



Note: Pursuant to Section 101 of the Aviation and Transportation Security Act (49 U.S.C. 114(n)), this directive establishes Transportation Security Administration (TSA) policy and supersedes Federal Aviation Administration (FAA) orders, policies, guidance, and bulletins issued under the FAA Personnel Management System regarding employee Awards and Recognition.

1. **PURPOSE:** This directive provides TSA policy and procedures for establishing criteria and requirements for recognizing and rewarding employees. This directive supersedes HCM 451-3, Awards and Recognition, dated April 24, 2006.
2. **SCOPE:** This directive applies to all TSA employees.
3. **AUTHORITIES:** Sections 101 and 111(d) of the Aviation and Transportation Security Act, Pub.L. 107-71 (ATSA), November 19, 2001 (49 U.S.C. §§ 114 (n), 40122, 44935, and 44935 note)
4. **DEFINITIONS:**
 - A. Attendance Award: A cash award designed to recognize employees for their sustained availability in the work place, and may be granted on an individual basis at the end of a performance cycle.
 - B. Awards: Recognition of employee contributions that are both significant and beyond the scope of achievement normally expected as part of the employee's job.
 - C. Career Service Recognition: The periodic recognition of an employee's creditable years of Federal service or recognition of total years of service upon retirement.
 - D. Honorary Award: A type of non-monetary award that is an object the recipient would reasonably be expected to value, but that does not convey a sense of monetary value.
 - E. On-the-Spot (OTS) Awards: Monetary awards of a net amount after required tax withholding of \$50 to \$250 that provide immediate recognition for worthy non-recurring contributions. Designated management officials should recognize employees as quickly as possible when granting an on-the-spot award.
 - F. Performance Awards: Lump-sum, cash awards designed to recognize employees for their accomplishment of duties. Performance awards may only be granted on an individual basis on the employee's rating of record at the end of the performance cycle.
 - G. Special Achievement Award: A one-time, lump sum cash award granted in recognition of a significant one-time contribution related to official employment. It is also referred to as a Special Act Award.
 - H. Time-Off Award: An excused absence from duty granted to an employee for use without charge to leave or loss of pay. Time-off awards recognize employee work accomplishments.

5. RESPONSIBILITIES:

- A. The Assistant Administrator for Human Capital is responsible for establishment of an agency awards and recognition program.
- B. The Assistant Administrator for Finance and Administration is responsible for the allocation of funds for payment of monetary awards. Assistant Administrators and key Office Directors may not authorize or approve an award unless the dollar amount of the award is within his or her allocation.
- C. Supervisors, managers and/or other designated management officials are responsible for recommending and rewarding employees whose performance, contributions, or activities merit recognition.
- D. All management officials are responsible for ensuring that awards are based on merit and distributed equitably.
- E. The Assistant Secretary is responsible for retaining the authority to grant awards to members of the Transportation Security Executive Service (TSES).
- F. The Secretary of the Department of Homeland Security must approve awards over \$10,000. Nominations must be forwarded to the Secretary from, and endorsed by, the Assistant Secretary through the Under Secretary for Management.
- G. The Assistant Secretary may grant monetary awards in amounts up to and including \$10,000 per individual. The authority to grant awards of more than \$5,000 up to and including \$10,000 may be delegated no lower than the Deputy Administrator.
- H. Except as provided in section E above, Assistant Administrators and key Office Directors are delegated the authority to grant monetary awards for amounts up to and including \$5,000 per individual.
- I. Except as provided in section E above, Assistant Administrators and key Office Directors may delegate to lower level management officials (including FSDs) within their organizations the authority to grant awards up to and including \$2,000 per individual.
- J. Assistant Administrators and key Office Directors are responsible for establishing delegations of approving authority for non-monetary awards within the guidelines of this policy.

- 6. POLICY:** It is the policy of TSA to recognize and reward significant employee contributions and achievements in a fair and equitable manner consistent with the procedures of this directive.

7. PROCEDURES:

A. General

- (1) The TSA awards and recognition program is a meaningful tool for sustaining and improving performance, increasing morale, and improving recruitment and retention.
- (2) Generally, awards are recognition of employee contributions that are both significant and beyond the scope of achievement normally expected as part of the employee's job.
- (3) Recognition must be proportionate to the value of the contribution to TSA's mission.
- (4) Awards may not be used as a substitute for overtime pay, promotion, or any other purpose not compatible with the criteria for awards described in this policy.
- (5) Only one monetary award may be granted for each achievement or contribution. However, employees may receive both a monetary and non-monetary award for the same contribution.
- (6) Employees may not grieve the failure to receive a performance or incentive award without evidence that policies and procedure have not been appropriately applied.
- (7) Employees may not grieve the monetary amount of a performance or incentive award.
- (8) The amount of an award may not cause the annual aggregate compensation of a non-TSES employee to exceed pay Level I of the Executive Schedule in a calendar year.
- (9) Management officials should use Attachment 1 for assistance in determining award amounts commensurate with contribution.
- (10) TSA Form 1140, *Award Recommendation and Approval*, must be completed for all monetary and time-off awards given under the awards and recognition program established by this Directive.

B. Monetary Awards

- (1) Special Achievement Awards
 - (a) Special Achievement Awards are one-time, lump sum cash awards granted in recognition of a significant one-time contribution related to official employment.
 - (b) The justification for the award must describe the significant accomplishment and outline how the employee's performance benefited TSA or the Government as a whole.
 - (c) This award may be given for individual or group achievements. Examples of achievements include but are not limited to:

- (i) Scientific and technological advances;
 - (ii) Achievements that contributed significantly to more efficient or economical operations involving tangible savings;
 - (iii) Exemplary or courageous actions in a emergency situation related to official employment;
 - (iv) Having articles published, presenting technical papers to professional organizations, or performing other similar personal projects that have significantly increased understanding and interest in TSA operations or have contributed significantly to a mission of the TSA;
 - (v) Improving service to the public in a specific or measurable way;
 - (vi) Notable improvement in the public relations of TSA; or
 - (vii) Other noteworthy achievements.
- (2) On-the-Spot Awards
- (a) OTS awards are monetary awards that provide immediate recognition for worthy non-recurring contributions. Designated management officials should recognize employees as quickly as possible when granting an OTS award.
 - (b) This is a monetary award of a net amount after required tax withholding of \$50 to \$250. The value of the award should be commensurate with the value of the employee's contribution. An employee may not receive more than a net amount of \$500 in OTS awards in a 52-week period. The 52-week period starts on the effective date of the first award.

Note: OTS awards recommended by the Office of Inspection, Special Operations are not included in the 52 week period maximum net amount of \$500 for OTS awards. Issuance of these OTS awards will not impact the awards budget allocation of the recipient's duty location.
 - (c) Contributions that may be recognized with an OTS award include:
 - (i) Making a high quality contribution involving a difficult or important project or assignment;
 - (ii) Displaying special initiative and skill in completing an assignment or project before the deadline;
 - (iii) Using initiative and creativity to improve a product, activity, program, or service; or

- (iv) Ensuring a unit's mission is accomplished during a difficult period by successfully completing additional work or a project assignment while maintaining the employee's own workload.
 - (d) Because OTS cash awards are issued in an employee's bi-weekly paycheck, organizations may develop non-monetary methods, such as certificates, to use in presenting an OTS award to the employee.
- (3) Performance Awards
- (a) A performance award is a cash award designed to recognize employees for their accomplishment of duties. Performance awards may only be granted on an individual basis on the employee's rating of record at the end of the performance cycle.
 - (b) Employees must, at a minimum, achieve (meet) performance standards to be considered for a performance award. The amount of the award should be commensurate with the individual's performance level.
 - (c) Accomplishments that generally are considered for performance awards are typically categorized by high work output, consistently completing timely work products of high quality, and /or providing prompt and courteous service to customers, clients and co-workers.
 - (d) When computing performance-based cash awards as a percentage of an employee's rate of basic pay, the rate of basic pay will include locality pay.
 - (e) In-position increases and performance awards are not the same. It is possible for an employee to receive both an in-position increase and a performance award based on his or her performance. Employees at the maximum of the pay band are not eligible to receive in-position increases. However, management may recognize these employees with a lump-sum cash award.
- (4) Attendance Awards
- (a) An attendance award is a cash award designed to recognize employees for their sustained availability in the workplace. Attendance awards may be granted on an individual basis at the end of a performance cycle.
 - (b) The justification for the award must describe how the employee meets all of the following criteria:
 - (i) At a minimum, achieves (meets) performance standards.
 - (ii) Follows established TSA policy and approved local procedures for requesting and using leave.

- (iii) Does not have more than three instances/occurrences during the performance year where the supervisor granted after the fact approval of an unscheduled leave request associated with tardiness.
- (iv) Does not have any documented instances of AWOL during the performance year.
- (c) Attendance awards are for a fixed amount and are not computed as a percentage of the employee's rate of basic pay.
- (d) Performance awards and attendance awards are not the same. It is possible for an employee to receive both a performance award and an attendance award for the same performance cycle.

C. Non-Monetary Recognition

(1) Honorary Awards

- (a) This type of non-monetary award is an object that the recipient would reasonably be expected to value, but that does not convey a sense of monetary value.
 - (b) The item must have lasting trophy value and clearly symbolize the employer-employee relationship in some fashion. Affixing a logo on an item is one way to represent the employer-employee relationship. Furthermore, the item must be of appropriate form to be used in the public sector. Examples include trophies, mugs, plaques, small statues, and mechanical or electronic devices.
 - (c) Organizations are encouraged to develop other innovative non-monetary ways to recognize employee contributions to their immediate work unit. These types of awards may include, but are not limited to: Employee/Transportation Security Officer (TSO) of the Month, Employee/TSO of the Quarter; and letters of recognition.
- (2) Honorary Awards for Non-Federal Employees (volunteers; individuals employed by non-Federal entities such as State, local, or tribal governments; contractors and their employees; and other individuals and outside groups). These individuals are outside the scope of coverage qualified in Section 2, and are not eligible for monetary awards. However, these individuals may be granted non-monetary, honorary awards for outstanding contributions that further the mission of TSA. Before making an award to a contractor or a contractor employee, consult with the responsible contracting official.

(3) Time-Off Awards

- (a) A time-off award is an excused absence from duty granted to an employee for use without charge to leave or loss of pay. Time-off awards may be used in combination with cash and/or honorary awards (e.g. certificates, plaques, etc). Contributions that may be recognized with a time-off award are the same as those for monetary awards as described in section 7B(1)(c) above.

- (b) A management official higher than the recommending official must approve time-off awards of more than one day. Assistant Administrators and key Office Directors are responsible for establishing approval levels in their respective organizations.
- (c) Full time employees may not be granted time-off awards totaling more than 80 hours during any one leave year. Part-time employees may be granted no more than the amount of hours in a biweekly scheduled tour of duty during any one leave year.

Example: An employee with a part-time tour of 32 hours a week (64 hours a pay period) may receive time-off awards totaling no more than 64 hours in a leave year.

- (d) The minimum number of hours that an employee may receive for a single time-off awards is four (4) hours. The maximum number of hours that a full-time employee may receive for a single time-off award is forty (40) hours. A single time-off award for a part-time employee may not exceed one-half of the employee's official bi-weekly tour of duty.

Example: A part-time employee with a 64-hour bi-weekly tour of duty may not receive more than 32 hours in a single award.

- (e) Time-off awards shall be granted and used in whole hour increments.
 - (f) Time-off awards do not convert to cash under any circumstances. If an employee separates from TSA before using all time-off award hours, those hours are lost. They do not transfer to other agencies, and they will not be included in any lump sum payment received by the employee.
 - (g) Time-off awards must be used within one year of the effective date of the award.
 - (h) If an employee is ill or injured during the use of a time off award, the employee may be allowed to use sick leave for that period. The employee must still use the time-off award within one year of the effective date.
 - (i) Time-off awards and annual leave are distinct in the way they are earned and administered. Time-off earned as an award may be carried across leave years as long as it is within the 52-week period that the employee has to use the award. Time-off awards have no effect on annual leave carryover limitations.
- (4) Career Service Recognition
- (a) The TSA shall recognize employees for their creditable service with the Federal Government. The service does not have to be continuous. Military service creditable toward an employee's service computation date and Federal service with other agencies will be included.

- (b) Career recognition will be granted at the completion of 5, 10, 15, 20, 25, 30, 35, 40, 45, and 50 years of service.
 - (c) All TSA employees retiring under any provision of the Civil Service Retirement (CSRS) or Federal Employees Retirement (FERS) Acts are eligible to receive a retirement certificate. The Assistant Secretary will sign retirement certificates for TSA employees. The Certificate must be pre-inscribed with the retiree's name and years of service.
- (5) Distinguished Career Service Award
- (a) The Secretary of Homeland Security or the Assistant Secretary may grant this award to retiring employees with more than 20 years of Federal service who are deemed to have made significant contributions to the Federal service during their careers. Military service creditable toward an employee's service computation date is creditable time for this award.
 - (b) A written justification must be submitted for this award. There must be clear identification of specific accomplishments throughout the employee's career, not only accomplishments achieved while employed at TSA; and the employee must have received at least two other awards (honorary and/or monetary but excluding on-the-spot awards) during his or her career.
 - (c) Nominations shall be submitted in four copies and forwarded to the Assistant Secretary through the appropriate Assistant Administrator or key Office Director. Nominations must be submitted at least four weeks prior to the anticipated presentation date and must include the following information:
 - (i) Name of nominee;
 - (ii) Title, series, and pay band of current position;
 - (iii) Brief biographical sketch;
 - (iv) Listing of previous honors and awards;
 - (v) A statement describing the employee's career achievements; and
 - (vi) The endorsement of the appropriate Assistant Administrator or key Office Director.
 - (d) Once the award has been approved, the individual organization is responsible for ordering the appropriate type of award (e.g., plaque, trophy, statue, etc.).

(6) John W. Magaw Leadership Values Award

- (a) This is an annual recognition by the Assistant Secretary of an individual who has significantly contributed to the advancement of the TSA mission while demonstrating outstanding leadership values. Selection will be made by the Assistant Secretary.
- (b) Individual would exemplify the following leadership traits of John W. Magaw:
 - (i) Integrity;
 - (ii) A patriotic dedication to duty; and
 - (iii) Empowerment of others to act with the value of service before self toward accomplishing the agency mission.

8. EFFECTIVE DATE AND IMPLEMENTATION: This policy is effective immediately upon signature.

APPROVAL



8/3/2006

Richard A. Whitford
Assistant Administrator for Human Capital

Date

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Point-of-Contact: Office of Human Capital

**TSA MANAGEMENT DIRECTIVE No. 1100.45-1
AWARDS AND RECOGNITION**

Attachment 1

Determining Award Amounts

Suggestions, Inventions, and Special Acts or Services

<i>Estimated First-Year Benefits to Government</i>	<i>Amount of Award</i>
Up to \$10,000	10 percent of benefits
\$10,001 through \$100,000	\$1000 for the first \$10,000, plus 3 percent of benefits over \$10,000
\$100,001 or more	\$3,700 for the first \$100,000, plus .5 percent of benefits over \$100,000

Quick Guide for Calculating Awards Based on Tangible Benefits

Benefits	Award	Benefits	Award	Benefits	Award	Benefits	Award	Benefits	Award
Up to \$10,000	10%	\$50,000	\$1,030	\$90,000	\$1,030	\$170,000	\$4,050	\$1,800,000	\$12,200
\$11,000	\$1,030	\$51,000	\$1,030	\$91,000	\$1,030	\$175,000	\$4,075	\$1,900,000	\$12,700
\$12,000	\$1,030	\$52,000	\$1,030	\$92,000	\$1,030	\$180,000	\$4,100	\$2,000,000	\$13,200
\$13,000	\$1,030	\$53,000	\$1,030	\$93,000	\$1,030	\$185,000	\$4,125	\$2,100,000	\$13,700
\$14,000	\$1,030	\$54,000	\$1,030	\$94,000	\$1,030	\$190,000	\$4,150	\$2,200,000	\$14,200
\$15,000	\$1,030	\$55,000	\$1,030	\$95,000	\$1,030	\$195,000	\$4,175	\$2,300,000	\$14,700
\$16,000	\$1,030	\$56,000	\$1,030	\$96,000	\$1,030	\$200,000	\$4,200	\$2,400,000	\$15,200
\$17,000	\$1,030	\$57,000	\$1,030	\$97,000	\$1,030	\$225,000	\$4,325	\$2,500,000	\$15,700
\$18,000	\$1,030	\$58,000	\$1,030	\$98,000	\$1,030	\$250,000	\$4,450	\$2,600,000	\$16,200
\$19,000	\$1,030	\$59,000	\$1,030	\$99,000	\$1,030	\$275,000	\$4,575	\$2,700,000	\$16,700
\$20,000	\$1,030	\$60,000	\$1,030	\$100,000	\$1,030	\$300,000	\$4,700	\$2,800,000	\$17,200
\$21,000	\$1,030	\$61,000	\$1,030	\$101,000	\$1,030	\$325,000	\$4,825	\$2,900,000	\$17,700
\$22,000	\$1,030	\$62,000	\$1,030	\$102,000	\$1,030	\$350,000	\$4,950	\$3,000,000	\$18,200
\$23,000	\$1,030	\$63,000	\$1,030	\$103,000	\$1,030	\$375,000	\$5,075	\$3,100,000	\$18,700
\$24,000	\$1,030	\$64,000	\$1,030	\$104,000	\$1,030	\$400,000	\$5,200	\$3,200,000	\$19,200
\$25,000	\$1,030	\$65,000	\$1,030	\$105,000	\$1,030	\$425,000	\$5,325	\$3,300,000	\$19,700
\$26,000	\$1,030	\$66,000	\$1,030	\$106,000	\$1,030	\$450,000	\$5,450	\$3,400,000	\$20,200
\$27,000	\$1,030	\$67,000	\$1,030	\$107,000	\$1,030	\$475,000	\$5,575	\$3,500,000	\$20,700
\$28,000	\$1,030	\$68,000	\$1,030	\$108,000	\$1,030	\$500,000	\$5,700	\$3,600,000	\$21,200
\$29,000	\$1,030	\$69,000	\$1,030	\$109,000	\$1,030	\$550,000	\$5,950	\$3,700,000	\$21,700
\$30,000	\$1,030	\$70,000	\$1,030	\$110,000	\$1,030	\$600,000	\$6,200	\$3,800,000	\$22,200
\$31,000	\$1,030	\$71,000	\$1,030	\$111,000	\$1,030	\$650,000	\$6,450	\$3,900,000	\$22,700
\$32,000	\$1,030	\$72,000	\$1,030	\$112,000	\$1,030	\$700,000	\$6,700	\$4,000,000	\$23,200
\$33,000	\$1,030	\$73,000	\$1,030	\$113,000	\$1,030	\$750,000	\$6,950	\$4,100,000	\$23,700
\$34,000	\$1,030	\$74,000	\$1,030	\$114,000	\$1,030	\$800,000	\$7,200	\$4,200,000	\$24,200
\$35,000	\$1,030	\$75,000	\$1,030	\$115,000	\$1,030	\$850,000	\$7,450	\$4,300,000	\$24,700
\$36,000	\$1,030	\$76,000	\$1,030	\$116,000	\$1,030	\$900,000	\$7,700	\$4,360,000	\$25,000
\$37,000	\$1,030	\$77,000	\$1,030	\$117,000	\$1,030	\$950,000			
\$38,000	\$1,030	\$78,000	\$1,030	\$118,000	\$1,030	\$1,000,000			
\$39,000	\$1,030	\$79,000	\$1,030	\$119,000	\$1,030	\$1,050,000			
\$40,000	\$1,030	\$80,000	\$1,030	\$120,000	\$1,030	\$1,100,000			
\$41,000	\$1,030	\$81,000	\$1,030	\$125,000	\$1,055	\$1,150,000			
\$42,000	\$1,030	\$82,000	\$1,030	\$130,000	\$1,080	\$1,200,000			
\$43,000	\$1,030	\$83,000	\$1,030	\$135,000	\$1,105	\$1,250,000			
\$44,000	\$1,030	\$84,000	\$1,030	\$140,000	\$1,130	\$1,300,000			
\$45,000	\$1,030	\$85,000	\$1,030	\$145,000	\$1,155	\$1,350,000			
\$46,000	\$1,030	\$86,000	\$1,030	\$150,000	\$1,180	\$1,400,000			
\$47,000	\$1,030	\$87,000	\$1,030	\$155,000	\$1,205	\$1,500,000			
\$48,000	\$1,030	\$88,000	\$1,030	\$160,000	\$1,230	\$1,600,000			
\$49,000	\$1,030	\$89,000	\$1,030	\$165,000	\$1,255	\$1,700,000			

**TSA MANAGEMENT DIRECTIVE No. 1100.45-1
AWARDS AND RECOGNITION**

<i>Value of Benefit</i>	<i>Extent of Application</i>			
	<i>Limited</i>	<i>Extended</i>	<i>Broad</i>	<i>General</i>
	Affects functions, mission, or personnel of one office, facility, installation, or an organization element of headquarters. Affects a small area of science and technology	Affects functions, mission, or personnel of several offices, facilities, or installations. Affects an important area of science or technology.	Affects functions, mission, or personnel of an entire regional area of command. May be applicable to all of an independent agency or a large bureau. Affects a broad area of science and technology.	Affects functions, mission, or personnel of several regional areas or commands, or an entire department or large independent agency, or is in the public interest throughout the Nation or beyond.
MODERATE VALUE – Change or modification of an operating principle or procedure which has moderate value sufficient to meet the minimum standard for a cash award; an improvement to the value of a product, activity, program, or service to the public	\$25 - \$100 (Compare with \$250 - \$1000 tangible benefits)	\$100 - \$250 (Compare with \$1000- \$2,500 tangible benefits)	\$250 - \$500	\$500 - \$1000
SUBSTANTIAL VALUE – Substantial change or modification of an operating principle or procedure; an important improvement to the value of a product, activity, program, or service to the public.	\$100 - \$250 (Compare with \$1000- \$2,500 tangible benefits)	\$250 - \$500 (Compare with \$2,500 - \$5000 tangible benefits)	\$500 - \$1000 (Compare with \$5000 - \$10,000 tangible benefits)	\$1000 - \$2,500
HIGH VALUE – Complete revision of a basis principle or procedure; a highly significant improvement to the value of a product, activity, program, or service to the public.	\$250 - \$500	\$500 - \$1000 (Compare with \$5000 - \$10,000 tangible benefits)	\$1000 - \$2,500 (Compare with \$10,000 - \$60,000 tangible benefits)	\$2,500 - \$5000 (Compare with \$60,000 - \$80,000 tangible benefits)
EXCEPTIONAL VALUE – 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.	\$500 - \$1000	\$1000 - \$2,500	\$2,500 - \$5000 (Compare with \$60,000 - \$80,000 tangible benefits)	\$5000 - \$10,000 (Compare with \$360,000 - \$1,360,000 tangible benefits)

- 1) The minimum award for tangible benefits may be granted only when the benefits reach or exceed \$250.
- 2) Contributions recognized by cash awards based on intangible benefits must be comparable, in value to the Government, with those based on tangible benefits. Comparisons are shown in parenthesis below the award amount in the above chart.
- 3) When a contribution has both tangible benefits and intangible benefits, the amount of the award must be based on the total value of the contribution to the Government, i.e. a combination of the award amount based on tangible and the award amount based on intangible benefits.