

**GUIDELINES FOR SERVICE INCREMENTS, LONGEVITY DIFFERENTIALS
AND MCMEA/ACF RECURRING INCREMENT PAYMENTS**

Longevity Differentials and Service Increments are specified annual amounts paid to eligible employees based on length of active service in the City, in an occupational group, in a group of titles and/or in a collective bargaining unit. Recurring Increment Payments ("RIPs") are specified annual amounts paid to eligible employees based on length of active service in the City.

Definitions

ACF: This denotes the Additional Compensation Fund ("ACF") established as part of the 1995 round of bargaining. Bargaining units used their ACF to enhance/establish various additions-to-gross such as service increments, longevity differentials, uniform allowances and RIPs. Some groups used their ACF to establish annuities or to create a fourth general wage increase.

ACF Payments: This denotes Recurring Increment Payments, Service Increments and/or Longevity Differentials established by specified collective bargaining units utilizing their Additional Compensation Fund from the 1995-2000 round of bargaining, as well as the 2000-2002 round of bargaining.

Equity Panel Awards: This refers to those entitlements created by Various Equity Panels, beginning in 1980 through 1990, and 1992-1995.

Longevity Differential: This is one type of addition-to-gross which is paid to specified titles based on time in title or occupational group. Longevity Differentials are not included in base rate of pay for wage increases. The amount of the longevity differential is not increased unless specifically bargained. Longevity differentials become pensionable after the employee has received the differential for two (2) years. The longevity differential is included in base salary when calculating overtime and other salary-related payments.

Occupational Group: These are groups of related titles established by DCAS and HHC.

Recurring Increment Payments ("RIPs"): RIPs are paid to eligible employees based on length of active City service. These amounts will be adjusted automatically by future collective bargaining increases.

(*) Local 3621 (EMS Supervisors) established a RIP based on service in the Local.

Service Increment: This is one type of addition-to-gross which is paid to specified titles based on time in title, time in an occupational group or time with the City. They become pensionable after two (2) years. The amount of the service increment is not automatically increased unless specifically negotiated. The service increment is included in the base salary for the calculation of overtime and other salary-related payments. If the service increment is not increased by the general wage increase, that service increment becomes part of the employee's base rate of pay for collective bargaining.

A. Eligibility

1. a. Full-time employees in active pay status who have the required amount of continuous service in the occupational group, or in the title, or in the City are eligible to receive the Longevity Differential, Service Increment or RIP that the employee's current title (regardless of civil service status) is entitled to receive as detailed in their unit contract. Continuous service includes time worked at agencies, institutions, libraries, cultural institutions and covered organizations.

b. Effective December 5, 1999, full-time per diem employees are eligible for Equity Panel/ACF additions-to-gross. In order to qualify, a per diem employee must, at the time of appointment, be assigned to work the normal full-time work week established for the per annum title as listed in Appendix A of the 1995-2001 Citywide and must continue to work on a regular basis the normal full-time work week established for such per annum title. Hourly, per session, per diem or other non-annualized are not eligible for these additions-to-gross. Employees hired on a temporary basis pursuant to Rule 5.4 of the Personnel Rules and Regulations of the City of New York are not eligible for these

payments until such employee has worked the normal full-time work week established for the per annum title for one full year (52 weeks) without a break in service of more than 31 days and continues to regularly work such normal full-time work without a break in service of more than 31 days.

For the purpose of these additions-to-gross payments, the qualifying service shall commence with the original date of appointment on a full-time basis provided the employee has no break in service of more than 31 days. Employees with a break in service shall be deemed newly hired and only service subsequent to such break shall be credited.

Full-time per diem employees who were appointed prior to December 5, 1999 shall have their original date of appointment deemed their seniority date; however, no payments are to be payable prior to December 5, 1999.

2. Service in titles in a related occupational group (provided it is within the same collective bargaining unit) may also count as eligible time. Such determinations shall be made by the Office of Labor Relations.

3. Part-time employees are NOT eligible for Longevity Differentials or Service Increments or RIPs, with the exception of certain librarian titles.

4. For payments with occupational group eligibility, service in predecessor titles, as well as service in successor titles in each occupational group, shall be credited in determining years of service.

B. Payment of Longevity Differentials, Service Increments and ACP/RIPs

1. Although qualification for a longevity differential or service increment or RIP is based on the date of entry into an occupational group or City start date or title entry date, an employee only becomes eligible for payment at the beginning of the quarter immediately following the appropriate anniversary date (January 1, April 1, July 1, October 1). There

is no pro-ration or retroactive payment for the time between the actual anniversary date and the beginning of the quarter.

2. When an employee matures into the next higher award level in a title, the increased payment begins at the beginning of the next quarter.
3. When an employee is promoted to a title within the occupational group which is eligible for a larger longevity differential or service increment, the employee immediately qualifies for the larger payment without waiting for the beginning of the next quarter.
4. Incorporation of either the service increments or longevity differentials or RIPs may result in a salary rate in excess of the stated maximum.
5. Equity Panel decisions in the 1987-90 Equity Award as well as ACF awards allow specified titles eligible to receive either an Equity award or a RIP to continue to receive the 15-year longevity increment. Some titles are eligible for both an Equity Panel award as well as a RIP.

C. Breaks in Service

1. Any employee who resigns, retires, or is terminated and has a break in service of more than 31 days is treated as a new employee when determining years of service.
2. For payments with occupational group eligibility, an employee who remains in City service but who leaves the occupational group for more than one year and then returns to the occupational group, is treated as a new employee for purposes of determining years of service, regardless of whether the employee leaves the occupational group on a provisional or permanent basis. If an employee returns to the occupational group in less than one year, the time spent in another group does not count, but continuous service is maintained.

3. An employee who is on an approved leave from City service does not lose eligibility for a longevity differential, a service increment or a RIP. Time spent on leave is not, however, credited in determining years of service. Time spent on a preferred list is treated similarly.

D. Exceptions to Breaks in Service

1. When an employee is officially reinstated through the civil service process to a former title and salary following a break in service of more than 31 days due to resignation, retirement or termination, the time spent NOT in active pay status is NOT credited in determining years of service but continuity of service is maintained.

2. Any period of authorized leave of absence without pay, or any period during which an employee is on a preferred list, does not constitute a break of service. This time is, however, not credited in determining years of service.

E. Service in Managerial Titles

1. The longevity differential/service increment/RIP will be paid to an employee only in the case of an involuntary demotion to an eligible title from a managerial title in a direct line of promotion. Time spent in the managerial title will be credited toward eligibility for the longevity differential/service increment/RIP.

F. Part-time Service

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1. An employee who works less than full-time is not eligible to receive Longevity Differential, Service Increment (with previous exception noted) or a RIP. The amount of the longevity differential or service increment or RIP is never prorated.
2. An employee is eligible to receive a longevity differential or service increment or RIP when the number of hours worked is increased to the full-time work week for the title. If a part-time employee becomes full-time, the part-time service shall be credited on the following prorated basis:
 - a. The number of hours worked per week as a part-time employee must be equivalent to at least half of full-time service in an eligible title. No credit will be given for less than 17.5 hours per week, (20 hours for a 40-hour title).
 - b. Part-time service shall be prorated by comparing the number of hours worked per week by a part-time employee and the number of hours worked per week by a full-time employee in the specified title. For example, a part-time employee who is scheduled to work 17.5 hours per week for 1 year in a 35 hour per week title, shall be credited for 6 months of employment ($17.5 / 35 \times 1 \text{ Year} = 6 \text{ Months}$.)

G. Pensionability

1. Longevity differentials, service increments and RIPs become pensionable when they have been received by an employee for two (2) years. The "waiting period" applies to the first time an employee receives a longevity differential, service increment or RIP.
2. When an employee receiving a longevity differential, service increment or RIP is promoted to a title with a higher level of entitlement for the same number of years of service, the higher level of entitlement becomes pensionable immediately upon the date the past award becomes/became pensionable.

3. When an employee receiving a longevity differential, service increment or RIP crosses an anniversary date and becomes eligible for an increased entitlement, the additional amount of the award becomes pensionable after a new two (2) year waiting period.
4. When a longevity differential, service increment or RIP is increased through collective bargaining, that increased amount of the award becomes pensionable immediately upon the date the past award becomes/became pensionable.
5. After one year of an employee receiving a longevity differential, service increment or RIP, pension deductions are made from the employee's pay check. If the employee retires or resigns during the 2nd year of receiving this longevity differential, service increment or RIP, this award would NOT be used in the employee's pension computation. Therefore, any pension deductions from the employee's pay check would be reimbursed.
6. For those employees who are eligible for both an Equity Panel award and/or an ACF Payment and a fifteen (15) year longevity increment, the Equity Panel award and/or ACF payment becomes pensionable two (2) years after the employee has received it, whereas the 15-year longevity increment becomes pensionable either after fifteen months (DC 37) or immediately (IBT).

H. Collective Bargaining Application

1. Service Increments become part of the employee's base rate of pay for the purposes of night shift differential, overtime and premium pay.

EXAMPLE: (When the service increment is not increased by the general wage increase)

Alec Baldwin's base salary is \$20,000 and he has been receiving a service increment of \$500 for 2 years. ~~A contract has been settled and he is now entitled to receive a 5% contractual increase.~~ The application of the increase is as follows:

base salary.....	\$20,000
service increment.....	\$500
5% contractual increase.....	<u>\$1,025</u>
new salary.....	\$21,525

Note: In PMS, this is paid under two separate pay types.

2. Longevity Differentials are included in the employee's base pay for the purposes of overtime and premium pay only.

EXAMPLE:

Don Johnson's base salary is \$30,000 and he has been receiving a longevity differential of \$1,000 for 2 years. A contract has been settled and he is now entitled to receive a 5% contractual increase. The application is as follows:

base salary.....	\$30,000
longevity differential.....	\$1,000
5% contractual increase.....	<u>\$1,500</u>
new salary.....	\$31,500 + \$1000 longevity differential

EXAMPLE

Jane Smith is a Clerical Associate L. II with nine years of City service as of May 2, 2000. On March 1, she receives a \$1000 RIP that becomes pensionable March 1, 2002. On May 2, 2002 she has twelve years of service and is eligible to receive an additional \$500 for a total of \$1500. That \$500 is payable on July 1, 2002, the first day of the quarter following the anniversary date. On July 1, 2002, a general wage increase is negotiated. In addition to her base salary, the RIP (\$1500) would be increased by the general wage increase.

I. Promotions

1. Longevity Differentials

- a. Longevity Differentials are not included in base salary when determining whether upon promotion, an employee is to be placed at the minimum for the new title or is to receive the advancement increase.
- b. If an eligible employee is promoted to a title with a higher level of entitlement for the same number of years of service, the employee is entitled to receive the higher amount.

2. Service Increments and RIPs

- a. If an employee is promoted to a higher title which is covered by the same service increment or RIP, the employee continues to receive the same service increment or RIP and receives the annual salary as determined by using one of these two methods, whichever is greater:
 - i) Annual salary on the date of promotion is effective plus the guaranteed Advancement Increase OR,
 - ii) The minimum salary for the new title.
- b. If an employee is promoted to a title (in the same occupational group) which has a larger service increment or RIP, effective on the date of promotion, the employee begins to earn the larger service increment or RIP. The employee receives the higher service increment or RIP and the annual salary as determined by using one of these two methods, whichever is greater:

- i) Annual Salary on the date promotion is effective plus the guaranteed Advancement Increase, OR
 - ii) The minimum salary for the new title.
- c. If an employee is promoted to a title which is not entitled to a service increment or RIP effective on the date of promotion, the employee's annual salary is determined by using one of these two methods, whichever is greater:
- i) Annual salary on the date promotion is effective (including service increment or RIP) plus the guaranteed advancement increase, OR
 - ii) The minimum salary for the new title.