

For: RMA Employees

**RMA's Performance Management Program**

Approved by: Administrator, Risk Management Agency



**1 Overview**

**A Background**

It is RMA's policy to maintain a performance management program for improving individual and organizational effectiveness in accomplishing RMA's mission and goals. Beginning with the FY 2008 appraisal period, RMA implemented a performance management program that builds on RMA's former program, and develops and maintains a results-oriented performance culture in RMA. A key implementing system of Human Capital Assessment and Accountability Framework is a results-oriented performance culture. According to OPM, a performance management program **must** effectively differentiate between high and low performance and develop employee performance plans that are aligned with and support organizational goals.

**The following are revised for the FY 2013 performance cycle:**

- Equal Employment Opportunity/Civil Rights (EEO/CR) and Inclusion for all nonsupervisory and supervisory employees
- Personally Identifiable Information (PII) Standard for supervisors and nonsupervisory employees.

**B Purpose**

This notice:

- announces RMA's FY 2013 performance management program
- obsoletes Notice PM-2835.

**C Authorities**

RMA's performance management program is based on 5 U.S.C. 43, 5 CFR Part 430, and DR 4040-430.

<b>Disposal Date</b>	<b>Distribution</b>
October 1, 2013	All RMA employees

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### 1 Overview (Continued)

#### D Coverage

RMA's performance management program applies to all RMA employees nationwide, **except** for:

- individuals in the Senior Executive Service (SES), and Senior-Level (SL) employees
- individuals for which employment is **not** reasonably expected to exceed the minimum appraisal period (90 calendar days) in a consecutive 12-month period

**Note:** Temporary intermittent employees would only be subject to the performance management system if they actually work a continuous 90-calendar day period regardless of the length of their appointment.

- individuals excluded from coverage by statute or by OPM regulation.

#### E Effective Date

RMA's FY 2013 performance management program is effective October 1, 2012.

#### F Action

All supervisors shall ensure that all of their employees' AD-435A's and AD-435B's comply with the provisions of this notice. Any changes that need to be made to bring an employee's AD-435A's and AD-435B's into compliance with this notice shall be completed no later than **October 31, 2012**.

### 2 Responsibilities

#### A Administrator Responsibilities

The Administrator is responsible for the following:

- monitoring program compliance with applicable laws and regulations, Department policies, and collective bargaining agreements
- ensuring program compliance with policy and program direction and administration
- developing and communicating RMA's mission, strategic goals, and objectives to all levels to assist supervisors and managers in developing employee AD-435A's and AD-435B's.

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### 2 Responsibilities (Continued)

#### B Rating Official Responsibilities

Rating officials are responsible for the following:

- determining and communicating the appropriate RMA and USDA mission, goals, objectives, priorities, and relative performance measures and results to employees
- communicating performance expectations clearly and holding employees accountable by establishing individual AD-435A's and AD-435B's and creating a performance culture and environment that promotes a high performing work unit
- engaging employees in the process of establishing and documenting AD-435A's and AD-435B's, providing a written copy of AD-435A's and AD-435B's at the beginning of each appraisal period, no later than 30 calendar days after the beginning of each appraisal period or assignment of an employee to a position, or when AD-435A's and AD-435B's are revised during the appraisal period
- ensuring that each employee's AD-435A's and AD-435B's have at least 1 critical element that is aligned to the mission, goals, and outcomes of RMA and USDA
- monitoring performance during the rating period and providing feedback to employees on their performance, developing employees, and conducting 1 or more progress reviews as provided for in this notice
- preparing performance ratings in a timely manner, making meaningful distinctions among employees based on performance, fostering and rewarding excellent performance, and addressing poor performance.

2 Responsibilities (Continued)

C Reviewing Official Responsibilities

Reviewing officials are responsible for the following:

- managing individual and organizational performance and creating a work culture and environment that promotes a high-performing work unit
- implementing the principles, policies, procedures, and requirements of the performance management program within their span of control
- ensuring that rating officials carry out their performance management responsibilities and assessing the rating official's performance in fulfilling these responsibilities
- reviewing and approving AD-435A's and AD-435B's and ratings of their subordinate rating officials for consistency, fairness, objectivity, and completeness; and to ensure that AD-435A's and AD-435B's reflect the larger organization's overall needs and goals
- ensuring equity and consistency in consideration for awards within their organization
- resolving disagreements between the rating officials and employees.

**Note:** In all discussions, the reviewing official shall make the final decision.

D Employee Responsibilities

Employees are responsible for the following:

- participating in discussions and documentation of their AD-435A's and AD-435B's with their rating official for developing performance elements, standards, and measures; progress reviews; and summary ratings
- ensuring that they have a clear understanding of their performance expectations and how performance relates to the mission of the organization, and requesting clarification if necessary
- taking responsibility to continuously improve performance, support team endeavors, develop professionally, and perform at their full potential
- identifying work problems and cooperating with rating officials to resolve them
- seeking performance feedback from their rating official and internal and external customers as appropriate
- reviewing employee responsibilities and conduct requirements.

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### 2 Responsibilities (Continued)

#### E FSA's HRD Director Responsibilities

FSA's HRD Director is responsible for the following:

- overseeing the performance management program and its results
- periodically evaluating the effectiveness and efficiency of the performance management program.

#### F Servicing Personnel Office (SPO's) Responsibilities

SPO's are responsible for the following:

- providing technical and operational support and advice to the rating and reviewing officials in administering the performance management program in a manner consistent with applicable laws, rules, and regulations
- ensuring that AD-435A's and AD-435B's and ratings of record are maintained in SPO according to 5 CFR Parts 293 and 297
- providing training on the performance management program to all employees.

### 3 Establishing AD-435A's and AD-435B's

#### A Appraisal Period and Documentation

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

AD-435A's and AD-435B's should be:

- established within 30 calendar days of the start of the appraisal period or of an employee's assignment to a position
- reviewed and, if necessary, amended, each time a work assignment changes significantly, up to 90 calendar days before the end of the appraisal period.

Employees **must** be informed of and participate in any changes made to their AD-435A's and AD-435B's.

**Note:** AD-435A and AD-435B are available from the FFAS Employee Forms Online web site at

**<http://fsaintranet.sc.egov.usda.gov/dps/services/downloadhandler.ashx?fileid=632>**.

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### 3 Establishing AD-435A's and AD-435B's (Continued)

#### B Employee Participation

Employee participation is **required** in establishing or revising AD-435A's and AD-435B's. This can be accomplished by whatever method works best for the parties concerned.

**Example:** The supervisor could ask the employee to develop draft AD-435A and AD-435B's for discussion or the supervisor himself/herself could develop draft AD-435A and AD-435B's for discussion. If there are differences between the employee and the supervisor, the final decision shall be made by the reviewing official.

### 4 Elements

#### A Basis

Elements are based on the requirements of the employee's position. Applicable sources for developing elements include position descriptions, work plans, organizational goals and objectives, and any other source that assigns or fixes responsibility for accomplishing work.

#### B Number of Elements

Supervisors shall establish at least 3, but no more than 7, performance elements. See Exhibit 1 for a list of elements from which the 3 to 7 elements can be selected. Other job specific elements may be created, if necessary, in addition to those elements listed in Exhibit 1.

#### C Critical and Noncritical Elements

Supervisors shall determine what elements shall be critical and noncritical. Critical elements cover duties that are essential to the successful performance of the position. Elements aligned with RMA's mission and goals, and for supervisors and managers, the elements titled, "Supervisory Equal Opportunity and Civil Rights", "Customer Service", and "Supervision" **must** be critical. At least 3 elements **must** be critical and 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.

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### 4 Elements (Continued)

#### D Required Elements

The following **critical** elements in Exhibit 1 are **mandatory** for all supervisors and managers:

- “Supervision”
- “Customer Service”
- “Supervisory Equal Opportunity and Civil Rights”.

#### E Revised Equal Employment Opportunity and Civil Rights (EEO/CR) and Inclusion for Nonsupervisors and Supervisors

Separate EEO/CR and Inclusion **critical** elements in Exhibit 1 are both required for nonsupervisors and Supervisors. The following EEO/CR and Inclusion language **must** be built into the element description for:

- Element EEO/CR and Inclusion (Nonsupervisors):

“Performs assignments in manner that demonstrates fairness, cooperation, and respect toward employees and customers. Fosters an inclusive workplace where diversity and individual differences are valued. Leverages diversity to achieve the vision and mission of the organization. Supports and maintains an environment that is free of unlawful discrimination and reprisal”.
- Element EEO/CR and Inclusion (Supervisors):

“Fosters an inclusive workplace where diversity and individual differences are valued and leveraged to achieve the vision and mission of the organization through both personal leadership and appropriate managerial action. Performs in a nondiscriminatory manner that demonstrates behaviors that conform to civil rights and EEO laws, regulations, and policies, including fairness, cooperation, and respect towards employees and customers”.

**Note:** The CR/EEO and Inclusion elements **must** be critical and have at least 3 standards, as follows:

1. Support and participation in Special Emphasis Programs at the Department level and RMA observances. Attend at least 3 EEO/CR activities.
2. Comply with EEO Investigators and EEOC Orders, when requested.
3. Completes annual civil rights training on the required due date as established by the office of Assistant Secretary for Civil Rights or the Agency.

**5 Standards**

**A Basics**

For each element selected, there **must** be at least 3 written standards for measuring performance of the element. Standards **must** be observable, measurable, and attainable by the employee. Standards should be written at the “Meets Fully Successful” level in AD-435A’s and AD 435B’s. However, rating officials should be prepared to explain performance at the “Does Not Meet Fully Successful” and “Exceeds Fully Successful” levels. Do **not** include phrases like “other duties as assigned.”

**B Performance Management Standard**

All employees with the “Supervision” element shall have the following standards in the “Supervision” element:

“The supervisor establishes subordinate employee performance plans within established timeframes and that align with Agency and Departmental goals and objectives. Communicates to employees how their work supports the Agency mission and strategic plan/initiatives. Employee performance plans contain clear, results-focused measures and the supervisor provides accurate and timely feedback to determine progress and success in meeting expectations:

The supervisor completes performance plans, progress reviews, and appraisals of subordinate employees by the due dates established by the Department or Agency. Performance plans for each employee must include at least one critical element that is traceable to the Agency's goals and objectives (e.g., Mission Results critical performance element).

Provides ongoing feedback and coaching as demonstrated through performance feedback sessions as evidenced by 100% of employees receiving at least one feedback session at the midpoint of the rating period.

Ensures appropriate action is taken to address performance problems in a manner that supports organizational goals and objectives.

Ensures subordinate managers and supervisors adhere to the Agency performance management policy with regard to performance appraisal and employee recognition.

Performance and employee feedback data is used as an indicator of compliance and general satisfaction or needed improvement with regard to the planning, developing, monitoring, rating and rewarding of performance. Performance plan shall be in place within 30 calendar days of the beginning of the appraisal period. Mid-year reviews are conducted according to Agency guidelines. Ratings are accurate and issued within 30 calendar days of the end of the appraisal period.”

5 Standards (Continued)

C Workforce Recruitment, Hiring, Retention, and Succession Planning

All employees with the “Supervision” element shall have the following standards in the “Supervision” element:

- for supervisors with hiring authority, “**Recruitment and Hiring**
  - Recruits and selects new employees based on organizational goals, budget considerations, and staffing needs. When filling a position, the supervisor engages and collaborates with HR to ensure skills required for the job are identified, posting of the job vacancy is accurate, and assists in identifying contacts for diverse locations or organizations for recruiting purposes. Participates as needed with HR in the proper screening of applications, and appropriate categorization of applicants based on qualifications.
  - Utilizes flexible hiring authorities when filling a vacancy (e.g., targeted disabilities, student employment, direct hire, appointing veterans, etc.) to ensure diversity in recruitment and hiring.
  - Develop and maintain a contact list from diverse educational institutions, organizations, recruiters, or others to be utilized for outreach opportunities to recruit underrepresented groups. Maintain a log of organization contacts and document the number of times contacted, information that was provided along with the names and dates contacted. Identify outreach opportunities such as career fairs and participate in events that promote diversity. Annually report on participation at events and activities that demonstrate pro-active measures taken to address short-falls in underrepresented categories.”
- for all supervisors, “**Retention and Succession Planning**
  - Successfully transitions new hires into the position by promptly providing an orientation into the workforce and establishing performance elements and standards. Supervisor provides ongoing feedback and coaching, and makes appropriate use of the probationary period to assess the new hire's ability to perform in the position.
  - Implements retention strategies that focus on key internal processes (e.g., work environment, employee orientation, executing Individual Development Plans for all employees--subject to bargaining obligations, coaching, development, and mentoring, etc.) that promotes employee growth, supports the health of the workforce and drive the future success of the organization’s people and infrastructure.
  - Assesses current workforce plans to ensure they are up-to-date in order to meet Program/Agency goals and objectives. Works with senior management officials and HR to comply with the workforce planning process as described in the Department’s position management policy.”

**5 Standards (Continued)**

**D Cultural Transformation (CT) Standard**

All AD-435A's and AD-435B's for supervisors and managers shall contain the following CT standard under the "Supervision" element:

"Supports the Secretary's initiative for Cultural Transformation by continually examining program delivery and surveying the workforce and/or stakeholders/customers. Creates an environment of inclusion, exceptional performance, effective leadership, and works to eliminate any barriers to operational and service excellence. Examines workforce and workplace processes and flexibilities and implements improvements where needed.

Supports the Secretary's initiative for USDA Diversity Recruitment Roadmap by expanding upon mission-specific activities and timelines to ensure diversity recruitment program success and leadership accountability."

**E Employee and Customer Perspective Standards**

All AD-435A's and AD-435B's for supervisors and managers **must** take into consideration employee and customer perspective. Supervisors and managers shall have the following 4 standards as follows:

- for supervisor's "Supervision" element, include the following 2 standards:

"Seeks employee feedback to identify needs and expectations and considers employee perspective when making decisions affecting employees to develop a well-informed staff who are effective and efficient implementers of management decisions.

Feedback from staff indicates that they understand the Agency's direction, the goals and their role in achieving these goals; understand what is expected of them; were involved in developing their performance plans; understand how well they are performing and where they need to improve; have performance plans that accurately reflect their performance measures; have the necessary tools and resources to accomplish their work; where they do not have what they need, they understand why; have the skills and knowledge they need to do their jobs, or a plan to obtain them; are acknowledged and appreciated for good performance."

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### 5 Standards (Continued)

#### E Employee and Customer Perspective Standards (Continued)

- for supervisor's "Customer Service" element, include the following 2 standards:

"Internal and external stakeholder needs and expectations are considered in making decisions, devising solutions, and resolving conflicts. Those consistent with corporate priorities are included in plans and commitments, and are monitored for success in achieving satisfactory results.

Feedback from customers indicates satisfaction with the quality of service delivered, including that the service was provided in a collaborative manner and met the customers' needs; and the quantity and quality of information delivered, including that the information provided increased the customers' understanding of the Agency's programs."

#### F Health and Safety Standard

All AD-435A's and AD-435B's shall contain the following health and safety standard under the "Customer Service" element:

- **for supervisors**, the following standard is required:

"Adheres to Safety and Occupational Health practices and procedures in order to promote and maintain a safe and healthful work environment for all employees. Upon report of unsafe/unhealthful condition, notifies appropriate office within 48 hours, and follows up and/or takes appropriate action until condition is resolved."

- **for nonsupervisors**, the following standard is required:

"Demonstrates a basic understanding of the Agency's Safety and Health Program. Complies with safety and health rules and regulations that apply to all employees. Ensures all reports of unsafe and unhealthful conditions are reported to supervisor or designated official within 48 hours."

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### 5 Standards (Continued)

#### G Personally Identifiable Information (PII) Standard

All AD-435A's and AD-435B's shall contain the following PII standard under the "Customer Service" element.

- **for supervisors**, the following standard is required:

"Demonstrates an understanding of the Privacy Act and applies the Act correctly when exercising controls and safeguards to preserve the integrity and confidentiality of materials containing Personally Identifiable Information (PII). Ensures that PII is protected at all times, including when being transferred, in accordance with Agency policy. Reports any violations to appropriate Agency officials (Security Officer, Privacy Officer) immediately upon becoming aware of a problem. Sends detailed status update to Agency officials within one hour of initial notification."

- **for nonsupervisors**, the following standard is required:

"Demonstrates an understanding of the Privacy Act and applies the Act correctly when exercising controls and safeguards to preserve the integrity and confidentiality of materials containing Personally Identifiable Information (PII). Ensures that PII is protected at all times, including when being transferred, in accordance with Agency policy. Reports any violations to supervisor immediately upon becoming aware of a problem."

### 6 Cascading Alignment and Performance

#### A AD-435A and AD-435B Alignment

AD-435A and AD-435B alignment is an ongoing process and offices **must** continue this process. Supervisors should develop AD-435A's and AD-435B's for their employees that include at least 2 critical elements with 3 standards that identify clear and measurable tasks and results that are aligned to organizational goals. Supervisors and employees are encouraged to align more than 1 element, where possible. Alignment should be clear and transparent so that employees can see how their AD-435A's and AD-435B's support organizational goal achievement. Merely including a generic statement in AD-435's and AD-435B's that employees support organizational goals is **not** adequate for communicating alignment. Simply restating organizational goals without including the metrics for determining performance against those goals is **not** adequate. It should be possible to map the responsibility for specific organizational goals through AD-435's and AD-435B's of the chain of responsibility (SES member, to manager, to supervisor) to the front-line employee.

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### 6 Cascading Alignment and Performance (Continued)

#### A AD-435A and AD-435B Alignment (Continued)

In preparing for AD-435's and AD-435B's, supervisors shall:

- ensure that all employees are aware of RMA's and USDA's current Strategic Plan or organizational goals

**Note:** RMA's Strategic Plan can be found at  
[http://rmapp10f/sites/RMA\\_EA/Strategic/Shared%20Documents/Forms/AllItems.aspx](http://rmapp10f/sites/RMA_EA/Strategic/Shared%20Documents/Forms/AllItems.aspx)

USDA's Strategic Plan can be found at  
<http://www.ocfo.usda.gov/usdasp/usdasp.htm>.

- communicate how organizational goals are linked and cascaded to individual performance, and how the employee's accomplishments support organizational goals within their organizations, through:
  - staff meetings
  - individual or team meetings
  - electronic and internal correspondence
- develop AD-435A's and AD-435B's that include at least 2 critical elements with 3 standards that identify clear and measure (quality, quantity, cost, and/or timely) tasks and results that are aligned to organizational goals for each individual.

Aligned standards should be preceded by the following paragraph, modified as applicable, based on the part of the strategic plan the alignment standard is addressing:

“The following results-focused measures align with USDA Strategic Goal ( ), “(title of goal)”, Strategic Objective ( \_.\_ ), “(title of objective)” in the USDA Strategic Plan, and with RMA Strategic Goal ( ), “(title of goal)”, Strategic Objective ( \_.\_ ), “(title of objective)” in the RMA Strategic Plan:”.

#### B Results

Each AD-435A and AD-435B element **must** include language that holds the employee accountable for achieving expected results. This must be shown by explaining the results gained by the employee achieving their standards.

**Example:** “Expanded 15 county crop programs in areas where none existed. **The result is** an increase in the number and efficiency of risk management opportunities through county crop program expansion.”

Results **must** be appropriate to the employee's level of responsibility.

## 6 Cascading Alignment and Performance (Continued)

### C Balanced, Credible Measures

All AD-435A's and AD-435B's **must** include balanced, credible measures; balanced, so that in addition to measuring expected results, AD-435A's and AD-435B's include appropriate measures, such as:

- quality, quantity, timeliness, and/or cost-effectiveness
- indicators of competencies.

To be credible, performance expectations **must** be:

- based on job analysis
- clear, specific, and understandable
- reasonable and attainable
- measurable, observable, or verifiable
- communicated in a timely manner
- foster continual improvement in productivity.

## 7 Individual Development Plans (IDP's)

### A Short- and Long-Term Goals

As part of the performance planning process, employees are encouraged to discuss their short- and long-term learning and developmental goals with their supervisor and develop an IDP.

### B Rating Official Approval

IDP's contain elective training, education, and developmental activities in which employees may engage to acquire the competencies to meet IDP goals. Rating officials retain sole discretion to determine the extent of implementation for IDP and will do so after considering operational requirements and budgetary limitations.

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**8 Processing AD-435A and AD-435B Responsibilities**

**A Rating Official Responsibilities**

Rating officials shall process AD-435A's and AD-435B's according to the following.

**Note:** AD-435A's and AD-435B's **must** be completed in EmpowHR.

<b>Step</b>	<b>Action</b>
1	Establish AD-435A's and AD-435B's. For each element selected, there <b>must</b> be at least 3 standards for measuring performance of the element.
2	Review AD-435A's and AD-435B's for accuracy.
3	Give AD-435A's and AD-435B's to reviewing official for signature.
4	Give AD-435A's and AD-435B's to the employee.  After discussing each element and standard with the employee, request that the employee sign and date AD-435A, item 11.  <b>Note:</b> Rating officials should attempt to resolve concerns the employee may have about their AD-435A and AD-435B's. If employees refuse to sign their AD-435A's, advise employees that they <b>will</b> : <ul style="list-style-type: none"><li>• still be placed under AD-435A's and AD-435B's</li><li>• <b>be held accountable</b> for the elements and standards described in AD-435A's and AD-435B's.</li></ul>
5	If employees refuse to sign AD-435A, annotate AD-435A, as follows.  "AD-435A and AD-435B's were presented to, and discussed with, the employee. The employee refused to sign the AD-435A".
6	Give a copy of the signed or unsigned AD-435A and AD-435B's to the employee.

**B Reviewing Official Responsibilities**

Reviewing officials shall process AD-435A's and AD-435B's according to the following.

<b>Step</b>	<b>Action</b>
1	Review employee elements and standards, as submitted by the rating official, to ensure that AD-435A's and AD-435B's: <ul style="list-style-type: none"><li>• conforms with RMA policy and guidelines</li><li>• are consistent with other AD-435A's and AD-435B's in the work unit.</li></ul>
2	Sign and date AD-435A's.

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### 8 Processing AD-435A and AD-435B Responsibilities (Continued)

#### C Employee Responsibilities

Employees shall process AD-435A's and AD-435B's according to the following.

Step	Action
1	Review presented AD-435A and AD-435B's with rating official.
2	Discuss elements and standards needing clarification.
3	Sign and date AD-435A. The employee's signature certifies that: <ul style="list-style-type: none"><li>• a discussion took place with the supervisor about AD-435A and AD-435B's</li><li>• the employee has seen AD-435A and AD-435B's</li><li>• the employee has viewed the standards of conduct and has had any questions answered to their satisfaction.</li></ul> <p><b>Note:</b> If the employee refuses to sign AD-435A and AD-435B's, the employee <b>will still be held accountable</b> for the elements and standards on AD-435A and AD-435B's.</p>

### 9 Performance Reviews

#### A Mandatory Performance Reviews

The rating official shall:

- conduct at least 1 performance review during the 12-month appraisal period between the 5th and 8th month
- inform the employee of their level of performance as it relates to their performance elements and standards
- within 30 calendar days of the performance review, document on the employee's AD-435A that the performance review took place.

#### B Periodic Optional Performance Reviews

Even though only a mid-year performance review is required, it is in the best interest of the rating official and employee to periodically hold performance discussions. An employee may request a meeting for this review. Periodic performance reviews with the employee will:

- provide regular feedback
- keep the channels of communication open
- assist in identifying strengths and weaknesses
- help avoid an unexpected performance rating at the end of the appraisal period.

## 10 Documenting Performance

### A Rating of Record

The Rating of Record is AD-435 that is issued at the end of the appraisal period and becomes part of the employee's performance file. Rating officials and reviewing officials **must**:

- rate appropriately against the standards in the employee's AD-435A and AD-435B's
- make distinctions in levels of performance.

Rating shall be based only on actual employee accomplishments. Presumptive ratings (that is, ratings that are not based on actual accomplishments) are **prohibited**. Rating officials and reviewing officials will be held accountable for rating appropriately against the standards in the employee's AD-435A and AD-435B's and making distinctions in levels of performance.

Artificial targets, such as quotas, for AD-435's should **never** be used to evaluate employee performance. AD-435's **must** be based on the individual accomplishments of the employee being rated.

### B Reduction-in-Force (RIF)

For Federal employees, annual Ratings of Record are used to establish service credit and retention standing in the event of RIF's.

### C Minimum Appraisal Period

To rate an employee:

- a performance plan **must** have been established on AD-435A and AD-435B's
- the employee **must** be under AD-435A and AD-435B 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 a rating to be given. If no plan has been put into place by the end of the appraisal period, no rating can be given.

### D Obtaining and Completing AD-435

Rating officials shall complete AD-435 according to the instructions on AD-435 that is available through either of the following:

- Microsoft Word version from the FFAS Employee Forms Online web site at <http://fsaintranet.sc.egov.usda.gov/dps/services/downloadhandler.ashx?fileid=632>
- EmpowHR at <https://www.empowhr.gov/HRISP/signon.html>.

## 10 Documenting Performance (Continued)

### E Appraising Elements

The rating official will 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"**, 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"**, 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.
- **"Does Not Meet Fully Successful"**, describes performance that has failed to fulfill the basic expectation for the work.

**Note:** With assistance from SPO, the rating official **must** prepare a comprehensive written statement describing the employee's deficiencies for all elements rated at the "Does Not Meet Fully Successful". Early identification and correction of poor performance is strongly recommended.

### F Summary Ratings

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

- **"Outstanding"**, all appraisal units are rated "Exceeds Fully Successful".
- **"Superior"**, more appraisal units are rated "Exceeds Fully Successful" than are rated "Meets Fully Successful", and **no** elements are rated "Does Not Meet Fully Successful".
- **"Fully Successful"**, as many or more appraisal units are rated "Meets Fully Successful" than are rated "Exceeds Fully Successful".
- **"Marginal" (Minimally Satisfactory)**, more appraisal units are rated "Does Not Meet Fully Successful" than are rated "Exceeds Fully Successful".

**Note:** If a critical element is rated "Does Not Meet Fully Successful", then the summary rating is automatically "Unacceptable".

- **"Unacceptable"**, 1 or more critical elements are rated "Does Not Meet Fully Successful".

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

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### 10 Documenting Performance (Continued)

#### G Due Date

AD-435's, AD-435A's, and AD-435B's shall be completed and distributed:

- by **October 31, 2012**
- according to subparagraph 12 A.

### 11 Reviewing Performance

#### A Rating Official Action

Rating officials shall review the performance of their employees by:

- comparing the employee's performance of each element with the standards established on AD-435A and AD-435B's
- checking the appropriate rating level for each element
- if necessary, obtaining interim ratings from the employee's prior supervisors
- reviewing and signing AD-435.

**Note:** Supervisory employees detailed from their positions of record before the end of the appraisal period shall:

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

#### B Accountability for AD-435's

Rating officials:

- shall ensure that AD-435's:
  - contain all elements
  - designate critical and noncritical elements
  - points are properly assigned, that is 2 points for critical elements and 1 point for noncritical elements

**11 Reviewing Performance (Continued)**

**B Accountability for AD-435's (Continued)**

- totals are added correctly
- summary rating is properly designated
- employee has checked AD-435, item 17, "Yes" or "No"
- contains the required signatures
- shall ensure that the required signatures are entered on AD-435.

**C Providing Additional Information**

Rating officials shall provide additional documentation to substantiate the rating for each element for each rating level given (such as, "Exceeds Fully Successful", "Meets Fully Successful", and "Does Not Meet Fully Successful") by completing AD-435A, item 10 and AD-435B, item 10.

**Note:** If more space is needed than is provided on AD-435A and AD-435B, additional documentation may be provided on a piece of paper and attached to the rating.

**D Completing AD-435's**

Rating officials shall complete AD-435's according to the following.

**Note:** AD-435's **must** be completed in EmpowHR.

<b>Step</b>	<b>Action</b>
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 according to subparagraph 12 A.

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**11 Reviewing Performance (Continued)**

**E Reviewing Officials' Action**

Reviewing officials shall:

- discuss the performance and rating of employees with rating officials
- change the ratings, if appropriate
- sign AD-435, item 21 certifying approval of original or revised ratings
- return rating to the rating official for distribution according to subparagraph 12 A.

**F Employee Action**

Employees shall:

- complete AD-435, item 17
- sign AD-435, item 18.

**Note:** If the employee refuses to sign/accept the rating, rating officials:

- shall indicate the refusal on AD-435, item 18
- forward the rating to the appropriate SPO according to subparagraph 12 A.

**12 Distributing AD-435's and Requirements for Multiple AD-435's**

**A Distributing AD-435's**

The completed AD-435, AD-435A, and AD-435B's shall be forwarded to the appropriate SPO by **October 31**. Supervisors shall distribute the completed AD-435 according to the following.

**Note:** AD-435's **must** be completed in EmpowHR.

<b>Step</b>	<b>Action</b>
1	Forward the original, completed copies of AD-435, AD-435A, and AD-435B's to the appropriate SPO by October 31.
2	Provide the employee with 1 copy of AD-435, AD-435A and AD-435B's.
3	Retain 1 copy of AD-435, AD-435A, and AD-435B's for the supervisor's files.

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**12 Distributing AD-435's and Requirements for Multiple AD-435's (Continued)**

**B Requirements for Multiple AD-435's**

The following provides instructions for AD-435A's for employees detailed or temporarily promoted.

<b>IF the employee...</b>	<b>THEN...</b>
is detailed or has a temporary promotion to other positions in RMA or USDA for 90 calendar days or more	AD-435A's and AD-435B's shall be established. The supervisor responsible for the detail or temporary promotion shall prepare the AD-435A and AD-435B 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, and forwarded to the supervisor of record. This shall be considered in deriving the employee's annual rating of record.  <b>Note:</b> When employees are detailed outside USDA, the employing Agency <b>must</b> make a reasonable effort to obtain information on the employee's accomplishments from the outside organization.
is detailed or has a temporary promotion to another position in RMA or USDA for 90 calendar days or less	AD-435A's and AD-435B's are <b>not</b> required. However, a narrative document shall be prepared detailing the employee's accomplishments, and forwarded to the supervisor of record. This shall be considered in deriving the employee's annual rating of record.  <b>Note:</b> When employees are detailed outside USDA, the employing Agency <b>must</b> 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, and forwarded to the supervisor of record. 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 organization to be considered in deriving the employee's annual rating of record.

## 13 Monitoring Performance

### A Marginal Performance

If the employee's summary rating is "Marginal", the rating official **must** contact their SPO for guidance. The rating official shall:

- assist employee in improving less than "Fully Successful" performance in a noncritical element
- inform the employee **as soon as** the less than "Fully Successful" performance is **apparent** and give the employee a chance to demonstrate "Fully Successful" performance
- assist the employee by:
  - determining if training is needed
  - providing closer supervisory review of work
  - holding discussions and providing correction of work products
  - advising the employee when they have achieved "Fully Successful" performance.

A "Marginal" rating will result in the denial of a within-grade increase.

### B Unacceptable Performance

If the employee's summary rating is "Unacceptable", the rating official **must** contact their SPO for guidance. Rating officials shall:

- assist employee in improving less than "Fully Successful" performance in a critical element
- inform the employee in writing as soon as the less than "Fully Successful" performance is apparent and give a reasonable opportunity to demonstrate "Fully Successful" performance through an Opportunity To Improve (OTI).

OTI's:

- provide formal notice to the employee that performance is unacceptable and provides the employee the opportunity to demonstrate "Fully Successful" performance
- may include activities like developmental assignments, structured employee assistance or counseling, formal or on-the-job training, and mentoring.

### 13 Monitoring Performance (Continued)

#### B Unacceptable Performance (Continued)

Careful records **must** be kept of the assistance offered and results achieved under OTI. Rating officials 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 “Fully Successful” performance
- a reasonable opportunity period, usually at least 90 calendar days, to demonstrate “Fully Successful” performance on the elements at issue
- notice that the employee **must** improve to the “Fully Successful” level by the conclusion of the opportunity period and **must** sustain that level of performance for at least 1 year from the start of OTI.

If an employee’s performance again becomes unacceptable in 1 or more critical elements, a performance-based adverse action or other alternative action may be proposed **without** the benefit of an additional OTI.

An “Unacceptable” rating will result in the denial of within-grade increase.

#### C Prior Administrative Actions

Administrative actions initiated against employees whose performance is “Unacceptable” under 5 U.S.C. 4303 or 5 U.S.C. 752, involving a performance management 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.

### 14 Performance

#### A Organizational Performance Assessment

Organizational unit performance will be assessed and communicated throughout the organization. Rating officials will be provided guidance on how unit performance should be considered when deciding ratings and awards.

#### B Performance Management Program Training

Each year, supervisors, managers, and employees will receive mandatory training and retraining on the requirements and operation of the performance management program. **All** supervisors, managers, and employees **must** know how the performance management program operates.

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**14 Performance (Continued)**

**C Performance Management Accountability**

According to paragraphs 5 and 10, managers and supervisors will be held accountable for the performance management of their subordinates and must communicate with their employees continuously from the beginning to the end of the rating cycle, **not** just at certain times within the rating cycle. At the end of the rating cycle, managers and supervisors **must** accurately rate their employee’s performance. **Corrective action** will be taken against supervisors who fail to address performance deficiencies.

**D Recognizing Performance**

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

- quality step increase (can only be granted if the summary rating is “Outstanding”)
- 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.

**15 Evaluation and Additional Information**

**A Performance Management Program Evaluation**

The performance management program will be evaluated for its effectiveness on an annual basis within 90 calendar days of the end of each appraisal period. This evaluation will include such issues as the correlation between the:

- performance management program and any improvement of organizational performance
- employee/managerial satisfaction with the performance management program.

**B Additional Information**

If there are any questions about this notice, contact Michael Braswell by telephone at 202-401-0392. If there are any questions about rating employees, supervisors may contact the appropriate SPO according to the following.

<b>IF any RMA Office for...</b>	<b>THEN contact HRD at...</b>
performance management processing	<ul style="list-style-type: none"><li>• 202-205-9057</li><li>• TTY at 202 205-9057.</li></ul>
servicing personnel specialist	<ul style="list-style-type: none"><li>• 202-401-0694</li><li>• TTY at 800-735-2966.</li></ul>

**Possible Elements**

The following is a list of elements from which 3 to 7 performance elements shall be selected and included in AD-435A and/or AD-435B. If the element has not been designated critical, supervisors shall designate which elements are critical and noncritical.

<b>Elements</b>	<b>Description</b>
Execution of Duties	Completed work assignments are performed in a timely manner, assuring a quality of work that meets the needs of the organization. Appropriate work methods are selected for the development of work products. Work products do not require substantive revisions. Assignments are completed in accordance with applicable RMA guidelines, including timeframes.
Communications	Oral and written communications are clear, correct, timely, and presented in an understandable manner. Supervisor and coworkers are informed of issues and problems when necessary. Information and guidance provided is timely and correct.
<b>Important: Mandatory for all supervisors and managers.</b> Supervision	Work is assigned in a fair and effective manner. Technical guidance to subordinate staff is given in a timely manner. Performance management is implemented in accordance with procedure. Issues, concerns, or problems are handled promptly and fairly. To the extent possible, staff is properly trained and complies with occupational health and safety programs. Management decisions are supported and implemented within appropriate timeframes.
Team Leadership	Routinely leads individuals and team members toward specific goals and accomplishments. Provides encouragement, guidance, and direction as needed. Adjusts style to fit situation. Delegates appropriate authority in an effective manner. Coordinates functions of the team members. Demonstrates a sincere interest in employees' activities, abilities, etc.
Program Management	Manages program(s), resolving issues and problems within the employee's control. Monitors all aspects of program(s) for quality, effectiveness, and consistency. Program plans and guidance are responsive to objectives and requirements of RMA. Policy instructions are appropriately issued and are accurate. Evaluates effectiveness of work and adjusts plans accordingly.
Special Projects	Special projects are regularly completed on time in a competent, accurate, and thorough manner. Completed projects comply with regulations and procedures. Special projects are completed independently, or reflect research and collaboration with others as required.
Research and Analysis	Thoroughly and accurately researches issues in a timely manner, using available reference sources (e.g., USDA manuals, or applicable law or regulations. Makes reasonable recommendations or decisions based on available guidance.

Possible Elements (Continued)

Elements	Description
<p>Customer Service</p> <p><b>Important: Mandatory for all supervisors and managers and for all nonsupervisors</b></p>	<p>Routinely displays courteous and tactful behavior. Projects a positive and professional image of USDA. Provides advice that is timely, responsive and accurate. Maintains appropriate rapport with internal and external customers. Develops and establishes working relationships with external organizations as required. Keeps supervisor and/or team leader informed of difficult and/or controversial issues and unique problems. Takes action to effectively solve problems before they have an adverse impact on the organization or other employees.</p>
<p>Supervisory Civil Rights Equal Opportunity and Inclusion</p> <p><b>Important: Mandatory for all supervisors and managers.</b></p>	<p>Fosters an inclusive workplace where diversity and individual differences are valued and leveraged to achieve the vision and mission of the organization through both personal leadership and appropriate managerial action. Performs in a nondiscriminatory manner that demonstrates behaviors that conform to civil rights and EEO laws, regulations, and policies, including fairness, cooperation, and respect towards employees and customers.</p>
<p>Nonsupervisory Civil Rights Equal Opportunity and Inclusion</p> <p><b>Important: Mandatory for all nonsupervisors.</b></p>	<p>Performs assignments in manner that demonstrates fairness, cooperation, and respect toward employees and customers. Fosters an inclusive workplace where diversity and individual differences are valued. Leverages diversity to achieve the vision and mission of the organization. Supports and maintains an environment that is free of unlawful discrimination and reprisal.</p>
<p>Resource Management</p>	<p>Monitors allocated funds and maintains complete and accurate records of expenditures. Routinely utilizes resources in an efficient and effective manner. Ensures that funds, property and other resources are guarded against waste, loss, unauthorized use, and misappropriation.</p>
<p>Individual Contributions to the Team</p>	<p>Ordinarily displays dependability and reliability. Promotes open communication. Contributes creative ideas and actively participates in team meetings resulting in added value to the team's products and services. When problems arise, explores causes and assists in resolving them. Works with team members to appropriately implement decisions. Is usually open-minded to new ideas and approaches in implementing the team's goals. Willingly accepts and acts on constructive criticism.</p>