

MEMORANDUM

To: PERSONNEL MANAGEMENT LIAISONS

Date: March 24, 1994
Reference Code: 94-16

THIS MEMORANDUM SHOULD BE DISTRIBUTED TO:

Personnel Officers
Merit Award Administrators
Affirmative Action Officers
Employee Relations Officers
Women's Program Coordinators

From: Department of Personnel Administration
Office of the Director

Subject: Revised State Administrative Manual Section 4700

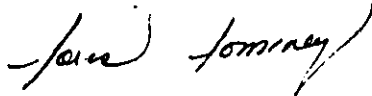
The Merit Award Program has recently revised State Administrative Manual (SAM) Section 4700 (attached). These changes are a result of revisions to the Department of Personnel Administration (DPA) Rules and Regulations which allow state agencies to approve and authorize cash awards for employee suggestions, special acts, special services and superior accomplishments. The revision date is February 1994; however, most of these changes were effective the same date as the regulation change - January 1, 1993. Most of SAM Section 4700 has been revised to reflect the changes in program authority as well as several other changes. Therefore, it is recommended that you take a few moments to acquaint yourself with these updates.

We have also made changes that cover updates to the program and procedural changes. For example, Section 4781.5, Superior Accomplishment (of a nonrecurring nature) Awards, has been revised to reflect a Silver Award of \$250 which may be given to an individual, including each individual in a group. For a Gold Award, a cash award of \$500 per individual or group may be given. Superior Accomplishment Awards for groups are in keeping with the concept of Total Quality Management and are an excellent incentive and opportunity to promote group problem solving.

Moreover, many changes in the program have occurred since the last SAM update (March 1990) and some changes may have been overlooked. We invite you to send us any other changes you think should be incorporated in SAM that will enhance the Merit Award Program or that will make Section 4700 clearer. Our goal is to make

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SAM Section 4700 a document that is easily understood by State Agency Directors, Merit Award Program Administrators, suggesters and others interested in the Merit Award Program. To that end, we will consider updating SAM after we receive input from interested parties. Please send changes to me at the Department of Personnel Administration, Merit Award Program, 1515 S Street, North Building, Suite 400, Sacramento, CA 95814-7243, IMS Code D-22, or contact me at 324-0520 or CALNET 454-0520 if you have any questions.



Doris Dominey, Manager
Merit Award Program

Attachment

SAM—MERIT AWARD PROGRAM

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SAM—MERIT AWARD PROGRAM

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SAM—MERIT AWARD PROGRAM

GENERAL (Revised 12/74)

4700

The Merit Award Program is established to improve the operations and efficiency of State government and to provide honorary and cash awards to State employees whose contribution or performance exceeds normal job requirements. The awards offered under this program are intended to recognize State employees for:

1. Adopted suggestions which contribute to efficiency and economy through elimination or avoidance of State expenditures, or other improvements.
2. Special acts or special services of an outstanding nature.
3. Superior accomplishments.

TERMS AND DEFINITIONS (New 2/94)

4701

Adoption. Refers to the acceptance and implementation of a suggestion by a State agency.

Adopting State Agency. State agency that adopts and implements a suggestion.

Appeal. Appeal of: (a) denial of suggestion; (b) denial for an award based upon job responsibility; (c) award amount; or (d) denial of suggestion that was subsequently implemented. Appeals regarding denial of awards based upon job responsibility are made to the Merit Award Board. All other appeals are made to the adopting State agency.

Director. State department director, agency head, executive officer of boards/commissions, presidents of State universities/community colleges or their designee.

DPA. Refers to the Department of Personnel Administration.

Eligibility for award. Refers to eligibility of suggester to receive an award. If the suggestion is considered a part of normal duties, the suggester is not eligible for an award.

Employee Suggestion. A proposal by one or more employees or by members of quality groups, which will reduce or eliminate State expenditures or improve operations.

Employing State Agency. Refers to the State agency that employed the suggester at the time a suggestion was submitted for review.

Implementation. The action taken by an agency to put a suggestion into effect.

Improved Procedure Award. Awards for suggestions which propose improvements for which the monetary value cannot be readily determined. The Improved Procedure Scale is used to calculate the award.

Improved Safety Award. Awards for suggestions which propose improvements in practices or facilities to eliminate or reduce injury to State employees or the public, and for which the monetary value cannot be readily determined. The Improved Safety Scale is used to calculate the award.

Merit Award. An award for an adopted suggestion which results in an intangible benefit and/or identifiable tangible benefit. An award for a special act, special service, or superior accomplishment.

Merit Award Administrator. Person designated by the State department director, agency head, executive officer of boards/commissions, or presidents of State universities/community colleges to be responsible for the administration of the State's Merit Award Program within his/her respective department.

(Continued)

SAM—MERIT AWARD PROGRAM

(Continued)

TERMS AND DEFINITIONS (New 2/94)

4701

Merit Award Board. Referred to as "the Board." The body of five appointed members who review merit award recommendations which exceed \$5,000. The Board will also hear appeals when a suggester has been denied an award based upon job responsibility.

Merit Award Program. Refers to the statewide program, administered by DPA, which is responsible for establishing policy and guidelines for the administration of the State's Merit Award Program within individual State agencies. The Merit Award Program includes employee suggestions, special service/act, and superior accomplishment awards.

Special Act. An extraordinary act of heroism by a State employee which far exceeds the normal call of duty or service and which is performed at great risk to his/her own life in an effort to save human life.

Special Service. An act of heroism by a State employee extending above and beyond the normal call of duty or service performed at personal risk to save human life or State property.

State Agency. State departments, boards, commissions, and State universities responsible for the review and disposition of suggestions submitted by State employees under the regulations applicable to the State's Merit Award Program.

Suggestion Evaluator. The person assigned evaluation of a suggestion by the department Merit Award Administrator.

Superior Accomplishment. An act by an individual employee or a group of employees. This act results in an outstanding and superior achievement of a nonrecurring nature which makes an exceptional contribution to the efficiency or economy of State government or an exceptional improvement in its operations.

Sustained Superior Accomplishment. The sustained act of superior job performance over a two-year period resulting in an exceptional contribution to the efficiency of State government.

AUTHORITY (Renumbered from 4701 and Revised 2/94)

4702

The program is authorized by Government Code Sections 19815.4(d), 19816 and 19823. The law grants to DPA, among other matters, the authority to adopt rules and regulations governing the conduct of the program. See Article 4 (Section 599.655 to 599.664) of the DPA Regulations. Procedures and guidelines adopted by the Merit Award Board are contained in this division of the SAM.

RESPONSIBILITIES (New 2/94)

4703

THE DEPARTMENT OF PERSONNEL ADMINISTRATION

(Renumbered from 4702.1 and Revised 2/94)

4703.1

The DPA is responsible for:

1. Promulgating the rules and regulations governing the conduct of the Merit Award Program.
2. Appointing the members of the Merit Award Board.
3. Approving cash awards over \$5,000.
4. Authorizing the Merit Award Board to prepare and support an annual Legislative Concurrent Resolution for approval to pay award amounts exceeding \$5,000.

SAM—MERIT AWARD PROGRAM

THE STATE MERIT AWARD BOARD (Renumbered from 4702.2 and Revised 2/94)

4703.2

The State Merit Award Board consists of five appointed members including a representative from DPA to serve as chair, a public member, and three other members. Members of the Board shall hold office until their resignation or until their successors are appointed. A majority vote is required to carry an official action. The Board is responsible for:

1. Adopting procedures and guidelines for the conduct of the program.
2. Approving and recommending to DPA all cash awards exceeding \$5,000.
3. Reviewing an annual Legislative Concurrent Resolution for approval of awards exceeding \$5,000.
4. Making final determination as to eligibility of State employees for awards.
5. Conducting Board meetings on a regular basis with dates and times to be determined by the chairperson and taking minutes of those meetings. Meetings shall be public and interested parties shall be given reasonable opportunity to be heard.

THE MERIT AWARD PROGRAM (New 2/94)

4703.3

The Merit Award Program, DPA, is responsible for:

1. Distributing promotional information to Merit Award Administrators and, occasionally, to all State employees.
2. Maintaining standard and DPA forms applicable to the Merit Award Program.
3. Training Merit Award Administrators.
4. Preparing agenda items for: (a) awarded suggestions received under the old regulations, (b) appeals due to denial based on eligibility, and (c) awarded suggestions exceeding \$5,000.
5. Preparing an annual Legislative Concurrent Resolution for awards exceeding \$5,000.
6. Determining the reporting format for the annual report from State agencies which consists of: (a) the number of suggestions received, denied and/or adopted; and (b) the total amount of awards and savings.
7. Conducting an audit of the Merit Award Program within each State agency to ensure that suggester/suggestion eligibility requirements are being met, evaluations provide sufficient documentation in support of savings/awards, and suggestions with intangible benefits are being awarded under the applicable Improved Procedure/Safety award scales. Also, ensuring the program requirements for the Superior Accomplishment award and the Special Act award are being followed.
8. Reporting audit findings to the director of each State agency.

THE DIRECTOR OF THE STATE AGENCY (Renumbered from 4702.3 and Revised 2/94)

4703.4

Each State agency director or designee is responsible for:

1. Establishing an atmosphere in which employees are free to offer constructive ideas for improvement to agency operations.

(Continued)

SAM—MERIT AWARD PROGRAM

(Continued)

THE DIRECTOR OF THE STATE AGENCY (Renumbered from 4702.3 and Revised 2/94)

4703.4

2. Encouraging, through all management levels, the submission of constructive suggestions through the Merit Award Program.
3. Keeping abreast of Merit Award Program activities in his/her agency.
4. Participating, when possible, in the presentation of awards.
5. Appointing a departmental Merit Award Administrator and notifying the Merit Award Program staff of the appointee. (The Merit Award Administrator shall be authorized to represent the agency in matters requiring Merit Award Board approval.)
6. Ensuring sufficient staff time is available for prompt and thorough evaluation of all suggestions affecting the agency.
7. Authorizing cash awards for adopted suggestions (those \$5,000 and under), special acts, special services, or superior accomplishments.
8. Granting certificates of commendation, medals, or other tokens of esteem.

THE MERIT AWARD ADMINISTRATOR (Renumbered from 4702.4 and Revised 2/94)

4703.5

Each Merit Award Administrator is responsible for:

1. Ensuring that all agency employees are informed about the program through orientation packets and meetings, publications, posters, and publicity about award recipients or award ceremonies.
2. Ensuring that suggestion forms are readily available to all employees at all times.
3. Ensuring agency-wide distribution of posters, forms, or other promotional information.
4. Interpreting the Merit Award Program policy and procedures for all agency personnel.
5. Receiving, numbering, and referring the suggestion, within 10 working days of receipt, to the program concerned with the subject matter.
6. Acknowledging receipt of the suggestion in writing and providing the suggestion number to the suggester within 10 working days of receiving the suggestion.
7. Disallowing suggestions which do not meet suggestion eligibility requirements. If there is a controversy regarding the eligibility of a suggestion, it shall be referred to the director or designee for review of the decision which disallowed the suggestion.
8. Ensuring prompt evaluation of suggestions by the evaluators and keeping suggesters informed as to the progress of the evaluation. This shall include providing the suggester a status report on the progress of the evaluation at least once every quarter until a final decision has been reached.
9. Ensuring that evaluations are factual, promptly made, courteously drafted, and represent the best interests of the agency.

(Continued)

SAM—MERIT AWARD PROGRAM

(Continued)

THE MERIT AWARD ADMINISTRATOR (Renumbered from 4702.4 and Revised 2/94)

4703.5

10. Reviewing the evaluation and obtaining additional information or taking other action as needed for prompt, thorough, and impartial consideration of each suggestion.
11. Formulating an official recommendation to the agency director describing the merits of the suggestion which includes a recommended award amount for each adopted suggestion.
12. Forwarding the Identification & Recovery of Savings form (DPA 134 New 8/87) to DPA and Department of Finance. If the award is over \$5,000, the form should be forwarded to DPA only.
13. Notifying the suggester of awards approved or reasons for nonadoption of their suggestions. A copy of the agency's evaluation shall be furnished to the suggester. An explanation of appeal rights shall also be provided to the suggester.
14. Informing the head of the agency, periodically, of the status of the agency program; i.e., experiences, successes, problems, and needs.
15. Coordinating the payment of the award when the suggester is employed by another State agency. This includes sending the employing agency a copy of the evaluation for processing the award.
16. Coordinating reimbursement of an award when the employing agency differs from the agency that adopted the suggestion. The adopting agency shall reimburse the employing agency for awards \$55 and over.
17. Coordinating the receipt and presentation, at suitable ceremonies, of award letters, certificates, and checks.
18. Preparing an annual report to the Merit Award Program which includes: (a) the number of suggestions received, denied and/or adopted; and (b) the total amount of awards and savings.
19. Implementing and maintaining programs for the Superior Accomplishment and Special Act awards.

THE SUGGESTION EVALUATOR (Renumbered from 4702.5 and Revised 2/94)

4703.6

Each suggestion evaluator is responsible for:

1. Approaching the evaluation of suggestions with an open mind, and ensuring that the ultimate decision is in the best interests of the agency and the State.
2. Completing the evaluation as promptly as possible and keeping the Merit Award Administrator apprised of the estimated date of completion when a delay is unavoidable.
3. Writing suggestion evaluations:
 - a. With a clear explanation of the benefits arising from the suggestion which can be used as a basis for calculating an appropriate award.
 - b. With the reasons for nonadoption stated in a factual and impersonal format, keeping in mind that the employee is to be encouraged to submit other ideas. Suggesters will be furnished with a copy of evaluations by the Merit Award Administrator.
 - c. With the date of adoption or estimated date of adoption.

(Continued)

SAM—MERIT AWARD PROGRAM

(Continued)

THE SUGGESTION EVALUATOR (Renumbered from 4702.5 and Revised 2/94) 4703.6

- d. With any actual or estimated reduction, elimination, or avoidance of expenditures or improvement in operations made possible by the suggestion.
4. Submitting the Identification & Recovery of Expenditure form, DPA 134, which identifies the availability of funds for payment of proposed awards of \$1,000 (excluding Improved Safety awards).

THE SUPERVISOR (Renumbered from 4702.6 and Revised 2/94) 4703.7

Each supervisor is responsible for:

1. Encouraging employees to offer constructive suggestions through the Merit Award Program.
2. Assisting employees in the development and presentation of their suggestions.
3. Making suggestion forms available at all times.
4. Participating in award presentation ceremonies with the employees under their supervision.
5. Assigning qualified personnel to investigate and evaluate suggestions.

THE SUGGESTER (New 2/94) 4703.8

The suggester is responsible for:

1. Sending the suggestion to the appropriate State agency(ies) for evaluation.
2. Providing all the information requested on the Employee Suggestion form (STD. 645) and signing the form.
3. Ensuring the suggestion describes a specific problem and provides a workable solution.
4. Sending appeals within one year following the date of the State agency's denial. The appeal must be accompanied by additional information not previously submitted.
5. Sending appeals to the Merit Award Board for suggestions that are denied award based upon the suggester's job responsibilities. This applies only to those suggestions denied award because the State agency considered the suggestion to be part of the suggester's normal job responsibilities.
6. Sending all other appeals to the evaluating State agency.
7. Sending appeals (within three years of the State agency's denial) for a suggestion that was denied and subsequently implemented.

MERIT AWARD BOARD CALENDAR (Renumbered from 4703 and Revised 2/94) 4704

Upon request by the Merit Award Administrator, the Board will forward, seven days prior to the scheduled meeting of the Board, a copy of the Board item which contains suggestions pertinent to the agency. This will permit the agency to review the subject matter and to present views to the Board prior to or at the meeting on calendared matters.

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SAM—MERIT AWARD PROGRAM

(Continued)

MERIT AWARD BOARD CALENDAR (Renumbered from 4703 and Revised 2/94)

4704

The closing date for placing recommendations of approval or disapproval on the calendar of the Board is two weeks prior to each Board meeting. Recommendations received after the two-week period will be delayed until the next regular meeting of the Board.

ELIGIBILITY FOR PARTICIPATION (Revised 4/84)

4710

All active and retired State employees are eligible to participate in and submit suggestions through the Merit Award Program except employees of the University of California.

ELIGIBILITY OF SUGGESTIONS (Revised 2/94)

4711

Except as provided elsewhere in this chapter, a suggestion which describes a specific problem, offers a workable solution, and is intended to be of benefit to the operations of the State of California will be accepted for evaluation. The State agency will carefully weigh all facts and opinions where there is a dispute about the suggestion's origin before granting an award for an adopted suggestion.

UNACCEPTABLE SUGGESTIONS (Revised 2/94)

4713

The State agency will not accept for evaluation suggestions which:

1. Are similar to suggestions that are currently being evaluated or have been evaluated through the Merit Award Program within the last year.
2. Involve a personal grievance.
3. Recommend new or increased taxes or license fees.
4. Recommend additional revenues at the expense of a segment of taxpayers and which can be classified as unjust or inequitable.
5. Recommend a change in the pay or classification of a position or class, or the establishment of new positions. This area is held to be the continuing responsibility of the agency and DPA.
6. Recommend a "study," or "survey," or "review" with the course of action to be taken in accordance with the findings.
7. Involve terms and conditions of employment, which are subject to the collective bargaining process under the Ralph C. Dills Act.
8. Recommend corrections in spelling, punctuation, grammar, or mathematical calculations. These changes should be communicated through established departmental channels.
9. Have been denied within the last year. Appeals for reconsideration of a denied suggestion must be submitted within one year after denial and include additional information.

SAM—MERIT AWARD PROGRAM

ELIGIBILITY FOR AWARDS (Revised 2/94)

4714

To be considered for an award, a suggestion must be submitted for consideration not later than six months after the date the suggestion was first put into effect.

Employee eligibility for merit awards shall be measured in terms of assigned or expected job responsibilities. Employees are not eligible for merit awards when the suggestion pertains to a subject assigned to the suggester for research and development of a solution. Also, suggestions that would be offered as part of normal job requirements are ineligible for merit awards. Eligibility shall be initially determined by the State agency that employed the suggester at the time the suggestion was submitted. In addition to using duty statements, classification specifications, or other available tools in evaluating the eligibility of the suggester in relation to a given suggestion, the following questions are offered as a guideline:

1. Are employees in like positions expected and required to plan, originate, or develop similar improvements?
2. Do the duties of his/her position clearly require him/her to plan, develop, employ, or originate this proposal?
3. Did the employee have the authority to put the proposal into effect on his/her own initiative or responsibility?

To be eligible for an award, an employee's suggestion must be the direct cause of the change that had the effect of eliminating or reducing State expenditures or improving the overall operation of State government. Awards shall not be granted in instances where a suggestion has been adopted as a result of an action which is not occasioned by nor resulting from the suggestion. A suggester is not, however, precluded from a proportionate award in those situations where the solution adopted differs from that proposed in the suggestion.

When there is reason to believe that a suggestion is within the scope of the suggester's assigned duties, the employing agency shall provide a copy of the duty statement/job description showing the actual duties performed by the suggester at the time the suggestion was submitted. The duty statement/job description shall become part of the official suggestion file and shall be provided to the Board in those cases where a dispute arises between the suggester and the evaluating agency regarding eligibility. The evaluating agency may utilize performance requirements, supervisors' interpretations, authority to place the suggestion into effect, and other factors, such as customary practice, which may have a bearing on the duties expected of the suggester.

SUBMITTING SUGGESTIONS (Revised 2/94)

4720

Suggestions shall be submitted by the employee, on the Employee Suggestion form, STD. 645, directly to the appropriate agency(ies) by mail or messenger service. Suggestions must be signed. By signing the suggestion form, the suggester acknowledges that the use of the suggestion by the State of California shall not form the basis of a further claim upon the State of California by the suggester or the suggester's heirs. The suggester is responsible for submitting the suggestion to the appropriate agencies when multiple agency review is required. However, DPA may provide assistance in proper distribution of suggestions as needed.

Agencies will not require that their employees submit suggestions through agency channels; i.e., first-line supervisor, second-line supervisor, etc. Employees shall submit their suggestions directly to the Merit Award Administrator of the agency that will evaluate the suggestion.

The identity of the suggester will not be revealed to the evaluator during the initial evaluation if the suggester has checked "Do Not Disclose My Name," on the suggestion form. However, the identity will be revealed when the suggestion is recommended for adoption, as the suggester's job responsibility must be assessed in relation to the suggestion.

SAM—MERIT AWARD PROGRAM

EVALUATING SUGGESTIONS (Revised 2/94)

4730

All suggestions accepted by the Merit Award Administrator as qualifying under acceptability standards will be referred immediately for evaluation by the program/person having responsibility for the subject matter.

It is the responsibility of the Merit Award Administrator to acknowledge receipt of the suggestion to the suggester within 10 working days of receipt of the suggestion. The Merit Award Administrator shall also report the status of the suggestion to the suggester at least once per quarter until a final decision is made. Reasons for delays in the completion of the evaluation shall be provided to the suggester.

Suggestion evaluators are encouraged to discuss the suggestions with the suggester(s) on points which require further detail or explanation. Since copies of the evaluations will be sent to the suggester, it is incumbent upon the evaluator to phrase the report in factual terms, rather than personal ones. The identity of the evaluator will not be disclosed to the suggester unless the evaluator contacts the suggester or the suggester obtains approval to contact the evaluator. The position adopted is presumed to be that of the agency, rather than that of the evaluator.

All evaluations shall be reviewed by the Merit Award Administrator. The Merit Award Administrator will forward a copy of the evaluation to the suggester.

The evaluator may reject a suggestion for the reason that the proposal is under independent active consideration. In doing so, the evaluator will be required to describe specific actions taken by the affected unit in resolving the problem addressed by the suggester. Copies of records, correspondence, reports or other evidence which confirms independent active consideration may be requested by the Merit Award Administrator.

A suggestion requiring legislative action before it can be placed into effect is acceptable for evaluation. The evaluator will include in his/her evaluation report a recommendation either for or against such legislative changes and will give the reasons for the position taken. If an evaluator advises that necessary legislation will be introduced, the suggestion will be placed in a deferred consideration for three years. If no legislation is introduced after three years, the file will be closed until legislation is introduced. It will be up to the suggester to reopen the file.

For suggestions requiring Merit Award Board approval, the Merit Award Board will not sponsor any legislation without the specific approval of DPA.

APPEAL AND RECONSIDERATION (Revised 2/94)

4740

A suggester may request in writing that a suggestion be reconsidered for merit award purposes as prescribed below.

DENIAL OF SUGGESTION BASED UPON JOB RESPONSIBILITY (New 2/94)

4740.1

When a suggestion has been denied because the employing agency determined that the suggestion was a normal part of the suggester's job responsibilities, a suggester may appeal. The appeal must be within one year following the date of the agency's letter of rejection and must be submitted directly to the Merit Award Board. Facts and opinions will be solicited from the employing agency for review by the Board.

NONADOPTED SUGGESTIONS (Renumbered from 4740.1 and Revised 2/94)

4740.2

If an employee is dissatisfied with a rejection, he/she may ask for reconsideration of the previous decision within one year following the date of the agency's letter of rejection. Additional or supplemental information which was not covered in the original proposal or which points out an error in the evaluation report must be submitted. Requests for reconsideration or appeal will not be considered if the employee simply disagrees with the report without giving additional reasons. The appeal should be sent to the Merit Award Administrator of the evaluating agency.

SAM—MERIT AWARD PROGRAM

ADOPTED SUGGESTIONS (Renumbered from 4740.2 and Revised 2/94)

4740.3

If a rejected suggestion is subsequently adopted, the suggester may request in writing that the agency reconsider it for a merit award. The request must be submitted within three years following the date of the agency's letter not to adopt the suggestion. The appeal should be submitted to the Merit Award Administrator of the evaluating agency. The request for reconsideration does not in itself ensure that an employee automatically will be eligible for an award. The Merit Award Administrator may request that the suggester and evaluating unit provide all pertinent information.

AWARDED SUGGESTIONS (Renumbered from 4740.3 and Revised 2/94)

4740.4

If an employee disagrees with a recommended award, the suggester may request that the agency's recommendation be reconsidered, provided that the request includes specific reasons for the disagreement or points out an error in the department's evaluation report of the cost savings and/or benefits. The appeal should be submitted to the Merit Award Administrator of the evaluating agency.

AWARDS (Revised 2/94)

4750

It is the policy of the Merit Award Board to make awards commensurate with the results obtained from an employee's efforts and suggestions.

Awards shall be calculated in accordance with DPA regulations, Section 599.664 which states in part that cash awards shall not be less than \$50 nor more than \$50,000. Awards over \$5,000 will require Board approval and approval of the Legislature. See SAM 4703.2.

The formulas for suggestions based upon improved procedures or safety are set forth in Sections 4750.2, 4750.3 and 4750.4 of this manual.

CASH AWARDS (New 2/94)

4750.1

Whenever possible, awards shall be based on savings or earnings realized by the State in the first year following the date the suggestion is placed in effect. The award shall be 10 percent of the net savings or revenues. If the first year following implementation is not fairly representative of net savings or revenue, a different period of time may be substituted. Additionally, suggestions that require substantial refinement or modification for implementation will be reduced by 50 percent.

Where annual net savings or increased revenue are calculated as at least \$250 but not more than \$1,000, the cash award shall be \$100.

Significant costs of implementation of a suggestion will be deducted from the benefits realized and will be prorated over the expected life of the suggestion benefit. If the expected life is unknown, the costs will be prorated over a five-year period.

When a suggestion is adopted by more than one State agency, the award shall be prorated between the adopting agencies. The agency that currently employs the suggester shall be responsible for prorating the award and requesting reimbursement from the other adopting agencies. When the adopting agencies recommend Improved Safety or Improved Procedure awards, the employing agency shall arrive at one award amount. Disputes between agencies regarding proration or reimbursement shall be referred to the Board.

Except for Safety awards, a cash award of \$1,000 or more will require an Identification & Recovery of Savings form, DPA 134. Refer to Section 4703.5 for more detail regarding the form. A cash award greater than \$5,000 must be approved by the agency Director and must be forwarded to the Merit Award Board.

For those suggestions requiring Board approval, the decision of the Board and DPA as to the amount of awards shall be final, except for those awards included in the annual legislative concurrent resolution.

SAM—MERIT AWARD PROGRAM

ONE-TIME AWARD SCALE (Renumbered from 4750.1 and Revised 2/94)

4750.2

When an adopted suggestion results in a one-time savings or earnings, the award will be reduced to 5 percent of savings/revenues. Additionally, if a suggestion results in one-time savings/revenues and required: (1) substantial refinement for implementation; or (2) an alternative solution for adoption, the award will be based on not less than 2.5 percent of savings/revenues.

IMPROVED PROCEDURES SCALE (Renumbered from 4750.2 and Revised 2/94)

4750.3

Where annual net savings or increased revenue cannot be determined or are calculated as less than \$250, a cash award may be recommended by the adopting State agency in accordance with the Improved Procedure Scale. Improved Procedure suggestions include subjects such as changes in procedures, revision of forms and service to the public.

In making award recommendations, the evaluator or the Merit Award Administrator will apply the following scale to calculate awards for adopted suggestions resulting in improved procedures:

IMPROVED PROCEDURE SCALE

DEGREE OF BENEFIT	EXTENT OF APPLICATION			
	NARROW FREQUENCY OF OCCURRENCE		BROAD FREQUENCY OF OCCURRENCE	
	LOW	HIGH	LOW	HIGH
MINOR	\$50	\$65	\$75	\$85
MODERATE	\$70	\$85	\$95	\$105
MARKED	\$95	\$110	\$125	\$150*
BONUS: Add \$25 for suggestions which improve service to the public. *Indicates the \$25 bonus is included.				

DEGREE OF BENEFIT

- MINOR:** Change or modification which provides a slight improvement in methods, forms, facilities, equipment, etc.
- MODERATE:** Average change or modification in methods, forms, facilities, equipment, etc.
- MARKED:** Exceptional change or modification in methods, forms, facilities, equipment, etc.

EXTENT OF APPLICATION

- NARROW:** Limited in application. Affects the program or function and/or the policy and procedures of one or more units within a division, branch, region, or district.
- BROAD:** Of wide scope or application. Affects one or more major programs or functions and/or the policy and procedures of one or more divisions, branches, regions, or districts.

FREQUENCY OF OCCURRENCE

- LOW:** Relatively small in amount (seldom to occasional).
- HIGH:** Greater than is usual or normal in amount (frequent).

(Continued)

SAM—MERIT AWARD PROGRAM

(Continued)

IMPROVED PROCEDURES SCALE (Renumbered from 4750.2 and Revised 2/94)

4750.3

At the discretion of the Merit Award Administrator, proven monetary savings may be included in combination with intangible benefits to arrive at an equitable award. Evaluators may recommend a combination but must justify the reasons. Awards for improved procedures may not be included in combination with awards for improved safety since an improved procedure is a component of the Improved Safety Scale.

IMPROVED SAFETY SCALE (Renumbered from 4750.3 and Revised 2/94)

4750.4

Improved Safety suggestions are those which propose improvements in practices or facilities to eliminate or reduce injury to State employees or to the public, and for which the monetary value cannot be readily determined. Examples are suggestions regarding equipment modification; maintenance that is not conducted pursuant to standards or policy; maintenance that is not routinely expected; and items that are not specified in building codes.

In making award recommendations, the evaluator or the Merit Award Administrator will apply the following scale to calculate awards for adopted suggestions resulting in improved safety:

IMPROVED SAFETY SCALE

EVALUATION FACTORS	POINT VALUE								
	9	8	7	6	5	4	3	2	1
Number of people exposed to hazard at any one time	Thirty +	Twenty-six to Thirty	Twenty-one to Twenty-five	Sixteen to Twenty	Eleven to Fifteen	Seven to Ten	Five to Six	Three to Four	One to Two
Extent of potential injury or illness (most likely to occur)	Death			Serious Injury			Minor Injury		Discomfort
Probability of occurrence of accident	High 2/yr. +			Moderate 1/yr.			Low less than 1/yr.		
Frequency of people exposed to this hazard	More than one hour	One per hour	One in two hours	One per day	One in two days	One per week	One in two weeks	One per mo	Less than 1/mo
Seriousness of hazard	Serious hazard			Moderate hazard			Minor hazard		
Effectiveness of improvement	Eliminate hazard			Appreciably limits effects of hazard			Slightly reduces hazard		
Cost of adoption					Small/none		Moderate		Large

At the discretion of the Merit Award Administrator, proven monetary savings may be included in combination with intangible benefits to arrive at an equitable award. Evaluators may recommend such combination but must justify the reasons. Awards for improved procedure may not be included in combination with improved safety since improved procedure is inherent in the Improved Safety Scale. A point value shall be designated for each evaluation factor. The blank area shall not be used.

(Continued)

SAM—MERIT AWARD PROGRAM

(Continued)

IMPROVED SAFETY SCALE (Renumbered from 4750.3 and Revised 2/94)

4750.4

AWARD SCALE

Points	Award
13 and under	\$50
14 and above	\$50, plus \$25 for each point Above 13, to a maximum of \$1,000.

PRELIMINARY, SUPPLEMENTAL AND ADDITIONAL AWARDS

(Renumbered from 4750.4 and Revised 2/94)

4750.5

A preliminary award may be recommended after the suggestion has been in place for one year. The amount shall be calculated based upon the net benefits realized after the first full year following its implementation. After the review period has ended, a supplemental award may be recommended, based on the benefits actually realized during the first year following implementation.

PAYMENT OF AWARDS (Revised 2/94)

4750.6

Payment of merit awards will be made by submission of a memo signed by the agency director or designee to the agency's personnel office. The personnel office will then submit a STD. 674 with the memo attached to the State Controller's District Disbursing Office which makes regular salary payments to the employees. Every effort should be made to ensure rapid processing of the memo and STD. 674. The Controller's Office will issue a payroll warrant in the net amount payable to the employee after deducting withholding tax. The amount of the award and the tax withheld will be included on the Withholding Statement, Form W-2, issued to the employee by the Controller's Office at the end of the calendar year. Administrators should coordinate receipt of salary warrant (award) with Personnel and the Director's Office for timely presentation to the suggester.

Awards for adopted suggestions shall be paid from the funds affected by the suggestion. Should the payment of these awards cause a shortage in the salary and wage category from which paid, a budget revision is required to transfer the amount of the awards from the category which derived savings from the suggestion. Should the award be \$55 or over and payable from the appropriation of another agency or fund, the agency paying the award will bill the agency or fund benefiting from the award for the amount paid.

SPECIAL ACTS AND SERVICES (Revised 2/94)

4760

A Special Act is defined as an extraordinary act of heroism by a State employee extending far above and beyond the normal call of duty or service performed at great risk to his own safety or life in an effort to save human life.

A Special Service is defined as an act of heroism by a State employee extending above and beyond the normal call of duty or service performed at personal risk to save human life and/or property.

The awards granted for special acts and special services are intended to be honorary awards and will be made on a highly selective basis.

SAM—MERIT AWARD PROGRAM

RECOMMENDATION FOR AWARD (Revised 2/94)

4760.1

A recommendation for an award for a special act/special service must be made on Special Act Award Recommendation form, DPA 012. The recommendation, in either instance, must include all pertinent factual information requested in the instructional portion of the applicable form. Forms may be obtained from the Merit Award Program.

It is necessary to explain the specific nature of the emergency, the unusual difficulties imposed by it, and a description of the way the employee solved the problem or acted in the emergency. This explanation should clearly outline the manner and the extent to which the employee jeopardized his/her life or personal safety and indicate the extent to which the act surpassed normal job expectancy.

In order to afford prompt recognition for a special act or service, the award recommendation should be submitted immediately after the performance of the act. The immediate supervisor shall initiate the recommendation for award and submit it to the Merit Award Administrator. Approval for the award shall be obtained from the department director or designee.

AWARDS (Revised 2/94)

4760.2

The awards for a special act or special service are honorary ones, each consisting of a certificate, a citation, medal, and lapel pin described below. The certificate, medal, and lapel pin are available from the Merit Award Program. The Merit Award Program shall be reimbursed for the cost of the medal and lapel pin. Citations are the responsibility of the awarding agency.

The medal is a 10K gold-filled circular emblem measuring 2½ inches. The lapel pin measures 5/8 inches. The design for these special mementos is three dimensional, with laurel leaf branches encircling an outline of the State of California nestled within a block "V" and bears the inscription "California's Medal of Valor."

The medal and lapel pin for a special service award is the same except it is sterling silver.

PRESENTATION CEREMONIES (Revised 4/85)

4760.3

These awards are presented by the Governor. It is the responsibility of the nominating department to arrange for this presentation with DPA who will contact the Governor's staff. The staff of the Merit Award Board will prepare the certificate and review the citation submitted by the nominating agency to ensure consistency.

SUPERIOR ACCOMPLISHMENTS (Revised 2/94)

4780

A Superior Accomplishment is an act by an individual employee or group of employees which makes an exceptional contribution to the efficiency or economy of the State government, or an exceptional improvement in its operations. Such acts may be categorized as follows:

1. Superior Accomplishments of a Nonrecurring Nature

Acts which result in an outstanding and superior achievement of a nonrecurring nature which makes an exceptional contribution to science or research; or an improvement in the efficiency or economy of State government.

2. Sustained Superior Accomplishments

The sustained act of superior job performance over a two-year period resulting in an exceptional contribution to the efficiency of State government.

SAM—MERIT AWARD PROGRAM

SUPERIOR ACCOMPLISHMENTS OF A NONRECURRING NATURE (New 1/75)

4781

The objective of this award is to give State departments the opportunity to recognize employees who have made significant contributions to the economy or efficiency of State Government and which are clearly beyond ordinary job expectations.

DEFINITION (Revised 11/87)

4781.1

Superior Accomplishments of a nonrecurring nature may include, but are not limited to:

1. An important contribution to science, research, or development.
2. Unequaled personal efforts in overcoming unusual difficulties or obstacles in the completion of a major project or task with substantial benefits to the State.
3. Completion of a major project or task in a significantly shorter period of time with substantial benefits to the State.

REQUIREMENTS (Revised 11/87)

4781.2

Recommendations for the award must include:

1. A clear and concise description of the achievement which forms the basis for the award.
2. Detail which conclusively proves, or measures, the benefits to the State as a direct result of the efforts of the nominee.
3. Data which clearly describes the degree to which the nominee unquestionably performed beyond normal job requirements and expectations.
4. Any other pertinent information; such as, amount of overtime, research done, dedication to the task, etc.

RECOMMENDATION (Revised 2/94)

4781.3

Managers shall submit the recommendation to the Merit Award Administrator on Superior Accomplishment Award Recommendation, STD. 278. Copies of this form are available from the Department of General Services, Central Stores, Stock #7540-000-2780-2.

In the report, managers shall specify whether the nominee is recommended for the Silver Award or the Gold Award. The Merit Award Administrator reviews and recommends approval/disapproval to the director or designee. The final decision for approval rests with the director or designee.

TIME (Revised 2/94)

4781.4

Recommendations should be submitted to the Merit Award Administrator as soon as is reasonable after the accomplishment to ensure that the nominee receives prompt credit. All supporting data required by these sections, however, must accompany the recommendations.

SAM—MERIT AWARD PROGRAM

AWARDS (Revised 2/94)

4781.5

The awards for a superior accomplishment of a nonrecurring nature are an engraved walnut plaque and a cash award.

Two classifications of awards are available. The final judgment of the appropriate award for the accomplishment is reserved for the Merit Award Administrator.

1. Silver Award

An engraved walnut plaque and a maximum cash award of \$250 per individual (including each individual in a group). The Silver Award will be granted for those accomplishments which fully meet all of the requirements of these sections. At the discretion of the department, group awards can range from \$25 up to \$250 maximum per each individual in the group.

2. Gold Award

An engraved walnut plaque and a cash award of \$500 per individual or per group. The Gold Award will be granted for those accomplishments which not only meet all of the requirements of these sections but are of such outstanding degree that they merit recognition of the highest order.

COSTS (Revised 2/94)

4781.6

The purchase and engraving of the walnut plaque shall be made by the employing department or agency making the award. Plaques are to be 7 x 9 inches with either a silver or gold tone 5 x 7-inch engraving plate.

PUBLICITY (Revised 2/94)

4781.7

It is essential that, wherever possible, the widest publicity be obtained for the award, with emphasis on the benefits obtained for the taxpayers. The department or agency may select the appropriate time and media for release of the news.

SUSTAINED SUPERIOR ACCOMPLISHMENTS (Revised 2/94)

4782

The objective of the Sustained Superior Accomplishment Award is to give State agencies the opportunity to recognize employees who have made a significant contribution to the department by virtue of their exceptional job performance sustained over a period of not less than 24 months.

PROGRAM APPROVAL (Renumbered from 4782.2 and Revised 2/94)

4782.1

Agency directors who wish to participate in the program shall develop a Sustained Superior Accomplishment Award Program within their departments which details an appropriate nomination process and applicable standards for nomination. The Merit Award Administrator should keep a copy of the program specifications on file. The Merit Award Board may make suggestions for changes in such programs to ensure adherence to a statewide uniformity.

SAM—MERIT AWARD PROGRAM

STANDARDS (Renumbered from 4782.3 and Revised 2/94)

4782.2

The following constitute broad statewide standards for such program:

1. Awards must recognize sustained superior accomplishment significantly above normal job requirements and not length of State service per se.
2. The departmental plan will set forth in detail the process by which performance will be measured so as to select those nominees who are most qualified to receive the award.

ELIGIBILITY (Renumbered from 4782.4 and Revised 4/84)

4782.3

All employees except agency heads or elective constitutional officers may receive this award.

An employee may receive this award more than once providing the subsequent award is not received during a three- year period following the prior award.

NUMBER OF NOMINATIONS (Renumbered from 4782.5 and Revised 2/94)

4782.4

The following parameters establish the maximum number of award nominations which can be made by participating departments:

<u>Employee Population</u>	<u>Maximum Annual Nominations</u>
100 or less	1
101 to 200	2

Two nominations per 200 employees is the maximum standard. Departments may nominate fewer individuals as they see fit.

TIME FOR NOMINATION (Renumbered from 4782.6 and Revised 2/94)

4782.5

Nominations will be submitted once each year to the Merit Award Administrator on STD. 278. The submission date will be determined by the Merit Award Administrator.

DESCRIPTION OF ACCOMPLISHMENT (Renumbered from 4782.7 and New 1/75)

4782.6

The nomination will contain a concise description of the nominee's accomplishments, summarizing how performance over the 24 months significantly exceeded normal job requirements.

EVALUATION (Renumbered from 4782.8 and Revised 2/94)

4782.7

The Merit Award Administrator shall evaluate each recommendation for sustained superior accomplishment award taking into consideration staff recommendations, the objectives of the program, and the terms of the department's program previously approved. For each such sustained superior accomplishment recommendation found eligible for an award, the Merit Award Administrator shall formulate an official recommendation to the agency director.

SAM—MERIT AWARD PROGRAM

AWARD (Renumbered from 4782.9 and Revised 2/94)

4782.R

The award for Sustained Superior Accomplishment shall be \$250 maximum and the department shall also provide a framed certificate. At the discretion of the agency, the award can range from \$25 to \$250 per person.

TWENTY-FIVE YEAR/RETIREMENT SERVICE AWARDS (Revised 2/94)

4790

As authorized by Government Code Section 19849.9, any appointing power may present to an employee who has completed 25 or more years of State service a certificate, plaque, or other suitable memento. The cost of the same shall be a proper charge against the support appropriation of the department or office in which the employee serves. The cost of any such certificate, plaque, or memento shall not exceed the sum of seventy-five dollars (\$75). A presentation may likewise be made to a retiring employee who on the date of his or her retirement had completed 25 or more years of State service.

The Office of Procurement, Department of General Services, has established a statewide contract to provide awards suitable for presentation to State employees. The following awards are available on the contract:

25 Years

Men's Custom Dial Watch
Ladies' Custom Dial Watch
Desk Clock
Western Belt Buckle
Hunting Knife
Wall Plaque
Writing Instrument
Ladies' Charm Bracelet
Lapel Pin

Retirement

Men's Custom Dial Watch
Ladies' Custom Dial Watch
Men's Signet Ring
Ladies' Signet Ring
Crystal Vase
Acrylic Sculpture
Mantel Clock

A framed certificate is provided with each 25-year award.

Orders are placed on the contract by submitting a Contract/Delegation Purchase Order, STD. 65, directly to the contractor. Brochures depicting the awards will be distributed with the contract notifications. This information is available from:

Office of Procurement
Contracts Management
1823 14th St.
Sacramento, CA 95814

On occasion, the contractor may allow eligible employees/retirees to purchase the awards at their own expense directly from the contractor for a limited time.