

DENNIS MILLIGAN
Auditor



230 State Capitol
Little Rock, AR 72201

State of Arkansas

October 11, 2023

Dear Friend,

When I ran for Auditor of State, I made a campaign pledge to convert the office to the Arkansas Administrative Statewide Information System (AASIS). This undertaking is being completed in stages.

Stage 1 was moving the accounts payable and fixed assets of the Auditor's Office (AOS) into AASIS. This was successfully completed and implemented on July 1, 2023. I appreciate the cooperative work of my staff and the AASIS implementation team on this achievement in such a brief time.

Stage 2 involves moving the payroll processing to AASIS. Currently my office processes the payroll of 700+ elected officials, including constitutional officers, Supreme Court justices, judges, legislators, prosecuting attorneys, deputy prosecuting attorneys and my staff. AOS payroll is based on a **semi-monthly cycle**. Our current payroll software system that has been in use for many years expires on March 31, 2025. This makes it imperative that the work on this stage begins soon. The payroll conversion will be more complex and completed in phases.

Phase One will begin on January 1, 2024. Payroll cycles will be converted to **bi-weekly** processing with pay dates mirroring those in AASIS. Payday will be every other Friday unless a bank holiday necessitates a modification. For bi-weekly payroll, there will be twenty-six (26) pay periods per calendar year, consisting of 80 hours. Additionally, there will be two (2) pay periods without benefit deductions. (May & November of 2024). A comparison of the two pay cycles is below:

AOS Use	Payroll Cycle	Periods Per Year	Hours Per Period	Hours Per Year	Pay Date
Current - Through December 29, 2023	Semi-Monthly	24	86.667	2,080	15 th , Last Day of Month
NEW - Beginning January 12, 2024	Bi-Weekly	26	80	2,080	Every Other Friday

Since AASIS pays in arrears and our office does not, we must modify the pay period to align with AASIS. The pay date of **January 12, 2024**, will consist of **40 hours**. January 26th will be the first pay date consisting of 80 hours and on this date both systems will be aligned. A bi-weekly pay schedule is enclosed for your convenience.

Pay Cycle	Days Included in Period	Pay Date	Hours Paid
AOS Semi-Monthly	12/16/2023 - 12/31/2023	December 29,2023	86.67
AASIS Bi-Weekly	01/01/2024 - 01/06/2024	January 12, 2024	40
AASIS Bi-Weekly	01/07/2024 - 01/20/2024	January 26, 2024	80

BE ADVISED, a typical full month's payroll in AASIS consists of 160 hours. In the current semi-monthly payroll system, employees are paid 173.34 hours per month. Please note, due to the modified pay period in January 2024, payroll in January 2024 will consist of **120 hours**. Payroll for all months after January 2024 will consist of 160 hours, as well as two additional 80 hour pay periods with no benefit deductions. **The bi-weekly pay cycle reduces monthly pay by approximately 8%; however, annual pay will not be impacted due to the two extra pay periods without benefit deductions. (Again, May & November of 2024.) Please take this into consideration for your personal financial planning.**

I understand that this can be confusing, but my team and the Office of Personnel Management staff are working together to make sure all calculations are accurate, and the conversion is successful. If you have any questions, please do not hesitate to contact the following members of my staff:

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Sincerely,



Dennis Milligan
Auditor of State