

Quality Step Increase (QSI) Fact Sheet

Description:

A quality step increase (QSI) is an additional within-grade increase (WGI) used to recognize and reward General Schedule (GS) employees at any grade level who display outstanding performance. A QSI has the effect of moving an employee through the GS pay range faster than by periodic step increases alone.

References:

5 U.S. Code 5336 (Additional Step Increases)

5 CFR part 531, subpart E (Quality Step Increases)

USDA Departmental Regulation, Number 4040-451-1, Part 8, Section B (Awards and Recognition Criteria)

NRCS General Manual 360, Part 414, Section 414.6 C (Quality Step Increase (QSI))

Purpose:

The purpose of a QSI is to provide recognition of sustained high-quality performance and faster-than-normal progression through the step rates of the General Schedule (GS)/General Manager (GM) pay systems. Unlike other forms of recognition, QSI's permanently increase an employee's rate of basic pay.

Eligibility:

To be eligible for a QSI, employees must--

- Be below step 10 of their grade level;
- Have received the highest rating of record available under their performance management program (for appraisal programs that do not include Level 5, Outstanding or equivalent, this includes meeting additional agency-established criteria used to identify an outstanding level of performance);
- Have demonstrated sustained performance of outstanding quality;
- Not have received a QSI within the preceding 52 consecutive calendar weeks; and
- Occupy a "permanent position"

QSI Timing:

5 U.S. Code 5336 (Additional Step Increases): Within the limit of available appropriations and under regulations prescribed by the Office of Personnel Management, the head of each agency may grant additional step-increases in recognition of high quality performance above that

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ordinarily found in the type of position concerned. However, an employee is eligible under this section for only one additional step-increase within any 52-week period.

5 CFR 531.505 (Restrictions for Granting QSIs): As provided by 5 U.S.C. 5336, a quality step increase may not be granted to an employee who has received a quality step increase within the preceding 52 consecutive calendar weeks.

USDA Departmental Regulation 4040-451-1: An employee may not receive a QSI if he/she has received a performance award based in whole or in part on the performance rating of record for the same appraisal cycle.

NRCS General Manual 360, Part 414, Section 414.6 C: A QSI must not be granted if the employee worked less than 9 months in the performance appraisal period. Supervisors and managers may not deliberately delay the processing of a QSI for several months for an employee who does not meet the 52-week requirement. The QSI will be processed promptly after it has been approved in accordance with OPM and departmental policy. QSIs may not always be appropriate or be advantageous to employees, such as if the employee is about to receive a promotion or vacate his or her position.

A QSI does not affect the timing of an employee's next regular within-grade increase, **unless** the QSI places the employee in step 4 or step 7 of his or her grade. In these cases, the employee must complete the full waiting period for the new step, 104 weeks for steps 4-6 or 156 weeks for steps 7-9. However, the time an employee has already waited is not lost; it continues to count towards the waiting period for the next step increase. The QSI provides the employee the benefit of receiving an additional step increase at an earlier date than he or she originally would have without losing any time creditable towards his or her next WGI.

Processing a QSI with Simultaneous Pay Actions:

An agency must first process any general pay adjustments and apply the geographic conversion rule, if applicable, **before** processing a QSI with the same effective date. An agency must process any promotion action **after** processing a QSI with the same effective date.

QSI During Temporary Promotions:

A QSI must be applied to the rate of pay for the position on which the rating of record was based. If the rating of record was based on the employee's performance in the temporary promotion, the QSI must be based on the rate of pay for the temporary position. If the rating of record was based on the employee's performance in the permanent position, the QSI cannot be awarded based on the rate of pay received during the temporary promotion. The employee would receive the QSI after termination of the temporary promotion when the employee returns to the lower-graded position.

NRCS QSI Limitations:

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A QSI must not be granted if the employee worked less than 9 months in the performance appraisal period. Supervisors and managers may not deliberately delay the processing of a QSI for several months for an employee that does not meet the 52-week requirement. The QSI will be processed promptly after it has been approved in accordance with OPM and departmental policy. QSIs may not always be appropriate or be advantageous to employees, such as if the employee is about to receive a promotion or vacate his or her position. Rating officials should consult the P&CS Branch for guidance.

Determining QSI Amounts

To determine the QSI amount for allocation purposes, supervisors should calculate the dollar amount of the current step of the employee and subtract it from the dollar amount of the same grade and preceding step. Example: Jane is a GS-9, Step 9, who is paid at a rate of \$62,022. The rate of pay for a GS-9, Step 10, is \$63,654. The difference between the Step 9 and Step 10 rates of pay is \$1,632. This amount is used for QSI allocation purposes only and is not entered in EmpowHR or on the AD-287-2 form.