

FDA STAFF MANUAL GUIDES, VOLUME III - GENERAL ADMINISTRATION

PERSONNEL

INCENTIVE AWARDS

CASH AWARDS FOR SUSTAINED SUPERIOR PERFORMANCE AND  
SPECIAL ACTS OR SERVICES

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**1. PURPOSE**

This Guide contains Information regarding cash awards for sustained superior performance and special acts or services and outlines procedures for initiating and processing these awards.

**2. SCOPE**

This Guide applies to all civilian employees of the Food and Drug Administration. It does not apply to officers of the Public Health Service who are covered by provisions contained in the Commissioned Corps Personnel Manual.

**3. REFERENCES**

- A. Federal Personnel Manual, Chapter 451, Incentive Awards.

- B. HEW Personnel Instruction, Chapter 250-12, Authority for Program of Incentive Awards Based on Deeds, Performance, and Length of Service, and supplements.
- C. HEW Personnel Instruction, Chapter 451-1, Incentive Awards Based on Special Achievement or Length of Service, and supplements.
- D. Staff Manual Guide FDA 1431.11, Authority for Incentive Awards Based on Deeds or Performance.
- E. Staff Manual Guide FDA 3113.2, FDA Local Incentive Awards Officers.
- F. Staff Manual Guide FDA 3113.4, Annual Certification of Performance Ratings.
- G. Staff Manual Guide FDA 3113.7, Quality Increases.

#### **4. CASH AWARDS FOR SPECIAL ACTS OR SERVICES**

- A. When Appropriate. A cash award may be given an employee or group of employees for a single act or a series of actions performed either within or outside normal duties, as distinguished from superior performance where sustained overall performance is required. This act or service may be an act of heroism or a special protect of a "one-time" nature, or a series of actions that result in overcoming unusual difficulties. There is no requirement regarding the amount of time the special act or service must cover, however, recognition should be given as soon as possible following the accomplishment.
- B. Amount of Award. The amount of the award for special acts or services is determined by the benefits the Government derives from the contribution. The benefits may be tangible or intangible. The scales provided in Attachments A and B are appropriate guidelines for determining the award amount.

#### **5. CASH AWARDS FOR SUSTAINED SUPERIOR PERFORMANCE**

- A. When Appropriate. A cash award may be given an employee for performance which substantially exceeds normal job requirements over a sustained period. Performance exceeds job requirements when it is significantly superior to that which is normally expected. The employee must perform all duties satisfactorily and at least one important duty must substantially exceed normal standards. Normally, such high quality performance should be sustained for at least three months in the same type of position. Deviation in the period of performance is permissible

under unusual circumstances with specific explanation and justification to support the deviation.

- B. Amount of Award. The amount of a cash award for sustained superior performance may be based on grade level. The suggested cash awards scale is shown in Attachment C.
- C. Relationship to Outstanding Performance Rating. An employee meeting the very high performance standards for an Outstanding Performance Rating (OPR) under the Performance Rating Act would ordinarily meet the standards of performance for a cash award. For this reason, any employee who receives an Outstanding Performance Rating should be considered for a cash award (or quality increase, if appropriate). This does not mean that the assignment of an OPR automatically entitles the employee to a monetary award.

## **6. GROUP CASH AWARDS**

When a contribution is made by more than one employee, each contributing employee, including a supervisor, may share in the award. The cash award may be granted an equal shares, or in shares proportionate to each employee's participation in the contribution. The total amount of a cash award may not exceed the amount that would be authorized if the contribution had been made by one individual. The group recommended for a cash award should be small enough in number to assure that each member contributed to the achievement and, as a general guide, should not include more than fifteen members.

## **7. INITIATING, APPROVING, AND PROCESSING CASH AWARDS**

- A. Officials Responsible for Initiating Cash Awards.
  - 1. The immediate supervisor or other official in line of supervision over the employee, having a detailed working knowledge of job requirements and work performance, is responsible for identifying employees or groups of employees whose Performance or contributions warrant a cash award and for initiating an appropriate award recommendation.
  - 2. Management officials, other than line officials, are also responsible for initiating awards. Through periodic review of accomplishments, management officials should identify activities that show superior program results. After contacting supervisors to determine which employees made superior contributions to these program results, management officials may initiate appropriate award recommendations.

B. Procedures for Initiating Cash Awards.

1. To initiate a cash award, the recommending official should complete Form HEW-171, "Recommendation for Cash Award," and attach sufficient justification to allow reviewing officials to determine the validity of the recommendation to justify the expenditure of public funds. Recommendations for cash awards for sustained superior performance should specifically indicate the standards of performance for the position concerned and the manner in which the nominee's performance exceeded these standards in one or more, or all, of the most important job elements. Additionally, the recommendation should state specifically how the employee's performance increased productivity or improved economy, efficiency, or effectiveness of Government operations.
2. The HEW-171 and supporting information should be forwarded through line officials for recommendation and through the local incentive awards officers for review to insure consistent and effective use of the cash award authority throughout the respective organization to the approving official.

C. Officials Authorized to Approve Cash Awards. Staff Manual Guide 1431.11 delegates authority to approve cash awards. Cash awards totaling in aggregate to \$501 or more must be forwarded to the FDA Awards Coordinator. HFA-400 for consideration by the Policy Board's Awards Subcommittee and final decision by the Deputy Associate Commissioner for Administration, the Secretary, or the Civil Service Commission, as appropriate.

D. Procedures for Processing Approved Cash Awards.

1. After the approving official's signature has been obtained, the original Form HEW-171 will be sent to HFA-12D, Division of Financial Management, Office of the Associate Commissioner for Administration, for the obligation of funds and referral to the Treasury for payment. For a group award, forward the original Form HEW-171 and a listing of the group members indicating each one's name (in alphabetical order), position title, grade and salary, social security number, payroll number, and timekeeper number. One copy of Form HEW-111 and the narrative justification should be retained by the local incentive awards officer for future reporting and auditing purposes.
2. A letter of commendation should be prepared for the award recipient and signed by the approving official. The original of the letter should be retained at the local level until the award check is received. A copy of

the letter and award justification should be forwarded to the servicing personnel office for inclusion in the employee's Official Personnel Folder. When the check is received, the letter of commendation and the check should be presented in an appropriate manner.

- E. Disapproval of Award Recommendations. When a cash award recommendation is disapproved, the recommending official will be notified in writing of the reasons for the disapproval. A copy of the disapproval letter will be forwarded to the local incentive awards officer for record and reporting purposes. The Division of Personnel Management will notify the recommending officials of the disapproval of awards requiring approval by the Deputy Associate Commissioner for Administration, the Secretary, or the Civil Service Commission.
  
- F. Financing Cash Awards. Cash awards will be financed from appropriations of the organization granting the award. In the event a shortage of funds precludes the granting of awards to deserving employees, the approving official or incentive awards officer should contact the FDA Awards Coordinator, Division of Personnel Management.

## ATTACHMENT A

This scale may be used for determining the cash award when benefits derived from the special act or service may be measured or reasonably estimated. The amount of the award is normally based on a reasonable estimate of net monetary benefits expected during the first full year of operation.

<b>Tangible Benefits</b>	<b>Suggested Amount of Award</b>
To \$1,000	10% of tangible benefits
\$1,001 - \$10,000	\$100 for first \$1,000 in benefits plus \$5 for each additional \$100 or fraction thereof
\$10,001 - \$20,000	\$550 for first \$10,000 in benefits plus \$5 for each additional \$200 or fraction thereof
\$20,001 - \$100,000	\$800 for first \$20,000 in benefits plus \$5 for each additional \$1,000 or fraction thereof
\$100,001 or more	\$1,200 for first \$100,000 in benefits plus \$5 for each additional \$5,000 or fraction thereof

## ATTACHMENT B

This scale may be used for determining the cash award when benefits derived from the special act or service may be measured or reasonably estimated. The amount of the award is normally based on a reasonable estimate of net monetary benefits expected during the first full year of operation.

### EXTENT OF APPLICATION

	<b>Limited</b>	<b>Extended</b>	<b>Broad</b>	<b>General</b>
<b>VALUE OF BENEFIT</b>	Affects functions, mission, or personnel of one office, facility, installation, or an organizational element of a Headquarters. Affects a small area of science or technology.	Affects functions, mission, or personnel of several offices, facilities, installations. Affects an important area of science or technology.	Affects functions, mission, or personnel of an entire regional area or command. May be applicable to all of an independent agency or a large bureau Affects a broad area of science or technology.	Affects functions, mission, or personnel of several regional areas or commands, or an entire department or large independent agency, or is in the public interest throughout the Nation or beyond.
Moderate Value. Change or modification of an operating principle or procedure which has moderate value sufficient to meet the minimum standard for a cash award; an improvement of rather limited value of a product, activity, program, or service to the public.	25 - 50	50 - 100	100 - 200	200 - 400
Substantial Value. Substantial change or modification of an operating principle or procedure; an important improvement to the value of a product, activity, program, or service to the public.	50 - 100	100 - 200	200 - 400	400 - 1000

## ATTACHMENT B

	<b>Limited</b>	<b>Extended</b>	<b>Broad</b>	<b>General</b>
High Value. Complete revision of a basic principle or procedure; a highly significant improvement to the value of a product, major activity, program, or service to the public.	100 - 200	200 - 400	400 - 1000	1000 - 2500
Exceptional Value. Initiation of a new principle or procedure; a superior improvement to the quality of a product, activity, program, or service to the public.	200 - 400	400 - 1000	1000 - 2500	2500 - 5000

## ATTACHMENT C

### Optional Scale for Awards Based On Sustained Superior Performance

<b>General Schedule Grade</b>	<b>Award Range</b>
GS 1 - 4	\$100 - \$150
GS 5 - 8	\$150 - \$200
GS 9 - 11	\$200 - \$250
GS 12 - 13	\$250 - \$300
GS 14 - 18	\$300 - \$350

For wage positions, the hourly rate should be multiplied by 2,080 to obtain an annual pay that can be equated with the nearest first step of a grade in the General Scale.