Semi-Monthly Payroll

What you need to Know



Who is affected by this change?

• <u>ALL</u> Austin ISD employees.

This includes full-time, part-time and substitutes.



Will my total annual pay change?

 No. The change to semi-monthly pay will have NO impact on the annual pay for employees. Regardless of the pay schedule, the employee will receive the <u>same</u> <u>amount of pay yearly</u>.

• The primary difference is the gross amount of each check and how frequently employees are paid. (see slides 4 & 5 for examples)



What is Semi-monthly Payroll?

- A semi-monthly pay cycle occurs twice per month.
 - 15th of each month, and
 - the last business day of the month
- Semi-monthly pay has 24 paychecks each school year, versus the current pay frequency of 12 or 26 paychecks each school year.
- If either of the 15th or the last business day of the month fall on a weekend or bank holiday, the pay date will be on the <u>preceding business day</u>.



Bi-Weekly vs Semi-Monthly

Bus Drivers, Food Service, Police, Custodians, etc.

Bi-Weekly

26 Checks Paid every other Friday

Check #1

1,920.16 |\$

(168.22) |\$

(118.54) |\$

(27.72) |\$

(153.61) |\$

(12.48) |\$

(4.13) |\$

(42.00) |\$

1,393.46 \$

Check #2

1,920.16 \$

(168.22) |\$

(118.54) |\$

(27.72) \$

(153.61) |\$

(12.48) |\$

(4.13) |\$

(42.00) | \$

1,393.46 |\$

Total for Month	
3,840.32	Gross
(336.44)	Fed W
(237.08)	Soc Sec
(55.44)	Medica
(307.22)	TRS
(24.96)	TRS INS
(24.50)	

Semi-Monthly

24 Checks 15th and last day of month

	Check #1		Check #2		Total for Month	
Gross	\$	1920.16	\$	1920.16	\$	3840.32
Fed W/H	\$	(165.50)	\$	(165.50)	\$	(331.00)
Soc Sec	\$	(118.54)	\$	(118.54)	\$	(237.08)
Medicare	\$	(27.72)	\$	(27.72)	\$	(55.44)
TRS	\$	(153.61)	\$	(153.61)	\$	(307.22)
TRS INS	\$	(12.48)	\$	(12.48)	\$	(24.96)
Med/Dent	\$	(4.13)	\$	(4.13)	\$	(8.26)
Ann 457	\$	(42.00)	\$	(42.00)	\$	(84.00)
Net	\$	1,396.18	\$	1,396.18	\$	2,792.36

Notes:

Net

Gross

Fed W/H

Medicare

Soc Sec

TRS INS

Ann 457

Med/Dent

TRS

• W4s with extra withholding will need to be adjusted for number of pay cycles (submit new W4 to Payroll Office by 6/1/2023)

(8.26)

(84.00)

2,786.92

Monthly vs Semi-Monthly

Teachers, Nurses, Counselors, Administrators, Classified, etc.

Monthly
12 Checks
Paid on last business day of month

·	Monthly		
Gross	\$	4,370.45	
Fed W/H	\$	(326.20)	
Soc Sec	\$	(265.97)	
Medicare	\$	(62.20)	
TRS	\$	(349.64)	
TRS INS	\$	(28.41)	
Med/Dent	\$	(80.62)	
Net	\$	3,257.41	

Semi-Monthly 24 Checks Paid on 15th and last business day of month

	Check #1		Check #2		Total for Month	
Gross	\$	2,185.23	\$	2,185.23	\$	4,370.46
Fed W/H	\$	(158.26)	\$	(158.26)	\$	(316.52)
Soc Sec	\$	(130.49)	\$	(130.49)	\$	(260.98)
Medicare	\$	(30.52)	\$	(30.52)	\$	(61.04)
TRS	\$	(174.82)	\$	(174.82)	\$	(349.64)
TRS INS	\$	(14.20)	\$	(14.20)	\$	(28.40)
Med/Dent	\$	(40.31)	\$	(40.31)	\$	(80.62)
Net	\$	1,636.63	\$	1,636.63	\$	3,273.26

Notes:

• W4s with extra withholding will need to be adjusted for number of pay cycles (Submit new W4 to Payroll Office by 6/1/2023)

Why is Austin ISD converting to Semi-Monthly?

Austin ISD wants consistency on pay dates for all employees. In order to achieve this it was determined that all employees move to a pay schedule that is more consistent for all employees.

- Consistency: Employees can schedule credit card payments, rent or mortgage expenses, and other consistent payments based on the dates employees get their paycheck each month.
- Deductions: It can be easier for employees to calculate monthly deductions from their paychecks, since every month results in the same number of paychecks with a semi-monthly schedule.
- Semi-monthly pay is by far one of the most utilized payment methods for employees.
- Semi-monthly provides an added level of comfort & security because employees are able to receive a consistent income on a more frequent basis.
- There will no longer be six weeks between checks in December/January time frame.



Effective Date by Calendar - Monthly Employees

Semi-Monthly Pay Date Start July 14, 2023

All Central Office and year-around staff



Effective Date by Calendar - Monthly Employees

Semi-Monthly Pay Date Start August 15, 2023

 Staff returning to campuses in August (Teachers, Teachers Assistants, Counselors, and Librarians)



Can I opt out of this change?

 No. All staff will transition to semi-monthly effective the 2023-2024 school year.



How will this change affect my tax withholdings?

- This change will not increase the amount of your federal tax withholdings. The payroll system will calculate and deduct taxes based on a semi-monthly payroll frequency. This change will be automatic.
- However, if you <u>have elected</u> to make additional withholdings, you will need to manually change to one-half of the current amount of additional withholdings on your W4 (line 4c).



2023-2024 Semi-Monthly Pay Dates

<u>Pay Period</u>		<u>Pay Period</u>	
7/1-7/7	July 14, 2023	7/8 -7/21	July 31, 2023
7/22-8/4	August 15, 2023	8/5-8/18	August 31, 2023
8/19-9/1	September 15, 2023	9/2-9/15	September 29, 2023
9/16-9/29	October 13, 2013	9/30-10/13	October 31, 2013
0/14-10/27	November 15, 2023	10/28-11/10	November 30, 2023
11/11-12/1	December 15, 2023	12/2-12/15	December 29, 2023
2/16-12/29	January 12, 2024	12/30-1/12	January 31, 2024
*1/13-2/2	February 15, 2024	2/3-2/16	February 29, 2024
2/17-3/1	March 15, 2024	3/2-3/15	March 29, 2024
3/16-3/29	April 15, 2024	3/30-4/12	April 30, 2024
*4/13-5/3	May 15, 2024	5/4-5/17	May 31, 2024
5/18-5/31	June 14, 2024	6/1-6/14	June 28, 2024

*3 Week Pay Period



Helpful Information

Payroll website: www.austinisd.org/budget/payoll or Let's Talk

Payroll Email: payroll-finance@austinisd.org or 512-414-1734

Foundation 99: www.foundation99.org or (888) 599-4245



Questions?



Thank you!

