

U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON, DC 20250

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<u>Section</u>	<u>Page</u>
1. Purpose	2
2. Special Instructions/Cancellations	2
3. Scope	2
4. Policy	3
5. Compliance and Policy Exceptions	4
6. Roles and Responsibilities	4
7. Guiding Principles	7
8. General Provisions	7
9. Performance Plan Components	9
a. Elements	9
b. Standards and Measures	10
c. Content Requirements	12
10. Planning Performance	14
11. Monitoring Performance	16
12. Developing Performance	19
13. Evaluating Performance	20
a. Ratings of Record	20
b. Interim Ratings	28
c. Advisory Assessments	30
14. Addressing Performance Problems	30
15. Performance Management Training Requirements	34
16. Linking Performance to Other Personnel Systems	35
17. Forms and Records	38
 Appendix A - Abbreviations and Acronyms	 A-1
Appendix B - Definitions	B-1
Appendix C - Authorities and References	C-1

1. PURPOSE

This DR sets forth the United States Department of Agriculture's (USDA) policy for the Non-Executive Performance Management Program within the Appraisal System approved by the Office of Personnel Management (OPM) on October 1, 2018.

2. SPECIAL INSTRUCTIONS/CANCELLATIONS

- a. This DR supersedes DR 4040-430, *Performance Management*, dated August 15, 2018.
- b. This directive is effective upon issuance and remains in effect until superseded.
- c. The term "agency" or phrase "agency and staff office," unless otherwise noted in this document, will be considered to encompass the Mission Areas, agencies, and staff offices of USDA.

3. SCOPE

This directive is applicable to all USDA employees except:

- a. Members of the Senior Executive Service (SES);
- b. Members of the Senior Level (SL) and Scientific or Professional (ST) occupations;
- c. Members of the Senior Science and Technology Service (SSTS);
- d. Foreign Service employees;
- e. Employees appointed by the President;
- f. Employees appointed to excepted service positions who are not reasonably expected to be employed longer than the 90-day minimum appraisal period in a consecutive 12-month period;
- g. Employees serving in temporary appointments for less than 1 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;
- h. Positions filled under Title 5 of the Code of Federal Regulations (CFR), Section 213.3102(k) ([5 CFR 213.3102\(k\)](#)), *Entire Executive Civil Service*, when occupied by employees to whom no compensation is paid;
- i. Positions filled under [5 CFR 213.3102\(l\)](#) when occupied by scientific, professional, or technical experts for consultation purposes;
- j. Positions filled under [5 CFR 213.3102\(o\)](#) when occupied by faculty members; and

- k. Other employees excluded from coverage by statute or by OPM regulation, including those excluded by 5 United States Code (U.S.C.), Section 4301(2) ([5 U.S.C. 4301\(2\)](#)) *Definitions*.

Schedule C employees appointed under [5 CFR 213.3301](#), *Positions of a Confidential or Policy-Determining Nature*, are subject to the provisions of this DR except for coverage by the rights in [5 U.S.C. 4303](#), *Actions Based on Unacceptable Performance*.

4. POLICY

- a. In accordance with [5 U.S.C. 4302](#), *Establishment of Performance Appraisal Systems*, [5 CFR 430](#), *Performance Management*, and OPM's approval of the Performance Appraisal System (System), USDA's Non-Executive Performance Management Program (Program) provides for:
 - (1) Establishing employee performance plans, including, but not limited to, critical elements and performance standards;
 - (2) Communicating performance plans to employees at the beginning of an appraisal period;
 - (3) Evaluating each employee during the appraisal period on the employee's elements and standards;
 - (4) Recognizing and rewarding employees whose performance so warrants;
 - (5) Assisting employees in improving unacceptable performance; and
 - (6) Reassigning, reducing in grade, or removing employees who continue to have unacceptable performance, but only after an opportunity to demonstrate acceptable performance.
- b. The program must be administered in accordance with merit system principles set forth in [5 U.S.C. 2301](#), *Merit System Principles*.
- c. Agencies must align, and may not conflict, with the requirements of this DR to ensure the performance of their non-executive employees is managed in compliance with the approved System, and with the Program as it is articulated in this DR.
- d. Agencies may supplement this DR with prior review and approval of the USDA Chief Human Capital Officer (CHCO). Supplemental regulations issued by agencies may not conflict with the contents of this directive.

5. COMPLIANCE AND POLICY EXCEPTIONS

- a. USDA CHCO Council Members are responsible for ensuring their non-executive performance management programs comply with the Program policies specified in this DR.
- b. On an as-needed basis, the Office of Human Resources Management (OHRM) will:
 - (1) Establish mandatory compliance reporting; and
 - (2) Audit agency programs.
- c. Policy exceptions to this directive may be requested, in advance, via a decisional memorandum to the USDA CHCO.

6. ROLES AND RESPONSIBILITIES

- a. The Director, OHRM, serving as the USDA CHCO, will:
 - (1) Design, attain OPM approval of, and implement USDA's System in accordance with 5 CFR 430;
 - (2) Establish USDA's program policies and parameters within the approved System;
 - (3) Ensure the program complies with applicable law, regulations, and OPM guidance, including the merit system principles and prohibited personnel practices;
 - (4) Review, direct, and approve agencies' internal policies and procedures;
 - (5) Provide policy compliance oversight, technical assistance, and direction on issues that arise; and
 - (6) Ensure appropriate training and retraining in the implementation and operation of performance management occurs for supervisors, managers, and employees.
- b. Agency Heads will:
 - (1) Promote and model the policies and behaviors necessary for effective performance management;
 - (2) Delegate appropriate authority to managers, supervisors, and other management officials, as required, to effectively implement and operate under the program in a manner consistent with effective operations and sound management practices;
 - (3) Develop and communicate agency organizational goals, initiatives, and priorities;

- (4) Assess organizational performance, communicate results to employees, and provide formal guidance to Rating and Reviewing Officials on how organizational performance is considered when deciding ratings and awards;
 - (5) Ensure supervisors are accountable for the successful accomplishment of their performance management responsibilities, and employees are accountable for their individual performance; and
 - (6) Ensure appropriate performance management training is provided for managers, supervisors, and employees within their organizations.
- c. USDA CHCO Council Members will:
- (1) Ensure their employee performance management programs comply with the Program policies specified in this DR.
 - (2) Ensure formal and informal performance planning and evaluation are used appropriately in the context of managing, training, recognizing, promoting, retaining, reassigning, and, as necessary, reducing in grade or removing employees for unacceptable performance;
 - (3) Provide training and information on performance management for managers, supervisors, and employees;
 - (4) Provide guidance for linking performance to organizational goals, and establishing performance plans with results-focused performance elements and balanced, credible performance measures within the performance standards;
 - (5) Provide assistance and guidance to supervisors and managers in the execution of their performance management responsibilities;
 - (6) Conduct annual internal evaluations and participate in Departmentwide program evaluations to evaluate program compliance with established principles, policies, and procedures; and determine the need for improvement, training, or guidance; and
 - (7) Provide required reports and documentation of program activities to support USDA and OPM accountability program reviews and/or audits.
- d. Reviewing Officials will:
- (1) Establish a performance culture that fosters a high performing organization through effective management of individual and organizational performance;
 - (2) Implement the principles, policies, procedures, and requirements of the program within their span of control;
 - (3) Hold their subordinate Rating Officials accountable for carrying out their performance management responsibilities within established deadlines;

- (4) Ensure there are meaningful distinctions in ratings of record across their respective organization;
- (5) Actively support Rating Officials in dealing with unacceptable performance; and
- (6) Complete required ongoing performance management training.

e. Rating Officials will:

- (1) Create a performance culture and environment that fosters a highly performing work unit;
- (2) Implement the principles, policies, procedures, and requirements of the program within their span of control;
- (3) Establish meaningful and achievable performance expectations in a performance plan for each subordinate employee;
- (4) Work with employees to identify opportunities to develop their performance;
- (5) Provide ongoing feedback and performance coaching, including quarterly reviews;
- (6) Maintain documentation on each employee's performance;
- (7) Recognize and address employees' performance issues early;
- (8) Provide the most effective assistance to employees as is practical;
- (9) Ensure there are meaningful distinctions in ratings of record; and
- (10) Complete required ongoing performance management training.

f. Employees will:

- (1) Provide input to their Rating Official concerning the development of their performance plan;
- (2) Carry out the performance expectations defined in their plan;
- (3) Request clarification of the performance standards and measures, as needed;
- (4) Identify obstacles to completing performance expectations and address them with their respective Rating Official;
- (5) Complete developmental assignments;
- (6) Participate in their quarterly progress reviews; and
- (7) Submit an accomplishment report at the end of the performance year.

7. GUIDING PRINCIPLES

The following principles are the foundation for USDA's Program and provide the policy parameters for situations not specifically described in this DR:

- a. Performance is not a program or an initiative, but the qualitative and quantitative delivery, by organizations and individuals, of the USDA mission to the public and other stakeholders.
- b. The success of the USDA Program lies with the employees and Rating and Reviewing Officials who work within the Program, rather than with the policies or structure of the Program.
- c. Setting clear expectations is the foundation for effective performance management.
- d. Ongoing and meaningful feedback around progress toward goals is more important than the mechanics of the rating process.
- e. The hallmarks of a successful performance management program include:
 - (1) Alignment with USDA strategic performance goals and results, cascaded from the most senior levels down to individual employees;
 - (2) Clearly defined performance standards and measures in plans;
 - (3) Accountability at all levels;
 - (4) Timely and ongoing feedback and learning;
 - (5) Differentiating among poor, good, and the best performers; and
 - (6) A culture of engagement and recognition for work done well.

8. GENERAL PROVISIONS

- a. Performance Cycle. Ensuring the efficient and effective use of the workforce is not an annual or even quarterly event. Performance management is a continuous cycle that involves:
 - (1) Planning work in advance so that expectations and goals can be set (Section 10);
 - (2) Monitoring progress and performance continually, and providing ongoing feedback (Section 11);
 - (3) Developing the employee's ability to perform through training and work assignments (Section 12);
 - (4) Evaluating and rating to summarize performance (Section 13); and

- (5) Recognizing and rewarding good performance (see [DR 4040-451-001](#), *USDA Employee Awards and Recognition Program*.)
- b. Plans and Ratings. USDA requires a timely and credible performance plan and rating of record for each eligible employee.
- c. System Design.
- (1) The System provides for 3-tier element ratings and 5-tier summary ratings and ratings of record.
- (a) The three possible element ratings are:
- 1 Exceeds Fully Successful (EFS);
 - 2 Fully Successful (FS); and
 - 3 Does Not Meet Fully Successful.
- (b) The five possible summary ratings are:
- 1 Outstanding;
 - 2 Superior;
 - 3 Fully Successful;
 - 4 Minimally Satisfactory; and
 - 5 Unacceptable.
- (2) Appraisal Period. USDA's official appraisal period for which a performance plan must be established, during which performance must be monitored, and for which a rating of record must be prepared, is October 1 through September 30 of each year (hereinafter referred to as the performance year).
- (3) Minimum Appraisal Period. The minimum performance appraisal period for a rating of record is 90 calendar days in active status under an approved performance plan.
- (a) The 90 days do not need to be consecutive.
- (b) Annual measures must be prorated if the appraisal period is less than 1 year.
- c. Separation of Roles. One individual may not serve as both the Rating and Reviewing Official for a performance plan and/or rating. The Reviewing Official must be in the Rating Official's chain of command.

d. Performance Management and Telework.

- (1) Defining Production Expectations. Employees who are approved for telework should not be held to a higher or lower production standard than those who are not utilizing the flexibility.
- (2) Defining Responsiveness Expectations. Rating Officials may include performance measures specific to responding to email, phone calls, and/or instant messaging, commensurate with the responsiveness expectations for employees who are physically in the office.
- (3) General Telework Provisions. See [DR 4080-811-002](#), *Telework Program*.

9. PERFORMANCE PLAN COMPONENTS

a. Elements.

- (1) Performance elements must reflect the responsibilities and duties actually assigned to and expected to be performed by the employee, consistent with an accurate and current position description.
- (2) A performance element contains:
 - (a) The element title, identifying a significant duty or responsibility for which the employee is accountable and responsible; and
 - (b) The associated standards and measures which will permit the accurate evaluation of job performance based on objective criteria.
- (3) Each performance element must be designated as either critical or non-critical.
 - (a) A critical element:
 - 1 Describes expectations of such importance that unacceptable performance in that element would result in a determination that the employee's overall performance is unacceptable;
 - 2 Typically reflects the core purpose for which the position exists;
 - 3 Must represent work assignments and responsibilities that are within the employee's control; and
 - 4 For an employee who is not a supervisor or team leader, may not encompass group performance.
 - (b) A non-critical element:

- b A level of performance throughout the appraisal period that shows exceptional contributions to the accomplishment of the Department and agency mission;
 - c A level of performance that demonstrates a mastery of required technical skills, sound judgment, and a thorough understanding of the mission of the organization;
 - d A level of performance which has a positive, material impact on the completion of program objectives; and
 - e An exceptional quality and quantity of work that is produced with very little or no supervision, and typically completed significantly ahead of established schedules or deadlines.
- 2 Employees should be encouraged to propose substantive projects and/or outcomes above the normal expectations of their respective positions to contribute to defining the EFS standards for each element of their plans.
- 3 Examples of projects that could support standards at the EFS level for an element, depending on the purpose and grade of the position, include:
- a Planning and documenting a knowledge management product that comprehensively captures the technical and practical knowledge needed to succeed in that, or a similar, position;
 - b Developing and implementing a service innovation that demonstrably and substantively improves the customer experience;
 - c Developing and implementing a comprehensive, innovative methodology for increasing programmatic outreach to underserved members of the local community;
 - d Identifying administrative processes that are hindering the work of the work unit, and developing and implementing significant process improvements;
 - e Mentoring, on an ongoing basis throughout the performance year, a newly appointed or promoted supervisor in successfully transitioning to that role (in the element for general supervision and leadership);
 - f Mentoring, on an ongoing basis throughout the performance year, a newly appointed or promoted colleague in successfully carrying out new program responsibilities; and
 - g Significantly exceeding production standards at the FS level by also completing a coworker's program responsibilities while the coworker is detailed or on extended leave for 6 months.

- 4 It is also permissible to define standards at the EFS level by listing a number of relatively smaller-scale results and identifying how many of them must be accomplished for the element to be rated EFS.
 - 5 It is not permissible to make the standards at the EFS level more or less rigorous based on an employee's relative strengths or weaknesses, or based on past performance.
- (4) Absolute standards, which allow for no errors, are prohibited unless a single failure could result in loss of life, injury, breach of national security, or great monetary loss.
 - (5) Backwards standards, which describe unacceptable performance rather than describe what level of performance is expected, are prohibited.
 - (6) Standards and measures may be defined with milestones throughout the performance year to ensure continual progress is being made.
 - (7) Assigning generic standards to all employees, regardless of the type of work they do, is prohibited if the generic standards do not truly represent their work.
 - (a) Generic standards covering similar positions with similar responsibilities must ensure that expectations reflect the respective employee's actual duties and responsibilities, and are clearly and specifically communicated.
 - (b) Generic standards may be clarified via such things as supplemental standards, measures within the standards, memoranda, standard operating procedures, and checklists for office processes.
 - (c) Generic standards must be commensurate with the grade of the position(s) to which they are assigned.
- c. Content Requirements.
- (1) Except as described in Section 10d(6), the performance plan for each position must:
 - (a) Communicate in writing the critical elements for the position, the non-critical elements as applicable, and each element's performance standards and measures;
 - (b) Contain all elements that will be used in deriving and assigning a summary rating;
 - (c) Include:
 - 1 A minimum of three and not more than seven performance elements;

2 At least one mission results-oriented critical element that is aligned with the organization's strategic goals and objectives, and reflects the primary purpose of the position;

a It should not be so broad as to include every programmatic outcome expected of the position; expectations for multiple and/or secondary functions should be defined under separate elements.

b This element must also reflect the civil rights-related expectations related to the employee's program responsibilities.

3 Specific performance standard(s) for each element;

4 Credible measures within each performance standard; and

5 Standards and measures that relate to customers' perspectives in at least one critical element;

(d) Be commensurate with the position's series and grade level;

(e) Not be made more or less rigorous based on a particular employee's perceived strengths or weaknesses, nor based on past performance;

(f) Encompass the preponderance of the duties and responsibilities assigned to and expected to be performed by the employee (if the current performance expectations do not match the employee's position description, the position description should be revised); and

(g) Be updated as necessary throughout the performance year.

(2) Supervisory Plans.

(a) In addition to the requirements of Section 9c(1), performance plans for supervisors and managers must contain one critical element for general supervision and leadership that includes:

1 Expectations related to employee engagement responsibilities;

2 Expectations related to supervisory civil rights responsibilities;

3 Expectations related to Equal Employment Opportunity (EEO) responsibilities; and

4 Measures or indicators of employees' perspectives.

(b) Performance plans for supervisors, managers, and anyone else designated as a Rating or Reviewing Official, must also contain a separate critical element for performance management.

(c) Any mandatory language for Section 9c(2) will be announced via memoranda and posted on OHRM's performance management web page.

(3) New Roles.

(a) Standards for employees new to their position and/or recently promoted should reflect, at the FS level, expectations specific to the employee learning the new responsibilities.

(b) Such standards should be defined on a case-by-case basis, depending on the employee's experience with similar responsibilities, and the complexity of the new position or grade level.

(c) The standards should reflect the timeframe by which the employee should complete training, gain familiarity with the role, and/or begin to perform the full range of duties of the position.

10. PLANNING PERFORMANCE

a. Rating Official Responsibilities.

(1) Communicating the strategic goals of the organization, and how the employee's responsibilities align with those goals;

(2) Establishing individual performance plans that clearly communicate the expectations for successful performance and comply with the requirements of Section 9;

(3) Engaging employees during the process of establishing and documenting performance plans and ensuring employees understand what is expected; and

(4) Ensuring duties covered by performance elements are included in the respective employee's position description.

b. Employee Responsibilities.

(1) Providing input to their Rating Official concerning the development of the performance plan, including performance elements, standards, and measures; and

(2) Ensuring they have a clear understanding of their performance expectations and how their performance relates to the mission of the organization.

c. Timeframes.

(1) An approved performance plan must be issued to eligible employees no later than:

(a) 30 days from the beginning of the new performance year;

- (b) 15 days of when an employee starts a new position, or a detail or temporary promotion of 90 or more days; and/or
 - (c) 15 days of a new assignment or change in assignment that impacts the expectations of the position during the appraisal period.
- (2) Performance plans do not roll over from one performance year to the next, but the elements and standards in an approved plan will remain in effect until a new plan is issued for the new performance year.
 - (3) A performance plan put in place fewer than 75 days before the end of a performance year may carry through the next performance year, provided the effective dates on the plan reflect the entire period.
 - (4) When a Rating Official is assigned to a new supervisory position, performance plans for subordinate employees must be reviewed within 30 days, and revised, as necessary, consistent with Section 11e.
- d. Basic Provisions.
- (1) Rating Officials must formally communicate expectations before holding employees accountable for them.
 - (2) The final authority for establishing performance plans rests with management, typically the Rating Official, and optionally with the Reviewing Official's review and concurrence.
 - (3) Employee Participation in the Performance Plan. Establishing meaningful performance plans requires participation of both the supervisor and the employee.
 - (a) Rating Officials must involve employees in the development of their performance plans prior to the start of a new performance year, insofar as it is practicable, which means seeking and including employees' ideas and opinions in the development of performance plans.
 - (b) Employees must indicate in the appropriate block of their performance plan whether they participated in developing their plan.
 - (4) Consistency. Performance plans are not required to be uniform, but they must be fair and equitable throughout the Reviewing Officials' respective organizations.
 - (5) Finalizing the Performance Plan.
 - (a) A performance plan is final when the Rating Official and, optionally, the Reviewing Official, sign the performance plan and issue it to the employee.

- (b) Reviewing Officials should not approve any performance plan until they are satisfied that the plan has met the requirements of Section 9 and are otherwise consistent with the provisions of this DR.
 - (c) Employees are requested to sign and date Form Agriculture Department (AD)-[435E](#), *Performance Plan and Appraisal for Non-Supervisors*, or Form AD-[435S](#), *Performance Plan and Appraisal for Supervisors*, to certify receipt of their performance plan.
 - 1 An employee's signature does not mean that the employee agrees or disagrees with the contents of the plan.
 - 2 An employee's failure or refusal to sign does not void the contents of the plan or the performance expectations documented within it.
 - 3 If an employee declines to sign the Form AD-435E or Form AD-435S, the supervisor should document the refusal and the reasons presented by the employee on the form.
- (6) Performance Plans for Temporary Assignments.
- (a) Temporary assignments lasting longer than 180 days require a full performance plan.
 - (b) Temporary assignments lasting between 90 and 180 days require an abbreviated performance plan containing:
 - 1 A mission results-oriented critical element, defined at both FS and EFS; and, as applicable,
 - 2 The performance management and supervisory elements, defined at both FS and EFS, for a temporary assignment as a supervisor.
 - (c) Temporary assignments of fewer than 90 days require a documented summary of expectations, but not a full plan.

11. MONITORING PERFORMANCE

a. Rating Official Responsibilities.

- (1) Provide regular, recurring, and timely performance feedback to employees, including monitoring progress toward quarterly and annual goals;
- (2) Maintain documentation and records relevant to each employee's performance, including feedback from customers and other stakeholders;
- (3) Review progress toward goals with each employee no less than once each quarter, as described in Section 11d;

- (4) Identify potential issues with any employee meeting his or her performance expectations, and address concerns with the employee before performance falls below the FS level for any element as defined on their performance plans; and
 - (5) Take appropriate action to address performance not meeting expectations, consistent with Section 14.
- b. Reviewing Official Responsibilities.
- (1) Immediately communicate changes in organizational priorities to both Rating Officials and employees;
 - (2) Ensure subordinate Rating Officials are effectively managing their respective employees' performance, including complying with the requirements of this Section; and
 - (3) Carry out the responsibilities described in Section 11a for all direct reports.
- c. Employee Responsibilities.
- (1) Carry out the performance expectations defined in their performance plans, including meeting applicable milestones;
 - (2) Seek clarification on the standards and measures, as needed;
 - (3) Identify work problems or other obstacles which may hinder the accomplishment of performance expectations, and work with Rating Officials to resolve them;
 - (4) Seek performance feedback from their Rating Official and, as appropriate, from internal and external customers; and
 - (5) Participate in their progress reviews.
- d. Progress Reviews.
- (1) Rating Officials must have a formal conversation with each employee to review performance no less frequently than once each quarter. Areas to be covered should include:
 - (a) Assessing progress toward the standards and measures in the performance plans;
 - (b) Clarifying existing expectations, as necessary;
 - (c) Discussing potential concerns about meeting expectations and/or any obstacles hindering the employee's capacity to meet the expectations, and how they'll be handled;

- (d) Documenting new assignments, potentially reprioritizing or eliminating other assignments, and revising the performance plan as necessary; and
 - (e) Providing feedback on the quality of performance in that quarter.
 - (2) Quarterly progress reviews do not include a rating of record, and no rating of record shall be expressly promised or implied to an employee. Reviews may, however, indicate the need to significantly revise the performance plan, necessitating an interim rating covering the period of performance under the original plan.
 - (3) There is no minimum period of time for the employee to perform under standards, or for the Rating Official to be in that role, before the progress reviews take place.
 - (4) Employees and Rating Officials must initial and date the Form AD-435E, Form AD-435S, or approved electronic alternative to document the reviews have taken place.
- e. Updating Performance Plans.
- (1) Employee plans must be updated during the performance year when minor changes need to be documented, such as:
 - (a) Clarification of standards and measures;
 - (b) New organizational goals or priorities that do not significantly impact the original standards; and/or
 - (c) Elimination of existing work assignments due to factors beyond an employee's control that make the original expectations unachievable.
 - (2) Pen and ink changes for minor modifications may be made at any time, provided the employee is informed before the changes are made effective.
 - (a) The employee shall initial such changes to indicate receipt; and
 - (b) Rating Officials must document and keep records of all such modifications and related conversations to demonstrate the employee was informed.
- f. Revising Performance Plans.
- (1) Employee plans must be revised during the performance year when significant changes need to be documented, such as:
 - (a) Adding a substantial new expectation; and/or
 - (b) Adding a significant new standard or measure.

- (2) Such changes made 90 or more days before the end of the performance year require an interim rating, provided the employee worked at least 90 days under the existing performance plan.
 - (a) The Rating Official may require the employee to submit an accomplishment report.
 - (b) The interim rating process must comply with Section 13b.
- (3) Such changes made fewer than 90 days before the end of the performance year require a rating of record. The new performance plan will cover the remaining time in the current performance year, as well as the following performance year.

12. DEVELOPING PERFORMANCE

a. Rating Official Responsibilities.

- (1) Work with employees to identify opportunities for development to improve or enhance performance;
- (2) Encourage employees to seek professional and technical development opportunities to enhance their contribution to the Department and agency goals; and
- (3) Prioritize the funding available for an employee's development to ensure performance-related training is given first consideration.

b. Employee Responsibilities.

- (1) Being accountable for developing and improving their own performance;
- (2) Completing developmental assignments; and
- (3) Applying learnings from training and other developmental opportunities to materially improve their performance.

c. Developing performance pertains to increasing an employee's capacity to perform the current expectations of the position, rather than providing training opportunities to prepare the employee for a different role or higher grade.

d. Performance-related developmental opportunities include, but are not limited to:

- (1) Classroom or online training;
- (2) On-the-job-training;
- (3) Rotational assignments;
- (4) Mentoring;

- (5) Special assignments;
- (6) Details/reassignments;
- (7) Process improvement teams; and
- (8) Self-development activities.

13. EVALUATING PERFORMANCE

a. Ratings of Record.

(1) Rating Official Responsibilities.

- (a) Assess the performance of employees throughout the entire appraisal period according to the elements, standards, and measures in the performance plan;
- (b) Ensure employees' performance upon which the ratings are based is well-documented;
- (c) Submit the proposed element ratings to the Reviewing Official before calculating the proposed ratings of record;
- (d) Calculate the ratings of record once the element ratings are approved by the Reviewing Official;
- (e) Ensure there are meaningful and defensible distinctions in ratings within the organizational unit, such that higher performing employees receive higher ratings than lower performing employees in the same unit;
- (f) Ensure ratings of record are consistent with organizational performance;
- (g) Issue the final ratings of record to employees after the Reviewing Official has signed them; and
- (h) Complete ratings within prescribed deadlines.

(2) Reviewing Official Responsibilities.

- (a) Evaluate their subordinate rating officials to ensure accountability for effective performance management in accordance with the standards and measures in the performance management element;
- (b) Review the narrative assessments and element ratings proposed by their subordinate Rating Officials for accuracy, objectivity, completeness, and consistency with the plan's standards;

- (c) Ensure Rating Officials have made meaningful distinctions in their recommended element ratings before approving them;
 - (d) Direct revisions as necessary;
 - (e) Approve the proposed and/or revised element ratings before the ratings of record are calculated;
 - (f) Ensuring employee ratings are consistent with the organization's performance;
 - (g) Ensure there are consistent, meaningful distinctions in proposed ratings of record throughout the organizational units within their span of control; and
 - (h) Sign the final ratings of record before they are issued to employees.
- (3) Employee Responsibilities.
- (a) Submit an accomplishment report to their respective Rating Official, which details:
 - 1 Personal performance, contributions, and accomplishments that align with the standards and measures at the FS level for each element in their performance plan;
 - 2 Personal performance, contributions, and accomplishments that align with the standards and measures at the EFS level for each element in their performance plan, as applicable; and
 - 3 Any additional performance, contributions, and accomplishments that are not specific to the expectations documented in the performance plan.
 - (b) Submitting work products and other documentation to support the accomplishment report, as necessary.
- (4) Timeframes.
- (a) Employees must submit accomplishment reports to their respective Rating Officials no later than October 1st.
 - (b) Rating and Reviewing Officials must complete ratings of record as soon as is practicable after the end of the appraisal period, and issue them to employees no later than October 30th.
- (5) General Provisions.
- (a) A rating of record must be produced:

- 1 Each element must be evaluated separately based on actual performance, accomplishments, contributions, and results.
- 2 There is no default element rating.
 - a The expectations articulated at the FS level of an element's standards and measures must be entirely met before assigning that element rating.
 - b In addition to the standards at the FS level, the expectations described at the EFS level must be entirely met before assigning that element rating.
- 3 An element rating may not be lowered:
 - a Because of work that was not completed during the period of time an employee was on pre-approved leave, or other approved absence,
 - b Because of work that could not be completed due to an abbreviated performance year; and/or
 - c For not meeting a specific standard due solely to factors outside the employee's control.
- 4 Discretion.
 - a The Rating and Reviewing Officials retain discretion in determining whether extenuating circumstances provide a reasonable explanation as to why a performance expectation was not achieved.
 - b The Rating and Reviewing Officials may determine that substantive additional contributions and accomplishments not documented in the performance plan contribute to assigning the EFS for a given element.
 - c This determination must be specifically documented in the narrative assessment for the element.
 - d This provision may not be applied to mandatory standards issued by OHRM.
- 5 The Rating Official must prepare a narrative assessment supporting each proposed element rating. The assessment must:
 - a Specify the factual details regarding the respective employee's accomplishments, contributions, and results relative to each of the elements in the employee's performance plan; and

- i. One mission results-oriented element is assigned four appraisal points;
 - ii. Other critical elements are each assigned two appraisal units; and
 - iii. Non-critical elements are assigned one appraisal unit.
- b If the total appraisal points for elements rated EFS are greater than the appraisal points rated FS, the summary rating is Superior.
 - c If the total appraisal points for elements rated FS are equal to or greater than the appraisal points for elements rated EFS, the summary rating is FS.

(7) Finalizing the Rating of Record.

- (a) A summary rating is valid and becomes the rating of record when the Rating Official and Reviewing Official sign the Form AD-435E or Form AD-435S.
 - 1 If the Rating Official disagrees with the Reviewing Official's final element rating(s), he or she may decline to sign the rating.
 - a In this case, the Reviewing Official must sign as the Rating Official, and the Reviewing Official's manager must sign as the Reviewing Official.
 - b The original Rating Official may not discuss the differences of opinion with anyone except the two individuals indicated in Section 13a(7)(a)1a.
- (b) The rating of record must be issued to the employee.
 - 1 The Rating Official, whether the employee's supervisor of record or the official who signed the rating as determined in Section 13e(7)(a)1a, must review the rating of record with the employee.
 - 2 The employee's signature on Form AD-435E or Form AD-435S will serve as certification that such a discussion took place. The employee's signature:
 - a Does not necessarily signify that the employee agrees with the rating; and
 - b Does not preclude the employee from following the provisions of Sections 13a(9).

- 3 If this discussion cannot take place or the employee refuses to sign Form AD-435E or Form AD-435S, the Rating Official must document the reason for not having the employee's signature on the form.

(c) The Rating Official must also:

- 1 Provide a copy of the completed rating and the supporting documentation to the servicing Human Resources Office (HRO) for processing and maintenance; and
- 2 Retain a copy of the completed rating and the supporting documentation for the Rating Official's supervisory file.

(8) Special Situations.

(a) Absence of a Plan.

- 1 If an employee is not on a performance plan at the end of the performance year, but served under a plan that defined work similar to that of the position of record for at least 90 days at some point during the year, the interim rating for that time period will serve as the rating of record. The 90 days do not need to be consecutive.
- 2 If an interim rating was not done, a rating of record cannot be produced.

(b) Employee Leave.

- 1 If an employee is on active duty or other leave at the end of the performance year, and the employee performed at least 90 days on a performance plan, the rating of record must be prepared and held until the employee's return. The 90 days do not need to be consecutive.
- 2 If an employee who has performed at least 90 days on a performance plan is preparing to go on active duty or other leave and does not plan to return to duty before October 1, the rating of record must be prepared and issued to the employee before the leave begins.
- 3 If the employee was on active duty or other leave for an extended period, such that he/she did not perform at least 90 days on a performance plan, a rating of record cannot be produced for that performance year.

(c) Vacant Supervisory Position. 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.

(d) New Supervisors.

- 1 New supervisors may serve as Rating Officials provided the following:

- a The subordinate employees have been under established performance plans for the minimum appraisal period of 90 days;
 - b The supervisor has completed formal training in assessing and rating performance; and
 - c 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.
 - 2 If those provisions are not in place, the second-level supervisor will serve as the Rating Official, and the third-level supervisor will serve as the Reviewing Official.
- (e) Acting Supervisors.
 - 1 Individuals in acting supervisory roles at the end of the performance year, or at the end of an extended appraisal period, may serve as rating and/or Reviewing Officials, provided the following:
 - a The employees have been under established performance plans for the minimum appraisal period of 90 days;
 - b The acting supervisor is officially designated as acting for a period of at least 60 days, either by detail or temporary promotion;
 - c The acting supervisor has completed formal training in assessing and rating performance; and
 - d If the acting supervisor has been in the acting supervisory role for fewer than 90 days, there is at least one interim rating to consider in the rating of record.
 - 2 If those provisions are not met, the second-level supervisor will serve as the Rating Official, and the third-level supervisor will serve as the Reviewing Official.
- (f) Employees Detailed Outside of USDA.
 - 1 When employees are detailed outside of the Department, the supervisor of record must make a reasonable effort to obtain appraisal information from the outside organization.
 - 2 If such information is unattainable, and the employee worked under a performance plan within USDA for fewer than 90 days in the performance year, a rating of record cannot be produced for that performance year.

- 3 A rating of record recommended by the external Department or Agency must be approved by the respective employee's Rating and Reviewing Officials of record.
 - a A pass/fail rating of record has no correlation with USDA ratings, so the external organization must recommend a rating which is compatible with one of the five possible USDA summary ratings.
 - b The final rating of record must be documented on the Form AD-435E or Form AD-435S and filed in the employee's performance file (EPF).
- (g) Disabled Veterans. The performance appraisal and resulting rating of record for a disabled veteran may not be lowered because the veteran has been absent from work to seek medical treatment as provided for in Executive Order 5396, *Special Leaves of Absence to be Given Disabled Veterans in Need of Medical Treatment*, dated July 17, 1930.

(9) Producing or Changing a Rating of Record After the Deadline.

- (a) The USDA CHCO may issue a blanket or targeted extension to the rating deadline for circumstances including, but not limited to:
 - 1 A lengthy furlough due to lapse in appropriations; or
 - 2 A weather event or other natural disaster which significantly impacted a region.
- (b) Absent such extension, after December 1, a rating of record that covers the previous performance year may only be changed or produced under the following circumstances:
 - 1 Within 60 days of issuance based upon an informal request by the employee to the rating and/or Reviewing Official.
 - 2 As a result of a complaint or other formal proceeding permitted by law or regulation that results in a final determination by the appropriate authority that the rating of record must be changed or produced or as part of a bona fide settlement of a formal proceeding; or
 - 3 Where the agency's CHCO Council Member determines that a rating of record was incorrectly recorded or calculated.

b. Interim Ratings.

(1) General Provisions.

- (a) When an employee has performed under an established plan for a minimum of 90 days, which do not need to be consecutive, an interim rating must be produced when:
 - 1 A performance plan is revised 90 or more days before the end of the performance year;
 - 2 The employee is reassigned or promoted 90 or more days before the end of the performance year;
 - 3 The employee's detail or temporary promotion of less than the full performance year is ending;
 - 4 The employee's detail or temporary promotion of less than the full performance year continues beyond the end of the performance year;
 - 5 The employee transfers outside USDA 90 or more days before the end of the performance year;
 - 6 The employee resigns from Federal service 90 or more days before the end of the performance year with at least 3 weeks' notice;
 - 7 The Rating Official leaves that position 90 or more days before the end of the performance year; and/or
 - 8 An acting Rating Official's detail or temporary promotion is ending after 90 or more days.
 - (b) Interim ratings must specify the date range of the performance.
 - (c) Interim ratings must be completed within 15 days, including issuing the rating to the employee and providing a copy to the Rating Official who will be assessing the employee's performance at the end of the performance year.
 - (d) The Rating Official preparing the rating of record at the end of the performance year, in consultation with the Reviewing Official, must consider the nature of assignments and the length of time covered by the interim rating(s) when determining the impact of the interim rating(s) on the employee's element and summary ratings that comprise the rating of record.
- (2) The interim rating process is comparatively streamlined:
- (a) The employee must submit an accomplishment report.
 - (b) The Rating Official must evaluate the employee's performance against each element in the performance plan, and, because in some situations an interim rating may become the rating of record, propose a summary interim rating to the Reviewing Official.

- 1 If the Reviewing Official agrees with the proposed interim rating, the Rating and Reviewing Officials shall sign the interim rating.
- 2 If the Reviewing Official disagrees with the proposed interim rating, he or she may adjust the interim rating before signing it. The Rating Official's signature may be omitted if he or she disagrees with the final interim rating.

c. Advisory Assessment.

- (1) When an employee has performed for at least 60 but fewer than 90 days either in a temporary role or on a performance plan that is being revised, an advisory assessment must be produced within 15 days of the end of the temporary assignment or the effective date of the revised plan.
- (2) The supervisor of the abbreviated performance period must document:
 - (a) The primary responsibilities during the abbreviated performance period (if not already described in a performance plan);
 - (b) The employee's contributions;
 - (c) A general descriptive assessment of the employee's performance, but not an actual rating; and
 - (d) The date range of the performance.
- (3) The supervisor must provide a copy of the documentation to the employee and to the employee's supervisor of record (if applicable) for consideration in determining the performance year's rating of record.

14. ADDRESSING PERFORMANCE PROBLEMS

- a. Prerequisites to Addressing Issues. Before performance problems can be officially addressed, the following must be in place:
 - (1) A current, accurate position description; and
 - (2) A current, accurate performance plan, including standards and measures that clearly articulate the expectations at the FS level.
- b. Distinction and Overlap Between Performance and Conduct.
 - (1) Conduct and performance management problems may coincide, but they are distinct issues.
 - (a) Misconduct is generally a failure to follow a regulation, policy, or workplace rule, whether written or unwritten. Examples include:

- 1 Tardiness;
- 2 Absenteeism;
- 3 Insubordination;
- 4 Falsification;
- 5 Misuse of Government computer systems;
- 6 Prohibited personnel practices;
- 7 Retaliation;
- 8 Failure to follow safety regulations; and
- 9 Failure to protect personally identifiable information (PII).

(b) Poor performance is the failure of an employee to do the job at the FS level, as defined in the performance plan.

- (2) A pending conduct consideration will have no bearing on conducting progress reviews and/or issuing a timely rating of record.
 - (3) Accountability for poor performance, by means of a Demonstration Opportunity (DO) and/or a rating of record, does not preclude consequences for misconduct.
- c. Immediacy. As described in Section 11, Rating Officials must identify potential issues with any employee meeting his or her performance expectations, and address the issues with the employee, before performance falls below the standards defined at the FS level for any element as documented in the employee's performance plan.
- d. Reassignments. An employee may be reassigned at any time for performance that fails to meet the FS level as documented in the employee's performance plan.
- e. Adverse Actions. Subject to the provisions of 5 U.S.C. 75, *Adverse Actions*, and 5 CFR 752, *Adverse Actions*, an agency may, to promote the efficiency of the service, take action for performance or related conduct.
- f. Performance-Based Actions. Subject to the provisions of 5 U.S.C. 4303 and 5 CFR 432, *Performance Based Reduction in Grade and Removal Actions*, an agency may reduce in grade or remove an employee for failing to perform at the FS level in a critical element.
- (1) If the employee's performance falls below the standards for FS on any critical element, prior to taking a performance-based action, the Rating Official must:
 - (a) Notify the employee in writing of the critical element(s) for which performance is below the FS level;

- (b) Inform the employee that unless he/she demonstrates performance in the critical element(s) identified in the notice at the FS level, the employee may be reduced in grade or removed; and
 - (c) Afford the employee a reasonable opportunity to demonstrate FS performance on the critical element(s) by giving the employee a DO.
- (2) Neither an interim rating nor a rating of record is required before taking a performance-based action.
 - (3) The requirement to establish a DO excludes employees listed in 5 CFR 432.102(f), including an employee in the competitive service who is serving a probationary or trial period under an initial appointment.

g. Demonstration Opportunity.

- (1) The DO is not a developmental opportunity, nor an opportunity to merely improve performance. It is an opportunity to demonstrate acceptable performance, i.e., performance at the FS level in the respective critical element(s).
- (2) A DO requires a DO Plan, which must provide clear notice of the performance the employee is required to demonstrate in the critical element(s) and standards for which the employee's performance does not currently meet FS level.
 - (a) The performance expectations must be achievable within the duration of the DO;
 - (b) The expectations in the DO Plan must be commensurate with the duties and responsibilities of the employee's position and grade level, as reflected in the employee's position description and performance plan;
 - (c) The expectations must allow for a margin of error during the DO; an absolute standard is not permitted unless a single failure could result in loss of life, injury, breach of national security, or great monetary loss;
 - (d) The DO Plan must describe how the expectations will be measured and/or assessed; and
 - (e) The DO Plan must describe any assistance the agency will provide the employee to bring the performance up to the FS level.
- (3) The DO Plan must specify the length of the period to demonstrate performance at the FS level.
 - (a) There is no minimum opportunity period for a DO.

1 A DO of 30 calendar days is normally sufficient.

2 A DO of more than 30 calendar days must be approved by the USDA CHCO.

(b) The length of the DO should be determined by the following considerations:

1 The complexity of the work;

2 The duration of the segment of work which would provide adequate evidence that performance is demonstrated, or not, at the FS level; and

3 Whether the employee has demonstrated acceptable performance, as defined at the FS level of the current performance plan, at a previous time.

(4) The Rating Official, or alternate as identified in the DO plan, must closely monitor the employee's performance during the DO, and inform the employee at least once each week during the DO that the employee is or is not meeting performance expectations.

(5) If, during the DO, the Rating Official concludes that additional time is required to assess whether the employee is demonstrating performance at the FS level, the DO may be extended for no more than 30 days with the prior approval of the USDA CHCO. If the DO is extended, the Rating Official must notify the employee, in writing, of the extension.

(6) At the conclusion of the DO, the Rating Official must determine, without delay, whether the employee has demonstrated acceptable performance as defined in the DO Plan, and must notify the employee in writing of the determination within 7 calendar days. If the employee has failed to demonstrate acceptable performance, the Rating Official must initiate steps to take an adverse or performance-based action no later than 7 calendar days from the end of the DO.

h. Subsequent Performance.

(1) If an employee has consistently demonstrated performance at the FS level for 1 year from the beginning of a DO and the employee's performance again falls below the FS level in any critical element, the Rating Official must afford the employee an additional DO before determining whether to propose a performance-based action.

(2) A performance-based action may be proposed based upon instances of performance below the FS level which occur within a 1-year period from the beginning of the DO, ending on the date of the notice of proposed action.

i. Rating of Record During a Demonstration Opportunity.

(1) If an employee is on a DO with a scheduled duration beyond the end of the performance year, a rating of record must be given to the employee no later than 30 days after the end of the performance year, consistent with Section 13a.

- (2) The appraisal period shall not be extended for the purpose of permitting an employee to demonstrate acceptable performance such that the rating of record is not completed by the deadline.
 - (3) If an employee's performance is not at the FS level for every critical element before the rating of record deadline, the rating of record for that performance year is Unacceptable.
 - (4) A rating of record is not permitted to be changed if the employee demonstrates acceptable performance after the rating of record deadline.
- j. Savings Provision. Administrative actions initiated against employees whose performance is Unacceptable under 5 U.S.C. 4303, and the USDA Performance Management Program, or another program in existence prior to the effective date of this Program, shall continue to be processed consistent with that pre-established set of procedures and requirements.

15. PERFORMANCE MANAGEMENT TRAINING REQUIREMENTS

- a. Supervisors and managers are required to take formal performance management training. When assuming a supervisory role for the first time within USDA, supervisors and managers must complete training in assessing and rating performance by the earlier of the following:
 - (1) Within the first 3 months of assuming the supervisory role; or
 - (2) Before preparing or reviewing ratings of record for subordinate employees.
- b. Ongoing training in other aspects of performance management must be completed not less than every 2 performance years for the remainder of their supervisory tenure.
- c. Non-supervisory employees must take performance management training within the first 3 months of employment, and thereafter in ad hoc intervals as OHRM and/or the agency determines to be necessary (e.g., if there are significant changes to the program).
- d. All training must be recorded in the Department's training system of record.
- e. To meet the mandatory requirements, performance management training must include one or more of the following components:
 - (1) The concepts and practical use of performance management;
 - (2) Setting expectations;
 - (3) Managing performance for results;
 - (4) Assessing and rating performance;

- (5) Linking individual performance to organizational goals;
- (6) Setting effective goals for individual performance;
- (7) Establishing and applying objective measures of performance;
- (8) The performance appraisal process;
- (9) Writing accomplishment reports;
- (10) Communicating organizational performance to employees;
- (11) Giving and receiving feedback;
- (12) Using reward and recognition to achieve and sustain higher levels of performance;
- (13) Developing competencies;
- (14) Addressing performance deficiencies; and/or
- (15) Distinguishing between performance and conduct.

16. LINKING PERFORMANCE TO OTHER PERSONNEL SYSTEMS

a. Probationary Employees.

- (1) The Rating Official must continually evaluate the probationary employee to determine whether the employee has demonstrated the ability to perform the functions of the position at the FS level, including an assessment no later than the 9-month mark.
- (2) A probationary employee must be terminated during the probationary period if work performance fails to demonstrate the capacity or qualifications necessary for continued employment.
 - (a) An employee's probationary period ends upon completion of the scheduled tour of duty on the day before the anniversary date of employee's appointment.
 - (b) If a probationary employee is to be terminated for performance reasons, the Rating Official must notify the employee in writing of the reason for termination, the effective date, and the official's conclusions as to the inadequacies of the employee's performance.

b. Probationary Supervisors and Managers.

- (1) The Rating Official must evaluate a probationary supervisor or manager to determine whether he/she has demonstrated the ability to perform the functions of the position at the FS level.

- (2) An employee, who for reasons of supervisory or managerial performance does not satisfactorily complete the probationary period, is entitled to be assigned to a position of no lower grade and pay than the one the employee vacated to accept the supervisory or managerial position, except as provided below.
 - (3) A new supervisor who does not satisfactorily complete the supervisory probationary period and who is also serving the probationary period for an initial appointment may be removed at any time as described under the provisions of Section 16a. If they are not removed, they are not automatically entitled to be assigned to a position at a specific grade and pay. Such determinations are made on a case-by-case basis in consultation with the servicing HRO.
 - (4) A non-supervisory or non-managerial employee who is demoted into a supervisory and/or managerial position for which a probationary period is required, and who does not satisfactorily complete the probationary period for reasons of supervisory or managerial performance, is entitled to be assigned to a position at the same grade and pay as the position in which he or she was serving a supervisory probationary period.
 - (a) The Rating Official must notify the employee in writing of the decision to assign the employee to a different position.
 - (b) The employee is eligible for repromotion in accordance with the respective agency's merit promotion policy.
- c. Within-Grade Increase (WGI).
- (1) WGIs are based on performance and longevity.
 - (2) An eligible employee may be granted a within-grade increase only when:
 - (a) The current rating of record was assigned no earlier than the most recently completed appraisal period; and
 - (b) The employee is currently performing at or above the FS level on all elements in the performance plan.
 - (3) A WGI may not be processed automatically.
 - (a) The Rating Official must verify that performance is currently at the FS level for every element in the performance plan.
 - (b) If a WGI is erroneously processed without the Rating Official's verification and the employee's performance is not currently at the FS level, the WGI must be rescinded.
 - (4) An employee with a current rating of record that is below FS may receive a WGI only if:

- (a) Their current performance is at or above the FS level for every element in the performance plan; and
 - (b) An out-of-cycle rating of record is prepared to certify performance at or above the FS level.
- (5) If an employee was rated FS on the most recent rating of record and performance in any critical element falls below FS before the WGI is due, the employee should be notified immediately and put on a DO according to the provisions of Section 14.
- (a) If the employee succeeds in demonstrating performance at the FS level before the WGI's effective date, the WGI may be approved.
 - (b) The WGI must be denied if it is due while the employee is on an active DO. An out-of-cycle rating of record must be prepared to document a rating of Unacceptable.
 - (c) If the employee succeeds in demonstrating performance at the FS level at the end of the DO, the WGI may be reconsidered at any time thereafter, but the agency must consider the employee's performance at least every 52 weeks after the denial.
 - (d) If the WGI is subsequently approved based on performance at the FS level in every element on the performance plan, a new rating of record must be prepared before the WGI may be processed.
- (6) If an employee was rated FS on the most recent rating of record and performance in any noncritical element falls below FS before the WGI is due, the employee must be informed and encouraged to bring the performance up to the FS level.
- (a) The WGI must be denied if the employee fails to demonstrate performance at the FS level in every element of the performance plan before the WGI's effective date. An out-of-cycle rating of record must be prepared to document a rating of Minimally Satisfactory.
 - (b) If the employee subsequently succeeds in demonstrating performance at the FS level, the WGI may be reconsidered at any time thereafter, but the agency must consider the employee's performance at least every 52 weeks after the denial.
 - (c) If the WGI is subsequently approved based on performance at the FS level in every element on the performance plan, a new rating of record must be prepared before the WGI may be processed.
- (7) A rating of record may be delayed for the purposes of a WGI determination only under these circumstances:
- (a) When an employee has not had the minimum 90-day appraisal period to demonstrate acceptable performance on his or her standards; and

- (b) When an employee is reduced in grade because of unacceptable performance to a position in which he or she is eligible for a within-grade increase or will become eligible within the minimum appraisal period.
- d. Promotion. An employee's rating of record must be considered when evaluating that employee either for reassignment to a position with equal promotion potential, or for a promotion of any kind. An employee is not eligible to receive a career promotion unless the employee's current rating of record is FS or above.
- e. Training and Development.
 - (1) Supervisors should utilize the performance management provisions as a tool that identifies opportunities for improving and enhancing knowledge, skills, and abilities.
 - (2) Employees:
 - (a) Share the responsibility for identifying training opportunities that will improve their knowledge, skills, abilities, and performance; and
 - (b) Are responsible for self-development.
- f. Rating-Based Performance Awards. Employees who receive a rating of record of at least FS are eligible for rating-based awards.
- g. Reduction in Force (RIF).
 - (1) Ratings of record are used to establish service credit for RIF purposes.
 - (2) For RIF purposes, the rating of record is the annual summary rating required at the end of the performance year.
 - (3) A Rating Official may not assign an employee a new rating of record for the sole purpose of affecting the retention standing.
 - (4) Ratings of records that were due before the date of specific RIF notices but were not officially approved and placed on record until on or after the date of the specific notices will not be used to determine additional service credit.

17. FORMS AND RECORDS

- a. Appraisal Forms. The Rating Official must use the following forms or OHRM-approved electronic alternative to prepare and document performance plans:
 - (1) Form AD-435E, *Performance Plan and Appraisal for Non-Supervisors*; and
 - (2) Form AD-435S, *Performance Plan and Appraisal for Supervisors*.

- b. Digital Signatures. Digital signatures in USDA must:
- (1) Comply with [DR 3640-001](#), *Identity, Credential, and Access Management*;
 - (2) Be created from the Department's digital signature standard, via the USDA-approved Personal Identity Verification (PIV) (LincPass), PIV-Derived, or other USDA-approved credentials that offer cryptographic non-reputable assurance in the signer's identity; and
 - (3) Be producible on a paper copy.
- c. Records Maintenance.
- (1) Performance records must be maintained in accordance with the procedures set forth in [5 CFR 293](#), *Personnel Records*; [5 CFR 297](#), *Privacy Act Procedures for Personnel Records*; any Departmental Directives associated with PII; the *Privacy Act of 1974* ([5 U.S.C. 552a](#)); and the *Freedom of Information Act of 1996* (FOIA) ([5 U.S.C. 552](#).)
 - (2) Ratings of record, the supporting performance plans, and other relevant documentation must be maintained for four years, or longer periods as required.
 - (3) Rating Officials must regard performance records as confidential in their maintenance and distribution.
- d. Rating Transfers.
- (1) Agencies must not agree to erase, remove, alter, or withhold from another USDA or other Federal agency any information about an employee's performance or conduct in that employee's official personnel records, including an employee's Official Personnel Folder (OPF) and EPF, as part of, or as a condition to, resolving a formal or informal complaint by the employee or settling an administrative challenge to an adverse personnel action.
 - (2) If an employee moves to a new organization within USDA or to another Federal Department or Agency, the ratings of record contained in the OPF and the EPF must be transferred to the new organization or Federal Department or Agency.
 - (3) The "losing" servicing HRO will purge all ratings of record, performance plans, and the supporting performance-related documents that are more than four years old from the OPF or EPF.

-END-

APPENDIX A

ACRONYMS AND ABBREVIATIONS

AD	Agriculture Department (for Departmental forms use only)
CFR	Code of Federal Regulations
CHCO	Chief Human Capital Officer
DO	Demonstration Opportunity
DR	Departmental Regulation
EEO	Equal Employment Opportunity
EFS	Exceeds Fully Successful
EPF	Employee Performance File
FS	Fully Successful
GS	General Schedule
HRO	Human Resources Office
OHRM	Office of Human Resources Management
OPF	Official Personnel Folder
OPM	Office of Personnel Management
PII	Personally Identifiable Information
PIV	Personal Identity Verification
RIF	Reduction in Force
SES	Senior Executive Service
SL	Senior Level
SSTS	Senior Science and Technology Service
ST	Scientific and Professional
U.S.C.	United States Code
USDA	United States Department of Agriculture
WGI	Within-Grade Increase

APPENDIX B

DEFINITIONS

- a. Absolute Standards. Performance standards which allow for no errors.
- b. Acceptable Performance. An employee's performance that meets the performance standard(s) and measures at the FS level for the respective critical element(s).
- c. Advisory Assessment. An informal, written record of an employee's performance for a period of fewer than 90 days.
- d. Agency. Organizational units of the Department, other than staff offices as defined below, whose heads report to officials within the Office of the Secretary, Deputy Secretary, Under Secretaries, Assistant Secretaries, and Assistant to the Secretary.
- e. Alignment. The line of sight within a performance plan from organizational goals to the individual's performance expectations.
- f. Appraisal. The formal process under which performance is reviewed and evaluated against performance elements and standards.
- g. Appraisal Period. The period of time covered by a specific performance plan, during which performance will be evaluated against elements and standards, and for which a rating of record will be prepared.
- h. Appraisal System. The broad framework of policies and parameters established by the Department as defined at 5 U.S.C. 4301(1) for the administration of performance appraisal programs under 5 U.S.C. 43, Subchapter I, and 5 CFR 430, Subpart B; documented on OPM Form 1631 and approved by OPM.
- i. Appraisal Unit. The unit of measure used to establish the relative weighted value of critical and non-critical performance elements.
- j. Backwards Standards. Standards which describe unacceptable performance rather than tell the employee what level of performance is expected.
- k. Balanced Measures. An approach to performance management that balances organizational results with the perspectives of stakeholders, including customers and employees.
- l. CHCO Council Member. The most senior Human Resources Officer in an agency.
- m. Credible Measures. Performance measures that are observable, measurable, and/or demonstrable.
- n. Critical Element. An element of a performance plan which covers an aspect of a job for which an employee can be held individually accountable, and that must be done successfully in order for the organization to complete its mission. It is of such importance

that failing to attain the FS level of the element would result in a determination that an employee's summary rating would be Unacceptable. Such elements must only be used to measure performance at the individual level, such that the critical element describes performance that is reasonably measured and controlled at the individual employee's level.

- o. Days. Calendar days, unless otherwise specified.
- p. Demonstration Opportunity (DO). The period of time provided for an employee to demonstrate acceptable performance in a critical element(s) previously determined to not attain the FS level, generally requiring a formal Demonstration Opportunity Plan.
- q. Demonstration Opportunity Plan. A written plan that describes the level of performance required to demonstrate acceptable performance (i.e., FS) in one or more critical elements.
- r. Disabled Veteran. A veteran who is entitled to compensation (or who but for the receipt of military retired pay would be entitled to compensation) under laws administered by the Secretary of the Department of Veterans Affairs, or a person who was discharged or released from active duty because of a service-connected disability.
- s. Element. A work assignment or responsibility that is used to plan, monitor, and appraise employee performance.
- t. Element Rating. The level of performance assigned to a specific performance element, as measured by a comparison of accomplishments to the performance standards established for that element. The three possible element ratings are FS, EFS and Does Not Meet FS.
- u. Employee Performance File (EPF). A folder containing an employee's ratings of record and the associated performance plans for the most recent four years.
- v. Generic Element and/or Standard. A performance element and/or standard which is written to cover a wide number or variety of positions. Supplemental standards may be necessary to ensure expectations and performance measures are sufficiently documented to effectively communicate expectations and manage an employee's performance.
- w. Interim Rating. A written appraisal of an employee's performance conducted before the end of the appraisal period. Interim ratings are required for situations such as changes in supervisors, promotions, significant changes in responsibilities, and details and temporary promotions of 90 or more days.
- x. Manager. An individual in a management position who typically supervises one or more supervisors. In most cases, managers serve as the Reviewing Officials for the performance plans and appraisals for their subordinate supervisors' staffs.
- y. Measures. Objective criteria for assessing employees' work results, which delineate the results and outcomes for which the employee is responsible. General measures of performance include quality, quantity, timeliness, cost effectiveness and manner of performance. Activities or duties are not measures.

- z. Minimum Appraisal Period. The minimum 90-day period of performance that must be completed on a performance plan before a rating of record may be prepared.
- aa. Mission Area. A group of agencies with related functions that report to the same Under or Assistant Secretary. Research, Education, and Economics (REE) is an example of a mission area.
- bb. Non-Critical Element. An element of a performance plan which is related to a work assignment or responsibility that is important to the successful achievement of a position's performance expectations, but not of such importance that failing to attain the FS performance level of the element would result in a determination that an employee's summary rating would be Unacceptable. A non-critical element may reflect group or team expectations.
- cc. Official Personnel File. The file containing records for an individual's federal employment career.
- dd. Out-of-cycle rating of record. A rating of record given when a WGI decision is not consistent with the employee's most recent rating of record and a more current rating of record must be prepared.
- ee. Performance. The accomplishment of work described in the employee's performance plan.
- ff. Performance Goals. Specific goals assigned to an employee by the Rating Official that establish the results that are to be achieved. These are most often documented by describing the required outcome, results, and associated performance measures.
- gg. Performance Management. The systematic process by which the Department involves its employees in ensuring organizational effectiveness in the accomplishment of USDA mission and goals. It integrates the process the Department uses to communicate and clarify organizational goals to employees; identify individual and, where applicable, team accountability for accomplishing organizational goals; identify and address developmental needs; assess and improve individual, team and organizational performance; use appropriate measures of performance as the basis for recognizing and rewarding accomplishments; and use the results of the performance appraisal process as a basis for appropriate personnel actions.
- hh. Performance Plan. The written document, or approved electronic alternative, that communicates to the employee what is expected of the position. A plan must include all critical elements, non-critical elements if used, and their performance standards and measures on which the employee will be evaluated.
- ii. Performance Standard. The performance thresholds, requirements and/or expectations an employee must meet for an element to be appraised at a specific level of performance. Performance standards must include credible performance measures.
- jj. Performance Year. The full 12-month appraisal period from October 1 – September 30.

- kk. Personally Identifiable Information (PII). Refers to information about an individual maintained by an agency, including, but not limited to, financial transactions, medical history, or criminal history and information which can be used to distinguish or trace an individual's identity, such as their name, social security number, date and place of birth, mother's maiden name, biometric records, etc., including any other personal information which is linked or linkable to an individual.
- ll. Position of Record. The position to which an employee is assigned through a formal personnel action, such as an appointment, promotion, reassignment, or transfer. It does not indicate such things as details or temporary promotions.
- mm. Program. The specific policies and requirements established within the framework of the OPM-approved performance appraisal System.
- nn. Progress Review. Formal communication with the employee about progress in meeting the expectations documented in the performance standards for critical and non-critical elements.
- oo. Rating Official. A representative of management, generally the employee's immediate supervisor, who establishes the employee's performance plan; provides progress reviews; and prepares an interim rating(s), as applicable. If the Rating Official is the employee's supervisor of record, he or she prepares the final rating of record at the end of the appraisal period.
- pp. Rating of Record. The formal evaluation and summary rating of an employee's performance as compared to the elements and standards for performance over the entire appraisal period.
- qq. Reviewing Official. A representative of management, generally the employee's second-level supervisor, and in all cases at least one organizational level above the Rating Official, who reviews and approves the performance plan; interim rating(s), as applicable; and rating of record. The Reviewing Official is also responsible for ensuring both consistency and meaningful distinctions among similar positions and alignment with organizational goals.
- rr. Staff Office. Departmental administrative offices whose heads report to officials within the Office of the Secretary.
- ss. Summary Rating. The overall rating (e.g., Superior) determined by the formula applied to all of the element ratings.
- tt. Supervisor. An individual employed in USDA having authority, in the interest of an agency, to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline and/or remove employees; to adjust their grievances or to effectively recommend such action, if the exercise of the authority is not merely routine or clerical in nature but requires the consistent exercise of independent judgment. Except with respect to any unit which includes firefighters or nurses, the term "supervisor" includes only those individuals who devote a preponderance of their employment time to exercising such authority.

- uu. Supervisor of Record. The supervisor for the position of record. These individuals are responsible for ensuring the performance management provisions are carried out for employees who officially report to them (even if the employees are on detail elsewhere), and are responsible for the final rating of record.
- vv. Team Leader. An employee whose primary purpose is, as a regular and recurring part of their assignment and at least 25% of their duty time, to lead a team of other GS employees in accomplishing work.
- ww. Unacceptable Performance. An employee's performance that fails to meet established performance standards in one or more critical elements of such employee's position.
- xx. Within-Grade Increase. A periodic increase in a General Schedule (GS) employee's rate of basic pay from one step of the grade of their position to the next higher step of that grade.

APPENDIX C

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