

FDA Staff Manual Guides, Volume III – General Administration

Personnel – Incentive Awards

FDA Challenge Coin and Lapel Pin Policy

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1. Purpose

The purpose of this policy is to provide clear guidance on the use of the FDA Challenge Coin, and the FDA Lapel Pin, as part of the FDA personnel awards system, as well as the use of appropriated funds for the purchase, management, and distribution of the FDA Challenge Coin and FAD Lapel Pins. This policy establishes a two-tier recognition system for the FDA Challenge Coin and the FDA Lapel Pin to ensure consistent use of recognition items, uphold federal fiscal law, and promote responsible spending.

2. Background

Generally, challenge coins and lapel pins are considered promotional recognition items governed by appropriations law and HHS policy. The FDA has incorporated the FDA Challenge Coin, and the FDA Lapel Pin, into its formal employee recognition and awards system. As such, the FDA utilizes these items to acknowledge, recognize, and award employee contributions, support workforce engagement, and represent the agency in professional settings.

To ensure consistency and fiscal compliance, FDA adopts a two-tier, on-the-spot award system for the FDA Challenge Coin and the FDA Lapel Pin distinguishing between employee excellence, and general employee recognition.

3. Scope

This policy applies to all FDA Offices, Centers, Programs (COPs), staff, and contractors involved in the request, approval, procurement, management, or distribution of the FDA Challenge Coin and the FDA Lapel Pin purchased with appropriated funds, as well as those challenge coins or lapel pins purchased with private funds.

4. Policy

The FDA Challenge Coins and the FDA Lapel Pins may only be purchased with appropriated funds by the Commissioner (C1), as delegated to the Chief Operating Officer (COO), and only when such purchases (1) comply with the tiered employee recognition and award system described in this policy, and (2) when such purchases comply with the fiscal requirements established in this policy.

No other FDA person, whether they be in the FDA Leadership (henceforth defined for this policy as the Principal Deputy Commissioner (PDC), Chief of Staff (CoS), Chief Operating Officer (COO), and Center, Office, or Program (COP) Director), or other FDA official, may authorize the purchase of FDA Challenge Coins or FDA Lapel Pins using appropriated funds.

FDA employees may create and purchase coins of their personal design using personal funds. These coins may be distributed as desired by the coin owner.

Challenge coins and lapel pins, whether purchased with appropriated funds, or purchased with private funds, may not be given to FDA contractors in recognition for work performed by said contractor while performing work under FDA contract. Recognition of a contractor for other acts of service in line with this two-tiered on-the-spot award system, and outside of the work the contractor performed under contract, is authorized.

5. Recognition Structure, Requirements, and Responsibilities

5.1 Two-Tier Recognition System

5.1.1 Tier 1 – Commissioner’s Recognition for Excellence (The FDA Challenge Coin)

- Is an on-the-spot award.
- Represents the highest level of recognition within this policy.
- Awarded by the Commissioner.
- The Commissioner may delegate authority to award on a per-award basis upon request by the FDA Leadership.
- Awarded for excellence, including exceptional accomplishments or contributions that substantively advance the FDA mission.

5.1.2 Tier 2 – Recognition (Lapel Pin)

- Is an on-the-spot award.
- Represents general recognition for workforce engagement, affiliation, and professional representation. Does not confer the distinction associated with the FDA Challenge Coin.
- May be awarded by the Commissioner.
- May be awarded by the FDA Leadership
- May be awarded by FDA Office Directors.

5.2 Recognition Purpose

- The FDA Challenge Coins and the FDA Lapel Pins must support:
 - The FDA employee recognition and award system.
 - Be an on-the-spot award for employee or team performance.
 - Be aligned with Tier 1 or Tier 2 awards as described in this policy.
 - Be FDA mission-related accomplishments.
- Challenge coins or lapel pins may not be used as souvenirs, giveaways, or personal gifts.

5.3 Documentation Requirements

- The Office of the Commissioner (OC) will record, for each issuance of an FDA Challenge Coin:
 - Name of the recipient
 - Date of issuance
- There is no requirement to record the award of an FDA Lapel Pin.

5.4 Required Approval

- FDA Challenge Coins and FDA Lapel Pins must be procured through official procurement channels
- Purchase of FDA Challenge Coins and FDA Lapel Pins requires authorization by the COO in support of the Commissioner.
- The COO may not further delegate this purchase authority.
- Authorization for procurement must occur before any procurement action.
- Other FDA leadership or staff are not authorized to purchase FDA Challenge Coins or FDA Lapel Pins.
- Other FDA leadership or FDA Office Directors may make recommendations to the COO on purchase quantities based on use.

5.5 Funding Source

- Appropriated funds may be used for the purchase of FDA Challenge Coins and FDA Lapel Pins provided that all other requirements of this policy are followed.

5.6 Challenge Coin and Lapel Pin Distribution and Use

5.6.1 Distribution

- The COO will procure the FDA Challenge Coins and the FDA Lapel Pins.
- The COO will distribute the FDA Challenge Coins to the OC.
- The COO will distribute the FDA Lapel Pins to the OC, the FDA Leadership, and to the FDA Office Directors.
- The OC will accept, store, and account for award of the FDA Challenge Coins as awarded by the C1.
- If FDA Challenge Coins are authorized by the C1 for award by the FDA Leadership, the FDA Leadership will accept, store, and account back to the OC, the award of FDA Challenge Coins.
- The FDA leadership, and FDA Office Directors, will accept, store and account for the receipt of the FDA Lapel Pins.

5.6.2 Replacement

- FDA Challenge Coins and FDA Lapel Pins will not be replaced if lost or damaged.

5.6.3 Authorized Use

Employees may wear lapel pins during:

- Official FDA duties
- Public or stakeholder outreach
- Professional events representing the agency

5.6.4 Procurement & Inventory

- The COO will provide for bulk procurement of the FDA Challenge Coins and the FDA Lapel Pins.
- COO will provide the OC and the FDA Leadership with a template for accounting for the award of the FDA Challenge Coins.

6. Procedures

6.1 Award of an FDA Challenge Coin by the C1

- The C1 may award an FDA Challenge Coin.
- The OC will record the name and date of the award of an FDA Challenge Coin.

6.2 Request for an Award of an FDA Challenge Coin by FDA Leadership

- FDA Leadership may request from C1 the award of an FDA Challenge Coin.
- If approved by C1, the OC will distribute the FDA Challenge Coin(s) to the requesting FDA Leader.
- The OC will record the award of the FDA Challenge Coin.
- The FDA Leader will award the FDA Challenge Coin on behalf of the C1.

- If for any reason the FDA Challenge Coin is not awarded it will be returned to the OC and re-entered into the inventory.
- The COO will create and provide a template for requesting an FDA Challenge Coin award from C1.

6.3 Award of an FDA Lapel Pin

- FDA Leadership, or FDA Office Director, may award FDA Lapel Pins.

6.4 Review and Approval

- C1 approves all FDA Challenge Coin awards.
- C1 may approve FDA Lapel Pin awards issued by the OC.
- FDA Leadership and Office Directors
 - Approve FDA Lapel Pin awards.
 - Request to C1 the award of FDA Challenge Coin awards.
- COO, on behalf of C1, approves procurement of FDA Challenge Coins and FDA Lapel Pins.

6.5 Procurement

- The COO will procure the FDA Challenge Coins and the FDA Lapel Pins in accordance with:
 - FAR
 - HHS procurement policy
 - FDA acquisition procedures
- The COO will decide on the inventory levels based on expected annual consumption.
- Inventory levels may overlap across fiscal years to maintain continuity and avoid breaks in the FDA Challenge Coin and FDA Lapel Pin award system.

6.6 Recordkeeping Requirements

- Offices must maintain records as follows.
 - The COO will maintain records of procurement of the FDA Challenge Coins and the FDA Lapel Pins
 - The COO will maintain records of distribution of the FDA Challenge Coins to the OC.
 - The COO will maintain records of distribution of the FDA Lapel Pins to the FDA Leadership and to the FDA Offices.
 - The OC will maintain records of the award of FDA Challenge Coins through issuance logs with name and date for each FDA Challenge Coin awarded.
 - The FDA Leadership will inform the OC of an award of an FDA Challenge Coin as authorized by C1.
 - No records are required for the distribution of the FDA Lapel Pins.

- Records must comply with FDA and HHS retention requirements.

7. Restrictions

- Appropriated funds may not be used if items are intended as swag, giveaways, or personal gifts.
- FDA Challenge Coins and FDA Lapel Pins are not authorized for award to contractors for the purpose of recognizing and awarding contracted work.
- COO authorization is required prior to purchase of the FDA Challenge Coins and FDA Lapel Pins.
- The financial requirement of a necessary expense test must be met.

8. References

- A. 42 U.S. Code § 238
- B. 5 U.S. Code Chapter 45
- C. 5 U.S. Code Chapter 41
- D. GAO Principles of Federal Appropriations Law
- E. HHS Policy on Promoting Efficient Spending
- F. HHS Policy on Use of Appropriated Funds for Promotional Items
- G. HHS Promoting Efficient Conference Spending Policy

9. Effective Date

The effective date of this guide is March 18, 2026.

10. Document History - SMG 3113.5a, FDA Challenge Coin and Lapel Pin Policy

Status (I,R,C)	Date Approved	Location of Change History	Contact	Approving Official
Initial	07/25/2025	N/A	OO/IO	Dr. Barclay Butler, FDA Deputy Commissioner of Operations, Chief Operating Officer
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