



November 13, 2019

Bryan M. Smolock, Director
Bureau of Labor Law Compliance
Department of Labor and Industry
651 Boas Street, Room 1301
Harrisburg, PA 17121



Re: PA Department of Labor & Industry Regulation #12-106, Amendments to 34 Pa. Code Chapter 231 with respect to Overtime Pay

Dear Mr. Smolock:

I am writing to you to share my deep concern regarding the above-referenced regulation proposed by the Pennsylvania Department of Labor & Industry.

Located in the small town of Loretto, Cambria County, Saint Francis University is one of the oldest Catholic universities in the United States, and the oldest Franciscan institution of higher education in the country. The University employs 500+ employees and is currently ranked as the 6th largest employer in the Cambria County/Johnstown Metropolitan Statistical Area as published by the Pennsylvania Center for Workforce Information and Analysis. We pride ourselves on providing stable jobs that offer employees generous benefits packages and opportunities for professional advancement. Being a small campus, we are also a close knit community. Most of our workforce lives with 30 miles of campus and our lives are intertwined in innumerable ways. As such, we are committed to our employees and remain dedicated to improving wages and benefits and ensuring that they have access to the support and services they need.

Beyond our borders, we do business with more than 4,000 vendors, many local, thereby stimulating the employment of thousands of workers. Moreover, spending by University staff, students and visitors generates millions of dollars for the local economy and helps to sustain thousands of area jobs. The Association of Independent Colleges and Universities of Pennsylvania recently released the results of a study that estimates the economic impact of Saint Francis University on the Pennsylvania economy to be \$128.9 million

Despite our broad reach, we remain a tuition driven institution with a small endowment of \$50 million. Financial shocks to our budget, regardless of size, can severely impede our ability to maintain operations and provide continued employment for our workforce. If enacted, this proposed regulation would result in, at a minimum, additional costs of nearly \$250,000 per year to our bottom line. The only choices for offsetting this impact are to increase tuition and fees to our students, increase the cost of healthcare and other employee benefits, reduce our workforce, or implement a combination thereof. Any of these scenarios will place the University at a severe competitive disadvantage in an already challenging environment.

The proposed regulation, while I am sure is well-intended, would actually inflict financial harm and restrict our ability to compete, maintain employment and, most importantly, continue to provide an affordable education to our students. I would ask that you please reconsider this rule and work with the higher education sector to find a better solution.

Thank you for your time and consideration of my comments.

Sincerely,

Jeff Savino
Vice President for Finance and Administration

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