

Michigan Civil Service Commission

Regulation 5.05

Subject: Longevity Compensation		
SPDOC No.: <u>16-0622-14</u>	Effective Date: January 1, <u>2023</u> 2017	Replaces: Reg. 5.05 (SPDOC <u>162-069</u> , June-January 24 , 2012 7)

1. Purpose

This regulation establishes standards for longevity payments.

2. CSC Rule References

5-8 Longevity Payment

An employee who ~~is expected to complete or~~ has completed the equivalent of 6~~five~~ years of full-time currently continuous employment, including any credits under rule 5-10.2(b)(4), ~~in a fiscal year~~ is eligible for an annual longevity payment, as provided in the regulations, ~~on each~~ October 1 ~~of that fiscal year~~ in the amount provided below: An employee with a break in service is eligible for a longevity payment based on total years of service after completing the equivalent of five years of full-time currently continuous employment.

Years of Full-time Service Expected to be Completed During the Fiscal Year	Minimum Hours	Annual Longevity Payment Due on October 1 of the Fiscal Year
65-98	<u>10,400</u>	\$260
10-9-132	<u>18,720</u>	\$300
14-3-176	<u>27,040</u>	\$370
18-7-210	<u>35,360</u>	\$480
22-1-254	<u>43,680</u>	\$610
26-5-298	<u>52,000</u>	\$790
30 & over <u>29</u>	<u>60,320</u>	\$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 ~~five~~6 years (~~10,400~~12,480 hours) or more of continuous full-time classified service ~~in a fiscal year~~ is eligible for an annual longevity payment ~~on each~~ October 1 ~~of that fiscal year~~ in the amount provided ~~below~~ in rule 5-8:

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~~ s credit for longevity credit 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 of~~ leaving the ~~excepted or exempted~~ position.
2. A new career employee ~~is eligible to receive~~ s longevity credit for up to 5five 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.~~
 - ba. The employee ~~is responsible for~~ must submitting the required documents ation to the appointing authority within 90 days of hire to receive additional service credit retroactive to the date of hire.
 - ~~c. If the employee does not submit the required documentation within 90 days~~ Otherwise, credit ~~is not given retroactive to the date of hire, but is~~ only credited from the first day start of the pay period ~~in which when~~ the documents are ~~received by~~ the appointing authority receives the documents.

- ~~db.~~ The appointing authority ~~will~~ shall forward ~~a copy of~~ the required documents ~~ation~~ to Civil Service ~~staff~~ for review, calculation of eligible service credit, and processing ~~of~~ applicable HRMN adjustments.
- ~~ec.~~ The following criteria ~~are applied~~ y in determining eligibility for ~~military service~~ credit:
- (1) Only active service for which the employee ~~veteran has~~ received an honorable discharge ~~or other certified evidence of honorable active service~~ is creditable. ~~Any of~~ Only ~~the~~ following documents provide ~~such~~ evidence:
 - (a) DD- Form 214, Certificate of Release or Discharge from Active Duty, which ~~must~~ includes Field #24: Character of Service.
 - (b) NGB Form 22, National Guard Report of Separation and Record of Service ~~in the Air/Army National Guard~~, which ~~must~~ includes Field #24: Character of Service.
 - (2) Active military service for purposes of this regulation 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~~ employee been a classified employee ~~at the time when~~ the ~~military tour of~~ duty began. Military duty in a reserve component generally does not qualify for credit, but active duty time served for basic training while in a reserve component as shown by an official copy of one of the following is creditable:
 - (a) DD Form 214, Certificate of Release or Discharge from Active Duty, fields 12.c and 12.d.
 - (b) NGB Form 22, Report of Separation and Record of Service in the Air/Army National Guard, field 10(c).
 - (3) Military service ~~need not immediately~~ must precede, but does not need to be immediately before, 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~~ tours of active duty ~~may~~ can be combined, but cannot exceed ~~the maximum of 5~~ five years of creditable service.
 - ~~(6)~~ A ~~C~~ career ~~classified~~ employees ~~are entitled to~~ receives full credit for ~~their~~ active military service, regardless of ~~their~~ work schedule.
 - ~~(7)~~ 6 Noncareer classified employees are not entitled to military ~~service~~ credit.

- ~~f~~d. ~~The following conversion table is used to adjust~~ convert active military service ~~time~~ to continuous ~~state~~ service hours, one year is 2,080 hours, one month is 174 hours, and one day is 5.8 hours:
- | | | |
|---------|---|-------------|
| 1-year | = | 2,080 hours |
| 1-month | = | 174 hours |
| 1-day | = | 5.8 hours |
- ~~3~~e. Military ~~service~~ credit is ~~credited~~ given as currently continuous service as provided below:
- a.(1) ~~An employee separating and returning has~~ pPreviously credited military service is placed in the employee's prior service counter; if the total current service counter for a separating employee, including the military ~~time~~ credit, exceeded 5 years (10,400 hours).
- b.(2) ~~If an employee separates and returns,~~ pPreviously 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) or less. Only state service credit is moved to the prior service counter. Military hours retained in current service hours are entered to military hours.
34. An employee granted a paid leave of absence ~~with pay~~ has the leave ~~time~~ credited for longevity ~~compensation~~ purposes.
- a4. An employee receiving workers' compensation receives service credit in accordance with regulation 5.13.
- ~~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 an unpaid leave of absence ~~without pay~~ does not have a break in service for ~~the purpose of~~ longevity-eligibility ~~for longevity purposes~~, but does not receive service credit for the ~~time of the~~ leave ~~of absence~~.
6. An employee who separates from state service, returns, and completes 10,400 hours of current continuous service receives credit for all hours in the prior service counter for longevity-eligibility purposes.

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 in rule 5-8~~ based on length of service.

- ~~a. Except as otherwise provided in this regulation, payment is made on the payday for October's first full pay period. No active employee can receive be paid more than the amount scheduled for one annual longevity payment during any 12-month period, except in the event of after retirement or death or as provided in § 3.B.2-g5.~~

~~b1. Initial Payments.~~ Employees qualify for ~~an their~~ initial payment by ~~completing an aggregate of having~~ 10,400 hours of ~~current~~ continuous service before October 1. The initial payment is ~~always~~ a full payment (~~no proration~~). ~~Payments to employees who first become eligible on October 1 are made on the payday after the first full pay period in October.~~

e2. Annual Payments.

- ~~(1)a.~~ Employees qualify for full annual payment by completing 2,080 hours of continuous service during the longevity year.
- ~~(2)b.~~ Employees ~~who are~~ in pay status ~~less than under~~ 2,080 hours ~~during the longevity year~~ 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.~~

e3. Lost Time Considerations.

- ~~(1)a.~~ Lost time is not creditable continuous service, ~~nor and~~ does ~~ino~~t count in qualifying for an initial or annual payment.

~~(2)~~b. 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 unless~~ both occur in the same pay period.

~~f~~4. ~~Payment to Employees on Unpaid Leave of Absence Without Pay and or Layoff on October 1.~~

a. ~~An employee on a waived rights leave of absence receives a prorated longevity payment upon returning from leave.~~

~~(1)~~b. An employee on any other ~~than a waived rights unpaid~~ leave of absence, ~~who was in pay status less than 2,080 hours during the longevity year, or layoff on October 1~~ receives a prorated annual payment based on the number of hours in pay status during the longevity prior fiscal 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~~5. ~~Payment at Retirement or Death.~~ An employee with at least 120,480 hours of currently continuous service who retires or dies ~~receives is paid~~ a terminal longevity payment as soon as practicable thereafter. ~~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 that~~ is either:

~~(a1) A~~ a full initial longevity payment based upon ~~the total years of both~~ current continuous and prior service, if the employee has not ~~yet~~ received an initial longevity payment; during the current period of service or

~~(b2) A~~ a prorated payment for time worked ~~from during the current fiscal year~~ 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 on this regulation may be directed to Compensation, Civil Service Commission, P.O. Box 30002, 400 South Pine Street, Lansing, Michigan 48909; ~~by telephone at 517-241-0837 or 517-373-7618; or to~~ MCSC-Compensation@mi.gov.