



Department of Defense INSTRUCTION

NUMBER 1400.25, Volume 451
November 4, 2013

USD(P&R)

SUBJECT: DoD Civilian Personnel Management System: Awards

References: See Enclosure 1

1. PURPOSE

a. Instruction. This instruction is composed of several volumes, each containing its own purpose. The purpose of the overall instruction, in accordance with the authority in DoD Directive (DoDD) 5124.02 (Reference (a)), is to establish and implement policy, establish procedures, provide guidelines and model programs, delegate authority, and assign responsibilities regarding civilian personnel management within the DoD.

b. Volume. In accordance with the authority in DoDD 1400.25 (Reference (b)), this volume reissues subchapter 451 of this instruction (Reference (c)) and establishes DoD policy, assigns responsibilities, delegates authority, and establishes requirements, pursuant to the authority of parts 451 and 531 of Title 5, Code of Federal Regulations (Reference (d)) and section 5336 and chapter 45 of Title 5, United States Code (U.S.C.) (Reference (e)), for DoD civilian employee awards and awards programs. It:

- (1) Establishes DoD-level awards for private citizens, groups, or organizations.
- (2) Provides guidance for:
 - (a) Awards for DoD civilian employees.
 - (b) Awards established by the DoD Components for private citizens and others.
 - (c) Awards to military personnel for disclosures, suggestions, inventions, and scientific achievements in accordance with section 1124 of Title 10, U.S.C. (Reference (f)).
- (3) Issues procedures to be observed by the DoD Components in recognizing or recommending civilian employees or others to the Secretary of Defense for Presidential-level awards established by Executive Orders 10717, 9586, and 11494 (References (g) through (i)).

2. APPLICABILITY. This volume:

a. Applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD (referred to collectively in this volume as the “DoD Components”).

b. Does not apply to positions covered by the Defense Civilian Intelligence Personnel System. Those positions are covered in Volume 2008 of this instruction (Reference (j)).

3. POLICY. It is DoD policy that:

a. DoD Components encourage the full participation of DoD personnel at all levels in improving government operations and, in accordance with References (b) through (i), to pay cash awards, grant time off, or incur necessary expenses for the honorary and informal recognition of DoD personnel, either individually or as a member of a group, on the basis of:

(1) A suggestion, invention, productivity gain, superior accomplishment, or other personal effort that contributes to the efficiency, economy, or other improvement of government operations or achieves a significant reduction in paperwork.

(2) A special act or service in the public interest in connection with or related to official employment.

(3) Performance as reflected in the employee’s most recent rating of record as defined by section 430.203 of Reference (d).

b. Awards must be granted consistent with Equal Employment Opportunity and Affirmative Employment Program policies, laws, regulations and Executive Orders that prohibit unlawful discrimination based on race, color, religion, sex, national origin, age, disability, genetic information, reprisal for protected activity, marital status, political affiliation or any other unlawful factor.

c. Awards programs for civilian employees involve employees or their representatives in program development and implementation, as appropriate. The method of involvement must be in accordance with applicable law.

d. Policies and standards governing awards for which both DoD civilian and military personnel are eligible must apply to both, consistent with applicable law and regulation.

e. Awards are subject to applicable tax rules.

f. Awards granted pursuant to this volume are given due weight in qualifying and selecting an employee for promotion as required by section 3362 of Reference (e).

g. Awards may be established to recognize private citizens, groups, and organizations that significantly assist or support DoD functions, services, or operations performed as a public service. Such awards are separate from awards and awards programs created to recognize civilian employees, and must be established and administered consistent with the procedures in this volume.

h. Awards, awards programs, ceremonies, or receptions to acknowledge contributions by organizations or companies having a commercial or profit-making relationship with DoD must not be established. The specific condition by which the contribution of an entity that is also a DoD contractor may be acknowledged is outlined in the procedures in this volume.

i. Nominations for awards may be sponsored or endorsed only by a current DoD civilian employee or Service member.

j. Requests by non-DoD personnel to either nominate themselves or others or to endorse nominations for themselves or others for awards or decorations sponsored by the DoD, other federal agencies, or private organizations, may not be honored.

4. RESPONSIBILITIES. See Enclosure 2.

5. PROCEDURES. See Enclosure 3.

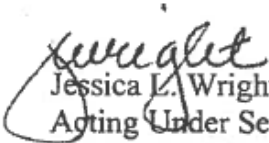
6. RELEASABILITY. **Unlimited**. This volume is approved for public release and is available on the Internet from the DoD Issuances Website at <http://www.dtic.mil/whs/directives>.

7. EFFECTIVE DATE. This volume:

a. Is effective November 4, 2013.

b. Must be reissued, cancelled, or certified current within 5 years of its publication to be considered current in accordance with DoD Instruction 5025.01 (Reference (k)).

c. Will expire effective November 4, 2023 and be removed from the DoD Issuances Website if it hasn't been reissued or cancelled in accordance with Reference (k).


Jessica L. Wright
Acting Under Secretary of Defense for
Personnel and Readiness

Enclosures

1. References
2. Responsibilities
3. Procedures

Glossary

TABLE OF CONTENTS

ENCLOSURE 1: REFERENCES.....6

ENCLOSURE 2: RESPONSIBILITIES.....7

 UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS
 (USD(P&R)).....7

 DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR CIVILIAN PERSONNEL
 POLICY (DASD(CPP)).....7

 DIRECTOR, WASHINGTON HEADQUARTER SERVICES (WHS).....7

 DOD COMPONENT HEADS.....7

ENCLOSURE 3: PROCEDURES.....9

 AWARD RESTRICTIONS9

 ELIGIBILITY.....9

 AWARDS PROGRAM REQUIREMENTS.....10

 MONETARY AWARDS.....11

 PERFORMANCE-BASED CASH AWARDS.....12

 QUALITY STEP INCREASES.....12

 SUGGESTION AWARDS13

 INVENTIONS14

 HONORARY AWARDS14

 TIME-OFF AWARDS.....15

 AWARDS FOR PRIVATE CITIZENS AND ORGANIZATIONS16

 REFERRAL BONUS FOR RECRUITMENT AND HIRING.....17

APPENDIX

 1. EXAMPLE SCALE OF AWARD AMOUNTS BASED ON TANGIBLE
 BENEFITS TO THE GOVERNMENT18

 2. EXAMPLE SCALE OF AWARD AMOUNTS BASED ON INTANGIBLE
 BENEFITS TO THE GOVERNMENT19

 3. DOD- AND PRESIDENTIAL-LEVEL HONORARY AWARDS.....20

 4. SPECIALIZED DECORATIONS OR AWARDS23

 5. DOD-LEVEL HONORARY AWARDS FOR PRIVATE CITIZENS26

GLOSSARY27

 PART I: ABBREVIATIONS AND ACRONYMS27

 PART II: DEFINITIONS.....27

TABLES

 1. Tangible Benefits – Example Scale of Award Amounts18

 2. Intangible Benefits – Example Scale of Award Amounts19

ENCLOSURE 1

REFERENCES

- (a) DoD Directive 5124.02, "Under Secretary of Defense for Personnel and Readiness (USD(P&R))," June 23, 2008
- (b) DoD Directive 1400.25, "DoD Civilian Personnel Management System," November 25, 1996
- (c) DoD Instruction 1400.25, Subchapter 451, "Awards," December 1996 (hereby cancelled)
- (d) Title 5, Code of Federal Regulations
- (e) Title 5, United States Code
- (f) Section 1124 of Title 10, United States Code
- (g) Executive Order 10717, "The President's Award for Distinguished Federal Civilian Service," June 27, 1957, as amended
- (h) Executive Order 9586, "Medal of Freedom," July 6, 1945, as amended
- (i) Executive Order 11494, "Establishing the Presidential Citizens Medal," November 13, 1969
- (j) DoD Instruction 1400.25, Volume 2008, "DoD Civilian Personnel Management System: Defense Civilian Intelligence Personnel System (DCIPS) Awards and Recognition," September 12, 2012
- (k) DoD Instruction 5025.01, "DoD Directives Program," September 26, 2012, as amended
- (l) DoD Directive 1005.13, "Gifts and Decorations from Foreign Governments," February 19, 2002, as amended
- (m) DoD 7000.14-R, Volume 8, "Department of Defense Financial Management Regulations (FMRs): Civilian Pay Policy," May 2013
- (n) Administrative Instruction 29, "Incentive and Honorary Awards Programs," July 1, 1999, as amended

ENCLOSURE 2

RESPONSIBILITIES

1. UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS (USD(P&R)). The USD(P&R):

- a. Establishes DoD-wide policies and procedures governing the establishment and administration of awards and awards programs.
- b. Reviews and, if merited, forwards recommendations to the Director of the Office of Personnel Management (OPM) for awards that would grant more than \$25,000 to an individual civilian employee.
- c. Reviews and endorses, if appropriate, DoD Component recommendations for honorary Presidential- and DoD-level awards.
- d. Establishes DoD-level awards and awards programs and delegates administration of such programs where appropriate.

2. DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR CIVILIAN PERSONNEL POLICY (DASD(CPP)). Under the authority, direction, and control of the Assistant Secretary of Defense for Readiness and Force Management, the DASD(CPP):

- a. Develops DoD-wide policies and procedures governing the establishment and administration of awards and awards programs.
- b. Evaluates the implementation and effectiveness of DoD Component awards programs and develops modifications to existing policy and procedures, as necessary.
- c. Coordinates DoD-wide awards information.

3. DIRECTOR, WASHINGTON HEADQUARTER SERVICES (WHS). Under the authority, direction, and control of the Director of Administration and Management (DA&M), the Director, WHS establishes procedures and administers the DoD-level civilian honorary awards program.

4. DOD COMPONENT HEADS. The DoD Component heads:

- a. Ensure the development, implementation, application, oversight, and evaluation of awards programs for employees covered by this volume.

- b. Ensure funds are obligated consistent with applicable DoD Component financial management controls and delegations of authority.
- c. Ensure that awards programs do not conflict with or violate any other law or government-wide regulation.
- d. Ensure that criteria for awards do not discriminate against an individual on the basis of race, color, religion, sex, national origin, age, disability, genetic information, reprisal for protected activity, sexual orientation, status as a parent, marital status or political affiliation.
- e. Endorse recommendations to the USD(P&R) for awards that would grant more than \$25,000 to an individual civilian employee.
- f. Approve cash awards in excess of \$10,000 up to \$25,000 for individual civilian employees.
- g. Approve cash awards in excess of \$10,000 up to \$25,000 for suggestions, inventions, and scientific achievements by Service members, regardless of the number of individuals entitled to share in the award.
- h. Approve a performance-based award of 10 percent to 20 percent of the employee's annual rate of basic pay, provided that the award amount does not exceed \$25,000.
- i. Ensure that employees are fully aware of and compliant with the provisions of DoDD 1005.13 (Reference (1)) relating to giving or receiving awards or decorations to and by foreign countries or foreign nationals.

ENCLOSURE 3

PROCEDURES

1. AWARD RESTRICTIONS

a. Limitations on Awards During a Presidential Election Year. The DoD Components must not grant monetary and time-off awards under the restrictions set forth in section 451.105 of Reference (d).

(1) Non-monetary awards such as certificates, plaques, and items of a similar nature are permitted provided the form of the non-monetary award avoids the appearance of replacing a bonus.

(2) As non-monetary awards may take a wide variety of forms both in terms of direct costs and the appearance of value, recognition by non-monetary awards should be of symbolic value (i.e., an honor being bestowed) rather than monetary worth.

b. Prohibition of Cash Awards to Certain Employees. The DoD Components must not grant cash awards under the restrictions in section 451.105 of Reference (d).

2. ELIGIBILITY

a. General

(1) Civilian employees who meet the definition of “employee” in section 2105 of Reference (e) are eligible to receive awards in accordance with this volume.

(2) In accordance with section 1124 of Reference (f), members of the Military Services are eligible to be paid monetary awards only for disclosures, suggestions, inventions, and scientific achievements.

(3) Performance awards may be paid to Senior Executive Service employees only pursuant to section 534.405 of Reference (d) and not in accordance with this volume.

(4) Private citizens and organizations may be recognized for significant contributions to the DoD with non-monetary awards only.

b. Former Employees. In accordance with section 451.104 of Reference (d), awards for contributions made by an individual when employed by the DoD may be paid to a former employee or to the estate or legal heirs of a deceased employee. Awards to separated or deceased Service members for contributions made while the member was on active duty may be paid to the former member or to the member’s estate or legal heirs.

c. Non-appropriated Fund Employees. Employees paid with non-appropriated funds are not eligible to receive monetary awards paid from appropriated funds, but may receive non-monetary awards in accordance with this volume.

d. Foreign National Employees

(1) A foreign national individual who meets the definition of “employee” in section 2105 of Reference (e) and is paid with U.S. funds (e.g., is a direct hire employee) is eligible to receive awards pursuant in accordance with this volume.

(2) A foreign national individual who is paid on a cost reimbursable basis by agreement with a foreign country (e.g., an indirect hire employee) is not eligible to receive monetary awards but may receive non-monetary awards in accordance with this volume.

3. AWARDS PROGRAM REQUIREMENTS. The administration of DoD Component awards programs provides for:

a. Reviewing award recommendations for which approval authority has not been delegated to officials at lower levels within the organization.

b. Communicating the relevant parts of awards programs to personnel.

c. Evaluating and assessing awards and awards programs to ensure that awards:

(1) Are used to motivate, recognize, and reward eligible personnel.

(2) Exhibit a close, demonstrable link to performance, accomplishment, or contribution to DoD Component goals and objectives.

(3) Are granted commensurate with the value of the employee’s contribution or accomplishment.

d. Documenting all cash and time-off awards in compliance with section 451.106(e) of Reference (d). This task includes:

(1) Filing awards documents in compliance with the requirements of section 451.106(f) of Reference (d).

(2) Reporting awards data to the Central Personnel Data File (CPDF) in compliance with section 451.106(g) of Reference (d).

(3) Reporting awards data as required by OPM on an as needed basis.

(4) Following appropriate DoD financial management regulations on civilian pay policies in accordance with Volume 8 of DoD 7000.14-R (Reference (m)).

e. Granting quality step increases consistent with the provisions of subpart E of part 531 of Reference (d) and section 6 of this enclosure.

f. Documenting justification for awards that are not based on a rating of record in accordance with section 451.103 of Reference (d).

4. MONETARY AWARDS

a. General. In accordance with section 4502 of Reference (e):

(1) A monetary award is in addition to the regular pay of the recipient.

(2) Acceptance of a monetary award constitutes an agreement that the use by the government of an idea, method, or device for which an award is given does not form the basis of a further claim of any nature against the government by the employee or by his or her legal heirs or assigns.

(3) A monetary award to, and the expense for the honorary recognition of, an employee may be paid from the fund or appropriation available to the activity or activities primarily benefiting from the employee's contribution.

b. Awards to Other Agency or DoD Component Personnel. For awards approved for employees of other federal agencies or other DoD Components, the DoD Component that benefit makes arrangements to transfer funds to the individual's employing DoD Component or federal agency. If the administrative costs of transferring funds would exceed the amount of the award, the DoD Component employing the individual absorbs the costs and pays the award.

c. Calculation of Savings. Tangible savings are to be calculated on the basis of estimated net savings for the first full year of operation.

(1) Exceptions may be made when an improvement with a high installation cost will yield measurable savings continuing more than 1 year. In this instance, the award may be based on the average annual net savings over a period of several years.

(2) The years may not exceed the reasonable life of the initial installation or the clearly predictable period of use, whichever is shorter.

d. Awards to Service Members

(1) Pursuant to Reference (f), the total amount of the monetary award made for a suggestion, invention, or scientific achievement may not exceed \$25,000 regardless of the number of persons who may be entitled to share therein.

(2) Pursuant to section 451.104 of Reference (d), funds will be transferred to the DoD Component having jurisdiction over the member.

e. Examples of Awards Scales. Appendixes 1 and 2 of this enclosure provide models of awards scales based upon tangible and intangible benefits.

5. PERFORMANCE-BASED CASH AWARDS. In accordance with section 4505a of Reference (e):

a. Monetary awards may be granted to an employee whose most recent rating was at Level 3 (fully successful level or equivalent) or higher as defined in section 430.208 of Reference (d).

b. An award granted pursuant to this section may not exceed 10 percent of the employee's annual rate of basic pay, unless the DoD Component head determines that the employee's exceptional performance merits it. In that case, the Component head may authorize an award up to 20 percent of the employee's annual rate of basic pay.

c. Employees may not appeal a decision that denies an award or the amount of the award paid pursuant to this section. This does **not** eliminate or lessen any right or remedy in subchapter II of chapter 12 of Reference (e), chapter 71 of Reference (e), or any of the laws referred to in section 2302 of Reference (e).

d. Awards granted pursuant to this section will be paid as a lump sum and may not be considered as part of an employee's basic pay.

6. QUALITY STEP INCREASES

a. A quality step increase may be granted consistent with section 5336 of Reference (e) and subpart E of part 531 of Reference (d).

(1) A quality step increase is in addition to a periodic step increase in accordance with sections 5335 and 5336 of Reference (e) and subpart E of part 531 of Reference (d). It provides an incentive and recognition of high quality performance above that ordinarily found in the type of position concerned by granting faster than normal step increases.

(2) An employee is eligible for only one quality step increase within any 52-week period.

b. In accordance with section 531.504 of Reference (d), an employee covered by a performance appraisal program established in accordance with subpart B of part 430 of Reference (d) must receive a rating of record of Level 5 ("Outstanding" or equivalent) as defined in section 430.208 of Reference (d) in order to be eligible for a quality step increase.

(1) An employee covered by a performance appraisal program that does not use a Level 5 summary level must receive a rating of record at the highest summary level under the program. He or she must demonstrate sustained performance of high quality significantly above that expected at the Level 3 ("Fully Successful" or equivalent) level in the type of position concerned, as determined by Component-established performance-related criteria.

(2) Performance-related criteria are expressed in terms of specific levels of performance to clearly distinguish the employee's performance as exceptional. These criteria will be published by the DoD Component.

(3) As quality step increases become part of base pay, the grant of a quality step increase should be based on performance that is characteristic of the employee's overall high quality performance and the expectation that this high quality performance will continue in the future.

c. Quality step increases are reported to the CPDF consistent with section 531.507(c) of Reference (d).

7. SUGGESTION AWARDS

a. General

(1) To be considered for an award, a suggestion must:

(a) Identify an improvement in the quality of operations, a cost reduction opportunity, or an improvement in the timeliness of service delivery that results in tangible or intangible benefits to the U.S. Government.

(b) Be adopted in whole or in part for implementation. The suggestion should set forth a specific proposed course of action to achieve the improvement or cost reduction and documentation as to how the cost reduction or savings is achieved.

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

(3) DoD personnel who make suggestions concerning improvement of materials or services purchased from a contractor may be paid a monetary award only if the improvement results in tangible or intangible benefits to the government. The suggestion must be processed through government channels to identify correctly the origin of the proposal and the benefits to the government. Government employees or Service members will not be paid awards based upon benefits that accrue to a contractor.

b. Award Amounts and Financing

(1) Awards for suggestions are based upon tangible or intangible benefits or a combination thereof.

(2) When a suggestion is adopted by another organization, the benefiting organization will share in the cost of the total award commensurate with the benefit. The suggester's organization will notify the benefiting organization(s) of the amount due and the benefiting organization(s) will take prompt action to transfer the funds.

8. INVENTIONS

a. General

(1) DoD Component offices responsible for patent matters will determine that the invention is of value or potential value to the DoD and that the invention was made under circumstances that resulted in the government initiating action to obtain the title or license.

(2) To be considered for an award, the DoD Component office for patent matters must verify to the appropriate awards office that conditions in paragraph 7a(1) of this enclosure have been met.

(3) If the conditions in paragraph 7a(1) of this enclosure are not met but the invention is determined to be of value to the DoD and the inventor consents to consideration for an award, the inventor will be required to sign a claim waiver agreement to be paid an award.

b. Award Payments

(1) Eligible personnel may be paid a nominal initial monetary award and an additional monetary award when the patent is issued.

(2) If an application for a patent is placed under a secrecy order, the individual will become eligible for the additional award when the U.S. Patent Office issues a Notice of Allowability instead of a patent.

c. Awards in accordance with this section are not authorized if a monetary award has been paid for the same contribution as a suggestion.

d. Royalty payments for inventions are not covered by the provisions of this volume. Therefore, royalty payments must not be paid under the incentive awards authority and will not be reported as awards to the CPDF.

9. HONORARY AWARDS

a. The DoD Components must not title a Component-established award or awards program “Department of Defense” or “Secretary of Defense,” either in whole or in part. These titles are reserved for DoD-level awards only.

b. Honorary awards to DoD personnel may be granted independently or in addition to a monetary or a time-off award.

c. Appendix 3 of this enclosure lists DoD-level honorary awards for which career civilian employees may be eligible. It also lists Presidential-level awards for which civilian employees, Service members, and private citizens may be eligible.

d. Appendix 4 of this enclosure lists DoD-level honorary awards in recognition of contributions to the Department's national security mission, humanitarian, or peacekeeping efforts.

10. TIME-OFF AWARDS

a. General

(1) Time-off awards are an alternate means of recognizing the superior accomplishments of employees.

(2) Decisions to grant time-off awards are based on the same criteria or circumstances as for any other incentive award.

(3) Time-off awards must not be granted to create the effect of a holiday or treated as administrative excusals or leave. For example, they will not be granted in conjunction with a military "down" or "training" day or the like, which would grant the entire civilian employee population or a majority of the civilian population a time-off award to be used on a specified day.

(4) Though time-off awards may not have an immediate budget consequence, supervisors and managers will fully consider wage costs and productivity loss when granting time-off awards and ensure that the amount of time-off granted as an award is commensurate with the individual's contribution or accomplishment.

(5) The number of hours granted for a time-off award will be based upon the value of the individual's contribution or accomplishment and not tied to the hourly rate of the individual. DoD Components should develop a table similar to that of the intangible awards scales in order to better determine the value of a contribution and the corresponding number of hours appropriate to recognize the value (level) of contribution.

b. Award Amount Limits

(1) The amount of time off granted to any one individual in any 1 leave year should not exceed 80 hours. For part-time employees or those with an uncommon tour of duty, total time off granted during any calendar year should not exceed the average number of hours the employee generally works during a 2-week period.

(2) The amount of a time-off award granted to an individual for a single contribution should not exceed 40 hours. For part-time employees or those with an uncommon tour of duty, the maximum award for any single contribution should not exceed one-half the average number of hours the employee generally works during a 2-week period.

c. Time Limit to Use Award. Time off granted as an award should be scheduled and used within 1 year after the effective date of the award. Provisions should be made to ensure that employees are given ample opportunity to take the time off awarded before the employee departs the organization. Further, provisions should be made to accommodate employees who are on

long term training, are on extended sick leave, called to active duty, or similar situations so that the employee does not forfeit his or her time-off award.

d. Conversion to Cash Award. In accordance with section 451.104 of Reference (d), a time-off award must not be converted to a cash payment under any circumstances.

e. Portability. A time-off award cannot be transferred between DoD Components or outside of the DoD. Managers and supervisors should make every effort to ensure that the employee is able to use the time-off award before he or she leaves the granting Component. DoD Components may establish procedures to accommodate the transfer of time-off awards within their respective Components.

11. AWARDS FOR PRIVATE CITIZENS AND ORGANIZATIONS

a. General. Private citizens, groups, and organizations that significantly assist or support DoD functions, services, or operations may be recognized. Recognizing these groups demonstrates the interest of DoD management in improving efficiency and effectiveness and encourages citizens and organizations in their efforts to assist in accomplishing DoD missions. The awards are honorary only. Appendix 5 of this enclosure lists DoD-level awards for which non-career individuals or private citizens may be eligible. DoD Components may establish similar awards of public service to recognize contributions by the public to the Component's mission.

b. Eligibility

(1) Any person, group, or organization, except for those described in paragraph 11b(2) of this enclosure, may be considered for recognition in accordance with this section based on a significant contribution to the DoD performed as a public service.

(2) To avoid issues in connection with contractual relationships and obligations, actual or perceived conflicts of interest, and actual or perceived acts of favoritism, persons, organizations, or companies having a commercial or profit-making relationship with the DoD or with a DoD Component will not be granted recognition. The single exception is if the contribution is deemed to be unrelated to and completely outside any contractual relationship with DoD and the recognition is clearly in the public interest. Recognition is limited to a letter or a certificate of appreciation to the individual or to the organization signed at the lowest applicable level of the organization.

(3) DoD Components must not permit any persons, organizations, or companies having a commercial or profit-making relationship with the DoD to participate in DoD's civilian awards programs and must not create awards or awards programs to recognize such persons, organizations, or companies.

12. REFERRAL BONUS FOR RECRUITMENT AND HIRING

a. General. In accordance with chapter 45 of Reference (e) and part 451 of Reference (d), the DoD Component heads may establish programs for granting referral bonus awards to provide incentives or recognition to employees who bring new talent into the DoD Component by referring persons who are subsequently selected and successfully employed for hard-to-fill, mission-critical positions. Referral bonuses are granted, as with other awards, at the discretion of management and are not an entitlement.

b. Eligibility. All employees who are eligible for a monetary award in accordance with this volume are eligible for referral bonus awards, with the exception of:

(1) Employees whose assigned duties include the recruitment of candidates for civilian positions.

(2) Selecting officials or other persons associated with the selection of a candidate.

(3) Any individual prohibited from advocating for the employment of the candidate by section 3110 of Reference (e).

c. Criteria. Each DoD Component determines whether the use of the referral bonus is appropriate and establishes criteria for the award. A referral bonus award may not be paid for the referral of a candidate who is already a DoD employee.

d. Award Payment. Award amounts and the length of time-off awards must be as specified in DoD Component guidance.

(1) In setting award amounts, DoD Components consider such factors as:

(a) The percentage of costs saved by avoiding certain recruiting expenses.

(b) The efforts put forth by the employee to recruit an individual.

(c) The difficulty of filling the position(s).

(d) Fiscal constraints.

(e) Other pertinent DoD Component regulations.

(f) Limitations established in this volume.

(2) Monetary referral bonus awards may be paid as a single lump sum or in incremental payments. The DoD Component sets the payment schedule (e.g., award paid at time of hire, after 6 months of satisfactory performance, or upon completion of a probationary period).

(3) DoD Components document the justification for referral bonus awards in accordance with section 451.103 of Reference (d).

APPENDIX 1 TO ENCLOSURE 3EXAMPLE SCALE OF AWARD AMOUNTS BASED ON
TANGIBLE BENEFITS TO THE GOVERNMENTTable 1. Tangible Benefits – Example Scale of Award Amounts

<u>BENEFITS</u>	<u>AWARDS</u>
<u>Estimated First-Year Benefits</u>	<u>Amount of Award to Employee</u>
Up to \$100,000 in benefits	10% of benefits
\$100,001 and above in benefits	\$10,000 plus 1% of benefits above \$100,001 up to \$25,000 with OPM approval
NOTE	Presidential approval is required for award amounts exceeding \$25,000 and must be submitted to the USD(P&R) for endorsement to the OPM. While the amount of savings may suggest an award exceeding \$25,000 based upon a DoD Component's awards scale, the savings cannot be the sole basis for requesting Presidential consideration. Only meritorious ideas or accomplishments of extraordinary, national significance that would otherwise warrant attention of the President may be endorsed to the President for approval.

APPENDIX 2 TO ENCLOSURE 3EXAMPLE SCALE OF AWARD AMOUNTS BASED ON
INTANGIBLE BENEFITS TO THE GOVERNMENTTable 2. Intangible Benefits – Example Scale of Award Amounts

<u>VALUE OF BENEFIT</u>	<u>EXTENT OF APPLICATION</u>			
	<u>LIMITED</u> Affects functions, mission, or personnel of one facility, installation, regional area, or an organizational element of a headquarters. Affects small area of science or technology.	<u>EXTENDED</u> Affects functions, mission, or personnel of an entire regional area, command, or bureau. Affects an important area of science or technology.	<u>BROAD</u> Affects functions, mission, or personnel of several regional areas or commands, or an entire department or agency. Affects an extensive area of science or technology.	<u>GENERAL</u> Affects functions, mission, or personnel of more than one department or agency or is in the public interest throughout the Nation and beyond.
<u>MODERATE</u> Change or modification of an operating principle or procedure with limited use or impact.	\$25 - \$125	\$126 - \$325	\$326 - \$650	\$651 - \$1,300
<u>SUBSTANTIAL</u> Substantial change or modification of procedures. An important improvement to the value of a product, activity, program, or service to the public.	\$125 - 325	\$326 - \$650	\$651 - \$1,300	\$1,301 - \$3,150
<u>HIGH</u> Complete revision of a basic principle or procedure; a highly significant improvement to the value of a product or service.	\$325- \$650	\$651 - \$1,300	\$1,301 - 3,150	\$3,151 - \$6,300
<u>EXCEPTIONAL</u> Initiation of a new principle or major procedure; a superior improvement to the quality of a critical product, activity, program, or service to the public.	\$650 - \$1,300	\$1,301 - \$3,150	\$3,151 - \$6,300	\$6,301 - \$10,000

APPENDIX 3 TO ENCLOSURE 3

DOD- AND PRESIDENTIAL-LEVEL HONORARY AWARDS

1. DOD-LEVEL HONORARY AWARDS

a. DoD Distinguished Civilian Service Award

(1) General. This award is DoD's highest award given to career DoD civilian employees whose careers reflect exceptional devotion to duty and whose contributions to the efficiency, economy, or other improvements in DoD operations are of a significantly broad scope.

(a) Awards may be granted for contributions in a scientific field or for accomplishments in technical or administrative endeavors.

(b) Career DoD employees normally compete for this award with the competition culminating in an annual ceremony recognizing 6 to 10 DoD employees. To receive this award through strict competition is considered extremely prestigious.

(c) On rare occasions when recommended by the Secretaries of the Military Departments, the Directors of the Defense Agencies, or the OSD Component heads, the Secretary of Defense may approve this award on a non-competitive basis. When granted non-competitively, the justification for the award must show that the nominee's contributions to the mission of the organization are of such major significance that immediate recognition is warranted.

(2) Additional Information. Further information on eligibility, criteria, and nominating procedures may be found in Administrative Instruction 29 (Reference (n)).

b. Secretary of Defense Meritorious Civilian Service Award

(1) General. This is the second highest non-competitive award granted to career civilian employees of the DoD and other government agencies who have distinguished themselves by exceptionally meritorious service of major significance to the DoD.

(2) Additional Information. Further information on eligibility, criteria, and nominating procedures may be found in Reference (n).

c. Department of Defense David O. Cooke Excellence in Public Administration Award

(1) General. This award was created to promote, perpetuate, and recognize exceptional contributions to federal service. Eligibility is limited to non-managerial career civilian employees with 3 to 10 years of federal career service who demonstrate great leadership potential and dedication to service.

(2) Additional Information. Further information on eligibility, criteria, and nominating procedures may be found in Reference (n).

2. PRESIDENTIAL-LEVEL HONORARY AWARDS

a. President's Award for Distinguished Federal Civilian Service

(1) General. Established by Reference (g), this award is the highest honor for extraordinary achievement in federal service. It is granted by the President to civilian officers or employees of the federal government. Achievements by potential recipients should have had at least a national impact.

(2) Eligibility. An employee must have received DoD's highest award to be eligible. Presidential appointees are not eligible for this award unless, in the opinion of OPM, they are currently serving in a career position.

(3) Criteria. DoD Components may recommend the award for an employee's best achievements having current impact on improving government operations or serving the public interest to include:

(a) Imagination in developing creative solutions to problems in government;

(b) Courage in persevering against great odds and difficulties;

(c) High ability in accomplishing:

1. Extraordinary scientific or technological achievement;

2. Providing outstanding leadership in planning and organizing;

3. Directing a major program of unusual importance and complexity; or

4. Performing an extraordinary act of credit to the government and the country.

(d) Long and distinguished career service; or

(e) The importance of the achievements to the government and to the public interest is so outstanding the employee is deserving of greater public recognition than that which can be accorded by the head of the department or agency in which they are employed.

(4) Process. DoD Component heads may submit recommendations for this award to the Defense Civilian Personnel Advisory Service (DCPAS).

b. Presidential Medal of Freedom

(1) General. Established by Reference (h), this medal is awarded by the President for exceptionally meritorious contributions to U.S. national security interests, world peace, cultural,

or other exceptionally significant public or private endeavors. It is bestowed at the sole discretion of the President. The basis for nomination must be of the most significant nature to the Nation as a whole.

(2) Additional Information. Further information on nominating procedures may be obtained from the DCPAS.

c. Presidential Citizens Medal

(1) General. Established by Reference (i), this medal is awarded by the President to individuals who have performed exemplary deeds of service for their country or their fellow citizens.

(2) Additional Information. Further information on nominating procedures may be obtained from the DCPAS.

APPENDIX 4 TO ENCLOSURE 3

SPECIALIZED DECORATIONS OR AWARDS

1. ARMED FORCES CIVILIAN SERVICE MEDAL

a. This medal is awarded to recognize the contributions and accomplishments of DoD civilian employees directly supporting the Military Services that are engaged in military operations of a prolonged humanitarian or peacekeeping nature.

b. Eligibility for this medal is aligned as closely as practicable to that of the Armed Forces Service Medal for Service members. All other eligibility and qualifying requirements having been met, this medal may only be awarded to a civilian employee directly supporting a military operation that has been authorized the Armed Forces Service Medal for Service members.

c. DoD Components are responsible for establishing administrative procedures, purchasing medal stock, creating an accompanying certificate, approving the medal, and maintaining records.

d. Further information may be obtained from the DoD Component's awards policy office or awards regulation.

2. SECRETARY OF DEFENSE MEDAL FOR THE DEFENSE OF FREEDOM

a. General. This medal, known as the Defense of Freedom Medal (DFM), was created to recognize and honor DoD civilian employees who were killed or wounded during the terrorist attacks of September 11, 2001. Criteria have been expanded to include qualified recipients whose contributions have occurred subsequent to September 11, 2001, but are still in support of the qualifying activities. The award of this medal acknowledges the fidelity and essential service of the DoD civilian workforce killed or wounded during the performance of their official duties and is to be awarded to recognize future sacrifices of DoD employees.

(1) Eligibility is aligned as closely as practicable to that of the Purple Heart for Service members.

(2) DoD Component heads have the authority to approve the DFM for their respective employees. The USD(P&R) has discretionary authority to approve the medal for certain qualifying non-DoD personnel. The USD(P&R) hereby re-delegates the authority to approve the DFM for certain qualifying non-DoD personnel to the Component heads.

(3) The medal itself may be awarded only once; however, for subsequent events that would require the award of the medal, DoD Components are authorized to select and procure an appropriate device to be worn with or on the medal.

(4) DoD Components are responsible for establishing administrative procedures, purchasing medal stock, creating an accompanying certificate, approving the medal, and maintaining records.

b. Eligibility. The DFM and certificate is awarded to any DoD civilian employee meeting the definition of “employee” in accordance with chapter 21 of Reference (e) and who is eligible for an award in accordance with this volume under conditions for which a Service member would be eligible to receive the Purple Heart Certificate. The DFM and certificate may also be awarded to non-DoD personnel employed as contractors supporting DoD missions who are otherwise qualified to be awarded the medal based on their involvement in DoD activities.

c. Certificate. Under the name of the recipient, the DFM certificate includes:

(1) The statement, “For wounds received in service to our Nation on (date), in (location), while assigned to (agency).”

(2) The word “Posthumously,” if applicable.

(3) A description of the medal that states, “The medal symbolizes the principle of freedom on which our country was founded. The ribbon’s red stripes commemorate the valor and sacrifice of those who have served our country. The blue stripe represents the strength of our Nation. The white stripes represent liberty as depicted in our Nation’s flag.”

3. SECRETARY OF DEFENSE MEDAL FOR THE GLOBAL WAR ON TERRORISM (GWOT)

a. General. The GWOT is the civilian equivalent of the GWOT Expeditionary Medal (GWOTEM) awarded to Service members. This medal is awarded to recognize the contributions of the DoD civilian workforce who, on or after September 11, 2001, participated abroad in direct support of a U.S. military GWOT operation in a designated geographic location approved for award of the GWOTEM, or for a similar operation and location for which a separate military campaign medal was awarded (e.g., Afghanistan Campaign Medal). The GWOT Medal may be awarded posthumously and, when so awarded, may be presented to a representative of the deceased employee’s family.

b. Eligibility. The medal may be awarded only to civilian employees of the DoD and only for operations awarded the GWOTEM or similar campaign medal for military personnel. The GWOT Medal may not be awarded to contractor personnel.

(1) An employee may only be awarded the GWOT Medal once, and may not be awarded both the GWOT and Armed Forces Civilian Service medals for the same operation.

(2) A contribution to or support of a GWOT military operation by employees assigned to remotely located activities (e.g., outside the areas of eligibility) is not justification for award of the GWOT Medal. Such performance or contribution, if merited, may be acknowledged by other appropriate recognition.

c. Criteria. Eligibility criteria for the medal are aligned as closely as practicable with that of the GWOTEM for Service members.

(1) Areas of Eligibility. The areas of eligibility are the same as designated for approved GWOTEM military operations or other similar operations for which a separate military campaign medal was awarded to military personnel.

(a) The foreign territory on which military troops have actually landed or are present and specifically deployed for operation.

(b) Adjacent water areas in which ships are operating, patrolling, or providing direct support of the operation.

(c) The air space above and adjacent to the area in which operations are being conducted.

(2) Qualifying Operations. Significant U.S. military activities awarded the GWOTEM or other similar significant U.S. activities for which a separate military campaign medal was awarded to military personnel.

(3) Direct Support. The GWOT Medal is a theater award and is authorized for all civilian employees who meet the eligibility criteria. Direct support requires that the employee actually enter the designated area of eligibility for the qualifying duration. Under no circumstances are personnel in the United States eligible for the medal. Employees must:

(a) Be engaged in direct support for 30 consecutive days in an area of eligibility in a military operation (or the full period when the operation is fewer than 30 days duration);

(b) Be engaged in direct support for 60 non-consecutive days in a combat zone provided this support involves the employee entering the areas of eligibility; or

(c) Regardless of time, be killed or medically evacuated from the area of eligibility while providing direct support in the designated operation.

(4) Procedures. DoD Components are responsible for establishing administrative procedures, purchasing medal stock, creating an accompanying certificate, approving the medal, and maintaining records.

APPENDIX 5 TO ENCLOSURE 3

DOD – LEVEL HONORARY AWARDS FOR PRIVATE CITIZENS

1. DEPARTMENT OF DEFENSE DISTINGUISHED PUBLIC SERVICE AWARD

a. General. The Department of Defense Distinguished Public Service Award is the highest honorary award presented by the DoD to private citizens and foreign nationals.

(1) The award recognizes those who have performed exceptionally distinguished service of significance to the DoD as a whole, or service of such exceptional significance to a DoD Component or function that recognition at the Component level is insufficient. The nominee may have rendered service or assistance at considerable personal sacrifice and inconvenience that was motivated by patriotism, good citizenship, and a sense of public responsibility.

(2) To be eligible, the nominee must be an individual who does not derive his or her principal livelihood from the federal government, such as a private citizen, a political appointee, or an employee on a term appointment that is not expected to extend for a significant duration.

b. Additional Information. Further information on eligibility, criteria, and nominating procedures may be found in Reference (n).

2. SECRETARY OF DEFENSE OUTSTANDING PUBLIC SERVICE AWARD

a. General. The Secretary of Defense Outstanding Public Service Award is the second highest award presented by the Secretary of Defense to non-career federal employees, private citizens, and foreign nationals.

(1) The award recognizes contributions, assistance, or support to DoD functions that are extensive enough to warrant recognition, but are lesser in scope and impact than is required for the DoD Distinguished Public Service Award.

(2) To be eligible, the nominee must be an individual who does not derive his or her principal livelihood from the federal government, such as a private citizen, a political appointee, or an employee on a term appointment that is not expected to extend for a significant duration.

b. Additional Information. Further information on eligibility, criteria, and nominating procedures may be found in Reference (n).

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

CPDF	Central Personnel Data File
DA&M	Director of Administration and Management
DASD(CPP)	Deputy Assistant Secretary of Defense for Civilian Personnel Policy
DCPAS	Defense Civilian Personnel Advisory Service
DFM	Defense of Freedom Medal
DoDD	DoD directive
GWOT	Global War on Terrorism
GWOTEM	GWOT Expeditionary Medal
OPM	Office of Personnel Management
U.S.C.	United States Code
USD(P&R)	Under Secretary of Defense for Personnel and Readiness

PART II. DEFINITIONS

Unless otherwise noted, these terms and their definitions are for the purpose of this volume.

award. Defined in section 451.102 of Reference (d).

awards program. The specific procedures and requirements established in a DoD Component for granting awards in accordance with part 451 of Reference (d) and this volume.

career civilian. An employee who has served 3 years of substantially continuous creditable service.

civilian officer. Defined in section 2104 of Reference (e).

creditable service. Defined in section 315.201 of Reference (d).

employee. Defined in section 2105 of Reference (e). Non-appropriated fund employees are included under this definition for the purpose of non-monetary awards in accordance with this volume.

intangible benefit. Savings to the government that cannot be measured in dollars.

monetary award. An award in which the recognition device is a cash payment that does not increase the employee's rate of basic pay.

non-monetary award. An award in which the recognition device is not a cash payment or time off as an award but rather an award of a honorific value; e.g., a letter, certificate, medal, plaque, or item of nominal value.

quality step increase. An increase in an employee's rate of basic pay from one step or rate of the grade of his or her position to the next higher step of that grade or next higher rate within the grade.

tangible benefit. Savings to the government that can be measured in dollars.

theater award. An award whose approval is contingent upon service in a military operation in a specified area.

time-off award. An award in which time off from duty is granted without loss of pay or charge to leave and for which the number of hours granted is commensurate with the employee's contribution or accomplishment.