



ADMINISTRATIVE DIRECTIVE

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I. **PURPOSE**

To state the longevity compensation policies of the City of Tucson and the procedures governing the Longevity Compensation Plan as authorized by the Tucson City Code (TCC) Section 10-52.

II. **POLICY**

The Longevity Compensation Plan was designed to reward city employees for continuous satisfactory service, according to a schedule based on a percentage of regular pay related to length of service. Any employee hired, or rehired, after May 1, 1977, is not eligible for longevity compensation.

III. **DEFINITIONS**

- A. **Longevity Compensation** - A semi-annual payment, based on regular salary, paid to eligible permanent employees in all classes of positions both classified and unclassified, as reward for continuous satisfactory service.
- B. **Regular Salary** - The annual salary of a city employee, at the base rate of pay, exclusive of overtime, shift differential, standby pay, "out of class" assignment pay, and longevity pay.
- C. **Time in Service** - Continuous service as an employee of the city, beginning with the starting date of the employee's first appointment.

IV. **EMPLOYEES ELIGIBLE FOR LONGEVITY COMPENSATION**

Eligibility for longevity compensation is established as follows:

- A. Full time permanent employees in the classified and unclassified service with a date of hire prior to May 1, 1977, who have had no break in service since that date, are eligible for longevity compensation.
- B. Permanent part-time employees who are scheduled to work 21 hours or more per week (or 42 hours or more per pay period) with a date of hire prior to May 1, 1977, and who have had no break in service since that date, are eligible for longevity compensation.
- C. Employees hired, or rehired, May 1, 1977 or after, are not eligible for longevity compensation. Non-permanent employees such as intermittent, seasonal, and temporary employees are not eligible for longevity compensation. Similarly, part-time employees who are scheduled to work less than 21 hours in a week (or less than 42 hours per pay period) are not eligible for longevity compensation.



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- D. Any discharge, layoff, or resignation will act as a break in service, and no future longevity compensation will be allowed.

V. COMPUTATION OF LONGEVITY PAY BENEFIT

- A. Longevity compensation is to be paid as a fixed percentage of an employee's regular salary for the six months ending with the pay period in which June 1 and December 1 fall and shall be paid on the payday for the pay periods in which June 1 and December 1 fall. The following schedule establishes the percentages to be used in the calculation of the benefit:

<u>Years of Full Time Service</u> (Employees hired before May 1, 1977 only)	<u>Percent of Annual Salary</u> <u>as Longevity</u> <u>Compensation</u>	
0 through 5th year	0%	N/A
Beginning 6th year through end of 10th year	4%	N/A
Beginning 11th year through end of 15th year	6%	N/A
Beginning 16th year through end of 20th year	8%	N/A
Beginning 21st year and following	10%	

- B. Longevity compensation amounts are based on the percentage of regular salary actually received. Any paid leave time used during the six (6) month period will count as regular salary for computing longevity compensation.
- C. Eligible part-time employees who are paid less than 42 hours in any pay period will not accrue any longevity credit for that pay period.
- D. The longevity compensation for an employee who has been on a leave of absence due to a work related injury or illness will be based on a percentage of the amounts received from the City's Accident Compensation and the State Worker's Compensation Funds. (See the City's Occupational Safety and Health Manual (OSHM) for limitations on industrial injury benefits.) The Accounting Division will verify the amount of Worker's Compensation payments allowed by law when requested, and shall advise the affected employees on the method of calculation.
- E. The Payroll Section of the Finance Department is responsible for calculating and processing all longevity payments, according to the schedule shown.



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VI. CALCULATION OF TIME IN SERVICE FOR LONGEVITY CREDIT

- A.** Permanent part-time employees working 21 hours or more per week (or 42 hours or more per pay period), will be credited with prorated time in service up to 40 hours per week (or 80 hours per pay period). Eligibility for longevity will be established when a permanent part-time employee, in accordance with this section, has accumulated a five (5) year equivalency of full-time service (10,400 hours). Subsequent adjustment (i.e., 10 years, 15 years, 20 years) will also be established when the accumulated hours equal the equivalent full-time service.
- B.** With the exception of military leave and approved Family Medical Leave (FML), any time in an approved leave-without-pay status in excess of ten (10) continuous working days will not count as time in service toward longevity credit, but will not be considered a break in service (see Administrative Directive 2.01-7, Employee Leaves).
- C.** Military Leave, subject to the limitations in Administrative Directive 2.01-7G, Military Leave, will fully count toward time in service for longevity purposes.
- D.** The Department of Human Resources is responsible for determining an employee's length of service, including any approved prior service credit, and determining the appropriate percentage of longevity pay for each employee.

Forms (Attached to AD 2.01-1) None

References Tucson City Code Chapter 10
City's Occupational Safety and Health Manual (OSHM)
2.01-7, Employee Leaves
2.01-7G, Military Leave

Review Responsibility and Frequency The Human Resources Director will review this directive annually, based on date of publication

Authorized



City Manager

12/5/07

Date