



DEPARTMENT OF THE NAVY
COMMANDER NAVY REGION SOUTHWEST
937 NO. HARBOR DR.
SAN DIEGO, CA 92132-0058

IN REPLY REFER TO:

COMNAVREGSWINST 12451.2

N04R

06 JUN 2001

COMNAVREGSW INSTRUCTION 12451.2

Subj: REGIONAL INCENTIVE AWARDS PROGRAM

Ref: (a) 5 CFR 451
(b) 5 CFR 430
(c) DOD 1400.25-M, Subchapter 451
(d) DON Human Resources Implementation Guidance,
Guide No. 451-01
(e) CINCPACFLTINST 12451.1D
(f) BUPERS 5300.10
(g) OPNAVINST 1680.8C
(h) MILPERSMAN 1050-280.

Encl: (1) Scale of Award Amounts Based on Intangible
Benefits
(2) Scale of Awards Based on Tangible Benefits
(3) Time-Off Awards Scale
(4) Eligibility for Awards
(5) Typical Approval Authorities

1. Purpose. To establish a Navy Region (NRSW) program that can be used, to the extent possible, to institute procedures for monetary and honorary recognition for all NRSW team members including appropriated and non-appropriated funded employees and military personnel, for both individual and team contributions.

2. Background. References (a) through (e) provides incentive awards guidance for appropriated-funded employees (APF). Reference (f) issues guidelines concerning recognition for non-appropriated fund (NAF) employees. References (g) and (h) provide guidelines concerning recognition for military personnel.

3. Policy and Program Objectives. This instruction sets forth NRSW policy and procedures for recognizing command employees. In the DON, awards are used to motivate employees to increase productivity by recognizing creativity in the workplace, and by rewarding employees and groups of when contributions are made. Within NRSW, it is the policy to recognize and reward employees, where practicable, at the time of achievement.

08 JUN 2001

4. Definitions

a. Award. Recognition for individual or team achievement that contributes to meeting organizational goals or improving efficiency, effectiveness, and economy of the Government or is otherwise in the public interest.

b. Contribution. An accomplishment achieved through an individual, group, or team effort, which contributes to the efficiency, economy, cost avoidance or other beneficial impact to the general workplace, public welfare or the overall DON mission.

c. Monetary Award. An award in which the recognition device is a cash payment that does not increase the employee's rate of basic pay. Includes such awards as Special Act, On-the-Spot, Performance, and Beneficial Suggestion.

d. Non-Monetary (Honorary) Award. An award in which the recognition device is not a cash payment or time-off as an award, but rather an award of honorific value, e.g. a letter, certificate, medal, plaque, or item of nominal value.

e. Time-Off Award. An award in which time-off from duty is granted without loss of pay or charge to leave and for which the number of hours is granted is commensurate with the employee's contribution or accomplishment.

f. Tangible Benefit. Savings to the Government that can be measured in terms of dollars.

g. Intangible Benefits. Savings to the Government that can not be measured in terms of dollars.

h. "MWR Bonus Buck". A certificate purchased by management personnel (through the Resource Management Office) to issue to employees as a form of recognition. These "Bucks" can be used as a gift certificate at all CNRSW MWR offices.

i. Quality Step Increase. An award to recognize excellence in performance by granting faster than normal step increases, resulting in an increase in employee's rate of basic pay.

5. Eligibility. All CNRSW employees are eligible for recognition under this instruction, except where otherwise noted.

6. Responsibilities

a. Commander/Deputy Commander are expected to:

(1) Establish organizational goals and objectives,

(2) Ensure appropriate participation in established awards program.

(3) Assign financial and award planning responsibilities, ensure that adequate funds are available to assure prompt action on awards and ensure that awards are paid within current CNRSW budgetary limits.

(4) Approve Meritorious Civilian Service Awards when appropriate.

(5) Endorse higher Navy level awards such as Superior and Distinguished Service Awards.

(6) Approve individual awards up to \$5,000.

b. Commanding Officers/Executive Officers are expected to:

(1) Approve Meritorious Civilian Service Awards, when appropriate.

(2) In coordination with ACOS/Directors/Program Managers/Site Managers, approve, recommend, and endorse individual/team honorary and monetary awards up to \$5000 per individual in accordance with CNRSW delegated authorities.

(3) In coordination with ACOS/Directors/Program Managers/Site Managers, coordinate employment retirement recognition luncheons/ceremonies.

(4) Preside over award ceremonies, such as retirement or career service, as appropriate.

(5) In coordination with ACOS/Directors/Program Managers/Site Managers, establish Civilian and Sailor of the Quarter/Civilian and Sailor of the Year programs, as appropriate.

(6) In coordination with ACOS/Directors/Program Managers/Site Managers establish internal policies and procedures to recognize employee career service.

c. Assistant Chiefs of Staff (ACOS), Program Managers and Directors are expected to:

(1) In coordination with Commanding Officers and Site Managers, approve, recommend, and endorse individual/team honorary and monetary awards up to \$5000 per individual in accordance with CNRSW delegated authorities.

08 JUN 2001

(2) Delegate award approval within their area of authority as deemed appropriate.

(3) In coordination with Commanding Officers and Site Managers, establish Civilian of the Quarter/Civilian of the Year programs, as appropriate.

(4) In coordination with Commanding Officers and Site Managers, establish internal policies and procedures to recognize employee career service.

(5) In coordination with Commanding Officers and Site Managers, coordinate employment retirement recognition luncheons/ceremonies.

(6) Preside over award ceremonies, such as retirement, as appropriate.

d. Site Managers, Supervisors and Team Leaders are expected to:

(1) Approve individual/team honorary and monetary awards as delegated by higher authority.

(2) Motivate, recognize, and reward eligible employees' accomplishments and contributions through the awards program.

e. Employees are expected to: Apprise supervisory chain of own and co-workers' accomplishments for recognition consideration.

f. Morale, Welfare and Recreation Department, in conjunction with the Resource Management Office, is expected to: Manage "MWR Bonus Bucks" Program in accordance with established procedures.

g. Resource Management Office is expected to:

(1) Periodically apprise Commanding Officers/ACOS/PMs/Directors of funds available for monetary awards.

(2) Assist MWR in the purchasing of "MWR Bonus Bucks" in accordance with established procedures.

(3) Provide budgetary reports to Commanding Officers/ACOS/PMs/Directors as requested.

h. Human Resources Office is expected to:

08 JUN 2001

(1) Advise Officers, Managers, Supervisors and Team Leaders, and covered employees on program requirements and related issues.

(2) Manage Career Service recognition program in accordance with established procedures.

(3) Forward approved monetary awards to the Human Resources Service Center (HRSC) for processing (APF employees only).

(4) Process Beneficial Suggestions as appropriate (APF employees only).

(5) Provide "59 Minute Buttons" to CNRSW supervisors and managers.

i. Human Resources Service Center (HRSC) is expected to (APF employees only):

(1) Process awards and Quality Step Increases accurately and timely.

(2) Input employee awards and data to the Modern Defense Civilian Personnel Data System (MDCPDS).

(3) Maintain award records and have them available to HROs and activities.

7. Funding Levels. Command managers are expected to budget for awards using sound financial management controls consistent with current CNRSW policy.

8. Quality Step Increases. The purpose of a Quality Step Increase (QSI) is to provide appropriate incentives and recognition for excellence in performance by granting faster than normal step increases. Therefore, careful consideration should be given before granting a QSI.

a. Eligibility. An employee is eligible for only one quality step increase within a 52-week period. In addition, employees must meet the following criteria required by 5 CFR 521.504(b)(2):

(1) Be a General Schedule Employee whose pay is set below the 10th step (Federal Wage System employees are not eligible for QSIs).

(2) Demonstrated sustained performance of high quality significantly above that expected at the "Acceptable" level

8 JUN 2001

(i.e., exceeded the "Acceptable" criteria depicting unusually good or excellent quality or high quantity of work provided ahead of schedule and with less than normal supervision).

(3) Made a significant contribution to the organization's mission.

(4) There must be an expectation that the high quality performance will continue in the future.

b. Policy. COs, ACOSs, Program Managers and Directors may authorize QSIs in accordance with current CNRSW policy.

c. Processing Procedures: The automated Personnel Action System, (RPAs) will be used for submitting approved QSIs. These actions will be submitted to the HRSC via Resource Management and HRO.

9. Monetary Awards.

a. For purposes of this section, monetary awards include:

(1) Special Act Awards. These awards may be used to recognize a group or individual effort that goes beyond expected job performance. Special Act Awards are used to recognize exceptional accomplishments, such as an outstanding achievement and may be given at any time. For APF employees the appropriate award amount is based on the intangible and tangible benefits scales in enclosures (1) and (2). **Eligibility**: Appropriated and Non-Appropriated Funded Civilian Employees.

(2) On-the-Spot. On-the-Spot awards are "Special Act or Service" awards designed to quickly recognize and provide immediate reinforcement of one-time achievements by employees that have resulted in service of an exceptionally high quality or quantity. This award is particularly appropriate for rewarding employee efforts that might go unrecognized. On-the-Spot awards range from \$25 to \$750 commensurate with the nature of the service or act being recognized. **Eligibility**: Appropriated and Non-Appropriated Funded Civilian Employees.

(3) MWR Bonus Bucks. An "MWR Bonus Buck" is a certificate purchased by management personnel to issue to employees as a form of recognition. These "Bucks" can be used as a gift certificate at all CNRSW MWR offices. Change in U.S. currency will be given, however, purchases must be at least 50% of "Buck" value. Supervisory personnel who have delegated approval by Commanding Officers, ACOSs, Program Managers and Directors may purchase "MWR Bucks". These "Bucks" are available in \$10.00 denominations and may be purchased through the Resource

Management Office. Supervisors may issue a maximum of \$100 in "Bucks" per employee per contribution. "Bucks" expire one year from date of issue. **Eligibility:** Appropriated and Non-appropriated Funded civilian employees and military personnel.

(4) Performance Awards. It is CNRSW policy to recognize employees at the time of their achievement, where possible. However, there are many occasions where approving officials would like to recognize an employee who performs substantially beyond expectations (significantly above that expected at the "Acceptable" level) on a regular or continuing basis. In these instances, a performance award may be appropriate. Cash awards may be determined using a specific dollar amount or a percentage of basic pay. Performance awards may be issued in accordance with current CNRSW policy. **Eligibility:** Appropriated and Non-appropriated Funded Civilian Employees.

(5) Suggestions. To be considered for an award, a suggestion must:

(a) Identify an improvement in the quality of operations, a cost reduction opportunity, or an improvement in the timeliness of service delivery that results in tangible or intangible benefits to the U.S. Government;

(b) Be adopted in whole or in part for implementation. The suggestion should identify a specific proposed course of action to achieve the improvement or cost reduction; and

(c) Be based upon tangible or intangible benefits, as provided in enclosures (1) and (2), or a combination thereof.

(d) Ideas or suggestions that identify the need for routine maintenance work, recommend enforcement of an existing rule, propose changes in housekeeping practices, call attention to errors or alleged violations of regulations, or result in intangible benefits of "good will", are not eligible for consideration.

(e) When suggestion is adopted by another organization, the benefiting organization shall share in the cost of the total award commensurate with the benefit.

(f) **Eligibility:** Appropriated and Non-Appropriated Funded Civilian employees and military personnel.

b. Policy: COs, ACOSs, Program Managers and Directors may authorize monetary awards in accordance with current CNRSW policy.

08 JUN 2001

c. Processing procedures: For APF employees, the automated Personnel Action System, (RPAs) will be used in submitting approved monetary awards. These actions will be submitted to the HRSC via Resource Management and HRO.

10. Non-Monetary (Honorary) Awards. Honorary awards provide a means to recognize an employee's overall value to an organization. They provide an opportunity to acknowledge valuable contributions made, and may reflect contributions made over a period of months or years. Examples include:

a. DON Honorary Awards. The following awards should be submitted through the chain of command for endorsement and approval. The Human Resources Office is available to provide additional guidance concerning these awards.

(1) DON Distinguished Civilian Service Award (DCSA). The DCSA is the highest honorary award the SECNAV can confer on a DON appropriated funded and non-appropriated funded civilian employee. The DCSA is to be granted only to those employees who have given distinguished and/or extraordinary service to the DON. The achievements or service must be truly exceptional when measured against the position requirements of the individual, and should far exceed the contributions and service of others with comparable responsibilities. Further the DCSA should be reserved for contributions which are so unusual and/or significant that recognition at the Secretary of the Navy level is deserved. Additional indicators include:

(a) A pattern of long-term, sustained high performance as evidenced by the nominee having previously received high honorary awards (e.g. DON Superior Civilian Service Award (SCSA) and/or DON Meritorious Civilian Service Award (MCSA), or similar awards or honors).

(b) Career achievements that are recognized throughout the DON.

(c) Indications of innovative leadership of highly successful programs or projects which have impacted beyond the nominee's activity or command.

(d) Accomplishments/achievements which have had, as a minimum, DON-wide impact.

(e) Scientific or technical advances, or suggestions of significant value.

06 JUN 2001

(f) Accomplishments which show unusual management abilities, innovative thinking, and/or outstanding leadership which benefit the DON.

(g) Responsibility for major cost savings/reductions/avoidance.

(h) Unusual acts of heroism.

(i) Exceptional cooperative efforts with other Navy offices, Federal agencies, or the private sector.

(2) DON Superior Civilian Service Award. The DON Superior Civilian Service Award (SCSA) is the second highest honorary award in the DON. It is intended that the same DCSA criteria will be used for awarding the SCSA. However, for the SCSA, the contribution, while exceptional in value, would be narrower in scope or impact (e.g. Accomplishment that is significant and has far-reaching, CINCPACFLT impact).

(3) DON Meritorious Civilian Service Award. The DON Meritorious Civilian Service Award (SCSA) is the third highest honorary award in the DON. As in the SCSA, the same DCSA criteria will be used for awarding the MCSA. For the MCSA, the contributions, while high in value, are more limited in scope/impact (e.g. Accomplishment that is significant and has far-reaching, CINCPACFLT impact). Commanding Officers, Assistant Chiefs of Staff, Program Managers, Directors, and Site Managers are encouraged to submit nominations for these Navy honorary awards via the Chain of Command. Once approved, Commanding Officers, Assistant Chiefs of Staff, Program Managers, Directors, and Site Managers are responsible for coordinating appropriate presentation of the award. Certificates and Medals for the Meritorious Civilian Service Award are available in the servicing HRO Site Office. **Eligibility:** Appropriated and Non-appropriated funded employees.

b. Career Service Recognition. These awards recognize significant milestones in employees' careers and emphasize that service to the Government, rather than service to a particular Department or Agency. When eligibility for career service recognition is computed, employees should receive credit for total Federal Service, including civilian and all honorable military service. The Human Resources Site Offices will provide Directors and Program Managers on a quarterly basis, names of employees due for recognition and applicable length of service pins. Managers are responsible for establishing internal procedures for recognition. Standard career service certificates may be ordered from the Defense Printing Service, or Programs may

08 JUN 2001

develop and print their own length of service certificates.
Eligibility: Appropriated and Non-appropriated funded employees.

11. Time-Off Awards

a. Criteria. Time-off awards are an alternate and/or additional means of recognizing the superior accomplishments or achievements of employees with other than monetary or non-monetary awards. Decisions to grant time-off awards shall be based upon the same criteria or circumstances as for any other award. Examples of achievements which may be considered for a time-off award:

(1) High level performance.

(2) Making a high quality contribution involving a difficult or important project or assignment.

(3) Displaying special initiative and skill in completing an assignment or project before the deadline.

(4) Using initiative and creativity in making improvements in a product, activity, program, or service.

(5) Ensuring the mission of the unit is accomplished during a difficult period by successfully completing additional work or a project assignment while maintaining the employee's own workload.

(6) Accomplishing a specific, one-time, or special assignment that required extra effort or resulted in the organization receiving recognition for responsiveness to unprogrammed requirements.

(7) Supervisors and managers shall consider fully wage costs and productivity loss when granting time-off awards and shall ensure that the amount of time-off granted is commensurate with the individual's contribution or accomplishment. Enclosure (3) is a recommended award scale for determining time-off awards.

b. Limitations on Time-off Awards

(1) The total amount of time-off that may be granted to any one individual in any one leave year is 80 hours. (For part-time employees or those with an uncommon tour of duty, the total time that may be granted is the average number of hours generally worked in a pay period.

(2) The maximum amount of time-off that may be granted to an individual for a single contribution is 40 hours. (For part-

time employees or those with an uncommon tour of duty, the maximum award that may be granted is one-half the amount of time that would be granted during the year).

(3) Time-off granted as an award must be scheduled and used within one year after the effective date of the award. Any unused amount remaining after that time will be forfeited without further compensation to the employee.

(4) A time-off award does not convert to cash under any circumstances.

(5) Time-off awards shall not be granted to create the effect of a holiday or treated as administrative excusals or leave.

(6) A time-off award for a period in excess of one workday must be reviewed and approved by an official at an organizational level higher than the individual making the initial award determination.

c. Portability. A time-off award shall not be transferred between DOD components. If an employee is transferring to another DOD activity or outside DOD, the employee should be allowed to use the award prior to the transfer. Managers and supervisors should make every effort to ensure that the employee is able to use the time-off award before he or she leaves the component. A time-off award can be transferred within DON; however, it must be scheduled and used within one year after the effective date of the award.

d. Processing Procedures: The automated Personnel Action System, (RPAs) will be used submitting approved time-off. These actions will be submitted to the HRSC via Resource Management and HRO.

e. **Eligibility**: Appropriated and Non-appropriated funded employees. Note: Military personnel may receive an equivalent amount of special liberty where appropriate.

12. 59 Minute Button

a. The "59 Minute Button" is given in recognition of extra efforts by employees on a task or a project. It is intended to allow supervisors the flexibility to give immediate tangible recognition to their employees. All appropriated and non-appropriated funded employees are eligible to receive this form of recognition. The Human Resources Office will provide supervisors and managers buttons for distribution.

08 JUN 2001

b. Supervisors may give an employee a button to recognize a "job well done". Utilization of the button will be coordinated with the supervisor. The button will be turned in to the supervisor at the time of its use. 59 Minute Buttons are not intended to be accumulated, but to be used as close to the time of the achievement as possible.

c. **Eligibility:** Appropriated and Non-appropriated funded employees. Note: An equivalent amount of special liberty may be given to military personnel where appropriate.

13. Team Recognition. When groups consisting of Appropriated and Non-Appropriated Funded civilian employees and military personnel are deemed to be worthy of recognition, approving officials are encouraged to comparably recognize all members in accordance with applicable regulations, policy and procedures.

14. Civilian/Sailor of the Quarter/Year. The Civilian/Sailor of the Quarter/Year is intended to be base recognition. Commanding Officers, in coordination with Assistant Chiefs of Staff, Program Managers Directors and Site Managers are expected to establish internal civilian/sailor of the quarter/year award programs as deemed appropriate. Eligibility: Appropriated and Non-appropriated funded employees and military personnel.

15. Retirement Recognition.

a. Each Program Manager/Site Manger is encouraged to assign a Retirement Recognition Coordinator. This Coordinator will be responsible for working with the individual retiring to determine his/her desires for recognition.



D. C. KENDALL
Deputy and Chief of Staff

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0 JUN 2001

SCALE OF AWARD AMOUNTS BASED ON INTANGIBLE BENEFITS

| VALUE OF BENEFIT | EXTENT OF APPLICATION | | | |
|---|---|---|--|--|
| | LIMITED Affects functions, mission, or personnel of one facility, installation, regional area, or an organizational element of headquarters. Affects small area of science or technology. | EXTENDED Affects functions, mission, or personnel of an entire regional area, command, or bureau. Affects an important area of science or technology. | BROAD Affects functions, mission, or personnel of several regional areas or commands, or an entire department or agency. Affects an extensive area of science or technology. | GENERAL Affects functions, mission, or personnel of more than one department or agency, or is in the public interest throughout the Nation and beyond. |
| MODERATE Change or modification of an operating principle or procedure with limited use or impact. | \$25 - \$500 | \$501 - \$750 | \$751 - \$1,000 | \$1,001 - \$1500 |
| SUBSTANTIAL Substantial change or modification of procedures. Important improvements to the value of a product, activity, program, or service to the public. | \$501 - \$750 | \$751 - \$1,000 | \$1,001 - 1,500 | \$1,501 - \$3,150 |
| HIGH Complete revision of a basic principle or procedure; a highly significant improvement to the value of a product or service. | \$751 - \$1,000 | \$1,001 - \$1,500 | \$1,501 - \$3,150 | \$3,151 - \$6,300 |
| EXCEPTIONAL Initiation of a new principle or major procedure; a superior improvement to the quality of a critical product, activity, program, or service to the public. | \$1,001 - \$1,500 | \$1,501 - \$3,150 | \$3,151 - \$6,300 | \$6,301 - \$10,000 |

(DOES NOT APPLY TO NAF EMPLOYEES)

08 JUN 2001

SCALE OF AWARD AMOUNTS BASED ON TANGIBLE BENEFITSBENEFITSAWARDEstimated First-Year BenefitsAmount of Award to Employee

Up to \$10,000 in benefits

10% of benefits

Between \$10,000 and \$100,000
in benefits\$1000 plus 3% to 10% of benefits
over \$10,000.

More than \$100,000 in benefits

\$3700 - \$10,000 for the first
\$100,000 in benefits, plus 0.5% to
1% of benefits above \$100,000, up to
\$25,000, with the approval of the
Office of Personnel Management via
the Office of the Secretary of
Defense.

Note: Presidential approval is required for all awards of more than \$25,000

(DOES NOT APPLY TO NAF EMPLOYEES)

0 JUN 2001

TIME-OFF AWARDS SCALE

Value to Organization Number of Hours

Moderate: 1 to 10

- (1) A contribution to a product, activity, program, or service to the public, which is of sufficient value to merit formal recognition.
- (2) Beneficial change or modification of operating principles or procedures.

Substantial: 11 to 20

- (1) An important contribution to the value of a product, activity, program, or service to the public.
- (2) Significant change or modification of operating principles or procedures.

High: 21 to 30

- (1) A highly significant contribution to the value of a product, activity, program, or service to the public.
- (2) Complete revision of operating principles or procedures, with considerable impact.

Exceptional: 31 to 40

- (1) A superior contribution to the quality of a critical product, activity, program, or service to the public.
- (2) Initiation of a new principle or major procedure, with significant impact.

8 JUN 2001

ELIGIBILITY FOR AWARDS

| AWARD TYPE | APF | NAF | MIL |
|--|------------|------------|------------|
| QUALITY STEP INCREASE (QSI) (GS only) | X | | |
| PERFORMANCE | X | X | |
| SPECIAL ACT | X | X | |
| ON-THE-SPOT | X | X | |
| MWR BUCKS | X | X | X |
| TIME OFF AWARDS / SPECIAL LIBERTY | X | X | X |
| 59 MINUTE BUTTONS/ SPECIAL LIBERTY | X | X | X |
| DON MERITORIOUS CIVILIAN SERVICE AWARD (MCSA) | X | X | |
| CAREER SERVICE | X | X | |
| RETIREMENT RECOGNITION | X | X | X |
| CIVILIAN OF THE QTR/YEAR | X | X | |
| SAILOR OF THE QTR/YEAR | | | X |

00 JUN 2001

TYPICAL APPROVAL AUTHORITIES

| AWARD | COMMANDER/ DEPUTY COMMANDER | COMMANDING OFFICER | ACOS/ PROGRAM MANAGER | SITE MANAGER/ SUPERVISOR |
|--|-----------------------------------|-----------------------|-----------------------------|-----------------------------|
| ENDORSE HIGHER LEVEL DOD/DON AWARDS | X | | | |
| MCSA | X | X | | |
| COQ, COY, SOQ, SOY | | X | | |
| QSI | | X | X | X |
| PERFORMANCE AWARD | | X | X | X |
| SPECIAL ACT/ ON THE SPOT | | X | X | X |
| TIME OFF/ SPECIAL LIBERTY 59 MINUTE BUTTON | | X | X | X |
| CAREER SERVICE | | X | X | X |
| NON-MONETARY (HONORARY) | X | X | X | X |
| RETIREMENT CEREMONIES | | X | X | X |