

JVSG Incentive Award Plan TAG

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

VPL 01-22 Attachment #5

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Introduction

This Technical Assistance Guide (TAG) will help states to plan and implement performance incentive award activities. The Veterans' Program Letter (VPL) to which this TAG is attached supersedes VPL 04-19 effective immediately.

To receive Jobs for Veterans State Grant (JVSG) funds, a state must design 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 performance incentive cash awards for eligible employees or employment service offices.

Note: 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

Title 38 U.S.C. § 4112 grants states the authority to administer performance incentive cash awards to eligible employees and employment service offices using designated incentive award funds, and to administer nonfinancial awards using base allocation funds according to criteria established by the Secretary of Labor.

Eligible recipients for performance incentive awards include:

- 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 under the Workforce Innovation and Opportunity Act (WIOA), including labor exchanges funded by the Wagner-Peyser Act; and
- An employment service team or office.

States are strongly encouraged to use discretion when deciding whether a performance incentive award should be presented to an entire office rather than select individuals serving a common function within an office. Awards to offices should be reserved for instances where most, if not

all, employees in an office contribute to improving employment or training services offered and provided to veterans.

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

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

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 individuals 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 of employment services to veterans by JVSG-funded staff, AJC staff, and AJC partner staff. 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: If used, 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.

However, some states have laws, policies, or agreements in place that restrict or prohibit recognition of individual staff with cash awards. These states may avail themselves 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 for 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

The following is a non-exhaustive list of non-financial incentives that states may consider including in their incentive award programs.

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

- Personal services (e.g., coffee, bottled water delivery, fruits/flowers of the month, health club membership)
- Paid parking
- 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 CFR 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 01-22 Attachment #1, JVSG State Plan Required Components and Guidance.

Incentive award plans must address each of the following elements.

A. Address the objectives to be achieved through the state’s incentive awards program.

Describe how the state’s incentive award program will encourage individuals and/or offices to achieve excellence in the provision of services to veterans and/or to demonstrate improvements to the system for the delivery of such services.

B. Describe the planned selection and award process.

Describe how award recipients will be selected, identify the general criteria to be considered, and describe how the award process will be inclusive of the full spectrum of DOL employment- and training-related programs and non-federal partners.

C. Describe the planned disbursement of incentive award funds.

The narrative must identify the entity within the state that will administer the funds. It must also describe the planned cash incentive awards, including the amounts to be awarded and to whom, and if applicable, the nonfinancial award items using base funds, and identify the total approximate amount of the designated funding.

For example, a state that receives approximately \$5,000 for cash incentive awards each year and that wished to distribute recognition plaques with the award might indicate that it will distribute the funds as five cash awards of \$1,000 each, or as four office awards for \$1,250 each, and that it additionally plans to purchase one plaque for each awardee at \$75 each for a total of \$375 charged to the base allocation.

States with varying “levels” of awards must describe the award levels along with the approximate number of levels and amount of each.

For example, a state that receives approximately \$5,000 for cash incentives each year might indicate that one Platinum Award winner will receive \$1,000; three

Gold Award winners will receive \$750 each; and the remaining \$1,750 will be divided among the five Silver Award winners. Additionally, the state could indicate that the Platinum Award winner will receive a personalized U.S. flag in a shadowbox worth \$100, and the Gold Awardees will each receive a plaque worth \$50, for a total of \$250 charged to the base allocation.

Dollar amounts and numbers of award recipients in the incentive award plan will be interpreted as approximations only. Significant deviations from the plan must be pre-approved, but VETS understands that, since the exact grant amount varies from year to year, and since the number of award nominees may fluctuate, reasonable flexibility is needed in order for the incentive award plan to cover the entire four-year period of the JVSG State Plan.

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 use 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. As noted above, states that have laws, policies, or agreements in place that restrict or prohibit making cash awards to individual staff members may avail themselves of the flexibility the law provides to make cash awards to employment service offices. Any state whose performance incentive plan does not include cash awards must explain its reason for the omission in the narrative, such as including the specific reference to the state's law, policy, or agreements that form the state's basis for omitting cash awards. These states should contact their Grant Officer's Technical Representative (GOTR) to seek assistance in designing a performance incentive award program that complies with the cash award requirement.

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 VPL 01-22 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 07-19](#) 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** incentive award funds by September 30th of each year and **liquidate** these obligations by December 31st 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 incentive award funds is allowable.**

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, 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 07-19](#), or the latest guidance on JVSG quarterly reports.

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; and other agencies identified in Section 121(b)(2)(B) of WIOA that provide services to veterans.

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

Program Year – The 12-month period beginning July 1st and ending on June 30th 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 07-19](#), Jobs for Veterans State Grant Recurring Report Requirements

[2 CFR Part 200](#)

[38 U.S.C. § 4102A\(c\)](#)

[38 U.S.C. § 4112](#)