

**FREQUENTLY ASKED QUESTIONS
AND
CLARIFICATION OF
MONETARY AWARDS AND BONUS DISTRIBUTION
FOR FISCAL YEAR 2017**

1. What is CARA and why does it impact VA's awards and bonuses?

The Comprehensive Addiction and Recovery Act of 2016 (CARA), which was passed by Congress and signed by the President in July 2016, identified programs and services that VA needs to establish in order to address substance abuse and recovery by Veteran patients. Per the Conference Report, "this provision [in the law related to awards and bonuses] limits the amounts of funds available for payment as bonuses and awards and directs those amounts now available within the budget toward the payment for the programs and services directed" under CARA.

2. How does OPM and OMB's award limitations for FY 2017 impact the VA?

VA is directed to not exceed the limitations imposed by OPM and OMB or CARA. Subsequently, the budget limitation imposed by CARA for FY 2017 is the lesser amount, and VA must adhere to this amount, versus the limitation imposed by OPM and OMB.

3. Is the moratorium on awards that was imposed via email by the VA Chief of Staff on October 7 and 14, 2016, lifted as a result of this memorandum?

Yes. The moratorium has been lifted, but VA is required to adhere to the budget limits established by CARA. Therefore, all award spending will have to be carefully monitored to ensure that the award limitations are not exceeded. The Administrations/Staff Offices are currently working on how the award budgets will be distributed within their respective organizations.

4. Can facilities authorize the payment of other awards besides individual special contribution and superior performance awards?

Yes. **All** awards, bonuses and step increases are covered by the award limitations imposed by CARA. The amounts must be tracked and deducted from the award budgets distributed to the Administrations/Staff Offices. These awards include, but are not limited to:

- superior performance awards;
- individual and group special contribution awards;

- recruitment, retention and relocation incentives (3Rs);
- on-the spot awards;
- suggestion awards;
- gain-sharing/productivity awards;
- referral awards;
- travel savings award;
- awards of rank in SES, SL, and ST;
- cash awards for specialty certification for RNs and CRNAs,
- exemplary job performance and exemplary job achievement for RNs and CRNAs;
- quality step increases;
- special advancements for performance; and
- special advancements for achievement.

5. Given the award limitations, is the Veterans Health Administration (VHA) required to pay RNs and CRNAs cash awards based upon attainment of specialty certification?

Yes. If the criteria for the award, as outlined in VA Handbook 5017, Part V, Paragraph 8(b) is met, the agency is obligated to pay the RN or CRNA a cash award in accordance with 38 U.S.C. 7452(b)(1)(A). These awards payments must be deducted from the award budgets distributed to VHA.

6. In order to ensure that spending levels are met, can award approving officials decide not to authorize the payment of certain awards?

Yes. All awards are discretionary, *with the exception of the award described in Question 5 above*. Therefore, with the exception of a cash award to RNs and CRNAs for attainment of specialty certification, Administrations/Staff Offices and award approving officials have the authority to decide that a type of award or particular award will not be paid.

**Distribution of Cash Awards and Bonuses* for FY 2017
(excluding the 3Rs)**

Organization	Cost Centers	FY 2017 Awards Limitations
Office of Acquisition, Logistics and Construction	6XXX&1102	779,732
Board of Veterans' Appeals	1105	389,350
Office of Congressional and Legislative Affairs	25XX	22, 831
Office of Human Resources and Administration	14XX-16XX	396,601
Office of Information and Technology	19XX	4,120,418
National Cemetery Administration	5XXX	581,340
Office of General Counsel	12XX	405,294
Office of Management	18XX	384,211
Office of the Secretary	11XX	49,895
Office of Employment Discrimination Complaint Adjudication	1110	14,816
Office of Enterprise Integration	13XX	65,422
Office of Veterans Experience	13XX	45,873
Office of Public and Intergovernmental Affairs	17XX	40,602
Office of Operations, Security and Preparedness	29XX	103,707
Office of Small and Disadvantaged Business Utilization	6290 & 6291	24,928
Veterans Benefits Administration	3XXX	8,621,305
Veterans Health Administration	7XXX-8XXX	140,041,875
Total		\$156,088,200

SES 2017 Award Pool

\$1,911,800

3Rs – See Attachment B for Distribution

\$72,000,000

Statutory Award Cap

\$230,000,000**

*Awards, bonuses and step increases include, but are not limited to: Superior performance awards; individual and group special contribution awards; on-the spot awards; suggestion awards; gain-sharing/productivity awards; referral awards; travel savings award; awards of rank in SES, SL, and ST; cash awards for specialty certification for RNs and CRNAs, exemplary job performance and exemplary job achievement for RNs and CRNAs, quality step increases; special advancements for performance; and special advancements for achievement.

** The statutory award cap of \$230 million is pursuant to section 951 of the Comprehensive Addiction and Recovery Act of 2016, (CARA, Public Law 114-198)

Distribution of Recruitment, Relocation and Retention Bonuses (3Rs) for FY 2017

Organization	Cost Centers	FY 2017 Awards Limitations
Veterans Health Administration	7XXX-8XXX	71,709,828
Veterans Benefits Administration	3XXX	19,941
National Cemetery Administration	5XXX	6,171
Staff Offices ***	6XXX&1102	264,058
Total		\$72,000,000

SES 2017 Award Pool	\$1,911,800
Cash Awards and Bonuses – See Attachment A for Distribution	<u>\$156,088,200</u>
Statutory Award Cap	\$230,000,000

*** Staff Offices include Office of Acquisition, Logistics and Construction, Board of Veterans' Appeals, Office of Congressional and Legislative Affairs, Office of Human Resources and Administration, Office of Information and Technology, Office of General Counsel, Office of Management, Office of the Secretary, Office of Employment Discrimination Complaint Adjudication, Office of Enterprise Integration, Office of Veterans Experience, Office of Public and Intergovernmental Affairs, Office of Operations, Security and Preparedness, and Office of Small and Disadvantaged Business Utilization.