



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
441 G STREET, NW
WASHINGTON, DC 20314-1000

CEHR

DEC 13 2018

MEMORANDUM OF INSTRUCTION

SUBJECT: USACE Guidance on Incentive Awards for Fiscal Year (FY) 2019

1. References:

a. Office of Personnel Management (OPM) and Office of Management and Budget (OMB) Memorandum, November 18, 2016, subject: Guidance on Awards for Non-SES/SL/ST Employees for Fiscal Year 2017.

b. Office of the Under Secretary of Defense Memorandum, December 21, 2016, subject: Guidance on Award Limitations for Department of Defense Non-Senior Executive Service/Senior-Level/Scientific or Professional Employees for Fiscal Year 2017.

c. Office of the Under Secretary of Defense Memorandum, October 16, 2018, subject: Guidance on Award Limitations for Department of Defense Non-Senior Executive Service/Senior-Level/Scientific or Professional Employees for Fiscal Year 2019.

d. Assistant Secretary of the Army, Manpower and Reserve Affairs (ASA (M&RA)) Memorandum, October 26, 2018, subject: Guidance on Award Limitations for Department of the Army Civilian Employees Fiscal Year (FY) 2019.

e. AR 672-20, Incentive Awards, April 1, 2014.

f. Assistant Secretary of the Army, Manpower and Reserve Affairs (ASA (M&RA)) Memorandum, December 8, 2017, subject: Incentive Awards Under the Department of Defense Performance Management and Appraisal Program.

g. Department of Defense Instruction 1400.25, Volume 451, DoD Civilian Personnel Management System: Awards, November 4, 2013.

h. Department of Defense Instruction 1400.25, Volume 431, DoD Civilian Personnel Management System: Performance Management and Appraisal Program, February 4, 2016.

2. The budgetary limits specified in this memorandum apply to awards paid during FY 2019, with effective dates from October 1, 2018 through September 30, 2019. Types of incentives and awards for USACE employees include the following:

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a. Individual Monetary Awards. USACE FY 2019 spending for individual monetary awards (which include rating-based performance awards and individual special act or spot awards) is limited to no more than 1.5 percent of the aggregate salaries of all non-SES/SL/ST employees as of September 30, 2018.

b. Time-Off Awards. FY 2019 Time-Off Awards (TOAs) are not included in the 1.5 percent limit. Supervisors using time-off awards must follow the requirements set forth in Attachment 1 to ref. 1.b., and be mindful that time-off awards should be scheduled and used within one year of the effective date of the award. Time-off awards cannot: 1) exceed 80 hours in one year or 40 hours for a single contribution (adjusted applicably for part-time employees); 2) be converted to a cash payment under any circumstances; or 3) be transferred outside the DoD or between DoD components.

c. Honorary Awards. USACE is encouraged to thoughtfully and strategically utilize the full range of honorary awards to reward employees whose achievements and pattern of excellence warrant such awards. Recognition in any form should be done publicly to maximize awareness that good performance and solid contributions will be acknowledged. Further information about honorary awards can be found at the following website:

https://www.milsuite.mil/wiki/PERMISS_General_Management_Information/General_Information/Army_Awards_Information/Honorary_Awards.

d. Recruitment, relocation, and retention. Recruitment, relocation, and retention (3Rs) incentives are not awards and are not covered by the budgetary limits. Although the caps imposed on 3R incentives in previous years have been removed, USACE spending on these incentives in FY 2019 must be carried out judiciously and in compliance with applicable regulations. Each Region and Center must assess the affordability of this tool.

e. Quality Step Increases. The quality step increase (QSI) for General Schedule employees is another category of rating-based payment that does not constitute an award. These incentives are not covered by the 1.5 percent budgetary limit. Although the caps imposed on QSIs in previous years have been removed, USACE spending on these incentives in FY 2019 must be carried out judiciously and in compliance with applicable regulations. Each Region and Center must assess the affordability of using QSIs.

3. In accordance with reference 1f, performance narratives are required for each element rated "outstanding" or "fully successful" in order for an employee to be eligible for recognition via monetary and/or honorary awards. Supervisors are expected to justify all performance awards by writing performance narratives that succinctly address an employee's performance as measured against the performance standards for the appraisal cycle. Recognition in any form serves as a management tool to sustain a high

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performance culture and fully engaged employees.

4. Where bargaining unit employees are concerned, labor relations obligations must be met prior to implementing any provisions contained herein, if such provisions represent a change to bargaining unit employees' conditions of employment.

5. The CERM-F point of contact is Mike Walsh, Michael.E.Walsh2@usace.army.mil, 202-761-1858, and the CEHR-D point of contact is Carla Baucom, Carla.J.Baucom@usace.army.mil, (202)761-0334.

Attachments


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