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I. QUALIFYING SERVICE REQUIREMENT

Upon completion of at least ten (10) years of total qualifying service while employed with the College in a permanent position, an employee is eligible for Longevity Pay.

II. QUALIFYING SERVICE CALCULATION

Qualifying service is based on a month-for-month computation of employment with:

1. An institution in the North Carolina Community College System or a school administrative unit regardless of the source of salary and including state, local, or other paid employment.
    a. Employment for a full school year is equivalent to one full calendar year (credit for a partial year is given on a month-for-month basis).
    b. In no event will an employee earn more than a year of aggregate service credit in a twelve (12) month period.
    c. If an employee is in pay status for one-half (i.e., working, exhausting leave, workers' compensation, or military leave) or more of the regularly scheduled workdays in a month, credit shall be given for the entire month.
2. Departments, agencies, and institutions of the State of North Carolina (e.g., State Department of Administration, North Carolina Department of Revenue, University of North Carolina, North Carolina Community College System, State Department of Public Instruction).
3. Other governmental units which are now agencies of the State of North Carolina (e.g., county highway maintenance forces, War Manpower Commission, the Judicial System).
4. County agricultural extension service.

5. Local mental health, public health, social services, or civil preparedness agencies in North Carolina, if such employment is subject to the State Personnel Act.
6. Authorized military leave.
    a. Credit for military leave is granted only for persons who were employees of the State of North Carolina or other agencies listed in Section 2(a)-(e) herein who were granted leave without pay:
        i. for a period of involuntary service plus ninety (90) days or for a period of voluntary enlistment for up to four years, plus ninety (90) days, so long as they returned to employment in a covered agency within the ninety (90) days; or
        ii. for a period of active duty for service, alerts, or required annual training while in the National Guard or in a military reserve program.
    b. Employees who enlist for more than four years or who re-enlist shall not be eligible for longevity consideration for military leave.
    c. Employees hospitalized for a service-connected disability or injury shall be granted additional leave without pay for the period of hospitalization plus ninety (90) days or for twelve (12) months, whichever is shorter. The hospitalization must commence before reinstatement into qualifying service for the provisions of this part to apply.

III. SERVICE NOT INCLUDED

Aggregate service to the State of North Carolina for the longevity pay plan does not include:

1. Temporary service, that is, service by an employee who works in a temporary position, or who is working temporarily in the absence of a full-time regular employee on leave of absence.
2. Periods of out-of-state employment with other states, schools, colleges or universities.
3. Periods of employment with agencies of the federal government.
4. Periods of military service other than those categories described above.
5. Periods of employment for employers other than the State of North Carolina even though credit in the North Carolina Retirement System has been purchased for such employment.

IV. LONGEVITY PAY AMOUNTS

Annual longevity pay amounts are based on the length of aggregate service to the State of North Carolina, community colleges, and public schools as designated herein and a percentage of the employee's annual rate of pay on the date of eligibility.

Longevity pay amounts are computed by multiplying the employee's annual base salary rate as of the eligibility date by the appropriate percentage, rounded to the nearest dollar, in accordance with the following table:

YEARS OF AGGREGATE STATE SERVICE	LONGEVITY PAY RATE
10 but less than 15 years	1.50 %
15 but less than 20 years	2.25 %
20 but less than 25 years	3.25 %
25 or more years	4.50%

Longevity pay is not considered a part of annual base or contract pay nor is it to be represented in personnel and payroll records as part of annual base salary. Salary increases effective on the same date as longevity eligibility date shall be incorporated in the base pay before computing longevity.

V. METHOD OF LONGEVITY PAYMENT

The payment of longevity pay to eligible employees is automatic. Payment shall be made in a lump sum subject to all statutory deductions, during the monthly pay period in which the employee has satisfied all eligibility requirements.

VI. MISCELLANEOUS ISSUES REGARDING LONGEVITY PAYMENT

Eligible employees on worker's compensation leave shall receive longevity payment in the same manner as if they were working.

If an employee retires, resigns, dies, or is otherwise separated on or after the date of becoming eligible for a longevity payment, the full payment shall be made to the employee or to the estate of the employee in the event of death.

If on the effective date of these procedures, an employee has completed the qualifying length of service but is between eligibility dates, longevity payment will be made on the next longevity anniversary date.

If the employee has worked part but not all of one year since qualifying for longevity payment, the employee shall receive a prorated payment in the event of:

a. separation from the College, or
b. change in employment status to temporary part-time or to a position not covered in the Policy.

If an employee separates from the College and receives a partial longevity payment and is employed by another community college, school administrative unit, or state agency, the balance of the longevity payment shall be made upon completion of additional service totaling twelve (12) months for an employee having a 12-month period of employment or upon completion of a lesser term for a teacher other than a 12-month contract. The balance due is computed on the annual salary being paid at the completion of the requirement.

If an eligible employee at the time of separation has a fraction of a year toward the next higher percentage rate, payment shall be based on the higher rate; however, the basic eligibility for longevity requirement must have been satisfied before this provision can apply.

Leave without pay in excess of half the workdays in a month (with the exception of authorized military leave and worker's compensation leave) will delay the longevity anniversary date on a month-for-month basis.

VII. FUNDING SOURCE FOR LONGEVITY PAYMENTS

Longevity pay shall be made from the same source of funds in the same prorated amounts from which the employee's regular annual salary is paid (e.g., state, federal, local fund). The Trustees may provide longevity payments to employees from other than state allotted funds.

VIII. STATE BOARD COMPLIANCE MATTERS

The President shall:

1. Determine the quality of qualifying service and the longevity anniversary date for each eligible employee.
2. Furnish to the State Board, on forms prescribed by NCCCS, data necessary for a determination of the cost of the longevity pay plan from state funds.

The State Board President shall determine the total cost of the longevity pay plan from data submitted by each community college. The State Board President shall advise the State Board whether funds available for longevity pay are adequate. If funds are not adequate, the State President shall submit a budget revision to the State Budget Officer requesting additional funds from other available sources within State Aid.

REFERENCES

Statutory References	None
Regulatory References	1C SBCCC 400.8
Relevant Guidance	None
Policy Manual Cross-References	None

POLICY HISTORY

January 1, 2025	Adopted.