

Monthly to Biweekly Pay Transition

9- and 10-month Faculty and Administrators

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Overview

- Why?
- Benefits of a biweekly pay cycle
- Transition and biweekly pay dates
- Deferred pay option
- Tools and resources
- Timing of benefit deductions and retirement contributions
- Things to consider

Why?

- **Employee Benefits:** Several benefits to University employees.
- **Consistency:** Reduces variations in payroll and benefit deductions, enabling clearer communication with employees, new hires, and candidates.
- **Efficiency:** Enhances efficiency will allow us to allocate more time to addressing other important needs of all employees.

Benefits of a Biweekly Pay Cycle

Faster Access to Funds: Employees receive pay more frequently.

Quicker Access to Accounts: Biweekly deposits into Health Savings and Dependent Care accounts.

Retirement Contributions: Biweekly contributions allow for investments to begin sooner.

Faster Payment Corrections: Missed or corrected payments are included in the next biweekly check, rather than waiting for the next monthly cycle.

New Employees: First pay arrives sooner.

When is this change occurring?

Beginning of the 2025-2026 Appointment Period

How is pay impacted?

This transition will not change what is earned, but the timing and the reporting of the pay will change with the transition from monthly to biweekly pay.

Current Pay Schedule (Academic Year 2024-2025)

AY 2024-2025			
Appointment Term	Appointment Dates	Paid	Deferral Paid
9 Month	August 13 - May 9	September to June	July and August
10 Month	August 6 - May 16 plus 20 days	September to June	July and August
10 Month	August 1-May 31	August to May	June and July

Schedule for Academic Year 2025-2026

Appointment Term	AY 2025-2026 Appointment Dates
9 Month	August 12 - May 8
10 Month	August 5 – May 15 plus 10 days
10 Month	August 1 - May 31

Currently paid over 12 months?

Academic Year 2024 -2025 Deferral Payouts

- July 31, 2025
- August 8, 2025
 - Last monthly benefit premiums will be deducted from this pay

Effective Fall 2025 (Academic Year 2025-2026)

Bi-weekly Pay Schedule

- First Biweekly pay is August 22, 2025.
- Option to be paid over 20 biweekly or 26 biweekly pays.
 - Chairs and other roles who have summer 2026 commitments are required to be paid over 26 biweekly pays.

Effective Fall 2025 (Academic Year 2025-2026) Biweekly Pay Schedule

- 20 biweekly pays
August 22, 2025 – May 15, 2026
- 26 biweekly pays
August 22, 2025 – August 7, 2026

Effective Fall 2025 (Academic Year 2025-2026) Biweekly Pay Schedule

- **Annual salary:** \$50,000
- **Current monthly gross pay:** \$4,166.67 (\$50,000 per year / 12 pays)
- **Biweekly gross pay:** \$2,500.00 (\$50,000 per year / 20 pays)
\$1,923.08 (\$50,000 per year / 26 pays)

Cashflow Comparison

- Cashflow throughout the month will shift from 12 monthly pays to 20 or 26 biweekly pays a year.
- Employees will receive pay more frequently on biweekly pay schedule.
- Cashflow will vary when comparing it to a specific point in time; it could be more or less.

Estimated Cash Flow

Effective Fall 2025 (Academic Year 2025-2026)

Biweekly Pay Schedule

- Salary Payment Options form is required to elect the 26 biweekly pays.
- Must be completed and returned to Human Resources **before** the first day of your fall 2025 appointment period.
- If New Salary Election Form is not received **before** the first day of your fall 2025 appointment you will be paid over 20 biweekly pays. (This is an IRS regulation, not USI policy)
- Salary Payment Options form will be emailed through University email and can be electronically signed and returned through Adobe Sign.

Can I opt out of biweekly pay?

- No. All 9-and 10-month faculty and administrators will be transitioned to the biweekly pay starting at the beginning of their 2025-2026 appointment period.

How are Benefits affected?

- If currently enrolled in
 - Medical, Dental, Vision
 - Flexible Spending Accounts (FSA)
 - Health Savings Accounts (HSA)
 - Voluntary Hospital Indemnity, Accident, Critical Illness
 - Voluntary Life Insurance and Short-Term Disability, etc.

We will automatically recalculate to biweekly rates.

How are Benefits affected?

- Deductions for benefit premiums listed will be taken from the first and second biweekly pay each month.
- Benefit deductions will not be taken from the third pay of a month.
(October 2025 and May 2026 have 3 pays in the month)

How are Benefits affected?

- If 20 pay election, additional benefit premiums will be deducted in May for summer coverage.

How are Benefits affected?

- University contributions to TIAA Retirement plans are made over 20 pay periods. All University contributions will have been made prior to any deferral paybacks.
- TIAA Retirement plan Employee contributions will be taken with every biweekly pay.
- Wage garnishments and tax levies will be automatically be recalculated to a biweekly amount.

To do - Review Tax withholdings

- **Federal and State Taxes** – Federal and state taxes are withheld from every pay. If you currently have “additional withholdings” for federal and/or state taxes, do you want to adjust the additional amount?
- Review and submit any updated forms needed by August 11 for processing on the August 22 pay.

To do – Review Direct Deposit

- **Direct Deposit Allocation** – Your pay will continue to go to your listed account(s). Are the amounts correct?
 - If you currently deposit \$200 to a savings account monthly, you may want to consider changing it to \$92 biweekly (\$200 per pay x 12 months pay per year = \$2,400 / 26 biweekly pays = \$92.31)
- Review and submit any changes needed by August 11 for processing on the August 22 pay.

To do – Review Bills

- **Automatic bill payments or transfers**

- Do you currently have any automatic payments scheduled to come out of your accounts?
- Do any of the dates need to change?

- **Billing Cycles**

- If you are concerned that all your bills are due at the same time of the month (like the first of the month), call the provider to request a different billing cycle.

What other changes are there to consider?

- Will my sick or vacation time (if applicable) accruals change?
 - Sick or vacation (if applicable) accruals will continue to be accrued each pay.
 - Effective with your new appointment, accruals will be based on biweekly accrual amounts.
 - Employees will have access to sick or vacation time sooner.

Resources

- Payroll Transition website
- Payroll Schedule
- Payroll Forms
- Interactive Cashflow Comparison Tool
- FAQs – Questions asked during these sessions will be added to the FAQ section on HR's website

Questions?

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