

Service Excellence & Efficiency **SE²**

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



UNIVERSITY OF ALBERTA

"uplifting the whole people"
—HON. MARSHALL TOWN, FORMER PRESIDENT, 1988

Service Excellence & Efficiency Initiative Overview

- Multi phased program designed to improve the services, processes and systems Human Resource Services offers to all university stakeholders.
- Program goals
 - Improve service to customers
 - Streamline current business processes
 - Introduce new efficient and effective processes
 - Capitalize on functionality within PeopleSoft HCM
 - Reduce system customizations
- First phase – Semi-monthly pay cycle implementation

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What Is Changing?

- On July 1, 2012, the University will implement a semi-monthly pay cycle for all NASA employees, graduate students, excluded students and postdoctoral fellows
- 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 1st-15th and is paid on the 25th of the month. The second pay period of the month runs the 16th to the last day of the month and is paid on the 10th 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 10th 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/students/PDFs correctly, on-time, the first time by direct deposit.




Why are NASA staff, graduate students and PDFs the first groups to move?

- NASA staff and graduate students are the groups most impacted by the negative affects of the current payroll system. Most of the off-cycle cheques are for non-academic staff.
- Graduate students receive 1/3 of the off-cycle cheques.
- Graduate students can benefit by getting paid sooner.




Who Is Not Changing to Semi-monthly pay at this time?

- Employees in the AASUA agreements will remain on the monthly payroll cycle and will not change pay frequencies unless they also have a concurrent appointment outside AASUA. In this case, the AASUA appointment will be paid monthly and the non-AASUA appointment will be paid semi-monthly.
- AASUA has 7 staff agreements that must be negotiated in bargaining to get language changed to allow semi-monthly pay. Discussions with AASUA are occurring.
- Long-term goal is to have all University payments on a semi-monthly pay cycle, paid 10 days after the pay period.



New Cycle


- Two semi-monthly pay periods
 - 1st pay period 1st – 15th of the month, paid on the 25th.
 - 2nd pay period 16th – last day of month, paid on the 10th of the next month.



Semi-Monthly Cycle - All NASA, Students, PDF


1 JULY 15 16 JULY 31
 Paid 10 days after ppd 25th

1 AUGUST 15 16 AUGUST 31
 Paid 10 days after ppd 10th
 Paid 10 days after ppd 24th



How will stipends be impacted?


- The monthly stipend (salary + award) paid to graduate students will be split into two semi-monthly payments.
- For example, you currently work 12 hours a week and receive 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 to you in each pay period.



How will scholarships be impacted?


- Monthly scholarships will be split into two semi-monthly payments except when you are only receiving one pay cheque/deposit in the month. In that case, you will receive the full monthly amount on one payment.
- For example: You start on September 1 and receive a \$4,000 scholarship, payable as \$1,000 a month in each of the four months of the term.

Paycheque	
Sept 25	\$1,000
Oct 10	\$500
Oct 25	\$500
Nov 9	\$500
Nov 23	\$500
Dec 10	\$500
Dec 24	\$500
Total Amount	\$4,000
- One-time scholarships will still be fully paid in the pay period in which payroll receives them.




How will tuition/fees be deducted?

- The automatic tuition fee deduction process to deduct outstanding tuition fees from graduate student salaries (FEETAR) will run on a semi-monthly basis.
- Fall & Winter Terms
 - Tuition fees will now be deducted in six equal installments beginning with the first pay cheque received in the second month of the term. Ex. 2 payments in Oct/Nov/Dec & Feb/Mar/April
- Spring & Summer Terms
 - Tuition fees will now be deducted in three equal instalments per term beginning with the first pay cheque received in each month of the term. Ex. May 25, June 10 & 25 or July 25, Aug 10 & 25




How will tuition/fees be deducted this summer?

- Fees in Spring/Summer 2012 will be deducted differently
- Spring Term – May/June 2012
 - No fees deducted in May
 - 1/3 outstanding fees deducted on June 29 monthly paycheque
- Summer Term – July/August 2012
 - Balance of fees deducted in three installments over July and August
 - 1/3 of remaining fees deducted on July 25 (only July paycheque)
 - 1/2 of remaining fees deducted on August 10
 - Remaining fees deducted on August 24




What is the impact in July 2012?

- In July 2012, you will receive only one semi-monthly pay cheque on the 25th of July.
- It will include:
 - 1/2 of your monthly stipend (salary + award) – for period July 1st - 15th
 - the full amount of any monthly scholarship payments for July
 - 1/3 of your outstanding tuition fee deductions (to a maximum of 80% of semi-monthly salary)
 - plus the optional one-time cash advance payment you have chosen.




How are we helping your with the transition?

- One-time optional cash advance is being offered to all monthly paid graduate students with assistantships.
- Advance equivalent to up to 70% of your July 1, 2012 semi-monthly stipend (salary + award) amount.
- Advance will be paid on July 25. Repaid in equal installments not to exceed the end of your assistantship appointment or 24 pay periods, whichever is later.
- You will make your advance choice through an online form between April 1 and June 1. Instructions will be sent to you next week.
- If you are being reappointed for the fall, departments will inform us so your repayment period can be extended to the end of the fall term.



		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
	Award (Bursary)	219.50	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
	Scholarship (Monthly Amt)	169.92	84.96	84.96	84.96	84.96	84.96	84.96	84.96
2	CASH ADVANCE (From option chosen below)					240.00			
	Advance Repayment (from calculation below)						(100.00)	(100.00)	
TOTAL		2,143.50	1,071.75	1,071.75	1,071.75	2,178.88	1,071.75	1,041.75	1,041.75
3	OT (Income Tax)	-	-	-	-	-	-	-	-
	CPP (Canada Pension Plan)	0.21	0.11	0.11	0.11	0.11	0.11	0.11	0.11
	EI (Employment Insurance)	9.42	2.71	2.71	2.71	2.71	2.71	2.71	2.71
	TOTAL	9.63	2.82	2.82	2.82	2.82	2.82	2.82	2.82
	TOTAL								
4	BEFORE TAX DEDUCTIONS								
	AFTER TAX DEDUCTIONS								
	FEE TA/NA (Automated Tuition Fee Payment)								
	TOTAL								
	TOTAL		2,137.87	1,068.94	1,068.94	1,068.94	2,123.06	1,068.94	1,038.94




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.

		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	536.13	536.13	536.13	536.13	536.13	536.13	536.13	536.13	536.13	536.13	4,289.04			
	Award (Bursary)	878.25	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	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	2,000.00			
TOTAL		3,450.50		2,475.25	1,725.25	1,725.25	1,725.25	1,725.25	1,725.25	1,725.25	1,725.25	975.25	13,802.00		
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	15.44			
	CPP (Canada Pension Plan)	38.64	19.32	19.32	19.32	19.32	19.32	19.32	19.32	19.32	19.32	154.56			
	EI (Employment Insurance)	19.62	9.81	9.81	9.81	9.81	9.81	9.81	9.81	9.81	9.81	78.48			
	TOTAL		62.12		31.06	31.06	31.06	31.06	31.06	31.06	31.06	31.06	248.48		
TOTAL															
3	BEFORE TAX DEDUCTIONS														
	AFTER TAX DEDUCTIONS														
	FEE TA/NA (Automated Tuition Fee Payment)	679.55		339.78	339.78	339.78	339.78	339.78	339.78	339.78	339.78		2,038.65		
	TOTAL														
	TOTAL		679.55		339.78	339.78	339.78	339.78	339.78	339.78	339.78	339.78		2,038.65	
TOTAL		2,708.83		2,444.19	1,354.42	1,354.42	1,354.42	1,354.42	1,354.42	1,354.42	1,354.42	944.19	11,514.87		



Sample Pay for Fall Term

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More Information

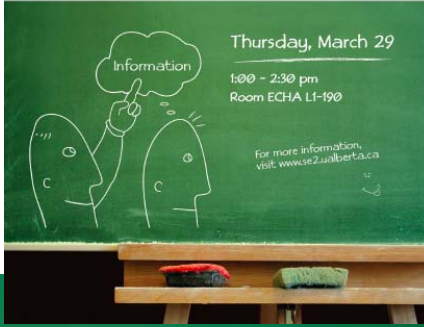
- <http://se2.ualberta.ca>
- 780-492-4395
- se2help@ualberta.ca


Information Session
on Semi-monthly Pay Change
for Graduate Students

Thursday, March 29
1:00 - 2:30 pm
Room ECHA L1-190


Information

For more information, visit www.se2.ualberta.ca



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Questions?

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