

UNITED STATES DEPARTMENT OF AGRICULTURE  
FOOD SAFETY AND INSPECTION SERVICE  
WASHINGTON, DC

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# FSIS NOTICE

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62-18

11/19/18

## PERFORMANCE AWARD DISTRIBUTION FOR NON-BARGAINING UNIT EMPLOYEES

### I. PURPOSE

This notice provides instructions on how the Agency will distribute performance awards for all FSIS non-bargaining unit employees and includes instructions regarding former FSIS employees and performance awards that are given to resolve administrative grievances of performance ratings. This notice covers the Fiscal Year (FY) 2018 performance rating cycle, ending September 30, 2018.

### II. BACKGROUND

A. FSIS administers awards in accordance with the principles set forth in:

1. [5 U.S.C. 2301](#), *Merit Systems Principles*;
2. [DR 4040-451-1](#), *USDA Employee Awards and Recognition Program*; and
3. [DR 4040-430](#), *Performance Management*.

B. Each program area receives an allocation based on its percentage of base salaries to the Agency-wide total. This method is applied to ensure equity and fairness. The Agency utilizes the Compensation Work Bench (CWB) tool in calculating the individual award amounts for all eligible employees. Employees who receive Outstanding ratings receive a pre-determined share value of their program pool unless they receive a Quality Step Increase (QSI). Employees who receive a Superior rating receive a pre-determined share value of their program pool.

C. Program areas receive an allocation of QSIs from the Administrator's office, which is based on the total number of staff, as of September 30, 2018. Program areas are given an opportunity to submit the names of the employees who receive a rating of Outstanding and who are recommended for consideration for a QSI. Any employee receiving a QSI is not eligible to receive a cash performance award. The Office of Management has established a management control to ensure that no employee who is approved and issued a QSI receives a performance cash award.

### III. DISTRIBUTION OF PERFORMANCE AWARDS FOR FY 2018

A. The Agency utilizes a share methodology to ensure fairness, meet the requirement that a performance award not exceed 5% of an employee's salary, and allow the Agency to stay within its awards cap.

B. A share methodology for performance awards applies Agency-wide. Program areas do not have discretion to develop their own practice for determining or distributing performance awards. Performance awards are based on a predetermined percentage of salary dollars. The Administrator's

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**DISTRIBUTION:** Electronic; All  
Field Employees

**NOTICE EXPIRES:** 12/1/19

**OPI:** OPPD

office approves the share methodology to calculate the dollar amount for performance awards, per program area, based on salary and number of employees.

C. Only employees rated Outstanding or Superior are eligible for performance awards. Each rating level will pay a designated percentage award amount with the higher rating receiving a higher percentage. Employees rated Fully Successful are not eligible for a performance award.

D. Employees who are not covered under performance standards for 90 days as outlined in the [DR 4040-430](#) are not eligible for a performance award.

E. Performance awards cannot exceed \$5,500 without Departmental approval and cannot exceed 5 percent of total salary (including any locality pay or staffing supplement) without Departmental approval.

F. Each program area is provided with allocations for the number of QSIs that may be granted. The allocations vary annually based on program funds. A manager or supervisor reserves the discretion to grant a QSI. A QSI cannot be recommended for an employee who has received a performance cash award within a 52-week period. The Administrator's office will determine the QSI distribution allocation for each program area.

G. An employee who has moved between the non-bargaining unit and bargaining unit at the end of the appraisal cycle, who brings with them an interim rating of Superior or Outstanding, which will serve as their final rating of record is eligible to receive a performance award. The following scenarios demonstrate the application of this condition:

1. An employee is promoted from a bargaining unit, GS-9 Consumer Safety Inspector (CSI) position to a non-bargaining unit, GS-10 Supervisory Consumer Safety Inspector (SCSI) position, effective August 19, 2018. The employee served under a CSI performance plan from October 1, 2017 to August 18, 2018 and received an interim rating of Superior for their time in the CSI position. Since the employee will be under new standards in their SCSI position with less than 90 days left in the rating cycle, their interim rating of Superior will serve as their final rating of record, and they will receive a non-bargaining unit performance award; or
2. An employee moves from a non-bargaining unit, GS-10 SCSI position to a bargaining unit, GS-9 CSI position effective September 2, 2018. The employee served under a SCSI performance plan from October 1, 2017 to September 1, 2018 and received an interim rating of Superior for their time in the SCSI position. Since the employee will be under a performance plan in their new CSI position with less than 90 days left in the rating cycle, their interim rating of Superior will serve as their final rating of record, and they will receive a performance award as set out in [FSIS Directive 4451.3](#), *Performance Awards Program for Bargaining Unit Employees*.

#### **IV. PERFORMANCE AWARDS FOR FORMER EMPLOYEES**

Former employees (e.g., retired, separated from FSIS), who were employed by FSIS for part or all of the performance year, but left the Agency prior to performance awards being processed, (usually mid-December through the CWB) will not receive a performance award.

#### **V. ALLOCATION AND DISTRIBUTION OF PERFORMANCE AWARDS RESULTING FROM AN ADMINISTRATIVE GRIEVANCE**

A. The Administrative Grievance System is the forum for the internal review and resolution of disputes regarding performance ratings of record. In situations where resolution of the grievance results in a change in the rating of record, and the employee's eligibility for a performance award or the amount of award changes, the Agency is to ensure that the performance award or the difference

in the award is distributed to the employee.

B. The Agency will ensure that performance award allocations include award funding for ratings that change to Superior or Outstanding through the Administrative Grievance System, so that FSIS does not exceed award spending limits enacted by the Office of Personnel Management or the Department. For additional information, please reference [DR 4070-771](#), *Administrative Grievance System*.

## VI. QUESTIONS

Refer questions regarding this notice to the Office of Human Resources (OHR), Human Resources Business Systems Division, Program Management Branch at [PerformanceManagement@usda.gov](mailto:PerformanceManagement@usda.gov).

A handwritten signature in cursive script that reads "Rebecca J. Wagner".

Assistant Administrator  
Office of Policy and Program Development