Longevity  
(Revised 3/27/12)

Setting the Longevity Status Code on Screen 101:

Valid Codes:
- **N** Not eligible for Longevity Pay, accrue leave based on total months of state service
- **Y** Eligible, unless any source has teaching object class, accrue leave based on total months of state service (includes ORP Working Retirees retired after 6/1/05)
- **R** Not Eligible for Longevity Pay, accrue leave based on Retire months of service – (TRS only Working Retirees retired after 6/1/05)
- **F** Eligible for Longevity Pay for Fixed amount based on longevity months of service through 8/31/2005, accrue leave based on total months of state service – (ORP or TRS Working Retirees retired prior to 6/1/05 AND returned to work prior to 9/1/05)

An employee in a position eligible to receive longevity pay should have the Longevity Eligibility Code set to **Y**. The B/P/P Operations Center recommends that the Longevity Eligibility Code be set to **Y** for all budgeted employees. If the employee is budgeted at less than a full-time effort (100%), the employee will not receive the longevity pay even if the eligibility code is set to **Y**.

Student and casual wage employees should have the Longevity Eligibility Code set to **N** as they are not in full-time positions that would be eligible should all of the other conditions be met. Should a wage employee move into a budgeted position, several data fields should be changed at that time, one of which is the Longevity Eligibility Code.

Upon retirement, the payroll and/or human resource office MUST set the Longevity Eligibility code to an **N**.

If an individual returns to work as a working retiree, the longevity status code should be set as follows:
- If retired **prior** to 6/1/2005 AND returned to work **prior** to 9/1/05, set the code to **F**.
- If retired **after** 6/1/2005 AND
  - Is a TRS participant, set the code to **R**
  - Is an ORP participant, set the code to **Y**

Accumulating Months of Service

The number of months of longevity is increased by one month of service during month-end processing (after the last payroll in the month is completed). The process first checks to see if the person’s Paid Thru date (on screen 101) is within the current month. This indicates whether or not they worked during the current month. The second step is to check that the original date of employment (on screen 101) is after the first working day of the current month. If they were employed after the first working day, then they will not be credited with the month’s service, since they didn’t work a complete month. If the original date of employment is on or before the first working day, then they did work the complete month and their number of months’ longevity (or hazard duty) is incremented by one (i.e. they are credited with that month of service).

Individuals with a longevity status code of **R** or **F** will accumulate months of service in the Ret - Retiree Months of Service field. Individuals with a longevity status code of **Y** or **N** will accumulate months of
service in the Lng – Longevity Months field except when the hazard duty flag is Y, then the month of service is added to hazard duty rather than longevity.

**Accruing Leave**

In LeaveTraq, the months of service value is either based on total months of state service or retirement months of service. If an employee’s longevity status code is R (indicating a TRS working retiree), the LeaveTraq months of service will reflect the amount in retirement months of service. All other employees LeaveTraq months of service will reflect their total state months of service (longevity months + retirement months + hazard duty months + leave months)

Even though an employee accrues leave, they may only take leave if their LeaveTraq Position Vacation Eligible field is set to Yes.

HR may need to verify accrued leave on employees who have worked for other state agencies. This generic form **Verification of Previous State Employment** may be helpful in calculating the total months of service, print and use at your will.

**Eligibility for Longevity Pay:**

To be eligible for longevity pay, several conditions must be satisfied. Generally, these conditions are that the employee:

- be budgeted as a full-time employee (100% effort)
- have a longevity eligibility status code of ‘Y’ (yes) or ‘F’ (fixed amount)
- has completed two years (24 months) of state employment or service*
- not be paid from teaching sources**
- be paid for a payroll period including the first day of the month

* The employee must complete two years (24 months) of eligible state service prior to receiving longevity pay. A month of service is credited to the employee at the end of each month in which the employee works, as long as the employee was employed on the first work day of the month. Longevity pay is calculated starting with the 25th month of employment. If the employee were hired on September 1, 2003, longevity pay would first be paid for the payroll period including September 1, 2005.

** Another condition that must be met is that no pay received for the pay period can be from teaching sources (faculty salaries). The object classes that define faculty salaries are 1410, 1415, and 1425. AmeriCorps and College Work-Study student salaries are also excluded. AmeriCorps salaries are based on object class code 1599. College Work-Study student salaries are based on object class codes 1745, 1746, 1747, 1750, 1751, 1755, 1756 and 1759. This check is made during the payroll calculation process.

Individuals who have a longevity code of F (retired from state service before 6/1/2005 and returned to work for the state prior to 9/1/2005) are eligible to receive longevity pay at the rate they were eligible for immediately prior to 9/1/2005. However, their rate of longevity pay is not to increase since the Longevity months of service accumulator will remain Fixed and additional service will be accumulated against the new Ret (Retiree Months of Service) field.

Additionally, longevity pay is only calculated for pay types B, F, H, I, and L. This check is made during the payroll calculation process. Longevity pay can be forced on other pay types by entering extra deduction(s) for the amounts to be processed.
The “period includes first day of the month” flag (LNG-CF) on the Payroll Maintenance (Screens in the 500 series) MUST be set to ‘Y’. This flag indicates that the longevity pay is to be calculated for the payroll source record. The B/P/P System will automatically set this flag for payroll source records it builds. Payroll Office personnel must set this flag for records they add manually to the payroll. They must be sensitive to the payroll period being processed and the employee’s longevity status to ensure proper longevity pay calculation.

**Longevity Pay Processes:**

Longevity pay is prorated across all of the payroll sources for the employee. If an employee has two sources and they each pay 50% of the employee’s salary, then each source will be charged $10.00, given that the employee is entitled to $20.00 longevity.

The original employment date on screen 101 is used in determining whether or not to credit a month’s service to longevity (or hazard duty). The active budget record does not have a part in this determination.

**Background/History**

Prior to September 1, 2001, longevity was paid in five (5) year increments. Effective September 1, 2001, the basis for the calculation was moved to three (3) years. Effective September 1, 2005, the basis for the calculation was moved to two (2) years.

Also effective September 1, 2005, Longevity pay is paid at a rate of $20 per month for every two (2) years of service (adjusted from the current three (3) year basis), up to 42 years of service. The monthly longevity pay maximum is $420 per month.