Section 3	Human Resources Policies	05/01/95 - Originated
Subject 3.4	Compensation	07/02/09 - Reviewed w/ changes - Reviewed w/o changes
Policy 3.4.7	**Longevity Pay**	Human Resources - Author

Longevity Pay

Policy

In accordance with Texas State law, UTMB provides longevity pay for the purpose of increasing an eligible employee's total compensation in recognition of state service.

The University of Texas Medical Branch, in compliance with applicable federal laws and regulations, strives to maintain an environment free from discrimination against individuals on the basis of race, color, national origin, sex, age, religion, disability, sexual orientation, genetic information, or veteran status.

Eligibility

All full-time non-faculty employees, excluding commissioned law enforcement personnel who are eligible for hazardous duty pay, shall be entitled to 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
- has accrued at least two (2) years of lifetime service credits by the last day of the preceding month
- is a state employee who retired from state employment before June 1, 2005 and who returned to state employment before September 1, 2005. In this instance, the monthly longevity pay amount will equal the amount of longevity pay the employee was entitled to receive immediately before September 1, 2005.

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

Non-faculty employees shall be defined as an employee:
An employee whose appointment(s) is/are not within the faculty job class and

- whose appointment is within the faculty job class
- whose appointment is within the classified job class, or
- who has an administrative or other staff appointment without regular teaching assignments (non-teaching).

Service Credits

Eligible employees accrue lifetime service credits for the period that the person:

- serves as a full-time State of Texas employee
- serves as a part-time State of Texas employee
- serves as a temporary State of Texas employee
- serves as a member of the Texas Legislature
- holds a statewide office that is normally filled by vote of the people
- serves as an academic employee of a State of Texas institution of higher education; or
- otherwise serves as an employee of the State of Texas

Any UTMB employee returning to employment following service in the military is entitled to credit for longevity pay purposes for the time spent in the military. Years of service as a National Guard technician prior to January 1, 1969, are included in the computation of lifetime service credits for purposes of longevity pay.

Schedule

Longevity pay shall be paid in (2) two-year increments in accordance with the attached schedule:

Payment

After completion of two (2) 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 (2) year increment.

Longevity pay shall not be prorated. A change in status occurring during the month will be effective the first of the following month. For example, an employee appointed on September 1 of a given year completes two (2) years of service on August 31 two years later. The longevity payment will commence on the first day of the next month, September 1. Accordingly, an employee appointed on September 2 of a given year will complete two (2) years of service on September 1 two (2) years later. The pay will commence on the first day of the next month, October 1.

An employee may not receive from the state as longevity pay more than the scheduled amount regardless of the number of positions the employee holds or the number of hours the employee works each week.

Transfers

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

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.
- Separate lump sum payment for the longevity pay is not authorized--such payment is included as part of regular payroll procedure.
- The inclusion of longevity pay as 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.
- Longevity pay shall not be considered in making calculations for lump-sum payment of vacation upon termination. It shall, however, be considered in making calculation for lump-sum payments of vacation and sick leave to the estate of a deceased employee.

Exception

A state employee who has received longevity pay for services performed in a position that does not require the performance of hazardous duty and transfers to a position eligible to receive hazardous duty pay is entitled to continue to receive longevity pay for the years of service to the state performed in the prior position, but does not accrue any additional longevity pay for the period in which the employee receives hazardous duty pay.

References

Vernon's Texas Civil Statutes, Article d-1
Attorney General's Opinions Nos. M-250, M-886, H-941, MW-100, MW 282, MW-334 and JM-407

Texas Government Code, §§659.041-659.046