



West Virginia Department of Transportation Policy: **Annual Increment**

Issued by the Secretary of Transportation

Policy No: DOT 3.40

Issue Date: 03/01/1992

Revised: 09/06/2022

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1.0 PURPOSE

The purpose of this policy is to ensure uniform adherence to the established procedures for compensating eligible employees of the West Virginia Department of Transportation (WVDOT) and its spending units for the annual increment payment provided for in *W. Va. Code §5-5-2*.

2.0 SCOPE

This policy applies to all employees of the WVDOT, excluding the Parkways Authority.

3.0 DEFINITIONS

- 3.1 **Eligible Employee:** Any regular, full-time or part-time, employee of the WVDOT who is eligible for membership in any State retirement system of the State of West Virginia, or any other retirement plan authorized by the State, except employees whose compensation is fixed by statute or by statutory schedule.
- 3.2 **Years of Service:** Full years of totaled service as an employee of WVDOT and the State of West Virginia. Employees who work less than half-time, 0.5 full-time equivalent (FTE), shall not receive years of service credit for such employment.

Eligible employees who work at least 0.5 but less than 1.0 FTE accumulate service pro-rata as specified in by law and this policy.

Years of service excludes any period in which an employee is in a no-pay status such as: unauthorized leave, leave of absence (personal, medical, or parental), or suspension, except periods of military service and leave without pay while receiving Workers' Compensation temporary total disability (TTD) benefits, which shall be counted as tenure.

4.0 POLICY

- 4.1 Every eligible employee with three (3) or more full years of service shall receive an annual increment payment equal to \$60 times the employee's years of service, without limit.
- A. In each fiscal year and on the first day of July, each eligible employee shall receive an annual increment increase of \$60 for that fiscal year. Every employee becoming newly eligible, as a result of meeting the three (3) years of service minimum requirement on the first day of July in any fiscal year, is entitled to the annual increment increase equal to \$60 times the employee's full years of service, where the employee has not in a previous fiscal year received the benefit of an increment computation; and shall receive a single annual increment increase thereafter of \$60 for each subsequent fiscal year.

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- B. These incremental increases shall be in addition to any across-the-board, cost-of-living, or percentage salary increases which may be granted in any fiscal year by the Legislature. This shall not be construed to prohibit other pay increases based on merit, seniority, promotion, or other reason, if funds are available for the other pay increases.
- C. The agency head shall first grant the annual increment payment to all eligible employees prior to the consideration of any increases based on merit, seniority, promotion, or other reason.
- D. Exclusions: The annual increment payment shall not apply to any employee of the State whose compensation is fixed by statute or by statutory schedule, nor shall it be construed to mandate an increase in the salary of any elected or appointed officer of the State. However, this service shall be computed as years of service if the employee subsequently satisfies the definition of eligible employee.
- E. Schedule of Payment: During the month of July, the Auditor's Office shall make such payment for this annual salary supplement in a lump sum payment. Eligible employees on leave of absence without pay at the time payment is made shall receive their annual increment payment concurrently with all other employees.
- F. Part-time Employees: Eligible part-time employment of 0.5 FTE or more is cumulative and shall be included when computing full years of service credit. Years of service for part-time employment is calculated by multiplying each period of service by its respective FTE and then totaling all service.
- G. Employees in a No-Pay Status:
 - 1. An eligible employee who has been in no-pay status for a portion of the fiscal year for which payment is being made shall receive an annual increment, based on the employee's totaled full years of service credit as of close of business on June 30.
 - 2. The employee shall be eligible to receive the pro rata share of the annual increment to which they are entitled; however, the employee shall not be credited with holidays or accrue increment pay, annual leave, sick leave, or tenure for the period for which severance pay is received.
 - 3. Where the employee provided no service during the fiscal year, the employee shall receive no annual increment payment, consistent with the provisions of *W. Va. Code §12-3-13*. However, an employee on leave without pay while receiving TTD benefits or on leave without pay for military service shall receive an annual increment payment and shall accrue years of service while on such leave without pay.

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- 4.2 Separating employees shall be paid the annual increment on a pro rata basis for the portion of service rendered by the employee during the current fiscal year of employment.
 - A. Such service period shall include tenure value of any terminal annual leave, regardless of the method of payment.
 - B. The prorated portion an employee receives upon separation prior to June 30, shall be based on their totaled full years of service, and shall be computed based on the months of service rendered in the fiscal year in which the employee terminates. However, if the employee returns during the same year that they had been paid a pro rata annual increment payment upon termination, the employee will only be eligible for the balance between the previously paid pro rata portion and a full increment share. It may be necessary to recalculate years of service.
 - C. When there are sufficient monies in the agencies' budgets, the annual increment must be paid within the next pay period subsequent to separation. However, if sufficient funds are not available, it shall be paid from the next fiscal year's appropriations for increment payment.
 - D. Employees Transferring: Any eligible employee who transfers to or from a State agency to WVDOT during the course of a fiscal year shall be paid an annual increment by the agency that employs them on July 1 of the fiscal year. Increment payment obligations are not prorated between agencies.
- 4.3 The employee is responsible for obtaining verification of qualifying service from each former State employer. The verification shall specify if the service was fulltime or the portion thereof.
- 4.4 In accordance with the U.S. Department of Labor ruling of August 26, 1985, the increment payment shall be included when computing the rate of pay for overtime payment for employees covered by the Fair Labor Standards Act, who work in excess of 40 hours in any workweek.

5.0 REFERENCES

- 5.1 *W. Va. Code* §5-5-2, as amended (originally effective July 1, 1985).
- 5.2 *W. Va. Code* §23-5A-4.
- 5.3 Title 38 U.S. Code, Chapter 43, Sections 4301-4333, Public Law 103-353, "Uniformed Services Employment and Reemployment Rights Act (USERRA)."
- 5.4 DOT3.1 Workers Compensation.
- 5.5 U.S. Department of Labor Opinion Letter dated August 26, 1985.
- 5.6 Op. Att'y Gen., August 17, 1988, No. 3. I. Op. Att'y Gen., June 28, 1985, No. 11.

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- 5.7 Op. Att'y Gen., June 27, 1990, No. 37.
- 5.8 Bush v. W.Va. Department of Health and Human Services/Bureau for Children and Families & Division of Personnel, Civil Action No. 98-AA-173 (Kanawha County, WV) (Feb. 14, 2000).
- 5.9 Canfield et al v. WV Division of Corrections 617 S.E.2d 887 (W. Va. 2005).

6.0 CHANGE LOG

September 6, 2022

- Reformatted to DOT policy.
- Updated references

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Approved by:



Jimmy D. Wriston, P.E.
Secretary of
Transportation
Commissioner of
Highways



Date

*The Secretary of the West Virginia Department of Transportation or the Commissioner of Highways may, pursuant to the authority vested with the Secretary and Commissioner in W. Va. Code §5F-2-2, §17-2A-1 *et seq.*, and §17-2-1 *et seq.*, waive the requirements of this policy if the circumstances, in the Secretary or Commissioner's sole discretion, warrant such action.