

**Proposal to Agency Deciding Official
Implementing Guidance for
Calendar Year (CY) 2015
Performance Management Appraisal Program (PMAP)**

The PMAP Awards Committee recently met to finalize the PMAP Award percentage payouts for CY 2015. The Committee consisted of representatives from both FDA Management and NTEU.

Consistent with previous mandates which placed spending caps on agency award spending, in 2013 the Office of Personnel Management (OPM) and the Office of Management and Budget (OMB) issued a joint memorandum [OMB Memorandum 14-02](#) (M-14-02) placing spending limits on individual employee awards. While most provisions in the mandate remain in full effect, in 2014 OPM-OMB modified certain requirements cited in M-14-02 related to spending cap restrictions. OPM-OMB has resumed the spending cap level at 0.96% of total aggregate salaries and has rescinded the “not to exceed previous year” spending cap provision for establishing performance awards pools.

The terms and provisions agreed upon by the Committee are indicated below.

PMAP Awards Committee’s Terms of Agreement

Performance Awards Pools:

- Performance award pools and salaries for calculation of awards payout will be established at 0.96% ¹ of payroll as of 9/19/15 (last pay period of FY15)
- Separate pools will be established for BUEs and non BUEs.
- Transfer of funds between established pools is not permitted.
- A BUE Incentive Awards Reserve will be established at 15% of the performance awards pool for incentive cash awards. The remaining 85% will be used for BUE CY15 performance awards.
- The combination of cash and time off performance awards will be allowed.
- Employees may request their preference for consideration for a cash award, time off award or cash/time award combination to management. Employees who do not identify their award preference by the deadline established by each pool will receive the default award of cash.

¹ Reference the M-14-02 at <http://www.whitehouse.gov/sites/default/files/omb/memoranda/2014/m-14-02.pdf> for further information.

- Managers will survey their employees to assess their preference for a cash award, time off award or cash/time award combination. To assist employees with determining their preferences, managers are encouraged to convey preliminary cash award and/or time-off award estimates. These estimates will be subject to change in accordance with the proportional adjustments that are required to sustain a balanced pool.

Cash Performance Awards:

- Cash awards will count against the performance awards pools.
- Employees with a 3.01 rating score and above are eligible for a cash award.
- Employees with a rating score of 3.0 may receive a time off award but are not eligible for a cash award. (see the Time Off Performance Awards section)

Time Off Performance Awards:

- Time off awards will not count against the performance award pools. ^[2]
- Employees with a 3.0 rating score and above are eligible for a time off award.
- Time off awards will be based on the “cash equivalent value” of the cash award that would have been given as a result of the employees rating and score.

Performance Awards at the AE-2 Level:

- AE-2 Score Range of 3.0; payout of 0.75%
 - 3.0 Score will be eligible to receive a time-off award only and will use the AE-2 payout level to calculate the “cash equivalent value” of the time off award.

Quality Step Increases (QSIs):

- QSIs will not count against the performance award pools.
- A QSI is a faster-than-normal within-grade increase (WGI) used to reward employees at any GS grade level who display high quality performance.
- Employees who receive an Achieved Outstanding Results rating may be eligible for a QSI.

To be eligible for a QSI, employees must: ^[3]

^[2] According to Article 27 of the CBA, for full time employees, time off awards are limited to a maximum of 40 hours for a single contribution. Full-time employees may not be granted more than 80 hours of time off during a single leave year. The maximum is based on the number of hours in an employee’s biweekly tour of duty.

- be below step 10 of their grade level;
 - have received the highest rating available under their performance appraisal system;
 - have demonstrated sustained performance of high quality; and
 - have not received a QSI within the preceding 52 consecutive calendar weeks.
- The number of QSIs available for any Center/Office pool will not exceed 4% of the employees covered by PMAP as of 9/19/15 (the last pay period of FY15) and the total number of QSIs issued may not exceed the number issued for the CY 2014 performance period.
 - Managers are encouraged to distribute QSIs across all grade levels, if possible.
 - Managers are encouraged to select new QSI recipients, employees who were not awarded a QSI in the previous appraisal year.
 - Management will finalize QSI decisions prior to decisions regarding time off awards.

Performance Award Pool Tier Levels:

There are two tiers for each of the three rating levels that are eligible for performance awards; which are Achieved Outstanding Results (AO), Achieved More than Expected Results (AM), Achieved Expected Results (AE).

- For each pool, there will be a consistent percentage used to determine the award value for each tier level.

Below are the maximum percentage awards for each tier. If sufficient “funds” (e.g., for “cash equivalent” purposes) are not available using the maximum percentage awards for each tier, then the pool will be balanced by reducing the percent payout for all tiers proportionately.

- AO-1 Score of 5.0; payout of 2.75%
- AO-2 Score Range of 4.5 – 4.99; payout of 2.25%
- AM-1 Score Range of 4.1 – 4.49; payout of 1.75%
- AM-2 Score Range of 3.6 – 4.09; payout of 1.25%
- AE-1 Score Range of 3.01 – 3.59; payout of 1.00%
- AE-2 Score Range of 3.0; payout of 0.75%

Labor Management Performance Awards Committee Concurrence

FDA Management Signature: _____

Date: 4/4/2016

^[3] For further information on QSIs, please review the OPM QSI Fact Sheet at <http://www.opm.gov/policy-data-oversight/pay-leave/pay-administration/fact-sheets/quality-step-increase/>

NTEU Representative Signature: _____

Date: 4-1-2016

Agency Deciding Official Decision:

Concurrence: _____

Date: _____

Walter Harris, Chief Operating Officer

Non-Concurrence: _____

Date: _____

Walter Harris, Chief Operating Officer