

XXI. REWARDS FOR EXCELLENCE PROGRAM

21.1 PURPOSE. This program provides a policy under which employees may submit ideas that may save money or increase efficiency of City and Borough operations. This policy provides guidance for the payment of awards. The City Rewards Program (CRP) is intended to encourage employees to improve present operations, practices, and to eliminate unnecessary budget expense. The CRP is designed to improve morale by providing an opportunity for employees to take part voluntarily in the improvement management with the government.

21.2 RESPONSIBILITIES.

- 1) The City and Borough Administrator will:
 - a. Exercise overall responsibility for the CRP policy and program administration.
 - b. Submit to the City and Borough Assembly monetary award recommendations and annual reports on employee suggestion activity.
- 2) Department Heads will:
 - a. Facilitate adoption and implementation of improved management processes and systems.
 - b. Adopt as policy those employee ideas that prove successful.
 - c. Award, where appropriate, cash payments to employees whose proposals are adopted and who qualify under the rules of the CRP.
 - d. Ensure that the CRP is responsive in providing recognition to deserving individuals.
 - e. Provide policy development, program direction, and management oversight.
 - f. Conduct analyses of program execution and performance.
 - g. Establish policy and procedures, and ensure administration of the CRP within their departments.
 - h. Ensure awards are granted according to the intent of program policy and are consistent, equitable, and timely.
 - i. Publicize and promote the CRP within their departments.

21.3 PROGRAM ADMINISTRATION The CRP will be administered entirely on the basis of merit, without regard to age, sex, race, color, religion, national origin, or physical or mental handicap. Participation is voluntary.

21.4 PROGRAM PROMOTION AND PUBLICITY

- 1) Active promotion of the CRP is the responsibility of all levels of the administration. Departments are encouraged to develop their own materials and promote the program.
- 2) As part of promotional efforts, Department Heads may:
 - a. Identify and systematically publicize key areas in which constructive ideas are specifically desired.
 - b. Use internal and external channels to publicize outstanding suggestions and program accomplishments through honor roll displays, news releases and articles, or ceremonies honoring individuals

- c. Familiarize personnel at all levels by conducting briefings and presentations at staff meetings, management and leadership courses, and the like.

21.5 DECISION PREROGATIVE The decision to adopt or not adopt an idea, or to recommend to the Assembly that an award be granted or not granted based upon the adoption of that idea, is the prerogative of the Administrator. At the same time, the City and Borough is committed to fair and consistent administration of the CRP, and will adhere to this commitment in making all decisions on the disposition of ideas and the payment of awards.

21.6 TESTING OF IDEAS

- 1) Test evaluation is a critical part of the CRP process. Department heads shall submit requests for changes to policy based on proposed ideas suggested by employees. The Administrator will approve the test evaluation unless a test will have serious adverse effects for the City and Borough. At the end of the test period, (normally one year), the department head shall forward the evaluation of the idea to the proponent and the Administrator. The Administrator will provide analyses, appropriate comments, and recommendations on whether the idea should be approved for continued implementation.
- 2) An idea should also be tested when it offers a prospective benefit to the City and Borough that cannot be ascertained or adequately quantified without a test. At the conclusion of the test period the idea either will be adopted, and an award paid based on the documented benefits, or disapproved. In either case, full evaluations should be done at both the beginning and end of the test period.
- 3) If an idea is approved for testing, the submitter should receive nonmonetary award recognition pending completion of the test and validation of savings.
- 4) Successful department testing may provide sufficient basis for implementing an idea more broadly. Department heads retain the basic responsibility for determining whether or not an idea
- 5) If it is concluded, after testing, that an idea or proposal should be implemented, then the Administrator shall announce the implementation of that idea or proposal and submit to the Assembly recommendation for an award.

21.7 PROPRIETARY RIGHTS.

Employees who suggest or propose ideas (“suggesters” or “proponents”) have an interest in the use and disposition of their ideas. Proprietary rights begin when the idea is initially entered into the system and remain until two years after the date of final action (that is, the date of approval of an award or written notification of nonadoption).

21.8 REQUESTS FOR RECONSIDERATION.

- 1) A suggester may request reconsideration of an idea evaluation or other aspect of the idea’s disposition. The request must be submitted to the Administrator in writing within sixty days of the notification of the final disposition.

- 2) In support of the request for reconsideration, the suggester must do one of the following:
 - a. Provide evidence that an evaluator made a material error of fact or logic that had an effect on the idea evaluation.
 - b. Provide new material, information, or rationale.
 - c. Clarify significant issues or questions.
 - d. Mere dissatisfaction or disagreement with the previous determination is not by itself justification for reconsideration.

21.9 PERSONS ELIGIBLE FOR PARTICIPATION IN PROGRAM.

All City and Borough employees are eligible to submit ideas, and—subject to the provisions of this section—all City and Borough employees are eligible to receive a reward, monetary or otherwise. Retired or otherwise separated employees whose ideas were entered into the CRP while they were employed with the City and Borough are also eligible to receive a reward. Persons ineligible to participate in the program include: private citizens; department heads; the Administrator; the Mayor and other members of the Assembly; and contractors for the City and Borough.

21.10 ELIGIBLE IDEAS OR SUGGESTIONS FOR PARTICIPATION IN THE PROGRAM.

To be accepted in the CRP, an idea must satisfy the following conditions:

- 1) Be submitted in writing to the City Administrator.
- 2) Benefit the City and Borough.
- 3) Present a problem or situation and propose a solution with sufficient rationale to support the requested new procedure.

21.11 BASIC CONTENT OF IDEAS.

In order to make a positive evaluation possible, the following information should be legibly included in any idea submission:

- 1) The current practice, method, procedure, task, directive, or policy affected. If possible, cite the particular regulation or policy involved.
- 2) The proposed method, change, or idea, with an explanation of why the present practice is deficient, and why the change will be beneficial. A statement of known or estimated benefits should also be included.
- 3) Drawings, photographs, specifications, or other supporting documentation.

21.12 ELIGIBILITY REQUIREMENT FOR IDEAS.

- 1) An idea (or reconsideration request) will not be processed for evaluation when it:
 - a. Presents a problem but offers no solution.
 - b. Is vague or incomplete.
 - c. Indicates potential tangible savings but does not provide the rationale or calculations on which to base the estimate.
- 2) Ineligible ideas will be identified by the Administrator, who will return the ideas to the suggester with specific reasons for the return.

21.13 DUPLICATE IDEAS.

In the event of a duplicate idea, only the first suggester will be considered and eligible for an award.

21.14 DISPOSITION OF IDEAS.

In all cases in which a submission qualifies as an idea, there will be prompt evaluation and disposition. If the Administrator can make final disposition, there must be adoption, notification of nonadoption, or approval for testing. In case of adoption, a benefits determination should be made, and any award recommendation should be made promptly to the Assembly. The suggester should be kept informed, verbally or in writing, of the status of the award. If the Administrator cannot make final disposition of an idea, he or she should submit views and recommendations with the idea to the appropriate department head.

21.15 ADDITIONAL INFORMATION REQUESTS.

Suggesters can be requested to provide additional information to the Administrator if an idea is incomplete, or to help clarify the idea.

21.16 DENIAL AUTHORITY.

Authority to disapprove an idea resides with the Administrator

21.17 ANSWERING SUGGESTER INQUIRIES.

Suggesters should contact the Administrator for inquiries about the proposal while it is being processed.

21.18 SUGGESTER EVALUATION ENTITLEMENTS.

Suggesters are entitled to clear, complete, and fair evaluations of their ideas. The Administrator should be predisposed to approve rather than disapprove and be willing to work in cooperation with the suggesters to seek the valuable elements in all submissions. The Administrator must give suggestions timely and thorough responses.

21.19 EVALUATION COMPLETION TIME.

Receipt, evaluation, and disposition (approve, disapprove, return) of ideas should take no more than a total of 60 calendar days.

21.20 DISPOSITION OF IDEAS/PROPOSALS/SUGGESTIONS UNDER THIS PROGRAM.

- 1) No later than 60 days after the submission of an idea under this program, the Administrator must adopt the idea, not adopt the idea, or approve it for testing. For an adoption to be valid, the Administrator must be willing and able to implement the idea adopted. Adoption carries with it the obligations to implement at the earliest possible time.
- 2) Nonadoption can take the form of either of the following:
- 3) Disapproval for cause.
- 4) Disposition as an idea already in use or under consideration.

- 5) Whatever disposition is made, the Administrator must in all cases provide a rationale for what has been done. This justification need not be lengthy, but should reflect serious consideration of the idea submitted. All points made by the suggester should be addressed, and reasons given on why the idea is or is not meritorious. If the Administrator bases the disposition on a similar proposal previously considered, the Administrator must provide the details of that previous proposal and the evaluation of that proposal.
- 6) When appropriate, a statement of net estimated or actual benefits (total first year benefits less cost of implementing the idea) should be provided, as should an indication of how costs and benefits were determined. Such data is required for all adopted ideas.
- 7) If benefits are intangible, the Administrator is required to recommend a precise award within the appropriate range provided as follows:
 - a. **Moderate Value:** Change or modification of an operating principle or procedure which has a moderate value sufficient to meet the minimum standard for a cash award; an improvement or rather limited value of a product, activity, program or service to the public. The range for this award shall be \$100.00 to \$250.00.
 - b. **Substantial Value:** Substantial change or modification of an operating principle or procedure; an important improvement to the value of a product, activity, program, or service to the public. The range for this award shall be \$250.00 to \$500.00.
 - c. **High Value:** Complete revision of a basic principle or procedure; a highly significant improvement to the value of a product, major activity, or program, or service to the public. The range for this award shall be \$500.00 to \$750.00.
 - d. **Exceptional Value:** Initiation of a new principle or major procedure; a superior improvement to the quality of a critical product, activity, program, or service to the public. The range for this award shall be \$750.00 to \$1,000.00.

21.21 TANGIBLE BENEFITS.

- 1) Whenever possible awards will be based on tangible benefits. Only if it is extraordinarily difficult to measure benefits in dollar terms will intangible benefits calculations be used.
- 2) Tangible benefits may be calculated on the basis of estimated value, but actual value is preferable. In most cases, savings will be determined for the first full year of use, whether for testing or full implementation. Offsetting costs will then be subtracted to obtain the net benefit on which an award would be based. If costs exceed 50 percent of first year benefits, calculations may be based on an average of net benefits for the first three to five years. If the reasonable life of the initial implementation or the clearly predictable period of use is less than three years, calculations will be based on the shorter of the latter two periods. Exceptions to these methods may occur; however, they should follow generally accepted costing procedures and reflect an annual savings amount. All calculations are subject to audit.
- 3) Direct savings, cost avoidances, and increased output at the same cost are all tangible benefits as determined in this regulation; that is, they are measured in dollar terms. Therefore, they will be counted equally in arriving at the basis for an award.

- 4) All tangible dollar and manpower savings are subject to audit and must be verifiable.

21.22 INTANGIBLE BENEFITS.

- 1) Intangible benefits will out of necessity be estimated on the basis of judgment rather than precise facts or calculations.
- 2) If benefits are intangible, the Administrator must clearly indicate the value and extent application and recommend a precise award amount. Suggestions with intangible benefits of limited value should be recognized.
- 3) An idea may have tangible or intangible benefits only or a combination of both.

21.23 BENEFIT CALCULATIONS.

- 1) All benefits of a particular idea, or cost incurred to implement the idea, will be calculated in terms of savings or expense to the City and Borough as a whole. Excluded from idea implementations costs are administrative overhead costs incurred in processing and evaluating ideas.
- 2) Labor costs will include fringe benefits and be based on actual costs.

21.24 PAYMENT APPROVAL.

The Administrator will make submit a recommendation to award a payment to the Assembly for approval. The Assembly will have the power of final approval.

21.25 AWARD ELIGIBILITY.

An idea is eligible for an award when:

- 1) The idea is approved for testing; or
- 2) The idea is approved for implementation. The award is based on tangible or intangible benefits as identified earlier.

21.26 AWARD PAYMENT AFTER SEPARATION.

When payment of an award is authorized after an individual has separated from employment, efforts will be made to reach him or her at the last known address.