

PERFORMANCE AWARDS AND EMPLOYEE RECOGNITION

SECTION 1. GENERAL: The Agency shall adhere to all applicable Government-wide and Department of Defense rules and regulations and the provisions in this Article in the administration of performance awards and employee recognition. All awards are subject to the annual budget allocation and or other budgetary constraints. Any award(s) shall be commensurate with the contribution of the employee.

A. Types of Awards and Recognition:

1. Cash Awards

- a. *Rating Based:* A lump-sum cash payment based on a "Acceptable" or better rating of record for sustained performance throughout a rating period awarded in conjunction with the annual Performance Appraisal.
 - b. *Other:* A cash award can be granted to an employee, individually or as a member of a group, in recognition of accomplishments that contribute to the efficiency, economy, or other improvement of operations.
2. **Quality Step Increases** – A faster than normal within-grade increase used to reward employees at all General Schedule (GS) grade levels who display high quality performance. It is an important pay-for-performance feature and a valuable tool for managers to use to recognize and reward outstanding performance.
 3. **Time-off:** Time off from duty without charge to leave or loss of pay as an award to individuals or groups of employees. All bargaining unit employees shall be eligible for a TOA.
 4. **Honorary and Informal Recognition:** An award of an honorific value (e.g., a letter, certificate, civilian medal, plaque, or item of nominal value to recognize individual and group performance).
 5. **Referral Bonuses** – this incentive is to provide recognition to employees who bring new talent into the agency (e.g. those who help find candidates for hard-to-fill positions).

B. Combining Award Types: The Agency may use any combination of award types to reward a specific contribution.

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SECTION 2. RATING BASED CASH AWARDS:

A. Parity: Supervisors are encouraged to recognize performance so that within each defined unit, awards granted to employees in the same grade with a particular rating will normally be more, in terms of dollars (including any Quality Step Increase), than awards received by employees in the same grade with a lower rating.

1. Absent budget constraints, managers and supervisors will fully utilize the allocated awards budget to reward deserving employee performance.
2. The current rating of record will be used as a basis for decisions to grant performance-based awards under the Agency's Performance Management System.
3. If an employee does not have a rating of record when performance awards are granted, the employee will be granted an award when he/she is assigned a rating of record for the rating cycle.
4. For employees who have been on a PIP during the rating cycle see the Performance Management Article Section 15 of this CBA.

B. Effect of Summary Ratings:

1. **Excellent Rating That Exceeds All Critical Elements:** An employee who receives a rating of record of Excellent must receive a performance award and/or a Quality Step Increase.
2. **Excellent Rating:** An employee who receives a rating of record of Excellent should normally receive a performance award.
3. **Acceptable Rating:** An employee who receives a rating of record of Acceptable should be considered for and may receive a performance award.
4. **Performance Based Awards:** Performance awards are based on the rating percent of Employees' Rate of Base Pay and shall be administered as follows:
 - a. *Excellent (5 Rating):* Up to 10% but not less than the annual budget allocation percentage.
 - b. *Acceptable (3 Rating):* Up to 7% but not less than one-half (1/2) of the annual budget allocation percentage.
 - c. *Unacceptable (1 Rating):* Not eligible for a performance award

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C. Payment: Management will pay out performance awards by the end of the calendar year.

D. Retroactive Payments: Management will make retroactive adjustments to awards for employees whose ratings change after the distribution of payouts.

SECTION 3. OTHER CASH AWARDS: Managers and supervisors are encouraged to make use of special act awards (e.g., On the Spot award) for exemplary performance throughout the year.

SECTION 4. QUALITY STEP INCREASES (QSI): In order for an employee to be eligible for a QSI, the following must apply:

1. Be below step 10 of their grade level;
2. Have received the highest rating available under their performance management program;
3. Have demonstrated sustained performance of high quality;
4. Have not received a QSI within the preceding 52 consecutive calendar weeks;
5. Occupy a "permanent position".

A. Effect of Promotion: If an employee has been promoted within the appraisal year, the appropriate manager or supervisor shall take this into account in determining the amount of the employee's performance award, and/or whether to grant a Quality Step Increase for an "Excellent" rating for that year.

B. Outlying Locations: When QSIs are awarded, the Agency will give special consideration for the combined outlying locations (DTHC, IRMAC, JPC, FHC, DHC) with the goal of awarding their outstanding employees with no less than 1-2 QSI awards on each annual list.

C. Timing of a QSI: A QSI does not affect the timing of an employee's next regular within-grade increase (WIGI), unless the QSI places the employee in step 4 or step 7 of his or her grade. In these cases, the employee must complete the full waiting period for the new step, 104 weeks for steps 4-6 or 156 weeks for steps 7-9.

D. Effective Date of a QSI: The QSI should be made effective as soon as practicable after it is approved, usually at the beginning of the next pay period, and as close as practicable to the rating of record upon which it is based.

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SECTION 5. TIME OFF AWARDS: Supervisors may grant up to eight (8) hours of time off without higher level review or approval. The minimum amount of time off for any contribution shall be one (1) hour. Additional time off awards may be granted or incorporated into other awards (e.g., Civilian of the Year/Quarter) with higher level review and approval.

A. Full-Time Employees: During any single leave year, employees working a typical 80 hour pay period may be awarded a total time-off of 80 hours during any leave year with the maximum amount of time-off for any single contribution is 40 hours.

B. Part-Time Employees: For part-time employees the total time off granted during any single leave year should be based on the average number of hours generally worked during a two-week period. The maximum time off for any single contribution may not exceed his or her weekly scheduled hours.

C. Usage: A TOA may be used in single blocks of time or in 15 minute increments and must be used within one (1) year from the date the award was granted or it will be forfeited. TOAs should be scheduled so as not to conflict with use of "use or lose" annual leave. When physical incapacitation for duty occurs during a period of time when an employee is using their TOA, sick leave (upon request) will be granted for the period of incapacitation and the TOA will be scheduled at another time.

D. Team Time-Off Awards: The Agency encourages supervisors and managers to use Team TOAs to build team camaraderie and motivate teams. Granting bargaining unit employees TOAs in conjunction with a Team Incentive Award is seen as a way to enhance teamwork between members and to improve total workforce quality, performance and morale.

E. Ineligibility: Individuals serving on a PIP; or individuals who have been on long term sick leave, or extended leave without pay; and new hire employees, who due to limited service, have not performed sufficient work contributing to the overall achievement of goals, are ineligible to receive a Team TOA.

SECTION 6. HONORARY AND INFORMAL RECOGNITION: The Agency is encouraged to utilize Honorary and Informal Recognition awards in an ongoing manner to recognize employees for contributions or other achievements that do not meet the criteria for cash or time-off awards.

A. Honorary Awards: symbolic formal recognition, nonmonetary items that meet all of the following criteria:

1. Is something that the recipient could reasonably be expected to value, but not something that conveys a sense of monetary value;

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2. Have a lasting trophy value;
3. Clearly symbolize the employer-employee relationship in some fashion.

B. Informal Recognition Awards: Informal recognition awards are intended to recognize contributions of lesser scope that might otherwise go unrecognized.

SECTION 7. REFERRAL BONUSES: The Agency may utilize a referral bonus program for direct hire or hard-to-fill positions. These bonuses are suitable for employees whose regular job duties do not include recruitment, and who are not involved in the selection of the referred individual, but who promote employment with the Agency and refer potential new employees to the hiring official. An employee cannot refer a relative as defined in 5 USC 3110(a)(3).

1. The new hire must remain employed for a minimum period of 90 calendar days and perform acceptably;
2. The size of a bonus must be at least \$100 and no more than one percent of the base salary of the position being filled;
3. The referral bonus is payable upon completion of the new employee's first 90 days of employment;
4. A referring employee may not receive more than five (5) Referral Awards in any 12-month period.

SECTION 8. AWARDS COMMITTEE: For the Civilian Advisory Committee or any other Agency established committee that deals with awards and the Agency elects to include bargaining unit members, they will be appointed from a list of those nominated by the Union. Participants on any such committee will be on duty time and accorded similar rights to the other committee members, in accordance with applicable regulations.

SECTION 9. AWARDS CREATED DURING THE LIFE OF THE AGREEMENT: Prior to implementing any new awards that are to be given to bargaining unit employees, the Agency will notify the Union regarding the nature of the award and the criteria to be used for issuing the award.

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