

Terminal Pay

Summary/Purpose: Information regarding the payment of earned paid time off for both staff and faculty members upon termination of employment is given.

An employee shall be paid for the unused portion of his/her earned Personal (vacation) Leave to a maximum of thirty (30) days upon termination.

A nine-month faculty member shall be paid for not more than thirty (30) days of unused Major Medical (sick) Leave upon retirement from active employment. The term “retirement” is defined as follows.

- Public Employees’ Retirement System of MS (PERS) participant: approval to receive retirement benefits payable by the Public Employees’ Retirement System of Mississippi (PERS)
- Optional Retirement Plan participants: meeting eligibility requirements for retirement benefits as defined by the PERS

If an employee dies after accumulating Personal (vacation) Leave credit, the wages or salary for the total unused Personal (vacation) Leave time shall be paid to the person designated by the employee for this purpose or, in the absence of such designation, to the beneficiary of such employee as recorded with the Public Employees' Retirement System or with the Optional Retirement Plan (ORP) vendor(s).

If a 9-month employee dies having both accumulated Major Medical (sick) and Personal (vacation) Leave credit, a payment shall be made to the beneficiary on record with the Public Employees’ Retirement System of Mississippi (PERS) or with the Optional Retirement Plan (ORP) vendor(s) for the total unused Personal (vacation) Leave or a combination of Major Medical (sick) and Personal (vacation) Leave, not to exceed two-hundred forty (240) hours. If the accumulated balance of Personal (vacation) Leave is less than two-hundred forty (240) hours, then a portion of the unused Major Medical (sick) Leave will be paid, up to a maximum combined payment of two-hundred forty (240) hours. The employee must be eligible for retirement from the University as determined by the PERS in order to receive any portion of the unused Major Medical (sick) Leave.

An employee who presents medical evidence that his physical condition is such that he can no longer work in a capacity of state government may be paid for not more than one hundred twenty (120) days of earned major medical leave.

The number of days of service credit is determined by the number of workdays prior to and including the last day of service. When an employee terminates at the end of any month containing special or official holidays and works every day during the month that he or she would normally be expected to work, the employee is considered to be employed the entire month for pay purposes.

When an employee leaves the University to accept a position with another agency of the State of Mississippi, the University is not permitted to pay for any period overlapping the new employment. Therefore, terminal leave pay shall not be allowed in such cases.