



DEPARTMENT OF THE NAVY

NAVAL FACILITIES ENGINEERING COMMAND
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WASHINGTON DC 20374-5065

IN REPLY REFER TO

AHR

25 October 1999

NAVFAC INSTRUCTION 12451.5

From: Commander, Naval Facilities Engineering Command

Subj: NAVFACENGCOM INCENTIVE AWARDS PROGRAM

Ref: (a) SECNAVINST 12451.3, Department of the Navy Incentive Awards Programs
(b) SECNAV Implementation Guide 451-01 of 3 Jun 98, Guidance on
Implementing Awards Programs in the Department of the Navy

Encl: (1) NAVFACENGCOM INCENTIVE AWARDS PROGRAM

1. Purpose. To emphasize support by the Commander, Naval Facilities Engineering Command, of the incentive awards program as established by reference (a) and implemented by reference (b).
2. Cancellation. NAVFACINST 12451.4A of 20 Apr 1989
3. Action. Addressees are to implement policy of this directive.
4. Policy. The Incentive Awards Program is designed to recognize superior achievements by employees, increase productivity by recognizing creativity in the workplace, and rewarding employees as soon as possible after contributions are made. Supervisors, managers and reviewing officials are strongly encouraged to use incentive awards to recognize superior achievements by employees.

A handwritten signature in black ink that reads "John E. Roark, Jr." in a cursive style.

JOHN E. ROARK, JR.
Acting Assistant Commander for
Engineer Resources

Distribution: (3 copies)
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NAVFACENCOM INCENTIVE AWARDS PROGRAM

I. PROGRAM MANAGEMENT

A. Program Eligibility and Coverage

1. This instruction provides policy and guidance for any incentive award of a monetary or non-monetary nature given to an employee for his/her contribution which has resulted in tangible benefits, savings or cost avoidance and/or intangible benefits. This includes DON Suggestion Awards and Invention Awards.
2. All Department of Navy civilian employees meeting the definition of 5 USC 2105 are eligible to be considered for incentive awards.

B. Activity Head Responsibilities

1. Developing and implementing an activity Incentive Awards Program.
2. Appointing an activity Incentive Awards Program Administrator.
3. Delegating awards authority to the lowest level consistent with sound management practice.
4. Activity Heads are responsible for ensuring the appropriate funding levels are programmed for their awards program consistent with law and regulation.
5. Encouraging active participation at all levels in the awards program.

C. Award Authority

1. Activity Heads and Headquarters Deputy and Assistant Commanders are authorized to grant cash awards up to and including \$5,000 for an individual. Activity Heads may delegate this cash award authority to their respective payroll managers.
2. The Commander, NAVFACENCOM, retains final approval on individual awards for \$5,001 to \$7,500.
3. The Secretary of the Navy (SECNAV) or his/her designee will be the final approval on individual awards from \$7,501 to \$10,000.

4. All monetary awards exceeding \$10,000 will be submitted via SECNAV for approval/endorsement before being sent to the Department of Defense (DOD) and/or the U.S. Office of Personnel Management (OPM). Presidential approval is required for all awards over \$25,000.

D. Award Scales for Tangible and Intangible Benefits

Please refer to Appendices A and B of this instruction.

II. MONETARY AWARDS

A. Special Act Award. Special Act Awards may be used to recognize a team or individual effort that goes beyond expected job performance. Special Act Awards are used to recognize exceptional accomplishments, such as an outstanding achievement, a scientific achievement, an act of heroism, or the elimination of fraud, waste and abuse. Special Act Awards may be given at any time. The appropriate award amount should be calculated using the tangible and intangible benefits scales in Appendices A and B of this instruction.

B. On-the-Spot Award. On-the-Spot awards are "Special Act" awards designed to quickly recognize and provide immediate recognition of one-time achievements by employees that have resulted in service of an exceptionally high quality. This award is particularly appropriate for rewarding employee efforts that might go unrecognized. On-the-Spot awards range from \$25 to \$750, commensurate with the nature of the service or act being recognized.

C. Performance Recognition. Awards may be granted to employees for individual, team, or organizational achievements of high quality, that are significantly above the "Acceptable" rating level. This recognition is appropriate when an employee performs substantially beyond expectations on a regular or continuing basis. Cash awards may be determined using a specific dollar amount or a percentage of basic pay. Awards granted as a percentage of basic pay may not exceed 10 percent of the employee's annual rate of basic pay. The rate of basic pay shall be determined without taking into account any locality-based comparability, special law enforcement adjustment, or interim geographic adjustment. Awards between 10 and 20 percent of an employee's annual rate of basic pay must be approved by the Secretary of the Navy.

D. Quality Step Increases. Quality Step Increases (QSI) are aimed at individual performance and not team efforts. The purpose of a Quality Step Increase is to provide appropriate incentive for recognition of excellence in performance by granting faster than normal step increases; therefore, careful consideration should be given before granting a QSI. An employee is eligible for only one QSI within any 52-week period. To be eligible for a QSI, General Schedule employees must have received a rating of record of "Acceptable", have demonstrated sustained performance of high quality significantly above that expected at the "Acceptable" level; made a significant contribution to the organization's mission; and in addition, there must be an expectation that the high-quality performance will continue into the future.

E. Suggestion Awards

1. Eligible Ideas. Suggestions must identify an improvement in the quality of operations, a cost reduction opportunity or an improvement in the timeliness of service delivery that results in tangible or intangible benefits to the U.S. Government. The suggestion should identify a specific proposed course of action to achieve the improvement or cost reduction and be based upon tangible or intangible benefits, as provided in Appendices A and B, or a combination thereof.

2. Ineligible Ideas. Ideas or suggestions that identify the need for routine maintenance work, recommend enforcement of an existing rule, propose changes in housekeeping practices, call attention to errors or alleged violations in regulations, or result in intangible benefits of "good will" are not eligible for consideration.

3. Submission. All suggestions must be in writing and signed by the suggester. All necessary research and documentation must be provided as part of the initial suggestion package. Suggestions submitted without required research and documentation will be returned to the suggester.

4. Evaluation and Referral.

a. Local Evaluation. Some evaluation or comments should accompany each suggestion referred to Headquarters. Suggestions not recommended for adoption by local evaluators should not be referred for further review. Suggestion files sent to NAVFACENGCOM Headquarters should indicate office of primary cognizance when known by local evaluator.

b. NAVFACENGCOM Evaluation. Only those suggestions having NAVFAC-wide benefit or where NAVFACENGCOM has cognizance for the DON, should be referred to Headquarters for evaluation. Those suggestions that require additional evaluation outside of NAVFACENGCOM will be returned to the suggester's activity for dissemination.

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5. Adoption and Implementation. Suggestions are considered adopted and eligible for award payment when actually effected by management or when written management commitment to adopt exists. Those suggestions requiring further dissemination, additional evaluation, or adoption, will be returned to the suggester's activity for dissemination and tracking. Once a suggestion has been adopted, the benefiting organization shall share in the cost of the total award commensurate with the benefit. The suggester's activity will notify the benefiting organization(s) of the amount due and the benefiting organization(s) shall take prompt action to transfer the funds for payment of the award.

F. Invention Awards

1. Inventions must identify an improvement in the quality of operations, a cost reduction opportunity, or an improvement in the timeliness of service delivery that results in tangible or intangible benefits to the U.S. Government. The invention should set forth a specific course of action to achieve improvement or cost reduction. If these conditions are not met but the invention is determined to be of value to the DON or DOD, the inventor will be required to sign a claim waiver agreement to be paid an award.

2. An initial monetary award may be paid when the patent covering the invention is granted. If an application for a patent is placed under a secrecy order, the additional award will be paid when a Notice of Allowability of the application is issued by the U.S. Patent Office instead of a patent.

3. Awards under this section are not authorized if a monetary award has been paid for the same contribution as a suggestion.

III. HONORARY AWARDS

Honorary awards provide a means to recognize an employee's overall value to an organization. They provide an opportunity to acknowledge valuable contributions made and may reflect contributions made over a period of months or years. These awards are also authorized for use in recognizing employee contributions in programs designed to improve safety records, and for informal recognition programs such as "Employee of the Month" awards. These awards can take the form of a letter of commendation, medal, tie tack, coffee mug, sweatshirt, plaque, etc. Activities are to use discretion on the value of this type of recognition, as these awards are to be nominal in value, under \$50, and must provide a lasting trophy value.

A. DON Distinguished Civilian Service Award (DCSA)

The DON Distinguished Civilian Service Award (DCSA) is the highest honorary award the Secretary of the Navy can confer on a DON civilian employee. The DCSA is to be granted only

to those employees who have given distinguished and/or extraordinary service to the DON. The achievements or service must be truly exceptional when measured against the position requirements of the individual, and should far exceed the contributions and service of others with comparable responsibilities. Further, the DCSA should be reserved for contributions which are so unusual and/or significant that recognition at the Secretary of the Navy level is deserved. Additional indicators include using:

- A pattern of long-term, sustained high performance as evidenced by the nominee having previously received high honorary awards (e.g., DON Superior Civilian Service Award (SCSA) and/or DON Meritorious Civilian Service Award (MCSA), or similar awards or honors).
- Career achievements that are recognized throughout the DON.
- Indications of innovative leadership of highly successful programs or projects which have impacted beyond the nominee's activity or command.
- Accomplishments/achievements which have had, as a minimum, DON-wide impact.
- Scientific or technical advances, or suggestions of significant value.
- Accomplishments which show unusual management abilities, innovative thinking, and/or outstanding leadership which benefit the DON.
- Responsibility for major cost savings/reductions/avoidance.
- Unusual acts of heroism.
- Exceptional cooperative efforts with other Navy offices, federal agencies, or the private sector.

Award. Citation signed by the Secretary of the Navy and medal set.

Submission. Nomination packages must include biographical data, career history, a summary of achievements and a citation.

Approval. Recommendations must be submitted by the Activity Head and forwarded via the appropriate chain-of-command to NAVFACENCOM Headquarters, Incentive Awards Office. The Commander, NAVFACENCOM, will review and if concurs, the recommendation will be forwarded to the Department of the Navy Award Review Panel (DARP) for review. The Secretary of the Navy is the final approving official.

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B. DON Superior Civilian Service Award (SCSA)

The DON Superior Civilian Service Award (SCSA) is the second highest honorary award in the DON. It is intended that the same DCSA criteria will be used for awarding the SCSA. However, for the SCSA, the contribution, while exceptional in value, would be narrower in scope or impact (e.g., accomplishment that is significant and has far-reaching major command-wide impact).

Award. Certificate and citation signed by the Commander, NAVFACENGCOC, and medal set.

Submission. Nomination packages must include biographical data, career history, a summary of achievements, and proposed citation.

Approval. Recommendations are submitted by the Activity Head and forwarded via the appropriate chain-of-command to NAVFACENGCOC Incentive Awards Office. The Commander, NAVFACENGCOC, is the final approval authority for all recommendations.

C. DON Meritorious Civilian Service Award (MCSA)

The DON Meritorious Civilian Service Award (MCSA) is the third highest honorary award in the DON. Criteria used for awarding the MCSA are the same as the two higher-level civilian service awards. For the MCSA, the contributions, while high in value, are more limited in scope/impact (e.g., accomplishment should be significant and have far reaching impact, but less than the SCSA). This award should not be used as retirement recognition, nor end of tour recognition upon an employee's transfer. However, if a significant accomplishment occurs close to retirement, it may be acceptable to present it at retirement.

Award. Certificate and citation signed by the Activity Head and medal set.

Submission. Nomination packages must include biographical data, career history, a summary of achievements, and proposed citation.

Approval. Recommendations are submitted by the Activity Head and forwarded to activity Incentive Awards Office. Activity Heads are the final approving authority for all recommendations.

D. Department of Defense and Presidential Awards

The following DOD and Presidential honorary awards require approval by the Department of the Navy Award Review Panel (DARP) prior to submission to the Department of Defense. Activity Heads should submit nominations to NAVFACENGCOC Headquarters, Incentive Awards

Office. The Commander, NAVFACENGCOCOM reviews, and if concurs, the recommendation will be forwarded to the DARP for review. The Secretary of Defense is the final approving official. Descriptions and criteria for these awards are available in the DOD Civilian Personnel Manual (DOD 1400.25-M, Subchapter 451.)

- DOD Distinguished Civilian Service Award
- Secretary of Defense Meritorious Civilian Service Award
- DOD Distinguished Public Service Award
- Secretary of Defense Award for Outstanding Public Service
- President's Award for Distinguished Federal Civilian Service
- Presidential Medal of Freedom
- Presidential Citizens Medal
- National Security Medal

E. Length of Service Recognition

The Secretary of the Navy will issue Length of Service (LOS) certificates, in 5-year increments, for those employees with over 40 years of federal service. Requests should include: 1) memo requesting the signature from the activity awards office, 2) the appropriate certificate with the honoree's name and number of years of service already printed on it, and 3) a return envelope. Requests should be sent directly to: Secretary of the Navy Administrative Division, The Pentagon, Room 4D680, Washington, DC 20350. Do not date, as the date will be entered when signed by SECNAV. Certificates should be carefully packed to avoid damage in the mail. SECNAV Career Service Certificates may be ordered from the Navy Aviation Supply Office, Naval Publications and Forms Directorate, 5801 Tabot Avenue, Building 26, Philadelphia, PA 19120-5099. Stock number 0104-LF-002-9500.

F. Retirement Recognition

1. SECNAV Recognition. Retirement certificates signed by SECNAV may be obtained for 40 or more years of service. Requests should include: 1) memo from the activity awards office to the SECNAV Administrative Office requesting signature of the certificate; 2) the appropriate certificate with the honoree's name and number of years of service already printed on it; and 3) a

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return envelope. Requests should be sent directly to: Secretary of the Navy Administrative Division, The Pentagon, Room 4D680, Washington, DC 20350. Do not date, as the date will be entered when signed by SECNAV. Certificates should be carefully packed to avoid damage in the mail. SECNAV Certificates of Retirement may be ordered from the Navy Aviation Supply Office, Naval Publications and Forms Directorate, 5801 Tabot Avenue, Building 26, Philadelphia, PA 19120-5099. Stock number 0104-LF-002-9600.

2. COMNAVFACENGCOM Recognition. At the option of the local activity, employees currently employed at NAVFACENGCOM activities who have a minimum of 35 years of federal service, including a minimum of 10 years with NAVFACENGCOM, may receive a certificate signed by the Commander, Naval Facilities Engineering Command. Activities should request recognition from NAVFACENGCOM Headquarters Incentive Awards Administrator. Requests should be forwarded 30 days in advance of retirement using Appendix C. Activities in foreign areas are encouraged to send requests by email.

3. Activity Recognition. All other retirement recognition is left up to the discretion of each activity.

G. Command Plaques

1. Purpose. A command plaque may be presented for honorary recognition or accomplishment of significant deeds which further the mission or enhance the image of the Command but do not meet the criteria for Special Act awards or other formal recognition under the Navy Incentive Awards program. Plaques are permitted in recognition of a suggestion, invention, superior accomplishment, or personal effort that contributes to the efficiency, economy, or other improvement in government operations.

2. Types of Plaques.

A. Chief of Civil Engineers Plaque. This plaque is awarded by the Chief of Civil Engineers to Civil Engineer Corps officers, Senior Executive Service members and members of the immediate office of the Commander upon retirement or at the discretion of the Chief.

B. NAVFACENGCOM Plaque. This plaque is awarded by the Commander, Naval Facilities Engineering Command to military personnel completing a Headquarters tour of duty, civilian personnel retiring from Headquarters with at least five years of Command service, and all personnel departing Headquarters with ten or more years of service with the Command. Exceptions will be considered on a case-by-case basis. Field requests for NAVFACENGCOM plaques should be sent via the appropriate chain of command.

- C. Field Activity Plaques. Activities may design and issue plaques at their discretion. Activities should ensure the policy governing the issuance of plaques as incentive awards meets the intent of this instruction.

IV. TIME-OFF AWARDS

1. Criteria. Time-off awards are an alternate and/or additional means of recognizing the superior accomplishments or achievements of employees with other than monetary or non-monetary awards. Decisions to grant time-off awards shall be based upon the same criteria or circumstances as for any other award. Examples of achievements which may be considered for a time-off award:

- (a) High-level performance.
- (b) Making a high-quality contribution involving a difficult or important project or assignment.
- (c) Displaying special initiative and skill in completing an assignment or project before the deadline.
- (d) Using initiative and creativity in making improvements in a product, activity, program, or service.
- (e) Ensuring the mission of the unit is accomplished during a difficult period by successfully completing additional work or a project assignment while maintaining the employee's own workload.
- (f) Accomplishing a specific, one-time, or special assignment that required extra effort or resulted in the activity receiving recognition for responsiveness to unprogrammed requirements.

Supervisors and managers shall fully consider labor costs and productivity loss when granting time off awards and shall ensure that the amount of time off granted as an award is commensurate with the individual's contribution or accomplishment. A time off award cannot be transferred between DOD components. If an employee is transferring to another DOD activity or outside DOD, the employee should be allowed to use the award prior to the transfer. A time off award can be transferred within DON; however, it must be scheduled and used within one year after the effective date of the award. Appendix D contains a recommended award scale for determining time off awards.

2. Limitations on Time-off Awards

- (a) The total amount of time off that may be granted to any one individual in any one leave year is 80 hours.
- (b) The maximum amount of time-off that may be granted to an individual for a single contribution is 40 hours.
- (c) Time off granted as an award must be scheduled and used within one year after the effective date of the award. Any unused amount remaining after that time will be forfeited without further compensation to the employee.
- (d) Time-off award does not convert to cash under any circumstances.
- (e) A time-off award for a period in excess of one workday must be reviewed and approved by an official at an organizational level higher than the individual making the initial award determination.

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APPENDIX A

SCALE OF AWARD AMOUNTS BASED ON

INTANGIBLE BENEFITS

VALUE OF BENEFIT	EXTENT OF APPLICATION			
	LIMITED	EXTENDED	BROAD	GENERAL
<p align="center">MODERATE</p> <p>Change or modification of an operating principle or procedure with limited use or impact.</p>	<p align="center">Affects functions, mission, or personnel of one facility, installation, regional area, or an organizational element of headquarters. Affects small area of science or technology.</p> <p align="center">\$25-\$500</p>	<p align="center">Affects functions, mission, or personnel of an entire regional area, command, or bureau. Affects an important area of science or technology.</p> <p align="center">\$501-\$750</p>	<p align="center">Affects functions, mission, or personnel of several regional areas or commands, or an entire department or agency. Affects an extensive area of science or technology.</p> <p align="center">\$751-\$1,000</p>	<p align="center">Affects functions, mission, or personnel of more than one department or agency, or is in the public interest throughout the Nation and beyond.</p> <p align="center">\$1,001-\$1,500</p>
<p align="center">SUBSTANTIAL</p> <p>Substantial change or modification of procedures. Important improvements to the value of a product, activity, program, or service to the public.</p>	<p align="center">\$501-\$750</p>	<p align="center">\$751-\$1,000</p>	<p align="center">\$1,001-\$1,500</p>	<p align="center">\$1,501-\$3,150</p>
<p align="center">HIGH</p> <p>Complete revision of a basic principle or procedure; a highly significant improvement to the value of a product or service.</p>	<p align="center">\$751-\$1,000</p>	<p align="center">\$1,001-\$1,500</p>	<p align="center">\$1,501-\$3,150</p>	<p align="center">\$3,151-\$6,300</p>
<p align="center">EXCEPTIONAL</p> <p>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</p>	<p align="center">\$1,001-\$1,500</p>	<p align="center">\$1,501-\$3,150</p>	<p align="center">\$3,151-\$6,300</p>	<p align="center">\$6,301-\$10,000</p>

APPENDIX B
 SCALE OF AWARD AMOUNTS BASED ON
 TANGIBLE BENEFITS

<u>Estimated on the First-Year Benefits</u>	<u>Amount of Award to Employee</u>
Up to \$10,000 in benefits	10% of benefits
Between \$10,000 and \$100,000	\$1,000 plus 3% to 10% of benefits over \$10,000
More than \$100,000 in benefits	\$3,700 to \$10,000 for the first \$100,000 in benefits, plus 0.5% to 1.0% of benefits above \$100,000 up to \$25,000, with the approval of OPM via OSD
	Presidential approval is required for all awards of more than \$25,000

APPENDIX C

**REQUEST FOR
NAVFAC RETIREMENT CERTIFICATE**

From:

To: Commander, Naval Facilities Engineering Command

Attn: Administrator, Incentive Awards

REQUEST SHOULD BE FORWARDED AT LEAST 30 DAYS IN ADVANCE OF DUE DATE.

NAVFAC RETIREMENT CERTIFICATE
(THIRTY FIVE YEARS OR MORE FEDERAL SERVICE)

NAME	RETIREMENT DATE	TOTAL FEDERAL YEARS	TOTAL NAVFAC YEARS

Signature of Administrator/Coordinator Incentive
Awards Program

Phone number

Appendix C

APPENDIX D

TIME-OFF AWARDS SCALE

<u>Value to Organization</u>	<u>Number of Hours</u>
(1) A contribution to a product, activity, program, or service to the public, which is sufficient value to merit formal recognition.	Moderate: 1 to 10
(2) Beneficial change or modification of operating principles or procedures.	
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(1) An important contribution to the value of a product, activity, program, or service to the public.	Substantial: 11 to 20
(2) Significant change or modification of operating principles or procedures.	
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(1) A highly significant contribution to the value of a product, activity, program, or service to the public.	High: 21 to 30
(2) Complete revision of operating principles or procedures, with considerable impact.	
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(1) A superior contribution to the quality of a critical product, activity, program, or service to the public.	Exceptional: 31 to 40
(2) Initiation of a new principle or major procedure, with significant impact.	