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MEMORANDUM

TO: All Chief Fiscal Officers
All Payroll and Personnel Officers

FROM: Kathleen D. Baxter
State Comptroller

A handwritten signature in black ink, appearing to read 'KDB', positioned to the right of the 'FROM:' field.

DATE: October 2, 2024

SUBJECT: Information on Longevity Payments

Section 36-6-11, *1975 Code of Alabama*, provides for longevity payments based on qualifying permanent full-time and permanent part-time service as stated in the *State of Alabama Fiscal Policy and Procedures Manual*. Longevity payments for 2024 will be included in employees' normally scheduled payroll checks for the first payday in December. The payment date this year is December 16, 2024. In preparation for longevity payments this year, the "Longevity Counter" field on the AGYS screen was increased by twelve (12) months on October 1, 2024, for employees in active pay status.

The report, *Eligibility for Longevity*, of your agency's employees, sorted by pay location, is available on the Comptroller's website under Reports and Forms/Monthly reports. This report should be used to verify the number of months of eligible service through December 1, 2024, for all permanent employees. These reports are available to authorized personnel/payroll staff only. In accordance with the *State of Alabama Fiscal Policy and Procedures Manual*, 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." Employees with zeroes in their "longevity counter" will also be included on this list. For these employees and any employees not on the list, calculate the number of months credit as of December 1, 2024, and update the "longevity counter". All changes for employees eligible for the longevity payment must be made no later than 12:00 pm, December 06, 2024.

Manual Agencies (Agencies that do not have access to GHRIS) - If the information on the report is incorrect, make the changes on the report and return it to State Comptroller's Office, Attn: Payroll, Room 282, RSA Union Building no later than 12:00 pm, December 06, 2024.

If you have employees that are not in active pay status and/or are on LWOP, please see additional instructions below:

Information on Longevity Payments

- **Employees on Short or Long Leave Without Pay** - Employees on Short or Long Leave without Pay (in L status) on December 1, 2024, are not eligible for the longevity payment unless they are on family medical leave or military long leave without pay. If the "longevity counter" field on the AGYS screen was not programmatically increased by 12 in October 2024, the field needs to be corrected and should be increased by the number of months worked since December 1, 2023. If the "longevity counter" field was increased in October 2024, the field should be decreased by the number of months not worked since December 1, 2023.
- **Employees on Long Leave without Pay for FMLA purposes** – These employees are eligible to be paid the longevity payment when they return to pay status and receive full credit for the months on FMLA leave without pay. The "longevity counter" field on the AGYS screen should be adjusted to reflect the number of months worked and the number of eligible FMLA months since December 1, 2023. In this case, a completed One-Time Payment form must be completed and submitted to Payroll. For specific instructions contact the Payroll Hotline at (334) 242-2188.
- **Employees on Long Leave without Pay for Military purposes** – These employees are eligible to be paid the longevity payment and receive full credit for months not worked. If the "longevity counter" field on the AGYS screen was not programmatically increased by 12 in October 2024, this field should be increased to reflect the total number of months worked and months on Military LWOP since December 1, 2023. Eligible employees will be paid on a supplemental payroll processed on December 19, 2024. The attached Military One-Time Payment form must be completed for these employees and forwarded to Payroll, Room 282, RSA Union Building, no later than November 30, 2024.
- **Employee's out due to Work Related Injury** - Longevity payments will be automatically generated for employees who are in "W" status due to a work-related injury. However, the "longevity counter" field on the AGYS screen must be adjusted no later than 12:00 pm. on December 06, 2024, to only reflect 2/3 credit for the months an employee is in this status.
- **Permanent Part-Time Employees** – The amount of longevity pay for permanent part-time employees is calculated using the percentage of full-time hours worked and the length of service. The employee's work percentage is set on the ESMT in the "percent full time" field and will be included in the longevity report found on our website. To calculate the pro-rated amount based on the percentage shown, follow the instructions below:
 - Multiply the percentage shown in the "percent full time" field by the amount of longevity payment that the employee would have received based on his years of service. Years of service is converted to months in GHRS on the AGYS screen longevity counter. For example, Employee A works 75% of the time (according to his ESMT and the longevity report) and has 126 months on the longevity counter. Using the schedule below, Employee A would be due \$525.00 ($\$700 \times .75 = \525.00).

Once the amount has been calculated for Permanent Part-Time employees, please complete and submit the attached One-Time Payment form for Permanent Part-Time employees to State Comptroller's Office, Attn: Payroll, Room 282, RSA Union Building, no later than November 15, 2024.

- **Permanent Hourly Employees** – The "percent full time" on the ESMT for hourly employees does not accurately reflect the true work percentage. The "percent full time" is calculated based on hours worked. To calculate the "percent full time" as of December 1, 2024, divide the total

number of hours worked since December 1, 2023, plus remaining work hours to be paid through December 1, 2024, by 2080 yearly work hours.

- For example, Employee B worked 150 hours through December 31, 2023, and will have worked a total of 900 hours from January-December 1, 2024, for a total of 1050 and has 191 months on the longevity counter. Therefore, the percent full time will be calculated as $(1050/2080 = .50480769)$. This number is rounded to two decimals, which will make it .50. Using the schedule below, and the two decimal percentage calculation, Employee B will be due \$400.00 ($.50 \times \$800 = \400.00).

Once the amount has been calculated for Permanent Hourly employees, please complete and submit the One-Time Payment form for Permanent Part-Time employees to State Comptroller's Office, Attn: Payroll, Room 282, RSA Union Building, no later than November 15, 2024.

A longevity one-time payment for each eligible employee will be loaded into GHRS during nightly-cycle-processing on December 06, 2024, and can be viewed on the PEND screen in GHRS on December 9, 2024. If it is determined that an employee will not be in active pay status (meaning they are on short or long leave without pay excluding military and FMLA) on December 1, 2024, the agency must delete the pending payment (PEND) no later than December 11, 2024. Longevity payments will be included in the employees' regular paychecks, and accounting entries will be processed in payroll journal vouchers for regularly scheduled semi-arrears and semi-monthly payrolls.

The longevity payments due to full-time employees as amended in 2006 according to Section 36-6-11, *1975 Code of Alabama*, 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)	600.00
Completed 10 but less than 15 years total service (120-179 months)	700.00
Completed 15 but less than 20 years total service (180-239 months)	800.00
Completed 20 but less than 25 years total service (240-299 months)	900.00
25 or more years total service (over 300 months)	1,000.00

Departments are responsible for determining, in accordance with the law and the rules outlined herein, who is eligible, and the total service time allowed to each employee for the purpose of identifying the amount of longevity pay due to the employee.

October 2, 2024

Information on Longevity Payments

Federal tax is withheld at a flat rate of 22 percent, and state tax is withheld at a flat rate of 5 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 longevity payment will be included in employee payroll checks and subject to direct deposit.

If Personnel/Payroll Staff have any questions, please contact the Payroll Hotline at (334) 242-2188.

KDB/dws

Attachments