1.0 Purpose

The purpose of this handbook is to provide procedural guidance on processing all Peace Corps Incentive Awards, both monetary and non-monetary. The policy guidance is found in Manual Section 662 Peace Corps Incentive Awards Program.

2.0 Definitions

For purposes of this handbook the following definitions apply:

(a) **A Delegates** are those individuals identified as such by MS 114 *Delegation of Authority* within section 3.1. For award proposals for members of the Senior Foreign Service and office heads, the Deputy Director or Chief of Staff/Chief of Operations acts as the A Delegate for that proposal.

(b) **Beneficial Suggestion Award** means a Cash Award granted to an employee or group of employees for officially-submitted suggestions which are adopted by management and which directly contribute to the economy, efficiency, or effectiveness of U.S. Government operations.

(c) **Committee** means the Incentive Awards Committee established pursuant to MS 662 to oversee the Peace Corps Incentive Awards Program.

(d) **Cash Award** is an award provided as a lump-sum payment in recognition of an achievement.

(e) **Honorary Award** is a symbolic recognition of significant contribution and public recognition.

(f) **Management Officials** are supervisors, office heads, and other Peace Corps employees responsible for overseeing Agency operations.
(g) **Meritorious Step Increase** is an additional within-grade step increase in recognition of high-quality performance above that ordinarily found in the type of position concerned (see also MS 622).

(h) **Non-Peace Corps Awards** are forms of recognition administered by other Federal Agencies, or by private organizations, for which Peace Corps employees are eligible as a result of their official Peace Corps work.

(i) **Time-Off Award** is an award in recognition of an achievement that grants an employee time off without charge to leave or loss of pay.

### 3.0 Types of Awards

#### 3.1 Director’s Distinguished Service Award

**3.1.1 Criteria for the Director’s Distinguished Service Award**

A Director’s Distinguished Service Award (DDSA) may be awarded to an individual or group in recognition of a single distinguished achievement or sustained distinguished performance that has had a significant and lasting impact on the agency as a whole, or achieved an actual savings of $100,000 or more.

For an individual award based on sustained distinguished performance, the recipient must have a performance rating of Meets or Exceeds Standards for a period of not less than 2 years.

The criteria for the Director’s Distinguished Service Award for Lifetime Achievement will be in the judgment of the Incentive Awards Committee and the Peace Corps Director.

**3.1.2 Manner of Recognition for the Director’s Distinguished Service Award**

A DDSA will be recognized with a special certificate and/or award presented by the Director at the agency’s formal annual awards ceremony. Additionally, recipients may receive one of the following:

(a) A Meritorious Step Increase (MSI); or

(b) A Cash Award exceeding $4,000 per individual and/or a Time-Off Award of up to 48 hours.

**3.1.3 Procedures for the Director’s Distinguished Service Award**

(a) **STEP 1**: When a supervisor determines that a Director’s Distinguished Service Award is merited, the supervisor shall nominate the employee by completing a Peace Corps Award Nomination Form and Justification Memo, PC-1577 (Attachment B). The nominating supervisor must complete a written justification for the employee to be considered as a DDSA recipient.
(b) **STEP 2**: The nominating supervisor or Management Official shall then submit the DDSA proposal to the A Delegate (Associate Director (or equivalent) or Regional Director level or higher) within his or her office for review of the proposal.

(c) **STEP 3**: Once the nominating supervisor’s A Delegate (Associate Director (or equivalent) or Regional Director level or higher) has reviewed the DDSA proposal, the A Delegate shall determine whether to recommend the proposal for approval or rejection.

   (1) If the nominating supervisor’s A Delegate recommends to approve the DDSA proposal and it includes a Meritorious Step Increase or Cash Award, the award proposal must be submitted to the Office of the Chief Financial Officer (OCFO) for the appropriate budget official’s signature. Please also refer to section 4.0 for additional information on Meritorious Step Increases.

(d) **STEP 4**: After the DDSA proposal has been signed by the appropriate budget official, the DDSA proposal shall be transmitted by the nominating office to the Incentive Awards Administrator in HR, who will present the DDSA proposal to the Incentive Awards Committee for review.

(e) **STEP 5**: Once the Incentive Awards Committee has reviewed the DDSA proposal, the Incentive Awards Committee shall determine whether to recommend the proposal for approval or rejection to the Peace Corps Director.

(f) **STEP 6**: If the Incentive Awards Committee recommends to approve the DDSA proposal, the Incentive Awards Administrator will send the DDSA proposal to the Peace Corps Director to make a final determination of whether to approve or reject the proposal.

(g) **STEP 7**: If the Peace Corps Director approves the DDSA proposal, the Incentive Awards Administrator will process the approved DDSA and notify the DDSA recipient’s nominating supervisor.

### 3.2 Meritorious Service Award

#### 3.2.1 Criteria for the Meritorious Service Award

A Meritorious Service Award (MSA) may be awarded to an individual or group in recognition of a single significant achievement or sustained superior performance that has made a positive and lasting impact on major agency operations, or achieved an actual savings of $50,000 or more.

For an individual award based on sustained superior performance, the recipient must have a performance rating of Meets or Exceeds Standards.

#### 3.2.2 Manner of Recognition for the Meritorious Service Award

A Meritorious Service Award will be recognized with a certificate and/or award presented by the Director at the agency’s formal annual awards ceremony. Additionally, recipients may receive one of the following:
(a) A Meritorious Step Increase (MSI); or

(b) A Cash Award between $3,000 to $7,500 per individual and/or a Time-Off Award of up to 48 hours.

3.2.3 Procedures for the Meritorious Service Award

(a) **STEP 1:** When a supervisor determines that a Meritorious Service Award is merited, the supervisor shall nominate the employee by completing a Peace Corps Award Nomination Form and Justification Memo, PC-1577 (Attachment B). The nominating supervisor must complete a written justification for the employee to be considered as a MSA recipient.

(b) **STEP 2:** The nominating supervisor or Management Official shall then submit the MSA proposal to the A Delegate (Associate Director (or equivalent) or Regional Director level or higher) within his or her office for review of the proposal.

(c) **STEP 3:** Once the nominating supervisor’s A Delegate (Associate Director (or equivalent) or Regional Director level or higher) has reviewed the MSA proposal, the A Delegate shall determine whether to recommend the proposal for approval or rejection.

   (1) If the nominating supervisor’s A Delegate recommends to approve the MSA proposal and it includes a Meritorious Step Increase or Cash Award, the award proposal must be submitted to the Office of the Chief Financial Officer (OCFO) for the appropriate budget official’s signature. Please also refer to section 4.0 for additional information on Meritorious Step Increases.

(d) **STEP 4:** After the MSA proposal has been signed by the appropriate budget official, the MSA proposal shall be transmitted by the nominating office to the Incentive Awards Administrator in HR, who will present the MSA proposal to the Incentive Awards Committee for review.

(e) **STEP 5:** Once the Incentive Awards Committee has reviewed the MSA proposal, the Incentive Awards Committee shall determine whether to approve or reject the proposal.

(f) **STEP 6:** If the MSA proposal is approved by the Incentive Awards Committee, the Incentive Awards Administrator will process the approved MSA and notify the MSA recipient’s nominating supervisor.

3.3 Award of Commendation

3.3.1 Criteria for the Award of Commendation

An Award of Commendation (AOC) may be awarded to an individual or group in recognition of a single significant achievement or sustained superior performance that has had a positive impact on more than one post or office, or achieved an actual savings of $25,000 or more.

For an individual award based on sustained superior performance, the recipient must have a performance rating of Meets or Exceeds Standards.
3.3.2 Manner of Recognition for the Award of Commendation

Under the Award of Commendation, an employee may receive either:

(a) A Meritorious Step Increase; or

(b) A Cash Award between $500 to $5,000 per individual and/or a Time-Off Award of up to 24 hours.

3.3.3 Procedures for the Award of Commendation

(a) STEP 1: When a supervisor determines that an Award of Commendation is merited, the supervisor shall nominate the employee by completing a Peace Corps Award Nomination Form and Justification Memo, PC-1577 (Attachment B). The nominating supervisor must complete a written justification for the employee to be considered as an AOC recipient.

(b) STEP 2: The nominating supervisor or Management Official shall then submit the AOC proposal to the appropriate A Delegate within his or her office for review of the proposal.

(c) STEP 3: Once the nominating supervisor’s A Delegate has reviewed the AOC proposal, the A Delegate shall determine whether to approve or reject the proposal.

   (1) If the nominating supervisor’s A Delegate approves the AOC proposal and it includes a Meritorious Step Increase or Cash Award, the award proposal must be submitted to the Office of the Chief Financial Officer (OCFO) for the appropriate budget official’s signature. Please also refer to section 4.0 for additional information on Meritorious Step Increases.

(d) STEP 4: After the AOC proposal has been signed by the appropriate budget official, the AOC proposal shall be transmitted by the nominating office to the Incentive Awards Administrator in HR, who will process the approved AOC and notify the AOC recipient’s nominating supervisor.

3.4 Award of Achievement

3.4.1 Criteria for the Award of Achievement

An Award of Achievement may be awarded by a FP-2 level or above supervisor to an individual or group in recognition of a single achievement or sustained contributions that made a positive impact on an office or work unit but does not meet the criteria for other awards.

3.4.2 Manner of Recognition for the Award of Achievement

An Award of Achievement will be recognized by the awarding supervisor at an appropriate gathering or ceremony. Additionally, recipients may receive one of the following:

(a) A Time-Off Award of up to 8 hours; and/or

(b) A Certificate.
3.4.3 Procedures for the Award of Achievement

(a) **STEP 1:** When a supervisor determines that an Award of Achievement is merited, the supervisor, FP-2 level or above, shall nominate the employee by completing a Peace Corps Award Nomination Form and Justification Memo, PC-1577 (Attachment B). The supervisor must briefly state the nature of the contribution which merits the award.

(b) **STEP 2:** The nominating supervisor shall then transmit the award proposal to the Incentive Awards Administrator in HR for review.

(1) Time-off awards shall be processed by the Incentive Awards Administrator, and the Incentive Awards Administrator will notify the appropriate supervisor.

(2) Certificates shall be created by the nominating office using the Award of Achievement certificate template which can be found on HR Central. Certificates are signed at the Associate Director level.

4.0 Meritorious Step Increase

4.1 Criteria for a Meritorious Step Increase

As outlined in section 5.3 of MS 622 *Direct Hire within-Grade Salary Increases*, an employee under consideration for a Meritorious Step Increase (MSI) must:

(a) Perform all or most elements of his or her assigned position at a level that exceeds expectations (see Attachment B (1) for documentation requirements);

(b) Sustain performance at that level for a period of time sufficient to conclude that such a level is characteristic of his or her performance and is expected to continue in the future (in no case may this period be less than 180 days);

(c) Be expected to remain for at least 60 days in the same position, or in a similar position at the same grade level;

(d) Not have received an MSI within the preceding 52 calendar weeks; and,

(e) Not be at the top step of his or her grade.

4.2 Meritorious Step Increases vs. Cash Awards or Time-Off Awards

In some instances, the contribution may be of such a nature that a Cash Award and/or Time-Off Award is more appropriate than a Meritorious Step Increase. Cash Awards and a Time-Off Award may not be combined with a MSI on the basis of the same performance. However, Cash Awards and Time-Off Awards may be awarded on the same performance simultaneously.
5.0 Use of Time-Off Awards

The following rules apply to the use of a Time-Off Award:

(a) Time-Off Awards may only be used in one-hour increments;

(b) Time-Off Awards may only be used with the permission of the supervisor;

(c) Supervisors may only deny a request to use a Time-Off Award, or cancel a previously granted request, when an exigency of public business requires the employee to be at work during the period proposed for the use of the Time-Off Award;

(d) An employee must use a Time-Off Award within twenty-six (26) pay periods of the pay period in which the Time-Off Award is granted;

(e) Time-Off Awards may not be converted to cash under any circumstances; and

(f) An employee who leaves Peace Corps employment with an unused Time-Off Award forfeits the award.

6.0 Processing and Funding of Awards

6.1 Processing of Approved Awards

When a Cash Award is fully and finally approved, the Incentive Awards Administrator or designee shall process the payment and inform the recommending Management Official.

6.2 Availability of Funds

Cash Awards of $2,000 or less and MSIs are charged to the budget of the nominating office. The nominating office is usually the office of the employee receiving the award, except in cases of detail to another office where the nominating office is the office to which the employee has been detailed, and except for Beneficial Suggestion Awards, where the nominating office is the office that is responsible for adopting the relevant suggestion. No award nomination of any type shall be submitted, nor an award of any type granted, unless funds sufficient to pay for the proposed award are available in the appropriate budget.

6.3 Special Fund

Cash Awards over $2,000 will normally be considered for payment from the Special Fund established under MS 662 5.7 unless the office requests that office funds be used. If office funds are used, funds sufficient to pay for the proposed award must be available in the appropriate budget.

If there are more awards proposals submitted than funds available from the Special Fund, the Committee will compare proposals based on the relevant criteria and fund those awards that are ranked the highest or modify award amounts appropriately.
6.4 Award Proposals Modified or Disapproved by the Committee

Per MS 662 section 5.6, The Committee may modify or disapprove a proposed Incentive Award under its consideration. Possible modifications include a change in the amount or type of the proposed Incentive Award.

6.5 No Self-approval of Awards

This handbook shall not be interpreted to allow any Management Official to propose, review, approve, or take any other action with respect to an award for such official.

6.6 Peer Nomination of Awards

Employees or groups of employees may nominate their peers (in their own or other offices) for an award by sending an email to employeerelations@peacecorps.gov. The nomination will include the peer’s name and office and a justification for the award. The Awards Administrator will send peer nominations first to the supervisor, who has the chance to incorporate the justification into an awards proposal to the Committee or A Delegate (depending on the dollar value the supervisor determines is appropriate). If the supervisor does not act on the peer nomination within 30 days, the Awards Administrator sends the proposal to the Committee for review and possible approval for payment from the Special Fund per 6.3 above. The fact that an approved award was peer-nominated will be communicated to the employee as part of the recognition regardless of the approval level.

7.0 Beneficial Suggestion Award

7.1 Criteria

Beneficial Suggestion Awards may be given in recognition of suggestions that are either outside the employee’s assigned responsibilities or within assigned responsibilities but sufficiently significant to warrant special recognition, are adopted by management, and which directly contribute to the economy, efficiency, or effectiveness of U.S. Government operations.

In order to be eligible for an award, a suggestion must be adopted within two years after its receipt by the Agency. The employee making the suggestion may be considered for an award for two years after the suggestion is submitted. An employee making a suggestion is not eligible for an award if the suggestion is put in operation after the two-year eligibility period.

There is no limit to the number of awards an employee may receive for beneficial suggestions adopted.

7.2 Amount

A Beneficial Suggestion Award may range from a minimum of $100 to a maximum of ten percent of an employee’s salary.
The amount of a Beneficial Suggestion Award should be in proportion to the benefits realized by
the U.S. Government as a result of the suggestion being recognized, and shall be determined by
comparing the contribution of the employee with the tangible/intangible benefits charts included
as Attachment D. When the award is for a group, all members of the group should share in the
recognition. The amount may be shared equally or the total may be divided in proportion to the
individual contributions of the employees.

When an officially-submitted suggestion is adopted but an award is not merited because the
suggestion does not meet the award criteria, a letter of appreciation should be sent to the
employee who submitted the suggestion. Suggestions of this type include those which are
determined to be within the normal duties or responsibilities of the employee or where an
appropriate award amount would be less than $100.

7.3 Documentation of Suggestions

Suggestions shall be in writing and contain the following minimum documentation:

(a) A brief description of the current practice or procedure, if any;

(b) A description of the suggested change to the existing practice or procedure (if the
    suggestion is to add a new practice or procedure, a description of what is to be
    added Implemented); and

(c) An analysis of the direct, estimated net dollar benefit which would result from adoption of
    the suggestion over the first 12 month period after its adoption, or a statement of the
    intangible benefits to the Peace Corps anticipated as a result of its adoption.

7.4 Submission of Suggestions

All suggestions shall be submitted using the Peace Corps Suggestion Box email address
SuggestionBox@peacecorps.gov. The administrators of the suggestion box will forward valid
suggestions to the Management Official with responsibility for the subject matter.

7.5 Evaluation of Suggestions

The responsible Management Official must provide a prompt and objective evaluation of
suggestions submitted to him or her. This responsibility includes securing comments from
technical sources on the adoptability of the suggestion and the anticipated benefits, both tangible
and intangible. A 'Suggestion Evaluation Report Form,' Form PC-1579, Attachment C, is
provided for use in the evaluation of suggestions.

7.6 Award Consideration

If the Peace Corps adopts a suggestion, the Management Official adopting the suggestion shall
recommend a Beneficial Suggestion Award.

An award may be granted for an adopted suggestion even though the original suggestion may
have been changed considerably prior to final adoption. The responsibility for evaluating the
employee's contribution rests with the adopting official. That official must determine if it was the employee's original suggestion which motivated management’s action in effecting the change.

7.7 Procedures for Processing Beneficial Suggestion Awards

When the Management Official responsible for adopting the Beneficial Suggestion determines that an award is merited, the Management Official shall complete a Peace Corps Award Nomination Form, PC-1577 (Attachment B) and attach an appropriate written justification for the proposed award.

The Management Official, if they are not themselves an A Delegate, shall then submit the award proposal to the A Delegate for his or her office. If approved by the A Delegate, the award proposal shall be submitted to the Office of the Chief Financial Officer (OCFO) for the appropriate budget official’s signature. The award proposal shall then be transmitted to the Incentive Awards Administrator in HR, who will then present the award proposal to the Incentive Awards Committee for approval. If approved, the Incentive Awards Administrator will then process the award and notify the appropriate Management Official.

If the award is for $5,001 to $10,000, and has been approved by the Committee, the proposal shall then be transmitted to the Peace Corps Director for approval. If approved, the Incentive Awards Administrator will then process the award and notify the appropriate Management Official.

If the award is for $10,001 or more, the justification must also:

(a) Explain if the employee performed the function exclusively or as a collateral duty;

(b) Cite the legal authority for the Agency’s Incentive Awards Program; and explain how the employee’s performance aligns with the cited authorities;

(c) Provide the scope of the employee’s responsibilities;

(d) Demonstrate the significant matters and work the employee performed to support the continuity of operations on a high-level basis;

(e) Demonstrate how the employee’s performance supported the Agency’s mission, goals, and values;

(f) Demonstrate how the employee’s performance saved the Agency money and cite the amount of money saved; and

(g) Attach a Peace Corps organizational chart and indicate position of the employee.

If the justification includes all of the above, and has also been approved by the Committee and the Director, the proposal will then be transmitted to the U.S. Office of Personnel Management for approval. If approved, the Incentive Awards Administrator will then process the award and notify the appropriate Management Official.
7.8 Claims against the U.S. Government

The recipient of a Beneficial Suggestion Award will be notified in writing that acceptance of a Cash Award constitutes an agreement that the use by the U.S. Government of an idea, method, or device for which the award is made does not form the basis of a further claim of any nature against the U.S. Government by the employee, his or her heirs, or assignees.

7.9 Non-Adoption

The decision not to adopt a suggestion may be made only by the Management Official having the authority to adopt it. The official will notify the employee making the suggestion in writing of the non-adoption decision and the basis for it. A copy of the decision letter, the applicable Suggestion Form and the applicable Suggestion Evaluation Report Form will be forwarded by the Management Official to the Incentive Awards Administrator for recording purposes.

7.10 Duplicate Suggestions

With duplicate suggestions, the employee making the original suggestion will receive adoption credit and an award, if one is authorized, when the adoption occurs within the two-year award eligibility period. If a duplicate suggestion is instrumental in motivating management to adopt a suggestion which was not previously adopted, the employee making the duplicate suggestion is also eligible for award consideration.

8.0 Career Service Recognition

Although Career Service Certificates and Retirement Certificates are not Incentive Awards, they are issued to employees to recognize significant milestones in the employee's Federal Service career.

8.1 Career Service Certificates

8.1.1 Recognition

Career Service Certificates, signed by the Peace Corps Director, are to be given to employees completing 5, 10, 15, 20, 25, 30, 35, and 40 years of creditable Federal Service.

8.1.2 Foreign Service National Employees

FSN employees will receive Peace Corps Career Service Certificates signed by the Peace Corps Director and presented by the Country Director.

8.1.3 Procedures

The Payroll and Benefits Unit in the Office of Human Resources shall prepare the certificates for U.S. direct-hire employees based on monthly personnel operations reports.
Country Directors shall inform the Incentive Awards Administrator of an FSN’s completion of 5, 10, 15, 20, 25, 30, 35, and 40 years of creditable Federal Service at least 60 days prior to the date the FSN does so. The Incentive Awards Administrator shall then prepare the appropriate certificate.

The Payroll and Benefits Unit in the Office of Human Resources will forward the certificates to the appropriate A Delegate or Country Director, who will arrange for their presentation, normally in a public forum.

8.2 Retirement Certificates

8.2.1 Recognition

Employees retiring under provisions of the Civil Service Retirement System, Federal Employee Retirement System, or Foreign Service Retirement Systems will receive a framed Retirement Certificate signed by the Peace Corps Director along with a retirement lapel pin.

8.2.2 Certificate Preparation and Presentations

The Payroll and Benefits Unit in the Office of Human Resources will prepare the certificate. The appropriate A Delegate will arrange for a presentation of the certificate in a public forum, unless the employee prefers not to receive the public recognition. Efforts should be made to make the presentation with participation of the highest level appropriate Agency officials.

9.0 Non-Peace Corps Awards

'Non-Peace Corps Awards' are forms of recognition administered by other federal agencies, or by private organizations, for which Peace Corps employees are eligible as a result of their official Peace Corps work. They do not include awards or titles conferred by foreign governments (for rules on the acceptance of awards granted by foreign government, see 5 U.S.C. 7342, et seq.).

Eligibility criteria and instructions with respect to procedures governing Non- Peace Corps Awards are issued by the U.S. Office of Personnel Management and/or the private organization sponsoring the particular award.

The Peace Corps or an individual Management Official may make nominations for a Non-Peace Corps Award, as appropriate. Nominations shall be transmitted to the Incentive Awards Administrator. The Incentive Awards Administrator shall review the nomination and work with the appropriate Management Official, as necessary, to achieve conformance with applicable rules. The Incentive Awards Administrator, with consultation from the Incentive Awards Committee, as appropriate, shall then submit the nomination to the appropriate non-Peace Corps entity, and shall arrange to have the nomination properly recorded in the Official Personnel Folder of the appropriate employee.

Supervisors, office heads, and other Management Officials are encouraged to take an active interest in the submission of nominations for Non-Agency Awards.
At any time a non-Peace Corps award is granted to a Peace Corps staff member, such an honor shall be recognized in a public awards ceremony.