# United States Department of the Interior

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November 21, 2012

EMS TRANSMISSION: 11/28/2012
Instruction Memorandum No. WY-2012- 044, Change 1
Expires: 9/30/2014

To: Wyoming Leadership Team

From: Associate State Director

Subject: Fiscal Year (FY) 2013 Award Ceilings

**Program Area:** Budget and Awards

**Purpose:** The purpose of this Instruction Memorandum (IM) is to establish statewide award ceilings for non-SES employees for FY 2013.

**Policy/Action:** Starting October 1, 2011, performance awards and individual contribution awards (such as special act awards, STAR awards, etc.) for all employees were capped at one percent (1 percent) of the total salary base of FY 2010 for each District and Division. Each District and Division is responsible for ensuring compliance with this cap and held accountable.

The Department has not issued policy for FY 2013. In order to proceed cautiously and until such time an award ceiling is issued, Districts and Divisions will manage to the 0.9 percent ceiling. In other words, the awards ceiling will be (0.9 percent) not the full (1 percent). See FY 2013 Award Limit table below.

There will be no deviation based on other factors, such as non-appropriated funds, alternative payment sources, etc.

Quality Step Increases (QSIs) and Time off Awards (TOAs) are not included in this ceiling; however, numbers of QSIs and TOAs given in FY 2013 cannot exceed FY 2010 levels.

Recruitment, relocation, and retention incentives are not awards and are not covered by the budgetary limits. However, spending on these incentives in Calendar Year (CY) 2013 will not exceed CY 2010 levels.

It is important to note that the majority of the dollars spent on awards are those given for performance. As a guideline, 80 percent of the allowance should be spent on performance-based cash awards and

20 percent should be used for individual contribution awards (such as special act awards, STAR awards, etc.) throughout the year.

The performance awards must be processed no later than November 30, 2012. The awards count towards the ceiling of the FY that the expense is incurred. Therefore, awards given on or after October 1, 2012, will count towards the FY 2013 ceiling.

When an award is given to an employee in a different office/division, the award amount is typically charged to the award ceiling of the office/division giving the award. It is strongly recommended and a common courtesy to coordinate with the employee's supervisor before submitting the award.

The award funds available for FY 2013 based on 0.9 percent of the total projected salary base are shown below:

| Office | FY 2013 Award Limit |
|---|---|
| WY910 Total | $29,218 |
| WY920 Total | $57,787 |
| WY930 Total | $30,278 |
| WY950 Total | $58,318 |
| WYDO Total | $189,737 |
| WYPO Total | $124,233 |
| WYRO Total | $99,492 |
| **Total** | **$589,063** |

QSI and TOAs are allocated to the Districts and Divisions in proportion to their percentage of total statewide employees.

| Office | 2013 | |
|---|---|---|
| | Time-Off (hours) | QSI |
| WY910 Total | 14 | 1 |
| WY920 Total | 66 | 1 |
| WY930 Total | 36 | 1 |
| WY950 Total | 84 | 1 |
| WYDO Total | 373 | 3 |
| WYPO Total | 230 | 2 |
| WYRO Total | 213 | 2 |
| **Total** | **1016** | **11** |

The Associate State Director will coordinate with the District Managers and Deputy State Directors throughout the year to discuss needs and make ceiling adjustments as necessary.

**Background:** Following the decision to propose a two-year pay freeze, President Obama directed the Office of Personne1 Management (OPM) and Office of Management and Budget (OMB) to evaluate the system of performance awards and incentives for cost and effectiveness. On June 10, 2011, OPM and OMB issued a memorandum on budgetary limits on individual awards during FY's 2011 and 2012.

**Timeframe:** This IM is effective immediately. However, the FY 2013 awards ceiling may be revised as new or additional direction becomes available.

**Budget Impact:** This policy will limit the total amount spent annually on awards.

**Manual/Handbook Sections Affected:** None.

**Coordination:** This process was developed in coordination with the Wyoming State Office Budget Officer, all DSD's, DM's, and the State Human Resources Officer.

**Contact:** If you have any questions, please contact Missy Cook, Human Resources Specialist, at (307) 775-6352.

| Signed by: | Authenticated by: |
|---|---|
| Mary Jo Rugwell | Sherry Dixon |
| Associate State Director | Secretary |

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