



DEPARTMENT OF THE NAVY
COMMANDER NAVY INSTALLATIONS COMMAND
716 SICARD STREET SE SUITE 1000
WASHINGTON NAVY YARD DC 20374-5140

CNICINST 12451.3

N1

07 Feb 2018

CNIC INSTRUCTION 12451.3

From: Commander, Navy Installations Command

Subj: HEADQUARTERS PERFORMANCE AWARDS POLICY AND PROCEDURES
UNDER THE DEFENSE PERFORMANCE MANAGEMENT AND APPRAISAL
PROGRAM

Ref: (a) DoD Instruction 1400.25, Volume 431 of 4 Feb 16
(b) DON Interim Guidance on DPMAP of 28 Mar 17
(c) DON Memo on Performance Guidance on Award Limitations for FY18 of 1 Dec 17
(d) CNICINST 12451.1A

Encl: (1) CNIC Headquarters Performance Award Funding and Distribution
(2) Employee Input and Appraisal Comparison
(3) Performance Rating Levels and Performance Criteria

1. Purpose. To establish Commander, Navy Installations Command (CNIC) Headquarters (HQ) policy and procedures and designate responsibilities for recognizing and rewarding performance under the Defense Performance Management and Appraisal Program (DPMAP). This instruction is intended to supplement the guidance provided in references (a) through (d). This is a new instruction and should be read in its entirety.

2. Scope and Applicability. This instruction applies to all Appropriated Funds (APF) civilian employees of CNIC HQ Staff who are covered under DPMAP. This policy does not apply to non-ratings based awards and incentive awards, including Special Act and On-the-Spot Awards which are granted for single acts or notable achievements on an assignment or special project separate from DPMAP. The specific policy applicable to non-rating based awards is included in reference (d).

3. Background. DPMAP provides a framework for supervisors and managers to communicate expectations and job performance to employees throughout the performance year. DPMAP facilitates a fair and meaningful assessment of employee performance, establishes a systematic process for planning, monitoring, evaluating, recognizing and rewarding employee performance that contributes to mission success.

4. Policy. Recognizing and rewarding employees based on performance will be accomplished per this instruction and enclosures (1) and (2).

a. Performance awards (or rating-based awards) will be used to motivate, reward and recognize individual employees for their performance, contributions and accomplishments in reaching HQ's goals during the performance year.

b. Performance awards will be distributed in a transparent and fair manner commensurate with employee performance results.

c. Performance awards will be in the form of Lump-Sum Cash or Time-off Awards (TOAs) given to recognize performance as reflected in the rating of record.

d. Employees who have demonstrated the highest level of performance and make the greatest contributions will be granted larger monetary awards, as a percentage of basic pay, larger TOAs than those with lower ratings of record or a Quality Step Increase (QSI). This will ensure equitable distribution of awards commensurate with the employees overall performance for the rating cycle.

e. Performance awards are subject to funding ceilings and availability from higher headquarters. HQ Director, Total Force Manpower (N1) will ensure that funding for performance awards are obligated consistent with applicable Department of Defense (DoD), Department of the Navy (DON) and CNIC financial management controls and delegations of authority.

f. Employees may grieve individual performance element ratings and ratings of record through the administrative grievance procedures. Employees may not grieve the contents (e.g., performance elements or standards) of an employee performance plan and decisions to grant or not grant a performance award or QSI.

5. Responsibilities. All employees, supervisors and managers are responsible for accomplishing their responsibilities outlined in this instruction and associated references.

a. The HQ Deputy Commander (DCOM) is responsible for:

(1) Approving the performance award policies, procedures and processes to ensure they are reasonable, transparent, equitable, fair, consistent and effective.

(2) Having final approval authority on performance awards for General Schedule N-Codes and N-Code Deputies (based on N-Code recommendations).

(3) Establishing and chairing a Compensation Review Board (CRB).

b. The CRB, chaired by the DCOM, and comprised of designated leadership from HQ N-Codes and is responsible for:

(1) Convening to review and adjust, if needed, N-Code award amounts to ensure there is equity of rating to award and to ensure awards are distributed in a consistent, fair, equitable and transparent manner across CNIC HQ.

(2) Serving as the final approving authority for all QSIs.

c. Director, Total Force Manpower (N1) is responsible for:

(1) Ensuring the award process is reviewed annually for regulatory compliance.

(2) Advising the DCOM on proposed changes and maintaining responsibility for keeping this instruction current.

(3) Providing a performance award end of year report to the DCOM by 15 July.

d. Naval District Washington, Human Resources Director is responsible for:

(1) Ensuring awards meet all regulatory and policy requirements, and properly submitting all correlating paperwork to the Office of Civilian Human Resources Center (OCHR), Stennis Operations Center for processing.

(2) Maintaining performance award approval files per applicable records management and privacy instructions.

e. N-Codes/Special Assistants (SA) are responsible for:

(1) Managing their performance awards fund 'not to exceed amount' allocated for this purpose.

(2) Recommending, for CRB approval, the specific award amount supported by the average score of all critical elements per enclosure (1).

(3) Distributing recommended award amounts in a transparent, equitable and fair manner based on performance results per enclosures (1) and (2).

(4) Ensuring the review and approval process for performance awards is completed properly and facilitating prompt award payments to employees.

(5) Forwarding to the CRB QSI recommendations in compliance with enclosure (1).

(6) Ensuring CRB-approved awards are forwarded for processing through the appropriate channels to DCPDS.

(7) Briefing their workforce on overall award results for transparency.

f. Higher Level Reviewers (HLR) are responsible for:

- (1) Holding rating officials accountable for executing the performance management process within established requirements, guidelines and timelines.
- (2) Performing the Rating Officials (RO) duties and responsibilities when the RO is unable to perform required duties as a RO.
- (3) Reviewing and approving performance plans and close-out ratings to ensure consistency and fairness for similarly-situated employees with like performance reviews.
- (4) Ensuring performance ratings from ROs are justified by annual performance rating narratives with clear distinctions made for different levels of performance and contributions per enclosure (1) of reference (d). Rating narratives that do not conform to all requirements must be reconciled with the RO.
- (5) Recommending to the N-Code/SA if a monetary award or QSI is recommended.

g. ROs are responsible for:

- (1) Executing the performance management process within the established guidelines and timelines.
- (2) Communicating progress reviews, writing annual performance rating narratives and completing end of year appraisals, which clearly articulate the reasons for the rating. Annual performance rating narratives serve as the award justification, if an award is recommended.
- (3) Providing annual performance rating narratives that are based on merit and contributions to mission accomplishment. Rating narratives must provide clear distinctions for different levels of performance and contribution utilizing enclosure (3).
- (4) Recognizing similarly-situated employees with like performance and contribution and applying performance ratings in a consistent manner.
- (5) Where applicable, providing performance award recommendation for either a cash award, time-off award or QSI via the appropriate chain of command to the CRB.
- (6) Completing the award recommendation form found at <https://g2.cnic.navy.mil> and forwarding to the HLR for signature once the final awards approval are released by the CRB.
- (7) Communicating approved ratings of record to employees within the timelines established. ROs will not disclose their award recommendations prior to final approval by the CRB.

h. Employees covered under DPMAP are responsible for:

(1) Managing individual performance to attain performance elements and standards identified in the performance plan; bringing to supervisor's attention circumstances that may impact accomplishment of performance expectations and request feedback when needed.


(2) Providing input during the evaluation process to document their accomplishments and demonstrate their contributions to mission success.

(3) Preparing for and participating in performance discussions.

6. Records Management. Records created as a result of this instruction, regardless of media and format, must be managed per Secretary of the Navy Manual M-5210.1 of January 2012.

7. Review and Effective Date. Per OPNAVINST 5215.17A, CNIC (N1) will review this instruction annually on the anniversary of its effective date to ensure applicability, currency, and consistency with Federal, DoD, SECNAV, and Navy policy and statutory authority using OPNAV 5215/40 Review of Instruction. This instruction will automatically expire 5 years after effective date unless reissued or canceled prior to the 5-year anniversary date, or an extension has been granted.

8. Forms. Awards approval form is located at <https://g2.cnic.navy.mil>.



C. S. GRAY
Chief of Staff

Releasability and distribution:

This instruction is cleared for public release and is available electronically only via Gateway 2.0 web site, <https://g2.cnic.navy.mil/CC/Documents/Forms/Directives%20Only.aspx>.

PERFORMANCE AWARD FUNDING AND DISTRIBUTION

Awards must be distributed in a reasonable, transparent, equitable and fair manner, holding employees accountable for achieving performance results.

1. Award funding. Award funding is currently capped by the Department of the Navy at 1.5% of aggregate salaries as of 30 September of the prior year. The 1.5% is distributed between performance based awards (1.3%) and non-performance based awards (.2%).
2. CNIC HQ N1 will work with CNIC HQ N8 to provide N-Code and SAs with the annual performance award cap calculated per capita on 31 March of each year.
 - a. 1.3% of HQ's aggregate salary projected execution for FY = HQ's cap
 - b. HQ's cap is divided by number of HQ's employees on 31 March of each year to identify the "per person" allocation in the performance cycle.
 - c. The population of the N-Code/SA on 31 March multiplied by the "per person" allocation provides the N-Code/SA performance award cap for the cycle.
3. N-Codes may not exceed or augment N-Code/SA allocated performance award caps. Non rating based award caps cannot be used to augment performance award caps and performance award caps cannot be used to augment non ratings based award caps.
4. N-Codes have flexibility to vary award amounts within the below established ranges based on individual performance. However, funding levels are subject to change by the CRB.
5. N-Codes/SA have the discretion to consolidate award caps for organizations with less than 10 employees after consultation with the CRB.
6. Performance issues must be documented by the RO's in the employees' assessment(s). If the issues would result in a Rating of 1 on any critical element, the employee must be placed on a performance improvement plan. Otherwise, these employees will be deemed acceptable and may be considered for an award.
7. All employees who performed under an approved performance plan for at least 90 calendar days are eligible to receive a performance award.
8. No performance award will be prorated.
9. There will be no forced distribution of award ratings such as manipulating results to ensure that the majority of employees are awarded at Level 3 "Fully Successful."
10. Information based on an employee's reputation, prior acts, personal knowledge or personal/professional relationships, will not be considered during the award process. Only the information in the performance assessment write-up will be used to justify the award.

11. Employees may not be recommended/rewarded for more than one monetary award (annual performance award, special act, TOA or on the spot award) for the same achievement(s). Justifications must be mutually exclusive.

12. Award Ranges. Awards are not guaranteed at any level. The below chart is provided for utilization in assigning award percentages based on the average score of all critical elements. This is achieved by adding the individual critical elements together and dividing by the total number of elements within the performance plan. For a plan with four elements having two elements rated at level 3 and two rated at a level 5, the overall rating would be 4.0 which allow the employee to receive an award between .8% to 1% of their aggregate salary.

AVG SCORE OF ALL CRITICAL ELEMENTS	PERCENTAGE OF AWARD (based on individual employees aggregate salary)
3.0 to 3.3	0.0% to .4%
3.4 to 3.8	.5% to .7%
3.9 to 4.2	.8% to 1%
4.3 to 4.7	1.25% - 3.0%
4.8 to 5.0	3.1% to 4%

13. Time Off Awards (TOAs). TOAs may be granted for performance in lieu of cash awards. The number of hours granted will be based upon the value of the individual's contribution or accomplishment and are limited to the amounts provided above. TOAs may be combined with cash awards as long as the total value of the awards given is commensurate with the contribution recognized and the fund allocations.

14. Quality Step Increases (QSI). A QSI is a permanent increase in a General Schedule (GS) employee's rate of basic pay from one step of the grade to the next higher step of that same grade. QSIs provide an incentive and recognition of high quality performance above that ordinarily found in the type of position concerned by granting faster than normal step increases. A QSI is in addition to a periodic within grade step increase and are paid out of labor dollars.

- a. QSIs may be granted instead of a cash/monetary/lump sum or time off award.
- b. QSI's may not be awarded in conjunction with time-off or monetary performance awards.
- c. QSI's are subject to the HQ CRB's review and approval.

EMPLOYEE INPUT AND APPRAISAL COMPARISON

Supervisors are reminded to encourage their employees to provide input within their self-assessment addressing each area of their critical elements. An employee who does not provide a self-assessment may result in relevant performance for the rating cycle not being properly captured and rated appropriately. Additional information regarding employee input may be found at <https://www.cpms.osd.mil/Subpage/NewBeginnings/DPMAP>.

EMPLOYEE INPUT	APPRAISAL
<ul style="list-style-type: none"> • Written by employee about self 	<ul style="list-style-type: none"> • Written by rating official about employee
<ul style="list-style-type: none"> • Provides opportunity to advocate for self 	<ul style="list-style-type: none"> • Provides opportunity to advocate on behalf of the employee for awards or recognition
<ul style="list-style-type: none"> • Written in first person (I...) 	<ul style="list-style-type: none"> • Written in third person (Mr. Smith...)
<ul style="list-style-type: none"> • Documents performance 	<ul style="list-style-type: none"> • Documents and assesses performance
<ul style="list-style-type: none"> • States opinion on performance level 	<ul style="list-style-type: none"> • Recommends ratings
<ul style="list-style-type: none"> • References performance elements 	<ul style="list-style-type: none"> • References employee input, if completed, and performance elements
<ul style="list-style-type: none"> • Provides opportunity for employee to state accomplishments and impact 	<ul style="list-style-type: none"> • Provides employees meaningful, constructive and candid feedback
<ul style="list-style-type: none"> • Explains growth in skills, work quality, behavior 	<ul style="list-style-type: none"> • Documents observed growth in skills, work quality, behavior
<ul style="list-style-type: none"> • Focuses on strong performance 	<ul style="list-style-type: none"> • Addresses poor and strong performance
<ul style="list-style-type: none"> • Demonstrates link between performance expectations, conduct and organizational mission and goals 	<ul style="list-style-type: none"> • Emphasizes organizational impact of performance and conduct
<ul style="list-style-type: none"> • Makes supportable distinctions in performance above Valued Performer level (if applicable) 	<ul style="list-style-type: none"> • Makes meaningful distinctions in performance and provides supporting documentation of the recommended rating (if applicable)
<ul style="list-style-type: none"> • Includes accolades, compliments, etc., from others (if applicable) 	<ul style="list-style-type: none"> • Includes observations made by other managers/supervisors, customers or peers

PERFORMANCE RATING LEVELS AND RATING CRITERIA

Examples of Standard Performance Rating Levels For Each Critical Element
<p style="text-align: center;">Level 5 – Outstanding</p> <ul style="list-style-type: none">▪ Produces exceptional results or exceeds expectations well beyond specified outcomes.▪ The quality and quantity of the employee’s work substantially exceeds the standard with minimal room for improvement▪ The accuracy, thoroughness, and timeliness of the employee’s work on this element are exceptionally reliable.▪ Sets targeted metrics high and far exceeds them (e.g., quality, budget, quantity).▪ Application of technical knowledge and skills goes well beyond that expected for the position.▪ The employee consistently and significantly improves the work processes and products for which he or she is responsible.▪ The employee’s adherence to procedures and formats, as well as suggestions provided for improvement in these areas increases the employee’s value to the organization and overall mission accomplishment.▪ Work products rarely require even minor revisions.▪ The employee seeks additional work or special assignments at increasing levels of difficulty.▪ Exhibits the highest standards of professionalism.
<p style="text-align: center;">Level 3 – Fully Successful</p> <ul style="list-style-type: none">▪ Effectively produces the specified outcomes, and sometimes exceeds them.▪ The quality, quantity, and timeliness of the employee’s work fully meet the requirements of the performance element.▪ Consistently achieves targeted metrics.▪ Major revisions are normally not necessary; most work only requires minor revision.▪ Projects are completed accurately, thoroughly, and timely.▪ Technical skills and knowledge are applied effectively to specific job tasks.▪ The employee adheres to procedures and format requirements.▪ Proactively informs supervisor of potential issues or roadblocks and offers suggestions to address or prevent them.▪ Routine problems associated with completing assignments are resolved with minimum supervision.▪ Achieves goals with appropriate level of supervision.
<p style="text-align: center;">Level 1 – Unacceptable</p> <ul style="list-style-type: none">▪ Does not meet expectations of quality of work; fails to meet many of the required results for the goal.▪ The quality, quantity, and timeliness of the work are unsatisfactory.▪ Work products must be continually revised and edited; instructions must be reiterated.▪ The employee is unable to work reliably and independently without ongoing supervision.▪ Products are incomplete or “Unacceptable”.▪ The employee fails to prioritize and apply routine knowledge and skills expected for this position, contributing to inadequate work products.▪ The employee fails or is unable to adapt to changes in priorities, procedures, or program directions.▪ Requires much more supervision than expected for an employee at this level.

Rating Criteria	
Rating Level	Rating Criteria
Level 5 – Outstanding	The average score of all critical element performance ratings is 4.3 or greater, with no critical element being rating a “1” (Unacceptable), resulting in a rating of record that is a ‘5’.
Level 3 – Fully Successful	The average score of all critical element performance ratings is less than 4.3, with no critical element being rated a ‘1’ (Unacceptable), resulting in a rating of record that is a ‘3’.
Level 1 – Unacceptable	Any critical element rated as ‘1’.