

MS 626 PERFORMANCE APPRAISAL SYSTEM

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Issuance Memo
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ATTACHMENTS

Attachment A Annual Performance Plan and Appraisal Form

1.0 AUTHORITIES

22 U.S.C §2503 and §2506; Sections 8G(g)(2) of the Inspector General Act of 1988; Negotiated Agreement with Peace Corps Employees Union.

2.0 PURPOSE

This manual section sets out Peace Corps' employee appraisal system, which is intended to:

- (a) Ensure that employees receive periodic appraisals of job performance;
- (b) Encourage employee participation in establishing performance plans and assessing accomplishments in relation to established performance plans; and
- (c) Provide criteria for personnel actions.

3.0 APPLICABILITY

The performance appraisal system set out in this manual section applies to all employees, except for:

- (a) Employees whose appointments were made with the advice and consent of the U.S. Senate;
- (b) Employees in confidential, policy making, policy determining, or policy advocating positions designated as serving at the pleasure of the Peace Corps Director in the SF-50, Notification of Personnel Action;
- (c) Senior Foreign Service employees;
- (d) Foreign Service National employees; and
- (e) Country Directors.

4.0 DEFINITIONS

4.1 Appraisal Period means the period of time for which an employee's performance will be appraised.

4.2 Element means a duty or responsibility, as described in an employee's position description.

4.3 Mid-Cycle Review means a supervisor's oral review of an employee's performance plan conducted at or around the middle of the appraisal period.

4.4 Performance appraisal means a supervisor's annual written evaluation of an employee's performance.

4.5 Performance Plan means the plan prepared by a supervisor, with input from the employee, which sets out the supervisor's expectations for the employee's performance during the coming year.

4.6 Performance Standards means the standard an employee is expected to meet in order to perform his or her job successfully.

4.7 Rating Official means the individual who is responsible for developing the performance requirements with the employee, evaluating the employee's performance, and preparing the employee's performance appraisal. The rating official is normally the employee's immediate supervisor.

4.8 Reviewing Official means the immediate supervisor of the rating official. The authority to rate and to review an employee's performance is delegated by the Director.

5.0 RESPONSIBILITIES

5.1 Director of Human Resource Management

The Director of Human Resource Management is responsible for:

- (a) Formulating policies and procedures for administering the performance appraisal system and for making them known to employees;
- (b) Coordinating the performance appraisal system with other personnel processes;
- (c) Establishing and monitoring processes to ensure timely mid-cycle reviews and performance appraisals;
- (d) Providing instructions for developing employee performance plans;
- (e) Assisting management in preparing warnings or performance improvement plans when an employee is considered to be performing below the “meets or exceeds” level on any element;
- (f) Providing employees with descriptions of their duties and responsibilities; and
- (g) Assisting managers with the identification of ways to help employees improve their performance.

5.2 Rating Official

The Rating Official is responsible for:

- (a) Informing the employee of the overall mission, objectives, goals, and long-range plans and activities of the relevant organizational unit;
- (b) Periodically reviewing the employee’s position description to ensure that it accurately describes assigned duties and responsibilities;
- (c) Encouraging the employee to provide input into the development of his or her performance plan while retaining final authority to determine the content of the plan;
- (d) Providing the employee with a written performance plan containing the performance standards after the appraisal period begins or as soon as practicable upon an employee’s entry into a position, but normally not later than within 30 days;
- (e) Ensuring that the performance requirements are consistent with position descriptions and are related to office goals;
- (f) Conducting the mandatory mid-cycle review, adjusting performance standards to reflect any changes, and communicating those changes to the employee in writing;
- (g) Rendering reasonable assistance when needed to improve employee performance;
- (h) Preparing a performance appraisal that evaluates the employee’s accomplishments in a fair, objective, and timely manner; and
- (i) Considering the employee’s comments on the appraisal.

5.3 Employee

The employee is responsible for:

- (a) Providing information that the employee believes should be considered by the rating official, who establishes the performance requirements for the position;
- (b) Participating in mid-cycle and other progress reviews;
- (c) Informing the rating official of essential resources and support needed to meet performance requirements; and

- (d) Advising the rating official in a timely manner of any factors or circumstances that the employee believes should be considered in appraising performance.

5.4 Reviewing Official

The reviewing official is responsible for the following:

- (a) Reviewing performance plans to ensure that they are consistent with overall organizational objectives;
- (b) Reviewing performance appraisals, recommended ratings, and any employee comments on the appraisal drafted by rating officials to ensure that the recommended ratings are properly documented; and
- (c) As necessary, adjusting the summary narrative, summary rating, and the performance rating on individual elements. Such changes must be based on specific information concerning the employee's performance or on the reviewing official's personal knowledge of such performance.

6.0 THE APPRAISAL PROCESS

The Peace Corps appraisal process follows an annual cycle that begins on February 1 and ends the following January 31. The process involves three distinct stages: performance planning; a mid-cycle review; and the annual appraisal.

6.1 Performance Planning

When an employee is hired, the rating official should give the employee a performance plan as soon as practicable and discuss the plan with the employee. Thereafter, each year, as soon as practicable, after the start of the appraisal period, rating officials and employees should begin developing or updating written performance plans for the upcoming appraisal period, normally within 30 days of the beginning of the new appraisal period.

6.1.1

- (a) Performance requirements. A performance plan consists of several performance requirements. Each performance requirement is composed of: (1) a performance element; and (2) a performance standard that will be used to evaluate the level of accomplishment for that element.

The number of performance requirements contained in a performance plan will vary from position to position and may change yearly or even within a given year for a specific position. If the number of performance requirements exceeds five or six, the rating official and the employee should discuss the feasibility of grouping elements into broader categories. Common sense should be the guiding principle in making the determination.

- (b) Elements. Elements must address only those duties or responsibilities that are within the control of the employee, and must be consistent with the duties and responsibilities covered in the employee's position description.
- (c) Standards. An element's performance standard should define performance in terms of product (what is to be accomplished) and process (how it is to be accomplished). Performance standards should be as specific and measurable as possible and, where applicable, expressed in terms of quality, quantity and timeliness. Performance standards may change from time to time based on changes in responsibilities, priorities, or resources.

6.1.2 Criteria for developing a performance plan. The following criteria should be considered when developing or updating a performance plan:

- (a) Relevance -- Have appropriate performance requirements been identified?
- (b) Completeness -- Does the plan cover all of the employee's significant duties?
- (c) Clarity -- Are performance requirements clearly and fully described?
- (d) Measurability -- Can achievements be quantitatively and qualitatively measured using identified performance standards?

6.1.3 Process. The performance plan should be used as a basis for the supervisor to set and clarify expectations for an employee's performance. All performance plans must be signed by the employee, the rating official, and the reviewing official, as soon as possible after an employee begins a new position. The plan should be updated and signed annually after the appraisal period begins. The employee's signature on the plan does not indicate agreement with the plan but only indicates that the plan has been discussed. The plan is valid even if the employee will not sign it.

Supervisors are encouraged to communicate regularly with employees concerning expectations, including whether or not expectations are being met and to provide guidance on improving performance.

6.2 Mid-Cycle Review

The rating official must conduct one oral review with each employee approximately halfway through the appraisal period. The mid-cycle review must include discussion of the following:

- (a) The employee's progress toward meeting the performance requirements;
- (b) Identification of performance deficiencies, if any, and recommendations on how to improve;
- (c) The need for changes in the plan based on changes in responsibilities, priorities, or resources.

At the conclusion of the review, the rating official and employee must sign the mid-cycle review section of the performance plan. An employee may request additional progress reviews during the appraisal cycle.

Mid-cycle reviews must also be scheduled and conducted for employees who enter positions after the start of the appraisal period and should be completed near the midpoint of the shortened appraisal period.

6.3 Annual Appraisal

The rating official must complete an appraisal for each of his or her employees at the conclusion of the appraisal period.

6.3.1 Rating Official's Appraisal. The rating official shall prepare a draft appraisal that must be based on an assessment of the employee's performance as measured against the performance requirements listed in the employee's performance plan. For each performance requirement, the rating official shall rate the employee's performance consistent with the rating system set out in Section 6.4.

6.3.2 Meeting with Employee/Employee Opportunity to Respond. The rating official shall arrange for a meeting with the employee. At the meeting, the rating official shall provide the employee with the appraisal and oral feedback on progress made during the appraisal cycle. The employee must be given at least one week to review and comment on the appraisal. If the employee materially disagrees with the appraisal, the rating official should attempt to resolve the issues informally. However, if agreement cannot be reached, the

appraisal and the employee's comments will be forwarded to the reviewing official. The employee may include comments under the "Employee Comments" portion of the appraisal.

Both parties should sign the appraisal form as evidence that the appraisal meeting has taken place. The employee's signature does not imply agreement with the rating nor does it constitute a waiver of the employee's rights. Failure of the employee to sign the appraisal does not preclude the rating official from making a final decision.

6.3.3 Reviewing Official. The reviewing official shall review the appraisal and any comments submitted by the employee. The reviewing official will attempt to resolve any disagreements between the rating official and the employee by reviewing documentation and/or meeting with the parties. The reviewing official may adjust the performance rating on individual elements and supplement or modify the summary narrative or rating, as necessary, after consultation with the rating official. The reviewing official shall sign and return the appraisal to the rating official, at which time the appraisal will be final.

6.3.4 Submission Deadline. All appraisals should be completed and submitted to the Director of HRM no later than 30 days after the end of the appraisal period.

6.3.5 Appraisal for Employee on Detail. When an employee is officially detailed to another position for a period of 120 days or longer, the employee's supervisor in the detailed position must prepare and discuss the performance requirements of the new position with the employee. Within 30 days after the end of the detail, the detail supervisor must conduct a formal performance appraisal. If the detail is for fewer than 120 days, the supervisor in the detailed position must write a memo to the rating official describing the employee's accomplishments during this period. The rating official must incorporate this information into the employee's appraisal at the end of the appraisal period.

6.4 Performance Ratings and Summary Narratives

Official ratings for each performance requirement must be either "meets or exceeds" or "does not meet" the performance standard for an element.

6.4.1 Meets or Exceeds. A rating of "meets or exceeds" is a satisfactory rating and means the employee meets or exceeds the performance standard for that element, as stated in the performance requirement.

6.4.2 Does Not Meet. A rating of "does not meet" is an unsatisfactory rating and means the employee does not meet the performance standard for that element, as stated in the performance requirement.

6.4.3 Summary Narrative. In addition to providing a rating for each performance requirement, the rating official shall provide a narrative statement for each performance requirement in the employee's performance plan, as well as any of the employee's significant accomplishments. Such narrative statements shall be included in the "Narrative for Annual Performance Appraisal" portion of the appraisal.

If the employee receives "does not meet" on any critical element, the rating official must defer the appraisal and put the employee on a Performance Improvement Plan (PIP), as described below in Section 6.5.

6.5 Performance Improvement Plan

If a supervisor decides that a rating of "does not meet" is appropriate for a critical element on a performance appraisal, he or she must put the employee on a PIP and defer the appraisal for 60 days. A supervisor may also place an employee on a PIP at any time during the rating period, if the supervisor concludes that the employee is failing to meet one or more of the critical elements of the position, provided that the employee

has been on a performance plan for at least 120 days and has been under the supervisor's supervision for at least 120 days. Where an employee's immediate supervisor changes during the course of a PIP, the new supervisor may continue the existing PIP.

A PIP is a written, 60-day plan that informs the employee of the following:

- (a) Which element or elements the employee is failing to meet and how he or she is failing to meet it or them;
- (b) What the employee must do to bring his or her performance to an acceptable level within the 60-day period; and
- (c) What efforts the rating official will make to help the employee overcome the deficiencies and meet the performance requirements.

6.5.1 Rating and reviewing officials are required to seek guidance from the HRM Employee Relations Specialist in each case where a PIP is being contemplated.

6.5.2 During the PIP period, the employee is given the opportunity to demonstrate acceptable performance. More intensive supervision and training may be necessary during this period.

6.5.3 If a supervisor has deferred the issuance of a performance appraisal because an employee has failed to meet an element of his or her performance plan, and if the employee's performance has reached a satisfactory level by the end of the PIP period, the rating official should mark "meets or exceeds" in the appraisal form and complete the appraisal.

6.5.4 If the supervisor is unable to determine at the end of the PIP period whether or not the employee has reached a satisfactory level of performance, the PIP may be extended as necessary.

6.6 Personnel Action in Response to Unsatisfactory Ratings

If an employee's performance has not reached a satisfactory level by the end of a PIP period, the rating official must give the employee a rating of "does not meet" on his or her performance appraisal and may take corrective action, including removal, reassignment, reduction in grade, or other appropriate action. If the appraisal was deferred during this time, the supervisor must now complete it and give it to the employee along with a written notice of proposed action.

6.6.1 Thirty-Day Notice of Proposed Action. A thirty-day notice of proposed action must include the following information:

- (a) The proposed corrective action, which may include termination, reassignment, reduction in grade, or other appropriate action;
- (b) The efforts that were made to help the employee improve performance during the PIP period;
- (c) Specific examples of the employee's failure to improve sufficiently on critical elements during the PIP period, including comparing the employee's performance with the established standards cited in the PIP;
- (d) A statement that the employee has 14 days from the date of receipt of the notice to present a written or oral response to the reviewing official, including affidavits and other documentary evidence in support of the response;

- (e) A statement that the employee may be represented by an attorney or other representative; and
- (f) A statement that, after receiving the employee's response, the reviewing official will carefully consider the response and, at or before the end of the 30-day notice period, make a final decision. An employee's time to respond may be extended for good cause shown. Any such extension will extend the time period for the issuance of the final decision.

6.6.2 Reassignment, Reduction in Grade or Training. Nothing in this manual section shall preclude the agency from reassigning or training the employee at any time. In addition, an employee whose performance is deemed unsatisfactory at the conclusion of a PIP may be reassigned, including to a lower-graded position; may be required to attend training as a condition of further employment; and may be reduced in grade in his or her current position.

6.6.3 Final Decision. As stated in the notice, the employee has 14 days from receipt of the notice to respond. After reviewing the employee's response or, if the employee fails to respond within the 14-day notice period, the reviewing official may make a final decision. This decision will usually be made on or before the end of the notice period unless the employee's time to respond has been extended. The employee must be provided with the written decision, which must include the reasons for the action. Bargaining unit employees will be given an additional copy of the decision, marked "For the Union, should you seek their advice." If the final decision is to remove the employee, the removal action will be effective at close of business on the date the employee receives the written decision or at the end of the notice period, whichever is later.

6.6.4 Documentation. HRM shall maintain the following record for each removal action in the automated performance management system or in a separate file: copies of the notice proposing to remove the employee for unacceptable performance, the employee's written response or a written summary of the employee's oral response, and the notice of decision with supporting justification.

6.7 Unsatisfactory Performance, not at Time of Appraisal

An employee whose performance is less than satisfactory may and should be given feedback on such deficiencies, as well as guidance on how to improve performance, at any time. Such feedback may be given orally or in a letter of counseling or warning. In the event an employee nevertheless displays unsatisfactory performance in a critical element at any time more than 60 days in advance of the end of the performance appraisal period, the PIP process in Section 6.6 must be followed, except that the performance appraisal need not be completed.

6.8 Appraisal Period

The appraisal period is normally one year, beginning February 1 and ending January 31 of the following year, except:

- (a) An employee who is hired, reassigned, or promoted after February 1, but at least 120 days before January 31 (i.e., on or before October 2), has an appraisal period from his or her start date through January 31;
- (b) An employee who is hired fewer than 120 calendar days before January 31 has an appraisal period from his or her start date through 120 calendar days after starting;
- (c) An employee who is reassigned or promoted within 120 days before January 31 has an appraisal period from February 1 through the date of the employee's reassignment or promotion. The original rating official must complete an appraisal within 30 days of the reassignment or promotion.

If a rating official is new to a position and has not supervised an employee at least 120 calendar days by the end of the period, the appraisal period remains the same, but the reviewing official serves as both the rating official and the reviewing official.

7.0 RECORDS MAINTENANCE

A copy of the annual performance appraisal shall be given to the employee. The original of the performance appraisal shall be maintained by the supervisor in the employee performance file (EPF), along with supporting documents. Maintenance of these records in the EPF shall be consistent with the Office of Personnel Management (OPM) regulations for records management, the Privacy Act, and any other applicable regulations and instructions. Additionally, the annual performance appraisal shall be maintained in the employee's official personnel folder (OPF). Guidance on records management is available by contacting the agency's Records Management Officer.

8.0 RELATIONSHIP OF PERFORMANCE APPRAISAL TO THE EMPLOYEE ASSISTANCE PROGRAM

The primary purpose of the performance appraisal is to provide management and employees with information on the employee's performance, including strengths and weaknesses. It is through the process of appraisal that supervisors can identify employee performance deficiencies at an early stage and explore the options for correcting deficiencies. One of the options considered should be the employee counseling program which is covered in MS 658 Employee Assistance Program. Counseling programs can help pinpoint the causes of performance problems and, in many cases, can successfully assist employees in getting help and eventually correct problems. Offers of assistance through the program can be made at any time. Even when an employee is formally being given the opportunity to demonstrate acceptable performance, supervisors may still make a referral to the Agency counseling program as part of that opportunity. Any supervisor wishing to make such a referral should contact the Employee Relations Specialist in HRM.

9.0 EFFECTIVE DATE

The effective date is the date of issuance.