

2022 Biweekly Payroll Transition Frequently Asked Questions

Beginning January 1, 2022, all Amarillo College employees that are currently paid on a monthly basis will transition to a biweekly, one-week lag (actual) pay cycle. Simply put, each of the affected employees will be paid for the actual time they've worked, rather than being paid for days not yet worked. Recognized as a best practice at colleges and businesses across the country, the biweekly pay cycle will enable the College to decrease payroll errors, provide more accurate and timely reporting of employee benefits, and ensure a more efficient payroll process. Here's what you need to know about the transition:

1. What are the advantages of a biweekly pay cycle?

- Systematic approach to Payroll Time Reporting
- Standardize payroll cycles across the college
- More efficient and effective time reporting
- Fewer manual adjustments
- Employees will be paid every other week rather than once a month.

2. When will the change from a monthly pay schedule to a biweekly pay schedule take effect?

- Employees who are transitioning to a biweekly pay cycle will receive their last monthly paycheck on December 31, 2021. This check will include full earnings for the month of December.
- The first biweekly pay check will be on January 14, 2022. This check will include the earnings for the pay period of January 1, 2022 – January 7, 2022, which is the second half of the biweekly pay period already in progress.
- The first full biweekly paycheck will be on January 28, 2022. This check will include the earnings for the pay period of January 8– January 21, 2022.

3. Can I choose not to transition to a biweekly pay schedule?

No. All salaried employees will be transitioned to the biweekly pay schedule effective January 1, 2022.

4. Will I lose a paycheck?

No, this transition will not result in a reduction of salary. It is simply a 1-week lag (actual) pay cycle of the actual time worked and reported.

5. If I currently do not fill out a timesheet, will I need to start filling out a timesheet once the biweekly pay cycle begins?

No. If you're salaried staff, faculty, or adjunct faculty, you will not need to start filling out or submitting a timesheet.

6. I'm currently paid on the last working day of the month. What will my payday change to?

Employees on a biweekly pay cycle will receive a paycheck every other Friday. The first pay date of the 2022 biweekly cycle will be January 14, 2022. Please refer to the [2022 Payroll Calendar](#) for a complete list of pay dates for 2022.

7. How many biweekly pay periods are in a calendar year?

A biweekly pay cycle consists of 14 days, beginning on Saturday and ending on the second Friday of the pay period. You are paid every two weeks, giving you a total of 26 biweekly pay periods in a calendar year. The first pay period of the 2022 calendar year is December 25, 2021 – January 7, 2022.

8. Will my biweekly check be one-half of my monthly check?

No. You will get two biweekly checks per month with the exception of two months per year (for 2022, July and December) when you will get three checks. You will receive the same annual salary subject to you working all of your scheduled hours.

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

Leave accruals will be adjusted over the 26 pay periods to reflect the following:

- 8-hour leave accrual rate = 3.7 hours per pay period
- 10-hour leave accrual rate = 4.62 hours per pay period
- 12-hour leave accrual rate = 5.54 hours per pay period

You will still accrue the same number of hours annually.

10. Are sick leave and vacation balances kept current or only posted monthly?

Accruals will be applied and current within each pay period contingent upon timely receipt of 340 forms. 340 (Report of Leave) forms should be submitted immediately upon return from leave.

11. How is my hourly rate determined?

If you are in a 40 hour per week position, divide your annual salary by 2080 (the number of working hours in a year). For example, your annual salary is \$48,000.00 per year:

$$\$48,000.00 \div 2080 = \$23.07 \text{ per hour}$$

12. What should I do to prepare for the conversion to biweekly pay?

Please note that your paycheck of December 31, 2021 will contain your last monthly period of earnings. Your next paycheck will be on January 14, 2022 which will only include earnings for the week of January 1 - 7, 2022).

We encourage you to review your personal budget situation and determine your income needs based on a biweekly pay schedule. Please refer to the [2022 Payroll Calendar](#). In preparation for the conversion, here are additional suggestions of what you should do to prepare:

- Review your current tax withholdings elections to make any necessary changes. Pay particular attention to additional tax withholding amounts. See question 23 for more details.
- If you have additional withholdings, you will need to fill out and submit a new W-4 to acpayroll@actx.edu office by December 10, 2021.
- Request that creditors adjust your automatic withdrawal or bill pay dates to align with your new pay schedule. Review any payment schedules for mortgage payments, utility bills, installment loans, etc. to ensure that the change in pay dates does not result in late payments. Review any automatic bank drafts or loan payment schedules set up with your bank.
- As always, please be sure to review your paycheck for accuracy.

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

If you currently have your earnings sent to one direct deposit account, you do not have to make a change. Please review any secondary direct deposit accounts to confirm that you will have the appropriate amount deposited.

If you have multiple direct deposit accounts, please review and adjust accordingly. Your designated distributions will occur each pay period. For example, if you designate \$500 to be directed to a specific account, a total of \$13,000 will be deposited in that account over the course of the year.

These can be accessed within [AC Connect](#). (Self-Service for Employees >> Employee Banking Information.)

14. 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 according to the new pay schedule. Please see the [2022 Payroll Calendar](#) for new pay dates.

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15. What if I pay some of my bills through the automatic bill pay?

If you have automatic bill pay set up for any regular expenses, for example mortgage payments, student loan payments or car payments, we encourage you to work directly with your financial institution(s) to change payment dates as needed.

16. Will my benefit deductions change?

Yes. Because deductions are taken at the end of the month (example: December 31 deductions pay for December 1 – 31 coverage), the December 31, 2021 paycheck will be the last deduction of 2021.

The first half of your deduction for 2022 will occur on the January 14, 2022 paycheck for the time period of January 1 – 7, 2022.

The second half of your deduction for your January 2022 coverage will occur with the second biweekly paycheck on January 28, 2022.

17. How will my contributions for benefits and retirement be affected by this transition?

Your benefits will be spread over 24 contributions. On the two months that have 3 pay checks (for 2022, July and December), the 3rd paycheck will not have any benefits contributions withdrawn.

Your retirement contributions (TRS, ORP, ACBP) will be spread over all 26 paychecks during the year.

TSA participants will be receiving a new contract from Human Resources. Please fill this out and return it no later than December 17, 2021.

18. If I have garnishments or child support taken out of my paycheck, how will that work now?

All garnishments and child support payments will be paid out over the 26 paychecks. You will not need to submit any paperwork. The changes will be done automatically through Human Resources.

19. If I have a loan from July Services, how will that work with the new payroll structure?

The loan will be re-amortized for 2022. The first payment will be January 28, 2022, so there will be a payment relief (no payment withdrawn) for the first pay period on January 14th, 2022.

20. How will the 2.5% fringe benefit be affected by the new payroll transition?

The fringe benefit will be distributed across 24 paychecks. It will not be distributed in the extra paychecks (for 2022, July and December.)

21. Will I need to make any changes to my taxes or withholdings?

If you have an additional tax amount deducted from your paycheck, you will need to submit a new W-4 Form to AC Payroll (acpayroll@actx.edu) by December 10, 2021.

If you do not have any additional tax amounts deducted from your paycheck, 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. Biweekly 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.

22. How does the change in pay frequency affect my Federal taxes?

We will continue to submit taxes according to the Federal W-4 form you currently have on file. Your biweekly earnings will be taxed based upon the biweekly tax schedule set by the Internal Revenue Service. You can review the tax schedules on the following link: www.irs.gov

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23. Should I consult a tax advisor?

If you are uncertain about the impact of this payroll transition and related deductions on your tax situation, please consult your personal tax advisor.

24. Will there be ongoing communication?

Yes. Ongoing communication will be shared with staff, faculty, and their supervisors regarding the transition. Q&A sessions will be offered for faculty and staff. You can also visit the [Biweekly Payroll Information webpage](#) for up-to-date information.

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

Pay, tax deductions, or accruals questions should be directed to a member of the HR team:

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