



## UT System Administration Policy Library -- Policy INT141 **Longevity Pay**

**Responsible Officer:** Associate Vice Chancellor for Employee Benefits and Services

**Sponsoring Office:** Office of Employee Services

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**Errors or changes to:** [policyoffice@utsystem.edu](mailto:policyoffice@utsystem.edu)

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## **POLICY STATEMENT**

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The University of Texas System provides longevity pay to eligible employees in accordance with state law.

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## **RATIONALE**

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To provide for the administration of longevity pay.

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## **SCOPE**

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All offices of UT System Administration

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## **WEBSITE ADDRESS FOR THIS POLICY**

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<http://www.utsystem.edu/policy/policies/int141.html>

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## **RELATED STATUTES, POLICIES, REQUIREMENTS OR STANDARDS**

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UT System Administration Policies & Standards	Other Statutes, Policies & Standards
<ul style="list-style-type: none"><li>• <a href="#">INT139, Hazardous Duty Pay</a></li></ul>	<ul style="list-style-type: none"><li>• <a href="#">Attorney General Opinion MW-100 (1979)</a></li><li>• <a href="#">Texas Government Code §§659.041-659.047</a></li></ul>

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## **CONTACTS**

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If you have any questions about UT System Administration Policy INT 141, *Longevity Pay*, contact the following offices:

<b>Subject</b>	<b>Office Name</b>	<b>Telephone Number</b>	<b>Email/URL</b>
Human Resources/ Employee Benefits	Office of Employee Services	512-499-4587	esc@utsystem.edu

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## **DEFINITIONS**

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None

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## **RESPONSIBILITIES**

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Office of Employee Services

- Enters an employee's verified lifetime service credit into human resource information system and determines whether the employee is entitled to back pay for longevity pay based on lifetime service credit.

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## **PROCEDURES**

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### **1. Eligibility**

- 1.1. An employee is eligible for longevity pay if the employee:
  - is a full-time employee on the first workday of the month;
  - is not on leave without pay on the first workday of the month; and
  - has accrued at least two years of lifetime service credit not later than the last day of the preceding month.
- 1.2. Law enforcement personnel who receive hazardous duty pay are entitled to longevity pay based on lifetime service credit accrued while serving in non-hazardous duty positions.
- 1.3. The following employees are not entitled to longevity pay:
  - a. a part time employee

- b. a temporary employee
  - c. an academic employee
  - d. an employee who retired from state employment on or after June 1, 2005 and receives an annuity based wholly or partly on service as a state employee in a public retirement system that was credited to the employee. Also see section 2.
- 1.4. The entitlement to receive longevity pay of an employee who holds a full-time, non-academic position is not affected by the employee teaching one or more courses or engaging in academic research, or both.

## **2. Return to Work Retirees**

- 2.1. 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.
- 2.2. 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.
- 2.3. 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.
- 2.4. An employee who retired from state government on or after June 1, 2005 and returned to state employment at any time is ineligible to receive longevity pay.

## **3. Basis of Service**

- 3.1. 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.
- 3.2. 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.
- 3.3. An employee who is on leave without pay for an entire calendar month does not accrue lifetime service for the month.

- 3.4. 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.
- 3.5. A state employee returning to state employment following service in the military is entitled to lifetime service credit for pay purposes for the time spent in the military in accordance with applicable federal or veteran's reemployment laws. Years of service as a National Guard Technician prior to January 1, 1969, are creditable as lifetime service credit for longevity pay purposes.

#### **4. Payment**

- 4.1. Upon completion of two years of service, longevity pay begins on the first day of the next month at the rate of \$20 per month and continues at that rate until the completion of another two-year increment, when it increases to the next level. When an employee reaches the next level for longevity pay during a month, the increase in longevity pay will be effective the first day of the following month. See [Appendix, Longevity Pay Table](#).
- 4.2. A change in status occurring during the month will be effective the first day of the following month. For example:
  - a. An employee appointed on September 1<sup>st</sup> of a given year will complete two years of service on August 31<sup>st</sup>, two years later. Eligibility for longevity pay begins on the first day of the next month, September 1<sup>st</sup>.
  - b. An employee appointed on September 2<sup>nd</sup> of a given year will complete two years of service on September 1<sup>st</sup>, two years later. Eligibility for longevity pay begins on the first day of the next month, October 1<sup>st</sup>.
  - c. An employee who increases to full-time during a month becomes eligible for longevity pay the following month, provided the employee meets all other eligibility criteria.
- 4.3. Longevity pay will not be prorated. The full amount of longevity pay will be paid to an individual who ceases to be an employee after the first workday of the month.
- 4.4. Separate lump sum payment for longevity pay is not authorized; payment is included only in the regular paychecks of employees.

#### **5. Longevity Pay as Part of Employee Pay**

- 5.1 Longevity pay is considered a part of total compensation although the base salary rate of an employee is not affected by such payment.
- 5.2. The inclusion of longevity pay as a part of total compensation affects federal withholding, OASI, the amount of some group insurance coverage and other benefit calculations, rate of overtime pay, if any, and retirement contributions.
- 5.3 Longevity pay is not included when calculating lump sum payment of vacation leave upon termination; nor is it included when calculating lump sum payment of vacation and sick leave to the estate of a deceased employee.

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## FORMS AND TOOLS / ONLINE PROCESSES

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None

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## APPENDIX

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Longevity Pay Table

State Service in Years	Monthly Longevity Pay
Less than 2	\$0
Over 2 but less than 4	\$20.00
Over 4 but less than 6	\$40.00
Over 6 but less than 8	\$60.00
Over 8 but less than 10	\$80.00
Over 10 but less than 12	\$100.00
Over 12 but less than 14	\$120.00
Over 14 but less than 16	\$140.00
Over 16 but less than 18	\$160.00
Over 18 but less than 20	\$180.00
Over 20 but less than 22	\$200.00
Over 22 but less than 24	\$220.00
Over 24 but less than 26	\$240.00
Over 26 but less than 28	\$260.00
Over 28 but less than 30	\$280.00
Over 30 but less than 32	\$300.00
Over 32 but less than 34	\$320.00
Over 34 but less than 36	\$340.00
Over 36 but less than 38	\$360.00
Over 38 but less than 40	\$380.00

Over 40 but less than 42	\$400.00
42 or more	\$420.00

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Keywords: longevity pay, HR, human resources

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