

August 28, 2008

SUBJECT: Guidance for Performance Appraisal and Award Processing for the Cycle Ending September 30, 2008

TO: Administrator's Council
Deputy Area Directors
AFM Division Directors
Area Personnel Assistants
Administrative Officers

FROM: Kit Hoyle
Chief, REE Services Branch
Human Resources Division

This memorandum provides guidance for completing annual performance ratings and performance awards for the cycle ending September 30, 2008. This guidance is applicable to both 1-grade and 2-grade interval ARS employees. In order to accomplish USDA's requirement to appraise employees on a fiscal year rating cycle, ARS shortened the 2008 rating cycles to 6 months and 9 months, respectively. Supervisors and managers were encouraged to establish modified performance expectations for their employees to reflect the shorter rating cycles. ARS policy on performance recognition for the shortened cycle, issued via email July 25, 2008, is included for your convenience under Part 1, Section B, below.

Performance appraisal/award packages are due to the Human Resources Division (HRD) no later than **Monday, December 1, 2008**. Specific guidance and instructions follow.

Upon receipt of this memorandum, rating officials should develop reasonable due dates for receipt of employee accomplishment reports and should prepare to schedule performance reviews. Planning for this process in advance facilitates the timely initiation and processing of performance appraisals and awards.

Guidance on establishing performance plans for the Fiscal Year (FY) 2009 cycle will be issued under separate memorandum within the next week.

A. Completion of Performance Appraisal Forms (AD-435P)

The Performance Appraisal Form (AD-435P) is available in e-Forms.

Employee Listings, which identify those employees who require ratings this cycle, will be provided no later than one week from the date of this memorandum as follows: Listings for Headquarters Staff Offices will be provided to Karen Lucas' office; for ARS field employees to Area Personnel Assistants; and, for AFM employees to AFM Division Directors and their secretaries. The Listings will include the information necessary to complete the upper section of each AD-435P. In an effort to make these listings as useful as possible, we will be providing them in two formats: as Word documents and as Excel spreadsheets.

Employees who have been in their positions and under performance standards for 90 calendar days or more are ratable and must receive an appraisal using the AD-435P. If an employee has not been covered under standards for the minimum appraisal period of 90 calendar days, the appraisal period for that employee should be extended to meet the 90 day requirement, at which time the employee must receive a rating of record. Employees who retire or separate after the end of the rating cycle and were covered under a performance plan for at least 90 days in the rating cycle should be appraised and receive a performance award in keeping with Area or Headquarters Staff policy. For questions about unusual circumstances, please contact this office for guidance.

In order to effectively assist an employee who receives less than a 'Fully Successful' summary rating, the supervisor should contact their servicing Employee Relations Specialist immediately upon making that determination. Additionally, a written, supervisory justification must be prepared when a rating of record of 'Unacceptable' is given.

Key points for preparing and approving ratings:

- employees should be asked to submit written accomplishments of their performance to aid the rating and reviewing officials in preparing ratings;
- the rating official must discuss the tentative rating with the reviewing official and receive his/her approval **before** discussing it with the employee;
- the rating official and the reviewing official cannot be the same person and the reviewing official must be at a higher organizational level than the rating official (usually the rating official's supervisor);
- an employee's signature on the AD-435P constitutes receipt of the appraisal. It does not necessarily mean the employee agrees with the rating given. If an employee chooses not to sign his/her AD-435P, a note should be written in the employee signature box stating, "Performance review was held on (date) and the employee declined to sign."

After the rating and reviewing officials have signed the AD-435P, the performance discussion has taken place, and the employee has signed his/her AD-435P, a copy of the form should be made for the employee and a copy should be retained in the supervisor's records. Performance rating and awards documentation to be sent to HRD is provided in Section C below.

B. Completion of Award Forms (AD-287-2)

A Recommendation and Approval of Awards Form, AD-287-2, must be prepared for each award nomination. Employees rated Fully Successful or above are eligible for performance awards based on the applicable Headquarters Staff Office or Area policy. Specifically for this rating cycle, performance awards and time-off awards must be pro-rated to appropriately recognize the expectations and accomplishments for the shortened year. **Additionally, QSIs will not be permitted for any ARS employee this cycle.** QSIs are regarded as the highest form of performance recognition and are not appropriate for rating periods of less than a full year. Provided below is the guidance for determining award recognition for ARS employees:

- Performance-based cash awards and time-off awards must be supported by a written supervisory justification or an employee's written accomplishment report.

- The monetary or time-off value of performance awards for Managers, Supervisors and all 2-grade interval employees will be 75% of the value of such awards in a normal one-year performance cycle to reflect the length of their cycle (9 months).
- The monetary or time-off value of performance awards for all 1-grade interval employees will be 50% of the value of such awards in a normal one-year performance cycle to reflect the length of their cycle (6 months).

Since performance awards and time-off awards are based upon the annual performance rating, an employee may not be recommended for more than one award in this category. However, recognizing specific accomplishments or achievements during this time period with other awards such as extra effort or non-monetary awards is permitted.

A citation must be provided in Block 11 of AD-287-2 for performance-based cash awards and time-off awards. The following citation is recommended:

"This award is based upon an official performance appraisal rating of *(Fully Successful, Superior, or Outstanding)* for the rating period (January 1, 2008 through September 30, 2008 or April 1, 2008 through September 30, 2008, as appropriate).

C. Documentation to HRD

A performance appraisal package is to be sent to HRD for each employee. Each package should contain the following required documents and be stapled together in the following order:

- 1) Original AD-287-2, if an award will be given;
- 2) Original AD-435P signed and dated by the Rating and Reviewing Officials and the employee;
- 3) The employee's accomplishment report or supervisory written justification;
- 4) A supervisory written justification if an 'Unacceptable' rating is given; and
- 5) Original Performance Plan.

Individual employee appraisal and award packages should be bundled by location or office and forwarded to HRD as a group with the Employee Listing for the location/office on the top of the bundle.

NOTE: Supervisors must complete and document the Employee Listing in space provided indicating the date the appraisal was issued or a reason as to why it was not, i.e., employee's cycle was extended through (date) or employee reported (date) and will be rated next cycle, etc. Please do not send Individual Development Plans (IDPs), training forms, lists of publications, or other management documents to HRD in this package. These are not required documents in the Employee Performance File and will not be filed if received.

Please send all performance appraisal/award packages to the following address:

Theresa Bailey
USDA/ARS/Human Resources Division
Employee Development Performance and Recognition Staff
5601 Sunnyside Avenue, Room 3-1282D
Beltsville, MD 20705-5107

D. Due Date/Processing

Performance appraisals and award recognition should be timely if they are to be meaningful to employees. Timely appraisal and recognition of employees are also Human Capital initiatives for which USDA agencies will be held accountable through the President's Management Agenda Scorecard process. As a result, HRD will be monitoring the appraisal of employees closely.

- Performance Appraisal/Award packages are due in HRD **no later than December 1, 2008.**

Supervisors of bargaining unit employees should consult applicable union agreements and comply with any time frames for the submission of performance appraisals and awards for bargaining unit employees.

Should you have any questions regarding the guidance in this memorandum, please contact Theresa Bailey or your servicing Human Resources Assistant. Theresa may be reached at theresa.bailey@ars.usda.gov or on 301-504-1452. Performance problems which may result in a less than 'Fully Successful' rating should be referred to your servicing Employee Relations Specialist.

cc:

Area Director's Secretaries

DAD's Secretaries

AFM Secretaries

All HRD Employees