

EMPLOYEE SUGGESTION AWARDS PROGRAM

Policies, Requirements and Guidelines

APPLICABILITY: All State employees, except those classified as temporary, shall be eligible to make suggestions or be nominated for recognition of a suggestion.

AUTHORITY: ORS 182.320-182.360

DEFINITIONS: Commission: Employee Suggestion Awards Commission

(A) Statement of Policy

It is in the public interest to provide a program to encourage and reward employees who submit suggestions that will improve efficiency and effectiveness in government agencies and programs.

(B) Requirements and Guidelines

(1) Commission

- (a) The Commission shall consist of seven members appointed by the Governor. Four members shall constitute a quorum. Two members shall be public employees as defined in ORS 243.650(19).
- (b) The term of office shall be three years. Members may be re-appointed. Members shall serve at the pleasure of the Governor.
- (c) Members shall annually elect one member as Chair.
- (d) Members shall serve without compensation.

(2) Duties of the Commission

- (a) The Commission shall meet monthly, or as required by the Chair.
- (b) Members shall establish policies and guidelines to administer the program.
- (c) Members shall determine whether suggestions shall be approved, whether awards shall be made, type of awards and presentation of awards. Members may review any determination.
- (d) The Commission will identify and encourage implementation of suggestions that have statewide and interagency impact.

(3) Expenses and Operation of the Suggestion Program

- (a) Administrative expenses shall be budgeted with operating expenses of the Department of Administrative Services Human Resource Services Division (the operating division) under ORS 240.165.
- (b) Awards not resulting in a cash savings and bonus awards for statewide applicability shall be added to the expenses of the operating division (e.g., cost avoidance, morale, safety and customer service).
- (c) An agency realizing cash savings from an implemented suggestion shall pay the award.
- (d) For a suggestion identifying multiagency effect, the Commission shall determine the portion of the award total to be contributed by each agency based on the relative cash savings. If a suggestion is determined by the Commission to have multiagency or statewide applicability, the Commission shall authorize payment of a statewide applicability bonus award from the funds available under the operating division.
- (e) Ideas become the property of the state of Oregon and the Employee Suggestion Awards Program. Therefore, a subsequent adoption by another agency or at another location is a benefit to the state and shall not result in additional award to the Suggester with the exception of the statewide applicability bonus when the Commission determines that the suggestion merits this bonus award at the time of adoption.
- (f) The Statewide Suggestion Coordinator shall prepare quarterly reports, as well as an annual evaluation, of suggestion activity at individual agencies and publicize and promote suggestions determined by the Commission to have multiagency or statewide applicability.

(4) State Agency Appointment of Agency Suggestion Coordinator

- (a) An agency shall appoint a suggestion coordinator.
- (b) An agency suggestion coordinator shall be responsible for development and promotion of the program within the agency.
- (c) An agency suggestion coordinator shall facilitate the suggestion process.
- (d) Agency suggestion coordinators are strongly encouraged to attend as many Commission meetings as possible so as to act as an agency liaison to the Commission.

(5) Eligible Suggestions

- (a) An eligible suggestion shall promote economy and efficiency in state government.
- (b) The Commission requires agencies to certify the Suggester's eligibility based on known job duties.
- (c) An eligible suggestion might:
 - (A) eliminate useless operations, duplications, or safety hazards;
 - (B) improve methods, procedures, product quality, service, working conditions, tools, material handling, security, safety, departmental layouts, or work flow;
 - (C) increase productivity, employee motivation, or life of tools and equipment;
 - (D) propose new services or new methods;
 - (E) reclaim defective materials or scrap;
 - (F) reduce equipment, errors, working space, steps, or waste; or
 - (G) save time, materials, labor, energy, or money.

(6) Determination of Ineligible Suggestions

A suggestion must not only call attention to a problem, but it must also include a proposed solution to receive an award. Vague or overly general suggestions shall be returned to the employee for elaboration/completion. A suggestion shall be determined ineligible for any of the following reasons:

- (a) a suggestion which represents a part of the normal duties over which the employee has the authority to make change;
- (b) a suggestion by an employee whose duties are research or planning, unless unrelated to the normal work assignment;
- (c) a suggestion which requires legislative action or Executive Order to implement (outside of Agency's statutory authority to implement);
- (d) a suggestion made by a member of the Commission or the Statewide Suggestion Coordinator;

- (e) a suggestion submitted after the idea is implemented unless the Suggester's idea can be verified as the catalyst for the idea and the suggestion is submitted within six months of implementation;
- (f) a suggestion that is currently under active consideration;
- (g) a suggestion relating to salary, promotion, position, classification, personnel grievance, criticism of other employees or work conditions, or collective bargaining; or
- (h) a suggestion by an implementation team/individual given the authority to implement an adopted suggestion.

(7) Processing and Review of Employee Suggestions

- (a) A suggestion shall be submitted on a Suggestion Application Form and sent to the Statewide Suggestion Coordinator.
- (b) A Suggestion Application Form shall be sent to the appropriate agency suggestion coordinator for an evaluation of eligibility and comment on the merits of the suggestion. A turnaround time of six weeks shall be assigned to each suggestion. The agency suggestion coordinator shall notify the Suggester of the suggestion's status if the evaluation takes longer than six weeks.
- (c) There is a two-year maximum evaluation period from date suggestion is received by Commission. The suggestion will be closed as non-adopt if no response is received by the end of the two years. The employee(s) may re-submit. Extension requests from agency require the Statewide Suggestion Coordinator's approval.
- (d) A suggestion determined eligible by the agency for implementation shall be reviewed by the Commission.
- (e) A suggestion adopted by the Commission has a two-year maximum implementation period. The suggestion will be closed at the end of the two years if no response is received. Extension requests from agency require the Statewide Suggestion Coordinator's approval.
- (f) A suggestion determined ineligible shall be returned to the Suggester.
- (g) If identical or similar suggestions are received, the suggestion received first shall receive preference. If received the same day, the award shall be divided equally among those signing the Suggestion Application Forms.
- (h) Employees signing the same Suggestion Application Form shall equally share the award if implemented.

- (i) A congratulatory letter will be sent to the Suggester of an adopted suggestion with a copy to the head of the agency. Notification will be sent to the agency suggestion coordinator of the implementing agency for verification of savings.
- (j) When an adopted suggestion serves to call attention to the need to enforce existing policy, no award will be granted. A letter of commendation will be sent to the Suggester. The agency administrator will also be notified.

(8) Processing and Review of Management Nominations

- (a) A suggestion that meets all requirements outlined under section 5 of this policy may be submitted by a manager or supervisor on a Management Nomination Form.
- (b) The Management Nomination Form shall be sent to the Statewide Suggestion Coordinator for an evaluation of eligibility within six months of implementation. The Statewide Suggestion Coordinator shall contact the agency suggestion coordinator for assistance in determining eligibility.
- (c) There is a 30-day maximum period from date a nomination is received by Commission for eligibility determination. Extension requests from agency require the Statewide Suggestion Coordinator's approval.
- (d) A nomination determined eligible shall be reviewed by the Commission.
- (e) A suggestion receiving a nomination and adopted by the Commission has a two-year maximum implementation period from the date of the nomination. The suggestion will be closed at the end of the two years if no response is received. Extension requests from Nominator require the Statewide Suggestion Coordinator's approval.
- (f) Ineligible nominations shall be returned to the Nominator with an explanation of why the nomination is ineligible.
- (g) If nominations for recognition of identical or similar suggestions are received, the nomination form received first shall receive preference. If received the same day, the award shall be divided equally among those nominated for recognition.
- (h) Employees nominated on the same Management Nomination Form shall equally share the award if implemented and approved by the Commission.
- (i) A congratulatory letter will be sent to the employee receiving recognition for an adopted suggestion with a copy to the head of the agency. Notification will be sent to the agency suggestion coordinator of the implementing agency for verification of savings.

- (j) When a Management Nomination Form recognizes an employee who called attention to the need to enforce existing policy, no award will be granted. A letter of commendation will be sent to the Employee. The agency administrator will also be notified.

(9) Determination of Adopted Suggestions or Nominations Closed for Non-implementation

- (a) If an adopted suggestion or nomination is closed due to non-implementation and is subsequently implemented within two years of closure, the Suggester/nominated employee shall be given credit for the savings if there is a causal relationship between the suggestion and an agency's implementation of the idea. An individual Suggester/nominated employee shall be expected to monitor his or her own ideas for implementation.
- (b) A Suggester or nominator may resubmit to the Commission a suggestion/nomination closed due to non-implementation.

(10) Determination for Non-Adopt Suggestions

If a non-adopted suggestion or nomination is subsequently adopted within two years of the non-adopt decision, the original Suggester/nominated employee shall be given credit for the idea if there is a causal relationship between the suggestion and an agency's implementation of the idea. An individual Suggester/nominated employee shall be expected to monitor his or her own ideas after the suggestion has been a non-adopt by the Commission.

(11) Awards

- (a) The Commission shall determine all awards.
 - (A) Where no cash savings or cost avoidance results, an award other than cash shall be awarded, e.g., certificate, modest award, or other award determined by the Commission.
 - (B) When cash savings are found, a cash award shall be granted. Cash awards shall be based on the net savings realized from the agency(ies) identified on the original Suggestion Application Form. Cash awards shall be 10 percent for hard cash savings and 5 percent for cost avoidance savings. The minimum cash award shall be \$50 and shall not exceed a maximum of \$5,000 per suggestion.
 - (C) Where a cash award is applicable, such award shall be made after the suggestion has been successfully implemented. A cash award shall be based on savings calculated and verified by the implementing agency(ies).
 - (D) Suggestion awards should be granted to Suggesters who have left state service if the suggestion was submitted before resignation/retirement.

- (E) Cash awards and non-cash awards will be granted for adopted suggestions resulting in a revenue increase (other than those resulting from a fee or tax increase).
 - (F) Suggestions that only offset funds but make no overall savings in agency appropriations or expenditure limitations are not eligible for cash awards. These suggestions, however, are eligible for non-cash awards.
 - (G) Suggestions resulting in savings in Oregon funds as a result of the transfer of costs to any other legal entity (i.e., federal, county, and local) are not eligible for cash awards. These suggestions, however, are eligible for non-cash awards.
 - (H) Each agency is responsible for making cash awards where one agency can be identified as a principal beneficiary of a suggestion. Agency management personnel are responsible for getting federal clearance for making a cash award if their funding is by the federal government.
 - (I) If the Commission determines an adopted suggestion has statewide or multiagency applicability, a cash bonus shall be given. Statewide applicability bonuses shall be 25 percent of the original cash award up to a maximum of \$1,000, or shall make the Suggester eligible for an additional non-cash award category.
 - (J) If an implementation team/individual expands an idea beyond the original adopted suggestion, the Suggester's award shall be based solely on savings resulting from the original adopted suggestion (if able to determine), and the implementation team/individual is not eligible for any portion of the award associated with the savings. However, agencies are encouraged to recognize implementation teams/individuals who make such improvements to the original adopted suggestion.
- (b) Savings shall be calculated and verified by the implementing agency.
- (A) Savings shall be calculated based on a one-year verification period after implementation, or a verification period as otherwise recommended by the agency evaluator and approved by the Commission.
 - (B) Start-up costs will be averaged over two years. Thus, one-half of the implementation cost will be charged to the first two-year implementation calculation. (Net savings = gross annual savings (or average annual savings during approved long-term verification period), less 1/2 of implementation cost.)

- (C) The full amount of implementation cost will be subtracted from the gross savings for suggestions that result in one-time-only savings.
- (D) The cost of suggestion investigation/evaluation will not be included as an implementation cost.

(12) Appeal Rights

The Commission shall make the final determination as to whether an employee suggestion award will be made, allowing the following appeal opportunities:

- (a) A Suggester, nominator, or agency suggestion coordinator may appeal the Statewide Suggestion Coordinator's decision on granting extensions to timelines for processing suggestions outlined under sections 7 and 8 of these Policies, Requirements and Guidelines within 30 days of the date on the notification of closure.
- (b) A Suggester may appeal a non-adopt decision within one year of the Commission's original non-adopt decision.
- (c) A nominator may appeal a non-adopt decision to the Commission within one year of the Commission's original non-adopt decision.
- (d) A Suggester may appeal an award decision within 30 calendar days of receipt of the award.

Approved by the Employee Suggestion Awards Commission effective: November 22, 2005

Employee Suggestion Awards Commission Chair

Date