



Earnings 101 – Anniversary Dates & Increment Codes

Course Transcript

Slide 1 – Welcome

Welcome to Foundations of Payroll, a new training initiative created by the Office of the State Comptroller's Bureau of State Payroll Services.

This is Earnings 101, Anniversary Dates and Increment Codes, the first in a series of online training courses for New York State Agency Payroll staff.

Future Foundations of Payroll classes will include Promotions, Demotions and Reinstatements, Longevities and Unsatisfactory Ratings, and other valuable payroll topics.

Slide 2 – Navigation

Navigating this online training session is easy. Player buttons at the bottom of the screen allow you to pause, replay or advance the presentation.

You may also be given special instructions to select on-screen links.

In the upper right hand corner you will see the Attachments feature. Here you can find a printer-friendly transcript of this training program and copies of any supporting materials you may need to complete the program.

Navigation instructions, definitions of payroll terms, and other important instructions will appear in the box on the right side of your screen. The left side will contain screenshots and other course content.

You may exit this course anytime by closing the course window and will have the option to return to the same place next time you open the course – your place will be remembered until the next time you clear your computer's browsing history.

Slide 3 - Selection

Please click the Attachments tab and print the Histories and Handouts documents - you'll want to reference these materials as you progress through this training session.

Click one of the buttons on the left to learn more about Anniversary Dates and Increment Codes for employees in each of these Bargaining Units.

Click the **Finished** button to complete this training session and send us feedback about our training program.

Click the **Foundations of Payroll** logo below to return to this screen at any time.

Slide 4 – CSEA & PEF Anniversary Dates

Anniversary Dates and Increment Codes are very important as they determine how and when an employee's Performance Advances are paid.

Various situations can impact an employee's Anniversary Date and Increment Code, including their Bargaining Unit, and any promotions or leaves.

For annual pay basis CSEA and PEF employees, the Anniversary Date is the employee's first date in their current grade. An employee's Anniversary Date may be extended by any full pay periods of leave or any time in a lower grade. There is no change to an employee's Anniversary Date due to Military Leave and Workers' Compensation leave. Employees are not penalized for these.

Slide 5 – CSEA & PEF Increment Codes

The Increment Code is determined by the Anniversary Date and indicates the Performance Advance payment cycle. Employees must have completed one year service in a grade in order to earn a Performance Advance.

There are two payment cycles for CSEA and PEF employees, April and October. The October cycle was added in 2000 to ensure that no CSEA or PEF employee goes longer than 18 months before receiving a Performance Advance in their grade.

A CSEA or PEF employee whose Anniversary Date falls between 10/2/XX – 4/1/XX will be on the April cycle, with an Increment Code of 0001, 0003 or 0004. Increment Code 0001 indicates the employee is eligible for a Performance Advance this year and 0003 indicates the employee is not eligible for a Performance Advance in the current year but will be eligible for one the following April. 0004 indicates that a promotion recalculation, with a FIS salary, is due, which will be discussed later.

If the employee's Anniversary Date falls between 4/2/XX – 10/1/XX then the employee will be on the October cycle with an Increment Code of 1001, 1003 or 1004. Increment Code 1001 indicates the employee is eligible for a Performance Advance this year and 1003 indicates the employee is not eligible for a Performance Advance in the current year but will be eligible for one the following October. 1004 indicates that a promotion recalculation, with a FIS salary, is due, which will be discussed later.

The PEF and CSEA Anniversary Date and Increment Code systems are treated the same while the employee is receiving Performance Advances. The difference between PEF and CSEA is when the employee reaches Job Rate. When promoting and paying Longevity, the Increment Code is different for each of the bargaining units. This will be addressed in another training session.

Slide 6 – George Irving Joseph

Let's take a look at George Irving Joseph (we'll call him G.I. for short). GI is a CSEA employee, who was hired as a grade 6 Keyboard Specialist on January 15, 2002. His starting salary was \$21032. We're going to walk through G.I.'s career and examine what happens to his Anniversary Date and Increment Code as the years go by.

Slide 7 – GI Interaction #1

1. What should George's Anniversary Date be upon hire?
 - a. PEF and CSEA employees' Anniversary Date is always the first date in their current grade, which in this case is George's Hire date.
2. George was hired on January 15, 2002. Which payment cycle should he be assigned to?
 - a. Employees hired between October 2nd and April 1st are on the April Cycle. Employees on the October cycle are employees hired between April 2nd and October 1st. Because George was hired in January he will be on the April cycle.
3. What Increment Code should George be given upon his hire? Refer to the Increment Code handout if you need assistance.
 - a. George is on the April cycle, but is not entitled to a Performance Advance in April 2002, as he does not have one year in grade by April 2002. In April 2002 the PayServ System will automatically change his Increment Code to 0001 to indicate that he will be owed a Performance Advance in April 2003.
4. On March 28, 2002, GI receives a contractual raise bringing his salary to \$21768.00. Because there has been no change in grade there will be no change to his Anniversary Date. What will happen to his Increment Code?

- a. GI's Increment Code is automatically changed to 0001, letting the PayServ System know that he should be paid a Performance Advance in April 2003.
5. GI Joe receives a Performance Advance on March 27, 2003. Will there be any changes to his Anniversary Date or Increment Code at this time?
 - a. George has not changed grades or had any time off the payroll, his salary is below Job Rate and he is not yet eligible for a Longevity payment so there will be no change to his Anniversary Date or Increment Code.

Slide 8 - October 2, 2003 – Rein Lv

On October 2, 2003 GI goes on sick leave at half pay. He returns to work, referred to in payroll as Rein Lv, on October 23rd.

Every time an employee is reinstated from leave you should review their history for corrections to the Anniversary Date, Increment Code. Salary changes resulting from Rein Lvs will be addressed in a follow-up training session.

We'll use the Anniversary Date calculator, found on the Bureau of State Payroll Service's website, to determine if there will be a change to GI's Anniversary Date when he rein-leaves.

Slide 9 - The Anniversary Date Calculator

George is on the Administration cycle, so enter A, then 10/2/2003 for the first date of his leave and 10/23/2003 as his return date. Last, enter his original Anniversary Date, 1/15/2002, and click Calculate. The calculator tells us that GI has been off the payroll for one complete pay period and displays his new Anniversary Date of 1/29/2002.

Slide 10- GI Interaction #2

1. Will GI's Increment Code change upon his Rein Lv?
 - a. GI will be entitled to a Performance Advance in April 2004, so there will be no change to his Increment Code.
2. If GI had been out for a partial Pay Period, would the agency still have adjusted his Anniversary Date?
 - a. There is no adjustment to the Anniversary Date if the employee is out for less than one full Pay Period.

Slide 11 - July, 1 2004 - Rein Lv

In March 2004 GI goes out on sick leave again. This time he's out several months, returning on July 1, 2004.

When he Rein Lvs you must review GI's history to determine if he earned a Performance Advance for April 2004.

Yes, he earned his Performance Advance effective 1/29/2004 before going on leave 3/31/2004, so the Performance Advance will be payable upon rein leave. His agency must submit a pay change/Cor Sal, paying his Performance Advance and adjusting his Anniversary Date and Increment Code.

Slide 12 – GI Interaction #3

1. The agency enters a Pay Chg/CSL, the action/reason code combination used to correct an employee's salary, to adjust GI's salary after he Rein Lv's on July 1, 2004. The salary increases to

- step 2 \$23,874. Use the Anniversary Date Calculator to determine GIs adjusted Anniversary Date.
- a. GI missed 6 complete Pay Periods, for a new Anniversary Date of 4/23/2002.
 2. The change in GI's Anniversary Date means that he has changed rating cycles and is now on the October cycle. Use the Increment Code handout to determine what GI's new Increment Code should be.
 - a. Because GI has only earned 2 months (1/29 to 3/31) toward his next Performance Advance he will not be eligible for a Performance Advance in October 2004. Increment Code 1003 tells PayServ not to pay GI a Performance Advance in 2004.
 3. PayServ automatically updates GI's Increment Code after the 2004 October Performance Advances are paid to indicate that a step should be paid the following October. (2005) What is GI's updated Increment Code?
 - a. Increment Code 1001 is used to indicate that GI is due a Performance Advance in 2005.
 4. In April 2005 GI receives a contractual raise, increasing his salary to \$24,530. Will his Anniversary Date or Increment Code change?
 - a. GI has not had a change in grade or any time off the payroll, and his salary is below Job Rate so there will be no change to either his Anniversary Date or Increment Code.
 5. GI is promoted to a Grade 9 Keyboard Specialist, a PEF position, effective May 3, 2005. His Anniversary Date is changed to 5/3/2005 because this is his first day in the new grade. He will be given a FIS salary of \$26852 and his Increment Code will change. True or False: GI's new Increment Code will be 1004.
 - a. GI's new Increment Code will be 1004 because his time in the Grade 9 position counts toward the Performance Advance he would have been due in the Grade 6.
 6. On September 29, 2005 the employee will automatically receive a promotional recalculation bringing his salary to \$26852. Which of the statements on your screen are true? Select all that apply.
 - a. There is no change to GI's Anniversary Date. Because he will have one year in service in the new grade as of May 2006 he will have earned a Performance Advance, payable in October 2006 as indicated by Increment Code 1001.

Slide 13 - April 1, 2006 & September 30, 2006

GI receives an automatic contractual salary increase in April 2006 and Performance Advance in October 2006. The Increment Code lets the payroll system know it's okay to automatically process the advance. During this time there are no changes to his Anniversary Date or Increment Code. In early November, GI decides to take a lateral transfer to an M/C position at the same agency.

Slide 14 - Management / Confidential

Anniversary Dates and Increment Codes are handled differently for Management/Confidential employees. M/C employees need only 13 full pay periods in the current fiscal year in order to earn a Performance Advance, so adjustments to the employee's Anniversary Date are not necessary. M/C employees are rated on April 1st each year and Performance Advances are only paid in April. Increment Codes used for Management/Confidential employee's are 0001, 0003 and 0004. M/C employees cannot carry service over as PEF and CSEA employees can – service must be performed within each fiscal year.

Slide 15 – GI Interaction # 4

1. Effective 11/9/2006 GI takes a lateral transfer to a Management/Confidential position at the same agency. Will there be any changes to his Anniversary Date?
 - a. GI has not changed grades so there will be no change to his Anniversary Date due to this lateral transfer.
2. Management/Confidential employees are not paid on the October cycle, so GI must be placed on the April cycle. What should his new Increment Code be?
 - a. GI will have the necessary 13 pay periods as of 4/1/2007 and will be entitled to a Performance Advance in April 2007.
3. In April 2007 GI receives a Performance Advance, an \$800 flat salary increase and a contractual salary increase. Will there be any changes to his Anniversary Date or Increment Code?
 - a. GI has not changed grades and will be eligible for a Performance Advance in April 2008 so there will be no change to his Anniversary Date or Increment Code at this time.

Slide 16 - August 2, 2007

On June 3, 2007 GI went on Sick Leave with No Pay, returning to work August 2, 2007.

In order to know if there will be any change to GI's Anniversary Date or Increment Code, the agency should look ahead to determine whether GI will be eligible for a Performance Advance in April, 2008. IF he will have worked 13 full pay periods before April 2, 2008, which at this point it appears he will have, then he will be eligible for a Performance Advance.

This means there will be no changes to GI's Anniversary Date or Increment Code at the time of his Rein Lv.

Slide 17 - June, 2008

GI receives both a step increase and a contractual raise in April of 2008, bringing his salary to \$34054. There is no change to their Anniversary Date or Increment Code at this time. In June 2008 GI laterally transfers back to his original PEF position – a Grade 9 Keyboard Specialist 2.

At this time, the agency must reconstruct GI's Anniversary Date. He received a Performance Advance on the April cycle while in M/C and will remain on the April cycle. However, because the current Anniversary Date of 5/3/05 is out of date range for that cycle, the Anniversary Date must be adjusted to 4/1/06 so that PayServ will continue to process Performance Advance payments.

His Increment Code remains the same, as he will be eligible for a Performance Advance in April 2009. GI's time in the M/C position counts as service in an equal grade toward his PEF Performance Advance.

Slide 18 – GI Interaction #5

1. GI Joe remains in this position for the next three years, receiving Performance Advances and contractual raises until he reaches Job Rate in spring of 2011. What happens to GI's Anniversary Date and Increment Code at this time?
 - a. There has been no change in grade, so GI's Anniversary Date remains 4/1/2006. His Increment Code changes to 2011 to show that he has reached Job Rate on the April cycle. He will be due a Longevity Payment in April 2016.

Slide 19 – Security Officers - Anniversary Date

The Anniversary Date for a security officer is used to determine longevity eligibility in a security Bargaining Unit. It is their first date in a security Bargaining Unit adjusted by any time OFF the payroll on leave without pay or for any service in a non-Security Bargaining Unit .

Military Leave and Workers' Compensation Leave are exceptions to this rule.

When adjustments to the Anniversary Date are made they are made in days, not complete pay periods.

The employee's Anniversary Date **does not change** when they change positions within security Bargaining Units.

Slide 20 - Security Officers – Increment Codes

Performance Advances for Security Officers in Bargaining Units BU 01, 21, 31, 61 and 91 are paid in April only. Officers must have worked 100 work days within the fiscal year (4/1 – 3/31) in order to receive a Performance Advance. Each day on sick leave at half pay is counted as half a workday.

Review the security Increment Codes on the handout. The last digit of the Increment Code indicates the fiscal year a longevity payment is due. Because a fiscal year runs from April to March, employees with an Anniversary Date that falls between January and March will have an Increment Code ending with the last digit of the PRIOR calendar year.

A note about State Police: Bargaining Units 07, 17, 62 and 18 use Increment Code 0000. Payments for these employees are not processed on an April or October cycle. Employees in these Bargaining Units receive increments the pay period following completion of required service based on their Anniversary Date. Employees who work for the State Police in other Bargaining Units, such as Security, M/C, CSEA and PEF, are treated according to the established policies for those Bargaining Units.

Now, let's take a look at an employee in a Security Bargaining Unit and see what happens as his career unfolds.

Slide 21 - Anthony Gambello

This is Anthony Gambello, a Security Services Assistant 1 with the New York State Police. On May 10, 2005 Anthony goes out on sick leave at half pay.

Slide 22 – Anthony Interaction #1

1. Anthony returns to work on June 20, 2005. Will his Anniversary Date change?
 - a. There is no adjustment to the Anniversary Date for employees in Security Bargaining Units due to Sick Leave at Half Pay.
2. Will Anthony's Increment Code change upon his June 20th Rein Lv?
 - a. There will be no adjustment to the Increment Code at this time. Anthony can still potentially have the necessary 100 work days by 4/1/2006, and is therefore still entitled to a Performance Advance in April 2006.
3. Anthony goes out on leave again on April 10, 2006, but this time it's leave without pay. He returns to work on May 20, 2006. Click the calculator to use the Anniversary Date calculator for Security to determine what will happen to Anthony's Anniversary Date when he Rein Lvs.
 - a. Anthony missed 40 calendar days, moving his Anniversary Date to 2/14/2004.
4. Will Anthony's Increment Code change upon his May 20th Rein Lv?
 - a. Anthony is still entitled to a Performance Advance in April 2007 so there will be no change to his Increment Code.
5. Anthony is promoted to a Security Officer with the NYS Education Department effective 6/29/2006. Will this promotion result in an Anniversary Date change?
 - a. A Security employee's Anniversary Date does not change due to promotion.
6. Will Anthony's Increment Code change upon his Promotion?
 - a. A promotion does not affect longevity pay eligibility. As Anthony is still holding a salary below Job Rate and will have 100 work days in his promoted grade by April 2007,

his Performance Advance eligibility continues and there will be no change to his his Increment Code.

7. Anthony goes on Sick Leave at Half Pay again on April 25, 2009 and Rein Lv's on July 18, 2009.
 - a. There is no adjustment to the Anniversary Date for employees in Security Bargaining Units due to Sick Leave at Half Pay, so there will be no change to Anthony's Anniversary Date or Increment Code at this time.
8. Anthony goes out on leave again on August 1, 2009 and returns March 12, 2010. Use the Anniversary Date Calculator for Security and the Increment Code reference guide to determine what will happen to Anthony's Anniversary Date and Increment Code.
 - a. The agency should review Anthony's history when he Rein Lv's. Leave without pay impacts both his performance advance and longevity eligibility. He has less than the required 100 work days and is not eligible for the 2010 Performance Advance. His Anniversary Date passes the 4/1 date, advancing when the 10 year longevity pay will be due. His increment code is updated to 3004.
9. On April 4/1/2010 the Payroll system automatically changes Anthony's Increment Code. Using the handout I gave you, what do you think the new Increment Code will be? 0014
 - a. Increment Code 0014 sets Anthony up to receive his next Performance Advance in April 2011.

Slide 23 - March 27, 2013

Anthony receives a Performance Advance in the spring of 2011 and 2012 before reaching Job Rate with his Performance Advance in April, 2013.

Slide 24 – Anthony Interaction #2

1. Anthony reached Job Rate in April, 2013. What will happen to his Anniversary Date and Increment Code? Select all that apply.
 - a. The Anniversary Date remains the same and the Increment Code changes to 0064, indicating that Anthony has reached Job Rate and is holding no Longevity payments.
2. On September 25, 2014, the first day of the pay period after reaching his 10 year Anniversary Date, Anthony will receive a Long Pay adjustment - bringing his salary to \$43,495. Again, his Anniversary Date will stay the same. What will his New Increment Code be?
 - a. Anthony's new Increment Code is 0039, indicating that he is at Job Rate and holding one Longevity Payment. His next Longevity adjustment will be due in 2019.
3. Effective 10/9/2014 - Anthony is promoted to a Senior Security officer with a Salary of 46,296 . There will be no change to his Anniversary Date. What happens to his Increment Code?
 - a. Anthony's Increment Code changes to 0049, indicating that he is below Job Rate in the new grade but holding one Longevity payment.

Slide 25 - Institution Teachers

Institutional teachers can have pay basis codes of 21P or Cal – Cal employees are paid over a 12 month period while 21P are paid over 21 pay periods based on contract dates.

Institutional Teachers must have 150 workdays in grade in an academic year in order to receive a Performance Advance.

For Cal teachers these workdays must be between 9/1/XX and 6/30/XX of each year. Performance Advances for these employees are paid on 9/1/XX.

21P dates are determined by agency contract dates and Performance Advances are paid on the contract begin date.

Slide 26 - Institution Teachers

Anniversary Date is not used for any specific purpose by OSC as institution teachers are rated at the end of the academic year. There is no need to adjust the Anniversary Date for periods of leave.

The Increment Code will only be changed if employee will have less than 150 days worked and is not entitled to a Performance Advance.

Slide 27 – Courtney Krieger

Meet Courtney Krieger, an annual employee with Mohawk Correctional Facility. Courtney was promoted to a 21P institution teacher position effective 5/14/2012. Her salary on promotion will be \$42468.

Slide 28 – Courtney Interaction #1

1. What will Courtney's new Anniversary Date be?
 - a. Courtney's Anniversary Date is now the first date in the new grade, so it adjusts to 5/14/2012.
2. What will Courtney's Increment Code become upon her promotion? Refer to the handouts to determine her Increment Code.
 - a. Courtney will not have the 150 days needed to earn a Performance Advance in the Grade 12 in September 2012. Increment Code 0003 indicates her eligibility to receive a Performance Advance in September 2013.

Slide 29 - FIS Amount

Courtney has also been given a FIS amount of \$10. This indicates to the agency that a promotional recalculation must be submitted in PayServ in October 2012.

Prior to being promoted into the CAL teacher position Courtney was on the October performance cycle in her annual position, meaning she would have been due a Performance Advance in October 2012 had she remained in the prior lower grade 11. Even though Courtney has been promoted to a teaching position she is still entitled to this Performance Advance. However, Calendar and 21P employees only get Performance Advances in September, using Increment Codes 0001, 0004 or 0003. PayServ will not automatically process a promotion recalculation for any payment cycle other than the one associated with the pay basis.

Slide 30 – Courtney Interaction # 2

1. On September 1 2012, Courtney becomes a CAL employee. True or false? There will be no change to Courtney's Increment Code.
 - a. Courtney's Increment Code will change to 0001 because she will be entitled to a Performance Advance in September 2013. Also, notice that Courtney still has a FIS amount of \$10.
2. On 10/4/2012 the agency manually enters the promotional recalculation, giving Courtney the Performance Advance she earned in the Grade 11 position. Will her Increment Code change?
 - a. Courtney's Increment Code stays the same as as her salary is below Job Rate and she's not due a Performance Advance in the Cal position until September 2013. The \$10 FIS salary amount is no longer necessary because the 2012 Performance Advance has now been paid.

3. Courtney goes out on sick leave with no pay on October 20, 2012 and returns to work on November 15, 2012. Which of the following statements is correct?
 - a. There will be no change. OSC does not require Anniversary Date adjustments for Institution Teachers who go out on leave and Courtney will still be entitled to her September 2013 Performance Advance.
4. In September 2013 Courtney receives a Performance Advance. True or False: Courtney's Increment Code will change at this time.
 - a. Courtney's salary is below Job Rate and she will be entitled to a Performance Advance again in 2014 so there is no change to her Increment Code.
5. Courtney is promoted to a Vocational Instructor 2 in December 2013. Which of the following combinations of Anniversary Date and Increment Code is correct upon her promotion?
 - a. Courtney's new Anniversary Date is the first day in her new grade. The Increment Code changes to 0004 to indicate that Courtney is due a promotion recalculation/FIS in September 2014. She'll be given a FIS amount of \$47946.00, which will be automatically paid in September 2014.
6. Courtney receives a contractual raise in April 2014. Will there be a change to her Anniversary Date or Increment Code?
 - a. Courtney has not had a change in grade so there is no change to her Anniversary Date, and she will be due a Performance Advance in September 2014 so there's no change to her Increment Code. Her FIS amount is recalculated by OSC to include the contractual raise and is now \$48905.
7. On 9/1/2014 Courtney will receive another promotion recalculation. Her Anniversary Date will stay the same. What should the new Increment Code be? Refer to the Increment Code handout and enter your answer in the box on your screen.
 - a. Courtney's Increment Code changes to 0001, which will automatically pay the September 2015 Performance Advance. She is not entitled to any further promotional recalculations.

Slide 31 – Other Increment Codes Interaction

1. 7777 - **Used to reflect unsatisfactory rating.**
 - a. **For CSEA and PEF.** Used to withhold a longevity payment due to unsatisfactory rating.
 - b. **For Security.** Used to withhold Performance Advance.
2. 2222 - **For Any BU.** Composite salary (salary is a combination of 2 different jobs).
3. XX10 - **For CSEA and PEF only.** Employee reached job rate on the October cycle (XX represents the last two digits of the year that they reached job rate). Note: For CSEA per Payroll Bulletin 970 increment codes 0010, 0110, 0210, 0310, and 0410 were converted to a fiscal year to indicate Longevity Lump Sum should be processed on the April payment cycle.
4. 0402 - **Man/Con.** Employees who had Performance Advances or raises withheld in April 2002.
5. 19XX or 20XX - **For CSEA, PEF and Man Con only.** Fiscal year that employee reached job rate in their current grade (XX represents the last two digits of the year that they reached job rate).
6. 0069 - **For Non Security BU's only** (*Security BU's use different code- 6900*). Indicates position was downward reallocated. Employee retains salary of higher grade and all future payments (Performance Advances, job rate, longevity pay, merit step, etc.) are those of the higher grade as long as employee remains in position.

Slide 32 – Thank You

Thank you for taking this Foundations of Payroll online training session. Any questions you may have about this training program can be sent to PayrollTraining@osc.state.ny.us.

Please click the onscreen link to complete a short online evaluation of this training program. You'll have an opportunity to provide feedback about this program and let us know what other types of Payroll training you'd like to see.