

470 Recognition and Awards

471 Overview

471.1 Policy

The Recognition and Awards Program is intended to recognize employees who have achieved outstanding performance, have superior competence, or have performed some other significant accomplishment. The program is not intended to provide incentives to employees to meet predetermined goals. The program has been broadly designed to ensure that the recognition and award needs of all organizations and functional areas are met and provides awards ranging from a letter of appreciation to \$10,000 in cash.

Recognition falls into five broad categories: (a) Certificates of Appreciation; (b) Service Awards, for which noncash recognition items, such as Service Award Pins, Service Award Certificates, and the Benjamin Franklin Award plaque are awarded; (c) Informal Awards, for which noncash gift items valued at less than \$50 are awarded; (d) Formal Awards, for which cash and cash-equivalent items valued at up to \$3,000 are awarded; and (e) Special Awards, including Team Awards, Vice President Awards, and Postmaster General Awards, for which cash and cash equivalent items up to \$10,000 are awarded.

A summary description of service recognition and incentive awards is contained in [Exhibit 471.1](#).

Exhibit 471.1

Service Recognition and Incentive Awards

Award Category		ELM Reference	Employees Eligible	Others Eligible	Award Description
Certificate of Appreciation		472	All	Contractors and customers	Noncash recognition
Service Award	Service Award Pin	473.2	Career		Noncash recognition
	Service Award Certificate	473.3	Career		Noncash recognition
	Ben Franklin Award	473.4	Career		Noncash recognition
Informal Award		474	All	Contractors	Noncash Gift Item less than \$50
Formal Award	Spot Award	475.2	Career		Cash or Cash Equivalent from \$50 to \$3,000
	Quality Step Increase	475.3	Career bargaining unit on step schedule		Change in Base Pay
Special Award	Team Award	476.2	Career		Cash or Cash Equivalent from \$50 to \$2,000
	Vice President Award	476.3	Career		Cash up to \$5,000
	Postmaster General Award	476.4	Career		Cash up to \$10,000

471.2 Management Control

Postal managers must use appropriate review and control procedures to identify individual performance, programs, or operational areas of superior work. Managers must ensure that related actions, such as performance evaluations, are fully considered to maintain compatibility between awards and other relevant factors. It is the responsibility of all levels of management to ensure that all employees are treated fairly and equitably and to provide a workplace environment characterized by recognition and celebration of business success. Vice presidents, district managers, senior and lead plant managers, and the Headquarters vice president of Employee Resource Management periodically audit the awards process.

471.3 Awards**471.31 Noncash**

Noncash awards include the following:

- a. *Recognition* items, such as pins, certificates, and plaques.
- b. *Gift* items, such as mugs, clothing, event tickets, and gift certificates redeemable only for merchandise.

The market value of noncash awards should be less than \$50.

471.32 Cash and Cash Equivalent

Cash awards are issued in the form of checks by the Eagan Accounting Service Center (ASC). *Cash equivalent awards* are issued in the form of a "gift check" or similar item that can be immediately converted to cash.

All cash awards and cash equivalent awards, regardless of value, are considered ordinary income and are subject to income tax withholding and involuntary deductions.

471.4 Budgeting Considerations

The award budget for an organization to cover informal noncash and formal cash and cash equivalent awards should be equal to at least 1/2 percent of aggregate salaries paid and should not exceed 1 percent of the aggregate salaries paid at the beginning of the fiscal year.

471.5 Privacy Act Considerations

Award records contain personal information; therefore, such records must be handled and disclosed only as stipulated in the Privacy Act and implementing instructions (see Handbook AS-353, *Guide to Privacy and the Freedom of Information Act*). Records of cash awards received by employees are maintained in the privacy system USPS 120.070, Personnel Records — General Personnel Folder (Official Personnel Folders and Records Related Thereto). Records of achievement awards are maintained in USPS 120.100, Personnel Records — Performance Awards System Records.

471.6 **Presentation Ceremonies**

Whenever possible, installation heads should (a) coordinate publicity with public information personnel and (b) provide an appropriate ceremony for each award in the presence of the employee's managers and co-workers.

471.7 **Documenting Awards**

Awards are documented by a permanent record filed in the recipient's official personnel folder.

472 **Certificate of Appreciation**472.1 **Overview**

Characteristics of this award are as follows:

Type of Award	Who Is Eligible	Award Description	Approval Authority	Basis
Certificate of Appreciation	All employees, contractors, and customers	Certificate	Installation head, district manager, senior plant manager	Recognizes contributions that improve the Postal Service™

472.2 **Purpose**

The *Certificate of Appreciation* provides postmasters and other installation heads a way to recognize and commend customers, contract employees, and noncareer and career employees for their contributions to the improvement of the Postal Service.

472.3 **Description**

The Certificate of Appreciation, a noncash recognition award, is a printed certificate that has a Postal Service corporate signature and has "Certificate of Appreciation" printed at the top. A commendatory letter may accompany the Certificate of Appreciation at the discretion of the approving official.

The certificate and, if included, letter of commendation are presented in a blue leatherette folder.

472.4 **Eligibility**

Customers, contract employees, and noncareer and career employees are eligible to receive the Certificate of Appreciation.

472.5 **Basis**

The Certificate of Appreciation may be issued for noteworthy assistance to the Postal Service. Examples of such contributions are:

- a. Reflecting credit on the Postal Service through civic service and humanitarian endeavors.
- b. Participating significantly in Postal Service programs such as Savings Bond drives, Combined Federal Campaigns, and blood donor drives.

- c. Performing exceptionally in one or more important job projects.
- d. Meeting unusual demands on one's own initiative, along with regularly assigned duties, during unplanned absences of associates.
- e. Improving public relations or sustaining good public relations in unusual circumstances.
- f. Enabling the unit to meet unanticipated demands by performance of unusual duties for short periods.
- g. Demonstrating unusual courage or competence in an emergency.
- h. Improving service through actions that Postal Service management feels are significant.

472.6 **Responsibility**

472.61 **Headquarters and Headquarters-Related Units**

The manager of Corporate Personnel Operations administers the program for Headquarters and Headquarters-related units.

472.62 **Areas, Districts, and Plants**

Area vice presidents, district managers, and senior or lead plant managers administer the program in their organization units.

472.7 **Approval Authority**

472.71 **Headquarters and Headquarters-Related Units**

PCES executives may approve the Certificate of Appreciation for customers, noncareer Postal Service employees, and contract employees.

472.72 **Areas**

The area vice president may approve a Certificate of Appreciation recommended for customers, noncareer Postal Service employees, and contract employees.

472.73 **Field**

Postmasters and installation heads may approve the Certificate of Appreciation to suit local needs.

472.8 **Ordering Certificates**

Certificates and folders may be ordered by personnel offices under the following item numbers:

Item No.	Description
0-1100-F	Certificate of Appreciation
0-1100-H	Service Award Folder (Single Window)
0-1100-K	Service Award Folder (Double Window)

472.9 **Presenting Awards**

The Certificate of Appreciation is presented by the immediate supervisor or higher official with appropriate ceremony and publicity in the presence of top officials and co-workers, preferably at the employee's work site.

473 **Service Awards**473.1 **Overview**

Characteristics of this award are as follows:

Type of Award	Who Is Eligible	Award Description	Approval Authority	Basis
Service Award Pin (milestone years)	All employees	Emblem pin and letter of appreciation	Installation head, district manager, senior plant manager	Recognizes employees with 25, 30, 35, 40, 45, and 50 years of federal service.
Service Award Certificate (retirement)	All employees	Certificate (retirement) and letter of appreciation	Installation head, district manager, senior plant manager	Recognizes employees at time of retirement.
Service Award Certificate (posthumous)	All employees	Certificate (posthumous) and letter of appreciation	Installation head, district manager, senior plant manager	Recognizes employees with 5 or more years of federal service who die while still employed. Presented to nearest relative.
Benjamin Franklin	All employees	Plaque showing a bust of Benjamin Franklin and a cancelled 1847 issue of a 5-cent stamp	Postmaster general	As highest award given by the Postal Service, reserved for employees in highly responsible Postal Service positions and recognizes unusually significant service.

473.2 **Service Award Pin**473.21 **Description**

The *Service Award Pin*, a noncash recognition award given at milestone years, consists of an emblem pin and a letter of appreciation issued in recognition of government service. The letter of appreciation for an employee with 25, 30, 35, 40, or 45 years of service is signed by the installation or functional organization head. The letter of appreciation for an employee with 50 years of service is signed by the postmaster general.

The letter of appreciation is presented in a blue leatherette folder.

473.22 **Basis**

The Service Award Pin is presented to career employees who have completed 25, 30, 35, 40, 45, or 50 years of creditable service to the government. All federal and military service is creditable.

473.23 Responsibility**473.231 Headquarters**

The manager of Corporate Personnel Operations is responsible for the administration of the program for Headquarters and Headquarters-related units.

473.232 Areas

The area vice president is responsible for the administration of the program for personnel on area rolls and employees reporting directly to the area office. The area vice president is also responsible for administration of 50-year service pin awards for eligible employees within the area.

473.233 Districts and Plants

District managers are responsible for the administration of the program for district and plant employees.

473.234 Inspection Service

The chief postal inspector is responsible for the administration of the program for Inspection Service employees.

473.24 Providing Lists of Eligible Employees

Officials at the Eagan ASC furnish a printout prior to each quarter listing all employees whose retirement computation date indicates sufficient government service to receive the Service Award Pin. The printouts are provided to the officials who are responsible for administration of the program.

Note: To determine an individual's eligibility for the Service Award Pin, federal civilian and military service that is not creditable for retirement purposes must be added to service indicated by the retirement compensation date.

473.25 Ordering Pins

Pins and folders may be requisitioned from the Material Distribution Center under the following item numbers:

Item No.	Description
0-917-C	25-Year Pin
0-917-G	30-Year Pin
0-917-D	35-Year Pin
0-917-E	40-Year Pin
0-917-H	45-Year Pin
0-917-J	50-Year Pin
0-1100-H	Service Award Folder (Single Window)
0-1100-K	Service Award Folder (Double Window)

473.26 Preparing Letters of Appreciation

For an employee with 25, 30, 35, 40, or 45 years of service, the responsible installation or functional organization head prepares a letter of appreciation appropriate to accompany the Service Award Pin. See [Exhibit 473.27a](#) for a general example of a letter that can be modified.

For an employee with 50 or more years of service, the responsible vice president or district Human Resources manager drafts a suggested letter appropriate to accompany the Service Award Pin and forwards it by electronic mail, headed "Fifty-Year Retirement," to the Office of the Postmaster General. See [Exhibit 473.27b](#) for a general example of a letter that can be modified.

473.27 Presenting Awards

The Service Award Pin, except that for 50 years, is presented by the installation or functional organization head, with appropriate ceremony and publicity, in the presence of top officials and co-workers. Responsibility for presenting 50-year pins remains with the vice president, who may delegate the responsibility.

Exhibit 473.27a

Sample Letter of Appreciation — Employee With 25, 30, 35, 40, or 45 Years of Service*To be signed by the installation or functional organization head.*

[__ date __]

[__ name __]

[__ street address __]

[__ city, state, ZIP Code __]

Dear [__ name __]:

It gives me a great deal of pleasure to present this Service Award Pin in recognition of your [__ number of __] years of federal employment.

The Postal Service owes a great deal to the loyalty and dedication of its employees, and I am happy to commend you for your many contributions throughout the years toward improved Postal Service operations.

[__ If desired, personal information can be inserted here. __]

I wish to extend my warm personal greetings and the hope that you will accept this pin as a symbol of my deep appreciation for a career of commendable service.

Sincerely,

[__ signature __]

[__ name __]

Exhibit 473.27b

Sample Letter of Appreciation — Employee With 50 Years of Service
To be signed by the postmaster general.



[__date__]

[__name__]

[__street address__]

[__city, state, ZIP Code__]

Dear [__name__]:

It is a privilege for me to present this Service Award Pin to recognize your completion of 50 years of government service.

A career spanning a half century is certainly indicative of a unique dedication to duty and to country. The attainment of this career milestone places you in an elite group. Few employees inside or outside of the Postal Service ever attain this distinction. It is an accomplishment of which you should be proud, and one which deserves the admiration of your fellow employees and your community as well.

I am happy to thank you, on behalf of the Postal Service, for your many years of dedicated service and to commend you personally on the attainment of this major career landmark.

Sincerely,

[__signature__]

[__name__]

473.3 Service Award Certificate**473.31 Description**

The *Service Award Certificate*, a noncash recognition item, is a printed certificate that has a Postal Service corporate signature and has "Service Award" printed at the top. A certificate presented at the time of retirement also states: "Given . . . on this occasion of your retirement." A certificate given to the next of kin of an employee who dies states: "Given posthumously . . ."

Retirees with 25, 30, 35, 40, or 45 years of service receive a certificate and a letter of appreciation signed by the installation or functional organization head. Retirees with 50 or more years of service receive a certificate and a letter of appreciation signed by the postmaster general.

The certificate and the letter of appreciation that accompanies it are presented in a blue leatherette folder.

473.32 Basis**473.321 Retirement**

The Service Award Certificate at retirement recognizes employees who retire (a) under the optional provisions of retirement law, (b) due to disability, or (c) under mandatory retirement for postal inspectors.

473.322 Death

To honor employees with 5 or more years of creditable service who die while still employed, the Service Award Certificate is presented posthumously to the nearest relative. Creditable service is defined as service that qualifies for retirement under the procedures for the Civil Service Retirement System (CSRS) or Federal Employees Retirement System (FERS).

473.33 Responsibility**473.331 Headquarters**

The manager of Corporate Personnel Operations is responsible for preparing certificates and letters for Headquarters and Headquarters-related unit employees and for submitting requests to the postmaster general for certificates and letters for Headquarters and Headquarters-related retirees with 50 or more years of service.

473.332 Areas

The area vice president is responsible for preparing certificates and letters for area employees in the area office and for submitting requests to the Office of the Postmaster General for certificates and letters for area office retirees with 50 or more years of service.

473.333 Field

District managers are responsible for the administration of the service award program for field employees and for submitting requests to the Office of the Postmaster General for certificates and letters for field retirees with 50 or more years of service.

473.34 Ordering Certificates

Certificates and folders may be requisitioned from the Material Distribution Center under the following item numbers:

Item No.	Description
0-1100-N	Service Award Certificate (Retirement)
0-1100-P	Service Award Certificate (Posthumous)
0-1100-H	Service Award Folder (Single Window)
0-1100-K	Service Award Folder (Double Window)

473.35 Preparing Letters of Appreciation**473.351 Retiring Employees**

For an employee with 25, 30, 35, 40, or 45 years of service, the responsible installation or functional organization head prepares a letter of appreciation appropriate to accompany the Service Award Certificate. See [Exhibit 473.351a](#) for a general example of a letter that can be modified.

For an employee with 50 or more years of service, the responsible installation or functional organization head drafts a suggested letter appropriate to accompany the Service Award Certificate and forwards it by electronic mail, headed "Fifty-Year Retirement," to the Office of the Postmaster General for signature. See [Exhibit 473.351b](#) for a general example of a letter that can be modified.

473.352 Deceased Employees

A letter appropriate to accompany the posthumous Service Award Certificate may be best drafted by those close to the deceased at the request of the responsible installation or functional organization head.

473.36 Presenting Awards**473.361 Retirement Award Certificates**

Whenever possible, installation heads coordinate publicity with public information personnel and provide an appropriate ceremony for each award in the presence of the employee's managers, co-workers, and family. Only under unusual circumstances should the award be mailed.

473.362 Posthumous Award Certificates

Presentation of posthumous awards must be tailored to the wishes of the family, as follows:

- a. The nearest relative should be contacted by district Human Resources personnel to determine whether the recipient prefers to have the certificate presented formally or taken to the home.
- b. At a formal ceremony, attendance should be limited to a few close friends and co-workers of the deceased.
- c. When delivery to the home is preferred, the management representative should consider having some close friends of the deceased accompany him or her.
- d. District Human Resources personnel should mail the Service Award Certificate only as a last resort, making certain that the award is carefully and securely wrapped before mailing.

Exhibit 473.351a

Sample Letter of Appreciation — Retiring Employee With Less Than 50 Years of Service*To be signed by the installation or functional organization head.*

[__ date __]

[__ name __]

[__ street address __]

[__ city, state, ZIP Code __]

Dear [__ name __]:

It gives me a great deal of pleasure to present this Service Award Certificate in commemoration of your [__ number of __] years of service. The good reputation the Postal Service enjoys is built on the loyal service of people like you, and I am happy to commend you for your contribution to our efforts for a better Postal Service.

I wish to extend my warm personal greetings and the hope that you will accept this certificate as a symbol of my deep appreciation for a career of commendable service. Best wishes for many years of happy retirement.

Sincerely,

[__ signature __]

[__ name __]

Exhibit 473.351b

Sample Letter of Appreciation — Retiring Employee With 50 or More Years of Service
To be signed by the postmaster general.



[__date__]

[__name__]

[__street address__]

[__city, state, ZIP Code__]

Dear [__name__]:

It gives me a great deal of pleasure to present this Service Award Certificate in recognition of your [__number of __] years with the U.S. Postal Service.

The Postal Service owes a great deal to the loyalty and dedication of its employees, and I am happy to commend you for your many contributions throughout the years toward improved Postal Service operations. I wish to extend my warm personal greetings and the hope that you will accept this certificate as a symbol of my deep appreciation for a career of commendable service.

[__If desired, personal information can be inserted here.__]

Sincerely,

[__signature__]

[__name__]

473.4 Benjamin Franklin Award**473.41 Description**

The *Benjamin Franklin Award*, the highest award given by the Postal Service, is a plaque showing a bust of Benjamin Franklin and a canceled 1847 issue of a 5-cent Benjamin Franklin stamp. An engraved metal plate is attached to the plaque.

473.42 Eligibility

The postmaster general designates those to be honored. Recommendations may not be made to him.

473.43 Basis

This award is reserved for employees serving in highly responsible Postal Service positions who meet either of the following criteria:

- a. Accomplishments having a unique impact on major Postal Service programs.
- b. Accomplishments effecting an unusually significant improvement in service to the public or in general operations.

473.44 Approval Authority

The postmaster general alone approves this award.

474 Informal Award**474.1 Overview**

Characteristics of this award are as follows:

Type of Award	Who Is Eligible	Award Description	Approval Authority	Basis	Award Limit
Informal Award	All employees and contractors	Noncash gift items, such as mugs, clothing, event tickets, and gift certificates redeemable only for merchandise.	Immediate supervisor	Recognizes a specific action or consistent performance of regular duties in an exemplary manner.	Less than \$50

474.2 Purpose

The *Informal Award* is a quick and simple method to recognize employees and contractors who regularly perform duties beyond what is normally expected of them or who have performed a specific exceptional task or action.

474.3 Description

The Informal Award, a noncash gift item of less than \$50 value, is a mug, clothing, event tickets, gift certificate redeemable only for merchandise, or similar item.

474.4 **Eligibility**

All employees and contractors are eligible to receive the Informal Award.

474.5 **Basis**

The basis for this award is an employee contribution (sustained performance or achievement). The employee must:

- a. Consistently perform regular duties in an exemplary manner.
- b. Accomplish a specific act beyond the normal duties.

474.6 **Approval Authority**

The immediate supervisor is the approving official for the Informal Award.

475 **Formal Awards**475.1 **Overview**

Characteristics of this award are as follows:

Type of Award	Who Is Eligible	Award Description	Approval Authority	Basis	Award Limit
Spot Award	Career employees	Cash or cash equivalent item	Installation head, district manager, senior plant manager	Recognizes sustained high-quality performance that is likely to continue or a specific action or accomplishment beyond what is normally expected.	From \$50 to \$3,000
Quality Step Increase (QSI)	Career bargaining unit employees	Change in base pay	See 475.3	See 475.3	Step increase (see 475.3)

475.2 **Spot Award**475.21 **Purpose**

The *Spot Award* is to provide immediate recognition for a specific action or achievement beyond what is normally expected of an employee. It is not to be used as an incentive for preestablished goals or objectives. The spot award may be used to recognize a wide range of performance or actions.

475.22 **Description**

The Spot Award, a one-time cash or cash equivalent award (i.e., a check issued by the Eagan ASC or a “gift check” or similar item that can be immediately converted to cash), is valued at up to \$3,000. It is presented along with a certificate that has a Postal Service corporate signature and has “Spot Award” printed at the top.

The certificate may be presented in a blue leatherette folder.

The Spot Award is considered ordinary income for tax purposes (see 471.32).

475.23 Eligibility

All career employees are eligible to receive the Spot Award.

475.24 Basis

The basis for this award is an employee contribution (sustained performance, achievement, invention, special act, or service) that exceeds usual work requirements. (See 475.342 for comparison with Quality Step Increase.) The employee must:

- a. Exceed requirements in one or more important job elements for 12 months or more.
- b. Devise new or improved methods that save manpower, space, materials, equipment, or other cost items.
- c. Contribute to outstanding economy, efficiency, added income, or measurably improved service to the public.
- d. Break production records or inspire others to improve quantity and quality of work.
- e. Risk life or personal safety in an act of heroism.
- f. Maintain work schedule in absence of supervisor or meet unusual demands of higher level duties on one's own initiative.

475.25 Approval Authority**475.251 Headquarters and Headquarters-Related Units**

Appropriate officers may approve awards up to the maximum for eligible Headquarters or Headquarters-related unit employees.

475.252 Areas

Approval authority at the area level is as follows:

- a. Area vice presidents may approve awards up to the maximum for eligible area office employees.
- b. Inspection Service Operations Support Group managers may approve awards up to the maximum for eligible Inspection Service employees under their jurisdiction.

475.253 Field

Installation heads, district managers, and senior plant managers may approve awards up to the maximum for eligible employees under their jurisdiction.

475.26 Recommending an Award

Recommendation for an award originates with the immediate supervisor or person with knowledge of the employee or group contribution. The recommendation is initiated promptly but no later than 1 year after the date of the achievement, act, or period covering the performance. The nominee is not advised of the recommendation. The recommending official reviews the

employee's job description, assigned duties, and performance requirements and decides to what degree the contribution exceeds average requirements by:

- a. Measuring amount of savings or degree of improvement effected in relation to job responsibilities. (Savings alone cannot be used to determine an award. Higher level employees are expected to effect more significant improvements and benefits than are employees at lower levels.)
- b. Deciding the extent of contribution and benefits outside employee's immediate installation.
- c. Considering the degree of ingenuity, magnitude of accomplishment, and noncash benefits represented by the contribution.

475.27 **Evaluating and Approving the Award**

Management evaluates the recommendation, decides if an award is warranted, and approves the recognition through normal channels.

When the accomplishment fails to meet the outlined criteria, a brief written explanation is sent to the person who made the recommendation.

475.28 **Processing the Award**

The official who is recommending the Spot Award initiates the request for an award by following the procedures in the eAward system.

475.29 **Ordering Certificates**

Certificates can be printed through the eAwards system. Folders may be ordered from the Material Distribution Center under the following item number:

Item No.	Description
0-1100-H	Service Award Folder (Single Window)

475.3 **Quality Step Increase Award**

475.31 **Description**

The *Quality Step Increase* (QSI) is an increase in basic pay that recognizes sustained high-quality performance. The total dollar benefit usually exceeds that of a one-time cash award and is granted only when the performance level is likely to continue.

475.32 **Eligibility**

All career bargaining unit employees are eligible to receive the QSI. An employee cannot receive more than one QSI in any 52-week period.

475.33 **Basis**

High-quality performance can be determined only after a thorough review of the position requirements, duties, and responsibilities. Consideration must be given to the quality and quantity of work, demonstrated professional and technical knowledge, manual skills, and other evidence of superior competence. Performance criteria include the following:

- a. The most important function of the job is being performed in a manner that substantially exceeds normal requirements.
- b. Another function of the job is being performed in a manner that is better than satisfactory.
- c. A specific job was sustained at a high level during the preceding year and gives promise of continuing.

475.34 **Comparisons**475.341 **Comparison to Regular Within-Grade Increases**

A QSI requires exceptional authorization by management and is always in addition to regular pay adjustments (such as general increases, cost of living adjustments, and/or regular within-grade increases) required by the labor contracts. Any employee below the highest step is eligible to receive a QSI.

A bargaining unit employee cannot receive more than one QSI in any 52-week period (see 475.32). A QSI, once filed on PS Form 1727, *Award Recommendation/Authorization*, may result in an advancement of either one or two steps, as determined by the procedure described below. The QSI may also change the due date for advancement to the next higher step.

The step and next step date for the QSI action are determined as follows:

- a. If the number of weeks served before the QSI is greater than the number of weeks that would be required to progress from the QSI step to the next step, the employee is actually advanced two steps as the result of the QSI. The next step date is then set to allow for a complete waiting period following the QSI.

Example: Before the QSI, Joseph completed 38 weeks in step I in RSC M. The labor contract requires 34 weeks to progress from step J to K. Because the time served in step I is greater than the time required to progress from step J to K, Joseph is given an additional step and placed directly into step K as the result of the QSI. He then must wait the full contractual period (34 weeks) before he reaches the next step, step L.

- b. If the number of weeks served before the QSI is less than or equal to the number of weeks required to progress from the QSI step to the next step, the employee is advanced only a single step. The next step date is then determined by subtracting the waiting period weeks required by the labor contract to progress from the QSI step to the next step by the weeks already served before the QSI.

Example: Before the QSI, Joseph completed 22 weeks in step I in RSC M. The labor contract requires 34 weeks to progress from step J to step K. Because the time served in step I is less than the time

required to progress from step J to K, Joseph is advanced just a single step, to step J, as the result of the QSI. The next step is determined by taking the waiting period required between steps J and K (34 weeks) and subtracting from it the weeks served in step I before the QSI (22 weeks). The next step, to step K, occurs 12 weeks after the QSI (34 weeks – 22 weeks = 12 weeks).

475.342 **Comparison to Spot Awards**

The standards for a QSI and a Spot Award are similar. Employee performance is evaluated according to the conditions required under both awards to see which is more appropriate (see 475.24 and 475.33). The primary difference is that the QSI changes the employee's base salary, while the Spot Award is a one-time, lump-sum, cash award. The Spot Award may be preferable when (a) the employee is at the top of the grade or (b) group recognition is desired.

475.35 **Approval Authority**

475.351 **Headquarters and Headquarters-Related Units**

Appropriate officers may approve QSIs for eligible employees.

475.352 **Areas, Districts, and Plants**

Area vice presidents and district managers may approve QSIs for eligible employees under their jurisdiction.

475.36 **Recommending an Award**

Normally, the employee's supervisor initiates the recommendation for a QSI; however, such recommendations may be initiated by others with the supervisor's concurrence.

475.37 **Initiating Documentation**

The official who is recommending the QSI award initiates the request through his or her local personnel office by filing a PS Form 1727, *Award Recommendation/Authorization*.

475.38 **Initiating a Personnel Action**

When the award is approved, the employee's personnel office completes PS Form 50, *Notification of Personnel Action*. The personnel action is effective the first day of the first pay period beginning on or after the approval date of the award.

476 **Special Awards**476.1 **Overview**

Characteristics of this award are as follows:

Type of Award	Who Is Eligible	Award Description	Approval Authority	Basis	Award Limit
Team Award	All career employees	Cash or cash equivalent item	Vice president	Recognizes superior team contribution or achievement deserving of systemwide recognition.	From \$50 to \$2,000
Vice President Award	All career employees	Cash	Vice president	Recognizes superior individual contribution or achievement deserving of systemwide recognition.	\$5,000
Postmaster General Award	All career employees	Cash	Postmaster general, management committee member, senior vice president	Recognizes exceptional individual contribution and achievement deserving of systemwide recognition.	\$10,000

476.2 **Team Award**476.21 **Purpose**

The *Team Award* is to reward superior team contribution or achievement deserving of systemwide recognition.

476.22 **Description**

The Team Award, a one-time cash or cash equivalent award (i.e., a check issued by the Eagan ASC or a “gift check” or similar item that can be immediately converted to cash), is valued at a minimum of \$50 and is not to exceed \$2,000.

The amount of the award should be commensurate with the magnitude of the team achievement.

The Team Award is considered ordinary income for tax purposes (see 471.32).

476.23 **Eligibility**

All career bargaining and nonbargaining unit employees are eligible for Team Awards.

476.24 **Award Limits Ceilings**

An employee may receive up to \$2,000 in cash Team Awards in a fiscal year (independent of Spot Award dollar amounts).

476.25 Approval Authority

Vice presidents must approve these awards and are responsible for establishing administrative procedures for issuing these awards within their respective organizations.

476.26 Processing the Award

The official who is recommending the Team Award initiates the request for an award by following the procedures in the eAward system.

476.3 Vice President Award**476.31 Purpose**

The *Vice President Award* is a cash payment to acknowledge and reward superior individual contribution or achievement that is deserving of systemwide recognition. It is intended to recognize contributions not encompassed by basic salary, merit salary adjustments, or formal pay for performance programs.

476.32 Description

The Vice President Award, a one-time cash award (i.e., a check issued by the Eagan ASC) is valued at up to \$5,000.

The amount of an award should be commensurate with the magnitude of the effort or achievement.

The Vice President Award is considered ordinary income for tax purposes (see 471.32).

476.33 Eligibility

All career bargaining and nonbargaining unit employees are eligible for Vice President Awards.

476.34 Approval Authority

Vice presidents must approve these awards and are responsible for establishing administrative procedures for issuing this award within their respective organizations.

476.35 Processing the Award

The official who is recommending the Vice President Award initiates the request for an award by following the procedures in the eAward system.

476.4 Postmaster General Award**476.41 Purpose**

The *Postmaster General Award* is a cash payment to acknowledge and reward superior individual contribution or achievement that deserves systemwide recognition. It is intended to recognize contributions not encompassed by basic salary, merit salary adjustments, or formal pay for performance programs.

476.42 Description

The Postmaster General Award, a one-time cash award (i.e., a check issued by the Eagan ASC), is valued at up to \$10,000.

The amount of the Postmaster General Award should be commensurate with the magnitude of the effort or achievement.

The Postmaster General Award is considered ordinary income for tax purposes (see 471.32).

476.43 Eligibility

All career bargaining and nonbargaining unit employees are eligible for the Postmaster General Award.

476.44 Approval

The postmaster general, management committee members, or senior vice presidents must approve these awards and are responsible for establishing administrative procedures for issuing these awards within their respective organizations.

476.45 Processing the Award

The recommending official initiates the Postmaster General Award through the eAwards system.