

Understanding the Impact on Personal Budgeting and Cash Flow

Non-exempt employees will receive their last paycheck as follows:

- Career Employees – March 01, 2017
- Students and Temp Employees – March 07, 2017

The first biweekly pay check will be issued on **March 22, 2017** and every other Wednesday thereafter.

This means that non-exempt employees will generally not be paid on the first business day of each month when they have mortgages, utilities and other bills scheduled to be deducted from their bank accounts through automated bill payment services.

Following are some items to consider for employees to help determine the impact of the new pay cycle on personal budgeting and cash flow.

1. Create a budget. A budget compares your monthly expenses to your income. You can use a [sample form like this one](#) to make sure you are not missing any expenses. Don't forget to include savings and irregular expenses like gifts and car insurance in your budget! For irregular expenses, estimate how much you spend over the course of a year and divide by 12 to input into your monthly budget.
2. Track your expenses to ensure you are creating an accurate budget. You can use a free app like [MINT](#) to do this for you.
3. Review your current tax withholding elections and make any necessary changes. Pay particular attention to additional tax withholding amounts. If you have an additional tax amount deducted from your paycheck, that monthly amount will be split in half, and one-half will be withheld from each biweekly check. If you would like to adjust your additional withholding amount, please go to the At Your Service website and review and/or update your W-4/DE-4 Form. For other tax questions, please consult IRS and State Franchise Tax Board websites or contact a tax professional for help. For other tax questions, please consult IRS (<https://www.irs.gov/>) and State Franchise Tax Board (for California: <https://www.ftb.ca.gov/>) websites or contact a tax professional for help.
4. Review your current voluntary contributions to your 403(b) and 457(b) plans.
5. List your expenses by when they are paid. If most of your bills are due at the beginning of the month, contact those institutions and request to move the due date to the middle or end of the month to align with your new pay schedule.
6. If you have automatic bill pay set up for any regular expenses, such as mortgage payments, student loan payments or car payments, we encourage you to work directly with your financial institution(s)

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to change payment dates as needed. As a biweekly employee, your pay dates vary since you are paid every other Wednesday.

7. Use the net pay calculator tool at www.paycheckcity.com to calculate your estimated net pay under the biweekly schedule. This site has current California tax rates. You'll need information from your current check stub to complete the calculator. Your check stub can be found on the At Your Services website at: <https://atyourserviceonline.ucop.edu/ayso/>
8. Save as much as possible between now and when the transition to biweekly paychecks begins. Having a cushion will help when those bills come and you have half the paycheck during that point in time as you have usually.
9. If you need help budgeting, call an [NFCC-certified credit counselor](#) for free help.