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## ADS Chapter 491

# USAID **Incentive** Awards Program

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 ADS Chapter 491 – USAID **Incentive** Awards Program  
 POC for ADS 491: Monika Rosier, [hr-helpdesk@usaid.gov](mailto:hr-helpdesk@usaid.gov)

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## ADS Chapter 491 – USAID **Incentive** Awards Program

### 491.1 **OVERVIEW**

Effective Date: 06/13/2016

This ADS chapter establishes the policy directives, required procedures, and guidelines for the Agency's **Incentive** Awards Program. This program provides a means of recognizing and rewarding individuals and groups for contributions to the accomplishment of USAID's mission, goals, and objectives. [ADS 491maa, Descriptions of Incentive Awards](#) is comprised of specific incentive **award descriptions**. This reference contains a listing of individual awards with detailed information about their purpose, eligibility, approval steps, and type of recognition.

For policy directives and required procedures on performance cash awards based on an employee's rating of record, see the following ADS chapters:

- For **Foreign Service and Civil Service** employees, see [ADS 461, Employee Evaluation Program, Foreign Service and Senior Foreign Service](#), [ADS 462, Employee Evaluation Program, Civil Service](#), and annual Agency Notices.
- For Foreign Service National (FSN) direct-hires and Cooperating Country National (CCN) personal services contractors (PSCs), see [ADS 495, Foreign Service National Personnel Administration](#) and [AIDAR Appendix J, Direct USAID Contracts with a Cooperating Country National and with a Third Country National for Personal Services Abroad](#).
- For Senior Executive Service employees, see [ADS 421, Senior Executive Service Performance Management System](#) and [ADS 423, Personnel Operations: Senior Executive Service \(Recruitment and Staffing\)](#).
- For Senior Foreign Service employees, see [ADS 422, Personnel Operations: Senior Foreign Service](#).

For policies and procedures on quality/meritorious step increases, see [ADS 470, Pay Under the Foreign Service](#) and [ADS 471, Pay Under the General Schedule](#). For FSN direct-hires and PSCs, see [ADS 495](#) and [AIDAR, Appendix J, Section 4\(c\)\(3\)](#).

For joint USAID/State awards policies, see [3 FAM 4800](#). Where differences exist between 3 FAM 4800 and Agency-specific procedures and requirements, this ADS chapter has precedence.

### 491.2 **PRIMARY RESPONSIBILITIES**

Effective Date: 06/13/2016

- The **Administrator (A/AID), or designee**, is responsible for the overall direction of the USAID Incentive Awards Program and for approving the overall funding level for awards each year as part of the Agency's Operating Year Budget. The Administrator, or

designee, also approves award nominations recommended by the USAID Special Awards Committee (SAC), as well as all proposals for new Agency-wide incentive awards.

**b.** The **Chief Human Capital Officer (CHCO)** in the **Office of Human Capital and Talent Management (HCTM)** is responsible for developing policy for and implementing the USAID Incentive Awards Program. The CHCO/HCTM is also responsible for coordinating, with the Bureau for Management, Office of Management Policy, Budget and Performance (M/MPBP), the appropriate funding level for cash awards each fiscal year in accordance with guidance from the Office of Personnel Management (OPM) and the Office of Management and Budget (OMB). The CHCO/HCTM also has management oversight and support responsibilities for the USAID Special Awards Committee and designates an HCTM staff member to carry out the responsibilities of the Agency Awards Coordinator.

**c.** The **Agency Awards Coordinator**, in the **Office of Human Capital and Talent Management, Center for Performance Excellence (HCTM/CPE)**, is responsible for providing advisory services and staff support for the USAID Incentive Awards Program and the SAC including:

- (1) Developing standard operating procedures (SOPs) and criteria for the Incentive Awards Program, as well as guidance for the SAC on their responsibilities;
- (2) Acting as a liaison with staff designated as Awards Coordinators for their Bureaus, Independent Offices, and Missions and advising them of the status of award nominations;
- (3) Processing all awards that require approval by the SAC, which includes maintaining records on awards that are forwarded to the SAC, obtaining necessary clearances before nominees are considered by the SAC (see 491.3.3), ensuring that there are not multiple nominations for the same act or service in the same rating cycle (see 491.3.2), and ordering certificates, pins, etc., as a result of approved nominations;
- (4) Collecting data on awards and submitting information and reports to the Office of Civil Rights (OCR), OPM, and other offices, as necessary;
- (5) Forwarding copies of approved SAC awards to the Bureau/Independent Office (B/IO) concerned and overseeing the placement and filing of official documentation in the electronic performance folder of Civil Service employees and the evaluation file of Foreign Service employees;
- (6) Processing awards that do not require action by the SAC, preparing length of service letters, ordering certificates and/or pins for employees upon completion of 10, 20, 25, 30, 35, 40, and 50 years of federal service; and

(7) Coordinating the annual Agency awards ceremony.

d. **The USAID Special Awards Committee (SAC)** is responsible for:

- (1) Working with the CHCO/HCTM and the Agency Awards Coordinator, HCTM, to provide central direction for the Agency's Incentive Awards Program, recommending policies for administration of the program and evaluating the effectiveness of the program;
- (2) Acting on behalf of the Administrator, reviewing all Agency-wide awards including distinguished and superior honor, annual, and external awards, to ensure that awards are granted equitably and on the basis of merit. The SAC selects the nominees it will recommend to the Administrator for approval. In cases of multiple nominations for an award, the SAC will select the nominee recommended for the award. The SAC may also determine that a nominee should be recommended for a more appropriate form of recognition (e.g., a different award category for the same nominee);
- (3) Maintaining full confidentiality of all deliberations; and
- (4) Returning any sensitive material, devices, or equipment to HCTM at the end of each SAC review cycle.

e. **Assistant Administrators (AAs) and Heads of Independent Offices, or designees**, are responsible for creating internal procedures for awards in their B/IOs in accordance with this ADS chapter and approving Certificates of Appreciation and Meritorious Honor Awards. On the Spot, Special Act, and Time Off awards may be approved at the Division Chief level (see [ADS 491maa, Descriptions of Incentive Awards](#)).

f. **The Bureau or Independent Office Awards Committee** is responsible for:

- (1) Serving in an advisory capacity to the Bureau AA or Independent Office Head (or designee);
- (2) Reviewing all B/IO-level award nominations and making recommendations to the Bureau AA or Independent Office Head regarding which form of recognition is most appropriate;
- (3) Working with supervisors in their B/IOs to ensure that employees who have made significant contributions to the Agency are nominated for an appropriate award; and
- (4) Arranging an appropriate presentation of the recognition to the recipient employee or group of employees.

- g. Bureau/Independent Office Awards Coordinators** are responsible for:
- (1) Reviewing, in conjunction with the B/IO Awards Committee, all B/IO-level award nominations for **eligibility** and completeness, and submitting approved nominations to the Agency Awards Coordinator/HCTM for further processing and/or review by the **SAC**, if required; and
  - (2) **Distributing award certificates not presented at the annual Agency awards ceremony to the recipient.**
- h. Mission Executive Officers** are responsible for informing supervisors and employees at USAID Missions about the USAID **Incentive** Awards Program and coordinating award nominations for employees recommended at post.
- i. Supervisors** are responsible for:
- (1) Recommending the type of recognition that most appropriately reflects the value of the contribution of the employee or group to the Agency;
  - (2) Considering the input of coworkers, customers, and other sources such as working groups or team members when making recognition decisions;
  - (3) Ensuring the prompt recognition of contributions by submitting award nominations in a timely manner to the Mission Executive Officer or the B/IO Awards Coordinator within the required timeframes; and
  - (4) Emphasizing the importance of teamwork through recognition of groups.
- j. Joint Country Awards Committees (JCAC)**, consisting of representatives from all agencies, are responsible for administering the awards program on a post-wide basis.
- k. The Office of Security (SEC), Office of Inspector General (OIG), Office of Civil Rights (OCR), and the Office of Human Capital and Talent Management, Employee and Labor Relations Division (HCTM/ELR)** are responsible for clearing SAC award nominations for U.S. direct-hires (USDHs) before they are sent to the Administrator.
- l. The Director, Office of Civil Rights (D/OCR)/Chief Diversity Officer** is responsible for reviewing SAC membership and designating an OCR staff member to serve on the SAC. The OCR SAC member provides advisory support to the SAC to ensure that deliberations and decisions are consistent with equal opportunity and nondiscrimination policies. The D/OCR reviews Equal Employment Opportunity (EEO) and diversity and inclusion-related award nominations and provides concurrence on the selected nominees.

**491.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES**

Effective Date: 06/13/2016

The USAID Incentive Awards Program recognizes and rewards employees, individually or as a member of a group, for

- a. Performance that is clearly above what is normally expected;
- b. Innovations, suggestions, or other personal or group efforts that contribute to the efficiency, economy, or other improvements of government operations; and
- c. Special acts or services related to their official employment.

The Agency Incentive Awards Program includes two categories of awards:

- (1) Annual Agency awards, that must be approved by the SAC; and
- (2) Awards that B/IOs may use to recognize employees throughout the year.

The specific awards in both categories are described in detail in [ADS 491maa, Descriptions of Incentive Awards](#).

The program includes awards for both individual employees and groups, which may be in the form of an honor, informal recognition, time off, or cash award. Note: All cash awards granted to USAID employees are considered income by the Internal Revenue Service (IRS) and subject to withholding and other payroll taxes.

**491.3.1 Eligibility**

Effective Date: 06/13/2016

As described in [ADS 491maa, Descriptions of Incentive Awards](#), certain awards have specific targeted eligibility requirements relating to the nature of the award. However, unless otherwise stated in the description of a specific award, all USAID direct-hires -- Civil Service, including Senior Executive Service (SES), and Foreign Service, including Senior Foreign Service (SFS) and Foreign Service Limited (FSL) -- are eligible for awards. They are eligible per [5 USC 4501, et seq.](#) and [5 CFR Part 451](#), which authorize and implement an incentive awards program for direct-hire government employees. Political appointees are eligible for awards with the exception of PAS appointees (employees appointed by the President with the advice and consent of the Senate) (see [OPM Memorandum CPM 2010-14](#) and [OMB Memorandum 14-02](#)). OMB Memorandum 14-02 directs a freeze on discretionary awards for political appointees until further notice. In addition, under [5 USC 4508](#), an incentive award may not be given to certain political appointees during the Presidential Election Period of June 1, 2016 through January 20, 2017 (see [OPM Memorandum January 2016](#)).



PSCs are eligible to be nominated for monetary and non-monetary awards to the extent consistent with the [USAID Acquisition Regulation \(AIDAR\) Appendices D and J](#), and the terms of the individual PSC's contract.

USAID grantees and contractors, including entities that are sometimes referred to as "institutional support contractors" or that manage certain USAID "fellowship" programs are responsible for supervising and rewarding their employees, and accordingly, their employees are not eligible for individual or group awards under this ADS chapter, whether monetary or not.

Eligibility of non-USAID employees who work at the Agency under other arrangements such as interagency details, PASAs, RSSAs, IPA agreements, TAACs, or certain Fellows, depends on the written agreement with their parent organization and adherence with the eligibility requirements above.

Former employees and the estates of deceased employees are eligible for awards provided the contributions on which the awards are based were made while employed with the Agency or the U.S. Government.

#### **491.3.2 Multiple Nominations for Awards in Same Rating Cycle**

Effective Date: 06/13/2016

An employee may be nominated for more than one award (including a combination of incentive awards and a performance award based on an employee's rating of record) during the same rating cycle. Each award nomination will be reviewed on its own merit, and decisions to approve it will be based on whether the employee's performance meets the criteria of that particular award. However, nominating and approving offices are responsible for ensuring that employees are not nominated for multiple awards for the same act or service. HCTM/CPE is responsible for confirming that nominations presented to the SAC do not recognize any individual employee for the same act or service in more than one award category.

#### **491.3.3 Clearance**

Effective Date: 06/13/2016

The Office of Security, OIG, OCR, and HCTM/ELR must review and clear nominees for SAC awards. HCTM/CPE is responsible for obtaining the required clearances.

If a nominee is the subject of an SEC, OIG, or HCTM/ELR investigation or an adverse action, the award recommendation will not be processed, pending the resolution of the investigation or appeal. If it is determined that there is no justification for the charges or the appeal results in the disciplinary action being dropped, the award may be processed in the usual manner if appropriate, depending on the timing of the results vis-à-vis the annual awards cycle.

Security clearances of award nominations for CCN and TCN staff (direct-hires and PSCs) are handled locally by the Mission.

**491.3.4 Justification**  
Effective Date: 06/13/2016

A written narrative justification, separate from the employee's performance rating, is required to support all award nominations. Written justifications must speak to the nominee's fulfillment of the award criteria as described in [ADS 491maa, Descriptions of Incentive Awards](#).

All written justifications must be prepared in the Employee Information Management System (EIMS) which creates the JF-66 Nomination for Award form, unless otherwise noted.

**491.3.5 Approval**  
Effective Date: 04/11/2002

All awards, except time-off awards of one day or less, require approval at a level higher than the first line supervisor.

**491.3.6 Awards Cycle**  
Effective Date: 06/13/2016

The Agency's awards cycle is operated and funded on a fiscal year basis. Nominations for honor and annual Agency awards requiring action by the SAC must be forwarded through appropriate channels to HCTM within required time frames.

Generally, by June 1 of the current year's awards cycle, HCTM will issue an Agency Notice with a call for award nominations with a timeframe for submission, usually in September of each year. After the SAC completes its review of the award nominations and forwards its recommendations to A/AID for final decision, the awards will be presented to individual and group recipients at the annual Agency awards ceremony.

For awards presented overseas, the awards cycle will be determined by the Mission in coordination with the Embassy. Timeframes for submission of nominations for external awards vary and will be publicized in individual Agency Notices.

**491.3.7 New Awards**  
Effective Date: 07/31/2015

Requests to establish new Agency-wide awards must be forwarded to HCTM and the SAC Committee for review. New Agency awards and significant revisions to existing awards require approval by the CHCO/HCTM, and the Administrator.

**491.3.8 Agency Awards Ceremony**  
Effective Date: 04/11/2002

An awards ceremony will be held each year, normally in early spring, to present annual Agency awards, honor awards, and external awards conferred to award recipients.

### **491.3.9 Records and Reporting Requirements**

Effective Date: 04/11/2002

HCTM is required to maintain records by fiscal year on awards that are the responsibility of the SAC and must comply with U.S. Office of Personnel Management annual reporting requirements.

The Agency will retain all documents relating to awards in accordance with the disposition instructions contained in [ADS 502, The USAID Records Management Program](#) (also see [ADS 502maa, Electronic Records Disposition Schedule](#)). Documents related to an EEO complaint of discrimination will be retained for four years after resolution of the complaint.

HCTM will place copies of all approved nominations for awards in the performance folder of Civil Service employees and in the evaluation files of Foreign Service employees.

### **491.3.10 Funding of Awards**

Effective Date: 06/13/2016

All awards for USDH employees, with the exception of those awards discussed below, are centrally budgeted from the appropriation used to fund salaries of USDH employees. Payment of cash awards is subject to available funding. The Bureau for Management, Office of Management Policy, Budget and Performance, Budget Division (M/MPBP/BUD) will determine appropriate funding levels for cash awards on a fiscal year basis in accordance with guidance from OMB and OPM, and in coordination with HCTM. Monetary awards approved by the SAC for USDH employees are funded from the central awards budget.

The Department of State funds Joint State/USAID awards. Missions fund the “Distinguished FSN Awards” under this ADS chapter for CCN and TCN direct-hires. Private endowment awards and external awards have their own specific funding sources.

### **491.3.11 Composition and Term of USAID Special Awards Committee (SAC)**

Effective Date: 06/13/2016

The SAC consists of a chairperson and/or co-chair and no fewer than eight members appointed by the Administrator or their designee. The regional Bureaus will each have one member. The remaining members will be drawn from other B/IOs so that the SAC reflects the workforce profile of the Agency. The Director, OCR, will designate a staff member to serve on the SAC as a non-voting member. Selected SAC members can also nominate an alternate representative when necessary.

The chairperson and the SAC members serve a two-year term. Appointment to the SAC is an official assignment for the chairperson and the SAC members. Upon completion of a two-year term, HCTM will place a letter reflecting this additional assignment in the official personnel folder of these individuals.

**491.3.12 Appeals**

Effective Date: 04/11/2002

Award decisions may not be appealed. The granting or failure to grant an employee an award is not grievable.

An EEO complaint of discrimination may be filed regarding award decisions (see [ADS 110.3.1](#)).

**491.3.13 Award Restrictions**

Effective Date: 04/11/2002

By law ([5 USC 4508](#)), the Agency may not grant any monetary or time-off awards during a presidential election period to SES employees who are not career appointees (that is, non-career or limited appointees) or employees in a confidential or policy-determining Schedule C position.

The statute defines a presidential election period as beginning on June 1 in a calendar year in which the popular election of the President occurs and ending on January 20 following the date of the presidential election.

**491.3.14 Political Appointees**

Effective Date: 04/11/2002

By law ([5 USC 4509](#)), the Agency may not grant cash awards to employees appointed by the President with the advice and consent of the Senate who are paid under or with reference to the Executive Schedule (EX).

**491.4 MANDATORY REFERENCES**

**491.4.1 External Mandatory References**

Effective Date: 04/11/2002

- a. [3 FAM 4800, Department Awards Program](#)
- b. [5 CFR 451, Awards](#)
- c. [5 USC 4501-4513, Incentive Awards](#)
- d. [Foreign Assistance Act of 1961, as amended](#)
- e. [Foreign Service Act of 1980, as amended](#)

**491.4.2 Internal Mandatory References**

Effective Date: 07/31/2015

- a. [ADS 110, Equal Employment Opportunity](#)
- b. [ADS 491maa, Descriptions of Incentive Awards](#)
- c. [ADS 502maa, USAID/W Disposition Schedule](#)
- d. [USAID Acquisition Regulations \(AIDAR\), Appendix D and Appendix J](#)

**491.4.3 Mandatory Forms**

Effective Date: 07/31/2015

- a. [AID Form 400-11, Time-off Award Nomination Form](#)
- b. [AID Form 456-1, On-the-Spot Cash Award Program](#)
- c. **JF-66, Nomination for Award (generated by EIMS)**

**491.5 ADDITIONAL HELP**

Effective Date: 04/11/2002

There are no Additional Help documents for this chapter.

**491.6 DEFINITIONS**

Effective Date: 06/13/2016

See the [ADS Glossary](#) for all ADS terms and definitions.

**Annual Agency Awards**

These awards are given out annually to an employee or group for outstanding performance in a particular area based on criteria specified for an individual award. Annual awards are approved by the Special Awards Committee and are listed in [ADS 491maa](#) under SAC Awards. (Chapter 491)

**award**

Something bestowed or an action taken to recognize and reward individual or group achievement that contributes to meeting organizational goals or improving the efficiency, effectiveness, and economy of the Government or is otherwise in the public interest. Such awards include, but are not limited to, employee incentives that are based on predetermined criteria such as productivity standards, performance goals, measurement systems, award formulas, or payout schedules. (Chapter 491)

**cash award**

Individuals or groups may receive a monetary award granted for specific commendable acts or contributions in the course of Government service. Cash awards include Special Act and On-the-Spot Awards. (**Chapter 491**)

**external awards**

Awards presented to federal employees by non-governmental groups. (**Chapter 491**)

**group**

A work unit, task force, team, working group, or other collective activity. (**Chapter 491**)

**honor awards**

These awards bestow high honor and official recognition to an individual or group for exceptional contributions to the Agency's mission. Honor awards include Distinguished Honor Awards, Superior Honor Awards, Meritorious Honor Awards, Administrator's Distinguished Career Service Awards, and Outstanding Career Achievement Awards. (**Chapter 491**)

**informal recognition awards**

These awards are items of extremely nominal value granted as an immediate, informal recognition of employee accomplishment. (**Chapter 491**)

**intangible benefits**

Benefits to the Government that cannot be measured in terms of dollar savings. (**Chapter 491**)

**Joint Country Awards Committee (JCAC)**

The JCAC is an advisory group established by the chief of Mission to review nominations for awards for the staff of the agencies under that official's jurisdiction. The JCAC will normally include members from all of the agencies represented at post. (**Chapter 491**)

**Joint State/USAID awards**

These jointly administered awards are open to employees of the Department of State and USAID and are awarded by the Secretary of State. These awards may or may not contain a monetary component. Joint State/USAID awards are the Secretary's Award, the Award for Heroism, the Luther I. Replogle Award for Management Improvement, and the Herbert Salzman Award for Excellence in International Economic Performance. (**Chapter 491**)

**non-monetary award**

Non-monetary awards include medals, certificates, plaques, citations, badges, or other similar items that have an award or honor connotation. (**Chapter 491**)

**special act or service**

A contribution or accomplishment in the public interest that is

- A non-recurring contribution either within or outside of job responsibilities,
- A scientific achievement, or
- An act of heroism. (**Chapter 491**)

**tangible benefits**

Benefits or savings to the Government that can be measured in terms of dollars. (**Chapter 491**)

**time-off award**

Time off from duty, without loss of pay or charge to leave, to encourage and reward superior accomplishments or other personal efforts that contribute to the quality, efficiency, or economy of Government operations. (**Chapter 491**)

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