

Recommendation to the State Administration and Veterans' Affairs Interim Committee  
Regarding the Employee Incentive Award Program Report

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Prepared by Anjenette Schafer, Administrator, State Human Resources Division

The State of Montana Employee Incentive Program is outlined in 2-18-1101 through -1107, MCA, with reporting requirements assigned to the Department of Administration State Human Resources Division. Additionally, ARM Title 2, Chapter 21, Subchapter 67 outlines the employee and nonemployee incentive program requirements with agencies reporting any awards made to the State Human Resources Division.

In the year preceding each regular legislative session, the Department of Administration submits to the State Administration and Veterans' Affairs Interim Committee a list of awards granted, the corresponding savings to the state, and improvements in the effectiveness of state government.

Section 2-18-1106(2), MCA, specifies the amount of awards that may be provided by agency heads: up to \$500, up to 40 hours paid leave time, or other nonmonetary recognition for ideas leading to cost savings or operational improvements. For achievements or outcomes that produce a measurable cost savings actually realized or accurately projected for a period of 12 months following implementation, a larger award may be granted by the agency head, not to exceed amounts specified in 2-18-1106(3)(a), (b), and (c), MCA.

For the fiscal years 2013 and 2014, six awards were provided: four awards were provided in 2013 totaling \$1,050, and two awards were provided in 2014 totaling \$1,300.

Each year the State Human Resources Division spends approximately 10 hours of staff time to collect and compile the reported awards for each fiscal year.

Recommendations to State Administration and Veterans' Affairs Interim Committee

Based on the limited number of staff hours required to prepare the Employee Incentive Awards report, the State Human Resources Division recommends continuing the report of monetary awards required by 2-18-1103(3), MCA.