

PART 2063 - EMPLOYEE RELATIONS AND SERVICES

Subpart B - Recognition Program

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PART 2063 - EMPLOYEE RELATIONS AND SERVICES

Subpart B - Recognition Program

§ 2063.51 Purpose.

This Instruction provides the criteria for granting Monetary and Nonmonetary Extra Effort Awards and Performance Bonuses. It is to be used in conjunction with the United States Department of Agriculture's (USDA) "Guide For Employee Recognition" which can be found on USDA's website at <http://www.usda.gov/da/employ/recog.htm>.

(a) Employees should have a direct understanding of the links between performance expectations, the award system and Rural Development's mission. These links should be communicated to and be understood by employees, enabling them to focus their work effort on those activities most important to mission accomplishments. All employees are held accountable for achieving results that support Rural Development's strategic plan, goals and objectives.

(b) Rural Development's Recognition Program will contribute to the ability to attract, retain and motivate employees.

(c) This Instruction is to be used for all non-bargaining unit and bargaining unit employees in Rural Development.

§ 2063.52 Legal authorities.

(a) 5 U.S.C. Chapter 45 provides authority to establish an employee recognition program.

(b) 5 U.S.C. Chapter 53 provides regulatory requirements for Quality Step Increases.

(c) The Federal Employees Pay Comparability Act of 1990 (FEPCA), Public Law 101-509, provides Federal agencies authority to grant employees time-off from duty, without loss of pay or charge to leave, as employee recognition awards.

§§ 2063.53 - 2063.54 [Reserved]

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Personnel Employee
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§ 2063.55 Definitions.

The following definitions are applicable to the terms used in this subpart:

Approving Official. An individual that has been delegated the authority to review and approve recognition.

Career Service Award. A certificate or emblem received for the completion of targeted years of Federal service.

Extra Effort Award. Can be a monetary or nonmonetary award, which includes suggestion or invention awards, extra effort awards, spot awards, time off awards, keepsake awards, incentive, and referral bonus awards.

Monetary Award. An award that is based on a particular accomplishment such as superior contribution on a short-term project.

Non-monetary Award. A certificate, plaque, citation, badge, or similar item that has an award or honor connotation.

Performance Bonus Award. A Lump Sum Bonus or Quality Step Increase based upon an employee's rating of record.

Recommending Individual. Can be any Rural Development employee or supervisor.

Reviewing Official. The designated incentive awards coordinator who reviews recommendations for awards for conformance with applicable incentive awards program standards and criteria.

Suggestion Award. A constructive idea, derived from any source by one or more employees that is submitted in writing to an immediate supervisor or an incentive award coordinator.

§ 2063.55 Coverage.

Coverage of this program is clarified as follows:

- (a) This program covers all employees in Rural Development. Exceptions from coverage are listed below.

§ 2063.55 (Con.)

(b) Exceptions.

(1) The Secretary's Chief of Staff must approve all awards for political appointees. Any awards that might be granted must be based on substantial work achievements that go well beyond the performance of routine duties.

(2) Non-career Senior Executive Service employees, and Schedule C employees at GS-13, 14, and 15 levels will not be eligible for USDA performance-based awards.

(3) Non-career Senior Executive Service employees, and Schedule C employees at GS-13, 14, and 15 levels will not be eligible for USDA extra effort awards unless an exception to this policy is specifically approved by the Secretary's Chief of Staff.

(4) Schedule C appointees at the GS-12 level and below are eligible for case-by-case considerations to receive monetary and non-monetary performance-based awards. All such awards, including cash, quality-step-increases, and time off, are subject to the approval process as outlined in this Instruction.

(5) During Presidential election periods (June 1 in a calendar year in which the popular election of the President occurs, and ending on January 20 following the date of such election), no non-career appointee at any grade level is eligible to receive either a monetary or a non-monetary award. (Title 5, USC, Part III, Subpart C, Chapter 45, Subchapter 1, Section 4508.)

§ 2063.57 Forms and records.

(a) Recommendation and approval of awards. All categories of recognition must be documented with form AD-287-2, "Recommendation & Approval of Awards."

(b) Certificates. Non-monetary recognition which include Forms RD 263-5, "Certificate for Outstanding Accomplishment," RD 263-4, "Certificate of Merit," and RD 263-3, "Certificate of Appreciation."

(c) Career Service Awards. Certificates include forms AD-68, "Length of Service Certificate," and AD-69, "Certificate of Merit." Emblems for Career Service Awards may be ordered on Form RD 2024-9, "Request for Forms, Supplies, Equipment or Services."

§ 2063.58 [Reserved]

§ 2063.59 Responsibilities.

The following guidelines are applicable to the Under Secretary, Agency Administrators, Servicing Human Resources Offices, Supervisors and Managers, Recommending Individual, and Approving Officials.

(a) Under Secretary and Agency Administrators. The Under Secretary and Agency Administrators are responsible for:

- (1) Ensuring that the program supports mission, goals and objectives of USDA and Rural Development.
- (2) Ensuring equity in the distribution of recognition.
- (3) Ensuring that employees are informed of recognition policies and procedures.
- (4) Incorporating funding for recognition into agency budget planning.
- (5) Delegating recognition program authority and funding to the lowest level consistent with the Secretary's policies and guidelines.

(b) Servicing Human Resources Office. The Servicing Human Resources Offices are responsible for:

- (1) Providing technical and operational support and advice.
- (2) Ensuring that employee recognition program is administered in a manner consistent with applicable laws, rules, and regulations.
- (3) Processing personnel actions related to recognition.

§ 2063.59(b) (Con.)

(4) Ensuring that employee recognition records are maintained in the Servicing Human Resources Office.

(5) Providing training on the employee recognition program.

(c) Supervisors and managers. Supervisors and managers are responsible for:

(1) Recognizing employees for specific achievements.

(2) Ensuring equity in the distribution of recognition.

(3) Considering input as appropriate from co-workers, customers, or other sources such as unions and employee organizations when making recognition decisions.

(4) Recognizing contributions in a timely manner.

(5) Emphasizing the importance of teamwork through recognition of groups.

(6) Allowing those recognized to choose the type of recognition, when appropriate.

(7) Reviewing nominations to ensure that recognition is linked to the organizational goals and objectives.

(d) Approving officials. Approving officials are responsible for:

(1) Providing support to employees, supervisors, and managers.

(2) Reviewing employee initiated awards for compliance to stated criteria and certifying funds availability.

(e) Nominating individuals. Recommending individuals are responsible for:

(1) Actively seeking out exceptional achievements worthy of recognition.

(2) Developing employee recognition nominations in a nondiscriminatory manner.

(3) Accurately documenting the exceptional achievements of nominees and ensuring the appropriate guidelines are applied to all nominations.

§ 2063.60 [Reserved]

§ 2063.61 Policy.

It is the policy of Rural Development to recognize outstanding performance, teamwork, cost-efficiency, empowerment of employees, workforce diversity, and effective customer service. The purpose of the Recognition Program is to improve Government efficiency, economy, and effectiveness by motivating employees to increase productivity and creativity by rewarding their efforts.

(a) The 10 principles of the Recognition Program are:

(1) Link recognition to Rural Development's strategic plan, goals, and objectives;

(2) Ensure equity in the distribution of recognition;

(3) Give recognition for specific achievements that produce positive results;

(4) Involve coworkers and customers in recognition decisions;

(5) Give recognition in a timely manner;

(6) Emphasize group recognition;

(7) Emphasize non-monetary recognition;

(8) Give employees a choice of the type of recognition they receive, when appropriate, once you determine the value of the award;

(9) Hold simple, local presentation ceremonies; and

(10) Publicize recognition distribution of awards within the agency.

§ 2063.62 [Reserved]

§ 2063.63 Delegated approval authority.

Delegated approval authorities for granting Monetary and Non-monetary Extra Effort Awards and Performance Bonuses.

(a) The Approving Official for any award can be any official in the agency at a higher level than the Recommending Individual. EXCEPTION: Time-Off Awards (one type of Non-monetary Extra Effort Award) of up to one workday do not require higher level approval. They simply require the written concurrence of the receiving employee's supervisor.

(b) Approval authority ceilings for Monetary Extra Effort Awards and Lump Sum Performance Bonuses are as follows:

(1) President of the United States	\$ 25,001 and above
(2) Office of Personnel Management	\$ 25,000
(3) Secretary of Agriculture	\$ 10,000
(4) Under Secretary/Deputy Under Secretary/ Administrator/Deputy Administrator for Operations and Management	\$ 5,500
(5) Assistant or Deputy Administrator/ Staff Director/State Director	\$ 2,500
(6) All other Approving Officials	\$ 500

§ 2063.64 [Reserved]

§ 2063.65 Recognition categories.

There are three types of recognition categories: Extra Effort Awards, Performance Bonus Awards, and Non-monetary recognition.

(a) Extra Effort Awards. This type of award is appropriate when the employee performed a one-time job, service, or special project in a manner that was substantially beyond expectations. Extra effort awards can be either monetary or non-monetary. Some examples of this might include overcoming exceptional job difficulties or exceeding records of production without a reduction in quality. Extra Effort Awards include:

- (1) Employee Suggestion or Invention Award:
 - (i) A constructive proposal that results in a saving or improvement to the Federal Government and/or USDA and Rural Development.
 - (ii) A constructive proposal that poses a solution to a problem, a solution to a potential problem, or an opportunity to effect change.
- (2) Monetary or Non-monetary Extra Effort Awards:
 - (i) Monetary Extra Effort Awards are given for a particular accomplishment such as superior contribution on a short-term assignment or project.
 - (ii) Non-monetary Extra Effort Awards are given for a specific outstanding accomplishment such as superior contribution on a short-term project, an act of heroism, or significant cost savings.
- (3) Referral Bonus Award:
 - (i) A Referral Bonus Award may be given to an employee who brings new talent to the agency by referring persons who are subsequently selected and successfully employed for an otherwise hard to fill position.
 - (ii) An employee may not receive more than \$1,000 or 20 hours of time-off.
- (4) Spot Award:
 - (i) Employee performed extra efforts that warrant small recognition. Some examples of this might include: One-time noteworthy achievements which may not meet the criteria for other types of awards (e.g., Savings Bond or Combined Federal Campaign coordinators), accomplishments in small special projects of a short duration, and volunteering for an extra or emergency assignment while maintaining own workload.

§ 2063.65(a)(4) (Con.)

(ii) An employee may not receive more than \$500 for one Spot Award, but (deleted the word "Employees") may receive more than one Spot Award within a one-year period.

(iii) Spot Awards will be issued immediately to the employee. The cost of taxes for a spot award are:

(A) Approximately 58% more than the base dollar amount for an employee under the Federal Employees Retirement System.

(B) Approximately 44% more for an employee under the Civil Service Retirement System.

(5) Time-Off Award:

(i) Time-Off Awards may be granted to an employee for up to 80 hours per leave year.

(ii) Each single Time-Off Award may not exceed 40 hours.

(iii) Time-Off Awards must be used within 26 pay periods after the effective date of the award. Any unused time-off will be forfeited.

(iv) Time-Off Awards granted must be proportionate to the value of the contribution being recognized.

(v) The scheduling of the Time-Off Award will be coordinated between the employee and his/her supervisor.

(vi) Time-Off Awards are not transferable when an employee separates.

(vii) Time-Off Awards will not convert to a cash payment under any circumstances.

(6) Keepsake Award:

(i) The employee performed a specific task which does not warrant recognition at a higher level. Some examples of this might include Savings Bond or Combined Federal Campaign coordinators or accomplishments in small special projects of a short duration.

(ii) Keepsake items emphasize symbolic recognition of significant contributions and public recognition. Keepsakes can include such items as paperweights, key chains, clocks, plaques, jackets, T-shirts, coffee mugs, pen and pencil sets, etc. Keepsake Awards should normally meet the following criteria:

(A) Be of honorary nature;

(B) Be able to be worn, displayed, or used in the recipient's work environment; and

(C) At a minimum, include the USDA seal or logo.

(iii) Items presented as honorary or Keepsake Awards must meet all the following criteria:

(A) Be something that the recipient could reasonably be expected to value, but not something that conveys a sense of monetary value;

(B) Have a lasting trophy value;

(C) Symbolize the Rural Development - recipient relationship in some fashion;

(D) Take the appropriate form to be purchased with public funds and be used in the public sector.

(iv) No more than \$250 may be spent on any one "keepsake" (\$100 or less for accomplishments of minimal value and up to \$250 for honorary/major accomplishments).

§ 2063.65 (Con.)

(b) Performance Bonus Awards. Performance Bonus Awards are based upon an employee's rating of record (which is the performance appraisal required at the end of the rating period).

(1) A Performance Bonus Award should be considered when:

(i) The employee has received a "Fully Successful" or better performance rating for the period covered by the recommendation and no elements are rated equal to "Does Not Meet";

(ii) The observed performance covered a period of at least six months; and

(iii) The employee has not received a Performance Bonus Award within the past 52 weeks.

(iv) The effective date of the previous Performance Bonus Award must be used in determining the 52-week period, not the ending date of the rating cycle. (2) A Quality Step Increase (QSI) should be considered when:

(i) The employee has received an "Outstanding" summary performance rating for the period covered by the recommendation;

(ii) The observed performance covered a period of at least 6 months and it is likely that this performance will continue in the future.

(iii) The employee has not received a QSI or Performance Bonus Award within the past 52 weeks.

(iv) The ending date of the rating cycle is not an applicable factor.

(v) The effective date of the previous QSI or Lump Sum Bonus must be used in determining the 52-week period.

(vi) A QSI is not in the best interest of the employee if it is unlikely that the employee will be in the same grade for a period of at least an additional 6 months.

(c) Non-monetary recognition.

(1) Certificates. Certificates are considered a form of non-monetary recognition. Forms RD 263-5, RD 263-4, and RD 263-3 are included in this category but other appropriate certificates may also be used.

(2) Career Service Awards. Certificates (Forms AD-68 and AD-69) and emblems for Career Service Awards may be ordered on Form RD 2024-9.

§ 2063.66 Award recommendations.

(a) An individual Monetary Extra Effort Award is appropriate when the employee performed a one-time job, service, or special project in a manner that was substantially beyond expectations. Some examples of this might include overcoming exceptional job difficulties or exceeding records of production without a reduction in quality.

(1) Using Form AD-287-2, complete Blocks 1 through 7 and 11 through 15. The Recommending Individual signs in Block 20.

(2) The Approving Official (any agency official at a higher level than the Recommending Individual) signs in Block 22.

(3) The recommended amount for an Extra Effort award should be based on the benefits to the Government (see Exhibits A and B), not on the employee's salary.

(4) Attach a written justification (see Exhibit D). No written justification is necessary for a Spot Award or a Keepsake Award.

(b) A team/group Monetary Extra Effort Award is appropriate when two or more employees were involved in a task or project which meets the criteria for the Individual Monetary Extra Effort Award.

(1) Using Form AD-287-2, complete Blocks 1, 2 (name of team/group, not any individual), 7, and 11 through 15.

(2) The Recommending Individual signs in Block 20.

(3) The Approving Official (any agency official at a higher level than the Recommending Individual) signs in Block 22.

§ 2063.66(b) (Con.)

(4) Attach a list of employees in the group, giving all the information requested by Blocks 2 through 6 of Form AD-287-2 and the amount recommended for each individual.

(5) The recommended amount for a Team/Group Monetary Extra Effort award should be based on the benefits to the Government of the team/group as a whole, (see Exhibits A and B), not on any of the employee's salary.

(c) A Referral Bonus Award is appropriate when an employee brings new talent to the agency in a hard to fill position.

(1) Using Form AD-287-2, complete Blocks 1 through 7 and 11 through 15. The Recommending Individual signs in Block 20.

(2) The Approving Official (any agency official at a higher level than the Recommending Individual) signs in Block 22.

(3) The recommended amount for a Referral Bonus Award should be based on the benefits to the Government (see Exhibits A and B), not on the employee's salary.

(4) A Referral Bonus Award can be any amount up to \$1000 or 20 hours time off.

(d) A Spot Award is appropriate when an employee performed a specific task which does not warrant recognition at the Extra Effort level.

(1) Using Form AD-287-2, complete Blocks 1 through 7 and 11 through 15. The Recommending Individual signs in Block 20.

(2) The Approving Official (any agency official at a higher level than the Recommending Individual) signs in Block 22.

(3) The recommended amount for a Spot Award should be based on the benefits to the Government (see Exhibits A and B), not on the employee's salary.

(4) A Spot Award can be any amount between \$50 and \$500, in \$50 increments.

(5) Spot Awards will be issued immediately and the National Finance Center will automatically add taxes to the award amount. Because of taxes, the cost of a spot award is approximately 58% more than the base dollar amount for an employee under the Federal Employees Retirement System and approximately 44% more for an employee under the Civil Service Retirement System.

(6) No additional written justification is necessary.

(e) A Time-Off Award is appropriate when the employee performed a one-time job, service, or special project in a manner that was substantially beyond expectations. Some examples of this might include overcoming exceptional job difficulties or exceeding records of production without a reduction in quality. When giving a Time-Off Award remember the following:

(1) Using Form AD-287-2, complete Blocks 1 through 7 and 11 through 15. The Recommending Individual signs in Block 20.

(2) The Approving Official (any agency official at a higher level than the Recommending Individual) signs in Block 22.

(3) The Recommending Individual can also sign as the Approving Official where the benefits do not exceed the Small/Moderate level (see Exhibit C).

(4) A written justification (see Exhibit D) is only required if the benefits exceed the Small/Moderate level (see Exhibit C).

(5) A Time-Off Award must be scheduled and used within 1 year after the effective date of the award; any unused Time-Off Award is forfeited. The award is effective the first full pay period following approval. Before using any Time-Off Awards, the supervisor must concur with the requested dates.

(f) A Team/Group Time-Off Award is appropriate when two or more employees performed a one-time job, service, or special project in a manner that was substantially beyond expectations.

(1) Using Form AD-287-2, complete Blocks 1 through 7 and 11 through 15. The Recommending Individual signs in Block 20.

§ 2063.66(f) (Con.)

(2) The Approving Official (any agency official at a higher level than the Recommending Individual) signs in Block 22.

(3) The Recommending Individual can also sign as the Approving Official where the benefits do not exceed the Small/Moderate level (see Exhibit C).

(4) A written justification (see Exhibit D) is only required if the benefits exceed the Small/Moderate level (see Exhibit C).

(g) Keepsake Awards are appropriate when the employee performed a task deserving of a small form of recognition.

(1) Using Form AD-287-2, complete Blocks 1 through 7 and 11 through 15.

(2) The Recommending Individual signs in Block 20.

(3) The Approving Official (any agency official at a higher level than the Recommending Individual) signs in Block 22.

(4) The recommended value of the "Keepsake" should be based on the benefits to the Government (see Exhibits A and B), not on the employees' salary.

(5) No more than \$250 can be spent on any one "keepsake" (\$100 or less for accomplishments of minimal value and up to \$250 for honorary/major accomplishments).

(6) No additional written justification is necessary.

(h) A Performance Bonus Award is appropriate when the employee has received a Fully Successful or better performance rating for the period covered by the recommendation and no elements are rated "Does Not Meet."

(1) Using Form AD-287-2, complete Blocks 1 through 7, 11, 16, and 19.

(2) The Recommending Individual signs in Block 20.

(3) The Approving Official (any agency official at a higher level than the Recommending Individual) signs in Block 22.

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(4) The recommended amount for a Lump Sum Bonus should be based on the benefits to the Government (see Exhibits A and B), not on the employee's salary.

(5) As justification, attach:

(i) A copy of the performance appraisal for the period covered by the recommendation; and

(ii) A written justification (see Exhibit D).

(h) A Quality Step Increase is appropriate when the employee has received an Outstanding Performance rating for the period covered by the recommendation.

(1) Using Form AD-287-2, complete Blocks 1 through 7, 11, and 16.

(2) The Recommending Individual signs in Block 20.

(3) The Approving Official (any agency official at a higher level than the Recommending Individual) signs in Block 22.

(4) As justification, attach:

(i) A copy of the performance appraisal for the period covered by the recommendation; and

(ii) A written justification (this may be the written justification required with all ratings of Outstanding, or something prepared specifically for the award recommendation). (See Exhibit D).

(iii) A QSI recommendation should be given within 30 to 90 days after a performance rating cycle.

§§ 2063.67- 2063.100 [Reserved]

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**How to Determine Amount of Award
When Benefits are Measurable**

Measurable Benefits Scale

Benefit	Award
Up to \$10,000	10 percent of the benefits.
\$10,001 - \$100,000	\$1,000 for the first \$10,000 in benefits, plus 3 percent of benefits over \$10,000.
\$100,001 or more	\$3,700 for the first \$10,000 in benefits, plus .005 of benefits over \$100,000. Award amount should not exceed recipient's annual salary.

All recognition for individuals or team/group members exceeding \$5,500 per person requires approval from the appropriate Under or Assistant Secretary or Staff Director. The Secretary of Agriculture approves all awards for Senior Executive Service employees and awards in excess of \$5,500 and not greater than \$10,000. Awards in excess of \$10,000 per individual must be approved by the Office of Personnel Management. Awards in excess of \$25,000 require Presidential approval.

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**How to Determine Amount of Award
 When Benefits are Non-measurable**

Non-measurable Benefits Scale

Value of Benefits	Application		
	Limited	Broad	General
	Impacts the public interest or a specific small work unit to as large as a Division	Impacts the public interest or several regional areas, or an entire agency	Impact the public interest or more than one agency, or the entire Department
Small/ Moderate	\$50 - \$325	\$326 - \$650	\$651 - \$1,300
Moderate/ Substantial	\$325 - \$650	\$651 - \$1,300	\$1,301 - \$3,150
Substantial/ Extended	\$1,000 - \$2,500	\$2,501 - \$5,500	\$5,501 - \$10,000

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How to Determine Number of Hours for a Time Off Award

Value of Employee's Contribution	Hours to be Awarded

Small/Moderate Contributions that helped to ease a backlog or completing a special project that benefited primarily the employee's home office.	1 - 10 hours
Moderate/Substantial Contributions that helped an entire Division, Staff, region, or other large geographic area.	11 - 40 hours

NOTE: An employee may not be granted more than 80 hours in a leave year. Senior Executive Service employees are not eligible for Time Off Awards.

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What To Put in the Justification

1. Describe what the employee(s) did. The written justification must link to the mission area's strategic plan by clearly stating how the employee(s) contributed to the mission area achieving its **mission, goals, and objectives**.

2. Describe in what ways the employee's contribution exceeded the expected level. Areas to look at include:

- Improving quality.
- Timely completion of a project.
- Increasing productivity - overcoming adverse obstacles or working under unusual circumstances.
- Using unusual creativity.
- Saving the Government time and/or money.
- Increasing program effectiveness.

3. Describe what the results of the employee's contribution were. Areas to look at include:

- Project acceptance.
- Savings in time, money and/or materials.
- Increased efficiency.
- Technological advancement.
- Productivity increase.
- Improved levels of cooperation.

4. Propose the award recommendation (amount/hours) which has been calculated using the (measurable benefits/nonmeasurable benefits/time-off scales.)

- If based on measurable benefits, the expected benefit to the organization is (put amount here)
- If based on nonmeasurable benefits, the APPLICATION is (insert here), and the VALUE of BENEFITS is (put amount here)

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