

ALLEGHENY COLLEGE™

Monthly to Biweekly Pay Transition FAQ's:

Do I Have To Change Pay Frequency?

Yes. This is not an optional change.

How Does This Benefit Employees?

First, the college expects that most employees, after making initial adjustments to align with the bi-monthly payroll schedule, will find the more frequent payroll distribution makes budgeting easier when compared to receiving pay only once a month. Second, this change provides more opportunities for increased earnings in retirement contributions, as half of the monthly contributions will be made earlier in the month, allowing more time for benefits to potentially grow.

Will monthly employees be paid hourly?

No, salaried employees will still be paid a set amount not determined by hours entered on their timesheet. Salaried employees will take their annual salary divided by 26 pay periods (or 20 pay periods if 9-month paid over 9-months) in the year to calculate their biweekly pay.

What should I do, as an employee, to prepare for this change?

You can start putting away funds now or making plans within your personal budget to account for this pay frequency change.

You can determine when your bills are due/when auto-drafts are made and make any changes necessary to your bill pay schedule. Make sure you're familiar with the new payday schedule and the employee resources on the Payroll website.

How does this affect my Allegheny College departmental budget?

This change should not impact your budget as the salary expenses for FY24 will be neutral.

My biweekly rate is less than 1/2 of my monthly paycheck. Why?

There are 26 biweekly pay periods during the calendar year, which results in ten months having two biweekly paychecks and two months with three paychecks. To calculate your gross biweekly paycheck amount you would take your annual salary and divide by 26. So, as an example if your annual salary is \$50k (monthly gross paycheck is \$4166.67), your biweekly paycheck would be \$1923.08. For months that have two biweekly paychecks you would receive \$3846.15. For months that have three biweekly paychecks you would receive \$5769.23. *If you are a 9-paid-in-9 faculty, you would take your annual salary divided by 20 pay periods.

Do I have less money per month on the biweekly schedule?

The amount of pay you have on any given date may be different on the new schedule, but it is not necessarily less. Because you will be paid more frequently on a biweekly schedule, there are actually ~329 days out of the year that you will have more of your pay in your possession under the biweekly schedule than the monthly schedule.

I have additional tax withholdings taken out of my paychecks, is there anything I need to do to update this when I start getting paid biweekly instead of monthly?

For 12-month employees transitioning to biweekly, if you have additional federal and/or state withholdings you will need to complete the W-4 form (in the forms section) by June 21, 2024, and update the amount to reflect 26 pay period versus 12. This form should be completed and given to the Office of Human Resources no later than June 21, 2024. If you do not make this change, then your current withholding will occur for all 26 pay periods.

Am I getting paid for all of my time worked? Will there be furloughs during this transition period?

Employees will be paid for all time worked during this transition.

Is there a tool I can use to see what my paycheck will look like when I transition to being paid biweekly?

Yes, you can use salary calculators like what is provided by PaycheckCity: [Calculate your Pay](#)

Please keep in mind your benefit deductions, garnishments (if applicable), retirement contributions, etc. when using this calculator.

Remember

- Since this change may impact your cash flow, review your budget and financial obligations and contact your financial institutions and other related businesses ahead of time. If necessary, make adjustments as needed to ensure your bill payment schedules align with the new pay dates.
- If necessary, consult with your personal tax advisor.
- Make your election changes (W-4 tax withholdings, Health Savings Contribution, Retirement contribution, etc) and submit your paperwork no later than June 21st. If election change forms are turned in late, we will not be able to refund your account for the overages.