



## Converting to One Biweekly Pay Period

### Human Resources / Payroll Guide

10/2007

*Updated: 3/2008*

# HR Pay Period Conversion

## Table of Contents

<b>POLICY CHANGE INFORMATION</b> .....	<b>3</b>
Why Are We Making This Change In Pay Periods? .....	3
Is My Agency Affected By This Pay Period Conversion? .....	3
Classified Agencies Required To Convert To One Biweekly Pay Period .....	4
What Memos Should I Have? .....	5
<b>CONVERSION INFORMATION</b> .....	<b>8</b>
Where Did The 90-Day Employee Notification Requirement Come From? .....	8
Employee Pay Change Notification / Sample Letter .....	9
How Can I Help Employees Understand The Conversion's Affect? .....	11
Possible Misconceptions of Changing Pay Periods .....	11
Employee Deductions And The Effect Of Changing Pay Periods: .....	12
SCENARIO #1 ASSUMPTIONS: .....	13
SCENARIO #2 ASSUMPTIONS:.....	14
How Will I Know That I've Covered All The Bases During This Conversion? .....	15
What Benefit Changes (Effective and End Dates, Plans, Groups) Do I Need to be Aware Of?.....	16
How Can I Verify Changes In NIS To Make Sure They Are Correct? .....	16
What Reports Will Help Me Verify the Changes I've made in NIS? .....	17
What Affect Does This Change Have On Leave Accruals? .....	17
What Do I Need To Know When Doing One Time Overrides? .....	17
Where Can I Get A Copy Of The BW10 Master Pay Cycle Dates? .....	18
2007 - BW10 PAY PERIODS: .....	19
<b>2008 - BW10 Pay Periods:</b> .....	<b>21</b>
How Do I Know Which Employees Have Additional Federal Income Tax And/Or State Income Tax Withheld? .....	23
What Do I Need To Know About Retirement And Deferred Compensation? .....	23
Deferred Compensation Deduction Forms.....	24
How Can we Minimize The Effects On Employees Who Are Paid On A BW05, BW07 or BW08 Pay Period?.....	26
What Happens When My Employees Change Their Exemptions? .....	27
How Is Overtime Affected By This Pay Period Conversion? .....	28
How Do I Calculate Overtime When Workweeks Change? .....	28
<b>CONTACT &amp; GENERAL INFORMATION</b> .....	<b>30</b>
Who Should I Call If I Have Questions? .....	30
We Have A Manual Process Of Collecting And Entering Employee Work Time Into NIS. Is There A Better Way? .....	31
Why Are We Discontinuing Printing Pay Stubs? .....	31
What Can I Do To Help Employees Understand How To Access Their Pay Stubs? .....	31
How Do Employees Contact The Help Desk If They Need To Have Their Password Reset? .....	32
How to View and Print Pay Stubs .....	33
<b>QUICK REFERENCE CARD – Pay Stub Review and Print</b> .....	<b>34</b>

## POLICY CHANGE INFORMATION

### WHY ARE WE MAKING THIS CHANGE IN PAY PERIODS?

One of the most significant reasons the State continues to strive for one pay period is to achieve business efficiency. Processing one, consistent pay period is more efficient than processing 13 different pay periods. Many of the processes in place function around the 13 different pay periods. It takes much more time and effort to build new processes around “old” pay structures, than it does to change the current pay structure, to one, consistent pay period.

A recognized best practice with many companies is one pay period. Implementing one consistent pay period allows for more accurate processing, especially on the benefits side. Because of the different beginning and ending dates for pay periods, and because of errors in entering the various dates (more often where monthly payroll is concerned), there is a potential for costing the state thousands of dollars. Whenever presented with the opportunity to increase efficiency and fiscal accountability we should make every attempt to do so.

Making this decision did not come easily or without careful consideration on how to minimize the effect on employees. All current pay periods were studied prior to selecting one pay period. However, the BW10 biweekly pay period allowed for the least affect on the most employees and therefore became the best choice.

Communication is key to all we do in state government. Be assured, that every attempt will be made to provide up-to-date information and assistance during this conversion period. The expectation is that employees understand the bottom line affect of this change and have time to plan for the conversion as needed. We will communicate with you and ask that you communicate with your employees. Remember, your Administrative Services liaisons are here to help.

*Carlos Castillo, Director of Administrative Services*

### IS MY AGENCY AFFECTED BY THIS PAY PERIOD CONVERSION?

Agencies who are governed by the Classified Personnel System (see page 4), and who currently have a biweekly pay period other than a BW10, must convert to a BW10 prior to July 31, 2008. Classified agencies who process a monthly payroll must convert to a BW10 pay period by December 31, 2008.

Agencies having a monthly and biweekly pay period(s) other than BW10 may continue to hire new employees on a monthly pay period. Agencies are not required to hire new employees into an existing biweekly pay period other than BW10.

# HR Pay Period Conversion

## CLASSIFIED AGENCIES REQUIRED TO CONVERT TO ONE BIWEEKLY PAY PERIOD.

Non-classified agencies can voluntarily convert.

### **Classified**

Abstracters Board of Examiners  
Accountability & Disclosure  
Administrative Services  
Aeronautics  
Agriculture  
Arts Council  
Banking and Finance  
Barber Examiners Board  
Blind & Visually Impaired Commission  
Branch Rail Revitalization Council  
Capitol Commission  
Corn Board  
Correctional Services  
Crime Commission  
Dairy Industry Development Board  
Deaf & Hard of Hearing Commission  
Dry Bean Commission  
Economic Development  
Educational Telecommunications Commission  
Electrical Board  
Energy  
Engineers and Architects Board  
Environmental Quality  
Equal Opportunity Commission  
Ethanol Board  
Fire Marshal  
Foster Care Review Board  
Game and Parks  
Geologists Board  
Grain Sorghum Board  
Health & Human Services  
Historical Society  
Indian Affairs Commission  
Insurance  
Investment Council  
Labor  
Landscape Architects Board  
Land Surveyors  
Library Commission  
Liquor Control  
Mexican-American Commission  
Military  
Motor Vehicles  
MV Industry Licensing Board  
Natural Resources  
Oil and Gas Commission  
Parole Board  
Power Review Board  
Public Accountancy Board  
Racing Commission  
Real Estate Appraiser Board  
Real Estate Commission  
Retirement Systems  
Revenue / Property Assessment & Taxation  
Roads  
Rural Development Commission  
State Patrol  
Veterans Affairs  
Wheat Board  
Women's Commission

### **Non-Classified Agencies**

Attorney General  
Brand Committee  
Coordinating Comm. for Postsecondary Education  
Education  
Educational Lands and Funds  
Governor  
Industrial Relations Commission  
Legislature  
Lt. Governor  
Policy Research  
Public Advocacy Commission  
Public Service Commission  
Secretary of State  
State Auditor  
State Colleges  
State Treasurer  
Supreme Court  
Tax Equalization and Review Commission  
University of Nebraska  
Workers' Compensation Court

# HR Pay Period Conversion

## WHAT MEMOS SHOULD I HAVE?

There are two important memos from Carlos Castillo, Jr., Administrative Services Director, which will be helpful. The first memo includes information on Health Insurance Benefit Changes, Biweekly and Monthly Pay Period Conversions, and Discontinuation of Printed Pay Stubs. This memo was circulated to Agency Directors and Human Resources Contacts on Monday, July 2, 2007. The second memo, circulated on Wednesday, August 15, 2007, notified Agency Directors and HR Contacts of the need to continue to consolidate all biweekly pay periods to a BW10, however, monthly conversion was no longer mandatory at this time.

\*\*\*\*\*

MEMORANDUM TO: All Employees, Nebraska State Government

FROM: Carlos Castillo, Jr., Director of Administrative Services

SUBJECT: Change in Employee Benefit and Pay Programs

**Please share this memorandum with co-workers who do not have email access.**

Our ongoing efforts to identify business efficiencies and cost savings have resulted in decisions which will impact employee benefits and pay programs. These decisions came as a result of significant research, coordination, and communication. Representatives of the administration and of the NAPE labor organization have been actively involved in the process. Several important changes will be implemented in the coming months.

### **Health Insurance Benefit Changes:**

First, for the purpose of health benefits equity among state employees, the employee benefit program referred to as "state splits", which provides health insurance at no cost to state employees who are married to another state employee, **will be discontinued for new employees on July 1, 2007, and for current employees on January 1, 2008.** Employees who have received this benefit will be required to enroll in a specific available health insurance plan during the benefits open enrollment period, which will be conducted from October 27 – November 19, 2007. Employees impacted by this policy change will need to carefully examine the open enrollment material and decide which plan, or combination of plans, provides them and their families with the coverage they need; and, how they can attain the best value for their premiums.

Second, as a result of the labor contract negotiation process, several changes will be made to the health plan designs for all covered employees. These changes will be detailed in open enrollment materials and will take effect in January, 2008, and are as follows:

The co-insurance (the percentage amount the insured person must pay for covered services) for "in-network" expenses under the Standard PPO Plan changes from 15% to 20%, once the deductible has been met.

The co-pay (a fixed dollar amount to be paid by the covered person for covered services, separate from, and do not accumulate to, either the deductible or coinsurance limit.) for doctor office visits changes from \$15 to \$20.

## HR Pay Period Conversion

The specific references to the “PPO, HMO, and POS” plans will be eliminated, so as to allow for plan development flexibility.

Changes made regarding the prescription drug plan include a three-tier formulary prescription drug plan (rather than the two tier, generic and brand, we had previously) for a 30 day supply and a 180 day supply. A formulary list will be made available during open enrollment. The changes are as follows: The plan shall include a three-tier formulary prescription drug card coverage with a: \$10.00 co-payment per 30 day supply of generic drugs; a \$25.00 co-payment for a 30 day supply of formulary brand name drugs; and, a \$40.00 co-payment for a 30 day supply of non-formulary brand name drugs.

Mail order is available for long-term maintenance drugs for a 180 day supply with a: \$35.00 co-payment for generic drugs; \$100.00 co-payment for formulary brand name drugs; and, a \$150.00 co-payment for non-formulary brand name drugs.

### **Bi-Weekly and Monthly Pay Period Conversions:**

Within the Classified Personnel System, with the exception of employees covered by the SLEBC labor contract, current pay periods, monthly and biweekly, will be converted to a biweekly pay period with a ten day processing time lag. This is commonly referred to as the BW-10 pay period. This action will consolidate numerous existing biweekly pay periods into one. Monthly employees of the classified personnel system will also be converted to BW-10, except for those who have a statutory mandate for monthly pay. Every reasonable effort will be made to minimize the impact of this action on employees. Agencies will be responsible for implementing the conversion. All conversions must be completed no later than July 31, 2008.

### **Discontinuation of Printed Pay Stubs:**

Aside from the changes detailed above, which resulted from our coordination and communication with labor, we will also change another pay-related process. Effective January 1, 2008, we will discontinue our practice of providing printed pay advices (pay stubs). As always, the information on the pay stubs is available to employees through Employee Self Service in the Nebraska Information System, and can be printed by the employee. Employees who do not have access to a computer, at work or at home, should contact their agency payroll representative for a printed pay stub, if necessary.

### **Instructions and Assistance**

Your agency will receive detailed instructions on these pay related actions, along with suggestions on how to implement the pay period conversion with minimum disruption for both the agency and the employees. If you have questions or concerns, please contact your agency representative charged with assisting you with benefits and payroll activities. Information, instructions, and FAQ's will also be available on the DAS website.

**Carlos Castillo**  
Director  
Administrative Services

## HR Pay Period Conversion

*Update: A memo indicating classified agencies that process a monthly payroll must convert to a BW10 pay period by December 31, 2008, was sent to all Classified Agency Directors who process a monthly payroll only. Not every Agency Director received that memo.*

MEMORANDUM TO: Agency Directors and Human Resources Contacts

FROM: Carlos Castillo, Jr., Director of Administrative Services

SUBJECT: **Update to Bi-Weekly and Monthly Pay Period Conversion**

In an ongoing effort to maintain a collaborative relationship and, based on your constructive feedback, I am directing a change to the method in which the payroll consolidation/conversion takes place. All biweekly agencies under the Classified Personnel System will continue with their consolidation efforts to convert to the BW10 pay period. Agencies that are currently on a monthly pay period will not be required to convert to BW10, at this time. However, agencies that have analyzed, planned and prepared to convert from monthly to BW10, and wish to continue with their conversion, may do so. That decision is left to the agency director's discretion.

Agencies that have a combination of both biweekly and monthly pay periods must convert all biweekly paid employees to a BW10 pay period. Effective immediately, all newly hired employees who work for an agency where a BW10 pay period exists must be assigned to the BW10 pay period. Agencies will not be able to convert pay periods from October 12 - December 8, 2007. This time is reserved to prepare for and conduct Benefits Open Enrollment (scheduled October 22 - November 19, 2007).

For all agencies that are converting to a BW10 pay period, every reasonable effort should be made to minimize the impact of this action on employees. The deadline for conversion will remain no later than July 31, 2008.

Administrative Services will continue to plan for payroll conversion of all agencies governed by the Classified Personnel System. Our goal as state business partners is to achieve business efficiencies and cost savings wherever possible. Our current pay period structure can be improved upon and developed into a more efficient pay practice. Additional consolidation of pay periods is a business efficiency that will occur at some point in the future.

As a result of suggestions received during last week's State Personnel's Human Resources Interactive Informational Forum (IIF), Administrative Services is developing a payroll conversion manual, including employee notification templates and a conversion checklist, which will assist agencies through a successful BW10 pay period conversion. Also, the Payroll Conversion Training sessions are continuing as scheduled, and I encourage your participation.

Each agency has been assigned a pay period conversion liaison. Please use these liaisons as your first point of contact. A list of agencies and assigned liaisons has been attached for your convenience.

## CONVERSION INFORMATION

### WHERE DID THE 90-DAY EMPLOYEE NOTIFICATION REQUIREMENT COME FROM?

If your agency is converting to a BW10 pay period, the NAPE/AFSCME Labor Contract requires employee notification 90-days prior to the pay period change. The specific language is in Chapter 11 of the NAPE Contract and states:

*11.8 **Pay Periods.** Employees must be notified at least 90 calendar days in advance of changes to their respective pay period or payday. The Employer shall develop one bi-weekly pay period to which all employees shall be assigned, except for those employees who are required by statute to be paid monthly. The Employer will make a good faith effort to minimize the impact to the employee of any change in pay period or payday.*

If your agency's conversion plan does not allow for a 90-day notification period, please contact Bill Wood at Employee Relations (471-4106 or [wwood@notes.state.ne.us](mailto:wwood@notes.state.ne.us)), and request an exception from the 90-day notification requirement. Along with the 90-day notification you may request employees' to sign a waiver (see example page 9). The waiver is optional.

# HR Pay Period Conversion

## EMPLOYEE PAY CHANGE NOTIFICATION / SAMPLE LETTER

To: Agency Employees  
From: Agency Director or Human Resource Contact  
Subject: Agency Pay Period Conversion

As many of you are already aware, our biweekly pay period (not pay date) will be changing. In conjunction with the NAPE/AFSCME Labor Contract, a requirement of changing our pay period is to provide a 90-day notice to employees so there is time to prepare for the conversion. Please accept this memo as your 90-day notice.

Our current pay period begins on \_\_\_\_\_ and ends on \_\_\_\_\_ and is commonly known as a BWXX. With this conversion, our new pay period will begin on Monday and end of Sunday (BW10). (Optional: Our work week for calculating overtime will also change from \_\_\_\_\_ through \_\_\_\_\_ to \_\_\_\_\_ through \_\_\_\_\_).

Please know that we will do everything possible to make this an easy transition for all employees. If you have specific questions regarding this conversion, please contact \_\_\_\_\_ at \_\_\_\_\_.

Thank you in advance for your cooperation.

*Sincerely,*

*Agency Director*

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### **Waiver is OPTIONAL**

#### **Pay Period Conversion / 90-day Notification Requirement Waiver**

*Today's Date*

I, \_\_\_\_\_, agree to waive the 90-day notification requirement as outlined in section 11.8 of the NAPE/AFSCME. My agency representative has communicated the pay period changes that will directly affect my agencies' pay period begin and end dates.

Thank you.

*Employee Signature and Date*

## HR Pay Period Conversion

### Sample Email to Bill Wood, Employee Relations:

TO: William Wood, Employee Relations Director  
FROM: Agency Director or Human Resources Contact  
Subject: Exception from the Labor Contact 90-day Notification Requirement

Our agency will be converting to a biweekly pay period on \_\_\_\_\_, which does not allow for the 90-day notification to employees as outlined in the NAPE/AFSCME Labor Contract. Please consider this our request to contact the Union on our behalf and request a waiver to the 90-day notification requirement. Our employees (listed below) have submitted individual waivers that remain at our agency, but are available for your review if necessary.

Please contact me as soon as you receive a response from the Union regarding this request.  
Thank you.

*Sincerely,*

*Agency Director and/or designee*

# HR Pay Period Conversion

## HOW CAN I HELP EMPLOYEES UNDERSTAND THE CONVERSION'S AFFECT?

One method of figuring the bottom line affect of the pay period conversion on the employees pay check is to use the pay calculation spreadsheet. Using this spreadsheet will help figure an employee's current wages vs. the wages they will receive on their first conversion pay check. The pay calculation spreadsheet is located on the DAS Accounting website at:

<http://www.das.state.ne.us/accounting/forms/forms.htm>

## POSSIBLE MISCONCEPTIONS OF CHANGING PAY PERIODS

While it may appear that employees are "gaining" or "losing" wages due to the conversion, this is not the case. Those employees moving from a pay period with a lag of less than 10 days will receive less than 80 hours pay during the conversion period, but will have more accrued wages (hours worked but not yet paid) owed to them. Conversely, employees moving from a pay period with a lag of more than 10 days will receive more than 80 hours pay during the conversion period, but will have less accrued wages (hours worked but not yet paid) owed to them.

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
8 HOURS 1	8 HOURS 2	8 HOURS 3	8 HOURS 4	8 HOURS 5	0 HOURS 6	0 HOURS 7
8 HOURS 8	8 HOURS 9	8 HOURS 10	8 HOURS 11	8 HOURS 12	8 HOURS 13	0 HOURS 14
0 HOURS 15	8 HOURS 16	8 HOURS 17	8 HOURS 18	8 HOURS 19	0 HOURS 20	0 HOURS 21
8 HOURS 22	8 HOURS 23	8 HOURS 24	8 HOURS 25	8 HOURS 26	0 HOURS 27	0 HOURS 28
29	30	31				
Pay Period 1 - 88 Hours Worked Pay Period 2 - 72 Hours worked = Overtime Weeks - 80 Hours						

Option 1 - Pay employee for 88 hours in Pay Period 1, 72 hours in Pay Period 2  
 Option 2 - Record 88 hours in Pay Period 1, 72 hours in Pay Period 2, but pay 80 hours in each pay period  
 Option 3 - Pay employee based on two week overtime period (days 11 - 24), record time worked as last day of pay period (day 28)

## HR Pay Period Conversion

### EMPLOYEE DEDUCTIONS AND THE EFFECT OF CHANGING PAY PERIODS:

Many employees, when given the choice of options when converting to the BW10 pay cycle, will likely ask, "What is the financial effect on my net pay I receive every two weeks?" In order to help answer this question, we have put together a scenario that compares two options: (1) the conversion takes place on one pay date and (2) the conversion takes place over three pay dates. This scenario involves a conversion from BW7 to BW10, but the same theory could be applied to any other conversion. We have presented two charts, one showing an employee making \$15 per hour and another chart showing a wage of \$10 per hour.

Because each employee has different facts relating to their pay, we have assumed a certain W-4 status and some specific payroll deductions. Each employee would have to adjust this comparison based on their own particular facts. Once an employee gathers their own facts, they should use the payroll calculation worksheet found on State Accounting's website to calculate their net pay using the two options offered in the conversion which will then show them how each option would affect their net pay.

In the following charts, we have selected certain assumptions that are listed below. Changing these assumptions will change the end results. We have also assumed the one pay date conversion will happen during last pay date of a month with three biweekly pay dates. Using a different month will produce different results.

In order to use this chart, please use actual data as to pay and deductions. Use actual pay dates that are being offered by your agency for the conversion. When using actual wages, ensure that the hours worked (to be inserted into the payroll calculation worksheet) for the pay period are correct based upon the conversion. Then insert actual deductions on the worksheet and the net pay will automatically appear. Do these same calculations for both options offered and then the employee can decide which option is best for them in their own particular situation.

As you can see from the scenarios, the conversion results indicate employees will get paid the same amount of wages, and the same amount of deductions will be taken out of their pay (except for a small difference in income taxes withheld, which will be settled at the time of your income tax return filing); no matter which option is chosen.

The only difference is the amount of net pay employees receive on certain pay dates will be different. Each employee must decide if they want the change to occur all on one pay date or spread out on multiple pay dates. Employees should note the use of the third pay date of a month containing three pay dates will have a more positive effect on the change.

# HR Pay Period Conversion

## Scenario #1 Assumptions:

1. Employee is paid \$15.00 per hour
2. Employee is married with three dependents (claiming 4 exemptions)
3. Employee is under the Retirement plan
4. Employee has selected HMO family plan
5. Employee pays \$20 per month in parking
6. Employee has \$100 per month deducted for Flex medical
7. Employee has \$4 per month deducted for Charitable Campaign

### Options:

- A** Convert from BW7 to BW10 on January 10, 2008. The pay period would be 1-10-08 to 1-20-08, a total of 7 work days for which you would be paid for.
- B** Use three separate pay periods to complete the conversion (you will be on the regular BW7 pay cycle thru 2-6-08, being paid on 2-13-08):
1. For the period 2-7-08 to 2-19-08 you will be paid for nine days on 2-27-08
  2. For the period 2-20-08 to 3-3-08 you will be paid for nine days on 3-12-08
  3. For the period 3-4-08 to 3-16-08 you will be paid for nine days on 3-26-08
- After this pay period you will have been fully converted to BW10 and will receive pay for 10 days each pay day.

Here are the comparative net pay received under each option:

	PAY DAYS							TOTAL
	1/16/2008	1/30/2008	2/13/2008	2/27/2008	3/12/2008	3/26/2008	4/9/2008	
<b>OPTION A</b>								
<b>Wages</b>	1,200.00	840.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	8,040.00
<b>Taxes</b>	102.47	75.41	102.47	102.47	102.47	102.47	102.47	690.23
<b>Retirement</b>	57.60	40.32	57.60	57.60	57.60	57.60	57.60	385.92
<b>Health Ins</b>	145.40	0.00	145.40	145.40	145.40	145.40	145.40	872.40
<b>Other</b>	62.00	0.00	62.00	62.00	62.00	62.00	62.00	372.00
<b>Net</b>	832.53	724.27	832.53	832.53	832.53	832.53	832.53	5,719.45
<b>OPTION B</b>								
<b>Wages</b>	1,200.00	1,200.00	1,200.00	1,080.00	1,080.00	1,080.00	1,200.00	8,040.00
<b>Taxes</b>	102.47	146.48	102.47	78.84	78.84	78.84	102.47	690.41
<b>Retirement</b>	57.60	57.60	57.60	51.84	51.84	51.84	57.60	385.92
<b>Health Ins</b>	145.40	0.00	145.40	145.40	145.40	145.40	145.40	872.40
<b>Other</b>	62.00	0.00	62.00	62.00	62.00	62.00	62.00	372.00
<b>Net</b>	832.53	995.92	832.53	741.92	741.92	741.92	832.53	5,719.27
<b>Difference</b>								
<b>(Option A vs. Option B):</b>	<b>0.00</b>	<b>(271.65)</b>	<b>0.00</b>	<b>90.61</b>	<b>90.61</b>	<b>90.61</b>	<b>0.00</b>	<b>TOTAL 0.18</b>

# HR Pay Period Conversion

## Scenario #2 Assumptions:

1. Employee is paid \$10.00 per hour
2. Employee is married with three dependents (claiming 4 exemptions)
3. Employee is under the Retirement plan
4. Employee has selected HMO family plan
5. Employee pays \$20 per month in parking
6. Employee has \$100 per month deducted for Flex medical
7. Employee has \$4 per month deducted for Charitable Campaign

### Options:

**A** Convert from BW7 to BW10 on January 10, 2008. The pay period would be 1-10-08 to 1-20-08, a total of 7 work days for which you would be paid for.

**B** Use three separate pay periods to complete the conversion (you will be on the regular BW7 pay cycle thru 2-6-08, being paid on 2-13-08):

1. For the period 2-7-08 to 2-19-08 you will be paid for nine days on 2-27-08
2. For the period 2-20-08 to 3-3-08 you will be paid for nine days on 3-12-08
3. For the period 3-4-08 to 3-16-08 you will be paid for nine days on 3-26-08

After this pay period you will have been fully converted to BW10 and will receive pay for 10 days each pay day.

### Here are the comparative net pay received under each option:

	PAY DAYS							TOTAL
	1/16/2008	1/30/2008	2/13/2008	2/27/2008	3/12/2008	3/26/2008	4/9/2008	
<b>OPTION A</b>								
<b>Wages</b>	800.00	560.00	800.00	800.00	800.00	800.00	800.00	5,360.00
<b>Taxes</b>	48.41	45.17	48.41	48.41	48.41	48.41	48.41	335.63
<b>Retirement</b>	38.40	26.88	38.40	38.40	38.40	38.40	38.40	257.28
<b>Health Ins</b>	145.40	0.00	145.40	145.40	145.40	145.40	145.40	872.40
<b>Other</b>	62.00	0.00	62.00	62.00	62.00	62.00	62.00	372.00
<b>Net</b>	505.79	487.95	505.79	505.79	505.79	505.79	505.79	3,522.69
<b>OPTION B</b>								
<b>Wages</b>	800.00	800.00	800.00	720.00	720.00	720.00	800.00	5,360.00
<b>Taxes</b>	48.41	71.06	48.41	40.41	40.41	40.41	48.41	337.52
<b>Retirement</b>	38.40	38.40	38.40	34.56	34.56	34.56	38.40	257.28
<b>Health Ins</b>	145.40	0.00	145.40	145.40	145.40	145.40	145.40	872.40
<b>Other</b>	62.00	0.00	62.00	62.00	62.00	62.00	62.00	372.00
<b>Net</b>	505.79	690.54	505.79	437.63	437.63	437.63	505.79	3,520.80
<b>Difference</b>								
<b>(Option A vs. Option B):</b>	<b>0.00</b>	<b>(202.59)</b>	<b>0.00</b>	<b>68.16</b>	<b>68.16</b>	<b>68.16</b>	<b>0.00</b>	<b>TOTAL 1.89</b>

# HR Pay Period Conversion

## HOW WILL I KNOW THAT I'VE COVERED ALL THE BASES DURING THIS CONVERSION?

Make sure to use your NIS Mini-Manual, as well as, this information guide. Most of the questions you will have are covered in one of these two documents. You may also wish to refer to the Frequently Asked Questions located on the Administrative Services website at: <http://www.das.state.ne.us>

Also, using the BW10 Pay Period Conversion Checklist below can help. Every employee has different deductions and this checklist refers not only to the deductions to be concerned about, but all of the changes that may need to be made in NIS.

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### Agency BW10 Pay Period Conversion Checklist

- Notify employee's 90-days in advance of the conversion occurrence
  - If the employee's work week for overtime purposes is changing, include this in your 90-day notice
  - An employees' work week for overtime purposes can be different than their pay cycle
  - BW10 pay period begins on Monday and ends on Sunday (payday remains Wednesday)
  
- Contact NIS (Steve Lortz 471-0621) for NIS setup (30 days prior to running 1st BW10 payroll)
- Contact State Accounting (Ray Miller 471-1460 or Wes Mohling 471-0601) with your Agency's plan for conversion 30 days prior to converting.
- Talk to employees about any auto deposit changes that need to take place PRIOR to the conversion (if multiple auto deposits employees need to complete a new form)
- When converting to **BW10** from monthly or another biweekly lag, you may need to contact Randy Gerke at Retirement (471-9495) to discuss what will happen with employees who have Deferred Compensation deductions (voluntary retirement deduction).
  - Monthly employees will need to change their amounts sent to Deferred Compensation unless they want what comes out of their monthly check to come out of each biweekly check.
  - Biweekly employees will need to change their election amount accordingly to reach the amount they would like by the end of the year.
- Additional withholding (Employee completes W-4 to make change and W-4 to change back)

#### Deduction Changes to Check: (Deductions that are 26 times per year will be 27 times in 2008):

- Child Support - 26 pay periods
- Garnishments - 26 pay periods
- Tax levies - 26 pay periods
- Bankruptcies - 26 pay periods
- Student loan payments - 26 pay periods
- Health insurance - 24 pay periods
- Dental insurance - 24 pay periods
- Vision - 24 pay periods
- Life insurance (basic & optional) - 24 pay periods
- Long Term Disability - 24 pay periods
- Flexible spending - 24 pay periods
- Additional FIT / SIT - 26 pay periods
- Credit Union (need written notice from employee to change) - 26 pay periods
- Deferred Comp (need written notice from employee to change) - 24 pay periods
- Savings - 24 pay periods
- Parking - 24 pay periods
- Membership dues (Union, YMCA, Zoo, etc.) - 24 pay periods
- Charitable contributions – Employee decides (quarterly, per pay period, lump sum)
- Automatic bank account payments (utilities, etc.) – Employee generates

# HR Pay Period Conversion

## NIS related changes:

- NIS -- Change Pay Frequency field as needed (Employee Screen)
  - If your agency is currently biweekly, there is no need to change the pay frequency field
- NIS -- Change Benefit Group field to the appropriate biweekly group (Employee Screen)
- NIS -- Change (re-enroll) Benefit Plans and attach Dependents/Beneficiaries
  - Benefit plans can be terminated in Terminate/Overrides by entering a future date in the Ending Date field
- NIS -- Review / change Pay on Standard Hours field (Basic Compensation Screen)
- NIS -- Enter one-time overrides for leave accruals and/or work hours as needed

## WHAT BENEFIT CHANGES (EFFECTIVE AND END DATES, PLANS, GROUPS) DO I NEED TO BE AWARE OF?

For agencies who are converting from a BW10 pay period and above (BW11, BW12, BW13, BW19, BW21), all that will need to be changed by HR/Payroll contacts is the employee's Benefit Group on the EMPLOYEE screen. You do not need to change the pay cycle under Payroll Workbench until the first payroll is run in 2008 (if this is your target date for conversion).

Work files for Open Enrollment were built on October 12, 2007 as BW10 employees' (because you will have already changed your employees' BENEFIT GROUP). All employee deductions (i.e. Medical, Dental, LTD, and Vision) will appear as BW10, however, you will continue to run your payroll as a BW12, for example. As employees begin to enroll during Open Enrollment, their benefit election start date will be 12/10/2007 for the 2008 plan year. Current year plans will end as of 12/7/2007. Even though there is a gap of a couple days, the Administrative Services Benefits Division has tested this entire scenario and it works all the way through to sending the correct enrollment information to the vendors.

Unfortunately, this process cannot be done for agencies who are BW05, BW07 and B08, in other words, those under a BW10, because of overlapping effective and end dates where benefit enrollment is concerned. Benefit changes will have to be done manually.

## HOW CAN I VERIFY CHANGES IN NIS TO MAKE SURE THEY ARE CORRECT?

One method is to use the Basic Compensation Grid located under the Employee Maintenance menu option. Although this grid does not contain all the information requiring a change, you can verify the Pay Frequency, Pay on Standard Hours, and Benefit Group changes made.

Using the Terminate/Override screen can assist in making sure the correct information has been entered, such as benefit begin and end dates. Since this is not in a grid format, information must be reviewed for each individual employee.

## HR Pay Period Conversion

### WHAT REPORTS WILL HELP ME VERIFY THE CHANGES I'VE MADE IN NIS?

The following NIS Benefit Reports will also be helpful when checking that dependents and beneficiaries have been entered correctly. Instructions for running these reports are located on the NIS Website at:

[http://www.das.state.ne.us/nis/trainingmanuals/810\\_training\\_manuals/hrp/index.html](http://www.das.state.ne.us/nis/trainingmanuals/810_training_manuals/hrp/index.html)  
(Lesson 10 – Benefit Reports).

#### Dependent/Beneficiaries by Plan ID and Employee:

This report lists all the dependents / beneficiaries attached to each employee and displays what plans they are enrolled in. The report can be sorted under data sequencing by employee address book number.

#### All Dependents over Maximum Age (Non-Qualifying Dependents):

This report identifies all children over the age of 19 who are enrolled as a dependent in a benefit plan. Enter a date range to review dependents who are between the ages of 19 – 24.

### WHAT AFFECT DOES THIS CHANGE HAVE ON LEAVE ACCRUALS?

Leave follows regular pay. If the employee is paid for more regular hours then they receive more leave during that implementation period. If your agency's pay period is above BW10 your employees will earn more leave in the year you convert (2007 or 2008). If you process a payroll below BW10, your employees' leave earnings will be less for the conversion year (2007 or 2008). NOTE: There is no change to BW10 leave earnings. If your agency is a BW07 going to a BW10 pay cycle, the employee will be paid for 7 work days instead of 10 work days on the implementation pay period. Leave follows by receiving .70 of the employee's normal leave accrual.

### WHAT DO I NEED TO KNOW WHEN DOING ONE TIME OVERRIDES?

Both leave and wages will need to be overridden by every agency on the implementation pay period if employees are paid on standard hours. If your agency has a lag greater than 10 days (i.e., BW13), then you will also have to do an override for leave accruals at the end of year. Doing an override in NIS will allow more than the annual maximum accrual already set in the system. Leave is adjusted via One Time Overrides and wages are adjusted either by removing pay on standard hours or using pay type 2, which automatically overrides pay on standard hours or salary.

# HR Pay Period Conversion

## WHERE CAN I GET A COPY OF THE BW10 MASTER PAY CYCLE DATES?

All the current master pay cycles are listed in NIS and can be located by following the NIS work instructions below. These instructions are also found on the NIS website ([www.nis.ne.gov](http://www.nis.ne.gov)), under the HR/Payroll Training Manuals section.

## How to Find a Master Pay Cycle -- Overview

Master Pay Cycles are used to define dates for each payroll cycle of the year. They define the length of pay periods and the corresponding payment dates. There must be a Master Pay Cycle for each unique combination of payroll periods and payment dates.

### NIS Policies

The tasks in this documentation provide end users with the tools to enter data and collect data in NIS. It is the responsibility of the agencies to comply with State Statutes, Federal Rules and Regulations, and State policies. For further information concerning State Statutes and policies, please refer to both internal agency resources and the Department of Administrative Services website: <http://www.das.state.ne.us/>.

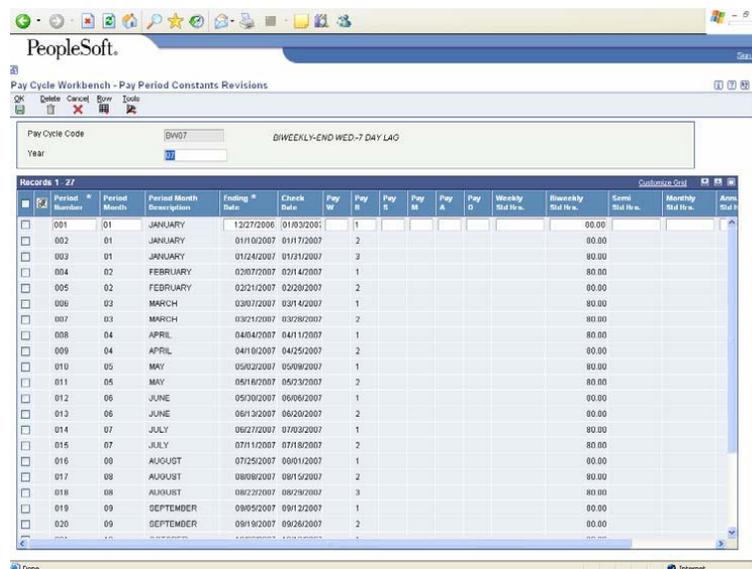
### Navigation

Human Resources and Payroll – Agencies > Payroll > Pay Cycle Workbench

### Steps

Start this instruction from the Work with Pay Cycle Workbench.

1. Enter an asterisk (\*) in the User ID field in the header.
2. Enter the agency number followed by an asterisk in the Payroll ID field in the QBE line. (i.e. 65\*).
3. Click **Find**.
4. Choose the Payroll ID on the grid for which you wish to view the Master Pay Cycle.
5. Click **Select**. The Pay Cycle Workbench – Pre-Payroll Processing window appears.
6. Click **Form, Master Pay Cycle**.



7. When finished reviewing, click **Cancel**.
8. Click **Cancel**.
9. Click **Close**.

## HR Pay Period Conversion

### 2007 - BW10 PAY PERIODS:

Period Number	Period Month	Pay B	Begin Date	End Date	Check Date
001	JANUARY	1	12/21/2006	12/24/2006	1/3/2007
002	JANUARY	2	12/25/2007	1/7/2007	1/17/2007
003	JANUARY	3	1/8/2007	1/21/2007	1/31/2007
004	FEBRUARY	1	1/22/2007	2/4/2007	2/14/2007
005	FEBRUARY	2	2/5/2007	2/18/2007	2/28/2007
006	MARCH	1	2/19/2007	3/4/2007	3/14/2007
007	MARCH	2	3/5/2007	3/18/2007	3/28/2007
008	APRIL	1	3/19/2007	4/1/2007	4/11/2007
009	APRIL	2	4/2/2007	4/15/2007	4/25/2007
010	MAY	1	4/16/2007	4/29/2007	5/9/2007
011	MAY	2	4/30/2007	5/13/2007	5/23/2007
012	JUNE	1	5/14/2007	5/27/2007	6/6/2007
013	JUNE	2	5/28/2007	6/10/2007	6/20/2007
014	JULY	1	6/11/2007	6/24/2007	7/3/2007
015	JULY	2	6/25/2007	7/8/2007	7/18/2007
016	AUGUST	1	7/9/2007	7/22/2007	8/1/2007
017	AUGUST	2	7/23/2007	8/5/2007	8/15/2007
018	AUGUST	3	8/6/2007	8/19/2007	8/29/2007
019	SEPTEMBER	1	8/20/2007	9/2/2007	9/12/2007
020	SEPTEMBER	2	9/3/2007	9/16/2007	9/26/2007
021	OCTOBER	1	9/17/2007	9/30/2007	10/10/2007
022	OCTOBER	2	10/1/2007	10/14/2007	10/24/2007
023	NOVEMBER	1	10/15/2007	10/28/2007	11/7/2007
024	NOVEMBER	2	10/29/2007	11/11/2007	11/21/2007
025	DECEMBER	1	11/12/2007	11/25/2007	12/5/2007
026	DECEMBER	2	11/26/2007	12/9/2007	12/19/2007

# HR Pay Period Conversion



**BW10 Pay Period Calendar**

## 2007

---

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			

March						
S	M	T	W	T	F	S
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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

April						
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8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

May						
S	M	T	W	T	F	S
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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		

June						
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

July						
S	M	T	W	T	F	S
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

August						
S	M	T	W	T	F	S
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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	

September						
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23	24	25	26	27	28	29
30						

October						
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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			

November						
S	M	T	W	T	F	S
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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	

December						
S	M	T	W	T	F	S
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					



## HR Pay Period Conversion

### 2008 - BW10 PAY PERIODS:

Period Number	Period Month	Pay B	Begin Date	End Date	Check Date
001	JANUARY	1	12/10/2007	12/23/2007	1/2/2008
002	JANUARY	2	12/24/2007	1/6/2008	1/16/2008
003	JANUARY	3	1/7/2008	1/20/2008	1/30/2008
004	FEBRUARY	1	1/21/2008	2/3/2008	2/13/2008
005	FEBRUARY	2	2/4/2008	2/17/2008	2/27/2008
006	MARCH	1	2/18/2008	3/2/2008	3/12/2008
007	MARCH	2	3/3/2008	3/16/2008	3/26/2008
008	APRIL	1	3/17/2008	3/30/2008	4/9/2008
009	APRIL	2	3/31/2008	4/13/2008	4/23/2008
010	MAY	1	4/14/2008	4/27/2008	5/7/2008
011	MAY	2	4/28/2008	5/11/2008	5/21/2008
012	JUNE	1	5/12/2008	5/25/2008	6/4/2008
013	JUNE	2	5/26/2008	6/8/2008	6/18/2008
014	JULY	1	6/9/2008	6/22/2008	7/2/2008
015	JULY	2	6/23/2008	7/6/2008	7/16/2008
016	JULY	3	7/7/2008	7/20/2008	7/30/2008
017	AUGUST	1	7/21/2008	8/3/2008	8/13/2008
018	AUGUST	2	8/4/2008	8/17/2008	8/27/2008
019	SEPTEMBER	1	8/18/2008	8/31/2008	9/10/2008
020	SEPTEMBER	2	9/1/2008	9/14/2008	9/24/2008
021	OCTOBER	1	9/15/2008	9/28/2008	10/8/2008
022	OCTOBER	2	9/29/2008	10/12/2008	10/22/2008
023	NOVEMBER	1	10/13/2008	10/26/2008	11/5/2008
024	NOVEMBER	2	10/27/2008	11/9/2008	11/19/2008
025	DECEMBER	1	11/10/2008	11/23/2008	12/3/2008
026	DECEMBER	2	11/24/2008	12/7/2008	12/17/2008
027	DECEMBER	3	12/8/2008	12/21/2008	12/31/2008

# HR Pay Period Conversion



**BW10 Pay Period Calendar**

## 2008

January						
S	M	T	W	T	F	S
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February						
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24	25	26	27	28	29	

March						
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23	24	25	26	27	28	29
30	31					

April						
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13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

May						
S	M	T	W	T	F	S
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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

June						
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21	22	23	24	25	26	27
28	29	30				

July						
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		

August						
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2	3	4	5	6	7	8
9	10	11	12	13	14	15
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23	24	25	26	27	28	29
30	31					

September						
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

October						
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11	12	13	14	15	16	17
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25	26	27	28	29	30	31

November						
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16	17	18	19	20	21	22
23	24	25	26	27	28	29
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December						
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			



## HR Pay Period Conversion

### HOW DO I KNOW WHICH EMPLOYEES HAVE ADDITIONAL FEDERAL INCOME TAX AND/OR STATE INCOME TAX WITHHELD?

NIS has developed a centrally run report identifying employees with additional federal and/or state withholding. This report can be run at any time by State Accounting. To receive current, up-to-date information State Accounting will wait until your agency contacts them with your 30-day notice to convert. If you need a report sooner, contact State Accounting either Ray Miller @ 471-1460 or Wes Mohling @471-0601.

### WHAT DO I NEED TO KNOW ABOUT RETIREMENT AND DEFERRED COMPENSATION?

When making the conversion to **BW10** from Monthly or another Biweekly lag, you will need to contact Retirement Systems to discuss what will happen with your employees who have Deferred Compensation (voluntary retirement deduction).

Monthly employees will need to change their amounts sent to Deferred Compensation unless they want to continue with the deduction that comes out of their Monthly check, coming out of each Biweekly check.

Biweekly employees do not need to make any changes to their deferred comp to ensure their end-of-year amount is as originally planned. The only reason they may want to decrease their deferred comp is to have more net pay if they are changing from a less than BW10 to BW10. If they are changing from a greater than BW10, they will receive extra pay, and may want to put that into deferred comp simply because they have more money to put away.

Contact Randy Gerke at Retirement Systems for additional information: (402) 471-9495.

# HR Pay Period Conversion

## DEFERRED COMPENSATION DEDUCTION FORMS



Nebraska Public Employees Retirement Systems  
 1221 N Street, Suite 325  
 P.O. Box 94816  
 Lincoln, NE 68509

402-471-2053  
 800-245-5712

Fax: 402-471-9493

Name <small>Last</small> _____ <small>First</small> _____ <small>Middle</small> _____		Date of Birth	-	-	Office Use Only
Social Security Number		Retirement Number		Initials	
Address		City		State	Zip
Home Phone	Work Phone	Employer		Date	
				Fhdr	

### Deferred Compensation Plan Change Form

Complete only those sections below that apply to changes you wish to make.

#### Contribution Change

Contributions to the plan are pre-taxed deductions from your pay. If you contribute to another tax-deferred plan during the year, please make certain you are within the IRS limitations. Changes to contribution amounts or cancellations may be made at any time. The maximum amount that may be contributed each year is the lesser of a) 100% of your annual compensation less contributions to retirement plans or b):

Year	Normal Limitation Deferral	Age 50 Additional Catch-Up	Age 50 Max. Deferral	OR	3-Year Catch-Up Max Deferral
2004	\$13,000	+	\$3,000	=	\$16,000
2005	\$14,000	+	\$4,000	=	\$18,000
2006	\$15,000	+	\$5,000	=	\$20,000
2007	\$15,500	+	\$5,000	=	\$20,500
					\$31,000

Limitation tests will be reviewed and you will be notified if your contribution is expected to exceed limitations for the calendar year. The catch-up provisions allow you to contribute additional amounts if you are age 50 or older, or are within 3 years of your anticipated retirement date or at least age 52. Please request a "Deferred Compensation Catch-up Provision Form" from our office.

**Contribution/Pay Period \$** \_\_\_\_\_ **Start Date:**  As soon as possible (no sooner than month following completion of change form)  
 After \_\_\_\_\_ paycheck date  
*Frequency: Monthly =  12 per year  Bi-Weekly=24 per year*

**Estimated Annual Salary \$** \_\_\_\_\_ **Do you wish to utilize the 3-Yr Catch-up?**  Yes  No  
 If yes, please contact the Retirement Office for the necessary paperwork.

#### Investment Election (Future Only)

You must make your selection in 5% increments. The total must equal 100%. This election will change the allocation of future contributions only. See transfer section below for transfer of existing balances.

% Stable Fund (10)       % Moderate Pre-Mix Fund (23)       % Large Co. Value Stock Index (20)  
 % Money Market Fund (13)       % Aggressive Pre-Mix Fund (22)       % Small Company Stock Fund (16)  
 % Bond Market Index (18)       % S & P 500 Stock Index (15)       % International Stock Fund (17)  
 % Conservative Pre-mix Fund (21)       % Large Co. Growth Stock Index (19)       % Investor Select Fund (24)  
 % Age Based Fund (25)

Funds are **not guaranteed** as to rate of return or principal stability. Your employer is held harmless against any losses in these funds.

#### Transfer of Existing Balances

A transfer will move a dollar amount or % of your existing funds from one investment fund to another. A transfer between the Stable Fund and the Money Market Fund, which is a competing fund, is not allowed.

Transfer \$ \_\_\_\_\_ or \_\_\_\_\_ % from the \_\_\_\_\_ Fund into the \_\_\_\_\_ Fund  
 Transfer \$ \_\_\_\_\_ or \_\_\_\_\_ % from the \_\_\_\_\_ Fund into the \_\_\_\_\_ Fund  
 Transfer \$ \_\_\_\_\_ or \_\_\_\_\_ % from the \_\_\_\_\_ Fund into the \_\_\_\_\_ Fund

I understand that my funds may not be withdrawn from the plan except in the event of termination, retirement or approved financial hardship. I authorize the above changes, and certify that the above information is accurate. **Note: If making contribution changes, please return this form to your agency payroll personnel for all payroll updates; they will then forward it to our office for further review.**

**Member Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

**Agency Action:** I have reviewed the above change form for completeness and have made the appropriate entry on the payroll system.

**Agency Signature** \_\_\_\_\_ **Agency Name and Number** \_\_\_\_\_

NPERS8400 Rev. 03/07

BAR CODE

# HR Pay Period Conversion



Nebraska Public Employees Retirement Systems  
 1221 N Street, Suite 325  
 P.O. Box 94816  
 Lincoln, NE 68509

402-471-2053  
 800-245-5712  
 Fax: 402-471-9493

Name <small>Last First Middle</small>		Date of Birth	Office Use Only
Social Security Number		Retirement Number	Initials
Address		City	State
Home Phone		Work Phone	Employer
		Zip	Date
			Fbdr

## Deferred Compensation Plan Enrollment Form

### Contribution Election

Contributions to the plan are pre-tax deduction from your pay. If you contribute to another tax-deferred plan during the year, please make certain you are within the IRS limitations. Changes to contribution amounts or cancellations can be made at any time. The maximum amount that can be contributed each year is the lesser of a) 100% of your annual compensation less mandatory contributions to retirement plans; or b):

Year	Normal Limitation	Age 50 Additional Catch-Up	Age 50 Max. Deferral	OR	3-Year Catch-Up Max Deferral
2005	\$14,000	\$4,000	\$18,000		\$28,000
2006	\$15,500	\$5,000	\$20,500		\$30,000
2007	\$15,500	\$5,000	\$20,500		\$31,000

Limitation tests will be reviewed and you will be notified if your contribution is expected to exceed limitations for the calendar year. The catch-up provisions allow you to contribute additional amounts if you are age 50 or older, or are within 3 years of your anticipated retirement date or at least age 52. Please request a "3-Yr. Catch-up Provision Worksheet" from your agency or our office for additional information.

**Contribution/Pay Period \$** \_\_\_\_\_ **Start Date:**  As soon as possible (no sooner than month following completion of enrollment form)  
*Frequency:* *Monthly = 12 per year*   After \_\_\_\_\_ paycheck date  
*Bi-Weekly = 24 per year*

Have you contributed to another 457 plan this calendar year?  Yes  No  
 If yes, please attach a copy of your statement from the other 457 plan.

**Do you wish to utilize the 3-Yr Catch-up?**  Yes  No  
 If yes, anticipated retirement date \_\_\_\_\_

**Estimated Annual Salary \$** \_\_\_\_\_

### Investment Election

You must make your selection in 5% increments. The total must equal 100%. If you do not make an Investment Election, your contributions will be invested in the Stable Fund. Please refer to your Plan Booklet for further information.

- |  |   |  |
|--|---|--|
| _____ % Stable Fund (10)               | _____ % Moderate Pre-Mix Fund (23)        | _____ % Large Co. Value Stock Index (20) |
| _____ % Money Market Fund (13)         | _____ % Aggressive Pre-Mix Fund (22)      | _____ % Small Company Stock Fund (16)    |
| _____ % Bond Market Index (18)         | _____ % S & P 500 Stock Index (15)        | _____ % International Stock Fund (17)    |
| _____ % Conservative Pre-mix Fund (21) | _____ % Large Co. Growth Stock Index (19) | _____ % Investor Select Fund (24)        |
|  |   | _____ % Age Based Fund (25)              |

Funds are **not guaranteed** as to rate of return or principal stability. Your employer is held harmless against any losses in these funds.

### Transfer Authorization

You can authorize Ameritas to make changes in investment selections or transfer funds based on instructions received from you on a phone voice response system called the Pension Access Line or through the internet on Pension Access Online. To access your account using these methods, you must provide a Personal Identification Number (PIN). Please provide a number for immediate use. If you wish to change your PIN, you can do so through the Pension Access Line, Online or by completing a change form. See your Plan Booklet for details. **Personal Identification Number (PIN)** (Specify four single-digit numbers, not letters)

**Note: Please return this form to your agency payroll personnel to enter into payroll first; they will then forward it to NPERS for further review and processing.**

I have received a State of Nebraska Deferred Compensation Plan booklet. I understand that my funds may not be withdrawn from the plan except in the event of termination, retirement or approved financial hardship.

**Member Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

**Agency Action:** I have reviewed the above enrollment for completeness and have made the appropriate entry on the payroll system.

**Agency Signature** \_\_\_\_\_ **Agency Name & Number** \_\_\_\_\_

NPERS8000 Rev. 12/06

BAR CODE

# HR Pay Period Conversion

## HOW CAN WE MINIMIZE THE EFFECTS ON EMPLOYEES WHO ARE PAID ON A BW05, BW07 OR BW08 PAY PERIOD?

### Partial Month Pay Period Conversion

Agencies who are converting from a Monthly to Biweekly pay period may decide to pay their employees for a partial month of pay (employees would not receive the entire month of pay as usual), and then convert to a BW10 pay period. Employees would begin receiving their pay on a biweekly basis after the partial month pay. A couple of points to consider when choosing this option include:

- Employee's current deductions for health insurance
- When the partial month payment ends and when the new pay period begins

### Phased Approach to Pay Period Conversion

Agencies may choose to approach the pay period conversion in phases. During a pre-determined period, and only for those agencies who are converting from Monthly to Biweekly OR from a pay period lower than BW10 (BW05, BW07, BW08, etc.), agencies may decide to phase in this change over a pre-determined number of pay periods. For example, a BW07 pay period changing to a BW10 must make up for three days. Agencies may decide to accumulate those days over three pay periods. Employees will see a reduction of 8 hours per pay period for the next three pay periods to make this adjustment.

### W-4 Changes

During this conversion, some employees may choose to change the number of exemptions on their current W-4. Please understand there may be tax consequences to making such a change and that any employee, who chooses to do this, should first consult with their tax adviser. This is only an option and not a recommendation. If this option is chosen, employees must complete a W-4 to make the change, and submit another W-4 to reinstate their previous exemptions. Remember, the Pay Calculation worksheet is available to use as needed and may be helpful when trying to convey these changes to your employees.

### Deduction Free Pay Periods

If your agency has made the decision to convert to a BW10 pay period during a month when there are three pay periods, it is possible to alter that "deduction free" pay period to better benefit the employees. In the past, all deduction free pay periods have been scheduled for the last pay period of the month. However, during this conversion period State Accounting and NIS can alter that deduction free pay period to the first of the month. In cases such as a conversion that may happen in January, 2008, it may be better for employees to experience that deduction free pay period at the beginning of the month instead of waiting until the end of the month. The details should be worked out with your Administrative Services Agency Liaison.

## HR Pay Period Conversion

### WHAT HAPPENS WHEN MY EMPLOYEES CHANGE THEIR EXEMPTIONS?

During the pay period conversion, or at any time during the year, employees have the option of altering the number of exemptions claimed on their W-4. For example, if an employee currently claims zero exemptions and receives a tax refund, it may help to change their exemptions from zero to nine for example, during the pay period conversion. Less Federal taxes will be deducted for the pay period in which the exemptions are changed. Prior to making any changes that may affect the amount of tax refund or payment required; employees should always talk to their tax preparer.

# HR Pay Period Conversion

## HOW IS OVERTIME AFFECTED BY THIS PAY PERIOD CONVERSION?

Agencies may choose to keep their current work week and change their pay period OR change both their work week and pay period to a BW10. If your agency chooses to maintain a different work week for overtime purposes, there will be a need to track this work week in a separate spreadsheet or database. Remember, if your work week for overtime purposes is changing, employees must be notified 90-days in advance of the change.

NOTE: Typically, the work week start time is 12:01 a.m., however, that's not necessarily the case for every agency, especially those that maintain various shifts. The key to starting your work week at a specific time is to let the employees know when that start time is and also notifying employees if there is a change in the work week, day and/or start time.

## HOW DO I CALCULATE OVERTIME WHEN WORKWEEKS CHANGE?

\*If no overtime is worked in any week, there should be no additional calculations needed.

### Steps

- 1) Figure hours worked for the last complete **OLD** workweek.
- 2) Figure the hours worked for the first complete **NEW** workweek.
- 3) Figure the overtime hours worked for the week that overlaps between the old and new work weeks\*.

### Example:

- The OLD workweek is Friday through Thursday.
- The NEW workweek is Monday through Sunday
- Due to payroll conversion, the pay period will end on June 17<sup>th</sup>.
- The new one will begin on June 18<sup>th</sup>.
- The table below indicates the date and hours worked for each date underneath.

### Example:

- The OLD workweek is Friday through Thursday.
- The NEW workweek is Monday through Sunday
- The OLD bi-weekly pay period would be June 1<sup>st</sup> through June 14<sup>th</sup>.
- Due to payroll conversion, the OLD pay period will end on June 17<sup>th</sup> (purple boxes are included).
- The NEW one will begin on June 18<sup>th</sup> (in green boxes).
- The table below indicates the date and hours worked for each date underneath.

Fri 6/1 8	Sat 6/2 0	Sun 6/3 0	Mon 6/4 8	Tues 6/5 9	Wed 6/6 8	Thurs 6/7 8
Fri 6/8 9	Sat 6/9 0	Sun 6/10 0	Mon 6/11 8	Tues 6/12 8	Wed 6/13 8	Thurs 6/14 8
<b>Fri 6/15 8 Overlapping week</b>	<b>Sat 6/16 0 Overlapping week</b>	<b>Sun 6/17 0 Overlapping week</b>	<b>Mon 6/18 8 Overlapping week</b>	<b>Tues 6/19 9 Overlapping week</b>	<b>Wed 6/20 8 Overlapping week</b>	<b>Thurs 6/21 8 Overlapping week</b>
Fri 6/22 9	Sat 6/23 0	Sun 6/24 0	Mon 6/25 8	Tues 6/26 8	Wed 6/27 8	Thurs 6/28 8
6/29 8	6/30 0	7/1 0	7/2 8	7/3 8	7/4 8	7/5 8

## HR Pay Period Conversion

In the example on page 29, with the payroll conversion, the employee's last day in the previous pay period would be June 17<sup>th</sup>. The new pay period will start on June 18<sup>th</sup>. Therefore, due to the conversion, the employee would have 17 days in the last pay cycle rather than the standard 14 days.

The employees pay for the last pay period prior to conversion would be calculated as:

- 41 hours in the first work week
- 41 hours in the second work week
- 8 additional hours for a partial work week.

Therefore, the employee would be owed 88 hours of regular time, and 2 hours of overtime.

Pay would then be calculated starting June 18<sup>th</sup> through July 1<sup>st</sup>, a total of 2 week, or 14 days, and this constitutes the first BW10 biweekly pay period.

Pay for this pay period would be calculated as:

- 42 hours in the first work week
- 40 hours in the second work week
- 1 hour OT incurred during overlap period-see below\*

From June 15<sup>th</sup> through June 21<sup>st</sup>, 41 hours would have been incurred had the change not been implemented. Although the employee was already paid 8 hours for June 15<sup>th</sup>, there would have been 1 hour of overtime incurred. However, the time has already been calculated as straight time. Therefore one hour of \*½ time must still be paid for the hour of overtime that incurred during the overlapping week.

Whether the overlap days are paid in the last pay period prior to the change, or the first new pay period of the change, agencies must look at the overlap week to determine of any ½ time of overtime is owed.

*\*Definition of ½ time: ½ time is the equivalent of ½ the regular rate.*

EXAMPLE:

- Employee works 9 hours on the overlap day @ \$10.00/hr
- Employee is paid straight time (\$10.00/hr) for 9 hours of work
- Overlap day included 1 hour of overtime. Since the employee has already been paid straight time for the 9 hours of work, he/she is owed ½ of the straight time rate for the extra hour of work or \$5.00.

The employee would be paid for a total of 80 hours of regular time, and 3 hours of overtime for this biweekly pay period.

These calculations would only need to be completed during the first run of BW10 biweekly pay period, **ONLY** when overtime has incurred.

## CONTACT & GENERAL INFORMATION

### WHO SHOULD I CALL IF I HAVE QUESTIONS?

Each agency has been assigned a liaison who will provide assistance throughout the conversion period. Please refer to the list below:

Steve Lortz (471-0621 or slortz@notes.state.ne.us)	Dovi Mueller (471-4465 or dmuel@notes.state.ne.us)
Aeronautics	<i>Brand Committee (NON-CLASSIFIED)</i>
Agriculture, Wheat Board, Corn Board, Dry Bean Commission, Grain Sorghum Board	Dept of Environmental Quality
Arts Council	Economic Development (Dovi)
Barber Examiners	
Corrections, Parole Board	ETV
DAS	Fire Marshal
Energy	Historical Society
Foster Care Review Board	Insurance
Game & Parks	Investment Council
HHS	Labor
Military	Library Commission (Dovi)
Motor Vehicles	Oil & Gas Commission
Natural Resources	<i>Public Advocacy (NON-CLASSIFIED)</i>
Revenue, Property Assessment & Taxation	Real Estate Appraiser Board
Roads	Real Estate Commission
State Patrol (Steve)	Retirement
	Ed Lands & Funds, State Surveyor
	Susie Voecks (471-4110 or svoecks@notes.state.ne.us)
	Abstractors Bd. Of Examiners (Susie)
	Accountability & Disclosure Commission
	Banking
	Blind & Visually Impaired (Susie)
	Board of Public Accountancy
	Deaf & Hard of Hearing
	Equal Opportunity Commission
	Ethanol Board
	Indian Affairs
	Law Enforcement
	Liquor Control
	Mexican American Commission
	Motor Vehicle Licensing Board
	Power Review Board
	Racing Commission
	Veteran's Affairs (Susie)

## HR Pay Period Conversion

### WE HAVE A MANUAL PROCESS OF COLLECTING AND ENTERING EMPLOYEE WORK TIME INTO NIS. IS THERE A BETTER WAY?

#### **NIS Employee Self Service Time Entry**

Although information has been publicly presented on the topic of ESS Time Entry it has been some time since it has been discussed. As a refresher, please visit the following website or contact Steve Lortz, NIS Payroll Lead at 471-0621 for more information.

<http://www.das.state.ne.us/nis/greports/pug/index.html> (PHRUG ESS Time Entry Presentation 2005)

#### **Global Leave Administration (Future Functionality for Employee Self Service)**

Global leave administration provides a convenient approach that employees can use to plan and review leave time. Employees can use self-service features to plan for vacations and other types of leave, create “what if” scenarios, and review used leave time.

Global leave administration also provides convenient leave management and tracking tools. Managers can use self-service features to track leave history, review requested leaves, and manage leave trends. Once approved, the employees requested leave time automatically updates the employee’s time card.

### WHY ARE WE DISCONTINUING PRINTING PAY STUBS?

As conscientious state employees we are always seeking ways to decrease costs and provide administrative efficiencies in what we do. This is one method of addressing both issues. As we become more and more familiar with automation, Employee Self Service is a regular topic of discussion. Many of the services that employees previously relied on someone else to do can now be done by employees. This is one of those services.

### WHAT CAN I DO TO HELP EMPLOYEES UNDERSTAND HOW TO ACCESS THEIR PAY STUBS?

Employees have become accustomed to receiving a paper pay stub. This will be a change that will come easy for some and more difficult for others. A couple of suggestions that may help employees through the transition to an automated pay stub include: a) provide copies of the following work instructions, and b) inform employees that pay stub information will be available sooner (once payrolls have been finalized employees can view their pay stubs online), and they can access it from anywhere as long as they have internet access and their Userid and password. Also, through the end of 2007, employees will receive reminders that pay stubs will be discontinued as of January 1, 2008.

# HR Pay Period Conversion

## HOW DO EMPLOYEES CONTACT THE HELP DESK IF THEY NEED TO HAVE THEIR PASSWORD RESET?

There are a couple of ways to request a password reset. When employees sign-on to NIS they can click on the "Forgot Password" box. The "Forgot Password or Revoked ID" box will appear. By completing this form and clicking the Submit button, they are contacting the IT Services Help Desk to request their password to be reset.



**Viewing & Printing Your Paystub:**

In an effort to continually improve the paystub printing process, we are regularly updating the instructions for reviewing and printing paystubs based on employee feedback. Please click on the red "Updated Instructions for Reviewing & Printing Your Paystub" button to the right to get the most updated information.

Clicking on the button will take you to a printable Quick Reference Card (QRC) with step by step instructions (the QRC also has a link to more detailed instructions with screen shots). If you are signing onto NIS to view and print your paystub be sure to follow the instructions carefully. It is recommended that you print the QRC and use it as a guide.

If you have followed the work instructions, but are still having trouble, make sure your Internet Explorer settings are correct. They can be found by clicking on the "Internet Explorer 7.0 Settings" button to the right. Also, review the FAQs on the [Technical Help](#) page on the NIS site.

If you continue to have problems contact the Help Desk (1-800-982-2468).

**Welcome to the  
Nebraska Information System**

This is a government computer system. Unauthorized access is prohibited. Anyone using this system is subject to monitoring. Unauthorized access or attempts to use, alter, destroy or damage data, programs or equipment could result in criminal prosecution.

**Sign on to NIS**

**Updated Instructions for Reviewing & Printing Your Paystub**

[Internet Explorer 7.0 Settings](#)   [Submit Problem](#)   [Forgot Password](#)

[Training Manuals](#)   [NIS Home Page](#)

### NIS Tip

NIS is now compatible with Internet Explorer 7.0 (IE7).

**Please note: NIS is not compatible with Vista or Office 2007 at this time**

[NIS Home Page](#) | [NIS Training Manuals](#) | [Address Book](#) | [NIS Training](#) | [NIS Web Based Training](#) | [EnterpriseOne Thin Client](#) | [Low - Interactivity](#)

Other methods of contacting the IT Services Help Desk are to call (402) 471-4636 or 800 982-2468, or email [HELPDESK@CIO.NE.GOV](mailto:HELPDESK@CIO.NE.GOV). (DHHS employees please contact your internal DHHS Help Desk to request your password to be reset).

The IT Services Help Desk is available from 7:00 AM to 5:30 PM (central time), Monday through Friday with the exception of State holidays. During non-business hours callers are transferred to another service area that is on duty at all times.

# HR Pay Period Conversion

## HOW TO VIEW AND PRINT PAY STUBS

Employees must first sign on to NIS with their Userid and password. Employees can either follow the quick reference card (QRC) instructions (included on page 34), or the step-by-step work instructions located on the NIS website ([www.nis.ne.gov](http://www.nis.ne.gov)). Employees can get to both the QRC and the step-by-step instructions by clicking the red button on the NIS login screen.



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**Updated Instructions for Reviewing  
& Printing Your Paystub**

Internet Explorer  
7.0 Settings

Submit  
Problem

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Manuals

NIS Home  
Page

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# HR Pay Period Conversion

## QUICK REFERENCE CARD – PAY STUB REVIEW AND PRINT

Quick Reference	Pay Stub Review and Print
Please <u>print this Quick Reference Card</u> to help guide you through the process of viewing and printing your paystub.	
To	Do This
Pay Stub Review and Print	<p><b>Steps</b></p> <ul style="list-style-type: none"> <li> It is highly recommended that you print this Quick Reference Card to use as a guide when viewing and printing your paystub.</li> <li> Before you begin, make sure you have the correct settings for Internet Explorer. The Internet Explorer 7.0 settings for NIS can be found at: <a href="http://nis.ne.gov">http://nis.ne.gov</a>, and click on the Internet Explorer 7.0 Settings button.</li> <li>1. Go to the sign on page for NIS at <a href="https://nis.ne.gov">https://nis.ne.gov</a>.</li> <li>2. Click on the <b>Sign onto NIS</b> button, and enter your User ID and Password.               <ul style="list-style-type: none"> <li> If you have forgotten your User ID please contact your Human Resources representative to obtain it.</li> <li> If you do not remember your password, click on the Forgot Password button.</li> </ul> </li> <li>3. You may need to select your Role. On the left hand side of the screen you will see Roles. If you have multiple roles you will see a drop down box under Roles. If you see a drop down box, select ESS and click the double arrows to the right of the drop down box. If you do not see a drop down box, then you do not have to do anything for this step and can proceed to Step 4.</li> <li>4. On the menu on the left hand side of the screen select <b>State of Nebraska</b>, then select <b>Self Service</b>, then select <b>Pay Stub Review and Print</b>.</li> <li> Do not select <b>Employee Self Service</b>.</li> <li>5. Choose the pay stub you would like to review and click <b>Select</b> from the menu bar at the top.</li> <li>6. To print the information, click <b>Form</b>, and then <b>Print</b>. When the Printer Selection window appears click <b>OK</b>.</li> <li>7. Click <b>Form</b>, and then click on <b>Submitted Jobs</b>.</li> <li>8. This will take you to the <b>Submitted Job Search</b> screen, and the top row will be the most recent job you submitted. Make sure the <b>Description</b> says <b>DONE</b>. If it does not, click <b>Find</b> to refresh the screen until it does say <b>DONE</b>. Next select the top row by clicking the box to the left of the row. Then click on <b>Row</b>, and then <b>VIEW PDF</b>.               <ul style="list-style-type: none"> <li>• This will bring your information up in a printable PDF document.</li> <li> If you have difficulty viewing the PDF document, make sure your Internet Explorer settings are correct. You can find the settings on the NIS Sign On Screen (<a href="https://nis.ne.gov">https://nis.ne.gov</a>) and click on the <b>Internet Explorer 7.0 Settings</b> button, or click here: <a href="http://www.das.state.ne.us/nis/tech_help/tech_info_help/Internet_Expl7_Settings_QRC.pdf">http://www.das.state.ne.us/nis/tech_help/tech_info_help/Internet_Expl7_Settings_QRC.pdf</a>.</li> <li>• For more detailed instructions with screen shots and how to print, go to this link: <a href="http://www.das.state.ne.us/nis/trainingmanuals/810_training_manuals/hrp/HRP_WI_L7_T3.a_ESS_Pay_Stub_Review.pdf">http://www.das.state.ne.us/nis/trainingmanuals/810_training_manuals/hrp/HRP_WI_L7_T3.a_ESS_Pay_Stub_Review.pdf</a>.</li> </ul> </li> <li> NIS is not compatible with Microsoft Office 2007 or Windows Vista at this time.</li> </ul>