



Bob Riley
Governor

Bill Newton
Acting Director of Finance

State of Alabama
Department of Finance
Office of the State Comptroller

100 North Union Street, Suite 220
Montgomery, AL 36130-2602
Telephone: (334) 242-7050 Fax: (334) 242-2440
www.finance.alabama.gov

Michael G. Hudson
Acting State Comptroller

October 2, 2009

MEMORANDUM

TO: CHIEF ACCOUNTANTS, PAYROLL CLERKS,
AND PERSONNEL OFFICERS
NON-AUTOMATED AGENCIES

FROM: Michael G. Hudson *MGH*
Acting State Comptroller

SUBJECT: Information on Longevity Payments

Section 36-6-11, *1975 Code of Alabama*, provides for payments for longevity based on permanent full-time and permanent part-time service. **2009 LONGEVITY BONUSES WILL BE INCLUDED IN EMPLOYEES' NORMALLY SCHEDULED PAYROLL CHECKS FOR THE FIRST PAYDAY OF DECEMBER. The payment date this year is December 1, 2009.** In 2008, each department reported the number of months of eligible service through December 1, 2008, for each permanent full-time and part-time employee. This information was captured on all employees' records and is reflected on the employees' AGYS screen in the field labeled "Longevity Counter." In preparation for longevity payments this year, this field was increased by twelve (12) months.

Attached is a listing by social security number within pay location for all employees who might be eligible that are currently in your agency. Use this listing to verify the number of months' eligible service through December 1, 2009 for each permanent employee. In accordance with revised State of Alabama Fiscal Procedures, eligible service time **only** "includes time worked and paid by the State Comptroller, the Comptroller for the State Docks, or the Comptroller for the Department of Mental Health Mental Retardation prior to August 25, 1990."

If the information on the listing is incorrect, make the changes on the listing and return it to GHRS, ATTN: Stanja Bond, Room 282, RSA Union Building no later than **November 6, 2009**.

Employees on long leave without pay (L status) on December 1, 2009, for purposes other than **family medical leave** or **military** purposes, are not eligible for the longevity bonus or credit for seniority time. Complete an AGYS form to reflect adjustments for the months not worked and send to Stanja Bond no later than **November 6, 2009**.

Employees on Long Leave without Pay for FMLA purposes are eligible for the longevity bonus and credit for all months not worked. A One-Time Payment form must be completed and submitted to GHRS no later than **November 16, 2009** to ensure the employee receives the bonus in a timely manner.

All **agency approved** longevity payments for employees who are on military long leave without pay December 1, 2009 will be paid in the supplemental that will be processed on December 4, 2009. A One-Time Payment form must be completed for these employees and forwarded to Stanja Bond, Room 282, RSA Union Building, no later than **November 24, 2009**. Please write **Military** on the top of the One-Time Payment form.

Longevity payments will be automatically generated for employees who are in "W" status due to a work-related injury. An AGYS form should be completed and sent to GHRS no later than **November 6, 2009** to reflect 2/3 credit for time not worked due to an on-the-job injury.

Part-time employees will have the "percent full time" field from the ESMT on the attached listing. Calculate the pro-rated amount based on the percentage shown and complete a One-Time Payment form with the calculated amount of the longevity payment and forward to Stanja Bond, Room 282, RSA Union Building, no later than **November 3, 2009**.

The pro-rated amount is calculated by multiplying the percentage shown in the "% full time" field on the ESMT by the amount of longevity payment that the employee would have received had he been a full-time employee. For example, Employee A works 75% of the scheduled hours every semi-monthly pay period. He has 126 months in the longevity counter. His "percent full time" on the report shows .75. To calculate the amount due for Employee A, multiply \$500 x .75 = \$375.00. Complete a One-Time Payment form with \$375.00 as the amount due to the employee. The effective date for this payment is **November 15, 2009**.

The longevity payments due to full-time employees as amended in 2006 according to Section 36-6-11, *Code of Alabama, 1975* are as follows:

Less than 5 years total service (0-59 months)	\$ -0-
Completed 5 but less than 10 years total service (60-119 months)	400.00
Completed 10 but less than 15 years total service (120-179 months)	500.00
Completed 15 but less than 20 years total service (180-239 months)	600.00
Completed 20 but less than 25 years total service (240-299 months)	700.00
25 or more years total service (over 300 months)	800.00

Federal tax is withheld at a flat rate of 25 percent and state tax is withheld at a flat rate of 3 percent. If the employee's regular pay is subject to FICA and/or Medicare, the longevity pay is also subject to FICA and/or Medicare. Longevity pay is not subject to retirement.

The bonuses will be included in the employees' payroll checks and subject to direct deposit.

If you have any questions, please contact GHRS Hot-Line at (334) 242-2188.

MGH/lmc

Attachment

LONGEVITY

ONE TIME PAYMENTS (1PAY)

The completed form must be forwarded to **STANJA BOND, ROOM 282, RSA UNION BUILDING, no later than NOVEMBER 3, 2009.**

Agency Number: _____ Payroll Number: _____

Employee Social Security Number: _____ - _____ - _____

Employee Name: _____

Reason for Adjustment: 2009 LONGEVITY FOR PART-TIME EMPLOYEE

Effective Date: 1 / 1 / 1 5 / 0 9

Amount of Adjustment: \$ _____

Authorized Departmental Approval: _____

Submitted By: _____

Phone #: _____

For State Personnel's Use Only:

State Personnel Approval: _____ N/A

Approved by: _____ N/A Date: _____ / _____ / _____

For Comptroller's Use Only:

IPAY _____ STRG _____ BATCH _____ TAX _____ IDED _____

Processed by: _____ Date: _____ / _____ / _____

Verified by: _____ Date: _____ / _____ / _____