2016 MONTHLY PAY DATE MOVE

Frequently Asked Questions

1. Why are you changing the monthly pay date?

This change is needed to meet Affordable Care Act compliance requirements and will improve payroll services to the University. Additionally, this will allow us to accelerate year end pay dates as needed in the future to avoid delayed deposits due to holidays.

2. When would this happen?

The change will take place so that you will be paid on December 30, 2016, and the last business day of the month moving forward. This means two payments in December 2016.

For 2017 the pay dates would be:

<table>
<thead>
<tr>
<th>January 31, 2017</th>
<th>July 31, 2017</th>
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</thead>
<tbody>
<tr>
<td>February 28, 2017</td>
<td>August 31, 2017</td>
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<tr>
<td>March 31, 2017</td>
<td>September 29, 2017</td>
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<tr>
<td>April 28, 2017</td>
<td>October 31, 2017</td>
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<tr>
<td>May 31, 2017</td>
<td>November 30, 2017</td>
</tr>
<tr>
<td>June 30, 2017</td>
<td>December 29, 2017</td>
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3. Will I see benefit deductions on the December 30, 2016 paycheck?

Yes. Because deductions are taken in arrears (ex. December 1st deductions paid for November benefits coverage), the December 30, 2016 pay check would be the last deduction of the 2016 plan year. The first deduction of the 2017 plan year will be seen on your January 31, 2017, check and the 11 remaining checks in 2017.

4. Will my deductions change?

All normal deductions and tax withholdings will occur on each monthly pay date.

5. Will this affect my accruals for vacation or sick hours?

No, all normal accruals will still be credited.
6. Will this affect my taxes?

The change will mean monthly paid staff and faculty will be paid 13 times in 2016, which will inflate your earnings, benefit deductions and 403(b) matching contributions for the year. Because everyone’s situation is different (i.e. marital status, filing status, exemptions, etc.) it is best to consult a tax advisor if you have questions.

7. Should I consult a tax advisor?

If you are uncertain about the impact of this additional pay check and related deductions on your tax situation, please consult your personal tax advisor. If you don’t have a tax advisor, the University has partnered with a local tax expert to answer questions and provide suggestions at no cost to you. To learn more, please contact Tammy Biggs at tbiggs@creighton.edu.

8. Will this affect my W-2?

Your 2016 W-2 will reflect your year-to-date earnings and deductions, but adjustments will be made to Flexible Spending Account (FSA) deductions to reflect only your 2016 plan year election.

9. Will I need to make changes to my tax withholdings?

Changes to your tax withholdings are likely not necessary, unless you determine it would be appropriate given your specific situation. However, you may change your W-4 withholding at any time. Monthly tax withholdings will continue to be based upon IRS guidelines. The IRS Publication 15 (Circular E) Employer’s Tax Guide can be accessed at www.irs.gov

You might also consider increasing your retirement plan or HSA contributions, thereby reducing your taxable income. Contact a member of the benefits team at benefits@creighton.edu or by calling Human Resources at 402-280-2709 to discuss your benefit questions.

10. Things I should do prepare for this change:

- Review any automatic bank drafts or loan payment schedules set up with your bank.
- Review your current budget to determine the impact of the pay frequency schedule.
- Review any payment schedules for mortgage payments, utility bills, installment loans, etc. to insure that the change in pay dates does not result in late payments.
- As always, please be sure to review your paycheck for accuracy.
11. Will this impact when I see the deposit into my bank account?

Yes. Those who are set up with direct deposit will have their pay deposited on Friday, Dec. 30, 2016, and the last business day of the month moving forward.

12. If I have additional questions, who do I speak with?

Pay, tax deductions, or accruals questions should be directed to a member of the Payroll team, while benefit deductions or coverage questions should be directed to a member of the Benefits team. Both teams can be reached at the main HR number, 402-280-2709, or via email at humanresources@creighton.edu or benefits@creighton.edu.