

## Payroll Calculations: Calculating Supplemental or “Top-off” Amounts for PFML

Employees have the option but are not required to supplement their time off with eligible accrued leave. This is also known as a “top-off.” The agency’s Paid Leave Administrator account holder for medical paid leave (MPL) will provide information regarding the supplemental calculation details. An example of the calculation is below, for reference.

After an employee applies and is approved for MPL benefits payments, DEED will calculate the employee’s weekly benefit amount. This is a tiered calculation based on the employee’s average weekly wage in the year before the leave begins. The tiered calculation will generally look at the previous year’s FICA wages and provide 90% of wages for the first \$711.50; 66% of wages for the next \$711.50; and 55% of wages for the remaining wages, with the maximum payment capped at \$1,423 per week.

$$(e.g., [90\% \times \$711.50] + [66\% \times \$711.50] + [55\% \times \$115.46] = \$1,173.44)$$

### Payments calculator

**Estimate weekly payments**  
Please complete at least one quarter of the wages fields.

Enter or estimate your Minnesota wages from the four quarters prior to your planned leave.  
(If you're a salaried worker, divide your annual pay by four.)

First quarter wages:  
\$ 20,000

Apply this quarter's wages to all quarters

Second quarter wages:  
\$ 20,000

Third quarter wages:  
\$ 20,000

Fourth quarter wages:  
\$ 20,000

Calculation successful

**Weekly payments**

Based on the information you provided, you may be eligible to receive:

**Weekly Paid Leave payments** **\$1,173.44**

**How was this calculated?**

Your weekly payment is calculated from your average weekly wage. To find your average weekly wage, this calculator looks at the quarter where you earned the most, and divides your wages by the number of weeks in that quarter.

- Highest earning quarter = \$20,000.00
- Divided by 13 weeks in a quarter
- Average weekly wage = \$1,538.46

**Different amounts you earn are paid out at different rates, up to a maximum payment amount.**

- 90% \* \$711.50 = \$640.35
- 66% \* \$711.50 = \$469.59
- 55% \* \$115.46 = \$63.50

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**\$1,173.44**

**▲ Estimates provided by this calculator are unofficial**

Amounts provided by this calculator are unofficial estimates. Official calculations will be based on covered wages and application information as required by law.

After DEED’s calculation has been made, the agency’s Paid Leave Administrator account holder for MPL can then calculate the amount an employee may supplement, or top-off, to become “whole.”

**Example:**

- *Joey applied for Paid Family Leave to bond with their child.*
- *They are eligible for FMLA and would like to supplement their time with SIK (FMS).*
- *Joey's current hourly pay is \$40, or \$1,600 per week.*
- *DEED approved twelve weeks of continuous leave and has calculated their weekly benefit amount to be \$1,173.44 per week.*
- *The difference between Joey's CURRENT weekly pay and DEED's payment is \$426.56. [\$1,600 weekly pay - \$1,173.44 DEED payment = \$426.56]*

Agency Human Resources/Leave Management calculates the number of FMS hours Joey can use so that they receive as close to their normal weekly wage as possible without being overpaid.

- *\$426.56 to supplement / \$40 per hour = 10.66 hours per week*
- *10.66 hours per week / 5 days per week = 2.13 hours per day of FMS (FMLA Sick time)*

**Time sheet example:**

<b>Earn Code</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Monday</b>	<b>Total</b>
<b>FMS</b> (FMLA sick)	2.13	2.13	2.13	2.13	2.13	<b>10.65</b>
<b>FML</b> (FMLA unpaid)	5.87	5.87	5.87	5.87	5.87	<b>29.35</b>
<b>PFF</b> (record only)	8.00	8.00	8.00	8.00	8.00	<b>40.00</b>

**Note:** any overpayments to the employee are the responsibility of the Agency to recover from the employee (Overpayment Policy). It is of utmost importance that HR/Leave Management and the Agency Payroll staff work closely together to ensure appropriate supplemental payments to an employee.