



**DEPARTMENT OF DEFENSE
DEPENDENTS SCHOOLS
OFFICE OF THE DIRECTOR, EUROPE
UNIT 29649 BOX 7000
APO AE 09096**

January 9, 2006

MEMORANDUM FOR ALL DoDDS-EUROPE SUPERVISORS

SUBJECT: Performance and Incentive Awards Standard Operating Procedures (SOP)

References: (a) DS Regulation 5430.9, "Performance Management System",
March 16, 1990
(b) DS Regulation 5451.9, "Incentive Awards", January 10, 2003

A. PURPOSE: The purpose of the Performance and Incentive Award SOP is to establish procedures governing the Performance and Incentive Award program for DoDDS-E. The Performance and Incentive Award Program recognizes and rewards employees who perform in an exemplary manner or make significant contributions to the efficiency and effectiveness of DoDDS-E operations.

Employee recognition is important to encourage and maintain employee morale and a high level of achievement. The integrity of the program is preserved when performance and incentives awards are given expeditiously and only to those who are truly deserving of recognition. Merit shall be the sole basis for granting any award. This will diminish inequities that could undermine the credibility of the awards program. Awards should be granted without regard to grade level or type of position. Cognizance of our public trust and fiscal responsibilities in this regard is also important.

B. APPLICABILITY: This SOP applies to all DoDDS-E employees.

C. PROCEDURES:

1. **Delegation of Approving Authority and Responsibility:**
The Director, DoDDS-Europe, has overall responsibility for the Performance and Incentive Awards Program and is responsible for assuring effective administration of the program within the agency.
2. **Administrative Responsibilities:**
The Chief, Human Resources (HR) Division, has been delegated the responsibility for the overall administration of the Incentive Awards Program and provides the

central administrative direction and review necessary for an effective awards program.

The DoDDS-E Labor and Employee Relations (LER) branch of the HR Division will be the focal point of all issues concerning the Performance and Incentive Awards Program, serve as an information resource, and coordinate the collection and processing of district and area office awards.

The LER Specialist will:

- a. ensure proper maintenance of records on awards;
- b. provide management officials with adequate information to ensure their compliance with this Program Statement and the effective functioning of the program;
- c. determine eligibility for awards; and
- d. process awards in accordance with law, regulation, and the direction provided by this SOP.

All supervisors have primary responsibility for the successful conduct and promotion of the Performance and Incentive Awards Program. Supervisors will keep informed of all aspects of the program and inform employees of the opportunities the program offers for personal and group recognition. Supervisors are to review their organization's accomplishments and evaluate results for the purpose of identifying employees whose individual or group contributions have led to significant improvements.

Employees share the responsibility for efficient and economical Government operations. Every employee should aspire to make contributions to Government operations of such significance as to warrant recognition through this program.

3. Performance Awards:

There are two awards that may be used in conjunction with annual performance ratings, the *Quality Step Increase* (QSI), and the *Performance Award*. The QSI may only be given to GS employees rated "Exceptional." A QSI may not be awarded to an employee who has received a QSI within the preceding 52 weeks, who is on a temporary appointment for less than one year, or who is already at the top step of his or her grade level on the salary schedule (Step 10). An employee may not receive both a performance award and a QSI. All QSIs are subject to the approval of the Director, DoDDS-E.

- a) **QSI:** A QSI normally does not affect the timing of a GS employee's next regular within-grade increase (WIGI) unless the QSI places the employee in steps 4 or 7 of their grade. In this case, the waiting period is extended for an additional 52 weeks. Waiting periods are 52 weeks for steps 2, 3 and 4, 104 weeks for steps 5, 6, and 7, and 156 weeks for steps 8, 9, and 10. The time an employee has already waited counts towards the next WIGI, but they must wait the full period that the new step requires.

Normally, a QSI is recommended concurrent with the annual performance appraisal. The immediate supervisor is responsible for initiating the recommendation and obtaining information on the employee's eligibility for a QSI.

Nominations should be submitted using either of the methods described below:

- i. When the performance evaluation contains substantial documentation of the employee's performance in relation to the performance standards, the supervisor can submit a copy of the performance evaluation and a cover memorandum (or local form), which recommends the QSI.
 - ii. If the performance evaluation does not contain substantial documentation of the employee's performance as described above, the supervisor must submit a narrative justification, which substantiates the employees' outstanding performance.
 - iii. Disapproved recommendations will be discussed with the supervisor and returned.
- b) **Incentive Awards:** Although TP employees are not eligible for performance awards they may receive incentive awards:
- i. Supervisor's Cash Awards and Special Act or Service Awards: These types of awards may be given to deserving employees (educators, above-school-level educators, General Schedule and Federal Wage System employees) for acts that occur any time during the year. Neither of these awards may be supported by the performance appraisal. Supervisor's Cash Awards and Special Act or Service Awards are not performance awards.

The request for all awards must be submitted on the attached spreadsheet to the local LER Specialist. For those employees receiving incentive awards, the supervisor must include a copy of the appropriate DS Forms with the spreadsheet. If the appropriate forms are not submitted with the spreadsheet, the award will not be processed.

Performance awards will be based on the performance appraisal information submitted on the Mass Appraisals Reports. However, if a signed appraisal was not submitted for an employee, the award will not be processed until a signed appraisal is received. Guidelines, instructions on processing awards are attached. Timelines for the submission of program documents will be provided to all supervisors annually.

Questions regarding this program are to be directed to the servicing LER Specialist.

D. EFFECTIVE DATE: This SOP is effective January 13, 2006.

A handwritten signature in black ink, reading "Diana J. Ohman". The signature is fluid and cursive, with the first name "Diana" being the most prominent part.

Diana J. Ohman
Director, DoDDS-E

Attachments:
As stated

Performance Award Guidelines

Performance Awards:

- may be granted only to above school-level educators, General Schedule and Federal Wage System employees;
- may not be granted to school-level educators under EPAS;
- are granted at management's discretion and are neither required nor grievable;
- are based on an employee's rating of record issued for the current appraisal period;
- are paid as a cash award based on a percentage of salary;
- must be approved by the reviewing official;
- recognize sustained performance of high quality during the appraisal period;
- may be approved for employees rated "Exceptional" or "Commendable";
- may not be approved for employees rated "Fully Successful";
- may not be approved instead of a Special Act or Supervisor's Cash Award; and
- may not be approved in addition to a Quality Step Increase.

Award Amounts:

- If a performance award is approved, it must be within the established range:
Exceptional rating: 1.0% to 3.0% of the employee's annual salary
Commendable rating: 0.5% to 0.9% of the employee's annual salary
- If a performance award exceeds the established range, it will be returned to the rating official and reviewing official for correction.

Quality Step Increase Guidelines

Quality Step Increases (QSIs):

- are *faster than normal* within-grade increases used to reward General Schedule employees at all grade levels that display high quality performance;
- create an increased payroll cost to the organization on an ongoing basis; and
- amounts are not included in or debited from the District or Division award budget.

Eligibility:

- currently paid below step 10 of the grade level,
- received an *Exceptional* rating of record;
- demonstrated sustained performance of high quality;
- is not approved for a Performance Award for the current appraisal period;
- has not received a QSI within the preceding 52 consecutive calendar weeks;
- is not leaving the organization before October 1, 2007; and,
- is not serving on a temporary appointment for less than one year.

Timing of Quality Step Increases:

- Quality Step Increases are given in addition to regular within-grade increases and *usually* won't affect the timing of an employee's next regular within-grade increase,
- Exception:
The Quality Step Increase places the employee in step 4 or step 7 of their grade. In these cases, waiting periods are extended an additional 52 weeks

Steps 1 - 3	52 weeks (1 year)
Steps 4 - 6	104 weeks (2 years)
Steps 7 - 9	156 weeks (3 years)

The time an employee has already waited counts towards the next increase, but they must wait the full period that the new step requires.
- If approved, the QSI may be delayed to assure the maximum benefit for the employee, but cannot be processed retroactively

Factors to consider. In recommending a Quality Step Increase, the supervisor and reviewing official should consider several factors in regard to timing:

- How long will the employee be able to enjoy the benefits of a Quality Step Increase?
- Will the employee be promoted in the near future?
- Will the Quality Step Increase make a difference in setting the promotion pay?
- Has the employee received a Quality Step Increase within the last 52 weeks?
- When is the employee eligible for their next within-grade increase?
- Will the increase take the employee to a new waiting period, i.e., step 4 or step 7?
- Employees should not receive QSIs in consecutive years.
- The Director, DoDDS-Europe must approve all QSIs.

Special Act Award Guidelines

Special Act Awards:

- may be granted to educators, General Schedule and Federal Wage System employees
- are granted for nonrecurring contributions or accomplishments, within or outside of job responsibilities, which contribute to the efficiency, economy, or other improvement of Government operations;
- may also be granted for an heroic act of unusual courage or competence in an emergency connected with official employment;
- supervisor completes an award nomination, a DS Form 5502, "Award Recommendation Transmittal," along with a one page justification concisely stating the act; and forwards it to the approving official;
- may be given at any time during the year;
- may not be granted in lieu of a Performance Award at the end of the appraisal cycle;
- may not be supported by the performance appraisal or its justification; and
- cumulative amounts granted during the appraisal period are debited from the District or Division award budget for the appraisal period.
- the District Superintendent may approve Special Act Awards up to \$2,500.
- the Director and Associate Director, DoDDS-E may approve award nominations up to \$5000.00.

Supervisor's Cash Award Guidelines

Supervisor's Cash Awards (SCA)

- may be granted to educators, above-school-level educators, General Schedule and Federal Wage System employees.
- granted for day-to-day accomplishments, such as the completion of a special, short suspense project that contributed to the mission of the organization; modifying an office procedure to improve effectiveness; efficiency or timeliness; or accomplishing a special, unprogrammed assignment that required a significant extra effort.
- recognize accomplishments clearly outside of an employee's performance expectations.
- supervisor completes DS Form 5506, "Supervisor's Cash Award," with a description of the accomplishment entered on the form or attached on a separate sheet and forwards it for signature of the approving official.
- may be given at any time during the year.
- may not be granted in lieu of a Performance Award at the end of the appraisal cycle.
- may not be supported by the performance appraisal or its justification;
- are cumulative amounts granted during the appraisal period and are debited from the District or Division award budget for the appraisal period.
- The District Superintendent may approve an amount up to \$500. All other supervisors may approve SCAs up to \$250.

Instructions for Recording and Processing Awards

Performance/Incentive awards will be processed using the attached excel spreadsheet.

1. Each school, division and DSO will receive an Excel spreadsheet to be used for submitting awards and QSIs.
2. Administrators/supervisors should complete the spreadsheet. Performance/Incentive Awards and QSIs will be submitted on the same spreadsheet.
3. Administrators/supervisors must make sure that all the data required on the spreadsheet is included. The information highlighted in yellow on the Excel spreadsheet should be used as a guide.
4. Make sure that if someone gets multiple awards, they are not for the same effective date (Employees receiving more than one award for with the same effective dated cannot be processed).
5. Don't use pseudo numbers for an award. If a person is on two legitimate assignments, and the award is for the one with the pseudo, that award should be processed separately by creating an RPA to make sure the right record is updated.
6. Employees who have separated may receive an award. If an employee has separated, make sure to have the effective date of the award prior to the separation date. If employees have moved to other locations within DoDEA, the effective date of the award should be April 30 of the current year. The UIC should be the code where the employee was located effective April 30.
7. Each administrator/supervisor must complete the appropriate DS Form with the approving official's signature, if required, when giving Special Act or Supervisor's Cash Awards.
8. After completing the spreadsheet, each administrator/supervisor will email the spreadsheet, along with the appropriate DS Forms, to the district/division LER specialist.
9. Each LER specialist will make sure that the information on the spreadsheet is accurate. The LER specialist will also review the DS Forms for Special Act and Supervisor's Cash Awards for compliance with applicable Agency

regulations. Incentive Awards that do meet the required guidelines will not be processed. The administrator/supervisor will be notified of the reason(s) the award was not processed and be informed of what is required for the award to be processed.

10. The LER specialist will print a copy of each spreadsheet. Each spreadsheet will be provided to the district superintendent/director for approval. The district superintendent/director must sign each spreadsheet.
11. The district LER Specialist will submit a list of employees receiving QSIs to the LER specialist, Area Office, Wiesbaden. The list will be submitted to the Director, DoDDS-Europe for approval.
12. The district LER specialists will be notified of those QSIs that have been approved/denied.
13. The LER specialist will consolidate each spreadsheet received into a single spreadsheet for the district. The district spreadsheet will be forwarded electronically to Chief, FAIM, DoDEA HQ for processing.
14. After processing the awards, the FAIM section will send the file to the LER specialist that shows errors from the update. The LER specialist will research the problems - and if need be, submit manual awards to make those corrections.