

JVSG Incentive Award Plan TAG

Technical Assistance Guide (TAG) for Jobs for Veterans State Grants (JVSG) Incentive Award Plans

VPL 01-24 Attachment #5

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Introduction

This Technical Assistance Guide (TAG) will help states plan and implement a program of performance incentive awards. States must administer their incentive award programs according to the criteria set forth in this guidance.

To receive Jobs for Veterans State Grants (JVSG) funds, a state must include in its JVSG State Plan a program of performance incentive awards in accordance with 38 U.S.C. § 4112 and this guidance. The incentive award program was established to:

- Encourage the improvement and modernization of employment, training, and placement services for veterans; and
- Recognize eligible employees and employment service offices for excellence in the provision of such services or for having made demonstrable improvements in the provision of services to veterans.

Per [38 U.S.C. § 4102A\(c\)\(7\)](#), one percent of the JVSG allocation each state receives must be designated for cash performance incentive awards for eligible employees or employment service offices.

Cash performance incentive awards must be disbursed in a manner consistent with this guidance and the grant recipient's current policies, such as those on electronic funds transfer (EFT) or automated clearinghouse (ACH). Any disbursement of funds must also be consistent with the cash management requirements found in the Uniform Guidance at 2 C.F.R. Part 200. If these incentive awards are disbursed to employees, it should follow the personnel and/or payroll process for issuing the amounts. Cash awards to offices must be disbursed in a similar manner as the state's method for making funds available to offices for expenditure. As with any charge to a federal grant, cash awards must be supported by a system of internal control that provides reasonable assurance that the charges are accurate, allowable, and properly allocated.

Nonfinancial performance awards cannot be charged to the one percent of annual JVSG funds that are designated for cash incentive awards under 38 U.S.C. § 4102A(c)(7). If provided, nonfinancial awards must be charged instead to the appropriate cost categories of the state's annual JVSG base allocation (i.e., the remaining 99 percent of the state's annual JVSG allocation).

Eligibility

Pursuant to 38 U.S.C. § 4112, eligible recipients for performance incentive awards include individual staff or offices as outlined below:

- Disabled Veterans' Outreach Program (DVOP) specialists;
- Local Veterans' Employment Representative (LVER) staff;
- Consolidated DVOP/LVER staff;
- Individuals providing employment, training, and placement services to veterans, funded under the Workforce Innovation and Opportunity Act (WIOA) or the Wagner-Peyser Act; and
- An employment service office.

VETS considers “eligible recipient” to include JVSG program managers, AJC managers and other program managers under WIOA or Wagner-Peyser Act.

Incentive awards may be used by employment service office recipients for any purpose.

Volunteers, U.S. Department of Veterans Affairs Work Study participants, and federal employees are **not** eligible employees.

Selection Criteria

In developing a performance incentive award program, states should consider criteria that foster or strengthen partnerships at the state and local levels. Selection criteria for award recipients must be based on performance or activities during the program year (July 1 through June 30) for which the award is given.

States should include both objective and subjective data in developing selection criteria. In particular, states should consider employees and offices that demonstrate outstanding outreach on behalf of veterans who have barriers to employment, especially those experiencing homelessness, incarceration, disability, or recent separation from service. States may also consider individual or office-wide programs that promote employment opportunities for veterans within the local community or enhance provider awareness of veterans’ issues and resources.

Incentive awards should not be based solely on numerical performance outcomes, since such data will likely represent performance prior to the current program year and would be skewed to consistently reward employees who are assigned to the most populous areas of the state. Program improvement, positive feedback, and other indicators of outstanding performance should be given consideration in addition to numerical data.

For individual awards, particular emphasis should be placed on ensuring that all staff who serve veterans through the array of employment and training programs funded by the Department of Labor (DOL) are considered for awards. States also should take extra care to recognize those eligible employees working in various specialized programs that serve certain target groups of veterans in each state.

Sample Criteria for Nomination and Selection of Awardees

In designing a performance incentive award program, the guiding principle is that chosen criteria recognize and promote the improvement and modernization of employment services to veterans by JVSG-funded staff, and other AJC staff. When making awards, states should use criteria that recognize eligible employees and employment service offices for excellence in providing those services or for having made demonstrable improvements in providing those services. JVSG staff nominated for an award must be selected based on criteria that adheres to their statutory roles and responsibilities.

The following is a partial list of sample criteria for achievements or efforts that states may wish to promote and reward:

- Development of a program for which the impact may not be directly measurable (e.g., a resume skill-building program)
- Promotion of entry into federal employment
- Promotion of HIRE Veterans Medallion Program
- Outstanding case management
- Exemplary job fair support
- Vocational rehabilitation marketing (Note: This is an example of how awards criteria may foster partnerships, since vocational rehabilitation specialists often work with or rely upon assistance from DVOP or LVER staff.)
- Direct marketing to employers
- Exceptional performance beyond job requirements or outside of established performance goals
- Ideas that are implemented to improve the system, improve performance, reduce time or cost, or to promote collaboration
- Performance measures (Note: must reflect the given performance period)
- Outreach/community relations efforts, e.g., Chambers of Commerce, employers
- Generation of positive publicity for a local office
- Increase awareness of relevant issues within the employer community
- Enhancement of on-the-job training, customized job training, or compensated work therapy
- Efforts to assist hard-to-place populations (e.g., veterans experiencing homelessness)
- Collaborative success in providing all services to veterans, which may include success in employer relations and “great customer service” to veteran clients
- Other pre-defined achievements or measures

Acceptable Awards

Where state laws and union agreements permit, states should distribute cash awards to individuals. The size of the cash award should be sufficient to recognize and incentivize excellence or demonstratable improvements in employment, training, and placement services to veterans.

If a state has laws, policies, or agreements in place that restrict or prohibit recognition of individual staff with cash awards, the state may avail itself of the flexibility the law provides to make cash awards to employment service offices.

As permitted by 38 U.S.C. § 4112(b), states may also provide nonfinancial awards as specified by the Secretary of Labor. As stated above, nonfinancial awards **cannot** be charged to the one percent performance incentive cash award allocation and must instead be charged to the appropriate cost categories of the state’s annual JVSG base allocation.

Sample Nonfinancial Incentive Awards

Non-financial incentives that states may consider including in their incentive award programs includes but is not limited to:

- Employee recognition plaque/certificate
- Travel and accommodations to a professional conference that would not typically be offered to an individual staff person
- Lunch with the State Administrator
- Training/academic/conference/seminar scholarship (e.g., management training, postgraduate study, certification, course of choice)
- Shadow box display/encased flag

Any nonfinancial awards must be allowable in accordance with the terms and conditions of the grant, including its references such as [2 C.F.R. Part 200](#). These are intended to be examples to assist states in developing the most appropriate format for their performance incentive award program.

Incentive Award Plan Content

All states must include plans for performance incentive cash award programs in their JVSG State Plan, in accordance with VPL 01-24 Attachment #1, JVSG State Plan Required Components and Guidance.

The state's performance incentive award program to encourage individuals and/or offices to improve and/or achieve excellence in the provision of services to veterans must describe:

1. The nomination and selection process for all performance incentive awards to individuals and/or offices;

Describe how award recipients will be nominated and selected, such as the period when nominations are open and the target date by which selections will be made each year. Identify the specific criteria to be considered, and list who will be eligible for awards in your state.

2. The approximate number and value of cash awards using the one percent incentive award allocation;

The narrative must describe the planned cash incentive awards, including the amounts to be awarded to each type or category of recipient. This may include awards for individuals versus offices, different office sizes, or award “levels” such as bronze/silver/gold.

For example: A state that receives approximately \$6,000 for cash incentive awards each year might indicate that it will distribute the funds as two Silver Service Awards to two individuals for \$500 each; one Gold Star Award for \$1,000; one Platinum Success Award for \$2,000; and one Superlative Office Award to an AJC for \$2,000.

The annual allocation, number of nominees, and performance to be rewarded may vary, so the plan should include estimated number of awards and approximate values of each award. Since these are planned estimates of awards, for the example above, an acceptable variation for the actual award distribution may be one Silver for \$750, two Golds for \$1,500 each, and a Superlative Office Award for \$2,250.

3. The general nature and approximate value of non-cash performance incentive awards to be charged to the base allocation; and

If the state's performance incentive award plan includes any nonfinancial awards, describe the items or services to be purchased, including the estimated total amount, to be charged to the base allocation rather than the one percent incentive allocation.

For example: Continuing the example for cash performance incentive awards above, the state deems that a plaque is needed to showcase any Gold, Platinum, and Superlative Office award types. In this case, they might budget two plaques for \$75 each (one Gold and one Platinum) and one plaque for \$125 for the Superlative Office Award winner to hang in the lobby area. This is a total of \$275 to be charged to the base allocation of the grant.

4. Any challenges the state may anticipate to carrying out a performance incentive award program as mandated by 38 U.S.C. § 4102A(c). This should include any state laws or policies that prohibit such awards, if applicable. Describe the state's efforts in overcoming those challenges.

Per 38 U.S.C. § 4102A(c)(2)(A)(i)(III), a state must describe its performance incentive award program in its JVSG State Plan, and per 38 U.S.C. § 4102A(c)(7), a state must set aside one percent of its annual JVSG funds to make cash awards under its performance incentive award program. Accordingly, a state's performance incentive award program must provide for cash awards. If a state has laws, policies, or agreements in place that restrict or prohibit making cash awards to individual staff members, it may avail itself of the flexibility the law provides to make cash awards to employment service offices.

If a state is unable to meet those statutory requirements, they must explain the reason for this, citing the law or policy if applicable, and describe their efforts to establish a compliant performance incentive award program. These efforts should include working with their assigned GOTR for technical assistance.

Incentive Award Plan Modification and Approval

If the state anticipates a significant deviation from their approved incentive award plan, they may submit a state plan modification at any time following the same process as outlined in Attachment #3, JVSG State Plan Modification TAG. The TAG also describes how states will be notified of approval of any modification.

An example of a "significant deviation" that requires prior approval would include a change from individual awards to office awards. On the other hand, an example of a change that would

not require a modification would be a small change in the number of awards distributed (e.g., increase from 10 to 13 awards). States should work with their GOTR to determine if the change requires a modification to the plan.

Because incentive awards must be obligated by the end of the fourth quarter of the award's fiscal year (see [VPL 03-22](#) or most current guidance), the state should submit incentive award plan modifications as early as possible so that VETS has sufficient time to review and approve the request.

Expending and Reporting

States with approved performance incentive award plans must **obligate** cash incentive award funds by September 30 of each year and **liquidate** these obligations by December 31 of the same year. Any unspent incentive award funding will be de-obligated during the grant closeout of the applicable fiscal year. **No other use of cash incentive award funds is allowable.**

VETS may impose a minimum account threshold on grantee payment accounts after the end of the fourth quarter to help ensure that unobligated incentive award funds are not inadvertently used for any other purpose.

The JVSG base allocation (i.e., the 99 percent of the state's annual JVSG allocation that does not include the 1 percent incentive award allocation) must be expended on a first-in, first-out basis in accordance with the [JVSG Special Grant Provisions](#).

States must provide an annual performance incentive award report along with the fourth quarter report (due by November 14 each year) detailing all incentive awards made to individuals and to offices by:

- a. Identifying all individual staff award recipients by name and title;
- b. Identifying all office recipients by office name, location, and type of office; and
- c. Including the cash amount of each award that is funded by the incentive award allocation, and a description and value of each non-financial award that is funded by the base allocation, if applicable.

For more information about reporting on incentive awards, please see the current [JVSG Special Grant Provisions](#), [VPL 03-22](#), or the latest guidance on JVSG quarterly reports.

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Constitution Avenue, N.W., Washington, D.C., 20210; via phone at 202-693-4700; via fax at 202-693-4755; or via email at JVSG@dol.gov.

Appendix A: Common Terminology

Employment Service Office – An American Job Center operated by state workforce agencies or offices that contract with state, regional, or local workforce development boards; also, other agencies identified in Section 121(b)(2)(B) of WIOA that provide services to veterans.

Fiscal Year (FY) – For federal government purposes, any 12-month period beginning on October 1 and ending on September 30. JVSG funds are appropriated, allocated, and federally administered on a FY basis.

Program Year (PY) – The 12-month period beginning July 1 and ending June 30 of the following year. States are required to administer their JVSG State Plans and performance on a PY basis.

State Plan/Four-Year Plan – Required plan under WIOA outlining the four-year workforce development strategy for each state’s workforce development system.

Workforce Innovation and Opportunity Act (WIOA) – Signed into law on July 22, 2014, WIOA is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. WIOA supersedes Titles I and II of the Workforce Investment Act of 1998 (WIA) and amends the Wagner-Peyser Act and the Rehabilitation Act of 1973.

Appendix B: References and Documentation

[VPL 03-22](#), Jobs for Veterans State Grant Recurring Reports and Forms

[2 C.F.R. Part 200](#)

[38 U.S.C. § 4102A\(c\)](#)

[38 U.S.C. § 4112](#)