



RULES OF THE STATE PERSONNEL BOARD

478-1-.13 Meritorious Award, Hiring Incentive, and Goal-based Incentive Programs

(1) Introduction:

The State authorizes use of the incentive compensation and awards, as outlined in this Rule, to support the recruitment and retention of qualified talent. Each agency may adopt specific incentive policies, procedures, or plans to implement incentive compensation and awards, as long as they are consistent with this Rule. Incentive compensation and awards are available through the following:

- (a) Meritorious Award Program (including Employee Suggestion Program),
- (b) Hiring Incentive Program, and
- (c) Goal-based Incentive Program.

Incentive compensation and award programs are funded by individual agency budgets.

(2) Applicability:

The policies and procedures within this Rule apply to all agencies of the Executive Branch, local departments of Public Health, Authorities, Community Service Boards, and other public corporations. This Rule does not apply to the Board of Regents of the University System of Georgia, Legislative Branch entities, or Judicial Branch entities.

(3) Definitions:

For the purposes of this Rule, the following terms and definitions apply in addition to those in Rule 478-1-.02, *Terms and Definitions*:

- (a) “Agency” means, for the purpose of this Rule, departments of the Executive Branch, local departments of Public Health, authorities, Community Service Boards, and other public corporations.
- (b) “Goal-based Incentive Program” is a program providing a one-time payment to reward an employee for exceeding established revenue goals.
- (c) “Hiring Incentive Program” is a program providing a one-time payment to induce the employment of a prospective employee with particularly desirable qualifications or for a position that is difficult to fill.

- (d) “Meritorious Award Program” is a program providing awards to employees for extraordinary service, acts, achievements, or suggestions outside regularly assigned duties.

(4) Meritorious Award Program:

- (a) The Meritorious Award Program includes two components.
 - 1. Agencies may use the first component to recognize an employee or group of employees who go beyond the ordinary demands of the job in performing an extraordinary service, act, or achievement. Possible awards include: certificates of merit, pins, buttons, or other emblems. Lump sum payment awards are not available.
 - 2. The second component is the Employee Suggestion Program for which lump sum payment awards are available. (See section (5), below).
- (b) Service, acts, or achievements deserving of a meritorious award include, but are not limited to, the following:
 - 1. Performing an act of heroism above and beyond the normal demands of the job;
 - 2. Responding in an extraordinary manner to an unanticipated problem or opportunity on behalf of the agency;
 - 3. Performing a service, act, or achievement that particularly enhances public perception of the agency; or,
 - 4. Obtaining innovative or unique success when others’ efforts have failed or it has been stated that the job could not be done.
- (c) The appointing authority, or designee, within an agency that implements a meritorious award program for extraordinary service, acts, or achievements, will determine the manner for nominating employees and approving awards. Such awards are considered pre-certified by the Commissioner of the Department of Administrative Services (DOAS) and Director of the Office of Planning and Budget (OPB).

(5) Employee Suggestion Program:

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- (a) The Employee Suggestion Program is a Meritorious Award Program used to recognize employees who provide a suggestion or idea to improve operations and/or efficiency that is implemented by an agency covered by this Rule.
- (b) Awards under the Employee Suggestion Program include certificates of merit, pins, buttons, other emblems, and the potential for a lump sum payment award. See Rule 478-1-.22, *Employee Suggestion Program*, for more information on the criteria and administration of the Employee Suggestion Program.
- (c) Payments made under the Employee Suggestion Program are included as salary in the pay period issued and are taxed as such. They shall not, however, be included in the regular rate of pay for purposes of calculating overtime or as earnable compensation for determining retirement benefits.

(6) Hiring Incentive Program:

- (a) The Hiring Incentive Program is a formalized incentive payment program designed to provide agencies greater flexibility to hire prospective employees with particularly desirable qualifications necessary to meet departmental business objectives.
- (b) Hiring Incentive Payment:

A hiring incentive payment is a one-time payment for the hire of a prospective employee with particularly desirable qualifications.

1. Agency policy may require hiring incentive payment to be contingent upon the employee's agreement in writing to repay a portion thereof upon separation if the employee does not remain employed a minimum specified period. Such specified period and the repayment schedule are determined at agency discretion.
2. Funding for hiring incentive payments shall come from individual agency budgets.
3. Hiring incentive payments are included as salary in the pay period issued and are taxed as such. They shall not, however, be included in the regular rate of pay for purposes of calculating overtime or as earnable compensation for determining retirement benefits.

- (c) Hiring Incentive Plan:

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For an agency to utilize hiring incentive payments, such agency shall establish and maintain a certified Hiring Incentive Plan prior to such utilization.

1. A Hiring Incentive Plan shall list the jobs and/or positions the agency will make eligible for hiring incentive compensation based on one or more of the criteria listed below in (6)(c)2 and the incentive amount(s). Hiring incentive payments may only be used for jobs and/or positions listed in the plan.
2. The Hiring Incentive Program may be used to support hiring into one of the following types of positions:
 - (i) A position determined by the agency to be hard-to-fill (such as a position that has been vacant an excessive period of time with no qualified applicants, or that requires a skill set that is unavailable or rare in a particular geographic area, etc.);
 - (ii) A position that is critical to a facility meeting its accreditation standards;
 - (iii) A position that is critical to maintaining public safety;
 - (iv) A position with a required skill critical to the agency; or,
 - (v) A position that is associated with unique preferred skills that are critical to the agency.

(d) Certification of Hiring Incentive Plan:

A Hiring Incentive Plan becomes effective upon certification by the OPB Director, or designee, that funding is available, and certification by the DOAS Commissioner, or designee, that the plan meets the criteria provided in this Rule. OPB certification must be renewed for each fiscal year the plan is to be effective. DOAS certification remains in effect until a substantive change is made to the plan.

(7) Goal-based Incentive Program:

- (a) The Goal-based Incentive Program may be used by an agency to compensate an employee for generating or securing income or revenue for the agency beyond predetermined and objectively measurable goals.
- (b) Goal-based Incentive Payment:

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A Goal-based incentive payment is a one-time payment for exceeding established revenue goals.

1. Funding for Goal-based incentive payments shall come from individual agency budgets.
2. Goal-based incentive payments are included as salary in the pay period issued and are taxed as such. Goal-based incentive payments are included in the regular rate of pay for purposes of calculating overtime. They shall not, however, be included as earnable compensation for determining retirement benefits.

(c) Goal-based Incentive Plan:

1. For an agency to issue a Goal-based incentive payment, such agency shall establish and maintain a certified Goal-based Incentive Plan prior to such payment.
2. A Goal-based Incentive Plan shall list the eligible jobs and/or positions, terms and conditions of employee eligibility, the revenue goal(s), and the amount(s) to be awarded to eligible employees who meet the criteria. Goal-based incentives may be paid only to eligible employees in jobs and/or positions listed in the plan.

(d) Certification of Goal-based Incentive Plan:

A Goal-based Incentive Plan becomes effective upon certification by the OPB Director, or designee, that funding is available, and certification by the DOAS Commissioner, or designee, that the plan meets the criteria provided in this Rule. OPB certification must be renewed each fiscal year the plan is to be effective. DOAS certification remains in effect until a substantive change is made to the plan.

Authority:

O.C.G.A. §§ 45-20-3, 45-20-3.1, 45-20-4 (duties and functions of the State Personnel Board and Department of Administrative Services), O.C.G.A. §§ 45-21-1, 45-21-2, 45-21-3, 45-21-4, 45-21-7, 45-21-8, 45-21-9 (establishment of incentive compensation and award plans).