

# Pay Schedule Transition

## Frequently Asked Questions

### **Why are employee payroll status changes occurring?**

In 2016, the Department of Labor (DOL) issued a Final Rule regarding the minimum salary threshold for determining exemption from overtime payments. In anticipation of implementing the Final Rule, WKU adjusted 300+ individuals from the monthly payroll to the semi-monthly payroll schedule. However, later in 2016, a court overturned the regulation and definitive implementation was put on hold for additional review by the DOL. Since this time, we have maintained the payroll changes for those potentially affected individuals and identified them as the “transition” group.

Recently, the DOL issued a Final Rule, establishing a minimum salary to be considered exempt at \$35,568 (\$684 per week). All non-exempt positions at WKU are paid on either the bi-weekly or semi-monthly payroll schedule.

### **What is the DOL Final Rule and when will it be implemented?**

The DOL issued a Final Rule regarding the minimum salary threshold for determining exemption from overtime payments. Employees who make less than \$35,568 (\$684 per week) will be eligible for overtime pay effective January 1, 2020. For further information, please visit the Department of Labor website: <https://www.dol.gov/whd/overtime2019/>

### **How was my new hourly rate determined?**

Your Division leader submitted your new hourly rate to Human Resources

### **When will the change from a monthly pay schedule to a bi-weekly pay schedule take effect?**

Employees transitioning to a bi-weekly pay cycle will receive their last monthly paycheck on December 13, 2019 (regularly scheduled for December 31<sup>st</sup> but accelerated due to the Winter Break). This check will include earnings for the pay cycle of December 1, 2019- December 31, 2019.

The first bi-weekly pay check will be on January 31, 2020\*. This check will include the earnings for the pay period of January 6, 2020 – January 19, 2020 along with any overtime and adjustments. *If you work any hours from January 1- January 5, 2020, you will be paid for those hours on January 17, 2020*

### **How will the pay cycle change affect my pay and the pay dates?**

You will be paid 26 times/year instead of being paid 12 times/year- every other Friday instead of the last working day of the month.

### **Will I need to record my time worked and where do I locate timesheets?**

To ensure you are paid for each hour worked and also paid time-and-one-half for any hours worked over 40 hours in a given week, you will need to record your time worked. More information about how to maintain a record of hours worked via TopNet, visit the Resources on our [website](#).

### **What should I do to prepare for the conversion to bi-weekly pay?**

Please note that your paycheck of December 31, 2019 will contain your last monthly period of earnings. Your next paycheck will be on January 31, 2020 and will only contain pay for time worked January 6, 2020 through January 19, 2020. *If you work any hours from January 1-January 5, 2020, you will be paid for those hours on January 17, 2020*

### **Will I need to make any changes to my direct deposit?**

If you currently have your earnings sent to direct deposit, you do not have to make a change.

### **Will my deductions change?**

If you have any deductions (not related to taxes or other required deductions) they will be calculated based on 24 pays rather than 12 pays beginning on pay date 1/31/2020. The bi-weekly pay schedule contains two deduction holidays per year in which no deductions (aside from necessary tax and required withholdings) are withheld. The deduction holidays occur in the months in which there are three paychecks and the holiday will occur on the third paycheck. The first deduction holiday in 2020 will be July 31<sup>st</sup>.

- Your January 31<sup>st</sup> paycheck will contain all January deductions (a full month premium).
- Your first February paycheck (February 14, 2020) will include regular deduction rates (1/2 month premium).

**I contribute to supplemental retirement. Do I need to make any changes?**

No. Your contributions will be divided into two deductions per month.

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

If you have an additional tax amount deducted from your paycheck, that monthly amount will be calculated out to a yearly amount and then divided by 26 for a bi-weekly amount. If you do not want the current additional amount to be split in this manner, please submit a new W-4 Form to the Office of Human Resources by January 1, 2020.

Changes to your tax withholdings are likely not necessary, unless you determine it would be appropriate given your specific situation. We will continue to tax you according to the Federal W-4 form you currently have on file. Your bi-weekly earnings will be taxed based upon the bi-weekly tax schedule set by the Internal Revenue Service. You can review the tax schedules on the following link: [www.irs.gov](http://www.irs.gov).

**Who do I contact if I have questions?**

Pay, direct deposit, or tax deduction questions should be directed to:

Vickye Heater, 5-2074 [vickye.heater@wku.edu](mailto:vickye.heater@wku.edu)

Kristi Smith, 5-5352 [kristi.smith@wku.edu](mailto:kristi.smith@wku.edu)

Benefit and retirement deduction questions should be directed to:

Erin Heil, 5-5354 [erin.heil@wku.edu](mailto:erin.heil@wku.edu)

Human Resources

Mindy Hutchins, 5-2072 [mindy.hutchins@wku.edu](mailto:mindy.hutchins@wku.edu)