

ACCOUNTING AND  
CONTROL MANUAL

BULLETIN

NEW YORK STATE  
OFFICE OF THE STATE COMPTROLLER

DIVISION OF AUDITS AND ACCOUNTS

BULLETIN NO. P-110

July 25, 1975

TO: All Payroll Agencies  
FROM: Department of Audit & Control  
SUBJECT: Payment of Annual Service Increment

A chapter of the Laws of 1975 has provided for the payment of the annual service increments to eligible employees in other than the Security Services Negotiating Unit #1, effective July 1, and payable from the payroll period the first day of which is nearest July 1.

The increment will be payable from pay period #7 (6/26/75 - 7/9/75) in the Administration Agencies, and from pay period #8 (7/3/75 - 7/16/75) in the Institutions.

The increments will be processed in pay period #11 (8/21 - 9/3) for Administration Agencies, and period #11 (8/14 - 8/27) for the Institutions. Therefore, there will be a retroactive adjustment for 4 pay periods for Administration employees and for 3 pay periods for Institution employees.

The increments will be applied as usual to the March 31 salary. Eligible employees will receive an increment or partial increment of their grades as provided in the April 1, 1975 salary limitation schedule, a copy of which is attached.

When the March 31 basic salary is below the maximum limitation, an eligible employee will have the March 31 salary increased by a full increment or that part of an increment of the grade occupied on that date which will bring his salary to the maximum salary on the salary limitation schedule.

When an employee has previously attained the 1st additional step and his March 31 salary is below the 1st additional salary step on the salary limitation schedule, he will receive that part of the increment of his March 31 salary grade which will bring his salary to the 1st additional salary step indicated on the schedule.

An employee who became eligible for the first additional increment on 4/1/75, and whose basic salary was below the 1st additional step of his March 31 grade, will receive the full or partial increment which will bring his salary to the 1st additional salary level indicated on the salary limitation schedule.

An employee who was eligible for the 2nd additional increment of his March 31 grade, will receive the full or partial increment which will bring his salary to the 2nd additional salary level indicated on the salary limitation schedule.

The increments will be applied by computer program where possible in accordance with the increment codes on the master record. These codes were placed on your payroll listings in the 25th payroll period. Any status change since that period may require a change of increment code. These codes will be updated by audit and control, but should be examined by agencies for any required correction.

You should refer to bulletin #98 dated January 27, 1975 for explanation of the codes.

Should an employee have a change in status, promotion, demotion, etc. subsequent to April 1, 1975, the April 1 incremented salary must first be determined by applying the increment, where due, to the March 31 salary. The increment of the promotion grade will then be applied to the new incremented lower grade salary. The 1974 salary schedule will be used to determine the proper salary on promotion. In case of demotion the lower grade salary entitlement must be determined after incrementation of the higher 3/31/75 grade. Where no further transactions are indicated, this would be the salary entitlement for July 1.

Where an employee has terminated prior to July 1, no incrementing will be processed, since there is no retroactive provision in the law.

An employee on leave of absence prior to 7/1/75 and continuing through that date, will not have the salary incremented until return to service.

The Chap. has also provided for the continuation of the \$6000 minimum salary after the completion of 26 full periods of service and \$6500 after completion of 52 periods of service.

Employees who attained eligibility for either the \$6000 or the \$6500 minimum after April 1, 1975 but could not be so advanced because of lack of statute, may now receive this benefit, retroactive to the date eligibility was established. The salary may be advanced, for adjustment purposes, to \$6000 or \$6500 (or \$5800 plus location pay or \$6300 plus location pay) on the date eligibility was established. The adjustment will be computed on the difference between the salary actually received and the minimum salary entitlement. This will be done prior to incrementing. The April incremented salary must then be computed to establish the July 1 salary entitlement. The July 1 salary is not retroactive therefore adjustment due will be computed only from the payroll period #7 in Administration and payroll period #8 in Institutions. Apply the increment to the employee's basic March 31 salary. If the incremented salary remains below \$6000 or \$6500 (or \$5800 or \$6300 plus location pay), the employee will be advanced to the proper minimums on the date eligibility. If the incremented salary exceeds \$6000 or \$6500, such salary becomes the employee's new basic salary. Employees advanced to this new basic salary will be entitled to adjustment based on that salary from July 1 only. He would still be entitled to adjustment to \$6000 or \$6500 on date of eligibility as explained above.

Example

An employee in grade 3 at the minimum salary of \$5871 on 3/31 was entitled to advance to \$6000 on June 10. This employee would be entitled to an adjustment between \$5871 on \$6000 from June 10. Now the employee's March 31 salary of \$5871 is incremented by addition of \$275 bringing his basic salary on 4/1/75 to \$6146. This is the employee's new July 1, 1975 salary entitlement. Adjustment for the \$146 difference is due only from June 26 in Administration Agencies and from July 3 in Institutions.

Remember location pay is included when advancing to the minimum salaries. All incrementing must be done on the basic salary of March 31. If the addition of the location pay brings the salary over the \$6000 or \$6500, the employee is not involved in the minimum eligibility.

A PR75 form will be required from the Agencies for employees whose eligibility for the minimums occurred after April 1, 1975.

Tentative Payroll Listing

After payrolls are processed for period #10, Audit and Control will convert the computer payroll records to reflect the new incremented salaries. A tentative payroll listing will be prepared showing recomputed biweekly gross payment and variable deductions based on the incremented salaries and new gross totals for the payroll, including retroactive adjustment.

The biweekly gross will be computed on the 366 day factor of .038251.

A copy of your agency tentative listing will be forwarded to each of you shortly after you receive copies of your payroll listing for the 10th period. The tentative listing will be used as the "previous payroll" for all information supplied on all forms for the 11th pay period. Audit and Control will prepare salary payments for the 11th period as they are indicated on the tentative payroll listing unless a PR75 form reporting a change is submitted by the agency. Therefore, the tentative payroll listing should be carefully examined by the agency and any correction required should be made by submission of form PR75 in the #11 pay period.

The retroactive adjustment will be computed by Audit and Control for the 4 payroll periods from June 26 through August 20 for Administration Agencies and for the 3 payroll periods from July 3 through August 13 for Institution payrolls, where the employee has had no salary change during those periods. Where a change in salary has occurred, a PR75 form will be required to include the retroactive adjustment.

Because of lack of certain information on the payroll record, there may be some items on your tentative listing for which incremented salaries could not be determined. An exception listing will be printed and forwarded to you with the tentative payroll listings containing the following:

1. Annual salary below minimum of grade.
2. Code 4 without corresponding salary.

3. No grade on record.
4. No pay basis code. Computed as annual.
5. Salary change since July 1.

An additional exception list will be prepared - "part-time percentage exception list." This list will be a printout of all items which currently appear on the payroll with a part-time percentage.

You should carefully review both exception listings and submit form PR75 to supply the missing information and to make any necessary salary or part-time percentage corrections.

Preparation of Forms - Period #11

Prepare all forms PR75 usually submitted for a normal period to report all payroll changes to take effect during the #11 pay period. Be sure to submit PR forms for all corrections required to the tentative payroll listing.

1. Review exception listing and submit forms where required.
2. Check that correct salary determination was made for employees whose salary entitlement in the current grade is based on service in a higher grade position which was abolished.
3. Check that correct salary determination was made for Trainees in NS positions where current salary is based on previous service in a graded position.
4. Check employees paid on a lag basis. Any increment due will be payable from the pay period in which payment was made for services rendered in period 7 for Administration and period 8 for Institutions. PR75 forms will be required to process when due.
5. In the interim payroll system both full annual salary and the part-time percentages must be reported on annual salaried employees. Check the part-time percentage listing and submit PR75's to:
  - a) Correct annual salary and percentage
  - b) Add the percentage, where the employee is on part-time status but carried at full-time.
  - c) Delete the percentage where employee is on full-time status but carried on percentage of times.
6. Do not process adjustments for overtime or lost time until period #13.

Note: A change, addition or deletion to the part-time percentage exception listing may require a biweekly gross change.

Prepare PR75 forms in accordance with regular procedure. Any PR form affecting salary must have an entry in the "Gross Salary" (add) block. Previous Period Gross Salary (deduct) figure should be the amount shown on the tentative payroll listing. The line number as it appears on the tentative listing should be entered on all forms PR75 and AC1040 submitted for 11 pay period.

Prepare signed copies of AC238. "Amount of Previous Payroll" will be the total shown on the tentative payroll listing. Enter "Add" and "Deduct figures" and show certification total.

#### Pay Period Following Conversion

After the payroll for conversion (#11) has been processed, Audit & Control will automatically restore to normal biweekly payment all graded employees, including those in Security Services Negotiation Unit #1.

All other employees must be examined by agency and a PR75 form submitted when restoration to normal is required.

A tentative payroll will again be prepared by Audit & Control which will include the biweekly payments for all employees automatically restored by Audit & Control. A PR75 form will be required where other than normal biweekly is to be paid to an employee in period #12. A copy of the tentative listing will be forwarded to each payroll agency shortly after the regular payroll for the conversion period (payroll #11) is processed. For those Agencies converting to the new payroll system, the tentative payroll listing will be in the new system format. This tentative listing should be carefully examined by the Agencies and used as the "previous payroll" for all information supplied on all PR75 forms in pay period #12.

Important - Institution Teachers will not be incremented at this time. The incremented salary must be computed when the teachers are restored to payroll in September. PR75 forms will be required at that time.

Requests for clarification or questions concerning salary determination may be directed to Salary Determination Section. Phone numbers 474-3692-1530, or 474-1248-5758.

#### 1 Attachment -

Salary Limitations - Annual Increment 4/1/75

DEPARTMENT OF AUDIT AND CONTROL  
BUREAU OF PAYROLL AUDIT  
SALARY LIMITATIONS---ANNUAL INCREMENTS APRIL 1, 1975  
OTHER THAN SECURITY SERVICE NEGOTIATING UNIT

<u>SALARY GRADE</u>	<u>ANNUAL INCREMENT</u>	<u>EXTENDED MAXIMUM SALARY</u>	<u>EXTENDED 1ST ADD. STEP</u>	<u>2ND ADD. STEP</u>
1	250	6870	6870	6870
2	262	7157	7157	7157
3	275	7521	7521	7521
4	290	7888	7888	7888
5	305	8280	8280	8280
6	319	8725	8725	8725
7	332	9196	9196	9196
8	346	9692	9692	9692
9	362	10164	10223	10223
10	379	10641	10797	10797
11	396	11146	11405	11405
12	413	11601	12024	12024
13	431	12194	12704	12704
14	450	12835	13414	13414
15	469	13513	14093	14151
16	491	14231	14797	14929
17	516	14999	15552	15766
18	542	15816	16389	16656
19	567	16634	17233	17544
20	592	17452	18077	18432
21	618	18335	18988	19392
22	645	19272	19953	20408

In grades 1 through 8 the extended maximum salary is actually the salary at the 2nd additional step in the regular grade schedule. No one may advance beyond this salary by application of the annual increment. Since employees will reach this salary by the normal increments, there is no need to examine for 1st or 2nd additional increment eligibility.

In grades 9 through 14 the extended 1st additional step is actually the salary at the 2nd additional step in the regular grade schedule. Employees will reach this salary when eligible for the 1st additional step and there is no need to examine for 2nd additional increment eligibility.

From grade 23 on, the normal maximums and additional steps prevail as indicated in the regular salary grade schedule.