



# Preparing for Biweekly Pay

*Meeting-in-a-Box for People Leaders*

**YOUR PAY** 💰  
📅 *new way*



# Tools to Support Your Team Through the Transition

- Use this meeting-in-a-box to:
  - Understand how you can support your **hourly employees** (including some unions\*) through the transition to a biweekly pay schedule.
  - Share the details of the transition quickly, easily and consistently.
- More info can be found on the Total Rewards & Benefits Portal
  - Beginning August 31st, go to the benefits portal, click on the Your Pay New Way banner, and you will be redirected to the page outlining all resources and support tools.
  - You can also find [this message from Marie Esposito](#), Director of Enterprise Payroll and Tax, introducing the upcoming changes
- You don't need to be a payroll expert! To save time and to make sure everything is correct, refer employee questions to:
  - Portal Resources
  - Payroll professionals in HR Shared Services at [HRSS@thgrp.com](mailto:HRSS@thgrp.com)
  - Your local HR leader
- Thank you! The following slides are for you to share with your team.

*\*For work locations where bargaining unit employees are represented by a union, the union contract controls in the event that this information may differ from the union contract.*



# We are moving to biweekly pay. Today we will review:

- What is happening and when
- Who will be affected
- Why and why now
- Now what? Start planning!

# What is happening and when: hourly employees\*

- We will start being paid every other week on Thursdays, 26 (vs 52) times per year, i.e. – biweekly, in early 2024.
- Hourly wages will not change. Per paycheck amounts (earnings and deductions) will be adjusted, based on 26 paychecks per year.
- This means more gross pay per paycheck but fewer paychecks per year.
- For hourly employees (including some unions\*) who are currently paid weekly, the transition will occur in February 2024. See the calendar to the right for key dates!

JANUARY						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

FEBRUARY						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

JAN 11 First full paycheck for employees already paid biweekly and moving to the standard biweekly pay schedule. Medical benefit premiums will be paid by The Heritage Group.

Also first biweekly paycheck for employees previously paid semi-monthly. This is a one-week paycheck for the pay period of 12/31/23 – 1/6/2023. Medical benefit premiums will be paid by The Heritage Group.

JAN 25 First full biweekly paycheck for employees previously paid semi-monthly.

FEB 8 Last weekly paycheck for employees paid weekly.

FEB 22 First biweekly paycheck for employees previously paid weekly. Medical benefit premiums will be paid by The Heritage Group.

\*For work locations where bargaining unit employees are represented by a union, the union contract controls in the event that this information may differ from the union contract.

# Example Transition: Greg, Operator

## *Hourly – weekly moving to biweekly*

January 2024						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February 2024						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

Greg makes \$24.04 per hour or \$50,003.20 per year at 40 hours per week. Greg is currently paid weekly and will transition to a biweekly pay frequency in February 2024.

**Last weekly paycheck: \$961.60 gross pay for 40 hours**

**First biweekly paycheck: \$1923.20 gross pay for 80 hours** (medical benefit premiums will not be deducted in this first biweekly paycheck)

# Quick Math: Greg, Operator

	Weekly	Biweekly
Hourly wage	\$24.04	\$24.04
Hours/paycheck	40	80
Gross** pay / paycheck	\$961.60	\$1,923.20
# paychecks / year	52	26
Gross* annual earnings	\$50,003.20	\$50,003.20

# Will this change mean more federal taxes are deducted from employee paychecks?

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- Federal taxes are still based on gross annual earnings and on the answers employees provided on current W-4s on file.
- This information is then referenced to the tax tables set by the IRS based on pay frequency.
- The following slide shows an example based on current IRS tax tables.

# Federal Taxes Example

The example below shows an hourly employee paid weekly vs biweekly. The hourly rate is \$29.85/hr. 401K pre-tax deduction is 3% based on employee election. A 2019 W-4 is the last W-4 on file for Single with 2 Allowances.

Weekly (40 Hours)	
Earnings	\$1,194.00
401k Deduction	\$35.82
Federal Taxable Gross	\$1,158.18
<b>Per-Paycheck Federal Tax Withholding Amount*</b>	<b>\$107.00</b>

Biweekly (80 Hours)	
Earnings	\$2,388.00
401k Deduction	\$71.64
Federal Taxable Gross	\$2,316.36
<b>Per-Paycheck Federal Tax Withholding Amount*</b>	<b>\$208.00</b>

\*Per-paycheck federal tax withholding amount derived from IRS wage bracket tables available here: <https://www.irs.gov/pub/irs-pdf/p15t.pdf>



# Who will be affected

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- **All hourly employees** (including some unions)\* will move to biweekly pay by late February 2024. Union employees will transition as contract negotiations and state requirements allow.
- All salaried employees will move to biweekly pay in January 2024.
- *We are in this together!*

\*For work locations where bargaining unit employees are represented by a union, the union contract controls in the event that this information may differ from the union contract.

# Why and why now



Our growth over 92 years has created a complex payroll system that requires near-daily operation. It's an inefficient system with too much room for error.



We face fierce competition for great people. To attract and retain the best talent, we need to prioritize accurate pay and use a standardized pay schedule.



Streamlining payroll supports our future growth and success. All our employees – today and long into the future – are better served by efficient, scalable payroll.



We're committed to supporting you through this transition. That includes offering resources and support through the Total Rewards and Benefits Portal.

# Now what? Start planning!

- Check dates and amounts of automatic/electronic payments
- Use the planning checklist you received in the mail in late August.
- Visit the Total Rewards & Benefits Portal, Your Pay. New Way. page to access resources + planning tools.
- Reach out to HR Shared Services with Questions: [HRSS@thgrp.com](mailto:HRSS@thgrp.com)

The image shows two overlapping screenshots from the Total Rewards & Benefits Portal. The top screenshot is the 'Pay' page, which features a yellow header with the word 'Pay' and a sub-header 'YOUR PAY \$ new way'. Below this, there is a message about adapting to new ways of working and a 'Your next step? Start planning!' call to action. Two buttons are visible: 'Employee Self-Service' and 'Questions? HR Shared Services'. The bottom screenshot is a 'Your Planning Checklist' document titled 'Your Planning Checklist YOUR PAY \$ new way For a Smooth, Hassle-Free Transition'. It contains a list of seven checklist items with checkboxes, providing instructions on how to prepare for the transition to biweekly pay. The document also includes contact information for HR Shared Services and the date 'AUGUST 2023'.



# For help with your specific situation:

- Check the portal resources
- Reach out to HR Shared Services: [HRSS@thrgp.com](mailto:HRSS@thrgp.com)
- Talk to your local HR leader



**Thank You!**