

**US DEPARTMENT OF HOMELAND SECURITY
TRANSPORTATION SECURITY ADMINISTRATION**

HUMAN RESOURCES POLICY

HRM LETTER 451-2

DATE: October 7, 2004

SUBJECT: Awards and Recognition Policy

This policy supercedes HRM 451-1, Interim Policy on Awards and Recognition, issued November 18, 2002.

A. PURPOSE: This policy establishes criteria and requirements for recognizing and rewarding employees. In addition, the policy links the TSA awards and recognition program to organizational performance outcomes and encourages employees to work toward the Strategic Goals established by the Assistant Secretary.

B. SCOPE: This policy applies to all TSA employees.

C. ROLES & RESPONSIBILITIES:

1. The Assistant Administrator for Human Resources is responsible for establishment of an agency awards and recognition program.
2. The Assistant Administrator for Finance and Administration will allocate 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.
3. Supervisors, managers and/or other designated management officials are responsible for recommending and rewarding employees whose performance, contributions, or activities merit recognition.
4. All management officials are responsible for ensuring that awards are based on merit and distributed equitably.
5. The Assistant Secretary retains the authority to grant awards to members of the Transportation Senior Executive Service.
6. **Awards up to and including \$2000.** Except as provided in section 5. 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 \$2000 per individual.
7. **Awards up to and including \$5000.** Except as provided in section 5. above, Assistant Administrators and key Office Directors are delegated the authority to grant monetary awards for amounts up to and including \$5000 per individual.

8. **Awards up to and including \$10,000.** 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 \$5000 up to and including \$10,000 may be delegated no lower than the Deputy Administrator.
9. **Awards over \$10,000.** 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 Border and Transportation Security.
10. Assistant Administrators and key Office Directors are responsible for establishing delegations of approving authority for non-monetary awards within the guidelines of this policy.

D. POLICY & PROCEDURES:

1. General

- a. The TSA awards and recognition program is a meaningful tool for sustaining and improving performance, increasing morale, and improving recruitment and retention.
- b. 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.
- c. Recognition must be proportionate to the value of the contribution to TSA's mission.
- d. 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.
- e. 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.
- f. Designated management officials have the prerogative of nominating employees for awards. These management decisions are not grievable.
- g. 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.
- h. Management officials should use Attachment 1 for assistance in determining award amounts commensurate with contribution.

2. Monetary Awards

a. Special Achievement Awards

- (1) Special Achievement Awards are one-time, lump sum cash awards granted in recognition of a significant one-time contribution related to official employment.

- (2) The justification for the award must describe the accomplishment and outline how the employee's performance benefited TSA or the Government as a whole.
- (3) This award may be given for individual or group achievements. Examples of achievements include but are not limited to:
 - (a) Scientific and technological advances;
 - (b) Achievements that contributed significantly to more efficient or economical operations involving tangible savings;
 - (c) Exemplary or courageous actions in an emergency situation related to official employment;
 - (d) 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;
 - (e) Improving service to the public in a specific or measurable way;
 - (f) Notable improvement in the public relations of TSA; or
 - (g) Other noteworthy achievements.

b. On-the-Spot Awards

- (1) On-the-spot (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 on-the-spot award.
- (2) Contributions that may be recognized with an OTS award include:
 - (a) Making a high quality contribution involving a difficult or important project or assignment;
 - (b) Displaying special initiative and skill in completing an assignment or project before the deadline;
 - (c) Using initiative and creativity to improve a product, activity, program, or service; or
 - (d) 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.
- (3) 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.

- (4) This is a monetary award of \$250 or less. The value of the award should be commensurate with the value of the employee's contribution. An employee may not receive more than \$500 in on-the-spot awards in a 52-week period. The 52-week period starts on the effective date of the first award.

c. Performance Awards

- (1) 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.
- (2) Employees must meet or exceed performance standards to be considered for a performance award. The amount of the award should be commensurate with the individual's performance.
- (3) 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.
- (4) 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.

3. Non-Monetary Recognition

a. Honorary Awards

- (1) 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.
- (2) 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.
- (3) 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/Screeener of the Month, Employee/Screeener of the Quarter; and letters of recognition.

b. Time Off Awards

- (1) A time off award is an excused absence 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 2.a. (3) above.

(2) 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.

(3) 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.

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.

(4) The minimum number of hours that an employee may receive for a single time off award 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.

(5) Time off awards shall be granted and used in whole hour increments.

(6) Time off awards do not convert to cash under any circumstances. If an employee separates from the agency before using all time off 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.

(7) Time off awards must be used within one year after the award is granted.

(8) 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 still must use the award within one year of approval.

(9) 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.

c. Career Service Recognition

(1) The TSA shall recognize employees for their total 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.

(2) Career recognition will be granted at the completion of 5, 10, 15, 20, 25, 30, 35, 40, 45 and 50 years of service.

- (3) 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.

d. Distinguished Career Service Award

- (1) 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.
- (2) A written justification must be submitted for this award. There must be clear identification of specific accomplishments throughout the employee's career, not just while in 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.
- (3) 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:
 - (a) Name of nominee;
 - (b) Title, series, and pay band of current position;
 - (c) Brief biographical sketch;
 - (d) Listing of previous honors and awards;
 - (e) A statement describing the employee's career achievements; and
 - (f) The endorsement of the appropriate Assistant Administrator or key Office Director.

E. EFFECTIVE DATE AND IMPLEMENTATION



Richard A. Whitford
Assistant Administrator for
Human Resources

Filing Instructions:	File with HRM Letters
Effective Date:	The date of signature.
Review Date:	One year from effective date
Distribution:	TSA Affiliated HR Offices, Assistant Administrators, and Office Directors
Point Of Contact:	TSA HR/DeShawn Shepard or Jan Karicher (571) 227-2469

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			

<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.