



Department of Energy

Washington, DC 20585

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MEMORANDUM FOR HUMAN RESOURCES DIRECTORS

FROM:


KENNETH T. VENUTO, DIRECTOR
OFFICE OF HUMAN CAPITAL MANAGEMENT

SUBJECT:

POLICY GUIDANCE MEMORANDUM #38
EXCEPTION TO POLICY REGARDING QUALITY STEP
INCREASES

PURPOSE: To issue a blanket exception from the Chief Human Capital Officer (CHCO) to Departmental Elements regarding the discretionary approvals of Quality Step Increases (QSIs) and Quality Increases (QIs) when an employee received a Within Grade Increase (WGI) during the annual performance cycle.

BACKGROUND:

A Quality (Step) Increase (QSI or QI) is a Within-Grade Increase (WGI) used to recognize and reward employees at any grade level who display outstanding performance.

A QSI has the effect of moving an employee through the General Schedule (GS) pay range faster than by periodic step increases alone. Likewise, a Quality Increase (QI) is an additional performance-based pay adjustment for DOE Excepted Service pay plans (excluding EK/EJ pay plans) that has the effect of moving an employee through the applicable pay band range faster than would otherwise occur.

DOE Order 333.1 C "Employee Performance Management and Recognition Program" dated October 15, 2010, is currently being reviewed. There are various areas that may be updated; however, the provision in the Order in paragraph 4. d. (5) (a) 1 stating: "*the employee has not received a QI or within-grade increase (WGI) or equivalent pay adjustment*" is being addressed in advance because of the timing for award payments for FY14 and feedback received from senior managers on this issue. As written, the Order prevents employees who have received a WGI or equivalent performance-based pay adjustment during the applicable rating cycle from receiving a QSI or QI. The CHCO is issuing a blanket exception to this provision of the Order to all Departmental Elements.

REQUIREMENTS:

To be eligible for a QSI or QI, all of the other DOE Order 331.1C, Admin Chg 2 criteria still apply. The employee still must:



- Be at the full performance level of a career ladder;
- Have not been promoted, including a transfer that results in a promotion;
- Have been in the same grade or pay band level;
- Be below step 10 of their grade level (for GS employees);
- Have received a Significantly Exceeds Expectations (SE) summary rating;
- Have demonstrated sustained performance of outstanding quality;
- Not have received a QSI within the preceding 52 consecutive calendar weeks; and
- Occupy a “permanent position”.

RESPONSIBILITIES: Servicing Human Resource Offices (SHROs) must ensure the criterion above is met prior to processing personnel actions.

Rating Officials and Reviewers must ensure they comply with the above criteria.

Program Offices must ensure they remain within the applicable budgetary guidelines set forth from Office of Personnel Management and Office of Management and Budget regarding performance payouts.

EXCEPTIONS: NNSA is excluded.

AUTHORITIES: 5 U.S.C. 5336, 5 CFR part 531, subpart E, DOE Order 333.1 C Admin Change 2, 3.c., 5.c (9), and 5.d.(2) “*Employee Performance Management and Recognition Program*” dated October 15, 2010.

Please ensure rating officials are aware of this change to DOE Order 333.1 C. If you have questions, you may contact Jennifer Ackerman, Director, Human Capital Policy (HC-11) at Jennifer.ackerman@hq.doe.gov or Lorrenda Buckner, DOE HC Performance Management Manager (HC-11) at lorrenda.buckner@hq.doe.gov.