

PROCESSING MONETARY AND TIME-OFF AWARDS

02/01/2021 (supersedes 10/07/2020) UPDATED ERB CONTACT

The focus of this guidance is provided primarily for clarification in processing "GROUP" monetary and time-off awards. The same basic process can be used for "individual" monetary and time-off awards when they are being provided to an individual in a different cost center. However, much of this guidance can logically be applied to processing all monetary and time-off awards; it serves several purposes.

SPECIAL NOTE: All employees in the SES, SL, and ST pay plans must receive DOI Executive Review Board (ERB) approval BEFORE the award is submitted for processing. The signed ERB approval letter must be attached in the Justification Section of the DI-451 so we know we can proceed with processing. Please contact Amy Bradley, abradley@usgs.gov for award guidance for SES, SL, and ST positions.

Only 1 DI-451 needs to be prepared for the GROUP. Here is the process:

1. The office giving the award contacts the supervisors of each award recipient for their concurrence. The supervisor responds back. Administrative Officers should be kept in the loop to ensure awareness. **It is very important that the supervisors are aware of awards being given to their people BEFORE the awards are submitted to GS-HC Star Awards for processing.**
2. After concurrence by the supervisor, the initiating office creates 1 DI-451 using the name of 1 person in that group (usually the lead of the group).
3. Put the total dollar amount **for the entire group** in the money box of the DI-451 and mark the Group box. Center Directors, Regional Directors and Associate Directors or their assigned/equivalent may approve group awards up to \$10,000 if no group member receives more than \$5,000. They may also approve individual awards up to \$5,000; however, any award amount for a group member or individual between \$5,001 and \$10,000 must be approved by the USGS Director*. All awards in excess of \$10,000 must be submitted by bureau/office heads through the appropriate Assistant Secretary, the Director of Human Resources, and the Assistant Secretary - Policy, Management and Budget, to the Office of Personnel Management* for approval or further processing.
**Contact HR Benefits as gs-hc_star_awards@usgs.gov if you need a sample letter.*
4. Enter the initiating office's 15-digit cost account number in the box (example: GX21AA1COMH1400). Time-off awards do not require a cost account number because cash is not involved.
5. Enter "GROUP" in the FPPS number box on the DI-451 prepared for a group award because each award recipient of the group will have their own FPPS action created by his/her office. For individual awards, you may enter the FPPS action in the box. For HQ offices that do not have administrative staff, the HR Benefits Team will create the FPPS action on their behalf once the DI-451 with all signatures is received.

6. In the Justification Section of the DI-451 (or in an attached Word document) list all recipients in the group and their allocated award amount. If there are varying award amounts, then the individuals and their contributions at each dollar amount must be described.

7. The initiating office will send the DI-451 to the supervisor of the person who is named on the form. That supervisor will sign the Supervisor Concurrence box and submit the form back to the person who sent the DI-451 (typically the creator of the form).

8. The initiating office will then assign a person to sign as the Reviewing Official who submits the form to the person who is responsible for the office budget (for example the Center Director, his/her acting, or equivalent) who will sign as the Approving Official.

9. The Approving Official signs the DI-451 and submits to the HR Benefits group at "GS-HC Star Awards" (please do not send the DI-451 to the Benefits group until AFTER the Approving Official signs the form).

10. FPPS actions must be created and forwarded to the SPO (Servicing Personnel Office) as soon as possible after the DI-451 is signed and submitted. (Little hint: the SPO is the name of the Benefits person who is assigned to process the awards.) Please do not use the "default" route path; use the SPO. It is critical to ensure that the Administrative Officer of each award recipient be notified by the initiating office so they can process the FPPS action for their person. It is most efficient to send a PDF version of the DI-451 along with any attached narrative to ensure all pertinent information is provided for processing the FPPS action. Both the DI-451 and the FPPS action are required to process an award. The award cannot be finalized until both actions are fully complete.

11. The Benefits person processing the award will notify the signers of the DI-451 that the award has been processed, the effective date (last Friday of the pay period), and for monetary awards, the day the money will appear in the pay checks (the pay day following the effective date).

12. The initiating office contacts the supervisor(s) and Administrative Officer(s) letting them know the award has been processed and the effective date. The initiating office also sends a copy of the complete award to the supervisor(s) and the Administrative Officer(s). **Supervisor(s) will share the award justification and who submitted the award with their award recipient(s).** This needs to be done before the effective date when the SF-50s show up in their emails. This is important because award recipients should not first hear about their award from a system-generated email. It should be personal contact.

How awards are taxed: Awards are taxed at the maximum rate, not like regular income. Federal tax on awards = 25%; state tax on awards depends on what state the award recipient lives in; then comes Medicare tax and then OASDI (Social Security) tax. For instance, if a person gets a \$1500 award as entered in FPPS, the leave and earnings statement will show a \$1500 award, but then taxes are taken out and what the person gets in their pay check could be, give or take (state dependent), about 2/3 of the original award amount. So, what is entered in FPPS is the gross (before taxes) not the take home. This information is being provided because questions have come in and this answers those questions.

If you have any questions or helpful comments, please let us know.

Your HR Benefits Team

Email: gs-hc_star_awards@usgs.gov