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U. S. DEPARTMENT OF THE INTERIOR
OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT

DIRECTIVES SYSTEM

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Subject: Incentive Awards Program

Approval: [signature] Title: Director

This Change Notice is issued to update Attachment A (Suggestion Program), of the Incentive Awards Program Directive (PER-17). Changes are identified by an asterisk.

PAGE	SECTION		ITEM CHANGED
10	b.(1)	changed	to clarify criteria for eligibility.
*	b.(1)(b)	moved	paragraph (b) to c.(3)(g) because it was not related to eligibility of suggestions.
11	b.(3)	changed	to clarify definition of job related ideas.
13	b.(8)	changed	to clarify reconsideration procedures.
*	b.(11)	changed	to clarify additional awards procedures.
14	c.(1)	added	sentence for procedural clarification.
*	c.(3)	added	words "(See Appendix 3) after "Procedures for Action."
*	c.(3)	added	sentence to clarify who determines the evaluator.
*	c.(3)(a)	added	sentence for procedural clarification and changed "20 days" to "10 working days."
15	c.(3)(b)	changed	to clarify the definition of an evaluator.
*	c.(3)(c)	changed	to clarify evaluator's procedures.
*	c.(3)(d)	moved	to Appendix 3, as a result (e) became (d); (f) became (e).
16	e.	added	"Bureau Suggestion Program Coordinator" after "the Division of Personnel" and second sentence revised for procedural clarification.
		inserted	Appendix 3 after Appendix 2 (Form DI-11) - was developed to provide uniform guidance for Incentive Award Administrators when processing suggestion.

Action Required:

Remove and replace pages 10-16.

Insert Appendix 3.

CHANGE NOTICE

Attachment A - Superior Accomplishment Awards

1. **SUGGESTION PROGRAM**. This program is directed toward obtaining employee ideas that assist management in improving efficiency, economy or effectiveness of Government programs and missions. An employee suggestion is a constructive proposal conceived and developed by an employee or a group of employees and submitted to management for evaluation and consideration for adoption and subsequent award.

a. **Program Responsibility**. Responsibilities are covered under paragraph 4.b. of the directive.

b. **Operation**. Operation of the suggestion program extends to each organizational element in OSM and is centered around employee ideas for improving Government operations.

* (1) **Eligibility**. Ideas may be eligible for award consideration whether approved as submitted or approved in part. Lack of novelty or originality does not necessarily make an idea ineligible for adoption. Ideas eligible for consideration within the suggestion program are those which:

(a) Directly contribute to economy or efficiency;

* (b) Directly increase effectiveness in carrying out Government missions;

(c) Identify areas where energy resources are wasted and offer specific solutions to overcome this waste;

(d) Relate to environmental consideration in OSM programs; and also

(e) Meet the following criteria:

1 Identify or define an existing problem;

2 Suggest a method for solving or improving the problem; and

3 State how OSM will benefit from the idea.

(2) **Ineligibility**. Ideas related to services or benefits to employees, working conditions, buildings and grounds, and housekeeping are ineligible and should be handled through administrative channels instead of through the suggestion program. Suggestions in the form of complaints or those which identify a

problem without proposing a solution should not be accepted into the suggestion program. The following types of contributions are ineligible for suggestion consideration:

(a) Services and benefits to employees such as vending machines, cafeteria services, rest room facilities, parking facilities, or holidays.

(b) Working conditions such as air conditioning, decoration, furniture, or mirrors.

(c) The routine work of taking care of buildings, grounds, and parking lots, such as repairing, cleaning, replacing, painting or adjusting.

(d) Normal or routine safety practices such as normal protective devices, removal of obstructions, or installation of warning and traffic signs.

* (3) **Job-Related Ideas**. Many employee suggestions are related to the employee's work. However, being related to the employee's job does not automatically mean the contribution is part of the employee's "job responsibilities." Job-related versus job responsibilities are defined as follows:

(a) "Job-related" contributions are those which are related to the employee's work environment, but not required in the usual duties or daily performance expectations of the position, (e.g., a secretary submits an idea to improve OSM route slips. Even though the route slip is used by the secretary, which is "job-related," the designing of a route slip is not a part of the secretary's normal job responsibilities.)

(b) "Job responsibilities" contributions are those ideas that fall within the employee's assigned or expected job performance (as defined in the employee's position description or performance standards). A contribution that is determined to be within an employee's job responsibilities, but so superior or meritorious as to warrant special recognition, may be considered for a performance, honor or special act or service award.

(c) Contributions that are job-related may be recognized under the suggestion program, but not contributions that are a part of the suggester's job responsibilities. It is the suggester's supervisor's role to determine whether the suggestion is job related or a part of employee's job responsibilities.

(4) **Informal Ideas**. An employee idea that is informally handled as an employee-management communication item, and accepted

for use by the benefiting organization may be recommended for a special act or service award if the officials of the organization consider the benefits so significant that they warrant an award.

(5) **Basis for Awards**. A monetary or nonmonetary award will be based on tangible and/or intangible benefits.

(a) **Tangible Benefits**. A cash award may be made for an employee suggestion that results in tangible benefits. The amount of an award is normally based on a reasonable estimate of net monetary benefits for the first full year of operation following the contribution. However, if the award is to be based on actual savings, an initial award may be paid at the time the award is approved, with the balance paid as a supplemental at the time the actual savings are determined. The amount of the award will be determined in accordance with the award scale for tangible benefits in Attachment D.

1 **Deviation from Table**. When there are substantial non-recurring costs in adopting a contribution which will be useful for a number of years, the award may be based on an average of the estimated net benefits over a period of years. This procedure should be considered when the amount of the award on the basis of the net first year benefits would be an inadequate reward.

2 **Documentation**. The awards file on an approved contribution resulting in tangible benefits should contain data supporting the determination of dollar benefits.

(b) **Intangible Benefits**. A cash award may also be given for an employee suggestion based on intangible benefits. The amount of an award is normally based on benefits that cannot be directly translated or expressed in monetary savings (tangible benefits) or profits. This award amount is determined on the basis of its value or benefit to Government operations after full consideration of such factors as extent or scope of application, significance of the contribution, and importance of programs affected. However, the minimum cash award of $50.00 is not granted unless the contribution is of a comparable high standard, meeting the requirements of the intangible awards scale table. When the contribution does not qualify for a minimum cash award, a letter of appreciation or certificate may be given. The Incentive Awards Administrator will assist in preparing the letters for the appropriate signature. The scale for intangible benefits is found in Attachment D.

(6) **Waiver of Claim**. The acceptance by the employee of a cash award constitutes an agreement that the use by the Government of any idea, method or device for which the award is

made will not form the basis of a further claim of any nature upon the Government by the employee, his/her heirs or assigns.

(7) **Docketing of Contributions**. Each eligible contribution should be docketed on Form DI-400, Incentive Awards Docket or some comparable form. The description of the contribution must be clear and concise. Dockets should be numbered beginning with one for each fiscal year.

* (8) **Reconsideration**. The suggester, line managers, or a supervisory official may request reconsideration of an evaluation if not adopted. It must be in writing specifically stating the reasons for the request and present new or additional information to document an error of fact that would have a material effect on the evaluation. Such requests must be submitted to the suggester's Servicing Personnel Office Incentive Awards Administrator within 60 days following the receipt of the formal notice of action. The reconsideration request will be forwarded to the level no lower than that at which it was disapproved. After that level reviews and records the findings on DI-399 form, the suggestion is then forwarded to the next higher level for review and approval. The decision to adopt or not to adopt a suggestion, and to grant or not to grant an award, is a management prerogative and not grievable under the OSM's grievance system.

(9) **Withdrawals**. Requests for a withdrawal of a suggestion should be noted on the records, to maintain sequence of docketing numbers, but should not be reported on the annual report.

(10) **Payment of Award**. The organization benefiting from the suggestion should make the full payment of the award. If other organizations benefit and the award is in excess of $200.00, a proportionate reimbursement will be made by the benefiting organization. Awards may be paid after the death or separation from Government service of the employee concerned, provided the contribution was made while the employee was in the Government service. In no instance will the granting of a cash award be construed as authority to incur a deficiency in an appropriation. Withholding of income tax will be deducted from awards.

* (11) **Additional Awards**. Original awards do not always reflect the fair amount the suggester should be awarded for the adopted idea. An additional award provides a way to correct such inequities and this use should be encouraged, particularly if the suggestion application range is broader than what was initially awarded to the suggester.

(12) **Presentation**. Employees receiving suggestion awards will be recognized at the appropriate annual award ceremony.

(13) **Group Awards**. If a group award is made, such grant may be in equal shares or to each employee in proportion to his/her contribution. However, the total amount of the award generally should be the amount authorized for the award when made to one individual. Exceptions in unusual cases may be made by Incentive Awards Committees in amounts not exceeding their authority when shares of a group award would be too small to provide adequate recognition. Approval must be made by a level having the authority to grant the total amount of the group award.

c. **Practices**. The following guidelines are for use in administering an efficient and effective suggestion program.

* (1) **Submission of Suggestions**. Suggestions must be in writing and submitted on a Suggestion Form, DI-398, to your Servicing Personnel Office Incentive Awards Administrator for processing. Employees have the choice of submitting their suggestions through their supervisors or directly to the Servicing Personnel Office. They also have the option of remaining anonymous in the evaluation process (see DI-398).

(2) **Time Limitations**. An idea must be submitted in writing within six months after it has been placed in operation, in order to be eligible for suggestion award consideration. A suggestion should be adopted or not adopted within one year after it is received by the appropriate Servicing Personnel Office. The contributor maintains rights to the idea two years from date of nonadoption. Exceptions may be made to the limitations when a case merits special consideration.

* (3) **Procedures for Action**. (See Appendix 3). When a suggestion is received by the Incentive Awards Administrator, it will be reviewed to ascertain whether the suggestion meets the eligibility criteria and whether procedures have been met. If so, the suggestion will be docketed and forwarded to the evaluator.
* The evaluator is determined by the Incentive Awards Administrator in concert with appropriate program managers. The employee will be advised of the status of the suggestion within three (3) work days of receipt in the Servicing Personnel Office. The bottom of the suggestion form may be used as an acknowledgement. Thereafter, the Incentive Awards Administrator will provide interim status reports to the suggester on a monthly basis.

(a) The Incentive Awards Administrator will forward
* the eligible suggestion to the evaluator and allow ten (10) working days from the date of receipt to evaluate and return the suggestion to the Servicing Personnel Office. If the evaluator cannot meet the deadline, an extension of time may be requested from the Incentive Awards Administrator and the request should state for the

record why the deadline cannot be met. The Administrator is responsible for monitoring the evaluator's compliance with this time frame. All evaluations should be in writing stating the decision and rationale for adoption or nonadoption (evaluation will be made on Form DI-399).

* (b) The evaluator is the individual, at the division level or higher, that is either considered best qualified to evaluate the particular idea or has primary programmatic responsibility over the matter suggested; and should determine if the suggestion can be adopted. The evaluator may request other officials to make an informal review or evaluation of a suggestion in areas in which they have technical competence and expertise, as part of the total evaluation. If the suggestion is recommended for adoption, but authority to adopt does not rest within the evaluator's immediate office, the suggestion will be forwarded, with evaluations, through line management to the official who has approval authority. This official is able to implement it or authorize implementation and the expenditure of funds for payment of an award.

* (c) The evaluator is responsible for performing an effective, comprehensive evaluation of the suggestion. If adopted, the evaluator should include an estimation of the tangible and/or intangible benefits and how it was derived, the approximate time of implementation, and the account number to be charged. If an evaluation is not deemed responsive to the suggestion or is not complete, the Incentive Awards Administrator will return it for reevaluation or additional information.

* (d) The Evaluation of Employee Suggestion, Form DI-399, signed by the appropriate Incentive Awards Administrator, will be used as an evaluation report to the suggester. In case of an adopted suggestion, the signature will represent the authority for paying the award. A copy of the evaluation-adoption form should be placed in the employee's Official Personnel Folder.

(e) When ideas are not adopted, the Incentive Awards Administrator provides the suggester in writing the reasons for nonadoption, based on the evaluator's written determination. The explanation forwarded to the suggester should not contain any derogatory information and should encourage the employee to continue submitting ideas. Examples of why a suggestion may be returned nonadopted are: a similar idea is already under consideration from a different source, or the idea is already covered under the written regulations.

(f) If adopted, the suggestion is forwarded for review by the Incentive Awards Committee, and processed for

presentation of award, check and certificate to the suggester at the appropriate ceremony.

(g) If the implementation of a suggestion requires legislation, the OSM official(s) will provide a statement of the need and utility of the proposed legislation and the estimated costs and benefits within its own organization. The OSM official(s) should also be willing to support the proposal through testimony at legislative hearings when needed.

d. **Forms**. Copies of Form DI-398, Department Suggestion Form; Form DI-399, Evaluation of Employee Suggestions; and Form DI-400, Incentive Award Docket, are available from standard supply sources.

* e. **Referral of Contribution**. Any suggestions for referrals outside of OSM will be routed through the Division of Personnel, Bureau Suggestion Program Coordinator. Before referring a suggestion, the office to which the suggestion has been initially referred should evaluate the suggestion, indicate whether they wish to implement it, and forward the suggestion with the internal evaluation. Referrals should be made when:

(1) A suggestion has been adopted and there is reason for believing it has potential use in another bureau or office; or

(2) The originating bureau or office recommends adoption by another bureau or office; or

(3) The suggestion is to be considered outside of the Department. Suggestions to be considered outside of the Department will be referred through Division of Personnel and Office of Personnel in the Department. Three copies of the suggestion and accompanying evaluations should be forwarded. Awards are based solely on benefits to each individual department and are made without comparison to any other agency's evaluation or award. In addition, specific information on comparable activities in other departments, where it is believed the contribution can be used, should accompany the suggestion file when forwarded. The Office of Personnel transmits the contribution to the affected agency. If more than five other agencies are involved, it is sent to the Office of Personnel Management for coordination of the review.

f. **Records**. Records should be kept in accordance with the Records Management Manual, for easy retrieval.

* **APPENDIX 3 TO ATTACHMENT A**

OUTLINE OF SUGGESTION PROCESSING

1. Suggestion is received by Incentive Awards Administrator (IAA).

2. Acknowledgement sent to suggester, within 3 workdays of IAA's receipt.

3. IAA does procedural review:

   a. If ineligible, returned to suggester; or

   b. If eligible, forwarded to the evaluator.

   c. If suggestion is part of suggester's expected job performance, see paragraph 1.b.(3) of Attachment A.

4. If evaluation is:

   a. not returned by due date, IAA does followup, status report to suggester;

   or

   b. returned by due date, IAA reviews the evaluation for:

      (1) justification for nonadoption; or

      (2) justification for adoption and should include:

         a award amount and how derived;

         b suggested time of implementation; and

         c account number to be charged.

5. If evaluation is not complete, IAA returns to the evaluator for additional information.

6. If evaluator recommends that the suggestion is:

   a. not adopted, IAA returns to suggester with written explanation;

or

b. adopted, IAA forwards to the Incentive Awards Committee:

(1) If disapproved, IAA notifies the suggester; or

(2) If approved, IAA continues to process the suggestion as follows:

a Forward appropriate paperwork to Payroll Office for processing;

b Forward check and certificate to suggester's supervisor for presentation.

c Place copy of completed SF-50 in employee's OPF; and

d Forward approved copy to evaluator for implementation.

7. The following targets should be used as a guideline for processing suggestions:

a. Thirty (30) days or less for cases of nominal value or cases which can be implemented within the same organizational segment in which they originated.

b. Sixty (60) days for higher value cases or cases that must be sent to the next higher organizational segment for consideration or implementation.

c. Ninety (90) days for cases that must be sent to OSM Headquarters office for consideration or implementation.