



TOWN OF NORWOOD PERSONNEL BOARD

#P-503 – LONGEVITY POLICY NON-BARGAINED-FOR EMPLOYEES

1. Purpose and Scope

The purpose of this document is to outline the Town's longevity policy with respect to eligibility and payment, and to ensure that longevity benefits are implemented equitably and consistently to all eligible employees.

2. Applicability

- 2.1** This policy applies to all non-bargained-for full and part-time compensated positions excluding elected officials and employees of the School Department. Positions covered by Civil Service Law are subject only to those portions of the policy which are not specifically regulated by Civil Service Law.
- 2.2** To the extent permitted by law, employment agreements (new, updated or extensions) entered into after the effective date of this policy, with employees whose positions are subject to this policy, must follow all of the provisions of this policy.
- 2.3** This policy is intended to be consistent with any and all applicable laws. If any part of this policy is inconsistent with the law, that part of the policy shall be considered invalid, and the remaining provisions of this policy shall be construed so as to be consistent with the law.

3. Definitions

- 3.1** Please consult the Personnel Definitions Document (#D-100) regarding Appointing Authority, Regular Full-time Employee, Regular Part-time Employee, Intermittent Employee, Seasonal Employee, Intern, Volunteer, Temporary Employee and any other applicable terms utilized in this document.
- 3.2** Creditable Service – the amount of time accrued under this policy, as described as follows - Creditable Service includes:
 - 3.2.a** Time while '*Actively at Work*' performing your normal duties on a regular Town workday.
 - 3.2.b** Approved Leaves of Absence where an employee is also being paid by the Town through available paid time off (such as vacation, sick, personal and compensatory).
 - 3.2.c** Approved Military Leave where and as required by law, for the length of the Military Leave.
 - 3.2.d** Approved Unpaid FMLA, MMLA and Workers' Comp Leaves of Absence for up to 12 weeks within a calendar year.
 - 3.2.e** Other approved time off where the law requires the approved time to be counted. HR will make any such determination based on the applicable statute and/or policy.

- 3.3 Longevity (also known as Length of Service) in this policy refers to the attainment of a certain amount of Creditable Service in years, as of your Anniversary Date.
- 3.4 Longevity Pay – additional compensation given on the basis of total creditable service, in years, to the Town.
- 3.5 Calendar Year - refers to the normal calendar year of January 1st through December 31st.
- 3.6 Actively at Work - you are '*Actively at Work*' if you perform your normal duties on a regularly scheduled Town workday.
 - 3.6.a For purposes of Creditable Service, a worked week shall be considered when an employee is *Actively at Work* for at least 3 days of their scheduled work week, unless otherwise accounted for in Sections 3.2.b through 3.2.e above.

3.7 Anniversary Date – original date of hire minus any break in service greater than 5 years.
Example A: Employee Anne Jones works 7 years for the Town of Norwood and leaves on May 15, 2004. She returns to Town employment on November 15, 2008. Since her service break with the Town of Norwood is less than 5 years (4.5 years), Mary’s first 7 years of Town employment count towards her total Creditable Service. Mary’s Anniversary Date will be adjusted to account for her first 7 years.

Example B: David Smith works 9 years for the Town of Norwood and leaves on June 1, 2003. He returns to Town employment on September 15, 2009. Since his service break with the Town of Norwood is greater than 5 years (6.25 years), David’s first 9 years of Town employment do not count towards his total Creditable Service. David’s Anniversary date now changes to his new hire date of September 15, 2009

4. Eligibility

- 4.1 Regular Full-time and Regular Part-time employees budgeted for and regularly scheduled to work at least 20 hours per week, are eligible for longevity pay.
- 4.2 Part-time employees budgeted for and regularly scheduled to work for fewer than 20 hours per week, Intermittent/Seasonal/Temporary Employees, Interns, and Volunteers are not eligible for longevity pay.
- 4.3 An eligible employee must attain the full Creditable Service required to receive the scheduled longevity pay. In other words, an employee must be on the Town’s payroll on the date he/she attains the next amount of Creditable Service to receive Longevity Pay.

5. Policy

- 5.1 Longevity pay to eligible employees is subject to annual funding by Town Meeting.
- 5.2 It is the policy of the Town of Norwood to grant employees longevity pay based upon an employee achieving a certain level of Creditable Service in years. Employees must complete the full years of service to be credited as Creditable Service under this policy.

- 5.3 The Board of Selectmen (BOS) is the responsible board in determining the amount of longevity pay compensation for all non-bargained-for general government employees.
- 5.4 It is the responsibility of the General Manager, on behalf of the Board of Selectmen, to notify the Finance Commission and all Appointing Authorities of the payment values that should be used and included in each department's budget.
- 5.5 The Personnel Board is the responsible board in determining any changes (additions, removals, increases or decreases) to the service time(s) enabling an employee to obtain Longevity Pay or the service intervals required to obtain any level of Longevity Pay.
- 5.6 Longevity Pay is considered income and under IRS regulations is reported by the Town as income to an employee. Longevity payments are subject to appropriate federal and state withholdings.
- 5.7 Longevity Pay is considered part of an employee's regular compensation and therefore is part of an employee's retirement calculation. If this changes, the Retirement Board would be the authorizing entity. Please check with the Retirement Board for any changes that may affect your retirement calculation with respect to Longevity Pay.
- 5.8 In the event of an error or violation of this policy, either intentional or unintentional, Human Resources must be immediately informed. Human Resources will identify and make the proper correction(s). A violation of this policy, whether intentional or unintentional, will not change this policy, nor set a precedent in any future application of this policy.

6. Provisions

- 6.1 Longevity Pay will be processed on the day an employee completes a certain level of Creditable Service, as of your Anniversary Date. Payment will be included in an employee's pay check covering the week in which Longevity was attained.
Exception: Employees who, prior to June 30, 2015, have attained the minimum required years of creditable service for Longevity Pay, and have received at least one payment for Longevity Pay, may continue to receive their annual payments for Longevity Pay on a date determined by the Department Head. All other employees, when eligible for Longevity Pay, shall receive payment for Longevity Pay as set forth in Section 6.1, above.
- 6.2 Part-time regularly scheduled employees who work at least 20 hours per week, are eligible for a pro-rated share of longevity pay based on the following formula:
 - $X = \text{the number of your scheduled weekly hours. } X/40 = Y$
 - $Y \text{ times the amount of Longevity Pay that equates to your years of Creditable Service, per the latest value approved by the Board of Selectmen, will equal your longevity Pay.}$EXAMPLE: Eligible employee Joan works 25 hours per week. $Y = 25/40$ or .625. Joan completed her 15th year of Creditable Service on November 18, 2013. $.625 \times \$650$ (amount eligible after 15 years, if a full-time employee) = \$406 – this is Joan's part-time

prorated share of Longevity Pay, if funding was approved by Town Meeting for the fiscal year in which Longevity Pay is to be made.

6.3 There are no prorated payments made to employees who are separated from Town employment prior to their next Anniversary Date.

6.4 The effective/implementation date of this policy is July 1, 2015.

7. Applicable Laws / Statutes

This Section intentionally left blank.

The following document associated with and attached to this policy may change to meet the needs of the Town or new requirements of law. The Human Resources Director may make the necessary document changes without changing the intent or content of this policy. Please consult the Human Resources Department for the most current version:

- NONE

PERSONNEL BOARD

For the Personnel Board: David E. Hajjar

03 / 04 / 2015

David E. Hajjar, Chairman
Anne Haley, vice-chair
Willard Krasnow
Patterson Riley
John E. Taylor