

**OPM 01-68**

**DATE:** October 31, 2001

**TO:** All Appointing Authorities

**FROM:** Oscar B. Jackson, Jr., Administrator and  
Cabinet Secretary of Human Resources

**RE: Employee Recognition Programs**

Enrolled House Bill 1332 (2001) authorizes state agencies to establish employee productivity programs to enable employees to make recommendations to improve productivity or reduce agency service costs and recognize employees whose recommendations lead to improved productivity or agency cost savings. Productivity awards given pursuant to HB 1332 are limited to distinctive wearing apparel, service pins, or United States Savings Bonds, the value of which may not exceed \$100 per employee per award. Appointing Authorities may establish such programs on or after November 1, 2001, without the approval of the Office of Personnel Management (OPM).

Enrolled Senate Bill 571 (2001) directs the Office of Personnel Management to establish an employee performance recognition program to reward exceptional performance or other significant contributions to the employing agency. The program will be established via emergency rules, which are currently in development. The awards may be presented at a formal or informal ceremony or banquet; however, based on information from the Office of the Attorney General and the Office of State Finance, the ceremony or banquet may not be financed with public funds. State agencies may not establish employee performance recognition programs pursuant to SB 571 until OPM's emergency rules are promulgated. Agencies will be notified by All Appointing Authorities Memorandum when the emergency rules are approved.