

Service Excellence & Efficiency **SE<sup>2</sup>**

**Human Resource Services  
Service Excellence & Efficiency Initiative**  
Semi-Monthly Pay Change




 UNIVERSITY OF ALBERTA

*"uplifting the whole people"*  
—HON. MARSHALL TOWN, FOUNDER PRESIDENT, 1908


**What Is Happening?**

- Beginning July 1, 2012, all graduate students with graduate teaching or research assistantships, academically-related employment or scholarships paid by Payroll will be paid twice per month rather than monthly or biweekly.
- There will be two pay periods each month and pay dates will be approximately 10 days after each pay period ends.
- The first pay period of the month runs the 1<sup>st</sup>-15<sup>th</sup> and is paid on the 25<sup>th</sup> of the month. The second pay period of the month runs the 16<sup>th</sup> to the last day of the month and is paid on the 10<sup>th</sup> of the next month.

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**Why Change Pay Cycles?**

- Careful analysis of current payroll processes was completed
- Each monthly pay cycle requires about 10 calendar days of payroll processing time to complete pay. Payroll completes pay about the 7-8 days before the end of the month.
- Deadlines to departments must be approximately 10<sup>th</sup> of each month to ensure HRS/Payroll can complete pay.
- Changes for employees that occur between cutoff and end of the month may not be processed in that month.
- Forecasting is required for transactions between cutoff and end of month. Results in overpayments, underpayments and off-cycle cheques.

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**Why Change Pay Cycles?**

- Off-cycle cheques are required to correct payments. Each off-cycle requires 7-9 persons and costs the University \$90. Last year, payroll completed over 8000 off-cycle cheques. Total cost over \$775K per year.
- 28% of off-cycle cheques are for graduate students.
- Goal is to pay all employees/student correctly, on-time, the first time by direct deposit.

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### How will stipends be impacted?

- The monthly stipend (salary + award) paid to graduate students will be split into two semi-monthly payments.
- For example, if a student currently works 12 hours a week and receives an award of \$878.25 plus a salary of \$1305.75 per month, the monthly amount of \$2,184 will be divided by two and \$1,092 will be paid in each pay period.



### How will scholarships be impacted?

- Monthly scholarships will be split into two semi-monthly payments except when the student is only receiving one pay cheque/deposit in the month. In that case, the student will receive the full monthly amount on one payment.
- For example, a student starts on September 1 and receives a \$4,000 scholarship, payable as \$1,000 a month in each of the four months of the term. Because the student will receive one pay cheque in September on September 25, the full \$1,000 monthly amount will be paid in September and then \$500 will be paid each semi-monthly pay period until the end of December for a total of \$4,000.



### How will tuition/fees be deducted?

- The automatic tuition fee deduction process to deduct outstanding tuition fees from graduate student salaries in the second to fourth months of the fall, winter and spring/summer terms is changing to run on a semi-monthly basis.
- Tuition fees will now be deducted in six equal installments beginning with the first pay cheque received in the second month of the term.
- For example, for the fall term, 1/6 of the outstanding tuition fees (up to 80% of salary) will be deducted on October 10 and then 1/6 on each pay cheque until the end of December (Oct 10/25, Nov 10/25, Dec 10/25).




### What is the impact in July 2012?

- In July 2012, graduate students will receive only one semi-monthly pay cheque on the 25th of July.
- It will include:
  - ½ of their monthly stipend (salary + award)
  - the full amount of any monthly scholarship payments
  - 1/3 of their tuition fee deductions (to a maximum of 80% of semi-monthly salary)
  - plus the optional one-time cash advance payment they have chosen.




## How are we helping with the transition?

- One-time optional cash advance is being offered to monthly paid students with assistantships
- Advance equivalent to up to 70% of their July 1, 2012 semi-monthly stipend amount.
- Advance will be paid on July 25. Repaid in equal installments not to exceed the end of their assistantship appointment or 24 pay periods, whichever is later.
- Students will make their election through an online form and instructions will be sent to them for April 1.
- The advance will be paid from a central account and will not be charged to individual trust holder accounts.




Step	Category	Monthly Amount	Estimated Semi-Monthly Pay Without Cash Advance				Estimated Semi-Monthly Pay With Cash Advance				
			July 25, 2012	Aug 10, 2012	Aug 24, 2012	Sept 08, 2012	July 25, 2012	Aug 10, 2012	Aug 24, 2012	Sept 08, 2012	
1	Earnings										
	Monthly Salary	1,072.84	536.42	536.42	536.42	536.42	536.42	536.42	536.42	536.42	536.42
	Award (Bursary)	878.25	439.13	439.13	439.13	439.13	439.13	439.13	439.13	439.13	439.13
	Scholarship (Monthly Amt)	-	-	-	-	-	-	-	-	-	-
	Scholarship (Monthly Amt)	-	-	-	-	-	-	-	-	-	-
2	TAXES										
	OT (Income Tax)	0.72	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36
3	BEFORE TAX DEDUCTIONS										
	TOTAL	1,951.09	875.53	875.53	875.53	875.53	875.53	875.53	875.53	875.53	875.53
4	AFTER TAX DEDUCTIONS										
	TOTAL	1,073.17	516.90	516.90	516.90	516.90	516.90	516.90	516.90	516.90	516.90



Sample Net Pay Calculator

Step	Category	Monthly Amount	Estimated Semi-Monthly Pay Without Cash Advance				Estimated Semi-Monthly Pay With Cash Advance				
			July 25, 2012	Aug 10, 2012	Aug 24, 2012	Sept 08, 2012	July 25, 2012	Aug 10, 2012	Aug 24, 2012	Sept 08, 2012	
1	Earnings										
	Monthly Salary	295.75	147.88	147.88	147.88	147.88	147.88	147.88	147.88	147.88	147.88
	Award (Bursary)	219.50	109.75	109.75	109.75	109.75	109.75	109.75	109.75	109.75	109.75
	Scholarship (Monthly Amt)	3,458.33	1,729.17	1,729.17	1,729.17	1,729.17	1,729.17	1,729.17	1,729.17	1,729.17	1,729.17
	Scholarship (Monthly Amt)	169.92	84.96	84.96	84.96	84.96	84.96	84.96	84.96	84.96	84.96
2	TAXES										
	OT (Income Tax)	0.21	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11
3	BEFORE TAX DEDUCTIONS										
	TOTAL	2,143.50	1,068.88	1,068.88	1,068.88	1,068.88	1,068.88	1,068.88	1,068.88	1,068.88	1,068.88
4	AFTER TAX DEDUCTIONS										
	TOTAL	2,137.87	1,068.06	1,068.94	1,068.94	1,068.94	1,068.94	1,068.94	1,068.94	1,068.94	1,068.94




Sample Net Pay Calculator

### Semi-Monthly Pay Example for Graduate Student Fall Term

Graduate student starting assistantship Sept 1.  
12 hr week appointment as principal instructor earning minimum salary for 2011-2012.  
\$4,000 scholarship for term paid monthly and \$2,000 scholarship paid monthly.  
Tuition fees totalling \$2,038.65 for fall term.

Step	Category	Monthly Amount	Previous Monthly Amounts											
			Sept 10	Sept 25	Oct 10	Oct 25	Nov 10	Nov 25	Dec 10	Dec 25	Jan 10	Total		
1	Earnings													
	Monthly Salary	1,072.25	536.13	536.13	536.13	536.13	536.13	536.13	536.13	536.13	536.13	536.13	4,289.00	
	Award (Bursary)	878.25	439.13	439.13	439.13	439.13	439.13	439.13	439.13	439.13	439.13	439.13	3,513.00	
	Scholarship (Monthly Amt)	1,000.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	4,000.00	
	Scholarship (Monthly Amt)	500.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	2,000.00	
2	TAXES													
	OT (Income Tax)	3.86	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	15.44	
3	BEFORE TAX DEDUCTIONS													
	TOTAL	3,450.90	1,729.25	1,729.25	1,729.25	1,729.25	1,729.25	1,729.25	1,729.25	1,729.25	1,729.25	1,729.25	13,802.00	
4	AFTER TAX DEDUCTIONS													
	TOTAL	2,708.83	1,354.42	1,354.42	1,354.42	1,354.42	1,354.42	1,354.42	1,354.42	1,354.42	1,354.42	1,354.42	10,767.00	



Sample Pay for Fall Term

**More Information**

- <http://se2.ualberta.ca>
- 780-492-4395
- [se2help@ualberta.ca](mailto:se2help@ualberta.ca)

**Town Hall for Graduate Students**

- March 29  
1:00 – 2:30 pm  
1-190 Edmonton Clinic  
Health Academy  
(ECHA)



**SEMI-MONTHLY PAY CHANGE**  
*Make sure you stay in the loop!*



A new semi-monthly pay cycle for all NAA staff, graduate students, excluded students and postdoctoral fellows begins July 1, 2012.

This new pay cycle will feature two pay dates per month.

Pay dates will be approximately 10 days after each pay period end date.

For example, payment for the 1st to the 15th of the month will be made on the 25th; payment for the 16th to the last day of the month will be paid on the 10th of the next month.

A one-time cash rebalance will be available to eligible salaried employees, students and PPs to help adjust to the new pay schedule.

Visit [se2.ualberta.ca](http://se2.ualberta.ca) to learn more.

**Questions?**

