Frequently Asked Questions (FAQ’s)
Pay Frequency Change for Non-Exempt Employees
Beginning January 2009

When will the change in Pay frequency be in effect?
The change in pay frequency will start beginning January 2009. All non-exempt employees will be paid twice a month based on the following new pay periods and pay dates:

<table>
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<th>Pay Period:</th>
<th>Pay Date:</th>
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<tbody>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; – 15&lt;sup&gt;th&lt;/sup&gt; of the month</td>
<td>25&lt;sup&gt;th&lt;/sup&gt; of the month</td>
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<tr>
<td>16&lt;sup&gt;th&lt;/sup&gt; – last day of the month</td>
<td>10&lt;sup&gt;th&lt;/sup&gt; of the following month</td>
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What happens when the 25<sup>th</sup> or the 10<sup>th</sup> falls on a holiday or weekend?
If the pay dates falls on a weekend or holiday, the non-exempt employees will be paid on the last work day prior to the weekend or holiday.

How do I know if I am non-exempt?
If you submit either a paper timesheet or electronically submit time and report worked and non worked hours, you are classified as non-exempt under FLSA rules. At Texas Tech, non-exempt employees are those employees who currently submit time worked and leave taken on either a bi-weekly or monthly timesheet.

Will my semi monthly pay be half of my current monthly pay?
No, all non exempt employees will be paid based on the actual hours worked during the pay period.

How will the semi monthly pay be calculated for my pay check?
All non exempt employees will be paid based on the hours worked. Each pay period, the number of work days and hours can fluctuate. Therefore, non exempt employee payments may fluctuate depending on the number of work days in a pay period. As a result of this change, non exempt employees will still earn the same amount as what they would have been paid under the monthly payroll for a year.

When will I receive my first pay check under the new pay frequency schedule?
January 2009 will be the transition month and the first month under the new pay schedule. All non-exempt employees will receive a check on January 2, 2009 for time worked December 1, 2008 – December 15, 2008. After January 2, 2009, pay dates will follow the schedule of the 10<sup>th</sup> and the 25<sup>th</sup>. Your next pay check on the 10<sup>th</sup> will cover the period of December 16<sup>th</sup> through December 31<sup>st</sup>.

Will I receive 3 pay checks every January under the new pay frequency?
No. January 2009 is a transition month and therefore will have 3 pay checks. In all future months, you will receive 2 pay checks, 10<sup>th</sup> and the 25<sup>th</sup> unless 10<sup>th</sup> or 25<sup>th</sup> falls on a weekend or a holiday then non-exempt employees will be paid on the last work day prior to the weekend or holiday.
Under the new pay frequency rule, will my pay check be of equal amount?
No. The pay check amount will at times fluctuate from pay period to pay period based on the number of hours to be worked in a pay period. Employee’s annual pay will not be reduced as a result of the modification in pay frequency.

Will I get my longevity on both checks?
Longevity pay will be paid on the check issued on the 10th day of the month. Texas State statute only allows for longevity pay to be distributed one time per month in the month following completion of work.

How will this impact my deductions? Will they be split in half also?
Yes. All deductions (i.e. insurances, garnishments, retirement) will be split in half and taken from each check.

Can I choose not to be paid semi monthly?
No. Beginning January 2009, all non exempt employees will be paid semi monthly.

How will deductions for Health care, Tax Sheltered Annuity, TRS, ORP, and miscellaneous deductions be affected?
Your deductions will be divided in half and will come out of each check. The deductions made over the course of the calendar year would be the same as made under the monthly pay check.

How will my deductions for taxes (federal tax, FICA & Medicare) be affected by the change to semi monthly payments?
These deductions are calculated as a percentage of the semi monthly pay amount. The same amount will be deducted on an annual basis as under the monthly pay. There will be no impact on the taxes as a result of this change.

Where can I go if I have additional questions?
If you have questions, please contact your Human Resources Office.

HSC Employees:

- Lubbock Human Resources Office
  - David Fry
    - (806) 743-2865
- Amarillo Human Resources Office
  - Devona Smith
    - (806) 354-5410
- El Paso Human Resources Office
  - Rebecca Salcido
    - (915) 545-6413
- Odessa Human Resources Office
  - Ronnie Dunn
    - (432) 335-1821
• Correctional Managed Health Care
  Human Resources Office
    • Ella O’Neal
      1-866-541-7731
      (806) 793-0791

TTU and System Employees:
• Human Resources Payroll Department at (806) 742-3211 or webmaster.payroll@ttu.edu