



PAYROLL & TAX SERVICES



TTUS/TTU/TTUHSC/TTUHSC EL PASO

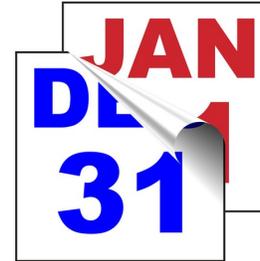
November / December 2016

Volume 3, Issue VI

Mark Your Calendar!

With another year coming to an end, Payroll & Tax Services wants to give everyone a few reminders about the upcoming holiday schedule and payroll deadlines.

Departments and employees can view the Department End User Calendars for deadlines regarding timesheets, ePAF's, and scheduled pay dates. Some additional important items to keep in mind:



- Paper W2's will be mailed out by the post office on January 30, 2017 and January 31, 2017.
- Electronic W2's are scheduled to be available on January 25, 2017 under your employee tab in Raiderlink/Webraider. **If you consent for electronic delivery, you will not receive a paper copy Form W2.**
- Please review and update your addresses through the "My Personal Information" link on your employee tab. It is important for the W2 process as well as other mailings from Payroll & Tax Services.
- Departments, please have all your non-exempt employees submit their timesheets for the December 1st-15th pay period on time and approved by December 19th to avoid a delay on their December 22nd pay date. Employees who do not submit their timesheet timely will need a manual check request submitted by their department. Manual Check Requests for the December 1-15 period will pay on January 6, 2017.
- The deadline for Manual Check Requests for calendar year 2016 is December 9th. Requests received by 5 pm central time December 9th will be paid December 16th. Any requests received after the December 9th deadline thru December 31, 2016 at 5pm central time will be paid on January 6, 2017.
- The EOPS deadline for the December monthly payroll is 5 pm central time December 18th. EOPS must be **fully** approved by this time to process and pay with the monthly payroll.
- All overpayments must be paid by 5 pm central time December 15, 2016 to ensure the employee's 2016 W2 is accurate.

It is very important for both departments and employees to be proactive with the payroll deadlines to ensure employees are paid in a timely manner. This is especially true during the holiday season with short payroll deadlines. Departments and employees can refer to the Payroll & Tax Services General Deadlines link under the Payroll & Tax tab in Raiderlink/Webraider for additional information.

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Contact Information

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Overtime Calculations

This will be a quick overview and example on how overtime is calculated and displayed on nonexempt employees' earnings statement.

Let us start with the basic description of overtime. Overtime is paid to hourly nonexempt employees who physically work over 40 hours in a full FLSA work week. The FLSA work week for Texas Tech is Sunday thru Saturday.

Employees who physically work over 40 hours will receive 1 ½ times their hourly rate of pay. Overtime is paid when the full FLSA work week has been completed.

Texas Tech has two pay periods for nonexempt employees, the 1st-15th and 16th-EOM. When there is a partial week at the end of the pay period, and an employee is entitled to overtime during the last week of the current pay period, overtime is paid on the next pay period once the full FLSA work week has been completed.

Example: We have an employee who works the pay period of September 1st-15th, 2016. Let's say this employee makes \$10.00 per hour and works the following hours per day in this full FLSA work week on this pay period:

| Sun 9/11 | Mon 9/12 | Tue 9/13 | Wed 9/14 | Thurs 9/15 | Fri 9/16 | Sat 9/17 |
|----------|----------|----------|----------|------------|----------|----------|
| 0 hours | 11 hours | 11 hours | 11 hours | 11 hours | 6 hours | 0 hours |

This employee physically worked 50 hours during the full FLSA work week and is entitled to 10 hours of overtime. Since there is a break in the pay period for Texas Tech, the employee will see the following on their earnings statement for the September 1st – 15th pay period, paid on September 25th:

44 RGH Hours x \$10.00 per hour = \$440.00 gross. (This is the time paid to employee)

For the pay period of September 16th – 30th, paid on the 10th of the following month, the employee will see this on their earnings statement:

6 RGH Hours x \$10.00 per hour = \$60.00 gross. (This is the time paid to the employee)

10 OTP Hours x \$10.00 per hour / 2 = \$50.00 gross. (This is the ½ time paid to the employee)

Total \$110.00 gross.

The total amount this employee received for the full FLSA work week of September 11th thru 17th is **\$550.00 gross** between both pay periods at Texas Tech.

Employees coming to Texas Tech from other companies may be accustomed to viewing their overtime paid in the following example using the exact same dates and hours as above for the full FLSA work week September 11th thru September 17th:

40 RGH Hours x \$10.00 per hour = \$400.00 gross

10 OTP Hours X \$15.00 per hour = \$150.00 gross

Total \$550.00 gross.

Banner pays all employee's RGH hours as straight time based on their regular hourly rate during that pay period and OTP is paid at ½ time. This may seem a little confusing on your earnings statement, but ultimately the pay is correct and the full amount of overtime due is paid.

Another issue or question that employee's might ask is in regards to the overtime rate paid.

The overtime rate can be different depending on a couple of circumstances. The main reason that the rate can change is in regards to longevity. Texas Tech pays employees an additional benefit by paying a set rate for years of service to the institution. The longevity payment is a premium payment included in the overtime rate calculation and can increase the OTP rate on the work week when it is included on the on-cycle payroll. This is a benefit to those employees who are entitled to longevity and is another benefit for employees working for Texas Tech. Please refer to OP 70.25 for more information regarding longevity pay.

The second reason employees see a difference in their overtime rate is when employees have a change in rate of pay from one pay period to the next pay period. In the example previously presented, if the same employee received an hourly rate of pay increase from \$10.00 per hour to \$11.00 per hour starting on September 16th, there will be a change in the OTP rate. Using the previous example, the employee would see the OTP rate as \$10.00 per hour on the September 16th thru 30th pay period, but if the employee received the \$1.00 per hour increase in the rate of pay to \$11.00 per hour starting on September 16th, the OTP rate would no longer be \$10.00 per hour. The new OTP rate would be a blending of the hours worked from September 11th to September 15th at \$10.00 per hour and the hours worked from September 16th to September 17th at \$11.00 per hour. The OTP rate would be in between \$10.00 to \$11.00 per hour based on the weighted average of the amount of hours worked on the days between the two pay periods on that full FLSA work week. Employees often see this occur at the beginning of the fiscal year for merit increases.

Employees who have questions regarding overtime calculations, are encouraged to contact Payroll & Tax Services by emailing your questions to webmaster.payroll@ttu.edu.

Tax Treaty Exemption Employees

Foreign national employees who are currently taking advantage of tax treaty exemptions related to compensation/wages should be aware that the 2017 Tax Treaty Renewal period for Form 8233 and Form W-9 (if applicable) will begin on November 14, 2016. Notification from support@online-tax.net will alert eligible individuals that the tax treaty renewal option is available in GLACIER and will continue through December for submission of tax treaty renewal documents to Payroll & Tax Services.

Signed GLACIER Tax Summary Report, Form 8233, and Form W-9 may be submitted to tax.forms@ttu.edu or in Doak Hall, Rm 135. Tax Treaty Renewals submitted prior to December 12, 2016 will be effective for the first paycheck in 2017.

HOLIDAY SCHEDULE 2016

November 24th & 25th 2016 are the scheduled holidays for Texas Tech in the month of November.



TTU Holiday Schedule: December 23rd — December 30th

HSC & HSC El Paso Holiday Schedule: December 23rd - 26th and December 30th



For those benefits eligible employees, please report the correct **HOL** hours on your Web Time Entry Timesheet. Refer to TTU OP 70.42, Holidays or TTUHSC OP 70.06, Employee Working Hours and Holidays, for more information regarding state agency holidays.

Merry Christmas

Payroll Calendar For November & December

All cutoff dates and deadlines can be found on the Department End User Calendars.

| Payroll ID and Number | Payroll Dates | Pay Period Total Hours | PAYDAY |
|-----------------------|--|------------------------|-------------------|
| SM 22 | November 1 st -15 th | 88 Hours | November 23, 2016 |
| SM 23 | November 16 th -30 th | 88 Hours | December 9, 2016 |
| MN 12 | November 1 st -30 th | | December 1, 2016 |
| SM 24 | December 1 st -15 th | 88 Hours | December 22, 2016 |
| SM 1 | December 16 th - 31 st | 88 Hours | January 10, 2017 |
| MN 1 | December 1 st - 31 st | | January 2, 2017 |