

# Bi-Weekly Paydays

## Employee Frequently Asked Questions



**1. Why is Salt Lake County making the change from semi-monthly paydays to bi-weekly paydays?**

- To improve the quality and efficiency of Salt Lake County's business.
- To have more efficient and effective time reporting.
- To have fewer manual adjustments.

**2. When will the change from semi-monthly paydays to bi-weekly paydays take effect?**

July 1, 2018

**3. What is the advantage to me?**

- You will be paid every other Friday.
- Paydays will be 14 days apart instead of up to 17.
- You will receive an additional two paychecks per year.
- You will consistently have an 80-hour pay period instead of 72, 80, 88 & 96

**4. How many months each year have three pay days, and what are those months?**

Two, and the specific months vary each year. However, because we're not switching to bi-weekly paydays until the middle of 2018, August will be the only month with three pay periods.

**5. I'm currently paid on the 7<sup>th</sup> & 22<sup>nd</sup> of each month (or the Friday before if on a weekend). When will my new paydays be?**

Every other Friday, with the first bi-weekly payday beginning July 20, 2018.

**6. How many bi-weekly periods are there in a year?**

26 (there is an occasional year where there is a 27<sup>th</sup> pay period)

**7. Will my annual salary change?**

No, your annual salary will remain the same. However, your gross pay will be reduced by approximately 7.7% each pay period because your annual salary is spread across 26 pay periods instead of 24.

**8. Do you have an example of how my take-home pay and withholdings for insurance will be different with bi-weekly paydays?**

Yes, the example below shows the difference for an employee making \$50,000 annually, with family medical coverage claiming two dependents:

	Annual Pay	Pay Period	Tax Withholding	Insurance	Take-home Pay
Semi- Monthly	\$50,000	\$2,083.33	\$384.25	\$174.50	\$1,524.58
Bi-Weekly	\$50,000	\$1,923.08	\$354.66	\$161.07	\$1,407.35
Difference		(\$160.26)	(\$29.59)	(\$13.43)	(\$117.23)

**9. Will the change in pay frequency affect my sick and vacation accruals?**

Yes. The accrual rate remains the same; however, the hours the accrual is based on are reduced.

- The sick leave accrual rate per pay period will be 3.69 hours.
- The vacation accrual rates per pay period will be:
  - 3.69 hours for 0-2 years of service
  - 4.62 hours for 3-5 years of service
  - 5.54 hours for 6-10 years of service
  - 6.46 hours for 11-15 years of service
  - 7.38 for more than 15 years of service

**10. I already have a vacation approved by my manager. If my vacation accrues at a lesser amount each pay period, I will not have enough vacation accrued to cover my requested time off. Will the county set up a one-time option for employees to go into a negative balance in these situations?**

No. You would need to either change your requested time off or use leave-without-pay for the hours that are short.

**11. How is my hourly rate determined?**

Hourly rates are calculated using an annual salary divided by 2,080 hours.

**12. What should I do to prepare for the change?**

- Review your personal budget and determine income needs based on the new bi-weekly pay schedule.
- Request that creditors/lenders/financial institutions adjust automatic withdrawal or bill-pay dates to align with the new pay schedule.

**13. Will I need to make changes to my direct deposit?**

No.

**14. What if I pay some of my bills through automatic bill pay?**

You may need to have your automatic payment dates adjusted.

**15. In months with three bi-weekly paychecks, how will my deductions be calculated?**

Deductions will be taken from each paycheck, throughout the year.

**16. I have a garnishment. How will the transition to bi-weekly pay affect the amount deducted for my garnishment?**

Garnishments are calculated based on the disposable earnings, which is the amount of earnings left after legally required deductions. Because the disposable earnings will be less, the garnishment will be less.

**17. I contribute to my 401(k) and/or 457. When will my contributions be taken?**

Your contributions will be taken each pay period based on the percentage or amount you requested per pay period.

**18. Will I need to make changes to my taxes or withholding?**

Tax withholding is based on the tables established by the IRS. The tables for bi-weekly are lower than for semi-monthly.

**19. Will there be ongoing communications about the change from semi-monthly to bi-weekly?**

Yes.