in employment for [EMPLOYEE] will be in effect beginning on [EFFECTIVE DATE] and continuing henceforth. Compensation for work performed by the employee in the position of [POSITION] will be calculated on an hourly basis. All work will be recorded in the current payroll system by the employee and reviewed by the supervisor prior to submission for payment. The hourly rate will be [HOURLY RATE]. Wages will be calculated and paid according to the Archdiocese of Seattle pay policies and pay frequencies (currently bi-weekly). Wages will only be paid for pay periods when work has been performed (except for weeks covered by approved paid time off policies).

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Employee

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Date

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Supervisor

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Date