

REGULATION

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Issued By: Compensation	Rule Reference: Rule: 5-8 (Longevity Payment)		Replaces: Reg. 5.05 (SPDOC 07-14, October 7, 2007)
Authority: Regulations are issued by the State Personnel Director under authority granted in the Michigan Constitution and the Michigan Civil Service Commission Rules. Regulations are subordinate to the Commission Rules.			
Subject: LONGEVITY COMPENSATION			

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1. **PURPOSE**

This regulation establishes the standards and procedures for longevity payment for nonexclusively represented employees.

2. **CIVIL SERVICE COMMISSION RULE REFERENCE**

Note: This Section 2 reprints only selected Commission Rules for quick reference by the reader. Additional Rules (that are not reprinted below) may apply. The complete, current version of the Rules can be found at www.michigan.gov/mdcs.

Rule 5-8 Longevity Payment

An employee who is expected to complete or has completed the equivalent of 6 years of full-time currently continuous employment in a fiscal year is eligible for an annual longevity payment on October 1 of that fiscal year in the amount provided below:

<i>Years of Full-time Service Expected to be Completed During the Fiscal Year</i>	<i>Annual Longevity Payment Due on October 1 of the Fiscal Year</i>
6 – 9	\$260
10 – 13	\$300
14 – 17	\$370
18 – 21	\$480
22 – 25	\$610
26 – 29	\$790
30 & over	\$1,040

An employee with a break in continuous service but more than 6 years total employment is eligible for a longevity payment based on total years of service after completing the equivalent of 5 years of full-time currently continuous employment. The longevity payment is paid at the time and in the manner provided in the regulations.

3. **STANDARDS**

A. **General Eligibility.**

A career employee who is expected to complete, or has completed, the equivalent of 6 years (12,480 hours) or more of continuous full-time classified service in a fiscal year is eligible for an annual longevity payment on October 1 of that fiscal year in the amount provided below:

Years of Full-time Service Expected to be Completed during the Fiscal Year	Equivalent Hours of Full-time Service that Must be Completed before October 1	Annual Longevity Payment Due on October 1 of the Fiscal Year
6-9	10,400 - 18,719	\$260
10-13	18,720 - 27,039	\$300
14-17	27,040 - 35,359	\$370
18-21	35,360 - 43,679	\$480
22-25	43,680 - 51,999	\$610
26-29	52,000 - 60,319	\$790
30 & over	60,320 and over	\$1,040

1. A career employee is eligible to receive credit for longevity for service in a non-elective excepted or exempted position in an agency, the legislature, or the supreme court if entry into or return to the classified service is within 28 days after leaving the excepted or exempted position.
2. A career employee is eligible to receive longevity credit for up to 5 years of honorable service in the armed forces of the United States. This credit is received immediately upon entry into the classified service under the following conditions:

- a. A new employee is advised by the appointing authority of the military service benefit upon hire.
- b. The employee is responsible for submitting the required documentation to the appointing authority within 90 days to receive additional service credit retroactive to the date of hire.
- c. If the employee does not submit the required documentation within 90 days, credit is not given retroactive to the date of hire, but is credited the first day of the pay period in which the documents are received by the appointing authority.
- d. The appointing authority will forward a copy of the required documentation to Civil Service staff for review, calculation of eligible service credit, and processing of applicable HRMN adjustments.
- e. The following criteria are applied in determining eligibility for military service credit:
 - (1) Only active service for which the veteran has received an honorable discharge or other certified evidence of honorable active service is creditable. Any of the following documents provide such evidence:
 - (a) DD-214, Certificate of Release or Discharge from Active Duty, which must include Field #24: Character of Service.
 - (b) NGB Form 22, Report of Separation and Record of Service in the Air/Army National Guard, which must include Field #24: Character of Service.
 - (c) NGB Form 23, National Guard Retirement Points Summary.
 - (2) Active military service is considered active duty in any branch of the armed forces under conditions for which a regular military leave of absence would have been granted had the veteran been a classified employee at the time the military tour of duty began.
 - (3) Military service need not immediately precede state employment.
 - (4) Military duty in a reserve component does not qualify for credit. However, active duty time served for basic training while in a reserve component is creditable.
 - (5) Military service resulting from more than one tour of active duty may be combined, but cannot exceed the maximum of 5 years of creditable service.
 - (6) Career classified employees are entitled to full credit for their active military service, regardless of their work schedule.
 - (7) Noncareer classified employees are not entitled to military service credit.
- f. The following conversion table is used to adjust active military service time to continuous state service hours:

1 year	=	2,080 hours
1 month	=	174 hours
1 day	=	5.8 hours

3. Military service credit is credited as currently continuous service.
 - a. An employee separating and returning has previously credited military service placed in the employee's prior service counter, if the total current service counter, including the military time, exceeded 5 years (10,400 hours).
 - b. If an employee separates and returns, previously credited military service is retained in the current hours service counter if the total current service hours was less than 5 years (10,400 hours). Only state service credit is moved to the prior service counter. Military hours retained in current service hours are entered to military hours.
4. An employee granted a leave of absence with pay has the leave time credited for longevity compensation purposes.
 - a. An employee receiving workers' compensation receives service credit in accordance with regulation 5.13 [Disability Payment for Duty Incurred Injuries].
 - b. An employee on a paid leave of absence as the result of an assault receives service credit for the leave in accordance with regulation 5.13.
5. An employee granted a leave of absence without pay does not have a break in service for the purpose of eligibility for longevity, but does not receive service credit for the time of the leave of absence.

B. Longevity Payment.


1. **Eligibility.**
 - a. Career employees who separate from state service and return and complete 5 years (10,400 hours) of full-time continuous service before October 1 of any year receive credit for all previous hours in the state classified service.
 - b. To be eligible for a full annual longevity payment after the initial payment, a career employee must have completed continuous full-time classified service equal to the service required for original eligibility, plus a minimum of one additional year (2,080 hours).
 - c. Career employees rendering seasonal, intermittent, or other part-time classified service are, after establishing original eligibility, entitled to subsequent annual payments on a prorated basis for the number of hours in pay status during the longevity year.
2. **Payments.** Payment is made in accordance with the table of longevity values based on length of service.
 - a. No active employee can receive more than the amount scheduled for one annual longevity payment during any 12-month period, except in the event of retirement or death or as provided in standard B.2.g.

- b. **Initial Payments.** Employees qualify for their initial payment by completing an aggregate of 10,400 hours of continuous service before October 1. The initial payment is always a full payment (no proration).
- c. **Annual Payments.**
 - (1) Employees qualify for full annual payment by completing 2,080 hours of continuous service during the longevity year.
 - (2) Employees who are in pay status less than 2,080 hours receive a prorated annual payment based on the number of hours in pay status during the longevity year.
- d. Payments to employees who become eligible on October 1 of any year are made on the pay date following the first full pay period in October; except that prorated payments in case of retirement or death are made as soon as practicable thereafter.
- e. **Lost Time Considerations.**
 - (1) Lost time is not creditable continuous service, nor does it count in qualifying for an initial or annual payment.
 - (2) Employees do not earn state service credit in excess of 80 hours in a biweekly pay period. Paid overtime does not offset lost time, except when both occur in the same pay period.
- f. **Payment to Employees on Leave of Absence Without Pay and Layoff on October 1.**
 - (1) An employee on other than a waived rights leave of absence, who was in pay status less than 2,080 hours during the longevity year, receives a prorated annual payment based on the number of hours in pay status during the longevity year; such payment is made on the pay date following the first full pay period in October.
 - (2) An employee on a waived rights leave of absence receives a prorated longevity payment upon returning from leave.
- g. **Payment at retirement or death.** An employee with 12,480 hours of currently continuous service who retires or dies receives a longevity payment. The payment amount is prorated based on hours in pay status since October 1 of the current fiscal year. The payment consists of the following:
 - (1) A terminal payment, which is either:
 - (a) A full initial longevity payment based upon the total years of both current and prior service, if the employee has not yet received an initial longevity payment; or
 - (b) A prorated payment for time worked from the preceding October 1 to the date of separation, if previously qualified. The prorated payment is based on hours in pay status since October 1 of the current fiscal year.

- (2) A supplemental payment for all time previously not counted in determining the amount of prior longevity payments. The supplemental payment is limited to the number of full-time equated biweekly pay periods completed (multiples of 80 hours).

CONTACT

Questions regarding this regulation should be directed to Compensation, Civil Service Commission, P.O. Box 30002, 400 South Pine Street, Lansing, Michigan 48909; by telephone, at 517-335-7862, 517-373-7618 or 1-800-788-1766; or by e-mail to MDCS-Compensation@michigan.gov.

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