PAY CYCLE CHANGE

Frequently Asked Questions

Beginning November 27, all full-time Local 1708 City Colleges of Chicago employees that are paid on a current basis will transition to a two-week lag (arrears) pay cycle. Simply put, each employee will be paid for the actual time worked, rather than being paid for days yet to be worked. Recognized as a best practice at colleges and businesses across the country, the arrears pay cycle will enable City Colleges to decrease payroll errors, provide more accurate and timely reporting of employee benefits, and ensure a more efficient payroll process.

Here’s what you need to know about the transition:

Who is affected by the transition?
All full-time Local 1708 City Colleges employees will be transitioned to an arrears pay cycle on November 27, 2013. Currently, all Non-Bargained For, Local 1600 Faculty and Local 1600 Professionals, Local 1220 IBEW and part-time Local 1708 employees, including contract workers, are paid in arrears.

What will happen to my paycheck?
The November 27, 2013 pay check that would have covered your hours worked and reported from November 17, 2013 to November 30, 2013 will be paid to you on December 13, 2013. This will allow the 2-week deferment of pay to take effect. You will still be paid every 2 weeks after the transition. On November 27, 2013, you will receive an automatic advance amounting to approximately 75 percent of your gross pay to help you cover the usual expenses that would normally be paid by your pay check.

Will I lose a paycheck?
No, this transition will not result in a reduction of salary. It is simply a 2-week deferment of the actual time worked and reported for the November 17, 2013 to November 30, 2013 time period.

How will I benefit?
The new pay cycle will decrease the likelihood of payroll errors, resulting in more accurate and timely pay and reporting of your leave balances.

How will I be paid after the transition?
Going forward, you will continue to receive your paycheck every 2 weeks. The only change is the deferment - you will be paid two weeks after you have worked and report the time for that pay period.
How was my pay calculated before this transition?
Presently, all full-time Local 1708 City Colleges employees are paid current. That is, a paycheck issued on November 27, 2013 covers the period of November 17, 2013 through November 30, 2013. A current pay cycle means that employees submit Certificates of Attendance (COAs) prior to actually working the entire time period. As a result, if an employee is sick or takes an unplanned absence, he or she will later have to submit an adjusted COA to update his or her vacation or sick bank. The result is a costly, time-consuming, and sometimes inaccurate payroll and time and attendance process.

How do I know if I am being paid on a current pay cycle?
You are paid current if the date the paycheck was issued falls within the pay period. For example, if your pay check issued and dated on September 20, 2013 is your pay for the time period of September 8, 2013 through September 21, 2013, you are paid current. To check your pay stub, visit HR Self-Service under “View Paycheck”.

What will happen when the new pay schedule takes effect?
City Colleges will shift to the new pay cycle by deferring your November 27, 2013 paycheck and process it in arrears for paycheck distribution on December 13, 2013. This paycheck will cover the period for worked hours/days from November 17, 2013 to November 30, 2013.

Will I be paid on November 27, 2013?
To avoid any hardship during the transition from the current to the arrears pay cycle, City Colleges will issue a one-time, interest-free, automatic advance of approximately 75 percent of gross pay to all affected full-time Local 1708 employees on November 27, 2013. All affected employees will be able to view the specific amount of their advance, the terms and conditions of the advance or opt-out of the advance on the CCC HR Self-Service page beginning Monday, October 14, 2013 through November 1, 2013. Please note, all affected employees who wish to opt-out of the advance must do so on the HR Self-Service page by November 1, 2013. All affected employees will receive the advance, unless the opt-out request is submitted to the CCC HR Self-Service page by the November 1, 2013 deadline.

Do I have to pay back the advance?
Yes, this advance will be paid back to the City Colleges of Chicago upon your separation of employment from City Colleges (retirement, resignation, or involuntary termination). The repayment will be automatically deducted from your last paycheck before any other voluntary deductions, such as health insurance, flexible spending accounts, and credit union arrangements. All full-time Local 1708 employees will also have the option to pay back the advance prior to separation from City Colleges by submitting a written notice to the District Office payroll department. The employees must sign a payroll deduction form authorizing the repayment of the advance to be paid in full up to twelve (12) pay periods.
**How can I calculate my advance amount?**
You can estimate your advance amount by calculating 75 percent of your regular gross pay on the September 20, 2013 paycheck, excluding any overtime salary for the pay period. The advance amount has been designed to avoid any hardship during the transition from the current to the arrears pay cycle.

**How was 75 percent of my gross pay determined for the advance amount?**
The 75 percent amount was determined using the average deductions and withholdings for CCC employees based on September 20, 2013 gross earnings, excluding any overtime salary for the pay period. While the 75 percent advance amount may not correspond exactly to your usual take-home pay, the advance amount was designed to provide enough pay to cover usual expenses that would normally be covered by your regular paycheck after taxes or other withholdings.

**Can I choose not to transition to a pay-in-arrears schedule?**
No, all full-time Local 1708 City Colleges employees who are paid current will be transitioned to the pay-in-arrears schedule. However, you can opt-out of the advance by visiting the HR Self-Service page and selecting the opt-out option by November 1, 2013.

**Will the change in pay frequency affect my sick and vacation day accruals?**
No. The accrual of sick and vacation days will not be affected by the payroll change. You will continue to accrue these benefits on a monthly basis as usual.

**I have garnishment deductions from my paycheck. How will they be calculated after the transition?**
An advance is not considered a wage or earned income. Any withholdings, including taxes, child support, or other court-mandated garnishments will not be taken from the November 27, 2013 advance. It will be your sole responsibility to ensure these obligations are paid during the transition until the arrears pay cycle begins on December 13.

**How will my Federal and State tax withholdings be affected by the transition?**
These withholdings will not be affected. The advance is not considered a wage or earned income. You are only taxed on earned income; therefore, any advance would not qualify for taxation.

**Will the advance affect income taxes or other deductions?**
Income taxes will not be owed on the amount received as an advance. The following optional benefits will not be disrupted due to this process:

- Long-term disability
- Health insurance
- CTA/Metra pre-tax transit program
- Life insurance
How will my flexible spending account be affected?
No deductions will be taken from the November 27 advance, including the flexible spending benefit. While there will be no disruption of the benefit, the outstanding balance of your elected flexible spending amount will automatically readjust over the remaining 2 pay periods of the 2013 calendar year.

Will my SURS contribution be paid from the advance?
No, the SURS contribution will not be made from the advance. According to state law, contributions to SURS can only be made if there is a wage or earned income. Since the advance is neither a wage nor earned income, there will be no SURS withholdings taken from the advance. City Colleges has taken this fact into consideration when setting the advance amount to approximately 75 percent of gross pay. There are considerable numbers of factors to determine if the transition to arrears will have an impact on your SURS account. In most cases, the impact will be minimal or a non-event.

Who may I contact with questions?
You may contact your location’s HR/Payroll liaison or email payrolltransition@ccc.edu with any questions.

Kenya Spann / Kathy Mazur – District Office
Kimberly Williamson – Harold Washington College
Michael Roberts – Harry S Truman College
Araceli Cabrales – Kennedy-King College
Stanley Beamon – Malcolm X College
Sharon Prayor – Olive-Harvey College
Elinore Moore – Richard J. Daley College
Kimberly Williamson – Wilbur Wright College