

Computation of Terminal Pay for Salaried Employees

Summary/Purpose: The calculation method or formula is given to demonstrate how both service credits and terminal leave pay are determined for salaried employees.

Service-credit pay is calculated by multiplying the semi-monthly rate by the number of days worked in a pay period and divided by the total number of days in a pay period.

Terminal leave pay is calculated by the hourly rate (yearly salary divided by 2,080 and nine-month by 1,560) multiplied by the number of hours available. For example, if an employee had 120 hours of unused Personal Leave on the date of termination, the employee's hourly rate would be multiplied by 120 in order to calculate the terminal leave pay portion of his or her terminal pay.