

## Handbook of Operating Procedures

### LONGEVITY PAY

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#### A. Purpose

The purpose of this policy is to provide for the administration of longevity pay.

#### B. Persons Affected

All full-time employees of The University of Texas Rio Grande Valley (UTRGV). Full-time is defined as employment of forty (40) hours per week.

#### C. Definitions

1. Eligible employees – Upon completion of two years of state service, an employee is eligible for longevity pay if the employee:
  - a. Is a full-time employee on the first workday of the month;
  - b. Is not on leave without pay on the first workday of the month; and
  - c. Has accrued at least two years of lifetime service credit not later than the last day of the preceding month.

Law-enforcement personnel who receive hazardous duty pay under ADM 4-404 Hazardous Duty Pay are entitled to longevity pay based on lifetime service credit accrued only while serving in nonhazardous duty positions. Part-time, temporary, and academic employees are not eligible for longevity pay.

2. Non-academic employees - An employee whose appointment is within the classified pay plan. An employee who has an administrative or other staff appointment without regular teaching assignments. The eligibility to receive longevity pay of an employee who holds a full-time, non-academic position is not affected by the employee teaching in one or more courses or engaging in academic research, or both.

#### D. Policy

UT Rio Grande Valley provides longevity pay to eligible employees in accordance with the Texas Government Code.

#### E. Procedure

1. *Basis of Longevity:*

Lifetime service credit for longevity pay is based on all employment with the State regardless of whether the individual was a student during the service, including full-time, part-time, temporary, academic, and legislative service.

A faculty member who accepts a position as a non-academic employee is entitled to lifetime service credit for the actual length of the faculty appointment. The credit for service in the faculty appointment is included when determining longevity pay.

An employee who is on leave without pay for an entire calendar month does not accrue lifetime service for the month.

The amount of an employee's lifetime service credit does not include the period of service in a hazardous duty position if the employee is entitled to receive hazardous duty pay. An employee's lifetime service credit includes the period served in a hazardous duty position if the employee is not currently entitled to receive hazardous duty pay.

Any state employee returning to state employment following service in the military is entitled to longevity credit for pay purposes for the time spent in the military. Years of service as a National Guard Technician prior to January 1, 1969, are creditable as years of service as an employee of the state for purposes of longevity pay.

2. *Schedule Of Payments:*

Longevity pay shall be paid in two-year (24 months) increments in accordance with the following schedule:

<b>Years of Service</b>	<b>Per Month</b>
2	\$20
4	\$40
6	\$60
8	\$80
10	\$100
12	\$120
14	\$140
16	\$160
18	\$180
20	\$200
22	\$220
24	\$240
26	\$260
28	\$280
30	\$300
32	\$320
34	\$340
36	\$360
38	\$380
40	\$400
42	\$420

3. *Payment:*

After the completion of two years' service, longevity pay commences on the first day of the next month at the specified rate and continues at that rate until the completion of another two year increment.

Longevity pay shall not be prorated. A change in status occurring during the month will be effective the first day of the following month.

For example, an employee appointed on September 1<sup>st</sup> of a given year completes 24 months' service on August 31<sup>st</sup>, two years later. The longevity payment will commence on the first day of the next month, September 1<sup>st</sup>. Accordingly, an employee appointed on September 2<sup>nd</sup> of a given year will complete 24 months of service on September 1<sup>st</sup>, two years later. Longevity pay will commence on the first day of the next month, October 1<sup>st</sup>.

4. *Transfers:*

The institution or agency employing an individual on the first day of the month will be responsible for longevity pay.

5. *Method Of Payment:*

Longevity pay is considered a part of total compensation although the base salary rate of an employee is not affected by such payment.

- a. Separate lump-sum payment for longevity pay is not authorized - such payment is included as part of the regular payroll procedure.
- b. The inclusion of longevity pay as a part of total compensation affects federal withholding, OASI, the amount of group insurance and other benefit calculations, rate of overtime pay, if any, and retirement contributions.
- c. Longevity pay is not included when calculating lump-sum payment of vacation leave upon termination. Nor is it included calculating lump-sum payments of vacation and sick leave to the estate of a deceased employee.

6. *Return to Work Retirees*

An employee who retired from state employment before June 1, 2005, and returned to state employment before September 1, 2005, is eligible to receive longevity pay in the same amount the employee was entitled to receive immediately before September 1, 2005. The amount of longevity pay to which the employee is entitled is frozen and will not increase regardless of the amount of lifetime service credit accrued after returning to work.

An employee who retired from state employment before June 1, 2005, and returned to state employment before September 1, 2005, but later terminates employment and returns a second time is no longer eligible to receive longevity pay.

An employee who retired from state employment before June 1, 2005, and returned to state employment on or after September 1, 2005, is not entitled to receive longevity pay.

An employee who retired from state employment on or after June 1, 2005, and returned to state employment at any time is not eligible to receive longevity pay.

**F. Relevant Federal and/or State Statute(s), Board of Regents' Rule(s), UTS Policy(ies), and/or Coordinating Board Rule(s)**

*Texas Government Code Sections 659.041 - .047*

**G. Dates Reviewed or Amended**

July 13, 2022 - Reviewed and amended (non-substantive: updated responsible executive).