



Office of the NEW YORK  
STATE COMPTROLLER  
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## State Agencies Bulletin No. 1898

### **Subject**

April 2021 Public Employees Federation (PEF) Longevity Lump Sum (LLS) Payment

### **Date Issued**

March 3, 2021

### **Purpose**

The purpose of this bulletin is to inform agencies of OSC's automatic processing of the April 2021 PEF LLS payment and provide instructions for payments not processed automatically.

### **Affected Employees**

Employees in the Professional, Scientific, and Technical Services Unit – BU05 with an increment code of 1976-2014, 0010, 0110, 0210, 0310, 0410, 0510, 0610, 0710, 0810, 0910, 1010, 1110, 1210, or 1310 who meet the eligibility criteria are affected.

### **Background**

Chapter 8 of the Laws of 2017, which implemented the 2016-2019 Agreement between the State of New York and the PEF, provides for payment of Performance Awards (Longevity Lump Sum Payment) as a one-time, lump sum payment in the amount of \$1,250 or \$2,500.

A side letter to the agreement dated October 19, 2016 states that employees who were eligible for an LLS payment in April 2019 shall continue to receive LLS payment in each succeeding April, at the same rate received in April 2019, until a successor agreement is negotiated. Payments will be made to such employees in April 2021 provided they continue to meet the eligibility criteria.

The letter further states any employee who becomes eligible for an LLS payment for the first time after April 1, 2019 shall not receive the payment until a successor agreement is negotiated.

## Effective Dates

The April 2021 LLS Payment will be processed in separate paychecks in the check dates listed below. Due to the issues surrounding COVID-19, OSC will process this payment via direct deposit. For employees who do not have direct deposit, this payment will be processed in a separate paycheck.

**Note:** The distribution of the LLS direct deposit will be the same as an employee's regular paycheck.

Pay Cycle/PP Type	Eligibility Date	Effective Date	Check Date
Institution 1 Lag	03/31/2021	04/01/2021	04/22/2021
Administration 1 Lag	03/31/2021	04/01/2021	04/28/2021

## Eligibility Criteria

Employees in graded positions (Grade 001-037) and NS positions (Grade 600), which are equated to a grade (Grade 001-037), are eligible for the April 2021 PEF LLS payment provided the employee:

- Is Active, on a Leave With Pay or on an Unpaid Military Stipend Leave in a BU05 position on 03/31/2021; **and**
- Has a Pay Basis Code (Comp Rate Code post conversion to version 9.2) of ANN, CAL, 21P or BIW (only if the employee is on a Paid Military Stipend Leave) on 03/31/2021; **and**
- Has five (5)\* or more years or ten (10)\* or more years of continuous service\*\* at a base annual salary equal to or greater than the Job Rate of the employee's grade (based on the 04/01/2018 Salary Schedule) as of 03/31/2021; **and**
- Did not receive an "Unsatisfactory" evaluation during the rating period 01/01/2020 to 12/31/2020. Employees who were not rated or not reported as "Unsatisfactory" in PayServ during the period will receive the payment.

\*Until a successor agreement is negotiated, employees with ten (10) or more years at Job Rate will continue to receive the amount of LLS as eligible in April 2019 and newly eligible employees with five (5) or six (6) years at Job Rate will not receive a payment. (Prior agreement expired 03/31/2019.)

**\*\*Continuous service, as used in determining eligibility for the LLS payment, is paid service (including part-time annual salaried service, Paid Military Leave, Sick Leave at Half Pay and COVID Leave) or time on Workers' Compensation Leave or Unpaid Military Leave.**

**The following employees may become eligible for the April 2021 PEF LLS payment upon processing of the October 2020 or April 2021 PEF Performance Advance which results in Job Rate:**

**Upward Reallocation:** An employee occupying a position on 03/31/2021 that was previously upward reallocated, whose salary at the time of the reallocation was equal to or greater than the Job Rate of the lower graded position, and whose salary upon application of the October 2020 or April 2021 PEF Performance Advance is equal to the Job Rate of the reallocated position is entitled to the job rate credit for service in the lower grade.

- The increment code of an employee who received the October 2020 PEF Performance Advance that resulted in a salary equal to the Job Rate of the reallocated position was automatically updated from 1001 to 8810.
- The increment code of an employee receiving the April 2021 PEF Performance Advance that results in a salary equal to the Job Rate of the reallocated position will be automatically updated from 0001 to 2021.
- The agency must evaluate the employee's Payroll Status beginning from the time of reallocation through the date of the performance advance to determine if the increment code must be updated.
  - If the Payroll Status remained Active, Leave With Pay or Leave of Absence due to a Workers' Compensation Leave or Military Leave during this period, the employee is entitled to have the increment code of the lower grade reinstated.
  - If the Payroll Status was Leave of Absence not related to a Workers' Compensation Leave or Military Leave any time during this period, the increment code of the lower grade must be evaluated to determine the appropriate increment code adjustment.
  - If the increment code must be updated, the agency must submit a Data Chg on the Job Action Requests page using the same effective date as the performance advance, the Reason code CIC (Chg IncCd/or AnnDt/or FIS Sal), and an increment code reflecting the appropriate job rate credit.
- If the employee's combined job rate credit meets the eligibility criteria, the employee is eligible for the April 2021 PEF LLS payment. This payment will not be processed automatically; the agency must submit a transaction to make the LLS payment.

**Lateral Position Change from a Non-PEF Position Where the Employee's Salary was Equal to or Greater Than Job Rate to a PEF Position with a Higher Job Rate:** An employee with a salary equal to or greater than the Job Rate of their salary grade, who had a lateral position change to a PEF position with a higher Job Rate, and whose salary upon application of the October 2020 or April 2021 PEF Performance Advance is equal to the Job Rate in the PEF position is entitled to job rate credit for service in the non-PEF position.

- The increment code of an employee who received the October 2020 PEF Performance Advance that resulted in a salary equal to the Job Rate was updated from 1001 to 8810.
- The increment code of an employee receiving the April 2021 PEF Performance Advance that results in a salary equal to the Job Rate will be automatically updated from 0001 to 2021.
- These employees may be eligible for but will not receive an automatic April 2021 PEF LLS payment. If the employee's combined job rate credit meets the eligibility criteria, the agency must submit a transaction to make the LLS payment. In addition, the agency must submit a Data Chg on the Job Action Requests page using the same effective date as the performance advance, the Reason code CIC (Chg IncCd/or AnnDt/or FIS Sal), and an increment code reflecting the combined job rate credit in the Incr. Code field.

**The following employees will become eligible for the April 2021 PEF LLS payment during 2021-2022:**

**Leave of Absence/Preferred List on 03/31/2021:** An employee who otherwise qualifies for the April 2021 PEF LLS payment but is on an approved Leave of Absence (including Workers' Compensation Leave or Unpaid Military Leave), on a preferred list on 03/31/2021 becomes eligible if they return to the payroll, or are appointed to an eligible position between 04/01/2021 and 03/31/2022. There is no minimum service requirement following the employee's return to active payroll status.

**Demotions after 03/31/2021:** An employee who is not eligible for the April 2021 PEF LLS payment on 03/31/2021 becomes eligible if the employee returns to a lower graded position between 04/01/2021 and 03/31/2022, provided the employee:

- Otherwise would have been eligible if the employee had been in the lower graded position on 03/31/2021 and remains in the lower graded position for at least six (6) full pay periods; **and**
- The promotion was temporary and the employee has been reinstated to their previous position or has been appointed to another lower graded qualifying position; **or**
- The promotion was permanent, but the demotion occurred:
  - o in lieu of layoff; **or**

- o voluntarily during the probationary period; or
- o as a result of failure of the probationary period.

**Note:** An employee demoted as a result of a disciplinary action or who takes a voluntary demotion from a permanent position after the completion of the probationary period in the higher grade is **not eligible** for an LLS payment in the lower grade.

For instructions on submitting transactions to make the April 2021 PEF LLS payment, see *Agency Actions – Payments Not Processed Automatically*.

### **Control-D Report Available Prior to Processing:**

Prior to the automatic processing of the April 2021 PEF LLS payment, the following Control-D report will be available for agency use:

### **NPAY756 – Longevity Lump Sum (LLS) Eligibility Listing**

This report is a preliminary listing of employees who appear eligible for the April 2021 LLS payment based on information available as of the date the report is produced. The report is available on 03/04/2021.

Agencies should review the listing carefully, paying particular attention to employees who are ineligible due to an “Unsatisfactory” evaluation during the rating period 01/01/2020 to 12/31/2020 but who appear on the listing.

The following corrections to the preliminary listing should be submitted on the Correction Sheet. The form may be duplicated if additional copies are needed.

- Add employees who do not appear on the listing, such as:
  - Eligible employees in NS positions where the equated grade does not appear on the Position Data page. Agencies must submit documentation supporting the salary equation with the Correction Sheet.
  - Eligible employees who are in a composite position (identified by Increment Code 2222) even though the agency must submit a transaction to make the payment.
- Delete employees who should not appear on the listing, such as:
  - Employees with an “Unsatisfactory” evaluation during the period stated above. In addition, in order to prevent the payment, the agency must submit a Data Chg on the Job Action Requests page using the employee’s last rating date as the effective date, the Reason code USP (Unsat Perf), and an increment code of 7777 in the Incr. Code field.

- Identify employees appearing on the listing who have incorrect information appearing in PayServ affecting their eligibility for the LLS payment. In addition, the agency must submit the appropriate transaction to correct the information.

Do **not** add or delete employees whose eligibility will change due to transactions that will be processed prior to or in Institution Pay Period 1L or Administration Pay Period 1L.

Correction Sheets should be submitted as soon as possible but must be received **no later than 03/25/2021**. Please **email** completed Correction Sheets to the Payroll Earnings mailbox; please include the Department ID and 'LLS Correction Sheet' in the Subject line.

### **OSC Actions- Automatic Processing**

OSC will process the April 2021 PEF LLS payment for those employees who meet the eligibility criteria by inserting a row on the employee's Additional Pay page as shown below. The payment amount is \$1,250 for employees with seven (7)\* or more years of continuous service (identified by Increment Code 2010-2014, 0910, 1010, 1110, 1210 or 1310), \$2,500 for employees with twelve (12)\* or more years of continuous service (identified by Increment Code 1976-2009, 0010, 0110, 0210, 0310, 0410, 0510, 0610, 0710 or 0810), or a prorated amount.

\*Refer to *Eligibility Criteria* for explanation.

- Employees who are on a Voluntary Reduction in Work Schedule (VRWS) on 03/31/2021 receive the full LLS payment amount based on the employee's increment code. Agencies must verify that the Full/Part field on the Job Data/Job Information page is 'Voluntary'.
- Employees who are on a Leave With Pay with an Action/Reason code of Paid Leave of Absence/SKL (Sick Lv) on 03/31/2021 receive an amount based on the employee's increment code and percentage. The full LLS payment amount based on the employee's increment code is multiplied by the employee's Empl Work Percent on the Job Data/Job Information page prior to the leave.
- Employees who are on a Leave With Pay with an Action/Reason code of 19F (FEP/SLA PD LV 100%) on 03/31/2021 receive an amount based on the employee's increment code and percentage. The full LLS payment amount based on the employee's increment code is multiplied by the employee's Empl Work Percent on the Job Data/Job Information page prior to the leave. **Note:** OSC is including COVID Leave codes in this bulletin as a safeguard to ensure information is available at the time of payment processing.
- All other employees (including employees on a Leave With Pay, Paid Military Stipend Leave and Unpaid Military Stipend Leave) receive an amount based on the employee's increment code and percentage in effect on 03/31/2021. The full LLS payment amount based on the employee's increment code is multiplied by the employee's Empl Work Percent on the Job Data/Job Information page in effect on 03/31/2021.

The Additional Pay page will be populated for eligible employees with the following information:

<b>Earnings Code:</b>	<b>LLS</b>
<b>Effective Date:</b>	04/01/2021
<b>OT Eff Date:</b>	04/01/2021
<b>Annual Addl Earnings:</b>	\$1250 or prorated amount (Increment Codes 2010-2014, 0910, 1010, 1110, 1210 or 1310) \$2500 or prorated amount (Increment Codes 1976-2009, 0010, 0110, 0210, 0310, 0410, 0510, 0610, 0710 or 0810)
<b>End Date:</b>	03/31/2022

### Agency Actions - Payments Not Processed Automatically

Agencies must submit transactions to make the April 2021 PEF LLS payment to the following employees:

- Increment Code 2222 on 03/31/2021:** Agencies must submit transactions for eligible employees who are in a composite position on 03/31/2021. Transactions should be submitted beginning in Institution Pay Period 1L or Administration Pay Period 1L; the effective date of the LLS payment should be 04/01/2021. The LLS payment amount should be calculated as explained in *OSC Actions – Automatic Processing* and based on the increment code of the employee’s qualifying position (noted in General Comments) and the percentage attributed to such position on 03/31/2021. Information regarding the composite position must be included on the General Comments page.
- Upward Reallocation:** Agencies must submit transactions for eligible employees whose position on 03/31/21 was previously upward reallocated and whose salary upon application of the October 2020 or April 2021 PEF Performance Advance is equal to the Job Rate of the reallocated position as explained above. Transactions should be submitted beginning in Institution or Administration Pay Period 2L; the effective date of the LLS payment should be 04/01/2021. The LLS payment amount should be calculated as explained in *OSC Actions – Automatic Processing* and based on the employee’s adjusted increment code indicating job rate credit.
- Lateral Position Change:** Agencies must submit transactions for eligible employees with a salary equal to or greater than the Job Rate in a non-PEF position, who had a lateral position change to a PEF position with a higher Job Rate and whose salary upon application of the October 2020 or April 2021 PEF Performance Advance is equal to the Job Rate in the PEF

position as explained above. Transactions should be submitted beginning in Institution or Administration Pay Period 2L; the effective date of the LLS payment should be 04/01/2021. The LLS payment amount should be calculated as explained in *OSC Actions – Automatic Processing* and based on the employee's adjusted increment code indicating job rate credit.

- **Paid COVID Partial Leave on 03/31/2021:** Agencies must submit transactions for employees who are otherwise eligible on 03/31/2021 to receive the payment but whose Payroll Status is Paid Leave of Absence Action/Reason Codes PLA/19P (FEPSLA PD LV PARTIAL) and PLA/FMC (Paid Leave of Absence/EFMLA PD LV COVID 19). The full LLS payment amount based on the employee's increment code is multiplied by the employee's Empl Work Percent on the Job Data/Job Information page prior to the leave. Transactions should be submitted beginning in Pay Period Institution or Administration 2L; the effective date of the LLS payment should be 04/01/2021. **Note:** OSC is including COVID Leave codes in this bulletin as a safeguard to ensure information is available at the time of payment processing.
- **Leave of Absence on 03/31/2021:** Agencies must submit transactions for employees who are otherwise eligible on 03/31/2021 to receive the payment but whose Payroll Status is Leave of Absence (except those on Unpaid Military Stipend Leave) and who return from such leave between 04/01/2021 and 03/31/2022 as explained above. Transactions should be submitted in the pay period the return from leave is processed; the effective date of the LLS payment should be the same as the return from leave effective date. The LLS payment amount should be calculated as explained in *OSC Actions – Automatic Processing*.

**Note:** The employee's increment code may need to be adjusted as a result of the leave of absence in effect on 03/31/2021 and could impact the employee's April 2021 PEF LLS eligibility.

- **Preferred List on 03/31/2021:** Agencies must submit transactions for employees who are otherwise eligible on 03/31/2021 to receive the payment but who are on a preferred list and who are appointed to an eligible position between 04/01/2021 and 03/31/2022 as explained above. Transactions should be submitted in the pay period the appointment is processed; the effective date of the LLS payment should be the same as the appointment effective date. The LLS payment amount should be calculated as explained in *OSC Actions – Automatic Processing* and based on the percentage associated with the eligible position.

**Note:** The employee's increment code may need to be adjusted as a result of time off the payroll and could impact the employee's April 2021 PEF LLS eligibility.

- **Demotions after 03/31/2021:** Agencies must submit transactions for employees who are ineligible for the payment on 03/31/2021 but become eligible on or before 03/31/2022 due to a demotion as explained above. Transactions should be submitted after the employee completes six (6) full pay periods in the lower grade; the effective date of the LLS payment should be the same as the effective date of the demotion. The LLS payment amount should be calculated as explained in *OSC Actions – Automatic Processing* and based on information on the date of the demotion. Information regarding the reason the demotion occurred must be included on the General Comments page.

## Submitting Payment



To make the April 2021 PEF LLS payment to eligible employees who were not processed automatically, agencies must submit the following information on the Additional Pay page using Earnings Code LLS:

<b>Earnings Code:</b>	<b>LLS</b>
<b>Effective Date:</b>	As defined above
<b>OT Eff Date:</b>	Same as Effective Date
<b>Annual Addl Earnings:</b>	\$1250 or prorated amount (Increment Codes 2010-2014, 0910, 1010, 1110, 1210 or 1310) \$2500 or prorated amount (Increment Codes 1976-2009, 0010, 0110, 0210, 0310, 0410, 0510, 0610, 0710 or 0810)
<b>End Date:</b>	03/31/2022 OR the last date the employee is in an eligible position (see <i>Overtime Calculation Information</i> )

### Increment Code Correction

If the employee did not receive an automatic April 2021 PEF LLS payment due to an incorrect increment code, in addition to submitting the LLS payment, the agency must submit a Data Chg on the Job Action Requests page using the Reason code CIC (Chg IncCd/or AnnDt/or FIS Sal) and the appropriate increment code in the Incr. Code field.

In addition, if an employee received an "Unsatisfactory" evaluation on their last rating date and the increment code was changed to 7777, the prior increment code must be reinstated after processing of the April 2021 PEF LLS payment is complete. Beginning in Institution or Administration Pay Period 2L, the agency must submit a Data Chg on the Job Action Requests page effective 04/01/2021, using the Reason code CIC (Chg IncCd/orAnnDt/or FIS Sal), and the employee's prior increment code in the Incr. Code field.

### Control-D Reports Available After Processing

After the automatic processing of the April 2021 PEF LLS payment is

completed, the following Control-D report will be available for agency use:

**NPAY770 – One Time Payment Report**

This report identifies all employees who received the April 2021 LLS payment effective 04/01/2021.

**Overtime Calculation Information**

The LLS payment is included in the calculation of overtime compensation (refer to the Online Payroll Manual accessed from the PayServ Bulletin Board – Payroll Manuals > Earnings Manual > Time Entry Payments > Overtime Compensation).

The April 2021 PEF LLS payment will be included in the calculation of overtime earned from the OT Eff Date through the End Date on the employee’s Additional Pay page for Earnings Code LLS.

**Overtime Paid in Pay Period 1L Institution or Pay Period 1L Administration**

If the April 2021 PEF LLS payment is different than the prior year, in order for Overtime to calculate correctly, agencies must submit overtime payments through the Time Entry page using the following dates:

<b>Pay Period</b>	<b>2020-2021 LLS OT Effective Dates</b>	<b>2021-2022 LLS OT Effective Dates</b>
Institution 1L	3/25/2021 – 3/31/2021	4/1/2021 – 4/7/2021
Administration 1L	N/A	4/1/2021 - 4/14/2021

If an employee is appointed to an ineligible position (including a position which results in a salary below the Job Rate of the grade of the new position) effective after receiving the April 2021 PEF LLS payment, the payment cannot be included in the compensation calculation of any overtime earned after the date of appointment. Therefore, agencies must insert a row on the Additional Pay page at the Effective Date level of Earnings Code LLS and enter the following information:

<b>Effective Date:</b>	Last date in eligible position (date prior to appointment)
<b>OT Eff Date:</b>	Same as original OT Eff Date
<b>Annual Addl Earnings:</b>	Same as original amount (populates automatically)
<b>End Date:</b>	Same as Effective Date
<b>Goal Balance:</b>	Same as Annual Addl Earnings (to prevent making another payment)

### Retirement and Deduction Information

The LLS payment is included as salary for retirement purposes. Deductions will be taken from the LLS payment for normal retirement contributions, garnishments and federal levies.

### Tax Information

The LLS payment is supplemental taxable income, will be added to the employee's taxable gross wages for tax withholding purposes, and is subject to employment and income taxes.

Federal, State and New York City income tax withholding will be calculated using the Aggregate method. Yonkers income tax withholding will be calculated using the Flat Rate method. Yonkers Flat Rate Withholding is 1.61135% for Yonkers residents and 0.50% for Yonkers non-residents.

### Payroll Register and Employee's Paycheck/Advice

The Earnings Code **LLS** and the amount paid will be displayed on the Payroll Register. The Earnings Description **Longevity LSP** and the amount paid will appear on the employee's paycheck stub and direct deposit advice (if applicable).

This payment will be made in a separate check or direct deposit regardless of when it is paid. The separate check will be issued with the employee's regular paycheck or with the direct deposit advice based on information for that check date. Agencies should verify the employee's mailing address is up-to-date.

**Note: If the employee has direct deposit, the direct deposit distribution will be the same as the employee's regular paycheck.** For example, if an employee has \$200 deposited into a loan account and the remainder going into a balance account, the same distribution will be applied.

## **Undeliverable Checks**

When a valid payroll check is undeliverable due to the agency's inability to locate the employee, the agency should follow the Agency Actions identified in Payroll Bulletin No. 1786 Non-negotiated and/or Undeliverable New York State Payroll Checks.

Checks issued to eligible employees who are now deceased should be returned with a completed Next of Kin Affidavit (Form AC 934-P), original Death Certificate and a Report of Check Exchange (Form AC 1476-P). If a Next of Kin Affidavit has been previously submitted for a deceased employee's payroll check, OSC will accept a photocopy of this form along with a new Report of Check Exchange.

## **Questions**

Questions regarding eligibility and payment information may be directed to the Payroll Earnings mailbox.

Questions regarding deductions may be directed to the Payroll Deduction mailbox.

Questions regarding retirement may be directed to the Payroll Retirement mailbox.

Questions regarding withholding taxes may be directed to the Tax and Compliance mailbox.