



OFFICE OF LABOR RELATIONS

40 Rector Street, New York, N.Y. 10006-1705
nyc.gov/olr

ROBERT W. LINN
Commissioner

RENEE CAMPION
First Deputy Commissioner

MAYRA E. BELL
General Counsel

CHRIS BERNER
Chief of Staff

GEORGETTE GESTELY
Director, Employee Benefits Program

INTERPRETIVE MEMORANDUM No. 102

TO: All Affected Agencies
FROM: Renee Campion, First Deputy Commissioner
DATE: August 26, 2014
RE: Lump Sum Ratification Bonus

This interpretive memorandum is to provide guidance regarding the payment of the lump sum ratification bonus provided in Section 2 of the 2010-2017 Memorandum of Agreement between District Council 37 and the City of New York, and subsequent collective bargaining agreements as applicable.

The language of the agreement reads:

A lump sum cash payment in the amount of \$1,000, pro-rated for other than full-time employees, shall be payable as soon as practicable upon ratification of the Agreement to those employees who are on payroll as of the date of ratification. The lump sum cash payment shall be pensionable, consistent with applicable law.

A. Eligibility Guidelines

To be eligible for the lump sum payment, an employee must be serving in active payroll status in a title covered by the applicable collective bargaining agreement on the date of ratification of the agreement. Any questions regarding the date of ratification should be directed to the Office of Labor Relations. In the case of the 2010-2017 Memorandum of Agreement between District Council 37 and the City of New York, the ratification date was August 5, 2014.

Active payroll status is defined as being in payroll status "B" (active) or "K" (military leave with pay).

Employees who were terminated for cause, resigned, retired, or otherwise separated from service prior to the date of ratification of the agreement shall not be eligible for the lump sum cash payment.

B. Lump Sum Cash Payment for Full-Time Per Annum and Full-Time Per Diem Employees

All full-time per annum and full-time per diem employees who were in active paid status on the date of ratification are entitled to receive the lump sum cash payment of \$1,000.

C. Proration of Lump Sum Cash Payment for other than Full-Time and Full-Time Per Diem Employees

Part-time per annum, part-time per diem (including seasonal appointees), per session, hourly paid Employees and Employees whose normal work year is less than a full calendar year shall receive a pro-rata portion of the lump sum cash payment based on their regularly scheduled hours between July 1, 2013 and June 30, 2014.

- i. Part-time employees who were in active pay status the entire period from July 1, 2013 through June 30, 2014, and on the date of ratification, shall receive a pro-rata lump sum cash payment not to exceed \$1,000.
 - *For example:* An employee in a 40-hour title works 20 hours per week for the entire time period from July 1, 2013 through June 30, 2014. This employee would receive a lump sum ratification bonus of \$500
- ii. Employees who were in active pay status on the date of ratification, and for a portion of the period July 1, 2013 through June 30, 2014, shall receive a pro-rata lump sum cash payment not to exceed \$1,000 based upon the portion of time that they were in active pay status.
 - *For example:* A seasonal employee in a 40-hour title works 10 weeks during the period July 1, 2013 through June 30, 2014, an average of 48 scheduled hours per week. This employee would receive a lump sum ratification bonus of \$229.89¹.
- iii. School Year Based Employees:
Where the regular and customary work year for a title is less than a twelve-month year, such as a school year, such computations provided for in Section C a. i. and a. ii. shall be based on service during the period from September 5, 2013 through June 26, 2014 or other applicable dates for other school-based employees.

¹ $\frac{480 \text{ Scheduled Hours Worked}}{2088 \text{ Scheduled Hours Per Year}} \times \$1000 = \$229.89$

D. Effect of Lump Sum Ratification Bonus

The lump sum cash payments shall not become part of the Employee's basic salary rate nor be added to the Employee's basic salary for the calculation of any salary based benefits including the calculation of future collective bargaining increases.

E. Timing of Payment

The lump sum cash payment shall be paid as soon as practicable upon ratification of the applicable agreement.

F. Additional Determinations

For unique circumstances that are not covered by this memorandum, the First Deputy Commissioner of Labor Relations may elect to issue, on a case-by-case basis, interpretations concerning the payment of the lump sum ratification bonus. Such case-by-case interpretations are not subject to any dispute resolution procedures.