

27-pay issue - possible solutions

PROS

CONS

OPTION #1

Skip the extra check in one of the three (3) 3-payroll months (Jul/Dec/Jun) - must be Dec or Jun payroll to correct entire employee population

- ~ easiest to implement
- ~ no change to biweekly gross
- ~ no impact to benefits

- ~ 4 weeks between payrolls for one cycle
- ~ biggest impact to employees

OPTION #2:

Spread the extra days between two payrolls, potentially combine the 12/31/15 & 1/14/16 payrolls & issue one payroll on 1/7/16 (similar to how we handled last time)

- ~ no change to biweekly gross
- ~ no impact to benefits
- ~ corrects both fiscal & calendar year 27-pay issue, maintaining consistent calendar year earnings
- ~ least impact to employees

- ~ 3 weeks between payrolls for two consecutive payroll cycles
- ~ confusing to timekeepers

OPTION #3:

Adjust the annual salary divisor to 27 rather than the normal 26

- ~ employees receive an extra "no benefit deductions" payroll

- ~ lowers the biweekly amount all year
- ~ requires recalculation of all garnishments
- ~ will impact employees w/ credit union or annuity deductions (27 deductions instead of 26)