U.S. Department of Energy

Supervisory/Non-supervisory Employee Performance Management and Recognition Program

Desk Reference

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Introduction

The Department of Energy (DOE) views its performance management programs as strategic tools to increase individual success and accountability, achieve agency and organizational goals, and improve operational efficiency.

A performance management program that works well helps supervisors to recognize their subordinates' full performance potential, identify high achievers, identify areas requiring improvements, and differentiates between the two, thereby assisting with meeting the Department's mission and goals.

Responses from the Federal Human Capital Surveys (FHCS) and Human Capital Management Accountability Program (HCMAP) Surveys indicate that both managers and employees desire greater emphasis on performance management. To make the process more meaningful, performance management should **not** occur once a year primarily focusing on the end-of-year appraisal, but should be done as a continuous process of communication, growth, and results. Instead of functioning as a "check the box" event, the DOE performance management program encourages two-way communication between the supervisor and the employee throughout the performance appraisal period.

In a typical work setting, commitment means, at a minimum, that an employee agrees to complete assigned work and meet or exceed his/her critical elements in order to add value to the organization and its results. The level of employee commitment to the job is often the key determinant of whether an employee performs marginally or exceeds expectations.

Carrying out the processes of performance management provides an excellent opportunity to identify developmental needs. Training can also be the door to new or expanded assignments. During planning and monitoring of work, deficiencies in performance become evident and can be addressed. Areas for improving good performance also stand out, and action can be taken to help successful employees improve even further.

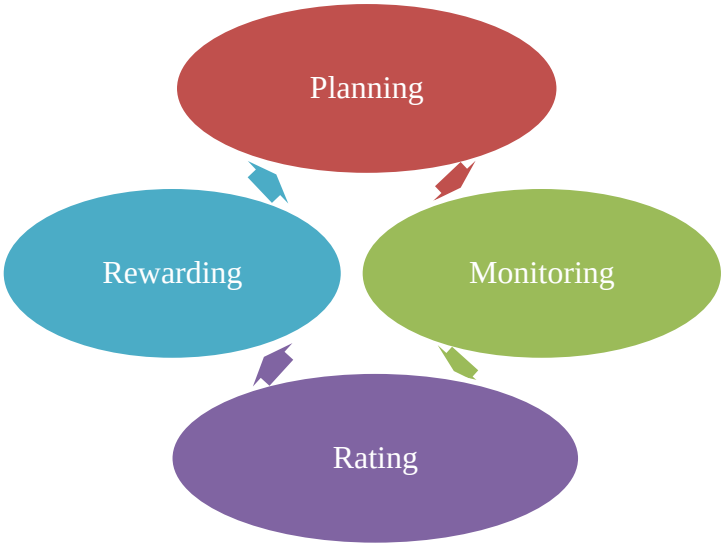
This Desk Reference is designed to be used in conjunction with DOE O 331.1, Performance Management and Employee Recognition Programs. It was developed to provide uniformity to the interpretation of DOE O 331.1, and is intended to serve as a good reference for supplemental implementation information for DOE's performance management and recognition programs.

Each section provides pertinent information addressing the four phases of the DOE performance appraisal process.

PHASE I: Planning performance;
PHASE II: Monitoring performance;
PHASE III: Evaluating performance; and
PHASE IV: Rewarding performance.

In order to create and maintain a high-performing results-focused culture, both supervisory and non-supervisory employees are encouraged to become familiar with DOE O 331.1 and the information contained in this reference. This Desk Reference may not answer every question regarding the supervisory and non-supervisory performance management program; therefore, the servicing Human Resources (HR) Offices should be contacted to get unanswered questions clarified.

DOE Performance Management Process



PHASE I – Planning Performance

For a performance management program to be successful, it is important that everyone involved in the performance management process understands what the process is all about, how the process works, and what is expected of them throughout the process.

During the planning phase, the Rating Official has the opportunity to explain the performance management process to the employee, discuss job requirements, and collaborate with the employee to develop his/her results-focused critical elements.

Employee performance expectations are included in the critical elements contained in an employee's performance plan. Developing critical elements that are understandable, measurable, attainable, and fair is vital to the effectiveness of a results-focused performance culture.

What are the Benefits of a Results-Focused Performance Culture?

- Links individual performance to the DOE mission and Strategic Goals;
- Increases opportunities for employees to participate more in the performance management process;
- Improves frequency and quality of communication between employees and their Rating Officials;

- Provides clearly written goals/objectives that focus on results and outcomes rather than tasks and activities;
- Provides credible data for making meaningful distinctions in levels of employee performance;
- Promotes the full use of recognition and award or assistance mechanisms;
- Provides regular feedback to employees to promote self-confidence and pride in achievements, and to increase their willingness to accept future challenges; and
- Identifies individual developmental needs and desires to help employees achieve full career potential.

What is the Annual Appraisal Period?

Normally, the annual appraisal period is the fiscal year: October 1 through September 30 of the subsequent calendar year.

What is the Minimum Appraisal Period?

The minimum appraisal period is 90 days from the effective date that the employee is assigned, detailed, or temporarily promoted to a position. In no case shall an appraisal period be less than 90 days.

The Performance Plan

When is the Performance Plan Developed?

The performance plan should be issued to the employee within 30 calendar days, but no later than 45 calendar days, from the beginning of the appraisal period or from the effective date of an assignment, detail, or temporary promotion. However, when the assignment begins on or after June 3 the employee must be provided the performance plan within 30 calendar days in order to meet the minimum 90 days required to receive a rating of record for the appraisal period. If the assignment begins on or after July 3, the period from July 3 through September 30 will be included in the subsequent appraisal period, which will then be between 12 and 15 months in duration, depending on the date the assignment begins.

Should a Plan be Delayed when the Manager's or Organization's Goals Are Not Available in October when Plans are to be Prepared?

No, SES performance plans are not due until the end of the first quarter of a Fiscal Year (FY). This gives senior management time to develop strategic goals and objectives, particularly during years when there is a change in administrations or DOE is under a continuing resolution. Subordinate plans should be prepared on time based on current, known goals, objectives, projects, funding, etc. If the finalized SES plan results in a change needed to subordinates' plans, then the subordinates' plans should be revised as soon thereafter as possible, at least during the next Progress Review.

Who Develops the Performance Plan?

The performance plan is developed jointly by the Rating Official and the employee and may be initiated by either party. For example, some Rating Officials request the employee to draft his/her own critical elements and provide them for his/her review, whereas other Rating Officials may draft the employee's critical elements and provide them to him/her to review. Under either circumstance, sufficient time must be allowed for the Rating Official and employee to review and discuss performance expectations.

If the employee does not wish to participate in the development of his/her performance plan, the Rating Official will discuss the critical elements with the employee to ensure he/she has a clear understanding of what is expected during the appraisal period. If there is a likelihood of substantial changes in the employee's performance plan for the next appraisal period, the Rating Official should discuss the new plan with the employee during the year-end review of the current appraisal period. This often assists in issuing the new performance plan within the 30-day requirement.

Even though there are cases where the performance plan may remain the same year after year, to ensure the accuracy of the employee's appraisal period and that performance expectations and deliverables for the upcoming appraisal period have been discussed, a new performance plan with new signatures of the Rating and Reviewing Officials is required to be provided to the employee. The Rating Official should not assume that a discussion is not necessary.

NOTE: The performance plan is not grieveable; therefore, it is to the employee's advantage to participate in developing his/her performance plan.

Who Signs the Performance Plan?

- The Reviewing Official signs first to approve and acknowledge that the plan is consistent with meeting the Department's overall mission and goals;

- The Rating Official signs prior to giving the employee the plan to acknowledge that the employee was afforded the opportunity to discuss job performance expectations; and

- The employee signs last to acknowledge that performance expectations were discussed. The employee's signature does not necessarily indicate agreement with the performance plan.

NOTE: The performance plan is considered official when the plan, signed by the Rating and Reviewing Officials is issued to the employee. In the event that the Rating Official is unavailable for a extended period of time and an acting Rating Official is not designated, the Reviewing Official in may discuss, certify and issue the plan to the employee.

What if the Employee Refuses or is Unavailable to Sign the Performance Plan?

Each employee will be asked to sign his/her performance plan when the plan is <u>initiated</u>, and at the <u>progress</u> review(s), and the <u>year-end</u> review meetings. If the employee declines or is not available to sign the performance plan, the Rating Official will check the appropriate box on the form and provide a reason why the employee declined or was unable to sign the form.

The following is an example of how this would be recorded in Section 2 of an employee's Performance Plan and Appraisal form:

SECTION 2 - PERFORMANCE PLAN CERTIFICATION		
Signatures certify that the critical elements in this plan were discussed with the employee and the employee was provided a copy of this form.		
2a. Typed Name John Smith	2b. Reviewing Official Signature:	2c. Date 10/10/10
2d. Typed Name Jim Brown	2e. Rating Official Signature:	2f. Date 10/15/10
2g. Typed Name Samuel Lee	2h. Employee's Signature	2i. Date
2j. ☒ Employee declined to sign form ☐ Employee not available to sign form Reason: Discussion was held and the employee received a copy of the plan on 10/15/10. Employee did not wish to sign the form.		

NOTE: The employee must be provided a copy of the performance plan at each meeting, whether he/she chooses to sign it or not.

Can the Performance Plan be Changed After it is Issued to the Employee?

Yes, the performance plan should be flexible enough so that it can be adjusted for changing program objectives and work requirements. When used effectively, these plans can be beneficial working documents that are discussed often and not merely paperwork that is filed in a drawer and seen only at the end of the appraisal period.

The performance plan may be modified anytime during the appraisal period prior to the last 90 days of the appraisal period.

Any changes that are made during the appraisal period must be documented, approved by the Reviewing Official, and discussed with and communicated to the employee in writing as soon as they occur.

A performance plan should be changed during the appraisal period when one of the following occurs:

- The duties and responsibilities of the employee change; or
- The outcomes and expectations of the position change.

A new performance plan should be issued during the appraisal period when one of the following occurs:

- The employee will be detailed or temporarily promoted for 90 days or longer; or
- The employee changes positions.

Setting Goals and Measures

The Department's annual budget justification is based on projected performance for the requested funding. The Department reports actual performance against targeted performance annually in its Performance and Accountability Report. This report is one of the tools used to evaluate the Department's progress toward achieving its mission. The use of meaningful work unit goals and individual performance plans that are clearly linked to the Department's mission are essential for achieving, and assessing program results.

What Information is Helpful when Setting Goals?

The following information should be reviewed when setting goals:

- ✓ Strategic Plans;
- ✓ Program Plans;
- ✓ Organizational Objectives;
- ✓ Position Descriptions;
- ✓ Budget Documents; and
- ✓ Generic Critical Elements (if applicable).

How can the Rating Official Begin Setting Goals?

Rating Officials should start by reviewing and becoming familiar with the Department's mission and strategic goals and objectives, as they are fundamental to understanding the "big picture." At a minimum, the Rating Official should gather enough information to answer the following questions:

- **What are the Strategic goals?** To achieve its mission, the Department identifies several strategic goals. Each of these goals is supported by objective, quantifiable, and measurable performance goals as required by the Government Performance and Results Act (GPRA) of 1993. Reviewing and understanding these strategic goals will provide managers the necessary framework within which to develop work unit goals and create individual performance plans. Each organizational unit of the Department ultimately supports one of the Department's strategic goals and managers should be able to clearly identify the relationship of the work in their unit to one of the Department's strategic goals.

- **What are the specific performance goals established for your program area?** These goals describe the incremental progress toward achieving the general goals and objectives in a strategic plan. Performance plan goals are usually more specific and may be more output-oriented than the general goals found in a strategic plan. Since performance plan goals should be used by managers as they direct and oversee their programs, these are typically the goals to which employee performance plans should be linked.

- **What performance measures are already in place?** Managers should be aware of the measurement systems (both internal and external) that can be accessed for information on performance, including measures for determining progress toward achieving GPRA goals and customer satisfaction surveys.

- **What products or services does the work unit produce or provide to support the Department in accomplishing its goals?** Clearly tying work unit products and services to organizational goals is a vital part if this process. If a work unit is performing services or generating products that do not affect organizational goals, this situation should be reviewed and analyzed.

Once the Rating Official has answered the questions above, he/she can begin the process of cascading the Department's goals down to the work unit level and ultimately into the critical elements that describe specific individual job performance results and expectations that are linked to the goals of the organization.

Cascading Organizational Goals

Why is Cascading Organizational Goals Important?

The organization drives individual performance and individual performance drives the success of the organization. Cascading organizational goals provides the employee with a direct "line of sight" to the Department's mission and goals, which enables the employee to see and understand how the critical elements in his/her performance plan contribute to the overall success of the Department.

By cascading organizational goals, Rating and Reviewing Officials are able to:

- Align work unit, manager, and employee objectives to overall Departmental objectives;
- Communicate program/Department element and work unit objectives;
- Provide the link between employee work objectives and DOE's mission;
- Push goals throughout the Department to keep everyone heading in the same direction;
- Keep employees engaged by providing clear visibility into how their individual goals affect the organization's objectives;
- Keep employees focused on results; and
- Hold both Rating Officials and employees accountable for achieving results, relative to their levels of responsibility.

Each Rating Official is responsible for aligning his/her employees' performance plans to DOE's strategic goals and objectives, programs goals and measures, and/or goals that have been included in the employees' supervisor's performance plan.

NOTE: The Rating Official should consider both direct reporting and functional accountability that may impact the employee.

Critical Elements

What is a Critical Element?

A critical element is an assignment or responsibility of such importance that unacceptable performance in a single critical element would constitute an overall Fails to Meet Expectations (FME) summary rating.

- It identifies specific performance results and expectations that are to be accomplished during the appraisal period, the manner of performance in which they have to be done, how well they have to be done, and how they will be measured.
- It is written at the Meets Expectations (ME) level.
- It is aligned to organizational goals, results-focused, and measureable.
- It describes work assignments and responsibilities that are within the employee's control.

NOTE: Except when on a detail or temporary promotion for at least 90 days, employees should not be rated on critical elements that are inconsistent with the assigned duties and responsibilities of the employee's position and grade. If the employee's critical elements differ substantially from the employee's position description, the employee's position description should be reviewed to determine if modifications are needed. If it is apparent that the critical elements are not directly related to the employee's position description, then the employee should at least have a statement of work, like for a detail, to support the critical elements. Critical elements are normally more detail specific than the position description.

Why are Critical Elements Important?

Accurate critical elements are the backbone of any successful results-focused performance culture because they:

- Provide a clear understanding of outcomes and expectations to be achieved during the appraisal period;
- Link specific performance outcomes and expectations to organizational goals;
- Enable objectivity of performance-based feedback based on previously established outcomes and expectations;
- Ensure consistency when evaluating employees who are assigned the same work (common/generic critical elements); and
- Establish a clear basis for performance monitoring, recognition, and/or corrective action.

How Many Critical Elements are Allowed on the Performance Plan?

Each employee's performance plan must have at least 3, but no more than 6 critical elements. Each critical element may be single, double, or triple weighted for a maximum of 6 weighted critical elements.

The supervisory critical element is always at least double weighted, and may be triple weighted. The weight of the supervisory element is considered as part of the 6 maximum weighted critical elements.

What should be included in each Critical Element?

The following information is included in each critical element:

- Assigned weight;
- Description (a title or phrase that describes the critical element, e.g. Contract Administration);
- Strategic, program, and or organizational goal(s) that the critical element supports;
- Job performance outcomes are the intended products, results, or accomplishments for which expectations are established; and
- Expectations that are the criteria of measurement for each outcome and that are expressed in terms of quality, quantity, timeliness, cost, or manner of accomplishment.
- Contributing factor (at least one must be selected); and
- Specific occupational and/or safety standards when the performance of occupational and/or safety duties are an essential part of the position.

NOTES: Critical elements may include dates, deadlines, or milestones for specific deliverables or projects. The Supervisory Critical Element in Appendix A must be included in positions classified as supervisory, [e.g., the supervisory code in the Corporate Human Resources Information System (CHRIS) is 2 or 4].

How is a Weight Determined?

The Rating Official will determine the weight of each critical element based on the importance of the outcomes and expectations. Rating Officials should discuss the impact of the assigned weight with the employee when the plan is initiated, at the mid-year review(s), and at the year-end review.

The following are some of the factors to consider when assigning weights to critical elements:

- Relative importance of the job responsibility as related to mission objectives;
- Complexity of assignments;
- Costs, both in terms of resources and staff time; and
- Impact on the immediate organization and the Department as a whole.

What is a Contributing Factor?

A contributing factor is considered a manner of performance that contributes to the employee achieving the outcomes and expectations of a critical element and it identifies the manner of performance necessary for effective, efficient work accomplishment.

How Are Contributing Factors Selected?

When selecting the contributing factor(s) for each critical element, the Rating Official should select contributing factor(s) that are the most relevant, critical, and meaningful for successful job accomplishment.

Rating Officials and employees should work together to establish a shared understanding of how the contributing factor(s) supports successful accomplishment of the critical element.

How Many Contributing Factors are Allowed for each Critical Element?

Each critical element is required to have at least one of the following contributing factors that must be considered when assessing the employee's performance (see Appendix B for definitions of each Contributing Factor):

- Customer Service
- Communication;
- Teamwork;
- Responsibility/Accountability;
- Resourcefulness/Innovation; and
- Safety.

NOTE: Employees in the same work unit, pay pool, etc., with similar critical elements should have similar contributing factors.

Is there a Tool to Help with Developing the Outcomes and Expectations of a Critical Element?

The SMART model provides the framework or guidelines for developing effective outcomes; results and expectations by addressing each of the following SMART components (see Appendix C for the SMART Template):

- **Specific:** Defines **what** needs to be accomplished;
- **Measurable:** Explains **where** the performance target lies;
- **Achievable:** Defines **how** the employee can attain the goal;
- **Relevant:** Explains **why** the goal is important; and

- **Time-Bound:** Defines **when** the goal will be completed.

What are Some of the Common Errors to Avoid when Developing a Critical Element?

Some common errors to avoid are:

- Absolute measures (i.e. all or 100%);
- Vagueness (i.e. generally, typically, usually);
- List of tasks or activities;
- Unmeasurable or unverifiable intended outcomes;
- Overly complex or lengthy language;
- Outcomes outside the employee's control; and
- Unspecified due date or timeframe.

What is an Absolute Measure?

An absolute measure allows the employee no room for errors. Some questions that might be asked to help determine whether you are writing an absolute measure include:

- How many times may the employee fail this requirement and still be fully successful?
- Does the measure use words such as "all," "never," and "each"?
- If the measure allows for no errors is that because an error would result in risk of death, injury, etc.?

PHASE II – Monitoring Performance

In addition to effective planning, ongoing communication between the Rating Official and the employee is vital to successfully maintaining a high-performing organization. Employees should receive information about how they are doing as timely as possible. If they need to improve their performance, the sooner they find out about it, the sooner they can correct the problem. If employees have reached or exceeded a goal, the sooner they receive positive feedback, the more rewarding it is to them. Therefore, Rating Officials are expected to monitor and provide feedback to their employees on an on-going basis.

Progress Review

What is a Progress Review?

A progress review is a meeting in which the Rating Official and the employee discuss the employee's progress towards achieving the job performance expectations/outcomes in the employee's performance plan.

Who should be in the Progress Review Meeting?

The progress review will be conducted between the Rating Official and the employee only. However, other parties e.g., Team Leader, Reviewing Official, etc., may attend the progress review if the employee and the Rating Official have agreed in advance.

When are Progress Reviews Done?

Each Rating Official must conduct at least one progress review during the appraisal period. The review must be documented on the employee's performance plan with signatures and dates. The progress review usually occurs half way through the appraisal period. For example, in a twelve month appraisal period, the mid-year progress review should occur during the month of March. In the event that it is necessary to assess the employee's performance for less than twelve months, the employee shall receive at least one progress review at the mid-point of the appraisal period.

Some Departmental elements have bargaining unit agreements that require more than one progress review to be conducted during the appraisal period. Contact your servicing HR Office for guidance.

NOTE: The signature of the Reviewing Official is required during the progress review only if a critical element(s) is added, deleted, or the measures or weight of an existing element is modified.

Can a Rating Official ask an Employee to Provide Input for the Progress Review?

Yes, although it is not mandatory, employees should be encouraged to provide input.

Why Should an Employee be Encouraged to Provide Input?

- This is an opportunity for an employee to provide supplementary information that describes the work performed, any performance goals that have been met, and any accomplishments.

- Most employees' accomplishments are based on their achievement of the results and expectations in his/her performance plan.

However, there may be those "not so obvious" contributions that an employee makes during the appraisal period that the Rating Official may not be aware of, e.g., helping a peer with a difficult task or chore, working with a customer to resolve a problem, or sharing a newly acquired competency with a fellow employee. These contributions must be related to the critical elements of the plan.

- In some cases an employee may not work in the Rating Official's immediate vicinity or there may be a number of workdays where there is no contact between the Rating Official and the employee. Under these circumstances, input from the employee can help to fill in any gaps for the Rating Official.

Are there any Helpful Hints for Employees who Wish to Provide Input for his/her Progress Review?

- Keep track of accomplishments during the course of the appraisal period rather than waiting until the day (or week) before the scheduled progress review to remember back several months, e.g.,:
  - ✓ Keep track of day-to-day tasks and accomplishments;
  - ✓ Keep a separate archive in e-mail to keep track of comments/feedback/thanks, etc., from others during the appraisal period; and
  - ✓ Keep track of any verbal "thank you" received during the course of the appraisal period.
- Talk to peers. Often, our peers can see accomplishments that we do not (these are not peer assessments, but rather conversations that may add value or trigger one's memory when preparing input for the Rating Official.); and
- Bullets are usually preferred over narrative.

What Assessment Sources can the Rating Official use to Prepare for the Progress Review?

- Besides the Rating Official's observations, the following are suggestions of supplemental sources of input that may be used to prepare for the progress review:
  - ✓ Employee input;
  - ✓ Higher level supervisor's input;
  - ✓ Customer surveys/feedback, e.g., "kudos" received during the appraisal period;
  - ✓ Letters of appreciation; and
  - ✓ Educational/Training Certificates.

NOTE: The employee shall be provided a copy of any written input or feedback used as part of the progress review.

What are Some of the Topics that Should be Discussed During the Progress Review?

- Progress made toward achieving the critical elements established in the employee's performance plan;
- Future work requirements;
- Training and/or intervention necessary to assist the employee in achieving an acceptable level of performance (if applicable); and
- Any necessary adjustments to critical elements and assigned weights based on changes in work requirements and priorities; if an adjustment or change results in the critical element being identified as non-ratable and if this situation would cause the employee to have less than 3 critical elements, it would be necessary to add a new critical element or split one ratable critical element into 2 critical elements; critical elements should not be changed simply because an employee is struggling to meet them.

NOTE: The progress review meeting is normally not the forum to discuss issues concerning conduct related matters, e.g., attendance, unless the conduct is impacting him/her in achieving performance expectations. When those issues are not relevant to his/her performance, they should be discussed in a separate meeting.

Does the Rating Official Have to Wait Until the Progress Review to Discuss Performance?

No, performance discussions can take place anytime during the appraisal period. In fact, ongoing honest and timely feedback should be provided throughout the appraisal period.

- Performance feedback works best when it relates to a specific goal;
- Establishing employee performance expectations and goals before work begins is the key to providing tangible, objective, and powerful feedback;
- Telling employees that he/she is doing well because they exceeded their goal by "X"% is more effective than simply saying "you're doing a good job"; and
- Ongoing feedback may take the form of coaching, mentoring, or advice.

Addressing Poor Performance

What Happens if an Employee's Performance is Below the Meets Expectations (ME) level?

Any time during the appraisal period an employee demonstrates that he/she is performing at least one critical element below the ME level the Rating Official should contact his/her Human Resources Office for guidance and:

- If performance is at the Needs Improvement (NI) level; issue the employee a Performance Assistance Plan (PAP); or

- If performance is at the Fails to Meet Expectations (FME) level; issue the employee a Performance Improvement Plan (PIP).

Performance Assistance Plan (PAP)

What is a PAP?

An informal counseling memorandum notifying an employee that his/her performance of at least one critical element has fallen below the ME level e.g., is determined to be at the NI level; the PAP identifies deficiencies and provides assistance by describing the actions needed to improve performance to the ME level. A PAP is considered informal because it does not constitute a formal opportunity to improve performance and may not result in a change in an NI level at the end of the PAP. See Appendix D for a sample memorandum.

If an employee's performance does not improve after the PAP, consideration should be given to extending the PAP or exchanging assignment among colleagues if feasible as an opportunity to improve.

What should be Included in the PAP?

- The PAP should identify the duration of the assistance period. An assistance period of no less than 90 days must be provided for each critical element in which the employee's performance is at the NI level. The PAP may be extended if the Rating Official feels additional time is needed to allow the employee to demonstrate acceptable performance at the ME level.

- The PAP should state the specific critical element(s) for which performance is at the NI level and describe the specific actions needed to improve performance to the ME level. These actions must be specifically linked to the element for which performance was determined to be at the NI level.

- It should include the performance requirement(s) and, if applicable, standard(s) that must be attained in order to meet the ME level.

- It should include the type(s) of assistance that will be offered to the employee to improve performance that is currently at the NI level. This assistance may include, but is not limited to, formal training, on-the-job training, counseling, and coaching.

NOTE: An employee must be issued a PAP before consideration is given to exchanging or changing assignments.

Should the Rating Official Meet with the Employee during the PAP?

Yes, during the course of the PAP, the Rating Official should meet with the employee periodically to advise the employee of his/her performance progress.

What Happens if the Employee's Performance Falls to the NI level on Another Critical Element While He/She Is On a PAP?

The Rating Official should follow the steps above and issue the employee a separate PAP for the critical element(s) in which his/her performance is at the NI level.

May a Performance Rating be issued while an Employee is serving on a PAP?

Yes, a timely, formal rating of record must be given to an employee at the end of an appraisal period that is at least 90 days. The fact that an employee may be currently serving on a PAP does not preclude a supervisor from issuing a formal rating of record. This rating of record should reflect the entire appraisal period, including the employee's performance while on the PAP.

What Happens at the Conclusion of the PAP?

Based on the employee's performance, the Rating Official should consider the following actions:

- If performance has improved to at least the ME level:
  - ✓ Issue a Performance Assistance Plan (PAP) Update memorandum documenting the improvement in performance, see Appendix E for a sample; and
  - ✓ If the most recent rating of record is at the NI level, issue a new rating of record that reflects the employee's current level of performance, which is an attachment to the Performance Assistance Plan (PAP) Update memorandum.
- If there is no change in performance:
  - ✓ Issue a memorandum describing the next course of action, which may include:
    - Extending the PAP;
    - Exchange assignments among colleagues; or
    - Detail or reassign to another organization.
- If performance has decreased:
  - ✓ Contact your servicing HR Office for guidance;
  - ✓ Issue a PIP; and

- ✓ Issue the employee a new rating of record at the FME level which is an attachment to the PIP.

NOTE: A rating of record is only required when improved or decreased performance would change the employee's summary rating.

Performance Improvement Plan (PIP)

What is a PIP?

A PIP is a formal memorandum notifying an employee that his/her performance of at least one critical element is at the FME level, and contains a plan to lead the employee toward improving performance. The PIP is a mechanism that meets the requirements of 5 CFR Part 432 to provide an employee with a formal opportunity period to improve performance before a removal or demotion action can be taken based on unacceptable performance. This period is designed to give the employee an opportunity to bring his/her performance up to the ME level. See Appendix F for a sample memorandum.

What Must be Included in the PIP?

- The PIP must identify the duration of the opportunity period. An opportunity period of no less than 90 days must be provided for each critical element in which the employee's performance is at FME. The PIP may be extended if the Rating Official feels additional time is needed to allow the employee to demonstrate acceptable performance at the ME level.

- The PIP must state the specific critical element(s) for which performance is at the FME level and describe the specific actions needed to improve performance to the ME level. These actions must be specifically linked to the element for which performance was determined to be at FME.

- It must include the performance requirement(s) and, if applicable, standard(s) that must be attained in order to meet the ME level, and the consequences of failing to improve during the opportunity period.

  It must include the type(s) of assistance that will be offered to the employee to improve performance that is currently at the FME level. This assistance may include, but is not limited to, formal training, on-the-job training, counseling, and coaching. It is imperative that the Rating Official ensures that the assistance promised to the employee is delivered.

- It must include a statement that if the employee's performance improves but lapses again to the FME level on the same critical element(s) within 1-year from the start of the PIP, the Rating Official may propose a performance-based action, i.e., reduction in grade or termination, without placing the employee on an additional PIP.

Should the Rating Official Meet with the Employee during the PIP?

Yes, during the course of the PIP, the Rating Official should meet with the employee on a regular basis, such as every 2 weeks, to advise the employee of his/her performance progress.

What Happens if an Employee's Performance Falls to the FME level on Another Critical Element While He/She Is On a PIP?

The Rating Official should follow the steps above and issue the employee a separate PIP for the critical element(s) in which his/her performance is at the FME level. An employee must be provided an opportunity period to improve for each element in which performance is at the FME level.

What Type of Training Must be Provided to the Employee during the PIP?

There is no requirement for formal training to be provided during a PIP. However, Rating Officials need to remember that he/she must provide all of the assistance that was promised to the employee at the beginning of the PIP. As an alternative to traditional classroom training, on-the-job training is the most common form of training provided during an opportunity period. Self-instructional manuals, videos, or agency-funded training programs may also be offered as assistance during a PIP.

May an Annual Rating be Issued While an Employee is serving on a PIP?

Yes. A timely, formal rating of record must be given to an employee at the end of an appraisal period that is at least 90 days. The fact that an employee may be currently serving a PIP does not preclude a supervisor from issuing a formal rating of record. This rating of record should reflect the entire performance period, including the employee's performance while on the PIP.

What Happens at the Conclusion of the PIP?

Based on the employee's performance, the Rating Official should consider the following actions:

- If performance has improved to at least the ME level:
  - ✓ Issue a Performance Improvement Plan (PIP) Update memorandum, see Appendix G for a sample; and
  - ✓ Issue a new rating of record that reflects the employee's current level of performance, which is an attachment to the Performance Improvement Plan (PIP) Update memorandum.
- If performance has improved to the NI level:
  - ✓ Issue a PAP; and
  - ✓ Issue a new rating of record at the NI rating level, which is an attachment to the PAP.
- If there is no change in performance:
  - ✓ Extend the PIP if additional time is needed for the employee to demonstrate an acceptable level of performance;

- ✓ Contact your servicing HR Office for guidance on issuing a performance-based action, which could include reduction-in-grade, reassignment, or removal; and

- ✓ Issue a rating of record at the FME level, which is an attachment to the PIP.

NOTE: There are specific regulatory requirements surrounding performance-based actions. Rating Officials should contact their servicing HR Office prior to proposing a performance-based action.

Is a Union Representative's Presence Required in a Meeting when a PIP is Being Issued?

No, because the meeting is not disciplinary or investigatory in nature, and because it is not a formal discussion of general conditions of employment, there is no requirement to have a union representative present. The purpose of the meeting is to allow the Rating Official to explain his/her expectations of the employee and describe any specific efforts that will be made to assist the employee in improving his/her performance. Although any employee who is being told that his/her work is unacceptable will view this is as a negative process, it is a meeting to discuss methods of assisting an employee and is not disciplinary or punitive in nature.

NOTE: Some Departmental elements may have bargaining unit agreements that address who may be present during the PIP meeting. Contact your servicing HR Office for guidance.

If an Employee's Leave has been Approved during an Opportunity Period, What Happens to the Deadlines that Have been Established During this Period?

Once leave has been approved, an employee cannot be held accountable for work that does not get done during the absence. In terms of short absences, the deadlines or requirements may not need to be adjusted at all. However, if the employee is out for an extended time during the opportunity period, the opportunity period may have to be extended to ensure that the employee has a chance to perform acceptably. Depending on the nature of the work, a previously determined opportunity period shortened by approved absence may still be appropriate if the work assignments and expectations were such that the employee had a reasonable amount of time to demonstrate improved performance.

May a Conduct-Related Performance Problem be Taken under 5 CFR Part 432-Performance Based Reduction in Grade and Removal Actions?

Despite distinguishing between misconduct and poor performance issues, it is not always easy to decide how to address certain behavior on the job. While Part 432 is not designed to deal with misconduct issues, there are times when some types of misconduct lead to unacceptable performance; e.g., the employee who never refuses an assignment, but doesn't indicate it is not going well, is responsive to supervisory inquiries, but doesn't get the job done on time. This could be a case of unacceptable performance that can be addressed through a PIP, and if necessary, by action under Part 432 or it could be that the employee is acting deliberately and the supervisor may need to consider taking action for failure to carry out assignments under 5 CFR Part 752 – Adverse Actions.

Tips for Preventing Poor Performance

The best way for Rating Officials to handle poor performance issues is to take action to avoid performance problems before they occur. Such preventive actions include the following:

- **Communicate clear performance outcomes and expectations to employees.** If an employee doesn't understand what is expected, it will be very hard, if not impossible, for him/her to meet those expectations. Providing clear expectations doesn't necessarily require precisely written, detailed instructions to be laid out on every performance component. Generally, the question one should ask their self is: "Would a reasonable person understand what is expected?"

- **Provide regular and frequent feedback on performance.** Such feedback, both positive and negative, whether given in regularly scheduled meetings or in unscheduled discussions, is crucial to ensuring that expectations are understood. Frequent feedback lessens the likelihood that an employee will be surprised if it becomes necessary to take formal steps to resolve poor performance. Always look for opportunities to confirm that employees understand what is expected.

- **Reward and recognize good performance formally and informally.** Recognizing good performance is simply another way of clarifying expectations. Recognizing good performance also increases the likelihood that good performance will continue.

- **Make full use of the probationary periods.** Performance problems often first show up during the initial period of Government employment. Generally, a probationary period is one year for competitive service employees and for new supervisors, and one to two years for excepted service employees depending on their appointment authority. The probationary period is designed to give supervisors the opportunity to assess how well an employee can perform the duties of a job. Employees' performance during this time period usually serves as a good indication of how well he/she will perform throughout his/her career. During this period supervisors should provide assistance to help new employees improve their performance while at the same time determine whether or not the employee is suited for a position.

  If a performance-based action is warranted against a probationary employee, he/she can appeal his/her termination to the Merit Systems Protection Board only if the termination is based on marital status or partisan political affiliation. An employee is generally not covered by 5 CFR Parts 432 or 752 during his/her probationary period. This exemption is due in part to the very nature of this period which provides supervisors the opportunity to determine whether a new employee will be an asset rather than a liability to the organization.

  The lapse of a probationary period without a proper assessment of a new employee's performance may result in future performance problems. The probationary period should always be considered a key period for addressing and resolving poor performance.

  Furthermore, an employee who is terminated during this period is not entitled to most of the procedures and appeal rights granted to employees who have completed probationary periods.

PHASE III – Rating Performance

Rating Officials should plan and prepare for the appraisal (rating) process throughout the appraisal period, not just at the end of the appraisal period. Providing continuous, constructive communication throughout the appraisal period helps to establish a positive relationship and keeps employees informed about their work, so there should not be any information that is new or surprising to the employee.

Approximately 30 days before the end of the performance appraisal period, Rating Officials and employees should begin to prepare to close out the appraisal period and to have a year-end review meeting. Rating Officials should ask employees to submit input on his/her accomplishments during the appraisal period to be considered when determining the employee's rating level for each critical element.

Year-End Review

What is a year-end review?

The year-end review is a meeting that is normally held within 30 days of the end of the appraisal period. Although the Rating Official conducts the year-end review, the employee should have considerable involvement in it. The year-end review meeting provides:

- At least the second time in the appraisal period that the Rating Official and employee meet to discuss the employee's performance;
- A discussion of the employee's summary rating and acknowledgement of the employee's accomplishments and effectiveness throughout the appraisal period;
- An assessment of areas in which the Rating Official expects the employee to strengthen during the upcoming appraisal period; and
- A starting point for the next appraisal period.

NOTE: The performance summary rating for one year and the performance plan for the following year can be addressed in the same meeting.

Who should be in the Year-End Review Meeting?

The year-end review will be conducted between the Rating Official and the employee only. However, other parties e.g., Team Leader, Reviewing Official, etc., may attend the year-end review if the employee and the Rating Official have agreed in advance.

What can the Employee do to Prepare for the Year-End Review?

Identify any specific issues that he/she will want to discuss with his/her Rating Official and give the Rating Official a "heads up" so that he/she can be prepared to discuss the issues clearly and concisely. Jot down key points, important thoughts and questions to make sure that they are not forgotten during the meeting.

- In preparation for the year-end review, an employee should think about the following:

- ✓ What he/she wants to get out of the meeting;
- ✓ What's most important for him/her to learn/find out about how he/she is doing;
- ✓ What has he/she done/accomplished/learned during the year (make a list of key items, to be addressed with the Rating Official in order to get feedback on specific projects or assignments, or training desired);
- ✓ What has been done particularly well and what have been disappointments; and
- ✓ What kind of feedback would he/she like to give to his/her Rating Official, e.g., "I really like it when you review and edit my drafts before they're put in final form so that we don't waste a lot of time and paper revising documents at the last minute"; "I really need to hear from you about how I'm doing when I'm working on a project, rather than assuming that your silence means I'm doing okay", etc.

What can the Rating Official do to Prepare for the Year-End Review?

Documenting performance throughout the year helps conduct an accurate and effective year-end review. Rating Officials should maintain ongoing documentation of the results of an employee's achievements. Without such documentation, many Rating Officials tend to emphasize just one example of employee performance during the appraisal period. It is better to have too much detail than too little.

- ➢ In preparation for the year-end review, the Rating Official should think about the following:
  - ✓ Supplemental sources of input since the last progress review which may be used when assessing each critical element (refer to the Progress Review section for suggestions);
  - ✓ Completing the appraisal process in a timely manner; although the appraisal process requires time, the results are worthwhile;
  - ✓ Setting a specific date, time, and place after checking with the employee to find out if he/she will be available;
  - ✓ Helping the employee understand the performance appraisal process and benefit from the discussion;
  - ✓ Giving the employee the opportunity to ask questions; and
  - ✓ Being prepared to defend the rating levels and summary rating.

NOTE: Provide the employee with a copy of any written input or feedback received that is used as part of the assessment process.

Summary Rating

What is a Summary Rating?

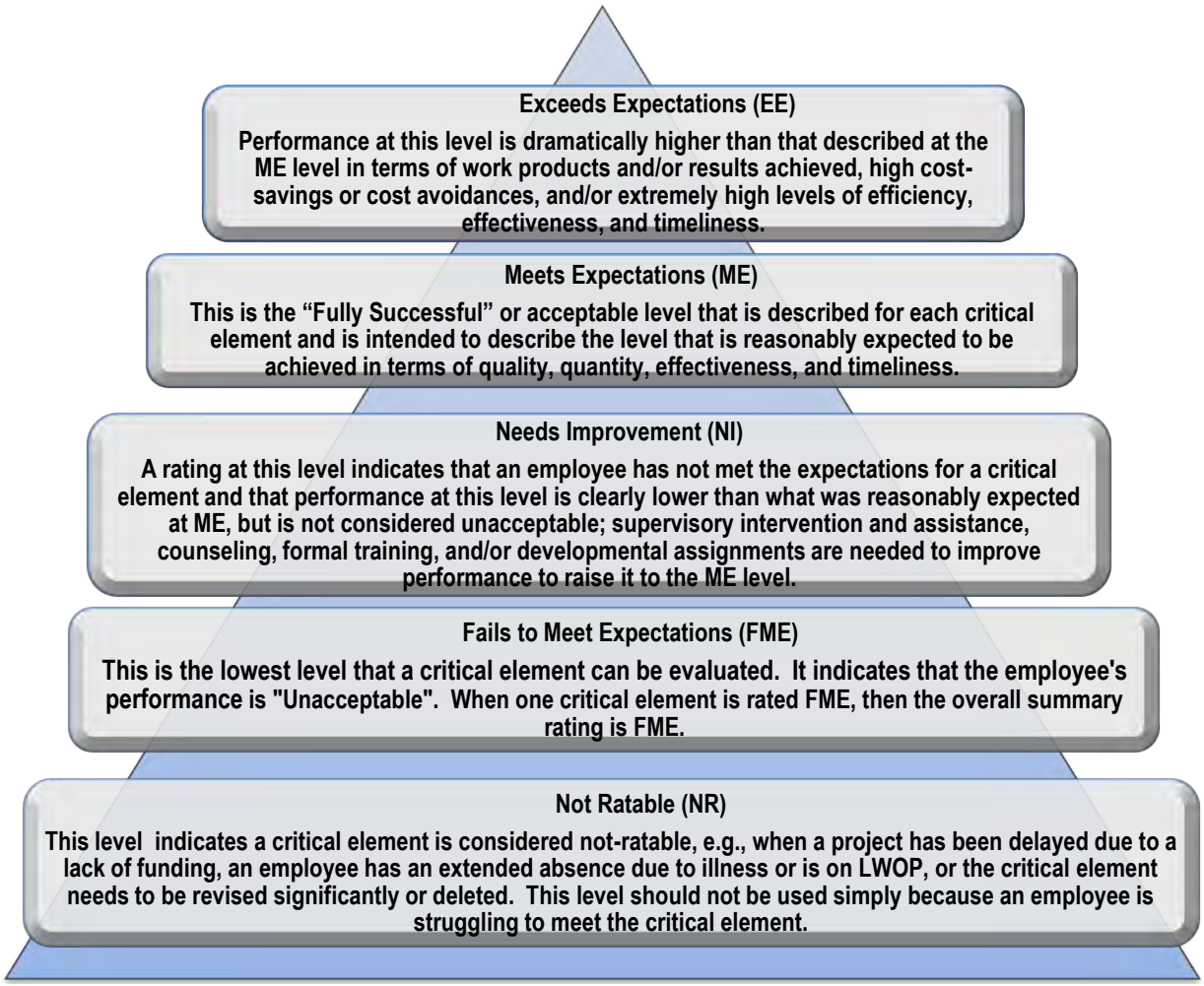
A summary rating describes an employee's overall performance throughout the appraisal period based on the rating level for each critical element. To derive the summary rating each critical element's rating

level should be determined before the summary level is determined. A summary rating is also referred to as a rating of record, which is used to support most performance-based personnel actions.

What is the Process for Determining the Summary Rating?

The first step in the rating process is to determine the rating level for each weighted critical element. While considering the contributing factor(s) for each critical element, the Rating Official will use his/her own observation, supplemental sources and input from the employee and/or customers, to objectively evaluate the employee's performance. The Rating Official will then assign each critical element one of the following four critical element rating levels.

RATING LEVELS



The second step is to count the number of rating levels based on the assigned weight for each critical element, e.g., a critical element that is rated EE with a weight of 2 is counted as 2 EE ratings. The maximum count is 6. See Appendix H for samples of summary ratings and their applicable performance awards.

NOTE: If any critical element is considered non-rateable it should be noted as NR on the appraisal form. Under this situation, if the total number of critical elements drops below 3, it will be necessary for an additional critical element to be added in order for the employee to meet the minimum requirement of 3 critical elements.

The final step is to determine the summary level using the following Summary Rating Determination Chart. An additional level of Significantly Exceeds Expectations (SE) is available for an outstanding level. DOE therefore, has a 5-level summary pattern.

Summary Rating Determination Chart

Total Weighted Critical Elements	And	Summary Rating
All at EE		SE
Majority at EE	No element at NI	EE
Equally divided between EE and ME	No element at NI	ME
All or a majority at ME	No element at NI	ME
Majority at EE or ME	Less than 50% at NI	ME
At least 50% at NI	No element at FME	NI
At least one at FME		FME

Who approves the Summary Rating?

Prior to discussing the performance appraisal with the employee, the Rating Official will forward the completed appraisal form to the Reviewing Official for concurrence. If there is disagreement, the two officials must resolve the issue(s). Review by the higher level official is to ensure consistency in the application of the performance management program among subordinates.

The Reviewing Official and the Rating Official will sign and date the appraisal form, followed lastly by the employee's signature and date. The employee's signature does not indicate agreement with the summary rating; only that the summary rating has been discussed.

As with the initial and each progress review meeting, if the employee refuses to sign the form, the Rating Official should check the appropriate box and provide applicable comments on the form where indicated.

How do the DOE Summary Rating Levels Compare to the Office of Personnel Management's (OPM) Summary Levels that are specified in 5 CFR 430.208(d)?

The table below shows the DOE Summary Levels compared to OPM's numerical Summary Levels.

DOE Summary Levels	OPM Summary Levels
Significantly Exceeds Expectations (SE)	Level 5 - Outstanding
Exceeds Expectations (EE)	Level 4
Meets Expectations (ME)	Level 3- Fully Successful
Needs Improvement (NI)	Level 2
Fails to Meet Expectations (FME)	Level 1- Unacceptable

Note: Only OPM's numerical summary levels are captured in DOE's CHRIS, provided to OPM electronically, and used to compare ratings of record from other agencies.

When is the Rating of Record Due?

Once the appraisal form containing the summary rating is issued to the employee, it is considered to be the employee's official rating of record for the applicable appraisal period. The employee will be provided a copy of the rating of record and the original will be sent to the servicing HR Office within 45 calendar days from the end of the appraisal period. The HR Office will enter the performance rating into CHRIS and scan the document into the employee's Electronic Official Personnel File (eOPF).

What are the Applications of a Rating of Record?

The rating of record has a bearing on various personnel actions, such as the following:

Probationary Periods

New employees must receive an ME level or higher rating of record in order to be retained after their first year (and second year for certain types of excepted service appointments) in the Federal government. Rating Officials must continually evaluate and document the employee's job performance throughout the probationary period. After being under a performance plan for at least 90 days, a probationary employee whose performance is less than ME may be removed.

The Rating Official does not have to wait until the end of the probationary period to initiate the removal action and does not have to prepare a performance rating. New supervisors must receive a ME or EE on the mandatory supervisory critical element when evaluated at the end of his/her initial probationary period in order to be considered as having the ability to perform the functions of the position successfully. An employee who, for reasons of supervisory or managerial performance, does not satisfactorily complete the probationary period is entitled to be assigned to a position of no lower grade and pay than the one the employee vacated to accept the supervisory or managerial position.

Within-Grade Increase (WGI) for (GS and AD) or Pay Adjustment (EJ or EK)

The decision to approve or deny a WGI for GS and AD employees or a pay adjustment for EJ or EK employees is based on the employee's most recent rating of record issued within the WGI waiting period. If the employee's most recent rating of record does not accurately reflect the employee's current performance, a new rating must be issued to support an approval or denial of the WGI. An employee, who has a current rating of record of NI or FME, is not eligible for a WGI.

Career Ladder Promotion

A rating of record may be used as a basis for determining whether an employee has demonstrated the capability to perform at the next higher level in a career ladder position. Performance in the present position must be rated at the ME level or higher in order for an employee to receive a career ladder promotion. Before an employee is promoted to the full performance level of a career ladder, the employee should have demonstrated that he/she is performing at the ME level of the higher grade.

Reduction-in-Force (RIF)

An employee's rating of record is used to determine the employee's assignment rights during a RIF. Employees are given credit for RIF retention purposes by adjusting the employee's service date. The employee receives additional service credit based on the average of the three most recent ratings of record received during the 4-year period prior to the issuance of the RIF notice. Service credit is provided as follows:

- SE (Level 5) - 20 years
- EE (Level 4) - 16 years
- ME (Level 3) - 12 years

If an employee received a rating of record under other than a 5-level system during the timeframe used to determine the average years of service to be credited, a separate determination will be made at that time which will provide the most equitable treatment for affected employees.

NOTE: See the chart on DOE and OPM summary levels on page 27 to better understand the two rating level systems.

Training and Development

Supervisors should use the performance management process as a tool to identify opportunities for improving and enhancing an employee's knowledge, skills, abilities, and job performance.

New employees are required to complete training on the DOE Supervisory/Non-Supervisory Performance Management Program within the first 30 days of their effective date. All covered employees and their supervisors are required to take training on this program at least once every 2 years.

Can an Employee Request Reconsideration of a Summary Rating?

Yes, an employee can request reconsideration of his/her summary rating. Procedures for requesting reconsideration may vary from location to location, therefore, an employee must contact his/her servicing Human Resource Office to obtain local procedures.

Ratings Outside the Normal Appraisal Period

Does an Employee Receive a Performance Rating Prior to a Reassignment or Promotion?

Possibly, if the reassignment or promotion is within DOE and the effective date is July 4 or later the employee's Rating Official will prepare a performance rating that will serve as the rating of record for the appraisal period preceding the change in position. See Appendix I for a sample.

Does an Employee Receive a Performance Rating when the Employee Transfers to Another Government Agency?

Possibly, if the effective date of the transfer is July 4 or later the employee's Rating Official will prepare a performance rating that will serve as the rating of record for the appraisal period.

Note: Since the employee will not be employed by the Department on September 30, the employee is not eligible to receive a performance award.

Does an Employee Receive a Performance Rating when the Rating Official leaves?

Possibly, if the Rating Official leaves on or after July 4, the Rating Official will prepare a performance rating that will serve as the rating of record for the appraisal period.

NOTE: The employee may be eligible to receive a performance award based on the employee's summary rating.

Does an Employee in the Federal Career Intern Program (FCIP) or the Presidential Management Fellows (PMF) Program Receive a Performance Rating Prior to Conversion to a Permanent Appointment?

Possibly, if the employee's summary rating has changed from ME or above to below ME or the reverse and the employee is ready to be converted to a permanent appointment, the Rating Official will prepare a new rating of record that reflects the employee's current level of performance; this rating will be issued to document that the employee is/is not performing at an acceptable level.

Does an Employee Receive a Performance Rating when a Reduction in Force (RIF) is administered?

Possibly, if the employee's summary rating has changed from ME or above to below ME or the reverse the Rating Official will prepare a new rating of record that reflects the employee's current level of performance.

Does an Employee who is Detailed or Temporarily Promoted receive a Performance Rating?

Possibly, when an employee is detailed or temporarily promoted to another position within DOE for 90 days or more, the temporary supervisor will complete an advisory rating and forward it to the employee's permanent supervisor for consideration in determining the employee's rating of record for the appraisal period.

When an employee is temporarily detailed outside of DOE for 90 days or more, the Rating Official will make every attempt to contact the employee's temporary supervisor and request a narrative performance appraisal based on the performance-related criteria that was communicated in writing to the borrowed employee at the beginning of the temporary assignment; this should be a requirement in the Interagency Agreement.

NOTE: An Advisory Rating is an unscheduled performance rating that consists of a rating of each critical element and does not include a summary rating. In order to provide appropriate consideration of all performance during the appraisal period, it may 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 90 calendar days in the assignment at the end of the appraisal period.

Must an Employee Have a Rating of Record in Order Receive a Within-Grade Increase (WGI)?

Yes, the approval of a WGI is based on an employee's most recent rating of record. A rating outside the normal appraisal period will need to be completed if one of the following occurs:

- If the end of the WGI waiting period is approaching and the employee was not issued a rating of record within the preceding 52 consecutive calendar weeks prior to the employee's WGI anniversary date, and the employee has been on a performance plan for more than 90 days, the Rating Official must issue a rating of record to reflect the employee's current performance; this rating will be issued to support a denial or approval of the WGI;

- If the end of the WGI waiting period is approaching and the employee's most recent rating of record is NI or FME, then the Rating Official must determine if the employee's performance has improved to at least the ME level; if the employee's performance has improved, the Rating

Official will prepare a new rating of record that reflects the employee's current level of performance, thus justifying the acceptable level of competence determination (ALOC) and the WGI; and

- If the end of the WGI waiting period is approaching and the employee's most recent rating of record is ME but the employee is on a PAP or PIP, then the Rating Official must decide if the employee's current performance has come back up to the ME level and if so approve the WGI. If not, the Rating Official must issue a new performance rating to support the denial of the WGI and provide the employee with a notice denying the increase.

NOTE: The above scenario also applies to a performance-based pay adjustment for excepted service EJ and EK pay plans. See Appendix J for samples.

Under What Circumstances Can a Rating be Delayed for the Purposes of Granting a WGI?

There are only two circumstances in which a rating can be delayed for the purposes of a WGI. These circumstances are as follows:

- When an employee has not had the minimum period of time to demonstrate acceptable performance on their critical elements (i.e., 90 days); in which case it should be prepared as soon after the 90 days are completed; and

- When an employee is reduced in grade because of unacceptable performance to a position in which he/she is eligible for a WGI or will become eligible within the next 90 days.

NOTE: The determination regarding a WGI may not be postponed in order for an employee to complete a PAP or PIP; therefore, it is important that the Rating and Reviewing Officials keep careful track of within-grade waiting periods, especially for employees who have begun to demonstrate performance that is less than the ME level.

Does an Employee who Separates or Retires During the Appraisal Period get a Performance Appraisal?

An employee who resigns, retires, or transfers to an international office is not issued a performance appraisal.

PHASE IV – Rewarding Performance

The Department's Employee Recognition Program is two-tiered. It includes: 1) the use of an annual performance award to take into account an employee's contributions to the accomplishment of organizational goals and objectives; and 2) the use of other awards available to recognize and reward individuals and/or teams for specific achievements at any time during the appraisal period. This balanced approach provides a comprehensive set of tools to motivate employees to sustain a high level of performance and service.

It is important that recognition be given in a fair and consistent manner. Favorable recognition when it is not earned may reduce an employee's pride in his or her work. On the other hand, when recognition is not given where it is deserved, employees become discouraged and lose their incentive to do a better job.

Performance Awards

Performance awards are linked directly to the summary rating on the employee's rating of record for the appraisal period for which the award is granted. When determining the appropriate performance award, the Rating Official should consider the employee's contributions to the achievement of the organization's mission and goals, as well as any budget constraints and/or union agreements, etc. This does not preclude management from giving other recognition whenever warranted.

Who is Eligible to Receive a Performance Award?

- A covered employee who is employed by the Department on September 30 and who received a rating of record of ME or above for the current appraisal period is eligible.

- New hires, transferees, and part-time employees who received a rating of record of ME or above for the current appraisal period are eligible for a pro-rated performance award from the date of appointment to September 30.

Who Approves a Performance Award?

Heads of Departmental elements approve performance awards up to $10,000. Lower amounts may be delegated to lower levels. See Appendix K for approval levels.

Can an Employee Receive More Than One Type of Performance Award?

No, an employee may receive only one type of a performance award, i.e., quality/pay increase, or cash or time-off.

When are Performance Awards Submitted to the HR Office?

Approved performance awards must be submitted to the servicing HR Office within the time-frames specified by the individual Departmental element.

Is There a Distribution of Ratings?

The Department does not prescribe a distribution of ratings and does not permit a distribution, e.g., limit the number of SE ratings or have ratings on a bell curve, to be prescribed.

The Department monitors Departmental elements ratings by sampling plans and conducting on-site Human Capital Management Accountability Program and Departmental program reviews in conjunction with OPM program reviews.

What is a Pay Pool?

A pay pool is the funding allocated for performance awards. Each Departmental element will provide 3%-4% of its covered employees' total salaries as of September 30 to establish its pay pools. Two pools will be established, one for supervisory employees and one for non-supervisory employees. The same percentage will be used for each pool.

NOTE: In the event that fiscal year funding is not sufficient as a result of budget reductions, changes in allocations, or similar unanticipated circumstances, affected Heads of Departmental elements may request an exception from the Director, Office of Human Capital Management. This exception would be limited to the performance award requirements of DOE O 331.1 especially if granting performance awards would necessitate the need for a reduction in force, furlough, or other similar cost-cutting remedy.

Is an Employee who Transfers to DOE On or After July 4th Eligible for a Performance Award?

The employee will be eligible for a pro-rated performance award if the following conditions are met:

- The employee provides the servicing HR Office with a current rating of record (i.e., issued after October 1 of the previous year) that includes a summary rating of ME (or equivalent) or higher, or PASS (if under pass/fail);
- The rating of record is provided to the HR Office within 45 days of the end of the DOE appraisal period; and
- The employee has not received compensation (e.g., a performance-based award) for the rating of record provided.

Quality Increase (QI)

A QI [commonly referred to as Quality Step Increase (QSI) for General Schedule (GS) employees or comparable pay adjustment for excepted service EJ or EK employees] is a permanent increase in pay and therefore is considered the most prestigious rating-based award that an employee can earn.

DOE has established the following criteria for QIs in order to maintain the integrity of the award:

- An employee must receive a summary rating of SE to be eligible;
- The employee has not received a QI, within-grade increase (WGI), or equivalent pay adjustment for the entire appraisal period;

- The employee is at the full performance level of a career ladder;
- The employee has not been promoted within the past year, including a transfer that results in a promotion;
- The employee has been in the same grade or pay band level for the entire appraisal period; and
- The employee is expected to continue to serve in his/her current position, or in a similar position at the same grade or pay band level, and at the same level of performance for the foreseeable future.

NOTE: No more than one QI may be granted during any 52 week calendar period

A QI should not be granted when:

- The QI is used to entice an employee to move from one location to another;
- The QI is used to solve a difficult personnel situation and continuing exceptional performance is not evident; or
- The employee is about to separate from the Department.

Is an Employee in a Pay Status for Less Than 2080 Hours Eligible for a QI?

Yes, an employee who is in a pay status for less than 2080 hours on September 30 is eligible for a QI.

Cash Award

Cash awards will be determined based on the summary rating and shares multiplied by the share value of the applicable pay pool and the employee's salary as follows:

- SE – 5 shares;
- EE – 4 shares;
- ME – 3 shares when the majority of elements are rated at ME and at least 1 at EE, or the elements are equally divided between the EE and ME;
- ME – 2 shares when all or the majority of elements are rated at ME;
- ME – 1 share when all elements are rated at ME or higher and less than 50% at NI; and management elects to offer this award. This option is discretionary and only applies to this rating situation; and
- No hours will be awarded for a summary rating of NI or FME.

NOTE: See Appendix L for a sample.

Can a Cash Award be Pro-rated?

Yes, the Office of the Chief Human Capital Officer will provide the Departmental element Performance Management Liaison with an annual report of hours for employees who are in a pay status for less than 2080 hours on September 30. The hours in a pay status and the employee's current salary is used to calculate his/her pro-rated cash award.

All pro-rated calculations are taken to 3 decimal places, e.g., 600 hours divided by 2080 hours equals .288. Employees on military duty and those receiving workers' compensation are treated as if they are in a pay status for those periods. See Appendix M for a sample.

How is a Pro-rated Cash Award Calculated?

Divide the total number of hours in a pay status in DOE as of September 30 by 2080 hours and multiply the result by the share value to determine the pro-rated share value used to calculate the cash award.

Time-Off Award (TOA)

An employee may be given a TOA in lieu of a QI or cash award based on the summary rating as follows:

- SE – 50 hours;
- EE – 40 hours;
- ME – 30 hours when the majority of elements are rated at ME and at least 1 at EE, or the elements are equally divided between the EE and ME;
- ME – 20 hours when all elements are rated at ME;
- ME – 10 hours when all elements are rated at ME or higher and less than 50% at NI and management elects to officer this award. This option is discretionary and only applies to this rating situation; and
- No hours will be awarded for a summary rating of NI or FME.

NOTE: See Appendix N for a sample.

Can a TOA be Pro-rated?

Yes, an eligible employee who is in a pay status for less than 2080 hours may have his/her time-off award pro-rated.

How is a Pro-rated TOA Calculated?

Divide the total number of hours in a pay status in DOE as of September 30 by 2080 hours, multiply the result by the applicable hours for the summary rating and round to the nearest whole hour.

When Does the TOA have to be used?

The TOA must be used within one calendar year of the date that it is granted or the award will be forfeited. Heads of Departmental elements may approve extensions of up to 90 days on a case-by-case basis for unavoidable reasons that have or will have prevented using the time.

The time will not transfer if the employee transfers to another Federal agency, nor is the award payable in a lump sum for any reason.

NOTE: An employee may not receive more than 80 hours of time-off within one calendar year; therefore, Rating Officials should verify the employee's time-off balance before awarding time-off for performance.

Other Awards and Forms of Recognition

Awards other than those based on performance ratings may take four forms — monetary awards, time off awards, honorary awards, and informal recognition awards. You may use any combination of these awards to reward a specific contribution. For example, an employee might receive both a certificate and a cash award as recognition for a single contribution. However, the overall value of the award in its combined forms should not exceed the value to the organization of the contribution recognized. Thus, the award should be commensurate with the contribution of the employee.

The same principle applies whether you are combining award forms or granting two awards of the same form for a single contribution. For example, an employee might receive two awards in the form of cash for a single contribution when, upon evaluating the contribution recognized, the organization realizes the value of the contribution to the organization is greater than originally determined and deserves a larger award than the amount of the original award recognizing it. This situation tends to occur most frequently with employee suggestions. However, the total value of both awards should not exceed the value of the contribution recognized.

NOTE: All awards that affect more than one Departmental element must be coordinated with the Office of the Chief Human Capital Officer. A complete list of Secretarial and Departmental awards can be found at: (http://humancapital.doe.gov).

Special Act or Service

An SAS award is monetary recognition for employees (as individuals or in groups) for accomplishments of acts or services that are of special benefit to the Department and are typically outside of the employee's job responsibilities and are non-recurring in nature. All nominations must contain a justification for the amount of the award based on either the tangible/intangible benefits.

NOTE: Job responsibilities included in an employee's performance plan should be rewarded only through the performance award process.

Who is Eligible for a SAS Award?

An employee who does not currently have an NI or FME rating of record or who is not on a PAP or PIP is eligible to receive a SAS award.

How is the Amount of the Monetary Recognition Determined?

The amount of a cash award for a special act or service is based on the tangible and/or intangible benefit to the organization. All nominations must contain the approving official's signature and date as well as a justification that clearly describes the "value of the benefit" and the "extent of the application" which supports the tangible/intangible benefit. See Appendix O for the Department's Monetary Awards Scale.

Are there Certain Provisions for Group Awards?

When a cash award is granted to a group for superior accomplishments, the following provisions apply:

- The accomplishments must have substantially exceeded normal expectations for the group as a whole;
- All employees to whom the accomplishment or contribution is creditable, including a supervisor, may share in the award;
- A cash award may be divided in equal shares or allotted to each member in proportion to his or her share of credit for the contribution;
- Separate justifications for each member of the group must be included with the overall description of the accomplishment if the members of the group receive different dollar amounts; and
- The total amount of a cash award to a group should be based solely on the value of tangible and intangible benefits accruing from the contribution; the total amount of the award may not exceed the amount that would be authorized if the contribution had been made by one individual.

Can a Contract Employee Receive a Monetary Award?

No, employees of outside contractors may **not** receive direct payments from the Federal Government. Their employment, including pay, rewards, and discipline, must be handled by their employer, which is the contractor, not the Government.

On-the-Spot (OTS) Award

An OTS award allows supervisors and other individuals to grant employees (as individuals or in groups) immediate monetary recognition for a significant deed or accomplishment performed with exceptional and unanticipated speed and quality under difficult or unusual circumstances.

Is there a Set Amount for an Individual or Group OTS Award?

The amount of an OTS award can vary between $50 and $500 per employee. There is no ceiling on the total amount of any group OTS award. However, the award amount for each group member may not exceed $500.

How Many OTS awards Can an Employee or a Group of Employees Receive?

There is no restriction on the number of OTS awards an employee may receive within a one-year period, either individually or as part of a group.

Who can Recommend and Approve OTS Awards?

An OTS award is recommended and approved through normal management channels.

Time-Off Award (TOA)

A TOA may be granted to any employee or group of employees without "loss of pay" or "charge to leave" to encourage and reward superior accomplishment or other personal efforts that contribute to the quality, efficiency, or economy of Government operations. Scheduling of time off is subject to supervisory approval.

Time off granted as an incentive award must be scheduled and taken within 1 year after the date the award is effective (i.e., the date of the SF-50 effecting the award, normally the first day of the first pay period following final approval of the award). If the time is not taken off within 1 year, it will be forfeited.

Heads of Departmental elements may approve extensions of up to 90 days on a case-by-case basis for unavoidable reasons that have prevented or will prevent using the time. Time off awards may not be converted to cash or transferred to another agency.

Who is Eligible for a TOA Award?

An employee whose does not have a current NI or FME rating or who is not on a PAP or PIP is eligible to receive a TOA award.

How Much Time Off should an Employee Receive as Recognition?

Time off may be granted in increments of up to 40 hours for any single employee contribution. Full-time employees may not receive more than 80 hours of time off during a 52-week period.

For a part-time employee or an employee with an uncommon tour of duty, the total time off granted during a leave year as an incentive award may not exceed the average number of hours of work in the employee's biweekly scheduled tour of duty. See Appendix P as a reference for determining time off not based on performance rating.

When Should the Award Nomination be Submitted to the Servicing HR Office?

The nomination for an award should be initiated within 30-60 days of the completion of the contribution on which the nomination is based. Justification for the award must be attached to the nomination. The justification must describe the value of the benefit derived from the contribution, and include specific examples of results to clearly support the nomination.

Referral Bonus

What is a Referral Bonus Award?

This award provides an incentive to employees who bring new talent into a Departmental element by referring persons who are subsequently selected and successfully employed for hard-to-fill positions.

Who is Eligible for a Referral Bonus?

An employee who meets the agency-established criteria for such a bonus, whose official duties do not include recruitment, and who is not involved in any way in the selection of the referred individual would be eligible for a referral bonus.

Also, an employee cannot refer a relative as defined at 5 U.S.C. 3110(a)(3) (that is, a father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister).

Who can Recommend and Approve a Referral Bonus Award?

Awards are recommended by the referring employee's supervisor and are approved by a management official at least one level higher than the recommending official.

Is there a Set Amount for a Referral Bonus Award?

Yes, the maximum amount for any referral bonus award is either up to $500 or 16 hours of time off. Referral Bonus Awards are paid in a lump sum payment and may not be paid to the employee until the person referred has served one year with the agency and his/her performance has been deemed successful.

How many Referral Bonus Awards can an Employee Receive?

An employee may not exceed two (2) Referral Bonus Awards per year.

The Secretary of Energy Awards

The Secretary of Energy's Annual Honor Awards

- **The James R. Schlesinger Award**

  This annual award represents the highest non-monetary level of recognition an employee or contractor can receive in the Department. It is bestowed upon **one** individual each year whose outstanding performance is responsible for contributions of national importance or for affecting significant improvement to the successful implementation of the Department's mission.

  The award recipient should have a record of consistently demonstrating outstanding leadership in public service and should exhibit the highest levels of integrity, professionalism, and dedication throughout their service to DOE. All DOE employees (and contractors) who meet the criteria are eligible to receive this award; however, it is intended for one individual recipient each year.

- **The Secretary of Energy's Excellence Award**

  This award is designated for individuals who have a singular accomplishment that demonstrates a high level of performance and outstanding leadership in public service.

  The individual's overall achievements must be substantial outside the normal course of duty and must significantly benefit the Department's mission and the Nation. This award is intended for individual recipients; however, there can be multiple recipients of this award each year (typically four to ten).

- **The Secretary of Energy's Achievement Award**

  This award is bestowed upon a group or team of DOE employees (and contractors) who together accomplished significant achievements on behalf of the Department.

  These groups should demonstrate cooperation and teamwork in attaining their goals. This award is typically awarded to one to three (or more at the Secretary's discretion) groups/teams each year.

The Secretary of Energy's Appreciation Award

This award was created to provide more immediate recognition for accomplishments. This award is given to employees or contractors for making a noteworthy contribution to the Department beyond the scope of their normal work responsibilities.

The Secretary of Energy's Departure Awards

- **The Secretary's Exceptional Service Award**

  This award is given in recognition of outstanding and unique accomplishment and leadership that exemplifies the highest standards of and dedication to public service and significantly benefits the Department and the Nation.

This honorary award is reserved for recognition of an individual's achievements upon departure from the Department of Energy and is the highest award that can be bestowed at that time.

- **The Secretary's Distinguished Service Award**

  This award is given in recognition of continuous and distinctive achievements, within or beyond an individual's area of responsibility, which are of substantial value to the Department. This honorary award is reserved for recognition of an individual's achievements upon departure from the Department of Energy.

- **The Secretary's Meritorious Service Award**

  This award is given in recognition of superior achievements that are within or beyond an individual's area of responsibility, and have significantly advanced the Department's mission. This honorary award is reserved for recognition of an individual's achievements upon departure from the Department of Energy.

Presidential Awards

- **The President's Award for Distinguished Federal Civilian Service**

  This award is used to recognize exceptional achievements of unusual benefit to the nation.

- **The Presidential Management Improvement Award**

  This award is used to recognize contributions that result in tangible benefits to the Government of $250,000 or more.

- **Presidential Letters of Commendation**

  For a suggestion, invention, or other superior accomplishment that is beyond job requirements and that results in tangible benefits to the Government of $250,000 or more.

Definitions

Absolute Measure: A measurement that allows the employee no room for error.

Acceptable Level of Performance: Performance that meets the requirements of an employee's critical elements, which are written at a ME level.

Advisory Rating: An unscheduled performance rating that is prepared for an employee who is detailed or temporarily promoted to another position or specific set of duties for 90 days or more, and consists of a rating of each critical element and does not include a summary rating; the advisory rating is completed by the Rating Official to whom the detailed or temporarily promoted employee reports.

Appraisal Period: The established period of time for which performance will be reviewed and a rating of record will be prepared; in DOE, normally the fiscal year - October 1 to September 30, unless special circumstances exist [as described in DOE O 331.1 5c (7-11)].

Contributing Factor: A manner of performance that contributes to the employee achieving the results of a particular critical element; applicable contributing factors must be identified when each critical element is developed and must be considered with each critical element when assessing employee performance.

Critical Element: An assignment or responsibility of such importance that unacceptable performance in a single critical element would constitute an overall FME summary rating; it identifies specific performance outcomes and expectations that are to be accomplished during the appraisal period, the manner of performance in which they have to be done, how well they have to be done, and how they will be measured.

Days: Means calendar days.

Minimum Appraisal Period: The minimum appraisal period is 90 days from the effective date that the employee is assigned, detailed, or temporarily promoted to a position; in no case shall an appraisal period be less than 90 days.

Pay Pool: The funding allocated to pay performance awards. Each Departmental element will provide 3%-4% of their covered employees' total salaries as of September 30 to establish its pay pools; two pools will be established, one for supervisory employees and one for non-supervisory employees; the same percentage will be used for each pool.

Performance Award: A lump-sum cash award based on a rating of record of Meets Expectations or higher.

Performance Assistance Plan (PAP): An informal counseling memorandum notifying an employee that his/her performance of at least one critical element has fallen below the ME level e.g., is determined to be at the NI level; the PAP identifies deficiencies and provides assistance by describing the actions needed to improve performance to the ME level; a PAP is considered informal because it does not constitute a formal opportunity to improve performance and may not result in a change in an NI level at the end of the PAP.

Performance Improvement Plan (PIP): A formal memorandum notifying an employee that his/her performance of at least one critical element is at the FME level, and contains a plan to lead the employee toward improving performance; the PIP is a mechanism that meets the requirements of 5 CFR Part 432 to provide an employee with a formal opportunity period to improve performance before a removal or demotion action can be taken based on unacceptable performance.

Performance Plan: A written or otherwise recorded document that contains critical elements that specify the expected performance outcomes and expectations upon which an employee's performance is evaluated; the performance plan is expected to be developed jointly by the Rating Official and the employee; and it becomes official when signed by both the Rating and Reviewing Officials and is issued to the employee.

Performance Rating: A written or otherwise recorded appraisal of performance based on the outcomes and expectations for each critical element, on which there has been an opportunity to perform for at least 90 days; a performance rating is also referred to as a summary rating and rating of record.

Performance Standard: Specific occupational and/or safety standards when the performance of occupational and/or safety duties are an essential part of the position.

Position Description: A description of the major duties and responsibilities required by the incumbent of a position.

Progress Review: A meeting in which the Rating Official and the employee discuss the employee's progress towards meeting the job performance expectations in the employee's performance plan; at least one progress review is required each appraisal period.

Quality Increase: An increase in an employee's rate of basic pay from one step or rate of the grade of his or her position to the next higher step of that grade or subsequent higher rate within the pay band, an employee must receive a summary rating of Significantly Exceeds Expectations (SE) on his/her most recent rating of record to be eligible.

Rating Levels: Levels of performance Rating Officials use to evaluate individual critical elements and derive a final summary rating; DOE's rating levels for critical elements are Exceeds Expectations (EE), Meets Expectations (ME), Needs Improvement (NI), and Fails to Meet Expectations (FME).

Rating Official: Normally, the immediate supervisor of an employee who is responsible for developing performance plans, monitoring performance, and rating performance of the employees under his/her supervision; Rating Officials must evaluate an employee's performance fairly and accurately against the performance plan.

Rating of Record: The summary appraisal prepared at the end of the appraisal period for performance of duties over the entire appraisal period and the assignment of a summary level; an employee's rating of record can be used as a basis for pay, awards, development, retention, removal, and other personnel decisions.

Recognition: Acknowledging contributions through monetary and non-monetary means.

Reviewing Official: The person with full supervisory authority who is responsible for approving performance plans and summary ratings of record prior to their transmittal to employees; the Reviewing Official is normally the Rating Official's immediate supervisor.

Share: A percentage increase to base pay; the share value is determined by dividing the Awards Pool (a percentage of all employee base salaries within a pay pool) by the sum of the employees' aggregate salaries (sum of all employees' salaries within a pay pool).

Summary Level: The numerical value in 5 CFR 430.208 that corresponds to DOE's summary levels (see chart on page 26).

Summary Rating: An overall rating based on the rating for the critical elements that describes an employee's overall performance throughout the appraisal period; this rating is considered the rating of record and is described using summary levels.

Within-Grade Increase (WGI): A periodic increase in an employee's rate of basic pay from one step of the grade of their position to the next higher step of that grade.

APPENDIX A: Supervisory Critical Element

Carries out supervisory/managerial duties in accordance with Federal regulations and DOE directives, within established deadlines, to provide subordinates with leadership and direction in order to support (insert organization) and DOE in meeting its mission, goals and objectives. Seeks out feedback from others; considers employee and customer feedback to develop and implement initiatives to improve program/project performance, promotes diversity and cooperation among peers and subordinates, while guiding, motivating and stimulating positive responses. Manages the performance appraisal program for his/her subordinates through meeting deadlines, aligning subordinate performance plans to DOE goals, providing meaningful and timely feedback, making distinctions in ratings and awards, and addressing poor performance and other employee relations issues.

(Identify any organizational milestone, deliverables, or deadlines)

APPENDIX B: Contributing Factors

Customer Service:

- Responds to customer communications in a timely manner
- Identifies customers' needs and concerns
- Designs or adapts products and services to meet customer needs
- Works cooperatively with customers and colleagues to resolve disagreements in expectations and deliverables
- Keeps customers informed on progress of deliverables
- Meets agreed upon schedules and commitments or provides reason(s) for not doing so
- Adjusts to changing needs and is flexible to customers' requirements, providing that there are no limitations beyond the employee's control and customers' requests are not unreasonable
- Customer surveys and/or feedback reflect that the employee responds appropriately and in a timely manner so that customers are at least reasonably satisfied

NOTE: Inherent in this factor is effective communications and resourcefulness with customers

Communication:

- Keeps supervisors and colleagues informed of issues, problems, and work status in a timely manner
- Responds to noncustomer communications in a timely manner
- Describes issues in a clear, concise, and/or convincing manner, both verbally and in writing
- Communicates in a technically accurate and supported manner
- Exercises judgment in sharing information
- Coordinates communications that affect other offices with those offices
- Develops organized, persuasive presentations
- Listens to others' ideas and viewpoints and seeks to clarify for understanding
- Displays a positive attitude that fosters non-confrontational communications
- Uses communication tools and resources, e.g., email, voicemail, power point, graphics, etc., effectively

NOTE: Inherent in this factor is the need to be resourceful in using communication tools and resources

Teamwork:

- Actively contributes to the accomplishment of organizational goals
- Builds collegial, effective relationships that facilitate achieving desired goals
- Supports others in the accomplishment of their assignments
- Shares knowledge, expertise, information, and/or credit with co-workers
- Contributes in staff/team meetings as appropriate
- Supports organizational decisions once they are made
- Treats colleagues with courtesy, respect, and fairness
- Uses collaborative decision-making techniques to facilitate teamwork

NOTE: Inherent in this factor is the employee's responsibility to work cooperatively with others

Responsibility/Accountability:

- Accepts responsibility for completing work assignments, work performed, and any problem(s) associated with it within the employee's control
- Completes developmental and training requirements in a timely manner
- Meets milestones and due dates for assignments
- Actively participates in the development of his/her assignments, performance and development plans, and career goals
- Keeps supervisors, colleagues, and customers informed of availability
- Maintains current awareness and adheres to relevant government and organization regulations, policies, and procedures
- Practices safe work habits and takes action to resolve unsafe conditions

Resourcefulness/Innovation:

- Initiates and/or supports quality improvements in systems, programs, products, services, and/or work processes
- Recommends alternatives to established thinking, policies, practices, methods, and approaches designed to achieve organizational efficiency, cost savings/avoidance, etc.
- Readily adapts or develops regulations, policies, and procedures to new situations
- Utilizes contacts to network and identify solutions to issues.

Safety:

- Complies with corrective actions identified to resolve unsafe conditions in an individual's work area
- Complies with the DOE Federal Employee Occupational Safety and Health (FEOSH) Program, safety and health requirements, and the local occupant emergency plan
- Adheres to established emergency response procedures during exercises, drills, and emergency conditions
- Takes required training and developmental opportunities to assure that the employee is knowledgeable of their safety responsibilities, workplace hazards and controls, emergency response procedures, and the DOE FEOSH Program

NOTE: Supervisors are not limited to the above examples for each factor, nor is an employee required to do everything described for a factor. Specific Departmental element requirements or clarifications may be added.

APPENDIX C: SMART Template

The SMART Template

Specific: What results are needed?	**Critical Element Outcomes/ Expectations**
Measurable: Where does the performance target lie? Is there quantitative or qualitative measure?	**Critical Element Outcomes/ Expectations**
Achievable: How can the employee attain the goal through specific actions? What steps must be taken?	**Critical Element Outcomes/ Expectations**
Relevant: Why is the goal important (alignment)?	**Goal Linkage**
Timed: When will the goal start, or when will it be completed?	**Critical Element Outcomes/ Expectations**

APPENDIX D: Sample Memorandum - Performance Assistance Plan (PAP)

*(**NOTE: This memorandum is issued when an employee is initially put on a PAP.**)*

MEMORANDUM FOR: ***(Employee's Name)***

FROM: ***(Supervisor's Name & Title)***

SUBJECT: Performance Assistance Plan (PAP)

This memorandum is being issued to document your performance for the period (***insert date)*** through ***(insert date)***. In my judgment, your performance has fallen short of the outcomes and expectations described at the Meets Expectations (ME) level and is considered at the Needs Improvement (NI) level for the following critical element(s):

> ***[list the element(s) and performance requirements, including standards, if applicable, and provide details explaining why the employee did not achieve an ME for each element].***

In order to improve to the ME level, the following assistance will be provided ***(if applicable, add:*** along with the action that you must do***)***:

> ***(provide an explanation of the assistance that will be provided to the employee, e.g., work as understudy with a colleague, identify a mentor, or meet with an EAP counselor if the employee has a problem completing assignments on time, and any action that the employee is to take, e.g., a prescribed training course, and how the assistance or action is linked to the requirements)***.

To help you improve your performance, I will be available to answer any question you may have with regard to your work and what is expected of you. If you need assistance organizing your work in a more efficient manner, please talk with me. Please inform me if there is any assistance which I can provide that is not mentioned above that you believe will help to improve your performance.

Your performance will be closely monitored through ***(insert date – must be at least 90 calendar days)*** and I will meet with you periodically concerning your performance. At the end of this period, your performance will again be evaluated.

Please acknowledge receipt of this memorandum by signing and dating.

Receipt Acknowledged: _____ _____

Signature Date

APPENDIX E: Sample Memorandum - Conclusion of a PAP

(NOTE: This memorandum is issued at the conclusion of a PAP to provide feedback on the employee's performance as a result of the assistance provided. A rating of record is only issued if improved or decreased performance would change the employee's current summary rating.)

MEMORANDUM FOR: ***(Employee's Name)***

FROM: ***(Supervisor's Name and Title)***

SUBJECT: Performance Assistance Plan (PAP) Update

As a result of your performance while on the PAP that you were assigned on ***(insert date)***, I have determined that your performance has ***(improved or not changed)***. ***(Insert the applicable following statement.)***

If improved: As a result, I am terminating your PAP. Attached is an new rating of record that reflects that you are now performing at the ***(insert applicable level, e.g., ME)*** level.

If no change: As a result, [***describe the next course of action, which may include:***

1) extending the PAP (specify the new period and what assistance and/or action will be taken, e.g., for another 60 days in which you are to continue to work closely under my supervision; at the end of the extension another memorandum must be prepared);

2) exchanging assignments among colleagues (specify the change(s) and, if needed, provide an updated position description as soon as possible; revise the employee's performance plan accordingly); or

3) detailing or reassigning the employee to a position in another organization (provide specific information - if to an existing vacant position, provide the position description; if the position description has to be written and classified, indicate that the employee is being detailed and provide a statement of work; if the employee is detailed or reassigned, then a new or revised performance plan is needed for at least 90 days);

and provide an explanation as to why that course of action is considered appropriate].

If decrease: As a result, ***describe the next course of action:***

1) ***Issue a PIP; and***

2) ***Issue a rating of record at the FME level which is an attachment to the PIP.***

Please acknowledge receipt of this memorandum by signing and dating.

Receipt Acknowledged: _____ _____

Signature Date

Attachment: Rating of record ***(if applicable)***

APPENDIX F: Sample Memorandum - Performance Improvement Plan (PIP)

(NOTE: This memorandum is issued when an employee is initially put on a PIP.)

MEMORANDUM FOR: ***(Employee's Name)***

FROM: ***(Supervisor's Name and Title)***

SUBJECT: Performance Improvement Plan (PIP)

This notice is to inform you that your performance is unacceptable, i.e., it is at the Fails to Meets Expectations (FME) level, for the period ***(insert date)*** through ***(insert date)*** and that you are being given an opportunity to improve your performance for the following critical element(s):

> **(*list the element's(s') performance requirements including standards, if applicable, and provide details explaining why the employee is evaluated at the FME level for each element*).**

In order to improve your performance, the following assistance will be provided ***(if applicable, add:*** along with the action that you must do***)***:

> ***[provide an explanation of the assistance that will be provided to the employee, e.g., work as understudy with a colleague or identify a mentor and any action that the employee is to take, e.g., a prescribed training course and how the assistance or action is linked to the requirements; include the type, number of times to be offered, or frequency, and specific action(s)]***.

Your performance will be closely monitored through ***(insert date – at least 90 calendar days)*** and I will meet with you concerning your performance ***(specify the time period or dates, e.g., every 2 weeks)*.** At the end of this period, your performance will again be evaluated. **Failure to improve your performance to at least the Needs Improvement (NI) level on the critical element(s) during the opportunity period or to maintain it above the FME level during the remainder of the 1 year from the date of this memorandum may result in a change to a lower graded position or removal from Federal service without any further opportunity to demonstrate acceptable performance at the ME level.**

If you feel that you have any problems that are affecting your ability to improve your performance, you are hereby advised that counseling is available through the Employee Assistance Program (EAP). If you wish to arrange for counseling during or after duty hours under this program, please contact the EAP Counselor at ***(insert phone number)*.** Any time needed for such counseling during duty hours is an excused absence subject to my approval, but I will support it. It is not necessary that you reveal anything to me regarding your seeking counseling under this program and I will not be advised of what you discuss unless you agree to such a disclosure.

If you believe that a medical condition may be contributing to your poor performance, you may submit medical documentation to this effect. The medical certificate found at Appendix E of DOE G 341.1-1A, Guide on Federal Employee Occupational Medical Programs, should be used. For further information, see 5 CFR 339 which outlines the points that the medical report should address. You may provide medical documentation from your own health care provider at your own expense.

If you have questions concerning this memorandum or what is expected of you during this performance improvement period, please contact me as soon as questions arise. Please inform me if there is any assistance not mentioned above that I can provide you to help improve your performance.

Please acknowledge receipt of this memorandum by signing and dating below.

Receipt Acknowledged: _____ _____

Signature Date

APPENDIX G: Sample Memorandum - Conclusion of a PIP

(NOTE: This memorandum is issued at the conclusion of a PIP to provide feedback on the employee's performance as a result of the assistance provided while on a PIP when performance has improved to at least the ME level; if improved to the NI level, issue a PAP memorandum with an new rating of record attached to it; if not changed, contact your servicing Human Resources Office for assistance.)

MEMORANDUM FOR: ***(Employee's Name)***

FROM: ***(Supervisor's Name and Title)***

SUBJECT: Performance Improvement Plan (PIP) Update

As a result of your performance while on the PIP that you were assigned on ***(insert date)***, I have determined that your performance has improved significantly. As a result, I am terminating your PIP. Attached is a new rating of record that reflects that you are now performing at the ***(insert applicable level, e.g., ME)*** level.

Please acknowledge receipt of this memorandum by signing and dating.

Receipt Acknowledged: _____ _____
Signature Date

Attachment: Rating of record

APPENDIX H: Sample of Summary Ratings and Performance Awards Eligibility

Employee with 6 Weighted Critical Elements

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double *(total = 2 critical elements)*	EE	**All rated EE**
2.	Single	EE	
3.	Double *(supervisory element)* *total = 2 critical elements)*	EE	
4.	Single	EE	
		Total = 6EE	**SE**

Employee is eligible for 1 of the following performance awards: QI, Cash (5 shares) or Time-Off (50 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double *(total = 2 critical elements)*	EE	**Majority rated EE and None rated NI**
2.	Single	EE	
3.	Double *(supervisory element)* *(total = 2 critical elements)*	ME	
4.	Single	EE	
		Total = 4EE, 2ME	**EE**

Employee is eligible for 1 of the following performance awards: Cash (4 shares) or Time-Off (40 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double *(total = 2 critical elements)*	EE	**Critical elements equally rated EE/ME and None rated NI**
2.	Single	EE	
3.	Double *(supervisory element)* *(total = 2 critical elements)*	ME	
4.	Single	ME	
		Total = 3EE, 3ME	**ME**

Employee has at least 1 element rated EE, therefore, is eligible for 1 of the following performance awards: Cash (3 shares) or Time-Off (30 hours)

Employee with 6 Weighted Critical Elements

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double *(total = 2 critical elements)*	ME	**All rated ME and None rated NI**
2.	Single	ME	
3.	Double *(supervisory element)* *(total = 2 critical elements)*	ME	
4.	Single	ME	
		Total = 6ME	**ME**

Employee is eligible for 1 of the following performance awards: Cash (2 shares) or Time-Off (20 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double	EE	**Majority rated EE/ME and less than 50% rated NI**
2.	Double *(supervisory element)* *(total = 2 critical elements)*	ME	
3.	Double *(total = 2 critical elements)*	NI	
		Total = 2EE, 2ME, 2NI	**ME**

Employee is eligible for 1 of the following performance awards: Cash (1 share) or Time-Off (10 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Single	NI	**50% rated NI and None rated FME**
2.	Double *(supervisory element)* *(total = 2 critical elements)*	NI	
3.	Triple *(total = 3 critical elements)*	EE	
		Total = 3NI, 3EE	**NI**

Employee is not eligible for a performance awards.

Employee with 5 Weighted Critical Elements

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double	EE	**All rated EE**
2.	Double *(supervisory element)* *(total = 2 critical elements)*	EE	
3.	Single	EE	
		Total = 5EE	**SE**

Employee is eligible for 1 of the following performance awards: QI, Cash (5 shares) or Time-Off (50 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double *(supervisory element)* *(total = 2 critical elements)*	EE	**Majority rated EE and None rated NI**
2.	Single	EE	
3.	Double	ME	
		Total = 3EE, 2ME	**EE**

Employee is eligible for 1 of the following performance awards: Cash (4 shares) or Time-Off (40 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double *(total = 2 critical elements)*	ME	**Majority rated ME and None rated NI**
2.	Single	ME	
3.	Double *(total = 2 critical elements)*	EE	
		Total = 3ME, 2EE	**ME**

Employee has 1 element rated EE, therefore, is eligible for one of the following performance awards: Cash (3 shares) or Time-Off (30 hours)

Employee with 5 Weighted Critical Elements

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double *(total = 2 critical elements)*	ME	**All rated ME and None rated NI**
2.	Double *(supervisory element)* *(total = 2 critical elements)*	ME	
3.	Single	ME	
		Total = 5ME	**ME**

Employee is eligible for 1 of the following performance awards: Cash (2 shares) or Time-Off (20 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double *(supervisory element)* *(total = 2 critical elements)*	ME	**Majority rated EE/ME and Less than 50% rated NI**
2.	Single	ME	
3.	Single	EE	
4.	Single	NI	
		Total = 3ME, 1EE, 1NI	**ME**

Employee is eligible for 1 of the following performance awards: Cash (1 share) or Time-Off (10 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Single	EE	**At least 50% rated NI and None rated FME**
2.	Single	ME	
3.	Single	NI	
4.	Double *(total = 2 critical elements)*	NI	
		Total = 1EE, 1ME, 3NI	**NI**

Employee is not eligible for an award.

Employee with 4 Weighted Critical Elements

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double *(total = 2 critical elements)*	EE	**All rated EE and None rated NI**
2.	Single	EE	
3.	Single	EE	
		Total = 4 EE	**SE**

Employee is eligible for 1 of the following performance awards: QI, Cash (5 shares) or Time-Off (50 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double *(Supervisory element)* *(total = 2 critical elements)*	EE	**Majority rated EE and None rated NI**
2.	Single	EE	
3.	Single	ME	
		Total = 3EE, 1ME	**EE**

Employee is eligible for 1 of the following performance awards: Cash (4 shares) or Time-Off (40 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double *(total = 2 critical elements)*	ME	**Majority rated ME and None rated NI**
2.	Single	ME	
3.	Single	EE	
		Total = 3ME, 1EE	**ME**

Employee has at least 1 element rated EE, therefore, is eligible for 1 of the following performance awards: Cash (3 shares) or Time-Off (30 hours)

Employee with 4 Weighted Critical Elements

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double *(supervisory element)* *(total = 2 critical elements)*	ME	**All rated ME and None rated NI**
2.	Single	ME	
3.	Single	ME	
		Total = 4ME	**ME**

Employee is eligible for 1 of the following performance awards: Cash (2 shares) or Time-Off (20 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Double *(supervisory element)* *(total = 2 critical elements)*	EE	**Majority rated EE/ME and Less than 50% rated NI**
2.	Single	ME	
3.	Single	NI	
		Total = 2ME, 1ME, 1NI	**ME**

Employee is eligible for 1 of the following performance awards: Cash (1 share) or Time-Off (10 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Single	ME	**50% rated NI and None rated FME**
2.	Single	NI	
3.	Single	NI	
		Total = 1ME 2NI,	**NI**

Employee is not eligible for a performance award

Employee with 3 Weighted Critical Elements

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Single	EE	**All rated EE**
2.	Single	EE	
3.	Single	EE	
		Total = 3EE	**SE**

Employee is eligible for 1 of the following performance awards: QI, Cash (5 shares) or Time-Off (50 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Single	EE	**Majority rated EE and None rated NI**
2.	Single	EE	
3.	Single	ME	
		Total = 2EE, 1ME	**EE**

Employee is eligible for 1of the following performance awards: Cash (4 shares) or Time-Off (40 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Single	ME	**Majority rated ME and None rated NI**
2.	Single	ME	
3.	Single	EE	
		Total = 2ME, 1EE	**ME**

Employee has 1 element rated EE, therefore, is eligible for one of the following performance awards: Cash (3 shares) or Time-Off (30 hours)

Employee with 3 Weighted Critical Elements

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Single	ME	**All rated ME and None rated NI**
2.	Single	ME	
3.	Single	ME	
		Total = 3ME	**ME**

Employee is eligible for 1 of the following performance awards: Cash (2 shares) or Time-Off (20 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Single	ME	**Majority rated ME and Less than 50% rated NI**
2.	Single	ME	
3.	Single	NI	
		Total = 2ME, 1NI	**ME**

Employee is eligible for 1 of the following performance awards: Cash (1 share) or Time-Off (10 hours)

Weighted Critical Elements		Critical Element Rating	Summary Rating
1.	Single	ME	**At least 50% rated NI and None rated FME**
2.	Single	NI	
3.	Single	NI	
		Total = 1ME 2NI	**NI**

Employee is not eligible for a performance award

NOTE: The Supervisory Element is <u>always</u> double weighted, and may also be triple weighted. Supervisory positions must have at least 2 other critical elements in addition to the supervisory element.

APPENDIX I: Sample Rating of Record - Reassignment/Promotion

RATING OF RECORD ISSSUED FOR REASSIGNMENT OR PROMOTION ON/AFTER JULY 4

Mr. Smith is promoted from Nuclear Energy (NE) to National Nuclear Security Administration (NNSA) effective Sunday, August 30, 2011. Mr. Smith is moving within DOE during the last 90 days of the appraisal period, therefore his Rating Official will prepare his annual rating of record which will end on August 29, 2011, rather than the end of the normal appraisal period (September 30).

Mr. Smith is issued a summary rating of Exceeds Expectations (EE), and therefore is entitled to a cash award of 4 shares or a time-off award of 40 hours.

The NE Rating Official will:

- Determine the award Mr. Smith will receive. If Mr. Smith receives a cash award, his salary at the time of his promotion (August 29, 2011), will be used in the calculation process.
- Provide the NNSA HR Office with a copy of Mr. Smith's rating of record for inclusion in his eOPF.
- Provide the NNSA HR Office with an SF-52 containing the award amount and the funding citation needed to process Mr. Smith's performance award.

The following is an example of sections 1 and 6 of Mr. Smith's performance plan.

SECTION 1 - EMPLOYEE DATA		
1a. Name: (Last, First MI): Smith, Charles D.		1b. Position Title/ Pay Plan/Series/Grade: HR Specialist, GS/201/11
1c. Organization: Office of the Chief Human Capital Officer		1d. Duty Station: Washington, DC
1e. Appraisal Period Dates: Beginning: 10/1/2010 Ending: 08/29/2011	1f. Appraisal Type: ☒ Annual Rating of Record ☐ Other (Explain) ☐ Advisory Rating (Detail /Temporary Promotion)	
SECTION 5d – SUMMARY RATING (from summary rating determination chart)		
Signatures certify that the employee's summary rating has been discussed. The employee's signature does not necessarily indicate agreement with the rating.		
5a. ☐ **SE** ☒ **EE** ☐ **ME** ☐ **NI** ☐ **FME**		
5b. Reviewing Official Signature:	5c. Typed Name Joan White	5d. Date: September 5, 2011
5e. Rating Official Signature:	5f. Typed Name Jim Stone	5g. Date: September 6, 2011
5h. Employee's Signature	5i. Typed Name Charles Smith	5j. Date:
5k. ☐ Employee declined to sign form. ☒ Employee not available to sign form Reason: Employee reassigned to NNSA on August 30, 2011.		
Rating and/or Reviewing Official's Comments: *(Optional)* Mr. Smith has done a superb job this year. His performance is exceeding in critical elements 2 & 4.		
Employee's Comments: *(Optional)*		

APPENDIX J: Sample Rating of Record - Within-Grade Increase

RATING OF RECORD ISSUED FOR WITHIN-GRADE INCREASE JUSTIFICATION

Prior to transferring to DOE on November 1, 2010, Mr. Brown was issued a rating of record from another government agency whose appraisal period ended on September 30, 2010. The rating of record issued to Mr. Brown's was below the Meets Expectations (ME) level. Mr. Brown's waiting period for his within-grade increase is over May 15, 2011, and the Rating Official has determined that Mr. Brown is currently performing at the ME level.

Although Mr. Brown's current performance is at the ME level, his most recent rating of record, i.e. since May 15, 2010, is below the ME level, and therefore, Mr. Brown is ineligible to receive a within-grade increase.

The Rating Official must issue Mr. Brown a rating of record reflecting the ME level of performance, thus justifying the acceptable level of competence determination and the within-in grade increase.

The following is an example of sections 1 and 6 of Mr. Brown's performance plan.

SECTION 1 - EMPLOYEE DATA	
1a. Name: (Last, First MI): Brown, Raymond J.	1b. Position Title/ Pay Plan/Series/Grade: HR Specialist, GS/201/11
1c. Organization: Office of the Chief Human Capital Officer	1d. Duty Station: Washington, DC
1e. Appraisal Period Dates: Beginning: 11/1/2010 Ending: 05/1/2011	1f. Appraisal Type: ☐ Annual Rating of Record ☒ Special Rating of Record (WGI Justification) ☐ Advisory Rating (Detail/Temporary Promotion)

SECTION 5 – SUMMARY RATING (from summary rating determination chart)		
Signatures certify that the employee's summary rating has been discussed. The employee's signature does not necessarily indicate agreement with the rating.		
5a. ☐ **SE** ☐ **EE** ☒ **ME** ☐ **NI** ☐ **FME**		
5b. Reviewing Official Signature:	5c. Typed Name Joan White	5d. Date: May 3, 2011
5e. Rating Official Signature:	5f. Typed Name Jim Stone	5g. Date: May 4, 2011
5h. Employee's Signature	5i. Typed Name Raymond Brown	5j. Date: May 4, 2011
5k. ☐ Employee declined to sign form. ☐ Employee not available to sign form Reason:		
Rating and/or Reviewing Official's Comments: *(Optional)* Mr. Brown is doing a good job and is performing his critical elements at the meets expectations level.		
Employee's Comments: *(Optional)*		

APPENDIX K: Approval Levels for Monetary Awards

Non-SES Awards*

Approving Official	Performance	On-The-Spot**	Special Act Or Service**	Time-Off Award**	Referral Bonus	Quality Increase
Heads of HQs elements	Up to $10,000	Up to $500	Up to $7,500	Up to 80 hours /yr; if for performance, see the Collective Bargaining Agreement	Up to $500 or 16 hours time off	X
Administrator, NNSA	Up to $10,000	Up to $500	Up to $10,000	Up to 80 hours/yr; not for a performance award		
HC-1			$7,501 to $10,000***			
Heads of Field elements	Up to $10,000	Up to $500	Up to $7,500	Up to 80 hours/yr; if a performance award, see your local directive and/or Collective Bargaining Agreement	Up to $500 or 16 hours time off	X

* Includes pay band V and SL/ST employees
** Per employee; there is no limit for a group of employees
*** For non-NNSA elements only

APPENDIX L: Sample Performance Award Process

Pay Pool Amount 4%

The following outlines the 4 step process used to determine an employee's full performance award.

Step 1.

- Multiply each employee's salary by the number of "Award Shares" received for their summary rating to get each employee's weighted salary. *This is done for every employee in the pay pool.*
- Add all the employee salaries together to get the **"Sum of the Aggregate Salaries".** *The "Sum of the Aggregate Salaries" will be used in Step 2.*
- Add all of the weighted salaries together to get the **"Sum of the Weighted Salaries".** *The "Sum of the Weighted Salaries" will be used in Step 3.*

Employee's Salary		Award Shares		Employee's Weighted Salary
$124,858	X	4 (EE)	=	$ 499,432
$124,858	X	3 (ME)	=	$ 374,574
$124,858	X	2 (ME)	=	$ 249,716
$ 43,958	X	5 (SE)	=	$ 219,790
$ 43,958	X	4 (EE)	=	$ 175,832
$ 43,958	X	3 (ME)	=	$ 131,874
$506,448 **(Sum of the Aggregate Salaries)**				$1,651,218 **(Sum of the Weighted Salaries)**

Step 2.

- Multiply the "Sum of the Aggregate Salaries" (from step 1) by the pay pool amount to get the **"Awards Pool"**. *The Awards Pool is used in step 3.*

Sum of Aggregate Salaries		Pay Pool Amount		Awards Pool
$506,448	X	4%	=	$20,257

Step 3.

- Divide the Awards Pool by the sum of the weighted salaries (from step 1) to get the **Share Value**. *The Share Value will be used in Step 4.*

Awards Pool		Sum of Weighted Salaries	=	Share Value
$20,257	÷	$1,651,218		.012

Step 4.

- For each employee in the pay pool, multiply the Share Value by the number of Award Shares by the Employee's Salary to get the employee's Award Amount.

Share Value		Award Shares		Employee Salary		Award Amount
.012	X	4 (EE)	X	$124,858	=	$ 5,993
.012	X	3 (ME)	X	$124,858	=	$ 4,494
.012	X	2 (ME)	X	$124,858	=	$ 2,996
.012	X	5 (SE)	X	$ 43,958	=	$ 2,637
.012	X	4 (EE)	X	$ 43,958	=	$ 2,109
.012	X	3 (ME)	X	$ 43,958	=	$ 1,582
						$ 19,811 (Total awards paid)

NOTE: All calculations are taken to the 3 decimal places, e.g., 600 hours divided by 2080 hours equals .288.

APPENDIX M: Sample - Pro-Rated Cash Award Process

Determining a pro-rated share value is a 5 step process. It includes an additional step to be done following Step 3 of the full performance award process.

Step 1.

- Multiply each employee's salary by the number of "Award Shares" received for their summary rating to get each employee's weighted salary. *This is done for every employee in the pay pool.*
- Add all the employee salaries together to get the **"Sum of the Aggregate Salaries".** *The Sum of the Aggregate salaries will be used in Step 2.*
- Add all of the weighted salaries together to get the **"Sum of the Weighted Salaries".** *The "Sum of the Weighted Salaries" will be used in Step 3.*

Employee's Salary X Award Shares = Employee's Weighted Salary

Step 2.

- Multiply the "Sum of the Aggregate Salaries" (from step 1) by the pay pool percentage to get the **"Awards pool"**.

Sum of Aggregate Salaries X Pay Pool Amount = Awards Pool

Step 3.

- Divide the Awards Pool by the sum of the weighted salaries (from step 1) to get the **Share Value**.

Awards Pool ÷ Sum of Weighted Salaries = Share Value

Step 4. (Additional Step)

- Divide the total hours in a pay status, by 2080 hours; multiply the result times the pay pool's share value to get the employee's individual **Pro-Rated Share Value**.

Hours in pay status ÷ 2080 X Share Value = Pro-Rated Share Value

Step 5.

- Multiply the employees Pro-Rated Share Value by the number of Award Shares by the Employee's Salary to get the employee's Pro-Rated Award Amount.

Pro-Rated Share Value X Award Shares X Employee Salary = Award Amount

SAMPLE:
Mr. Jones is a GS 15/2 with an annual salary of $124,858. He was in a pay status for 600 hours during the appraisal period. He received a summary rating of EE which is 4 Award Shares. Following steps 1-3 above, his HR Office determined that the organization's pay pool share value is .011.

To determine Mr. Jones' cash award, the HR Office must include step 4 above:

Step 4.	**Hours in pay status**	÷	**2080**	=	**Pro-Rated Hours**	X	**Share Value**	=	**Pro-Rated Share Value**
	600	÷	2080	=	.288	X	.011		.003

Step 5.

Pro-Rated Share Value	X	**Award Shares**	X	**Employee Salary**	=	**Award Amount**
.003	X	4 (EE)	X	$124,858	=	$1498

APPENDIX N: Sample Pro-Rated TOA Process

Mr. Jones is a GS 15/2 with an annual salary of $124,858. He was in a pay status for 600 hours during the appraisal period. He received a summary rating of EE which is 40 hours.

To determine Mr. Jones' time-off award, the HR Office will utilized the following process:

Hours in pay status	÷	**2080**	=	**Pro-Rated Hours**	**X**	**Hours**	=	**Pro-Rated Hours**
600	÷	2080	=	.288	X	40	=	11.52 round to the nearest hour = 12

APPENDIX O: Monetary Awards Scale

MONETARY AWARDS SCALE FOR INTANGIBLE BENEFITS FROM SUGGESTIONS, INVENTIONS, SPECIAL ACTS OR SERVICES				
VALUE OF BENEFIT	**EXTENT OF APPLICATION**			
	Limited Affects functions, mission, or personnel of one office (e.g., field site office or one office within a HQ Departmental element). Affects a small area of science or technology.	**Extended** Affects functions, mission, or personnel of several field site offices or HQ office within a Departmental element (e.g., more than one). Affects an important area of science or technology.	**Broad** Affects functions, mission, or personnel of an entire Departmental element or Departmental element with multiple site offices. Affects a broad area of science or technology.	**General** Affects functions, mission, or personnel of multiple Departmental elements or throughout the Department or is in the public interest throughout the Nation or beyond.
Moderate Change or modification of an operating principle or procedure with limited impact or use.	Up to $120	Up to $300	Up to $600	Up to $1,200
Substantial Change or modification of an operating principle or procedure; an important improvement to the value of product, activity, or program.	Up to $300	Up to $600	Up to $1,000	Up to $3,000
High Complete revision of a basic principle or procedure; a highly significant improvement to the value of a product, major activity, or program.	Up to $600	Up to $1,200	Up to $3,000	Up to $6,000
Exceptional Initiation of a new principle or procedure; a superior improvement to the quality of a critical product, activity, or program.	Up to $1,200	Up to $3,100	Up to $6,000	Up to $10,000 (awards over $10,000 must be approved my OPM)

MONETARY AWARDS SCALE FOR TANGIBLE BENEFITS	
SAVINGS TO GOVERNMENT	**AWARD AMOUNT**
Up to $10,000	10 percent of the benefits
$10,001 – $100,000	$1,000 for the first $10,000 in benefits, plus 3 percent of benefits over $10,000
$100,001 or more	$3,700 for the first $100,000 in benefits, plus .005 of benefits over $100,000 Award amount should not exceed recipient's annual salary

APPENDIX P: Time-Off Awards Scale

TIME OFF AWARD SCALE FOR INTAGIBLE BENEFITS	
VALUE OF THE EMPLOYEE'S CONTRIBUTION	**HOURS TO BE AWARDED**
MODERATE – A contribution to a product, program or service to the public which is of sufficient value to merit formal recognition. Beneficial change or modification of operating principles or procedures.	1 - 10 Hours
SUBSTANTIAL – An important contribution to the value of a product, activity, program or service to the public. Significant change or modification or operating principles or procedures.	11 - 20 Hours
HIGH – A significant contribution to the value of a product, activity, program or service to the public. Complete revision of operating principles or procedures with considerable impact.	21 - 30 Hours
EXCEPTIONAL – A superior contribution to the quality of a critical product, activity, program or service to the public. Initiation of a new principle or major procedure with significant impact.	31 - 40 Hours