# **Quick Facts for Employees about Single Payroll**

## About the Transition to Biweekly Pay

- Beginning in July 2021, all UW System employees who are paid monthly—including UW–Madison employees—will be moved to a biweekly payroll schedule.
- There will be no change to the following:
  - Your annual salary
  - Your benefits coverage
  - How much you pay for benefits
  - How much annual leave you earn
- When you use your annual leave
- Your Fair Labor Standards Act (FLSA) designation (hourly or salaried)
- Your standard tax withholdings
- Beginning with the first pay period in August, employees will receive paychecks on a biweekly schedule, with a paycheck every other Thursday.

## **Understanding the Impact on Paychecks**

- The impact on your paycheck will vary depending on whether you are paid over 12 months or nine months of the year. (Those with summer appointments may have unique circumstances.)
- Review the timeline that applies to your situation to understand how the transition will work.
  - Single Payroll timeline for employees paid over 12 months
  - Single Payroll timeline for employees paid over 9 months
- Pay schedules for 2021 and 2022 will show you pay dates and corresponding pay periods.
- The Paycheck Estimator can help you with personal financial planning.

## Payroll Changes that Will Happen Automatically (no action required)

- Benefits deductions for insurance will be split evenly across the first two biweekly paychecks each month. These include health, dental, vision, life, income continuation, and accident insurance.
- Health Savings Account (HSA) contributions, Health Opt-Out incentive payments, charitable contributions made through payroll deductions, garnishments, and UW–Madison transportation and recreation memberships will also be adjusted automatically to align with the new pay schedule.

## Actions Employees Should Consider

- If you are making voluntary contributions or withholdings to any of the following accounts, you may wish to adjust the amounts that are taken from each paycheck. If you do not make these adjustments, you may have more money taken from each paycheck than you intended.
  - UW Tax-Sheltered Annuity (TSA) 403(B)
  - WI Deferred Compensation (WDC) 457
  - WI Retirement System (WRS) additional contributions
- Additional tax withholding
- Direct deposits into multiple accounts
  Payroll contributions to an Edvest 529 college savings account
- Please note that not all UW–Madison employees have these accounts.
- Refer to the <u>instructions</u> on how and when to update voluntary contributions and/or withholdings.
- Adjust your automatic bill payments, and your bill due dates when possible, to align with the new payroll schedule.
- Review available <u>resources to prepare for the transition</u>, including an employee checklist.
- If you are paid over 12 months and the transition to biweekly pay may present you with financial hardship in early August, consider applying for an interest-free <u>Payroll Transition Employee Loan</u>. Certain eligibility criteria apply.

Visit <u>hr.wisc.edu/single-payroll</u>

For questions contact 608-265-2257 or email 2021payrollchanges@ohr.wisc.edu

