

EMPLOYEE RECOGNITION AND AWARDS

1. **REASON FOR ISSUE:** To revise Department of Veterans Affairs (VA) policy regarding employee recognition and awards to modify the number of hours that can be approved for a time-off award and allow physicians and dentists to receive time-off awards in hourly versus daily increments.
2. **SUMMARY OF CONTENTS/MAJOR CHANGES:** This policy update revises the provisions for time-off awards. Revised text is contained in [brackets]. These changes will be incorporated into the electronic version of VA Handbook 5017 that is maintained on the Office of the Chief Human Capital Officer (OCHCO) Website. The following is a general overview of the changes:
 - a. Reduces the minimum number of hours that can be granted for a time-off award from four hours to one hour.
 - b. Allows title 38 employees who were formerly paid on a daily rate of pay, e.g. physicians and dentists, and only permitted to receive a minimum of an eight-hour time-off award, to receive a minimum of a one-hour time-off award.
 - c. Provides clarity regarding the application of time-off awards in recognition of a performance/proficiency rating.
3. **RESPONSIBLE OFFICE:** Office of the Chief Human Capital Officer, Employee Relations and Performance Management Service (051).
4. **RELATED DIRECTIVE:** VA Directive 5017, "Employee Recognition and Awards."
5. **RESCISSION:** None.

CERTIFIED BY:

**BY DIRECTION OF THE SECRETARY OF
VETERANS AFFAIRS:**

/s/
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APPENDIX A. TYPES OF EMPLOYEE RECOGNITION

	AWARD	RECOGNIZES	FORM OF RECOGNITION	JUSTIFICATION NEEDED	ELIGIBILITY
AWARDS BASED ON A SPECIFIC CONTRIBUTION	Special Contribution Award [(JSCA)] includes "On-the-Spot" and Time[-o]ff Awards.	A contribution, act, service, or achievement that benefits VA/[Federal] Government. See [P]art III and its [A]ppendix B for examples of contributions.	<p>SCA - Cash Award of up to \$7,500 for an individual and \$25,000 for a group based on tangible and/or intangible benefits to VA/Federal Government.</p> <p>On-the-Spot - Minimal Cash Award, usually \$150 or less, that is granted as soon as possible after contribution of limited impact is made. May also include a non-monetary award item.</p> <p>Time-Off - from [1] to 40 hours for a specific contribution. [An] employee may receive up to 80 hours during a 12-month period.</p>	Narrative description of act and how it benefited [G]overnment. See [P]art III, [A]ppendix D. Can document SCAs using VA Form 4659a.	Individual employees, groups or teams (SES ineligible for Time[-o]ff Awards.)
	Gainsharing Award	Improvements in performance or productivity that are measurable as increases in productivity and that result in more effective and efficient use of resources.	Typically cash award based on pre-determined formula for measuring and sharing gains distributed to employees who produce gains.	Sufficient data to demonstrate improvements in quality, quantity and/or timeliness realized and basis for each employee's share based on increases in productivity.	Individual employees, groups or teams.

APPENDIX B. [VETERANS HEALTH ADMINISTRATION (VHA)] DELEGATION OF APPROVAL AUTHORITY FOR SPECIAL CONTRIBUTION, PERFORMANCE, SUGGESTION, [] TIME[-]OFF AWARDS[,] AND [] QUALITY STEP INCREASES**1. DEFINITIONS.**

- a. Special Contribution Award.** For the purpose of this handbook, a special contribution award refers to a cash award given for a special contribution made by an individual or group of individuals, for on-the-spot recognition, or for achievement of productivity/gainsharing/goal sharing program.
- b. Superior Performance Award.** A one-time cash award that may be granted to a title 5, title 38 or [hybrid-]title 38 [] employee based on his/her performance appraisal rating of record provided that the rating of record is at the fully successful level (or equivalent) or above.
- c. Suggestion.** Employee suggestions are ideas that define a problem or objective, present a solution or plan for improvement and tell how the solution will improve the efficiency, economy or effectiveness of [G]overnment operations or otherwise benefit the [G]overnment.
- d. Time[-]Off Award.** Time[-]off Awards are time off [from duty, granted in increments] from [one] to 40 hours[] in recognition of a specific contribution.
- e. Title 5 Quality Step Increase (QSI).** A QSI is an increase to an employee's rate of basic pay from one step of the grade to the next step that is granted in recognition of excellence in performance during the last appraisal cycle. The purpose of a QSI is to recognize, on an individual basis, consistently high achievers by granting faster than normal step increases.

2. SPECIAL CONTRIBUTION AWARDS.**a. Delegations.****(1) VHA Central Office.**

- (a) Deputy Under Secretaries for Health, or their designees[;] [and] chief officers[] are authorized to approve up to and including \$7,500 for individual special contribution awards and up to and including \$25,000 for group special contribution awards for eligible Senior Executive Service (SES) and title 38 equivalents, title 5 employees, title 38 employees, and [hybrid-title 38] employees so long as no one employee receives more than \$7,500.
- (b) VACO chief consultants and staff office directors are authorized to approve up to and including \$5,000 for individual special contribution awards and up to and including \$16,500 for group special contribution awards for title 5 employees, title 38 employees and [hybrid-title 38] employees so long as no one employee receives more than \$5,000.

PART I
APPENDIX B**(2) VHA Field Facilities.**

- (a) Field Network directors are authorized to approve up to and including \$7,500 for individual and group suggestion awards for employees. Approval authority may be re-delegated, as appropriate.
- (b) Field facility directors are authorized to approve up to and including \$5,000 for individual and group suggestion awards for employees. Approval authority may be re-delegated, as appropriate.

b. Restrictions.

- (1) In order to qualify for a cash award, adopted suggestions must have measurable dollar benefits of at least \$250, or intangible benefits of comparable value, or a combination of both.
- (2) In determining the amount of the award for adopted suggestions, the appropriate scale of awards in Appendix A to Part III of VA Handbook 5017 will be used.
- (3) Only Field Network and facility directors may act as both the recommending and approving official. Otherwise, the approving official must be at a higher management level than the official who recommended the award.

5. TIME[-]OFF AWARDS.**a. Delegations****(1) VHA Central Office.**

- (a) Deputy Under Secretaries for Health, or their designees[, and] chief officers[] are authorized to approve time[-]off awards up to and including 40 hours for eligible employees.
- (b) VACO chief consultants and staff office directors are authorized to approve time[-]off awards up to and including 32 hours for eligible employees.

- (2) **VHA Field Facilities.** Field Network and facility directors are authorized to approve time[-]off awards of up to and including 40 hours for eligible employees. Approval authority may be redelegated, as appropriate.

b. Restrictions.

- (1) Employees in the SES and equivalents appointed under title 5 [and title 38] are excluded from receiving time[-]off awards.
- (2) The minimum time[-]off award is [][one] hour[].

- (3) Not more than 40 hours may be granted to an employee for a specific contribution.
- (4) The maximum amount of time[-]off that may be granted to any employee during a 12-month period is 80 hours. [] [E]ach time[-]off award must be used within [365] days after the date on which it was approved. [] [Failure to use an award within 365 days after the date of approval will result in the employee's forfeiture of any unused portion of that award].
- (5) The number of hours granted for a time[-]off award must be consistent with the Scale of Time[-]Off Awards located in VA Handbook 5017, Part III, Appendix F.
- (6) Only Field Network and facility directors may act as both the recommending and approving official. Otherwise, all time[-]off awards in excess of one [work] day must be approved by an official at a higher management level than that which recommended the award.

6. TITLE 5 [QUALITY STEP INCREASE(QSIs)] [].

a. Delegations.

(1) VHA Central Office.

- (a) Deputy Under Secretaries for Health, or their designees[, and] VACO chief officers [] are authorized to approve QSIs for title 5 employees in pay categories through the GS-15 level under their jurisdiction.
- (b) VACO chief consultants and staff office directors are authorized to approve QSIs for title 5 employees in pay categories through the GS-14 level.

- (2) **VHA Field Facilities.** Field Network and facility directors are authorized to approve QSIs for title 5 employees in pay categories through the GS-15 level. Approval authority may be redelegated, as appropriate.

b. Restrictions.

- (1) Only General Schedule employees appointed under title 5 are eligible to receive QSIs.
- (2) A QSI may not be granted to an eligible employee who has received a QSI within the preceding 52 consecutive calendar weeks.
- (3) A QSI may not be granted to an eligible employee who is in step 10 of the pay grade.
- (4) Only Field Network and facility directors may act as both the recommending and approving official. Otherwise, the approving official must be at a higher management level than the official who recommended the QSI.

APPENDIX C. [NATIONAL CEMETERY ADMINISTRATION (NCA)] DELEGATION OF APPROVAL AUTHORITY FOR SPECIAL CONTRIBUTION, PERFORMANCE, SUGGESTION, AND TIME[-]OFF AWARDS; AND, QUALITY STEP INCREASES

1. DEFINITIONS.

- a. Special Contribution Award.** For the purpose of this handbook, a special contribution award refers to a cash award given for a special contribution made by an individual or group of individuals, for on-the-spot recognition, or for achievement of [a] productivity/gainsharing/[goal sharing] program.
- b. Superior Performance Award.** A one-time cash award that may be granted to an employee based on his/her [performance appraisal] rating of record provided that the rating of record is at the fully successful level (or equivalent) or above.
- c. Suggestion.** Employee suggestions are ideas that define a problem or objective, present a solution or plan for improvement and tell how the solution will improve the efficiency, economy or effectiveness of [G]overnment operations or otherwise benefit the [G]overnment.
- d. Time[-]Off Award.** Time-off awards are time off [from duty, granted in increments] from [one] to 40 hours[,] in recognition of a specific contribution.
- e. Title 5 Quality Step Increase (QSI).** A QSI is an increase to an employee's rate of basic pay from one step of the grade to the next step that is granted in recognition of excellence in performance during the last appraisal cycle. The purpose of a QSI is to recognize, on an individual basis, consistently high achievers by granting faster than normal step increases[.]

2. SPECIAL CONTRIBUTION AWARD.

a. Delegations.

(1) [NCA] Central Office.

- (a) The Under Secretary for Memorial Affairs is authorized to recommend and approve up to and including \$7,500 for individual special contribution and up to and including \$25,000 for group special contribution awards for all eligible employees so long as no one employee receives more than \$7,500.
- (b) The Deputy Under Secretary for Memorial Affairs is authorized to recommend and approve up to and including \$5,000 for individual special contribution awards and up to and including \$15,000 for group special contribution awards for all eligible employees so long as no one employee receives more than \$5[,]000.
- (c) The Director of Office of Field Programs, Office of Finance and Planning, Communication Management Service, Management Support Service, State Cemetery Grants Service, Office of Construction Management, Information Technology and Business Requirement Services are authorized

b. Restrictions.

- (1) In order to qualify for a cash award, adopted suggestions must have measurable dollar benefits of at least \$250, or intangible benefits of comparable value, or a combination of both.
- (2) In determining the amount of the award for adopted suggestions, the appropriate scale of awards in Appendix A to Part III of VA Handbook 5017 will be used.

3. TIME[-]OFF AWARD.

a. Delegations.

(1) [NCA] Central Office.

- (a) The Under Secretary for Memorial Affairs and Deputy Under Secretary for Memorial Affairs are authorized to recommend and approve time[-]off awards up to and including 40 hours for all eligible employees.
- (b) The Director of Office of Field Programs, Office of Finance and Planning, Communication Management Service, Management Support Service, State Cemetery Grants Service, Office of Construction Management, Information Technology and Business Requirement Services are authorized to recommend and approve time[-]off awards up to and including 27 hours (or the equivalent of [three] workdays) for all eligible employees.
- (c) Service directors in VACO are authorized to recommend and approve time[-]off awards up to and including 18 hours (or the equivalent of [two] workdays) for all eligible employees.

(2) Field Facilities.

- (a) [Memorial Service Network]MSN[)] directors are authorized to recommend and approve time-off awards up to and including 18 hours (or the equivalent of [two] workdays) for all eligible employees.
- (b) Cemetery directors are authorized to recommend and approve time[-]off awards up to and including [eight] hours (or the equivalent of [one] workday) for all eligible employees.

b. Restrictions.

- (1) Employees in the Senior Executive Service (SES) and equivalents appointed under title 5 are excluded from receiving time[-]off awards.
- (2) The minimum time[-]off award is [1] hour[] and not more than 40 hours may be granted to an employee for a specific contribution.

PART I

APPENDIX C

- (3) The maximum amount of time off that may be granted to any employee during a 12-month period is 80 hours and recipients must use the time[-]off award within [365] days. [] [Failure to use an award within 365 days after the date of approval will result in the employee's forfeiture of any unused portion of that award].
- (4) The number of hours granted for a time[-]off award must be consistent with the Scale of Time[-]Off Awards located in VA Handbook 5017, Part III, Appendix F.

4. TITLE 5 [QUALITY STEP INCREASE(QSIs)] [].

a. Delegations.

- (1) **[NCA] Central Office.** The Under Secretary for Memorial Affairs; Deputy Under Secretary for Memorial Affairs; and the Director of Office of Field Programs, Office of Finance and Planning, Communication Management Service, Management Support Service, State Cemetery Grants Service, Office of Construction Management, Information Technology and Business Requirement Services are authorized to recommend and approve QSIs.

(2) Field Facilities.

- (a) MSN directors are authorized to recommend and approve QSIs for all eligible employees.
- (b) Cemetery directors may recommend QSIs and route to MSN directors for approval.

b. Restrictions.

- (1) Only General Schedule employees appointed under title 5 are eligible to receive QSIs.
- (2) A QSI may not be granted to an eligible employee who has received a QSI within the preceding 52 consecutive calendar weeks.
- (3) A QSI may not be granted to an eligible employee who is in step 10 of the pay grade.

5. ADDITIONAL DELEGATIONS. Service directors and cemetery directors may delegate their authority to recommend or approve (but not both) to the next lower level supervisor. The award amount associated with this delegation will not exceed 75% of the original delegated authority.

APPENDIX D. [VETERANS BENEFITS ADMINISTRATION (VBA)] DELEGATION OF APPROVAL AUTHORITY FOR SPECIAL CONTRIBUTION, PERFORMANCE, SUGGESTION, AND TIME[-]OFF AWARDS; AND, QUALITY STEP INCREASES

1. DEFINITIONS.

- a. Special Contribution Award.** For the purpose of this handbook, a special contribution award refers to a cash award given for a special contribution made by an individual or group of individuals, for on-the-spot recognition, or for achievement of productivity/gainsharing/[goal sharing] program.
- b. Superior Performance Award.** A one-time cash award that may be granted to an employee based on his/her [performance appraisal] rating of record provided that the rating of record is at the fully successful level (or equivalent) or above.
- c. Suggestion.** Employee suggestions are ideas that define a problem or objective, present a solution or plan for improvement and tell how the solution will improve the efficiency, economy or effectiveness of [G]overnment operations or otherwise benefit the [G]overnment.
- d. Time[-]Off Award.** Time[-]off [a]wards are time off [from duty, granted in increments] from [1] to 40 hours[,] in recognition of a specific contribution.
- e. Title 5 Quality Step Increase (QSI).** A QSI is an increase to an employee's rate of basic pay from one step of the grade to the next step that is granted in recognition of excellence in performance during the last appraisal cycle. The purpose of a QSI is to recognize, on an individual basis, consistently high achievers by granting faster than normal step increases.

2. SPECIAL CONTRIBUTION AWARDS.

a. Delegations.

(1) VBA Central Office.

- (a) The Under Secretary for Benefits and Deputy Under Secretary for Benefits are authorized to approve up to and including \$7,500 for individual special contribution awards and up to and including \$25,000 for group special contribution awards so long as no one employee receives more than \$7,500.
- (b) Associate Deputy Under Secretaries (Policy and Programs, Field Operations, and Management), the Chief of Staff, the Chief Financial Officer and Area Directors (Central, East, South and West) are authorized to approve up to and including \$5,000 for individual special contribution awards and up to and including \$10,000 for group special contribution awards so long as no one employee receives more than \$5,000.

- (2) **VBA Regional Offices.** Regional, Service, and Staff Office directors are authorized to approve time[-]off awards of up to and including 24 hours for employees.

b. Restrictions.

- (1) Employees in the Senior Executive Service (SES) and equivalents appointed under title 5 are excluded from receiving time[-]off awards.
- (2) The minimum time[-]off award is [1] hour[] and not more than 40 hours may be granted to an employee for a specific contribution.
- (3) The maximum amount of time off that may be granted to any employee during a 12-month period is 80 hours and recipients must use the time[-]off award within [365] days. [] [Failure to use an award within 365 days after the date of approval will result in the employee's forfeiture of any unused portion of that award].
- (4) The number of hours granted for a time[-]off award must be consistent with the Scale of Time[-]Off Awards located in VA Handbook 5017, Part III, Appendix F.

3. TITLE 5 [QUALITY STEP INCREASE(QSIs)] [].

a. Delegations

(1) **VBA Central Office.**

- (a) The Under Secretary for Benefits or Deputy Under Secretary for Benefits, or their designees, are authorized to approve QSIs for title 5 employees in pay categories through the GS-15 level under their jurisdiction.
- (b) Associate Deputy Under Secretaries (Policy and Programs, Field Operations, and Management), the Chief of Staff, the Chief Financial Officer, Area Directors (Central, East, South and West) and Regional Offices are authorized to approve QSIs for title 5 employees in pay categories through the GS-15 level under their jurisdiction.

b. Restrictions.

- (1) Only General Schedule employees appointed under title 5 are eligible to receive QSIs.
- (2) A QSI may not be granted to an eligible employee who has received a QSI within the preceding 52 consecutive calendar weeks.
- (3) A QSI may not be granted to an eligible employee who is in step 10 of the pay grade.

APPENDIX F. TIME[-]OFF AWARDS

1. GENERAL PROVISIONS.

- a. Time[-]off awards may be granted to an individual or group of employees for contributions that benefit the Department.
- b. The amount of a time[-]off award is subject to the following:
 - (1) The minimum time[-]off award is [one] hour[].
 - (2) Time[-]off awards will be granted in increments of one hour.
 - (3) Not more than 40 hours may be granted to an employee for a specific contribution.
 - (4) The maximum amount of time off that may be granted to any employee during a 12[-]month period is 80 hours.
 - (5) Time off must be used by the employee in increments of one hour[].
- c. Each time[-]off award must be used within 365 days after the date on which it was approved. Failure to use an award within 365 days after the date of approval will result in the employee's forfeiture of any unused portion of the award. To avoid possible forfeiture, management should allow the employee time to utilize the award within the prescribed timeframe.
- d. Time[-]off awards may be transferred when an employee changes jobs or organizations within VA. Time[-]off awards may not be transferred to another Federal agency if an employee leaves VA and, likewise, time off will be forfeited upon an employee's separation from VA and may not be treated as annual leave for lump sum payment purposes. Time off may not be recredited to a former employee if reemployed by VA.
- e. Time[-]off awards may not, under any circumstances, be converted to a cash payment [] to an employee or group of employees.

2. COVERAGE. Except as provided in VA Handbook 5017, Part III, paragraph 3, employees who earn leave under the provisions of 5 U.S.C.[] [C]hapter 63 or 38 U.S.C.[] [C]hapter 74 and VA Handbook 5011, Hours of Duty and Leave.

PART III
APPENDIX F

3. EXCLUSIONS. Employees in the Senior Executive Service [(SES)] and equivalents appointed under title 5 or title 38.

4. DETERMINING TIME[-]OFF AWARDS.

- a. Time[-]off awards may be used in conjunction with special use award programs. The time[-]off award may be granted in addition to any monetary or honorary award already provided for in the design of the program. Time off may be combined with other awards in accordance with Part I, para[graph] 4 of this handbook.
- b. When using time off to supplement a cash award, care should be taken to ensure that total recognition is commensurate with the contribution.
- c. In determining the amount of time off to grant in recognition of a single contribution or for sustained high-level achievement, use the scale at the end of this appendix.

5. ADDITIONAL RESPONSIBILITIES.

- a. To the extent possible, management should ensure that time off granted as an incentive is used promptly both to reinforce the motivational value of this form of recognition and to ensure that the employee does not have to forfeit his or her time[-]off award.
- b. In granting this form of recognition, management should weigh organizational priorities to ensure that the employee will have an opportunity to use the number of hours of time off being awarded within the period available for its use.

6. SCHEDULING, RECORDING AND ACCOUNTING FOR TIME OFF.

- a. Although time off is not a category of leave, current procedures for requesting and scheduling use of discretionary leave (i.e., annual leave, leave without pay) will apply to time[-]off awards. At a minimum, employees must request time off and obtain supervisory approval for absence in advance of its use. Action on each request will be made in consideration of factors which are normally considered in granting discretionary leave.
- b. Each time[-]off award granted must be recorded and tracked separately to ensure use by its expiration date.[]

SCALE OF TIME[-]OFF AWARDS

VALUE TO ORGANIZATION		NUMBER OF HOURS
MODERATE	<p>Change or contribution to an operating principle, practice, procedure or program of limited impact or use.</p> <p>[Overall Performance/Proficiency Rating of at least Fully Successful/Satisfactory.</p> <p>NOTE: For title 5/hybrid-title 38 employees, the rating must include the attainment of an exceptional achievement level on at least one critical element to be eligible.]</p>	Up to 12
SUBSTANTIAL	<p>Significant or important change, contribution to or modification of an operating principle, practice, procedure or program or service to the public.</p> <p>[Overall Performance/Proficiency Rating of at least Excellent/Highly Satisfactory.]</p>	Up to 24
EXCEPTIONAL	<p>Complete revision or initiation of a major policy, practice or procedure that has significant impact on VA's mission. Major improvement in the quality of a critical product, activity, program or service to the public.</p> <p>[Overall Performance/Proficiency Rating of at least Outstanding.]</p>	Up to 40