

For: FSA and RMA Employees

FY 2006 End-of-Year Performance Appraisal Guidelines

Approved by: Deputy Administrator, Management



1 Overview

A Background

The FY 2006 performance appraisal period ended September 30, 2006. Supervisors normally provide their employees with performance appraisals within 30 calendar days of the end of the appraisal period.

During FY 2006, most of FSA and RMA transitioned from Pass/Fail performance management systems to 5-tiered performance systems. For these organizations, performance appraisals issued for FY 2006 should be based on the new 5-tiered performance system. However, all Ratings of Record should consider accomplishments over the entire appraisal period of October 1, 2005, through September 30, 2006.

B Purpose

This notice:

- reminds all FSA and RMA employees that the FY 2006 performance appraisal period ended September 30, 2006
- addresses:
 - appraisal requirements
 - documenting performance
 - necessary steps to rate employees
- discusses results of appraisal.

Disposal Date	Distribution
February 1, 2007	All FSA and RMA employees; State Offices relay to County Offices

1 Overview (Continued)

C Labor Relations Obligations

Where exclusive representation exists, bargaining may be requested to the extent allowed by applicable statutes. Where contract language addresses these policies and procedures for bargaining unit employees, contract language prevails.

D Additional Resource

For additional information on rating employees, supervisors and managers may refer to the Performance Management Training taken through AgLearn earlier in 2006. To access this resource:

- log in to AgLearn at www.aglearn.usda.gov
- CLICK “Learning” tab
- CLICK “Learning History”
- locate Performance Management Training and CLICK “Review Online Structure”
- select desired topic to review or CLICK “Resources” to review handouts from the course.

2 Rating Employees

A Appraisal Period and Documentation

The appraisal period starts October 1 of each year and ends September 30 of the following year.

Supervisors shall normally provide their employees with performance appraisals within 30 calendar days of the end of the appraisal period.

The performance appraisal provided at the end of the appraisal period is called the Rating of Record. The Rating of Record covers the entire appraisal period. For information about multiple appraisals feeding into the Rating of Record, see subparagraph 5 B. Ratings of Record shall be prepared:

- in EmpowHR for offices using EmpowHR

Note: The Internet Combined Administrative Management System (I*CAMS) has been changed to EmpowHR.

- on AD-435 for offices **not** using EmpowHR. See Exhibit 1.

Note: Employee input is strongly recommended when preparing the performance appraisal. The final decision, however, shall be made by the employee’s supervisor.

2 Rating Employees (Continued)

B Appraisal Requirements

To rate an employee:

- a performance plan **must** have been established on AD-435A and AD-435B or in EmpowHR
- the employee **must** have been under that performance plan for at least 90 calendar days.

Note: If it has not been 90 calendar days by the end of the appraisal period, the period may be extended to allow for an appraisal to be given.

If employees disagree with their performance plan and refuse to sign it, the supervisor shall note this in AD-435, item 18, or in EmpowHR, “Reviewer Comments” box. The performance plan is still considered valid for rating purposes.

C Critical and Noncritical Elements

Determine what elements in the employee’s performance plan were identified as critical and noncritical. Critical elements cover duties that are essential to the successful performance of the position. Elements linked to Agency goals, the “Equal Opportunity and Civil Rights” element, and the “Supervision” element (for supervisors and managers) **must** be critical. At least 1 element must be noncritical. On the summary rating:

- critical elements will be scored as 2 points
- noncritical elements will be scored as 1 point.

D Properly Rating Employees

An employee’s performance appraisal must be based on accomplishments that align with the expectations established in the employee’s performance plan.

Artificial targets (such as quotas) for performance appraisals should never be used to evaluate employee performance. Performance appraisals must be based on the individual accomplishments of the employee being rated.

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3 Documenting Performance

A Rating of Record and Reduction-in-Force (RIF)

The Rating of Record is the performance appraisal that is issued at the end of the appraisal period and becomes part of the employee's performance file. For Federal employees, annual Ratings of Record are used to establish service credit and retention standing in the event of RIF.

B Obtaining and Completing Performance Appraisals

If using EmpowHR, supervisors shall:

- enter summary ratings in the Manager Self-Service portion of EmpowHR
- review and respond to written comments entered by employees, as applicable
- verify that the employee has entered a checkmark in the box next to "Employee Viewed/Discussed Rating".

Note: For assistance, slides that show supervisor, reviewer, and employee actions for appraisals entered in EmpowHR are located on the FFAS Human Resources website at <http://www.fsa.usda.gov/FSA/hrdapp?area=home&subject=erpm&topic=prm>.

If **not** using EmpowHR, supervisors shall:

- use Microsoft Word versions of AD-435
- complete AD-435 according to the instructions on the form.

Note: AD-435 is available from the FFAS Employee Forms Online Website at <http://165.221.16.90/dam/ffasforms/forms.html>.

C Appraising Elements

The supervisor shall evaluate each performance element and determine which 1 of the following 3 rating levels is most appropriate when comparing the employee's performance with the "Fully Successful" performance standard established for that element.

- **Exceeds Fully Successful:** This level generally describes performance that exceeds the "Fully Successful" standard for the element being evaluated. Employees performing at this level may display initiative, ownership, and/or unusual independence.
- **Meets Fully Successful:** This level generally describes performance of the solid, effective employee whose work meets normal expectations in terms of quality, quantity, and timelines, as outlined in the "Fully Successful" standard.

3 Documenting Performance (Continued)

C Appraising Elements (Continued)

- **Does Not Meet Fully Successful:** This level describes performance that has failed to fulfill the basic expectation for the work.

Note: With assistance from the Servicing Personnel Office (SPO), the rating official **must** prepare a written statement describing the employee's deficiencies for all elements rated at this level. Early identification and correction of poor performance is strongly recommended.

D Summary Ratings

A 5-level summary rating system summarizes the employee's overall performance and is calculated using the description on AD-435. The 5 summary levels are as follows:

- **"Outstanding"** when all appraisal units are rated "Exceeds Fully Successful"
- **"Superior"** when more appraisal units are rated "Exceeds Fully Successful" than "Meets Fully Successful", and no critical element is rated "Does Not Meet Fully Successful"
- **"Fully Successful"** when as many or more appraisal units are rated "Meets Fully Successful" than "Exceeds Fully Successful", and no critical element is rated "Does Not Meet Fully Successful"
- **"Marginal"** when more appraisal units are rated "Does Not Meet Fully Successful" than "Exceeds Fully Successful", and no critical element is rated "Does Not Meet Fully Successful"
- **"Unacceptable"** when 1 or more critical elements are rated "Does Not Meet Fully Successful".

Note: If the "Unacceptable" level occurs, the rating official should contact their SPO for guidance.

E Due Date

EmpowHR processing or AD-435's shall be completed and distributed:

- by October 30, 2006
- according to subparagraph 5 A.

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4 Reviewing Performance

A Supervisor Action

Supervisors using EmpowHR shall review the performance of their employees by:

- comparing the employee's performance of each element with the standards established in the employee's performance plan
- checking the appropriate rating level for each element
- if necessary, obtaining interim ratings from the employee's prior supervisors.

Note: Supervisor of record shall review and ensure correct processing.

Note: For CED, the supervisor of record is the COC Chairperson. Hard copies of CED performance plans entered in EmpowHR must be signed by the COC Chairperson. After a meeting between COC, DD, and CED, DD may then enter the CED's summary appraisal in EmpowHR and print out a hard copy for the COC Chairperson's signature as supervisor. DD shall sign the hard copy as reviewer, and CED shall sign the hard copy as employee. This will complete the official action on the hard copy. The review of summary ratings will be documented in the Executive Session of the COC meeting minutes. Follow through with completion of the appraisal process based on reports to set up in EmpowHR so that the appraisal will transmit to NFC.

Supervisors **not** using EmpowHR shall review the performance of their employees by:

- comparing the employee's performance of each element with the standards established in the employee's performance plan (on AD-435A and AD-435B)
- checking the appropriate rating level for each element
- if necessary, obtaining interim ratings from the employee's prior supervisors
- submitting a copy of the completed performance plan (on AD-435A and AD-435B) with all required signatures to SPO for data load and transmission of the appraisal to NFC.

Notes: Supervisor of record shall review and sign AD-435.

Supervisory employees detailed from their positions of record shall:

- provide input to the new supervisor of record about an employee's performance
- include a recommended rating for each performance element.

4 Reviewing Performance (Continued)

B Accountability for Performance Appraisals

Supervisors using EmpowHR shall ensure that the performance appraisal:

- contains all elements
- designates critical and noncritical elements
- weights are properly assigned, that is 2 points for critical elements and 1 point for noncritical elements
- totals are added correctly
- summary rating is properly designated
- employee has checked the “responsibilities and conduct” box
- has the correct boxes checked
- contains the required signatures.

Supervisors **not** using EmpowHR shall ensure that the performance appraisal:

- contains all elements
- designates critical and noncritical elements
- weights are properly assigned, that is 2 points for critical elements and 1 point for noncritical elements
- totals are added correctly
- summary rating is properly designated
- employee has checked AD-435, item 17
- has the correct boxes checked
- contains the required signatures.

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4 Reviewing Performance (Continued)

C Providing Additional Information

Supervisors shall provide additional documentation for each element rated “Exceeds Fully Successful” or “Does Not Meet Fully Successful” by:

- entering an accomplishment statement in the “Reviewers Comments” box, for offices using EmpowHR
- completing item 10 on AD-435A and AD-435B, for offices **not** using EmpowHR.

D Completing the Performance Appraisal

If using EmpowHR, supervisors shall do the following.

Step	Action
1	Enter the appropriate rating information through the Manager Self-Service portion of EmpowHR. For assistance, slides that show supervisor, reviewer, and employee actions in EmpowHR are available on the FFAS Human Resources website at http://www.fsa.usda.gov/FSA/hrdapp?area=home&subject=erpm&topic=prm .
2	Obtain the reviewing official’s approval. Note: It is strongly recommended that the discussion between the supervisor and the reviewer be on a face-to-face basis. Alternative methods of communication (such as teleconference) may be used if face-to-face communication is not possible.
3	Discuss the approved rating and basis for the rating with the employee.
4	Verify that the employee has entered a checkmark in the box next to “Employee Viewed/Discussed Rating”.
5	Forward the performance plan and the appraisal according to subparagraph 5 A. Hard copies are not required, except for CED’s, but can be printed by the employee or supervisor whenever needed.

If **not** using EmpowHR, supervisors shall do the following.

Step	Action
1	Complete AD-435 by transferring the performance elements and appropriate rating level information from AD-435A and AD-435B.
2	Obtain the reviewing official’s approval on AD-435.
3	Discuss the approved rating and basis for the rating with the employee.
4	Forward AD-435, AD-435A, and AD-435B to HRD or the Kansas City Human Resources Office (KCHRO) according to subparagraph 7 B.

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4 Reviewing Performance (Continued)

E Reviewer Action

Reviewers shall:

- discuss the performance and rating of employees with supervisors
- change the ratings, if appropriate
- do either of the following to certify approval of original or revised ratings:
 - sign AD-435, item 20, for offices **not** using EmpowHR
 - check the “Review Completed” box for offices using EmpowHR
- return AD-435 to the supervisor for distribution according to subparagraph 5 A.

Note: In EmpowHR, the rating will flow electronically back to the supervisor.

F Employee Action

Employees shall:

- do either of the following to certify receipt of the rating:
 - sign AD-435, item 18, for offices **not** using EmpowHR
 - enter a checkmark in the box next to “Employee Viewed/Discussed Rating” for offices using EmpowHR

Note: If the employee refuses to sign the rating, the supervisor shall:

- do either of the following:
 - indicate the refusal on AD-435, item 18, for offices **not** using EmpowHR
 - enter a statement in the “Reviewer Comments” box for offices using EmpowHR
- forward the rating to the appropriate SPO according to subparagraph 7 B.
- complete AD-435, item 17, or appropriate box in EmpowHR for USDA regulations about employees’ responsibilities and conduct.

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5 Distributing Appraisals and Multiple Appraisals

A Distributing Performance Appraisals

Forward the completed performance plan and appraisal to the appropriate SPO by October 30, 2006. For offices using EmpowHR, hard copies of documents are not required, except for CED's. Employees and supervisors can print a copy of their appraisal whenever needed.

For offices **not** using EmpowHR, supervisors shall distribute the completed performance appraisals according to the following table.

Step	Action
1	Forward the original, completed copies of AD-435, AD-435A, and AD-435B to the appropriate SPO by October 30, 2006.
2	Provide the employee with 1 copy of AD-435, AD-435A, and AD-435B.
3	Keep 1 copy of AD-435, AD-435A, and AD-435B for the supervisor's files.

B Multiple Appraisals

The following table provides instructions for performance appraisals for employees detailed or temporarily promoted.

IF the employee...	THEN...
is detailed or has a temporary promotion to other positions in FSA or USDA for 90 calendar days or more	performance plans shall be established. The supervisor responsible for the detail or temporary promotion shall prepare the performance plan and communicate it in writing to the employee within 30 calendar days of the start of the assignment. At the end of the assignment, an interim rating shall be prepared detailing the employee's accomplishments. This shall be considered in deriving the employee's annual Rating of Record. Note: When employees are detailed outside USDA, the employing agency must make a reasonable effort to obtain information on the employee's accomplishments from the outside organization.

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5 Distributing Appraisals and Multiple Appraisals (Continued)

B Multiple Appraisals (Continued)

IF the employee...	THEN...
is detailed or has a temporary promotion to other positions in FSA or USDA for 90 calendar days or less	performance plans are not required. However, a narrative document shall be prepared detailing the employee’s accomplishments. This shall be considered in deriving the employee’s annual Rating of Record. Note: When employees are detailed outside USDA, the employing agency must make a reasonable effort to obtain information on the employee’s accomplishments from the outside organization.
has a change in supervisors during the appraisal period, including while on detail	each supervisor of 90 calendar days or more shall prepare an interim rating detailing the employee’s accomplishments. This shall be considered in deriving the employee’s annual Rating of Record.
has position changes during the appraisal period and has served for 90 calendar days or more in the position	the supervisor shall prepare an interim rating detailing the employee’s accomplishments. This shall be considered in deriving the employee’s annual Rating of Record.
has a transfer of rating (moves to another agency or Department) and has served for 90 calendar days or more in the position	the supervisor shall prepare an interim rating detailing the employee’s accomplishments. This shall be sent to the gaining agency or Department to be considered in deriving the employee’s annual Rating of Record.

6 Monitoring Performance

A “Marginal” Performance

Supervisors shall assist employees in improving summary ratings that are less than “Fully Successful” in a noncritical element. The supervisor shall inform the employee as soon as it is apparent that their summary rating is less than “Fully Successful” and give a reasonable opportunity to demonstrate acceptable performance. The supervisor shall assist the employee by:

- providing closer supervisory review of work
- holding discussions and providing correction of work products
- advising employees when they have achieved “Fully Successful” performance.

A “Marginal” summary rating may result in the denial of a within-grade increase. Supervisors **must** contact their SPO for guidance.

6 Monitoring Performance (Continued)

B “Unacceptable” Performance

Supervisors shall:

- assist employees in improving summary ratings that are less than “Fully Successful” in a critical element
- inform employees in writing as soon as it is apparent that their summary rating is less than “Fully Successful” and give a reasonable opportunity to demonstrate acceptable performance through an Opportunity to Improve (OTI).

OTI provides formal notice to employees that performance is “Unacceptable” and provides employees the opportunity to demonstrate acceptable performance. OTI may include activities like developmental assignments, structured employee assistance or counseling, formal or on-the-job training, and mentoring. Careful records must be kept of the assistance offered and results achieved under OTI. Supervisors should provide the following:

- notification of elements in which performance is “Unacceptable”
- specific examples of the “Unacceptable” performance
- performance requirements or standards that **must** be attained to demonstrate acceptable performance
- a reasonable opportunity period to demonstrate acceptable performance on the elements at issue
- notice that the employee **must** improve to the acceptable level by the conclusion of the opportunity period and **must** sustain that level of performance for at least 1 year from the start of the opportunity period.

Should an employee’s performance again become “Unacceptable” in 1 or more of these critical elements, a performance-based adverse action or other alternative action may be proposed without the benefit of an additional OTI. Supervisors **must** contact their SPO for guidance.

C Prior Administrative Actions

Administrative actions initiated against employees whose performance is “Unacceptable” under 5 U.S.C. 4303, the Performance Management Plan, or another program in existence before the effective date of this program, shall continue to be processed consistent with that pre-established set of procedures and requirements.

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7 Performance Recognition and Additional Information

A Recognizing Performance

Employees receiving summary ratings of “Outstanding” or “Superior” should be considered for recognition. This recognition may take the form of any of the following:

- Quality Step Increase
- Performance Bonus
- Time Off Award
- any other form of recognition.

Note: Recognition is never automatic. External factors, such as budgetary constraints, may affect the availability of certain types of recognition.

B Additional Information

If there are any questions about rating employees, supervisors may contact the appropriate SPO according to the following table.

IF the supervisor is located in...	THEN contact...
<ul style="list-style-type: none">• FSA National Office• RMA (except KC)	Employee Programs Branch, HRD at 202-401-0679 or TTY 202-418-9116.
1 of the following: <ul style="list-style-type: none">• APFO• KCCO• KCAO• State Offices• RMA KC	KCHRO, Human Capital Management Section at 816-926-1630 or TTY 800-735-2966.
County Office	State Office.

Example of AD-435

The following is an example of AD-435 that shall be prepared for offices **not** using EmpowHR.

United States Department of Agriculture Performance Appraisal				1 Social Security No. 123-45-6789	2 Position Number	3 Pay Plan GS	4 Occup. Series 201
5 Name (Last, First, Middle Initial) Farmer, Rose E.				6 Grade/Step or Pay Level 7/3		7 Appraisal Period From 10-1-05 To 9-30-06	
8 Official Position Title Program Technician				9 Organization Structure Code			
10 Duty Station Stafford, VA		11 Funding Unit		12 Agency Use		13 NFC Use	
Instructions:				Blocks 15B, 15C, 15D		Rate actual performance by entering 2 for critical elements and 1 for non-critical elements in appropriate column.	
Blocks 1 through 10		Completed by NFC; should be reviewed and, if necessary, corrected.		Blocks 15E, 15F, 15G		Enter total of each column.	
Block 11		Enter funding unit number.		Block 15H		Enter total from 15E, 15F and 15G.	
Block 14		Enter brief description of performance elements.		Block 16A		Check off the correct summary rating described in decision table (16B).	
Block 15A		Check performance elements identified as critical.		Blocks 17-22		Self-explanatory.	
14 Performance Elements				15A Critical Element (3)	15B Exceeds Fully Successful	15C Meets Fully Successful	15D Does Not Meet Fully Successful
1) Execution of Duties				x	2		
2) Customer Service				x	2		
3) Communications				x		2	
4) Resource Management					1		
5)							
6)							
7)							
8)							
9)							
10)							
16B Decision Table (check off Summary Rating in block 16A)				15E Exceeds		15F Meets	
Rating of Outstanding if 15E equals 15H.				5	2	15G Does Not Meet	
Rating of Unacceptable 1/ if any critical element is rated in 15D.				15H Enter total (15E + 15F + 15G = 15H)			
Rating of Superior if no element is rated in 15D; 15F is greater than zero; and 15E is greater than 15F.				7			
Rating of Marginal 2/ if 15G is greater than 15E and no critical element is rated in 15D.				16A Summary Rating (See Decision Table in 16B) <input type="checkbox"/> Outstanding <input checked="" type="checkbox"/> Superior <input type="checkbox"/> Fully Successful <input type="checkbox"/> Marginal 2/ <input type="checkbox"/> Unacceptable 1/			
Rating of Fully Successful if none of the above apply.							
1/ Unsatisfactory for SES				1/ Unsatisfactory for SES 2/ Minimally Satisfactory for SES			
2/ Minimally Satisfactory for SES							
17 Employee (Check off appropriate box)				If employee did not sign, state reason:			
I have a copy of USDA and Agency regulations on employees responsibilities and conduct; I have discussed them with my supervisor and questions have been answered to my satisfaction. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No							
18 Employee's Signature		Date		20 Reviewer's Signature			
						Date	
(Instructions for resolutions of disputes are on the reverse of employee copy.)				22 FOR SES ONLY			
21 Approving Official's or Funding Unit Manager's Signature (Optional)		Date		PLA to ES		Bonus Amount	

This form electronically designed by USDA-Farm Service Agency (KC).

Form AD-435 (11/86)