Classified Salaried and Hourly Employees

Pay Period Change Questions and Answers

Why is the College changing the pay period cycle from 24 (semi-monthly) to 26 (bi-weekly)?

The College runs two separate payrolls, one for administrative and faculty, who are paid current; and one for classified salary and hourly employees, who are paid two weeks after the fact. This process is inefficient, costly, labor intensive, and leaves room for errors when paying taxes and third party providers as well as reconciling accounts. Changing to 26 pay periods will align our reports to Arkansas State resulting in more efficient processes.

Who made the decision to go to a bi-weekly pay and were faculty consulted?

Members of the cabinet agreed that this change is in the best interest of the College. The proposal was vetted with Faculty Senate.

Will I miss a pay as a result of the pay cycle change?

No, you will not miss a pay. The pay that you receive on June 30, 2012 is the last pay you will receive on the semi-monthly pay cycle.

When will the bi-weekly pay cycle become effective?

You will receive your first bi-weekly pay on July 13, 2012. This is for hours worked from June 16 through June 30.

When are time sheets due to Payroll?

Time sheets are due to Payroll by the close of business the last Friday of the pay period. See the 2012-2013 Pay Calendar detailing those dates.

Will I still be paid two weeks after-the-fact on the bi-weekly pay cycle?

With the exception of faculty, all employees will be paid one week after the fact.

What effect does going from two weeks to one-week after-the-fact have on my gross pay?

Upon your initial hire to the College, you worked two pays before you received your first pay. The pay that was held placed you in an after-the-fact pay status.

To bring your pay status from one pay to one-week after-the-fact, the College will pay you for all compensable hours up to the end of the week immediately prior to the pay period July 1st through July 7th.

When will I receive the one week of pay?

On July 13, 2012 you will receive payment for hours worked June 15 through June 30, 2012 and for July 1st through July 7th. The payment for the week of July 1st through July 7th is this week.

What change does the pay cycle have on when I receive my last pay if I separate my employment with the College?
Changing from one pay period to one week after the fact means that upon separation with the College you will be paid the week that is held in arrears.

**I am a Classified, salaried employee, what effect will the bi-weekly pay cycle have on my gross pay?**

Currently your per pay gross is calculated by dividing your annual salary by 24 (semi-monthly). With the bi-weekly pay cycle your per pay gross is calculated by dividing your annual salary by 26 (bi-weekly).

**I am a Classified hourly employee, what effect will the bi-weekly pay cycle have on my gross pay?**

Currently you are paid on the 15th of the month for actual hours worked from the 1st through the 15th in the previous month; and the 30th of the month for actual hours worked the 16th through the 30th in the previous month.

With the bi-weekly pay cycle your per pay gross is determined by multiplying your hourly rate times hours worked. For a full-time employee you are consistently paid for 80 hours unless you have leave without pay.

**What day will I receive my check on the bi-weekly pay cycle?**

Pay periods begin on Sunday and end on Saturday. The pay date is Friday. Attached is a pay schedule calendar for fiscal year 2013.

**What effect does the pay cycle change have on my leave accruals?**

Sick and vacation leave accruals are calculated based on 26 rather than 24.

For example:

160 hours (20 days) of vacation annually divided by 24 = 6.666
160 hours (20 days) of vacation annually divided by 26 = 6.153

**What effect will the pay period change have on my benefits?**

Benefit deductions, including medical, dental, and optional insurances are deducted two times a month, the first and the second pay of the month. For those months where there are three pays, (November 2012 and March 2013 for Fiscal Year 2013) no deduction is taken on the third pay.

**What effect will the pay period change have on my garnishments?**

Garnishments are deducted each pay. Your annual garnishment liability is recalculated and deducted over 26 pay periods.

**What effect will the pay period change have on my Flexible Spending Account?**

Flexible Spending Accounts for childcare and health care cost are calculated over a calendar year. For calendar year 2012, your remaining Flexible Spending Account commitment is divided over 13 pay periods (July 1 through December 31, 2012). For all subsequent calendar years your commitment is divided over 26 pay periods.
Will I need to notify my bank that there is a change in my direct deposit?

It is not necessary to notify your bank of the change. However you may want to consider how the change affects your direct deposit distribution. If you want to make a change in your direct deposit distributions you will need to complete a new direct deposit form.

Do I need to update any of my payroll deduction forms?

Yes. If you are currently withholding additional monies for Supplemental TIAA/CREF or Federal and State Taxes, it is necessary for you to complete new forms.

How else will pay cycle change affect me?

You will want to consider how the pay period change effects your monthly payments. For example, since you are no longer getting paid on the 15th and the 30th you may need to change your bill’s transfer and/or due dates.

Who can I contact if I have additional questions or want more information?

You can contact Wendi Cadle, Director of Human Resources at wcadle@nwacc.edu or 619-3149 or Diana Hoke Payroll Specialist at dhoke@nwacc.edu 619-4131 if you have questions or need additional information.