



United States Department of Agriculture

Research, Education, and Economics  
Agricultural Research Service  
Administrative and Financial Management

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SUBJECT: Updated Performance Management Departmental Regulation

TO: All REE Employees

FROM: Chevon C. Gibson   
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The Department of Agriculture (USDA) is devoted to creating and maintaining a results-oriented performance culture. As such, USDA has been implementing a variety of initiatives and requirements in the performance management arena to help in achieving our goal of creating such a culture. Among these efforts is the updated [Departmental Regulation \(DR\) 4040-430](#) on Performance Management. Additionally, these efforts will contribute to Secretary Vilsack's overall goal of "Making USDA a Great Place to Work" while also maintaining our focus on the Cultural Transformation of USDA.

In order to foster a consistent view of the performance management responsibilities and expectations for both supervisors and employees alike, the Human Resources Division (HRD) is issuing this memorandum to highlight some of the major updates in the DR. HRD will introduce the new Performance Plan, Progress Review, and Appraisal Worksheets under a separate cover letter in the coming weeks.

The Office of Human Resources Management (OHRM) updated and issued DR-4040-430 in fiscal year (FY) 2014. This updated DR supersedes the following internal agency policies & procedures: ARS 418.3 (05/21/92); ERS 443.0 (04/11/99); CSREES 435.1 (05/26/99); and NASS 435.2 (04/5/05). This DR cannot be supplemented without prior approval of the Director, OHRM.

Specifically, the updated DR defines the following components as being the necessities for a successful performance management program:

- Alignment with USDA strategic performance goals and results, cascaded from the most senior levels down to individual employees;
- Accountability at all levels;
- Continuous feedback and learning; and
- A culture of engagement.

As previously stated, USDA prides itself in striving to create a results-oriented performance culture; therefore, to assist us in achieving our goal the updated DR requires a performance plan

and rating of record for each eligible employee. Eligible employees are all USDA employees except:

- a. Members of the Senior Executive Service (SES);
- b. Members of the Senior Leader and Scientific or Professional (ST) occupations;
- c. Members of the Senior Scientific and Technological Services (SSTS)
- d. Foreign Service employees
- e. Employees appointed by the President
- f. Employees appointed to excepted service positions who are not expected to be employed longer than the 90 day minimum appraisal period;
- g. Employees serving in temporary appointments for less than one year, who agree to serve without a performance evaluation, and who will not be considered for reappointments or pay increases based, in whole or in part, on performance; and
- h. Other employees excluded from coverage by status or by OPM regulation, including those excluded by 5. U.S.C, Section 4301(2).

To effectively deliver the USDA performance program and new DR requirements, outlined below are those major components necessary for ensuring the program requirements are met:

### **Performance Plans:**

Establishing Performance Plans - Performance Plans must be established within 30 days of the beginning of the performance year and within 15 days of the start of a new position, detail, or temporary promotion of 90 or more days. If a detail or temporary promotion of less than 90 days is extended, a performance plan is required within 10 days of the decision to extend the detail or temporary promotion. At the end of the detail/temporary promotion an interim rating is required and should be submitted to the rating official of record.

Revisions to Performance Plans – Revisions can be made to an employee’s performance plan whenever the supervisor determines there is a need, however all revisions must occur by August 16<sup>th</sup> of a performance year.

### **Mid-Year Progress Reviews:**

Mid-year reviews should occur at the mid-point of the performance year if the employee has a minimum appraisal period of 180 days. If the appraisal period is fewer than 180 days, a formal mid-year progress review is not required.

### **Performance Appraisals/Ratings:**

Interim ratings – An interim rating is required whenever a performance plan has been in place for a minimum of 90 days and if one of the following circumstances exists: reassignment, promotion, transfer, detail/temporary promotion, permanent or temporary changes in supervisors, retirement, or resignation. Interim ratings must be completed within 15 days, and be considered in deriving the employee’s rating of record at the end of the appraisal period. When preparing an

interim rating the rating official should use the same forms as if they were completing a formal rating of record; however interim rating should be written across the top of the form. A copy of the interim rating should be provided to the gaining supervisor, employee, and HRD where applicable.

Rating of Record - A rating of record is required at the end of the performance year for all eligible employees. Ratings are to be completed and approved no later than 30 days after September 30 and no later than 15 days after the end of an extended appraisal period (through no later than November 14).

Inability to Rate - If an employee is not on a performance plan as of August 16, and was not on a performance plan for 90 days at any point in the performance year, an appraisal cannot be produced for that performance year. Employees on active duty or an extended leave of absence, such that he/she has not performed at least 90 days on a performance plan, a rating of record cannot be produced for that performance year.

### **Appraisal Units:**

The appraisal units are those measures used to calculate the summary rating on the AD-435-P for critical and non-critical performance elements. To demonstrate the major importance of the Mission Results and Supervision/Leadership critical performance elements, these two elements are now worth 4 appraisal units.

- Mission Results Element - is the mandatory performance element which aligns performance expectations and outcomes directly to USDA and Agency mission, goals, initiatives and strategic objectives.
- Supervision/Leadership Element – is the mandatory element within a supervisor’s performance plan which includes a performance standard that addresses accountability for the following responsibilities: general supervision, performance management, retention and succession planning, hiring and recruitment (if applicable).

All other critical elements are worth 2 appraisal units, and non-critical elements are worth 1 appraisal unit. Both supervisors and non-supervisors are affected by the 4 appraisal units for the Mission Results performance element. Therefore, when a rating official submit his/her FY 14 performance ratings the new appraisal units for the designated performance elements should be properly reflected.

### **Performance Improvement Plans (PIP):**

For each critical element in which an employee’s performance would not attain the Fully Successful level, the rating official must afford the employee a reasonable opportunity to demonstrate acceptable performance commensurate with the duties and responsibilities of the employee’s position, and place the employee on a PIP.

- When an employee is placed on a PIP, the opportunity period must be at least 60 days. The PIP must clearly identify and describe the performance expectations in the performance element and standards for which the employee's performance does not warrant a fully successful rating. If the rating official concludes additional time is required to assess the employee's performance progress, the initial opportunity may be extended. The rating official must notify the employee in writing, of the extension.
- A timely, formal rating of record must be given to an employee after the end of the appraisal period (in most cases September 30). The fact that an employee may be currently serving on a PIP will not preclude a supervisor from issuing a formal rating of record. Additionally, there is no provision to change a rating of record if the employee successfully completes the PIP after the given appraisal period. Therefore, to give an employee an opportunity to successfully perform prior to the end of the performance year and to avoid the possibility of receiving a rating of record less than fully successful, supervisors must work with the AFM-HRD-Personnel and Labor Solutions (PALS) Branch to have a PIP in place at least 90 days prior to the end of the performance year.

### **Changing a Rating of Record:**

Once the performance year or extended appraisal period ends, rating and reviewing officials must complete the rating of record by the established Departmental deadlines. After December 1, a rating of record may only be changed or produced under the following circumstances:

- Within 60 days of issuance based upon an informal request by the employees;
- As a result of a grievance, complaint, or other formal proceeding permitted by law or regulation that results in a final determination by the appropriate authority; or
- Where the Human Resources Division determines the rating of record was incorrectly recorded or calculated.

### **Change in Supervisors:**

When an employee has a performance plan in place and works in the same position under different supervisors during the appraisal period, each supervisor of 90 or more days must prepare an interim rating and forward it to the employee's new rating official for appropriate consideration in the final rating of record.

If a new rating official is not immediately identified, the outgoing supervisor must provide the interim rating(s) to the reviewing official.

If a supervisory position is vacant at the end of the performance year, the second level supervisor will serve as the rating official, and the third level supervisor will serve as the reviewing official. However, if a new supervisor is identified and is in place at the end of the performance year he/she may serve as the rating official provided the following:

- The subordinate employee has been under an established plan for a minimum of 90 days;
- The supervisor has received formal training in assessing rating performance; and
- If the supervisor has been in the supervisory role for fewer than 90 days, there is at least one interim rating to consider in the rating of record.

If not, the second level supervisor must serve as the rating official.

### **Training Requirements:**

All employees must receive performance management training bi-annually. New employees must receive training within three months of the start of their appointment. If an employee is new, transferring from another USDA agency and has demonstrated they have completed performance management training in AgLearn this is not applicable. The same is applicable for new supervisors. All training must be recorded in AgLearn. HRD will be issuing more detailed guidance on training requirements in the coming weeks.

Lastly, to assist managers, supervisors, administrative staff and employees with adapting to these new requirements, HRD will be hosting a number of informational briefings (via webinar). To register for one of the available webinars, please click one of the below links:

- Webinar Briefing for Managers and Supervisors
  - [August 18, 2014 at 1:30 pm EST](#)
  - [August 25, 2014 at 1:30 pm EST](#)
  - [September 5, 2014 at 1:30 pm EST](#)
- Webinar Briefing for Administrative Personnel
  - [August 12, 2014 at 2:00 pm EST](#)
  - [August 21, 2014 at 2:00 pm EST](#)
  - [September 4, 2014 at 2:00 pm EST](#)
- Webinar Briefing for General Employees
  - [August 28, 2014 at 2:30 pm EST](#)
  - [September 5, 2014 at 9:00 am EST](#)
  - [September 16, 2014 at 1:00 pm EST](#)

These new requirements will help to ensure that USDA collectively with its employees will create and maintain a results oriented performance culture.

If you have any additional questions or comments, please do not hesitate to contact Brittany Kraus at 301-504-1414 or [Brittany.Kraus@ars.usda.gov](mailto:Brittany.Kraus@ars.usda.gov) or Symphony Ivory at 301-504-1346 or [Symphony.Ivory@ars.usda.gov](mailto:Symphony.Ivory@ars.usda.gov).

