

## Leave Accrual Calculation for State Classified Hourly Employees

Employees who work or are on paid leave the **at any point during a month with a holiday, are eligible to earn holiday pay**. Employees who are hired after a holiday, or employees whom separate before a holiday, do not receive holiday pay.

### MONTHS THAT DO NOT INCLUDE HOLIDAYS:

A. For Pay Periods that are not split between two months (all work days fall within the same month):

1. Determine the total number of hours worked or on paid leave in the pay period.
2. Using the figures determined above, calculate leave using the following formula:

Number of Hours worked divided by Number of hours in the month multiplied by the leave earning rate in FTE hours equals leave accrual for that pay period.

**Example:** March 4, 2006 through March 17, 2006, an employee works 67.34 hours and has an annual leave earning rate of 12 hours/month. March 2006 had 23 working days or 184 available work hours.  
 $67.34 / 184 * 12 = 4.39$  hours Annual Leave (AL) accrual for this pay period  
 $67.34 / 184 * 6.66 = 2.44$  hours Sick Leave (SL) accrual for this pay period

March 18, 2006 through March 31, 2006, the same employee works 75.50 hours.  
 $75.50 / 184 * 12 = 4.92$  hours AL accrual for this pay period  
 $75.50 / 184 * 6.66 = 2.73$  hours SL accrual for this pay period

B. For Pay Periods that are split between two months:

1. Determine the total number of hours worked or on paid leave in the pay period.
2. Using these figures, pro-rate the earnings proportionally between the two months using the following formula:

Number of hours worked divided by 10 multiplied by the number of days in the pay period for the specific month in which you are determining leave.

**Example:** February 18, 2006 through March 3, 2006, an employee works 54.00 hours and has an annual leave earning rate of 12 hours/month. There are 3 days for the month of March in this pay period.

$54.00 / 10 * 3 = 16.2$  hours pro-rated to count in March accrual earnings.

Using the figure calculated, determine the leave accrual for that pay period utilizing the aforementioned formula in section A.

$16.2 / 184 * 12 = 1.06$  hours AL accrual for this pay period  
 $16.2 / 184 * 6.66 = 0.59$  hour SL accrual for this pay period

C. Add all of the AL & SL accrual hours together to obtain the monthly accrual.

**Example:** Using the aforementioned AL & SL figures:

March AL accrual:  $4.39 + 4.92 + 1.06 = 10.37$  hours monthly AL accrual  
March SL Accrual:  $2.44 + 2.73 + 0.59 = 5.76$  hours monthly SL accrual

*NOTE: It is possible to add all of the hours from individual pay periods together before calculating leave accrual.*

*Example:  $(67.34 + 75.5 + 16.2) / 184 * 12 = 10.37$  hours monthly AL accrual for March  
 $159.04 / 184 * 6.66 = 5.76$  hours monthly SL Accrual for March*

**If your calculations differ at all from Oracle, always use Oracle's calculations.**

## MONTHS THAT INCLUDE HOLIDAYS:

The amount of holiday pay earned is pro-rated based on the number of scheduled workdays the employee actually worked or is on paid leave. Holiday(s) should not be included in determining the number of available workdays in the month until you determine how much holiday pay they are eligible for.

A. The amount of holiday leave earned must first be calculated as follows:

1. Determine total number of available workdays (M-F) in the month, minus holidays (May 2006 has 23 actual work days, minus 1 holiday, equals 22 total work days (176 hours) used to calculate holiday pay.
2. Take actual time worked or on paid leave divided by available hours (less holidays) multiplied by 8 (one day equivalent) = holiday earning **per day**.
3. Add the calculated daily holiday earnings to the time actually worked or on paid leave, to now get the new total number of paid hours for the month.
4. Using this new figure, use the standard formula for leave accrual ( # hrs worked / # work hours in pay period) \* Leave earning rate in FTE hrs

**Example:** Employee works 35 hours for pay period April 29, 2006 through May 12, 2006 (all hours were worked in May) 68.24 hours for pay period May 13, 2006 through May 26, 2006, and 57.75 hours for pay period May 27, 2006 through June 9, 2006 (2 days worked in May).

- a. Determine the number of hours worked for each of the pay periods within the month. (Pro-rate the hours for those split between two months.)

April 29, 2006 through May 12, 2006 = 35 hours (all in May)

May 13, 2006 through May 26, 2006 = 68.24 hours

May 27, 2006 through June 9, 2006 = 11.55 pro-rated hours

*(57.75 / 10 \* 2 = 11.55 hours pro-rated for May; see above for calculation information)*

- b. Add all of the hours from each pay period together to obtain the total number of hours worked in the month.

$35 + 68.24 + 11.55 = 114.79$

- c. **Actual time worked or on paid leave divided by available hours (less holidays) \* 8 (one day equivalent):**

$114.79 / 176 * 8 = 5.22$  hours of holiday earning per holiday

*Classified hourly employees should add the holiday pay to their timesheets (5.22 hrs to timesheet).*

- d. **Add the holiday earnings to the number of hours worked or on paid leave to obtain the total number of paid hours for the month.**

$35 + 68.24 + (11.55 + 5.22) = 120.01$  total paid hours for May 2006

- e. Use the total calculated paid hours in the standard formula for leave accrual (**# hrs worked / # work hours in month, including holiday hours**) \* leave earning rate in FTE hours.

$120.01 / 184 * 12 = 7.83$  AL hours for May

$120.01 / 184 * 6.66 = 4.34$  SL hours for May

**NOTE:** It is possible to determine leave accrual for individual pay periods and then add them together to obtain the total monthly accrual.

**Example:**  $35 / 184 * 12 = 2.28$  AL hours;  $68.24 / 184 * 12 = 4.45$  AL hours;  $(11.55 + 5.22) / 184 * 12 = 1.10$ ;  $35 / 184 * 6.66 = 1.27$  SL hours;  $68.24 / 184 * 6.66 = 2.47$  SL hours;  $16.77 / 184 * 6.66 = 0.60$  SL hours;

$2.28 + 4.45 + 1.10 = 7.83$  total AL hours for May

$1.27 + 2.47 + 0.60 = 4.34$  total SL hours for May