



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240



OCT 11 2006

Memorandum

To: Solicitor General
Inspector General
Assistant Secretaries
Heads of Bureaus and Offices

From: Marilia A. Matos *Marilia Matos*
Director, Office of Human Resources

Subject: Updated Performance Awards Policy and Revised Form DI-451

The Office of the Assistant Secretary for Policy, Management and Budget is issuing a new Personnel Bulletin to all Departmental offices, revising policy on Performance Awards. The new guidance is intended to clarify program requirements implemented by the U.S. Office of Personnel Management for Title 5 of the United States Code of Federal Regulations (CFR), Part 430.

This bulletin provides interim guidance on performance awards, and will be in effect until the Departmental Manual Chapter on Awards 370 DM 451 is finalized.

If you have any questions, please contact Joy Buhler, Office of Human Resources on (202) 219-0811, or by e-mail at Joy_Buhler@ios.doi.gov

Attachments

cc: Deputy Secretary
Chief of Staff
Bureau/Equivalent Office Human Resource Officers



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PERSONNEL BULLETIN NO. 06-12

SUBJECT: Departmental Policy on Performance Awards

1. This Bulletin establishes the Department of the Interior (DOI)'s policy on performance awards.
2. **Authorities.** Title 5 of the United States Code of Federal Regulations (CFR), Part 430, and 5 U.S.C 4505a.
3. **General.** The Department's 5 level performance management system for general workforce employees became effective on October 4, 2004. Under this performance system, the year-end performance rating is used as a basis for appropriate personnel actions, including rewarding noteworthy performance.
4. **Definitions.**
 - a. **Performance-based Cash Awards.** Performance-based Cash Awards are given to employees who are rated at Level 4 (Superior) or Level 5 (Exceptional). A cash award may be a specific dollar amount or a percentage of the employee's pay. Based on 5 CFR 451.104(g), when awards are computed as a percentage of an employee's rate of base pay, the rate of base pay must include locality payments under 5 U.S.C. 5304, special rate supplements under 5 U.S.C. 5305 and/or other similar payments. Such awards are recommended by the immediate supervisor or rating official, and are approved under appropriate bureau delegations.
 - b. **Quality Step Increase.** A Quality Step Increase (QSI) is a pay increase that provides faster than normal progression within grade steps for permanent General Schedule employees. A determination to grant a QSI should be made as soon as practicable after a rating of record is approved. The employee's current rating of record is the basis for a QSI. To be eligible, the employee must achieve an overall rating of Exceptional (level 5) on their Employee Performance Appraisal Plan and display exceptional performance that is expected to continue. A brief specific example of how expectations were exceeded for each element must be provided in the justification. Only one QSI may be granted in a 52-week period. QSIs are recommended by the immediate supervisor or rating official, and are approved under appropriate bureau delegations.
5. **Policy.** Although under 370 DM 430, an employee must be rated at Superior (Level 4) or Exceptional (Level 5) to be eligible for a performance-based award, an employee rated Exceptional (Level 5) must be considered for an award. There may be circumstances when awards cannot be given. However, in accordance with 5 C.F.R.

451.104 (g), performance-based cash awards must make a meaningful distinction based on levels of performance. In other words, an employee who receives an award based on a performance rating of level 5 must receive a larger cash award, in terms of percentage of base pay, than an employee who received a rating of level 4. Managers/Supervisors have the flexibility to recognize employees using any of the award recognitions outlined below, or a combination thereof:

a. Exceptional (Level 5). Eligible for a Cash Award of up to 5 percent of base pay, a QSI, Time-Off Award or other appropriate equivalent recognition. Additionally, may be eligible for a salary increase of up to 5 percent from the Human Capital Performance Fund if OPM approves the fund for use by Federal agencies.

b. Superior (Level 4). Eligible for a Cash Award of up to 3 percent of base pay, Time-Off Award, or other appropriate equivalent recognition.

c. Fully Successful (Level 3). Not eligible for any performance-based award.

6. Processing of Awards. The revised awards form, DI-451, is attached to this bulletin for your use.

a. Processing Timelines. For employees whose performance appraisal cycle ends on September 30, all awards must be input into FPPS no later than November 30. Ratings must be input PRIOR TO input of the award into the system.

b. Processing Codes. All performance-based cash awards must be input using Nature of Action Code 840-A2. Performance-based time off awards must be input using Nature of Action Code 846-A2. See Attachment for processing screens.

c. Delayed Processing of QSIs. In situations where an employee is awarded a QSI and that employee's regular Within-Grade Increase (WIGI) is due between October 1 and December 31, the QSI can be delayed to allow for processing the WIGI prior to processing the QSI. However, in no case can the QSI be delayed past December 31.

7. Delegation of Authority. Bureaus are authorized to establish nomination process and approval authorities for implementing this policy.

8. Point of Contact. The Departmental point of contact on this policy is Joy Buhler, (202) 219-0811, or by e-mail at Joy_Buhler@ios.doi.gov.



Marilia A. Matos
Director, Office of Human Resources

UNITED STATES DEPARTMENT OF THE INTERIOR RECOMMENDATION AND APPROVAL OF AWARDS

Agency/Bureau	Name Of Employee (Last, First, Middle Initial)	
Social Security No.	Position Title	Pay Plan-Series/Grade/Step
Duty Station	Period Covered For Award (MM/DD/YY) From _____ To _____	Cost Account Number

COMPLETE THE APPROPRIATE AWARD SECTION BELOW

MONETARY AWARD:

- Performance-Based Cash Award
 - Exceptional (Level 5) Performance Rating
 - Superior (Level 4) Performance Rating
- Quality Step Increase
 (Employee Must Have Received An Exceptional Level 5 Performance Rating)
- Star Award
- Productivity Improvement Award
- Invention/Patent Award

NON-MONETARY AWARD:

- Time-Off Recognition
 Number of Hours: _____
- Non-Monetary Recognition
 Cash Value of \$ _____

HONOR AWARD:

- Distinguished Service Award
- Conservation Service Award
- Meritorious Service Award
- Outstanding Service Award
- Unit Award for Excellence of Service
- Superior Service Award
- Citizen's Award for Exceptional Service Award
- Valor Award
- Citizen's Award for Bravery
- Exemplary Act Award

BUREAU-SPECIFIC AWARD:

Name of Award: _____

RECOMMENDATION AND APPROVAL

Recommending Individual (Signature)	Date	Reviewing Official (Signature)	Date
Title:		Title:	
Approving Official (Signature & Title)			Date

JUSTIFICATION

Summary of Accomplishments/Contributions Being Recognized by Award

FINANCIAL INFORMATION

Monetary Award:

Amount of Cash Award \$ _____

Pay Period to be processed by payroll _____

Non-monetary Award of Significant Value:

Cash Value of Award \$ _____ Gross Amount

INSTRUCTIONS

Performance-Based Cash Award

For a performance-based cash award, a level 4 or 5 performance rating is required. Attach a copy of the performance appraisal supporting the award.

Quality Step Increase

An employee must have received a performance rating of level 5, and the employee's exceptional performance is expected to continue in the future. Attach a copy of the employee's performance rating of record on which the QSI is based, and a justification providing brief examples of how expectations were exceeded for each element.

Invention/Patent Award

For an Invention/Patent Award, attach a description of the contribution or patent being recognized and the resulting benefits to the Government.

Non-Monetary Award

For a non-monetary award of significant value, provide a brief description of the contribution(s) if the award is of significant value.

Other Recognition Awards

For a STAR award, a Productivity Improvement award, or a Time-Off award, provide a brief summary of the accomplishments/ contributions being recognized by this award in the space provided.

Group Award

Attach a list of names of group members. If group members are to receive different award amounts, describe the individual group member's specific contribution(s).

Honor Award

For an honor award, attach a citation.

Processing Instructions

Submit this form with required attachments to the employee's servicing Human Resources Office, and provide a copy to award recipient.