Worksheet

Sick Leave Buyout Calculation

For Chicago State University CSU/UPI Employees Preparing to Retire

**Due: September 10, 2021 for AY 2022-2023**

**Directions:** A payroll representative will calculate the salary credit with the employee. The salary credit will be calculated each year to include cumulative salary credit from year one and any changes in base salary resulting from a promotion or raise. Compensation reported to SURS will not include 20% [withheld for federal taxes] of the base salary in a year, which runs from September 1 through August 31 for SURS. All compensation records are sent to SURs who calculates the final record of earnings (FRE) per year for retirement purposes. Payments will be made at the end of the fiscal or academic year, whichever is appropriate. Compensation will be made in a lump sum and does not affect the base salary on a monthly basis. All taxes and withholdings will be made. Any compensable balance exceeding the allowable amount will be paid at separation as a lump sum payment after the employee has separated from the university.

Please complete and sign the “Declaration of Retirement” and the ”Request to Pay CSU Personnel” form. Submit all forms to Contract Administration (ADM 308) by the dates in the University Personnel Action Timetable. Copies will be placed into your personnel file.

Faculty Name: University Identification Number:

Application Date: Retirement Date:

Monthly Salary: Based on (Check one): 9-month rate 12-month rate

Department/Unit:

**Sick-Leave Record** (Provided by Payroll)

Payable Balance\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Days (earned after 12/31/83 and before 01/01/98)

## Calculations

1. Unused sick leave days to be bought out:
   1. Payable Balance *divided by* 2 = Days (A)
2. Sick Leave Buyout:
   1. (Monthly Salary *divided by* 21.67) x (A) = (B)
3. Total amount allowed payable as earnings (to be paid in two payments):
   1. Monthly Salary x **9** Months x 0.20 = (C9)
   2. Monthly Salary x **12** Months x 0.20 = (C12)
4. Employee’s requested portion of sick leave buyout to be paid as earnings
   1. If the employee has less than two years remaining for retirement, only one year can be credited as salary earnings.
   2. Each year the payout will be calculated. The payout for the second year will be based upon any salary increases and the balance of unpaid compensable days remaining.

(*May not exceed “C”*): (D) Year One Payout (date to be paid: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

\_\_\_\_\_\_\_\_\_\_\_\_ Year Two Payout (date to be paid: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

1. Portion of sick leave buyout to be paid to employee as non-earnings:

(B) - (D) = (E) Balance after compensable days have been deducted.

Faculty Signature: Date:

Payroll Verification: Date:

Contract Administration Receipt: Date: