

U.S. Department of Energy
Washington, D.C.

ORDER

DOE 3430.3A

8-14-86

Change 1: 5-14-92

SUBJECT: DEPARTMENTAL PERFORMANCE APPRAISAL SYSTEM

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1. PURPOSE. To establish policy and procedures for appraisal performance of Departmental employees who are not in the Senior Executive Service (SES).
 2. CANCELLATION. DOE 3430.3, DEPARTMENTAL PERFORMANCE APPRAISAL SYSTEM, of 9-29-80.
 3. REFERENCES.
 - a. DOE 1324.2A, RECORDS DISPOSITION, of 9-13-88, which prescribes procedures for the disposition of records.
 - b. DOE 1700.1, FREEDOM OF INFORMATION PROGRAM, of 11-19-79, and DOE 1800.1A, PRIVACY ACT, of 8-31-84, which provide for safeguarding and disclosing certain information.
 - c. DOE 3315.1, PROBATIONARY PERIOD FOR MANAGERS AND SUPERVISORS, of 10-15-85, which provides guidance for implementing probationary periods for managers and supervisors.
 - d. DOE 3335.1B, MERIT PROMOTION, of 3-30-90, which establishes procedures for rating and ranking candidates for promotion and placement.
 - e. DOE 3351.1B, REDUCTION IN FORCE, of 4-24-86, which provides procedures for using performance ratings to grant service credit during reductions in force.
 - f. DOE 3450.1A, INCENTIVE AWARDS, of 11-30-89, which contains Departmental policy on awards.
 - g. DOE 3550.1A, PAY ADMINISTRATION AND HOURS OF DUTY, of 12-22-87, which prescribes the requirements for granting within-grade increases.
 - h. DOE 3540.1A, PERFORMANCE MANAGEMENT AND RECOGNITION SYSTEM, of 8-14-86, which establishes a system for making performance-based pay determinations for Performance Management and Recognition System employees.
 - i. DOE 3771.1, GRIEVANCE POLICY AND PROCEDURES, of 7-2-81, which contains information on the Departmental grievance procedures.
 - j. DOE 3750.1, WORK FORCE DISCIPLINE, of 3-23-83, which provides guidance and requirements for actions involving reductions in grade and removals based on unacceptable performance.

DISTRIBUTION:
All Departmental Elements

INITIATED BY:
Office of Personnel

Vertical line denotes change.

- k. The Civil Service Reform Act of 1978 (CSRA), Public Law 95-454, and Title II, of the Civil Service Retirement Spouse Equity Act of 1984, Public Law 98-615, which mandate the establishment of performance appraisal systems.
 - l. Title 5, United States Code (U. S. C.) 5401, which provides for the establishment of a Performance Management and Recognition System for employees previously covered by the Merit Pay System.
 - m. Title 4, Code of Federal Regulations (CFR) parts 203 and 297, which prescribe the requirements for the establishment of employee performance file systems.
 - n. Title 5 CFR 315.801 which prescribes procedures for removing employees serving probationary periods following competitive appointments from the register.
 - o. Title 5 CFR 430, and Federal Personnel Manual chapter 430, which prescribe the Office of Personnel Management (OPM) regulations and guidelines for establishing performance appraisal systems.
4. BACKGROUND. The CSRA of 1978 mandates Federal agencies to establish new systems for evaluating employee job performance. The legislation requires that all employees covered by approved agency appraisal systems be apprised of the performance elements of their positions, especially those elements that are critical to successful job performance, and that each employee's performance of those elements be appraised periodically through the use of objective performance standards which are communicated to the employee in advance of the actual appraisal. Additionally, agencies are mandated by Title II of the Civil Service Retirement Spouse Equity Act of 1984 to establish a Performance Management and Recognition System (PMRS) for supervisors and managers. This new system bases supervisors' and managers' pay and awards on their performance, and provides for a more extensive performance award system than in the past. Agencies are required to use appraisal results as a basis for developing, rewarding, assigning, promoting, demoting, and retaining or separating employees. This Order modifies the original Departmental performance appraisal system, is applicable to Performance Management System (PMS) employees, and implements the provisions of Title II for Performance Management and Recognition System employees in conjunction with DOE 3540.1A.
5. Policy. The performance appraisal system will be used to execute basic management and supervisory responsibilities, to communicate goals and objectives, to identify individual accountability, to evaluate and improve individual and organizational accomplishments, and to base personnel actions on appraisal results. Performance appraisals and other pertinent information will be used as a basis for training, rewarding, reassigning, promoting, reducing in grade, retaining, removing, and assisting employees in improving performance. Performance appraisals and the determinations deriving therefrom shall be made without regard to race, color, religion, sex, national origin, age, handicap, marital status, or political affiliation.

6. APPLICATION AND EXCEPTIONS.

- a. This performance appraisal system applies to all paid employees within the Department except the following:
- (1) Employees covered by the SES performance appraisal system;
 - (2) Employees outside the United States who are paid in accordance with local native prevailing wage rates;
 - (3) Administrative law judges appointed under 5 U.S.C. 3105;
 - (4) Presidential appointees;
 - (5) Experts and consultants;
 - (6) Positions filled by noncareer executive assignments under 5 CFR 305;
 - (7) Excepted service positions for which employment is not reasonably expected to exceed 120 days in a consecutive 12-month period; and
 - (8) Members of the Board of Contract Appeals.
- b. Requests for further exclusion of positions in the excepted service must be submitted to the Director of personnel and contain a written explanation as to why the exclusion would be in the interest of good administration. Such requests require approval by OPM.

7. DEFINITIONS.

- a. Advisory Rating. An unscheduled summary rating which is completed under special circumstances and must be considered in assigning the next rating of record.
- b. Appraisal. The act or process of reviewing and evaluating the performance of an employee against described performance standards.
- c. Appraisal Period. The period of time established by an appraisal system for which an employee's performance will be reviewed and for which a performance rating will be given.
- d. Appraisal System. A performance appraisal system that provides for the identification and communication of performance elements, the establishment and communication of performance standards, the establishment of methods and procedures to appraise performance against established standards, and the appropriate use of appraisal information in making personnel decisions.

8-14-86

- e. Critical Element. A component of a position consisting of one or more duties and responsibilities which contributes toward accomplishing organizational goals and objectives and which is of such importance that unacceptable performance of the element would result in unacceptable performance in the position.
- f. Improvement Plan. A document used by management to establish an opportunity for an employee to improve unacceptable performance. It serves to notify an employee of the need to improve performance; to identify specific performance deficiencies; to provide for assisting an employee in improving performance, as appropriate; to communicate the potential consequences of poor performance; to inform the employee how performance may be improved; and to establish a timeframe for observing and reevaluating performance.
- g. Management Official. An individual employed in a position the duties and responsibilities of which require or authorize the individual to formulate, determine, or influence the policies of the Department.
- h. Noncritical Element. A component of a position which does not meet the definition of a critical element but is of sufficient importance to warrant a written appraisal.
- i. Performance. An employee's accomplishment of assigned work as specified in the critical and noncritical elements of the employee's position.
- j. Performance Management Plan. The description of the methods which integrate agency performance, pay, and awards systems with its basic management functions for the purpose of improving individual and organizational effectiveness in the accomplishment of agency mission and goals.
- k. Performance Plan. The aggregation of all of an employee's written critical and noncritical performance elements and performance standards.
- l. Performance Standard. A statement of the expectations or requirements established by management for a critical or noncritical performance element at a particular rating level, including, but not limited to, factors such as quality, quantity, timeliness, and manner of performance.
- m. Performance Management and Recognition System Employees. Supervisors and management officials who are in positions classified at the GS-13 through GS-15 level, and are designated as GM employees for pay purposes.
- n. Performance Management System Employees. General Schedule, Prevailing Rate System employees, and others who are not covered by the Performance Management and Recognition System nor excluded by the listing on page 3, paragraph 6a.

- o. Progress Review. Review of an employee's performance elements, standards, and his or her progress toward achieving the performance standards. This review, which normally occurs about halfway through the appraisal period, is not a rating, but it includes a discussion between the supervisor and the employee regarding the appropriateness of the elements and standards and the level of performance in comparison to the established performance elements and standards.
 - p. Rating of Record. The summary rating required at the time specified in the Performance Management Plan or at such other times as the Plan specifies for special circumstances, including written notice at any time that a Performance Management and Recognition System employee's performance is unacceptable on one or more critical elements.
 - q. Summary Rating. The adjective rating that results from conversion of the written record of the appraisal of each critical and noncritical element in accordance with the criteria on page II-4, paragraph 4.
 - r. Supervisor. An individual having authority to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline, or remove one or more employees, to adjust their grievances, or to effectively recommend such action. The exercise of the authority may not be merely routine or clerical in nature but requires the consistent exercise of independent judgment except that, with respect to firefighters or nurses, the term "supervisor" includes only those individuals who devote a preponderance of their employment time exercising such authority.
8. Uses. The results of performance appraisals required under this system will be used for all employees, as appropriate, as a basis for:
- a. Communicating and clarifying organizational goals and objectives;
 - b. Identifying individual accountability for the accomplishment of organizational goals and objectives;
 - c. Training, rewarding, reassigning, promoting, reducing in grade, retaining, and removing employees;
 - d. Determining adjustments in basic pay, including general pay increases, within-grade increases, and merit increases, as appropriate;
 - e. Improving the performance of employees in positions currently held; and
 - f. Providing the organization with employees qualified to move into higher positions as vacancies occur.

9. RESPONSIBILITIES.

- a. Heads of Departmental Elements shall administer the employee performance appraisal system within their respective organizations in accordance with this Order and will ensure that:
- (1) Employees under their jurisdiction are informed of the provisions of this Order.
 - (2) Managers and supervisors under their jurisdiction receive training and periodic reminders of their duties and responsibilities under this Order and supplementary directives, as necessary.
 - (3) Performance plans are approved at the beginning of the appraisal period.
 - (4) Implementing instructions on the identification of performance elements and the establishment of performance standards, within the parameters prescribed by this Order, are developed for their respective organizations.
 - (5) Consistency is provided in identifying performance elements, especially critical elements, and in developing performance standards for identical-additional positions" and positions of the same title, grade, and series.
 - (6) Performance appraisals are fair, objective, and reflect the organization's performance.
 - (7) Periodic evaluations of the performance appraisal system within their respective organizations are conducted, including an evaluation of the extent to which the responsibilities delineated in this paragraph are met.
 - (8) Procedures for assuring that ratings of record are approved by the official with the responsibility for managing the performance awards budget.
- b. Director of Administration and Human Resource Management serves as the Secretary's designee for overseeing Performance Management and Recognition System (PMRS) Performance Standards Review Boards within the Department, is responsible for the overall direction of the performance appraisal system, and shall ensure that:
- (1) PMRS Performance Standards Review Boards are established and approved for Headquarters Elements in accordance with Chapter VI of this Order and either chair the respective Board(s) or appoint a chairperson in accordance with 5 CFR 430.408.

- (2) The system is administered in accordance with Departmental directives, OPM regulations and guidelines, and statutory requirements; and
 - (3) The effectiveness of the system is properly monitored and assessed on a periodic basis.
- c. Heads of Field Elements with Delegated Personnel Authority (Excluding Branch or Area Personnel Offices) and the Inspector General shall establish and approve Performance Management and Recognition System Performance Standards Review Boards in accordance with Chapter VI of this Order. In addition, they shall either chair the respective Board(s) or appoint a chairperson in accordance with 5 CFR 430.408.
- d. Director of Personnel develops policy, standards, and procedures for the performance appraisal system and ensures that the system is in compliance with statutory requirements and OPM guidelines and regulations. The Director shall also perform the following:
- (1) Maintain liaison with OPM on related policy and regulatory matters:
 - (2) Provide staff advice, or otherwise make provision for technical support, to Headquarters and field personnel as necessary;
 - (3) Evaluate the effectiveness of the performance appraisal system, including the extent to which the results of performance appraisals are used as a basis for other personnel actions; and
 - (4) Approve and forward to OPM requests for exclusion of positions in the excepted service from the performance appraisal requirements.
- e. Servicing Personnel Offices shall provide technical and operational support to organizational units serviced to ensure that performance appraisals are assigned in a manner consistent with the provisions of this Order and with applicable laws, rules, and regulations. Responsibilities also include the following:
- (1) Formulating instructions which:
 - (a) Publicize the scope, policies, and procedures of the performance appraisal system to all employees serviced, in accordance with this Order; and
 - (b) Describe the performance appraisal-related documents authorized for use and the manner in which they are to be used and maintained.

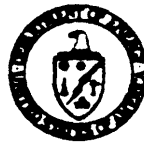
- (2) Providing staff assistance to managers, supervisors, and other employees in their duties and responsibilities under the performance appraisal system. This includes:
 - (a) Providing technical assistance to the Performance Management and Recognition System Performance Standards Review Board, including having a personnel official serve as a board member, if designated;
 - (b) Providing or arranging for necessary training of managers and supervisors so that they can carry out their responsibilities for communicating with employees, appraising them, and relating performance appraisal information to personnel decisions; and
 - (c) Providing orientation to employees on the provisions of this Order.
 - (3) Maintaining liaison with appropriate OPM offices and other organizations on performance appraisal systems.
 - (4) Ensuring that labor organizations recognized as exclusive representatives of bargaining unit employees are dealt with, as appropriate, regarding the system.
 - (5) Ensuring that performance appraisal documents are maintained in accordance with the requirements in CFR 293 and 297.
 - (6) Ensuring that DOE F 3430.6, "Outstanding Performance Appraisal Certificate," is prepared for Performance Management System employees who receive an overall rating of "Outstanding" in instances where an award and accompanying certificate are not issued.
 - (7) Reviewing completed performance ratings to assure compliance with Departmental requirements, for example, the identification of related performance elements and standards, and assignment of the summary rating.
 - (8) Ensuring that the approval of the Director of Personnel is obtained for exceptions to pertinent regulations contained herein.
- f. Supervisors and Managers shall appraise the performance of the employees they supervise. These officials shall:
- (1) Communicate the objectives and provisions of the performance appraisal system to employees.

- (2) Identify performance elements, including critical elements; establish performance standards for employees under their immediate supervision and communicate these to employees; and encourage employee participation in the process.
 - (3) Provide at least one progress review with the employee during the appraisal period, maintain awareness of employees' performance in relation to prescribed standards, and periodically inform them of how they are performing in relation to the standards.
 - (4) Guide and assist employees, helping the promising worker to progress according to ability, and assisting the employee whose work is not fully satisfactory to improve.
 - (5) Appraise subordinate employees as prescribed on a timely basis.
 - (6) Review performance elements, standards, and ratings prepared by subordinate supervisors, provide advice or instruction, as appropriate, and ensure consistency in the identification of appropriate levels of quality and difficulty of performance plans for employees under their supervision.
10. FORMS. The following forms used in the performance appraisal system are available through normal supply channels, except that the form in paragraph 10a is available only to certain employees in the personnel office.
- a. DOE F 3430.6, "Outstanding Performance Appraisal Certificate," is a certificate issued to Performance Management System employees with a rating of record of "Outstanding." Issuance is optional if an award, accompanied by another appropriate certificate, is issued.
 - b. DOE F 3430.7, "Performance Record," which is comprised of the following three parts:
 - (1) "Certifications" is used to certify the discussion and issuance of performance elements and standards; to recertify that the previous performance plan remains in effect; and to certify that the progress review was conducted.
 - (2) "Performance Appraisal Plan" is used to record individual performance elements and standards.
 - (3) "Performance Rating" is used to record ratings on individual performance elements, documentation, if required, and to record the summary rating level of ratings of record and advisory summary ratings.

8-14-86

- c. Individual copies of DOE F 3430.7A, "Certifications," are available for use in subsequent rating years when the "Performance Appraisal Plan" remains unchained, but the Integrated "Certifications" form has already been used.
- d. DOE F 3430.78, "Performance Appraisal Plan," is available separately if additional pages are required to reflect more elements and standards than the "Performance Record" will accommodate.
- e. Individual copies of DOE F 3430.7C, "Performance Rating," are available for use in subsequent rating years when the "Performance Appraisal Plan" remains unchanged, but the integrated rating form has already been used.

BY ORDER OF THE SECRETARY OF ENERGY:



HARRY L. PEEBLES
Director of Administration

TABLE OF CONTENTS

<u>CHAPTER I - THE PERFORMANCE APPRAISAL SYSTEM</u>		<u>Page</u>
1.	Identification of Critical and Noncritical Performance Elements.....	I-1
2.	Criteria for Performance Standards.....	I-2
3.	Additional Requirements.....	I-3
	a. Categories of Performance Elements.....	I-3
	(1) Individual Performance.....	I-3
	(2) Organizational Accomplishments.....	I-3
	b. Performance Standards.....	I-4
4.	Communication of Performance Elements and Standards.....	I-4
5.	Progress Reviews.....	I-5
6.	Schedule for Appraising Performance.....	I-6
	a. General.....	I-6
	b. Performance Management System Employees.....	I-6
	c. Performance Management and Recognition System Employees.....	I-7
7.	Ratings Outside the Normal Rating Cycle.....	I-7
	a. When an Employee is Detailed or Temporarily Promoted Within the Department.....	I-7
	b. When an Employee is on Assignment Outside the Department.....	I-7
	c. When the Supervisor Leaves Near the End of the Rating Period.....	I-8
	d. When the Employee Leaves Near the End of the Rating Period.....	I-8
	e. When the Employee Transfers to Another Agency or Changes to Another Position Within the Department.....	I-8
	f. When the Employee May Receive Other Additional Appraisals.....	I-8
8.	Ratings of Record.....	I-9
	Attachment I-1 - Generic Outstanding Standard.....	I-11
 <u>CHAPTER II - THE FORMAL APPRAISAL PROCESS</u>		
1.	Requirements.....	II-1
2.	Element Ratings.....	II-1
	(1) Unacceptable.....	II-1
	(2) Marginal.....	II-2
	(3) Fully Successful.....	II-2
	(4) Highly Successful.....	II-2
	(5) Outstanding.....	II-2
3.	Summary Ratings.....	II-2
	Figure II-1 - Summary Ratings.....	II-3
4.	Steps in Computing the Summary Rating.....	II-4
	Figure II-2 - Computation of Summary Rating.....	II-5
5.	Rating Officials.....	II-6
6.	Reviewing and Approving Officials.....	II-6
7.	Appraising Disabled Veterans.....	II-6

CHAPTER III - EMPLOYEE PERFORMANCE RECORD SYSTEM

1. Employee Performance Record System.....	III-1
2. Employee Performance File.....	III-1
3. Retention Schedule.....	III-2
4. Disposition of Records.....	III-2

CHAPTER IV - GRIEVANCES AND APPEALS

1. Performance Appraisals.....	IV-1
2. Within-Grade Increases.....	IV-1

1. Improvement Plan.....	V-1
2. When Required.....	V-1
3. Content of an Improvement Plan.....	V-1
a. Employee's Name, Title, Series, Grade, and Organizational Location.....	V-1
b. Length of Opportunity Period.....	V-1
c. Deficiencies and Actions Required to Improve.....	V-2
d. Management Assistance.....	V-2
e. Progress Review.....	V-2
f. Statement Regarding the Potential Results of Poor Performance..	V-2
4. Notification of Results.....	V-3
a. When Performance Improves to the "Marginal" Level or Higher....	V-3
b. When Performance is Still "Unacceptable".....	V-3
5. Certifications.....	V-3

CHAPTER VI - PERFORMANCE STANDARDS REVIEW BOARDS

1. Performance Management and Recognition System Performance Standards Review Boards.....	VI-1
a. Membership.....	VI-1
b. Functions.....	VI-1
c. Procedures.....	VI-1
2. Reports.....	VI-2

CHAPTER VII - USE OF APPRAISALS AS A BASIS FOR OTHER PERSONNEL ACTIONS

1. Awards and Performance Pay.....	VII-1
2. Reduction In Force.....	VII-1
3. Promotions.....	VII-1
a. Career Ladder Promotion.....	VII-1
b. Merit Promotion.....	VII-1

4. Training.....	VII-2
5. Actions Based on Unacceptable Performance.....	VII-2
6. Probationary Periods.....	VII-2

CHAPTER I

THE PERFORMANCE APPRAISAL SYSTEM

1. IDENTIFICATION OF CRITICAL AND NONCRITICAL PERFORMANCE ELEMENTS.

- a. Performance elements shall be established based on the duties and responsibilities of each position. Position descriptions should be accurate and should be kept up to date to reflect current duties and responsibilities. Generally, a performance plan must include the number of elements required to reflect the full range of an employee's job. Each performance plan shall contain at least one critical element in order to meet legal requirements. Performance plans for all managers and supervisors shall include equal employment opportunity as an independent critical element. While there is no mandatory maximum number of elements, a normal range would be from three to eight elements per performance plan depending on factors such as the nature of the employee's job, organizational goals, objectives, and work plans. The use of fewer elements may result in excessive aggregation while the use of more elements may result in excessive splintering of duties.
- b. After performance elements have been identified, they should be examined to determine which elements are so important that inadequate performance of the elements would result in unacceptable performance in the position as a whole. These are critical elements and must be identified as such in the performance appraisal plan and communicated to the employee. Critical elements may be critical either because of the amount of time spent in their performance, the consequence of error, or other factors that affect the achievement of individual or organizational goals. Critical elements frequently are those in which the majority of time is spent, but an element may also be critical to overall performance even though relatively little total time is spent on it. This might be the case, for instance, where there are serious adverse organizational consequences if the task is not performed according to management's expectations even though the task is not time consuming or is performed only periodically (for example, preparation of the annual budget).
- c. Because other performance elements identified for the job may be important in determining the overall quality of an employee's performance, they may be included in the performance appraisal plan even though they will not be so crucial as to warrant removal from the position. These are noncritical elements which must be identified as such in the performance appraisal plan and communicated to the employee.
- d. It is expected that the critical elements identified for identical-additional positions within each Departmental Element would be substantially the same. There should be substantial similarities in the identification of critical elements for positions of the same title, grade, and

series which require the performance of similar work within each Departmental Element. Deviations should be related to identifiable differences in job duties and responsibilities.

2. CRITERIA FOR PERFORMANCE STANDARDS.

- a. Performance standards for each performance element will be described at the "Marginal," "Fully Successful," and "Outstanding" levels. Rating officials have an option of describing standards at the "Outstanding" level either in a manner consistent with the criteria in the generic standard in Attachment I-1 or using the generic standard. This does not preclude the use of both individually described standards and generic standards in the same performance plan.
- (1) Marginal. This represents a level of performance which is not unacceptable but needs improvement in order to fully meet management's expectations for a fully successful employee. Performance which does not meet this standard would be rated as "Unacceptable."
 - (2) Fully Successful. This represents a level of performance that fully meets management's expectations for most fully qualified, fully competent employees performing comparable assignments under comparable conditions.
 - (3) Outstanding. This level represents an unusually high quality of performance that is typical of only exceptional employees. (See the statement of the generic standard in Attachment I.)
- b. Standards must be based on objective criteria; include factors over which the employee has control or substantial influence over the results, as appropriate; include expectations of quantity, quality, and timeliness, to the extent feasible, and may include manner of performance. Courtesy to the public may be included to the extent that the employee's position requires regular contact with the public. The term "objective" does not necessarily imply numerical standards or fixed dates which may not be appropriate for many positions.
- c. An element may consist of more than one component (subelements), but ratings shall not be assigned to the individual subelements.
- d. Generally, absolute standards will not be established in the Department; however, when used, they will be established for critical elements only. In extremely rare instances, a few positions may require that aspects of the incumbent's performance be measured by absolute standards under conditions in which death, injury, breach of security, or great monetary loss could result from a single failure to meet the standard measuring performance of a critical element. Thus, one incident of poor performance

of an absolute standard would result in an "Unacceptable" Summary rating. By definition, performance cannot be rated higher than that which is described in the absolute standard; therefore, when absolute standards are used, they must be identified as such on DOE F 3430.7 and 7B and if the requirements of the standard are met, they are not included in the computation of the summary rating.

3. ADDITIONAL REQUIREMENTS.

- a. Categories of Performance Elements. Elements and standards will be developed under the following categories for Performance Management and Recognition System employees and may be developed for other employees, as appropriate.
 - (1) Individual Performance. This refers to objectives for which the supervisor or management official will be held personally accountable. Responsibility for the accomplishment of these objectives may not be delegated to other employees in the organization because they are an integral part of the responsibilities of supervisors and management officials. For employees with substantive supervisory responsibilities, many of the elements under this category will involve the process of managing and supervising others, including assigning and reviewing work, developing performance standards, appraising performance, developing subordinates, and taking appropriate actions based on performance. For employees without substantive supervisory responsibilities, individual performance elements will relate to specific program responsibilities and project assignments rather than to supervisory functions.
 - (2) Organizational Accomplishments. In accordance with 5 CFR 430.204 and 430.405, respectively, managers and supervisors should develop performance plans for Performance Management and Recognition System employees, and for Performance Management System employees, as appropriate, that take into account the accomplishment of organizational objectives. Before establishing specific performance elements under this category, it must be determined that the employee has control or substantial influence over the results. A means of assessing organizational accomplishments is through the establishment of organizational objectives to be met. These objectives are determined by the organization's mission, program objectives and priorities, legislative mandates, and national policy. Specific performance elements may stem from the various planning documents such as budget, mission, functional statements, and training plans or other similar means that account for program results.

- b. Performance Standards. The factors below relate to performance standards in that they may be expressed as measures of the levels of achievement for duties and responsibilities. Such factors, including internal controls, shall be incorporated into the performance standards for Performance Management and Recognition System employees to the extent they are relevant to the employee's position. The same factors may also be applicable to Performance Management System supervisors, depending on the scope of the individual supervisor's authority and responsibility. Title 5 U.S.C. 4302a(c)(1)(B) prescribes that Performance Management and Recognition System ratings "shall be based on factors such as:
- (1) "Any improvement in efficiency, productivity, and quality of work or service, including significant reduction in paperwork;
 - (2) "Cost efficiency;
 - (3) "Timeliness of performance;
 - (4) "Other indications of the effectiveness, productivity, and quality of performance of the employees for whom the supervisor is responsible; and
 - (5) "Meeting affirmative action goals and achievement of equal employment opportunity requirements."

4. COMMUNICATION OF PERFORMANCE ELEMENTS AND STANDARDS.

- a. Performance elements and standards identified for an employee's position must be communicated to the employee in writing as soon as possible after initial assignment, normally no later than 30 calendar days after the initial assignment (including instances which the employee's job is upgraded or downgraded, but excluding redescriptions when there is no significant change in duties and responsibilities); whenever the elements or standards are changed; and as soon as possible after the beginning of an appraisal period, normally no later than 30 calendar days after the beginning of each appraisal period. An employee must also be informed of performance elements and standards within 30 calendar days of the beginning of all details or temporary promotions. This requirement makes it possible to render a rating should it become necessary to extend an assignment up to 120 calendar days or more. Performance elements identified as critical elements must be specified. (See page I-6, paragraph 6a, for instructions on rendering a rating.)
- b. Employees shall be given the opportunity to participate in the development of performance elements and standards for their positions. However, the final decision for determining what the performance elements and standards will be rests with management. Employee participation may include, but is not limited to, the following:

- (1) Employee and supervisor discuss and develop performance plans together;
 - (2) Employee provides to supervisor a draft performance plan;
 - (3) Employee comments on draft performance plan prepared by supervisor; or
 - (4) Performance plan is drafted by a group of employees occupying similar positions, for each supervisor's review and approval.
- c. DOE F 3430.7 and 7B will be used to record elements and standards, and DOE F 3430.7 and 7A may be used to certify that performance plans from the preceding appraisal period remain in effect. Some other system may be prescribed by the servicing personnel office; such as a special form or a memorandum.
- d. Performance elements and standards may be changed at any time it is necessary to do so; for example, because of changes in duties, organizational priorities, or available resources. Any changes that are made during the appraisal period must be recorded, approved by the reviewing official, and discussed with and communicated to the employee in writing as soon as they occur, so that both the supervisor and employee understand what performance is expected in order to meet management's expectations. If performance plans are revised during the appraisal period, except for minor clarification, a new minimum appraisal period begins for the revised element and standard at the time the revision is made; however, performance of any unchanged element and standard shall be evaluated based on performance from the beginning of the initial appraisal period up to the time the rating is rendered.
- e. Performance elements and standards and subsequent changes thereto must be reviewed and approved by a higher level official except that the Secretary may develop and approve elements and standards for all employees under his or her immediate supervision, and Heads of Departmental Elements may develop and approve elements and standards for Performance Management System employees under their immediate supervision. The higher level review must be completed before the final elements and standards are communicated in writing to the employee.
5. PROGRESS REVIEWS. Because performance evaluation is a day-to-day process, informal discussions of performance should be held periodically. In addition, rating officials must conduct at least one progress review with each employee to discuss the appropriateness of elements and standards and to make any changes warranted, to inform the employee of his or her general level of performance (not in itself a rating) in comparison to the established elements and standards, and to suggest any mid-course corrective action required to achieve a "Fully Successful" or higher performance rating. An opportunity

period established by an improvement plan is required when the employee's performance is "unacceptable" on any critical element (see Chapter V). There must be at least one progress review, usually at about the halfway point of the appraisal period. Supervisory certification that this review was conducted shall be recorded either on DOE F 3430.7, 7A, or by some other procedure for certification prescribed by the servicing personnel office.

6. SCHEDULE FOR APPRAISING PERFORMANCE.

- a. General. An employee will be formally appraised on each critical and noncritical element established for his or her position unless he or she did not have sufficient opportunity to demonstrate performance on an element, and documentation to this effect is provided, as appropriate, under the "Element Number" of the chart in Item I of DOE F 3430.7 or 7C. The appraisal that is to be scheduled and completed on at least an annual basis shall be the rating of record. Generally, this rating is to be used to determine an employee's entitlement to additional service credit and to assignment rights for reduction-in-force purposes in accordance with DOE 3351.1B. A rating of record shall not be assigned for the sole purpose of affecting an employee's reduction in force retention standing. Preferably, the annual performance appraisal periods should be established so that ratings are rendered in the following sequence: Performance Management System employees (if an anniversary system is not used), Performance Management and Recognition System employees, and SES employees. This would allow Performance Management and Recognition System employees and SES employees to be rated on how well they performed this aspect of their supervisory responsibilities. The minimum appraisal period is 90 calendar days. Caution must be exercised if it becomes necessary to change the scheduled performance appraisal period; any change must be made well enough in advance to allow employees to perform under their standards for the maximum period possible, but not less than 90 calendar days.
- b. Performance Management System Employees. The performance appraisal period for Performance Management System employees may be a staggered individualized date tied to the anniversary date of the within-grade increase or it may be a single uniform date, as determined by Heads of Field Elements, the Inspector General, and the Director of Classification and Staffing. For prevailing rate Employees, it is the anniversary date of entrance on duty or promotion, whichever action is more recent. If tied to the within-grade increase, the anniversary date for General Schedule employees is not when a within-grade increase is due to be granted or denied, rather the rating date for General Schedule employees is the anniversary date of the event that established the most recent 2- or 3-year within-grade cycle, even if the employee is at step 10. The Director of Personnel shall be notified in writing at least 3 weeks prior to any change planned from a uniform rating date system to an individual anniversary date system, or the reverse. When a rating of record cannot be prepared at the time specified because, for example, the employee has not

been under elements and standards for 90 calendar days due to recency of assignment, return from long-term training, leave without pay, or for other appropriate reasons, the appraisal period shall be extended for the amount of time necessary for the employee to meet the minimum 90-calendar-day period required for performance evaluation, at which time the rating of record shall be prepared.

- c. Performance Management and Recognition System Employees. The appraisal period for Performance Management and Recognition System employees extends from 7-1 of one year to 6-30 of the next year, unless approval has been obtained from the Director of Personnel for an appraisal cycle ending later than 6-30. When a rating of record cannot be prepared at the time specified because, for example, the employee has not been under elements and standards for 90 calendar days due to recency of assignments, return from long-term training, leave without pay, or for other appropriate reasons, the appraisal period shall be extended for the amount of time necessary to meet the minimum 90-calendar-day period required for performance evaluation, at which time the rating of record shall be prepared. If the appraisal period is extended beyond 9-30, see DOE 3540.1A for information on the performance rating that is to be used for pay purposes.

7. RATINGS OUTSIDE THE NORMAL RATING CYCLE. In addition to the scheduled annual rating of record, it will sometimes be necessary for an employee to be rated under special circumstances. These ratings occur during the current appraisal period and are treated as follows:

- a. When an Employee is Detailed or Temporary Promoted Within the Department An advisory summary rating is required upon conclusion of an employee's detail to another position for 120 calendar days or more, or upon the conclusion of an employee's temporary promotion for 120 calendar days or more. An advisory summary rating covering a detail or temporary promotion is made by the supervisor to whom the detailed or temporarily promoted employee reports. In some instances, a rating of record will be required prior to the conclusion of the detail or temporary promotion; therefore, in order to provide appropriate consideration of all performance during the appraisal period, it will be necessary for the temporary supervisor to issue an advisory rating prior to the conclusion of the temporary assignment if the employee has completed at least 120 calendar days in the assignment. An advisory summary rating covering a temporary assignment during the appraisal period shall be considered by the permanent supervisor when completing the next performance rating of record.
- b. When an Employee is on Assignment Outside the Department. An employee who serves on assignment outside the Department is entitled to receive an annual rating of record from his or her DOE supervisor, provided he or she completed 90 calendar days at any time during the appraisal period in the same position and under the same performance elements and standards. When a temporary assignment outside the Department is approved for 90 calendar

days or more, the servicing personnel office must contact the supervisor for whom the employee will be working and express the need for a job-related, narrative performance appraisal based on performance-related criteria that are communicated in writing to the borrowed employee at the beginning of the temporary assignment. If possible, the servicing personnel office should obtain a copy of the criteria and the narrative performance rating from the borrowing organization to which the DOE employee is temporarily assigned and provide it to the DOE rating official. This appraisal is not an advisory summary rating under the Departmental performance appraisal system, since non-DOE supervisor will not be familiar with or trained in the use of the DOE system. Rather, it is an advisory appraisal to be considered by the DOE rating official in developing the employee's next performance rating of record.

- c. When the Supervisor Leaves Near the End of the Rating period. A vacating supervisor must rate subordinates whose annual ratings of record are due within 90 calendar days, provided such employees have served in the same position and under performance elements and standards which have been in place for 90 calendar days. These ratings constitute the official annual rating of record.
- d. When the Employee Leaves Near the End of the Rating period. Supervisors must rate an employee who leaves the Department, except for cases involving death or retirement, when the employee is due a performance rating of record within 90 calendar days of his or her separation date. Although the period covered is less than 1 year, this rating constitutes the official annual rating of record.
- e. When the Employee Transfers to Another Agency or Changes to Another Position Within the Department. Supervisors shall prepare an advisory summary rating when an employee transfers to another agency or changes to another DOE position during the appraisal period, if the employee has met the minimum requirements for a rating in the position that is being vacated. The intra-agency requirement generally applies to reassignments and promotions, including temporary promotions; however, it does not include details or reassignments which are essentially redescriptions or realignments of an existing position with no change in supervisors. These ratings must be considered when completing the next rating of record, except that they become ratings of record if issued within 90 days of the date the scheduled annual rating of record is due.
- f. When the Employee May Receive Other Additional Appraisals. Ratings of record, in addition to the scheduled annual rating record, may be completed when necessary to support a specific personnel action involving a within-grade increase, as provided in DOE 3550.1, when the rating of record is below "Fully Successful," but performance has improved to the "Fully successful" or a higher level; or to support a proposal to remove or demote based on performance. It is inappropriate, however, to

prepare a special rating in support of an award. An "Unacceptable" rating of record is provided on DOE 3430.7 or 7C prior to the opportunity period, and an additional rating of record is rendered when performance improves to the "Marginal" level or higher. If performance is still "Unacceptable" at the end of the opportunity period, a memorandum or some other method may be used to evaluate performance and notify the employee that the previous "Unacceptable" rating remains in effect. If issued within 90 calendar days of the scheduled annual rating date, this rating becomes the annual rating of record. (See Chapter V for additional information.)

8. RATINGS OF RECORD. The rating of record is the most recent summary rating given in association with a scheduled annual rating date. Supervisors, in assigning the next rating of record, must consider advisory ratings issued during the current appraisal period, generally within the year, and transferred employee's summary ratings which were issued in former agencies immediately before the employee's entrance on duty in DOE.

GENERIC OUTSTANDING STANDARD

1. GENERIC "OUTSTANDING" STANDARD. When used, this standard establishes criteria for rating Performance Management System (PMS) and Performance Management and Recognition System (PMRS) employees, including those with supervisory responsibilities, at the "Outstanding" level. The supervisory standard is applied in addition to the individual standard for PMRS and PMS employees, as appropriate. Because the standard represents general requirements, it is important to assure that the performance element itself is stated in comprehensive enough terms that the employee will know the essential component of his or her job that is being rated. In addition, because it is important for each employee to know his or her job requirements, the organization's goals, objectives, and work plans may be used to supplement the generic standard. Finally, because this is a general standard, it is also necessary to document specific employee accomplishments when individual elements are not described at the "Outstanding" level, and an "Outstanding" rating is assigned to a performance element based on the use of the generic standard.
2. STATEMENT OF GENERIC "OUTSTANDING" STANDARD for:
 - a. PMRS Employees. This is a level of rare, high-quality performance. The employee has performed so well that organizational goals have been achieved that would not likely have been otherwise. The employee's mastery of technical skills and through understanding of the mission have been fundamental to the completion of program objectives.
 - (1) The employee has exerted a major positive influence on management practices, operating procedures, and program implementation, which has contributed substantially to the accomplishment of organizational goals. Prepared for the unexpected, the employee has planned and used alternate ways of reaching goals. Difficult assignments have been handled intelligently and effectively. The employee has produced an exceptional quantity of work, often ahead of established schedules, and with little supervision. The employee's planning skills result in cost-savings to the Government.
 - (2) In writing and speaking, the employee presents complex ideas clearly in a wide range of difficult communication situations. Desired results are attained.
 - b. PMS Employees. This is a level of rare, high-quality performance. The quality and quantity of the employee's work substantially exceed "Fully Successful" standards and rarely leave room for improvement. The impact of the employee's work is of such significance that organizational objectives were accomplished that otherwise would not have been. The accuracy and thoroughness of the employee's work in relation to this element are exceptional. Application of technical knowledge and skills goes beyond

that expected for the position. The employee significantly improves the work processes and products for which he or she is responsible. Thoughtful adherence to procedures and formats, as well as suggestions for improvement in these areas, increase the employee's usefulness.

- (1) The employee plans so that work follows the most practical and practical sequence; inefficient backtracking is avoided. He or she develops contingency plans to handle potential problems and adapts quickly to new priorities and changes in procedures and programs without losing sight of the long-term purposes of the work. These strengths in planning and adaptability result in early or timely completion of work under all but the most extraordinary circumstances. Exceptions occur only when delays could not have been anticipated. The employee's planning skills result in cost-savings to the Government.
 - (2) In meeting element objectives, the employee maximizes all available options in handling interpersonal relationships with exceptional skill, anticipating and avoiding potential causes of conflict, and actively promoting cooperation with clients, coworkers, and his or her supervisor. He or she improves cooperation among participants in the work and prevents misunderstandings.
 - (3) The employee seeks additional work or special assignments related to this element at an increasing level of difficulty. The quality of such work is high and is done on time without disrupting regular work. Appropriate problems are brought to the supervisor's attention; most problems are dealt with routinely by the employee and with exceptional skill.
 - (4) The employee's oral and written expression are exceptionally clear and effective.
 - (5) Complicated or controversial subjects are presented or explained effectively to a variety of audiences so that desired outcomes are achieved.
- c. Supervisory PMRS and PMS Employees. The employee is a strong leader who works well with others and handles difficult situations effectively. The employee encourages independence and risktaking among subordinates, yet takes responsibility for their actions. Open to the views of others, the employee promotes cooperation among peers and subordinates, while guiding, motivating, and stimulating positive responses. The employee's work performance demonstrates a strong commitment to fair treatment, equal opportunity, and the affirmative action objectives of the organization.

CHAPTER 11

THE FORMAL APPRAISAL PROCESS

1. REQUIREMENTS.

- a. Formal ratings of performance shall be in writing and will be discussed with employees after approval by the final reviewer at the end of the appraisal period. DOE F 3430.7 or 7C, "PMRS/PMS Performance Rating," shall be used for recording purposes, and a copy will be given to the employee.
- b. The employee shall be requested to sign the appraisal form. The employee's signature indicates only that he or she has seen the performance rating and was given the opportunity to discuss the element ratings. Performance ratings are valid even when the employee refuses to sign the form. When applicable, the supervisor should annotate DOE F 3430.7 or 7C to reflect such a refusal.
- c. The employee may comment on the performance rating and written comments will be retained with DOE F 3430.7 or 7C.
- d. Supervisors need not provide documentation on the DOE F 3430.7 or 7C to support the ratings on individual elements unless the generic standard in Attachment I-1 is used; however, as explained in Chapter V, deficiencies must be documented in improvement plans when they are necessary. Additional requirements to document a rating may be imposed by a servicing personnel office.

2. ELEMENT RATINGS.

- a. Except in the case of "absolute" standards, there are five element rating levels applicable to the performance standards that have been established at the "Marginal," "Fully Successful," and "Outstanding" levels, as prescribed in Chapter I. Element ratings will be assigned and communicated to the employee, based on a comparison of the employee's performance during the rating period against the standards established for that element and not on a forced distribution of ratings. A description of the five element rating levels, and other actions associated with each level, is indicated below.
 - (1) Unacceptable is assigned to an element when performance of that element fails to meet the standard described at the "Marginal" level. A rating of one or more critical elements at this level, because of the definition of a critical element, requires that overall performance be rated "Unacceptable," regardless of the ratings assigned to the other elements. An "Unacceptable" rating on a Critical element requires the development of an improvement plan (see Chapter V) and

shall result in a performance-based action including, but not limited to, reassignment, demotion, or removal if the employee's performance remains "Unacceptable" after being afforded an opportunity to improve, as provided in the improvement plan.

- (2) Marginal is assigned to an element when the employee's performance needs improvement to fully meet management's expectations for a fully successful employee; that is, performance on the element meets, but does not exceed, the standard for "Marginal." A rating of "Marginal" on a critical element requires that overall performance be rated no higher than "Marginal" regardless of the ratings on other elements. Supervisors shall assist employees, as appropriate, in improving performance rated at this level (see Chapter V for additional Information).
 - (3) Fully Successful is assigned when performance meets, but does not necessarily exceed, the standard for "Fully Successful" performance. This level represents performance which consistently meets management's expectations for most fully qualified, fully competent employees performing comparable assignments under comparable conditions. A fully successful employee produces timely work of sufficient quality and in sufficient quantity that it contributes positively to accomplishing the goals and objectives of the organization of which he or she is a part.
 - (4) Highly Successful is assigned when performance consistently and substantially exceeds the standard described at the "Fully Successful" level, but does not meet the standard described at the "Outstanding" level.
 - (5) Outstanding is assigned when performance consistently meets the specific or generic standard for "Outstanding." This level represents an unusually high quality of performance that is typical of only exceptional employees. (See statement of generic standard in Attachment I-1.)
- b. In extremely rare instances when performance plans contain an absolute standard for a critical element established in accordance with the requirements listed on page I-2, paragraph 2b, and for which performance cannot technically exceed the level described, the element is not included in computing the summary rating if employee performance meets the standard described. If, on the other hand, performance does not meet the standard, the element rating, by definition of an absolute standard, is "Unacceptable."
- 3 SUMMARY RATINGS. Agencies are required by law and regulation to use five summary rating levels. The five rating levels to be used in the Department are listed below. After assigning a rating on each individual element as prescribed on page 11-1, paragraph 2a, the element ratings are converted to one of the following summary ratings.

<u>SUMMARY RATING LEVELS</u>	<u>CRITERIA</u>
1. UNACCEPTABLE (U)	- One or more critical elements do not meet the "Marginal" standard, regardless of total score
2. MARGINAL (M)	- Summary rating score of 1.9 or less and no critical element is rated below "Marginal" or A score above 1.9, but one or more critical elements is rated "Marginal" (no critical element is rated below "Marginal")
3. FULLY SUCCESSFUL (FS)	- Summary rating score of 2.0 through 2.9 and no critical element is rated below "Fully Successful" or A score above 2.9, but one or more non-critical elements is rated "Unacceptable" (no critical element is rated below "Fully Successful")
4. HIGHLY SUCCESSFUL (HS)	- Summary rating score of 3.0 through 3.7 and no critical element is rated below "Fully Successful" and no noncritical element is rated below "Marginal" or A score above 3.7, but one or more noncritical elements is rated "Marginal" (no noncritical element is rated below "Marginal" and no critical element is rated below "Fully Successful")
5. OUTSTANDING (O)	- Summary rating score of 3.8 or higher and no element is rated below "Fully Successful"

Figure 11-1
Summary Ratings

4. STEPS IN COMPUTING THE SUMMARY RATING.

- a. Consider the criticality of each element listed on DOE F 3430.7.
- b. Assign weight to each element based on the following: Critical element = 2; noncritical element=1 .
- c. Rate each element by assigning a value based on the following:

<u>Demonstrated Performance</u>	<u>Point Value</u>
Outstanding (O)	4
Highly Successful (HS)	3
Fully Successful (FS)	2
Marginal (M)	1
Unacceptable (U)	0

- d. Derive the weighted rating score by multiplying the weight times the appropriate point value for the element.
- e. Total separately the weights and the weighted rating scores.
- f. Divide the total of the weighted rating scores by the total weights to obtain the appraisal score. Round to the nearest tenth. Five is always rounded to the next higher number; therefore, there may be some cases where rounding will move an employee's rating to another category. (Example 2.96 = 3.0.)
- g. Determine the appropriate summary adjective rating based on the criteria in Figure 11-1. An example of this process is provided in Figure 11-2 where an employee has been rated "Fully Successful" on a noncritical element, "Highly Successful" on a noncritical element, "Outstanding" on a critical element, "Marginal" on a noncritical element, and "Fully Successful" on a critical element.

ELEMENT NO.	C (CRITICAL) NC (NONCRITICAL)	WEIGHT	ELEMENT RATING					WEIGHTED RATING SCORE
			U-0	M-1	FS-2	HS - 3	O - 4	
1	NC	1			X			2
2	NC	1				X		3
3	C	2					X	8
4	NC	1		X				1
5	C	2			X			4
TOTAL		7						18

$$\frac{18}{\text{(TOTAL OF WEIGHTED RATING)}} \div \frac{7}{\text{(TOTAL OF WEIGHTS)}} = 2.57 = \frac{2.6}{\text{(SUMMARY RATING SCORE)}}$$

SUMMARY RATING ^{1/}	
U	_____
M	_____
FS	_____ X _____
HS	_____
O	_____

Figure 11-2
Computation of Summary Rating

1/ Based on Figure 11-1 scale.

5. RATING OFFICIALS. Summary ratings are completed by the employee's immediate supervisor, except that ratings of performance during details or temporary promotions shall be completed by the supervisor to whom the detailed or temporarily promoted employee reports.
6. REVIEWING AND APPROVING OFFICIALS.
 - a. Performance ratings for all employees must be reviewed and approved by a higher level manager, except that the Secretary serves as both rating and reviewing official for all employees under his or her immediate supervision. The Heads of Departmental Elements and the Inspector General also may serve as both rating and reviewing official for Performance Management System employees under their immediate supervision.
 - b. Ratings must be reviewed by the reviewing official before they are communicated to the employee.
7. APPRAISING DISABLED VETERANS. The performance appraisal and resulting rating of a disabled veteran may not be lowered because the veteran has been absent from work to seek medical treatment.

8-14-86

CHAPTER IIIEMPLOYEE PERFORMANCE RECORD SYSTEM1. EMPLOYEE PERFORMANCE RECORD SYSTEM.

- a. The employee performance record system is a system of records consisting of documents pertaining to employee performance, including official performance ratings, performance plans, and any other supporting performance-related documents specified in writing by the servicing personnel office. All such records are a part of the employee performance record system, whether located in only one office or in several offices (e.g., the servicing personnel office, office of the rating official, administrative office, or an automated personnel record system).
- b. The records maintained in the employee's performance record system are covered by the Privacy Act System of Records established by OPM. Servicing personnel offices are responsible for assuring that such documents are retained in accordance with OPM's Privacy Act regulations, DOE 1700.1, and DOE 1800.1A. Since records maintained in an automated or microform system are a part of the employee performance record, they are also subject to the same requirements as those relating to manual records.

2. EMPLOYEE PERFORMANCE FILE.

- a. The official performance-related forms and documents which must be maintained in the employee's performance record system consist of the following:
 - (1) DOE F 3430.7, "Performance Record," DOE F 3430.7A, "Certifications," DOE F 3430.7B, "Performance Appraisal Plan," DOE F 3430.7C, "PMRS/PMS Performance Rating," employee comments, if provided; and
 - (2) Other performance-related documents specified in writing by servicing personnel offices (see 5 CFR 293.403).
- b. Ratings of record, including the performance plans on which the ratings are based, must be filed on the left side of the Official Personnel Folder; in a separate envelope along with other performance-related documents temporarily placed in the Official Personnel Folder; or with performance-related records in the employee performance record system as indicated below:
 - (1) In a separate employee performance file that is located in the same office with the official Personnel Folder; or

8-14-86

- (2) In a separate employee performance file that is not located in the same office with the official Personnel Folder, but only when it is determined to be cost effective to do so.
 - c. Implementing instructions by servicing personnel offices will indicate whether a separate employee performance file may be maintained by administrative officers and/or supervisors and what it should contain.
3. RETENTION SCHEDULE. Performance ratings or documents supporting them are generally not permanent records and shall be retained as prescribed below:
 - a. Performance ratings of record, including the performance plans on which they are based, shall be retained for 3 years; except where prohibited by reduction-in-force regulations, a rating of "Unacceptable" performance will be discarded when improved performance continues for 1 year following completion of an "opportunity to improve" period or upon transfer of the Official Personnel Folder outside the Department, whichever comes first.
 - b. Supporting documents shall be retained for 3 years.
 - c. Performance records superseded (e.g., through an administrative or judicial procedure) and performance-related records pertaining to a former employee need not be retained for a minimum of 3 years. Rather, in the former case they are to be destroyed immediately following completion of the process that caused them to be superseded, and in the latter case they are to be destroyed within 90 days, usually at the time the Official Personnel Folder is transferred.
 - d. Except where prohibited by law, retention of automated records longer than the maximum prescribed here is permitted for purposes of statistical analysis so long as the data are not used in any action affecting the employee when the manual record has been or should have been destroyed.
4. DISPOSITION OF RECORDS. When the Official personnel Folder of an employee is sent to another servicing personnel office in the Department, to another agency, or to the National Personnel Records Center, the "losing" servicing personnel office shall include in the Official Personnel Folder all performance ratings of record that are 3 years old or less, including the performance plan on which the most recent rating was based, and the summary rating prepared because the employee is changing positions. In addition, advisory summary ratings given during the current appraisal period shall be included in the Official Personnel Folder at the time it is transferred to another servicing personnel office in DOE; these ratings are to be considered in assigning the next rating of record. The "losing" servicing personnel office shall purge from the Official Personnel Folder all performance ratings and performance plans that are more than 3 years old and other performance-related records. Destruction of performance-related records will be accomplished by shredding or burning in accordance with DOE 1324.2A.

CHAPTER IV

GRIEVANCES AND APPEALS

1. PERFORMANCE APPRAISALS. Information on employee grievances and appeals can be found in DOE 3771.1, and DOE 3750.1, or in negotiated agreements between management and bargaining unit employees' exclusive representatives. Employees wishing to grieve or appeal, as appropriate, performance ratings or personnel actions based on performance ratings should consult those sources for applicable procedures.
2. WITHIN-GRADE INCREASES. No appeal or grievance can be made before a reconsideration process is undertaken. Performance Management System non-bargaining unit employees may challenge denial of within-grade increases by filing an appeal with the Merit Systems Protection Board. Bargaining unit employees covered by a negotiated agreement which includes grievances on denials of within-grade increases must use the negotiated grievance procedure. If the agreement excludes such grievances, bargaining unit employees may appeal to the Merit Systems Protection Board.

CHAPTER V

IMPROVEMENT PLAN--AN OPPORTUNITY TO IMPROVE PERFORMANCE

1. IMPROVEMENT PLAN. An improvement plan is a document used by management to establish an "opportunity" for employees to improve unacceptable performance. It is used to notify an employee of the need to improve performance; to identify specific performance deficiencies; to provide for assisting an employee in improving performance, as appropriate; to communicate the potential consequences of poor performance; to inform the employee how performance may be improved; and to establish a timeframe for observing and reevaluating performance.
2. WHEN REQUIRED. Except for Schedule C employees, an improvement plan establish an opportunity to improve "Unacceptable" performance must be provided if, at any time during the appraisal period, an employee's performance is determined to be "Unacceptable." In some instances, it may be necessary to provide the improvement plan at the end of the rating period. However, supervisors should avoid delaying action until that time. The improvement plan, if properly executed, fulfills the statutory requirements for establishing, by substantial evidence, that an employee was provided an "opportunity to demonstrate acceptable performance" prior to the initiation of a performance-based action. An Improvement plan is not required, but it may be used to comply with the OPM requirement to assist employees in improving performance rated "Marginal." (See paragraph 3f below for other ways of assisting these employees in improving performance.) Isolated instances of poor performance do not necessarily require the issuance of an improvement plan; however, supervisors should, upon observing that poor performance is becoming a pattern, inform an employee of performance deficiencies and the action needed to improve. If an informal approach does not result in sufficient improvement, and performance is "Unacceptable," supervisors must provide an improvement plan.
3. CONTENT OF AN IMPROVEMENT PLAN. The improvement plan must be highly individualized, reflecting specific performance deficiencies and the nature and degree of improvement needed. The information listed below is to be included in an improvement plan:
 - a. Employee's Name, Title, Series, Grade, and Organizational Location.
 - b. Length of Opportunity Period. The opportunity period that is established in an improvement plan shall be sufficient to allow the employee a reasonable time within which to demonstrate improved performance on the appropriate critical element, while at the same time continuing to perform the normal duties and responsibilities of his or her position. The time allowed must be at least 90 days, the equivalent of the minimum appraisal period, since a rating of record will be rendered at the end of the opportunity period. This period must be long enough for the supervisor

8-14-86

to evaluate the full range of the employee's substandard performance, (i.e., a GS-5 entry-level engineer would probably have a shorter opportunity period than an engineer at the full performance level due to the increased complexity and the broader scope of responsibilities in the higher level position). It is absolutely self-defeating to assign part of the work to another employee or for the supervisor to assume part of the work of an employee who is being afforded an opportunity to improve, since "stripping" an employee of his or her duties and responsibilities during the opportunity period does not enable the employee to demonstrate the ability to perform the total job satisfactorily.

- c. Deficiencies and Actions Required to Improve. The employee shall be informed in writing of specific performance deficiencies in relation to the performance element and standard listed on DOE F 3430.7 or 7B, the standard that must be reached in order to be retained, and the performance requirements for a rating of "Fully Successful" or higher. This may be accomplished by attaching DOE F 3430.7 or 7B to the improvement plan and referencing the appropriate element and standard or by listing the appropriate element and standard in the improvement plan. Deficiencies must be limited to performance which occurred during the current appraisal period. At this time, any unclear standards should be clarified, if necessary, so long as extra duties and expectations are not added to the improvement plan.
- d. Management Assistance. Supervisors must provide whatever assistance is appropriate to help the employee improve performance. Supervisors must be careful not to promise things in the improvement plan that cannot be provided. Assistance may include, but is not limited to, counseling, closer supervision, special resources, training, more frequent performance reviews, memorandums written to the employee explaining errors and how to correct them, assistance with organizing workload, and examples of acceptable work products.
- e. Progress Review. Supervisory feedback is essential. The supervisor must indicate at least one date during the opportunity period on which formal feedback will be provided to the employee, such as at the midpoint of the opportunity period.
- f. Statement Regarding the Potential Results of Poor Performance. General Schedule and prevailing rate employees must be advised that continued overall performance below the "Fully Successful" level will result in the denial of the next within-grade increase. Performance Management and Recognition System employees must be advised that no merit pay increase and reduced entitlement to the general increase will result for employees with an overall rating of "Marginal," and no general increase will be granted to those rated at the "Unacceptable" level. In addition, all employees must be advised that after being afforded an opportunity to improve, continued "Unacceptable" performance will result in a performance-based action that includes, but is not limited to, reassignment, reduction in grade, or removal.

8-14-86

4. NOTIFICATION OF RESULTS. At the end of the opportunity period, the supervisor will evaluate the employee's performance, obtain the written concurrence of the reviewing official, and discuss specific performance with the employee. The employee may provide comments for consideration by the rating and reviewing officials. In addition, the following applies:
 - a. When Performance Improves to the "Marginal" Level or Higher. A rating of record is issued on DOE F 3430.7 or 7C. Except where prohibited under reduction-in-force regulations and for certain pay decisions involving a Performance Management and Recognition System employee whose rating is rendered after 9-30, the improved rating supersedes the "Unacceptable" rating, which together with the improvement plan, must be removed from the employee performance record system after 1 year of improved performance or upon transfer of the Official Personnel Folder outside the Department, whichever occurs first. If performance of a Performance Management and Recognition System employee improves to "Marginal" but not "Fully Successful," the employee, if not reassigned, shall undergo another opportunity period.
 - b. When Performance is Still "Unacceptable." A memorandum or some other method is used to evaluate performance and notify the employee that the previous "Unacceptable" rating of record remains in effect. If, upon completion of the opportunity period, employee performance on the critical element involved is still "Unacceptable," the supervisor must initiate a performance-based action that may include, but is not limited to, reassignment, reduction in grade, or removal of the employee. These performance-based actions must be in accordance with DOE 3750.1.
5. CERTIFICATIONS. The reviewing official must concur in the improvement plan in writing at the beginning of the opportunity period and in the evaluation rendered at the end of the opportunity period. The employee will be requested to sign the improvement plan when it is initiated and the DOE F 3430.7, 7C, or an appropriate document notifying him or her of the rating at the end of the opportunity period.

CHAPTER VI

PERFORMANCE REVIEW BOARDS

1. PERFORMANCE MANAGEMENT AND RECOGNITION SYSTEM PERFORMANCE STANDARDS REVIEW BOARDS. Title 5 CFR 430.408 sets forth the requirements for establishing a Performance Standards Review Board, referred to hereafter as the "Board." A local Board shall be established to represent each major servicing personnel office location, excluding branch or area personnel offices. The Director of Administration and Human Resource Management for Headquarters Elements (excluding the Inspector General), the Heads of Field Elements with delegated personnel authority (excluding branch or area personnel offices), and the Inspector General shall establish local Boards for their respective organizations.
 - a. Membershi p. Each Board shall consist of six members, and at least one-half of the members shall be Performance Management and Recognition System employees in the competitive service. Officials referenced in paragraph 1 above will either chair or designate one member a chairperson to preside at Board meetings and set the agenda for the meeting. The Director of Personnel will consider requests for exceptions to these requirements when small offices cannot reasonably satisfy the membership requirements. Consideration may also be given to combining with a nearby Board or the Board of the parent organization if the number of Performance Management and Recognition System employees is insufficient to constitute a local Board.
 - b. Functions. The Board shall:
 - (1) Assess, by use of representative sampling techniques, at or near the beginning of each appraisal cycle, the appropriateness of performance plans for Performance Management and Recognition System employees, including the difficulty of the performance standards, and recommend ways to improve performance plans, but the Board itself shall have no authority to approve or modify performance plans;
 - (2) Review ratings of record in the aggregate (after ratings have been communicated to employees) in order to make recommendations regarding improving the equitable application of standards, but shall not recommend any distribution of ratings; and
 - (3) Study the feasibility of organizational awards and, when required, provide technical assistance on any demonstration projects on performance appraisal.
 - c. Proced ures.
 - (1) The Chairperson of the Board shall establish the dates and times for Board meetings and shall inform the other members.

- (2) A quorum shall be majority of the Board members, at least one-half of whom shall be competitive service Performance Management and Recognition System employee.
- (3) Most issues decided by the Board shall be by consensus of the members present. In those cases when a unanimity is not possible, majority rule shall apply.
- (4) The agenda for Board meetings shall normally be provided to Board members prior to the meetings.

2. REPORTS. The Board shall report by 12-31 each year to the Director of Administration and Human Resource Management. Reports on Board activities during the previous fiscal year are to be forwarded through the appropriate designating official listed on page VI-1, paragraph 1, and shall include:
 - a. The quality of the performance plans, including the difficulty of performance standards;
 - b. Means of improving performance plans;
 - c. Means of improving the equitable application of standards based on a review of ratings; and
 - d. The feasibility of organizational awards.

CHAPTER VII

USE OF APPRAISALS AS A BASIS FOR OTHER PERSONNEL ACTIONS

1. AWARDS AND PERFORMANCE PAY. DOE 3540.1A contains information on performance awards and performance pay for Performance Management and Recognition System employees.
2. REDUCTION IN FORCE. An employee's entitlement to additional service credit and to assignment rights for reduction-in-force purposes is based, in whole or in part, on performance. Determinations of such credit shall be made in accordance with DOE 3351.1A. If a reduction in force becomes necessary, scheduled ratings of record may be postponed if all of the following conditions are met:
 - a. The Director of Administration and Human Resource Management concurs in a statement by the Head of the Departmental Element affected that the reduction in force cannot be postponed for specific, stated reasons.
 - b. The scheduled rating date is so close to the effective date that it will not be possible to process all ratings before the date specific reduction-in force notices are to be issued.
 - c. There are persuasive reasons why ratings cannot be processed prior to the scheduled rating date so that all ratings can be processed before the date specific notices are issued.
 - d. Issuance of general notices, reducing the time required for specific notices (and, therefore, extending the time available to process ratings) will not resolve the problem.
3. PROMOTIONS.
 - a. Career Ladder Promotion. Performance ratings are used as a basis for determining whether employees have demonstrated the capability to perform in a position at the next higher level in a career ladder. Performance in the present position must be rated at least "Fully Successful" in order for an employee to receive a career ladder promotion.
 - b. Merit Promotion. DOE 3335,1A requires that candidates be appraised on the skills, knowledge, and abilities required for the position to be filled, rather than performance in the candidate's present position. Thus, there is no direct link between the overall performance rating level and merit promotion actions; however, supervisors should give due weight to the performance ratings of job applicants, as an indicator of the quality of prior experience, in making selection decisions.

4. TRAINING. Supervisors may authorize training for two purposes: (a) to improve performance in an employee's present job, and (b) for developmental purposes. The performance appraisal process should identify areas where remedial training may be necessary for an employee to meet or surpass specified performance standards.
5. ACTIONS BASED ON UNACCEPTABLE PERFORMANCE shall be in accordance with DOE 3750.1.
 - a. Failure to meet the standards described at the "Marginal" level on one or more critical elements constitutes "Unacceptable" performance. Before taking action based on unacceptable performance, management must assist employees in improving performance and provide them an opportunity to demonstrate improved performance (see Chapter V for additional information). If an employee's performance is still unacceptable at the end of the opportunity period a performance-based action, including but not limited to, reassignment, reduction in grade, or removal, must follow.
 - b. The decision as to whether reassignment or demotion should be effected in lieu of removal is a supervisory one. If an employee's position can be restructured in a manner consistent with good position management and this will permit better use of the employee's knowledge, skills, and abilities, retention in the position at the same or lower grade level may be considered. Similarly, an employee may be considered for a vacancy at the same or lower grade if there is reason to believe that the employee could perform the duties of the vacant position at the "Fully Successful" level.
6. PROBATIONARY PERIODS.
 - a. New employees must be carefully observed and appraised during the probationary period to determine whether they can perform their duties acceptably and have the qualities needed to become successful career employees. Information generated during the performance appraisal process may provide a basis to determine progress during the probationary period and will assist supervisors in deciding whether to retain the employee in the Federal service. Action to remove probationary employees is taken in accordance with 5 CFR 315.801.
 - b. Incumbents of positions classified as "supervisory" and "managerial" under the OPM Supervisory Grade Evaluation Guide and Job Grading Standard for Supervisors may be subject to serving a probationary period. These employees will have substantive supervisory responsibilities, and their performance elements will involve the processes of managing and supervising described on page 1-3, paragraph 3. Information generated during the performance appraisal process may provide a basis for deciding whether to retain these employees in supervisory or managerial positions. Additional information is provided in DOE 3315.1.