

ARTICLE 26--PERFORMANCE APPRAISAL

The performance appraisal of employees in the AFGE bargaining unit shall be in accordance with this Article and VA Directive 5013 and VA Handbook 5013. In the case of a conflict between this Master Agreement and VA Directive 5013 and VA Handbook 5013, this Master Agreement Article, will prevail. Nothing in this Article shall affect any other Articles of VA/AFGE Master Agreement.

This Article shall be effective when executed, ratified by the Union and approved by the Department. This Article may be renegotiated as part of VA/AFGE Master Agreement renegotiation, or otherwise affected by the provisions of Article 61, Duration of Agreement.

Section 1 - Overview

- A. The Department will strive for continuous improvement in performance to fulfill the Department's commitment to providing quality customer service. Accomplishment of the mission is intended to be achieved within an environment that both recognizes the interdependence of employee contributions and promotes teamwork. Improvement in Department performance will be sought by analyzing work processes and correcting systemic problems and/or revising processes, as appropriate.
- B. Through a strategic management process, goals will be established, measured and monitored in a systematic manner. The results of performance appraisal may be used as a basis for recognizing and rewarding accomplishments, identifying developmental needs, and recommending appropriate personnel actions.
- C. The purpose of an employee's performance appraisal is to provide a fair and equitable framework for honest feedback and open two-way communication between employees and their supervisors. The performance appraisal focuses on contributions within the scope of the employee's job description in achievement of the Department's overall mission. The performance appraisal process includes an annual written appraisal for each employee.
- D. The parties share an interest in improving the performance of the Department's workforce. This shall be achieved by establishing elements and standards that link the employee's performance to the Department's mission; providing employees with frequent feedback; recognizing individual and group performance; customer service; establishing appropriate rewards for good performance; identifying areas for improved performance; and actions to accomplish that improvement.
- E. The parties believe that the performance appraisal process, constructively used, is one of the most effective methods for optimizing the effectiveness of the Department's workforce. The Department has a very real responsibility for helping employees maximize their performance, which can be accomplished through constructive and positive performance evaluations.

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F. The performance appraisal process will emphasize:

- Communication with employees on a continuing basis regarding their achievements and areas in which they could improve.
- Employee and employee representative participation in the development of the program.
- Employee development/evolution of the supervisor's role to coach (rather than being used as a disciplinary tool).
- Continued performance improvement of the organization and its employees and assistance to employees in improving unacceptable performance.
- Recognition of special contributions as part of or in addition to regular job duties.

G. An annual rating of "fully successful" assures employees of eligibility for award consideration, promotion consideration, and within grade increases and serves as a positive, tangible assertion that the employee is meeting his/her job requirements.

H. The performance appraisal process as set forth in this Article is intended to be innovative and evolutionary in nature. Its effectiveness is critical to the Department achieving its mission.

Section 2- Definitions

A. Appraisal. The process under which performance is reviewed and evaluated.

B. Appraisal Period. The established period of time for which performance will be reviewed and a rating of record will be prepared.

C. Critical Element. A work assignment or responsibility of such importance that unacceptable performance on the element would result in a determination that an employee's overall performance is unacceptable. Such elements shall be used to measure performance only at the individual level. Performance plans must contain at least one critical element that must be used in deriving a summary rating.

D. Non-Critical Element. A dimension or aspect of individual, team, or organizational performance, exclusive of a critical element, that is used in assigning a summary level. Such elements may include, but are not limited to, objectives, goals, programs plans, work plans, and other means of expressing expected performance. Performance plans must contain at least one non-critical element that must be used in deriving a summary rating.

E. Minimum Appraisal Period. The ninety (90) day period during which an employee must have performed under communicated performance elements and standards that may result in a performance rating.

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F. Performance. The accomplishment of work assignments or responsibilities.

G. Performance Plan. All written or otherwise recorded, performance elements that set forth expected performance. A plan must include all critical and non-critical elements and their performance standards.

H. Performance Rating. The written or otherwise recorded, appraisal of performance compared to the performance standard(s) for each critical and non-critical element on which there has been an opportunity to perform for the minimum period.

I. Performance Standard. The management-approved expression of the performance threshold(s), requirement(s), or expectation(s) that must be met to be appraised at a particular level of performance. A performance standard may include quality, quantity, timeliness, and manner of performance. Performance standards can be written for more than one level of achievement where appropriate. However, performance standards must be written at least at the fully successful achievement level.

J. Progress Review. A face-to face meeting with employee(s), at least once during the appraisal period, about their performance. Such a meeting usually occurs during the mid point period.

K. Rating Official. The management official who rates an employee's performance. Normally, the Rating Official shall be the immediate supervisor.

L. Rating of Record. The performance rating prepared at the end of the appraisal period for performance of assigned duties over the entire period and the assignment of a summary level. This constitutes the official rating of record as defined in 5 CFR Part 430.

M. Special Rating of Record. A performance rating prepared at the end of the minimum 90-day period of performance, used in limited circumstances to document current performance as a basis of a personnel action.

N. Summary Ratings. The record of the appraisal of each critical and non-critical element and the assignment of an overall rating. These rating will be assigned in accordance with the following criteria:

1. **Outstanding.** The achievement levels for all elements are designated as Exceptional.

2. **Excellent.** The achievement levels for all critical elements are designated as Exceptional. Achievement levels for non-critical elements are designated as at least Fully Successful. ~~Some, but not all non-critical elements may be designated as Exceptional.~~

3. **Fully Successful.** The achievement level for at least one critical element is designated as Fully Successful. Achievement levels for other critical and non-critical elements are designated as at least Fully Successful or higher.

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4. Minimally Satisfactory. The achievement levels for all critical elements are designated as at least Fully Successful. However, the achievement level(s) for one (or more) non-critical elements is (are) designated as Less Than Fully Successful.

5. Unsatisfactory. The achievement level(s) for one (or more) critical elements is (are) designated as Less Than Fully Successful.

Section 3 - Policy

A. In its entirety and application, the performance appraisal process will to the maximum extent feasible, be fair, equitable, and strictly related to job performance as described by the employee's job description.

B. Conduct unrelated to job performance shall not be considered in measuring an employee's performance.

C. Performance appraisals shall be fair and objective. They shall measure actual work performance over the entire rating period in relation to the performance requirements of the positions to which employees are assigned. Regardless of the source(s) of information used for performance appraisal, such information will be collected, used, and maintained in accordance with the Privacy Act.

D. Union officials who are granted official time for representational activities under the Official Time Article, will not be penalized in their performance appraisals for such use of official time. Their performance of duties shall be evaluated against assigned elements and performance standards for the time they were available to perform their duties. The use of official time, in accordance with this Agreement, shall not influence an employee's performance evaluation in any way. If an employee does not spend a sufficient amount of time in the performance of regular duties during a performance period to be fairly rated against the performance standards, the employee will carry over their rating from the last rating period.

Section 4 - Performance Management Responsibilities

Performance management responsibilities:

A. Appropriate management officials shall be responsible for:

1. Providing supervision and feedback to employees on an on-going basis with the goal of improving employee performance.
2. Nominating deserving employees for performance awards.

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B. Employees are responsible for:

1. Performing the duties outlined in his or her position description and performance elements.
2. Promptly notifying supervisors about factors that interfere with their ability to perform their duties at the level of performance required by their performance elements.

Section 5 - Performance Standards

A. Objective criteria will be used to the maximum extent feasible in establishing and applying performance standards and elements. The rating official will establish and communicate in writing to employee(s) critical and non-critical elements and performance standards, at the beginning of the appraisal period (normally within 30 days). After initial issuance of critical and non-critical elements and performance standards, the elements and standards will be provided annually, thereafter. All aspects of the performance plan, including numerical standards, measurement indicators, priorities, and weightings, if applicable, will be communicated in writing to the affected employees at the time the employees receive their performance elements and standards. The union may provide input into any changes to performance standards and/or establishment of new performance standards.

B. Whether or not more than one level is defined, the rating official will provide the employee, with information that is adequate to inform him/her of what is necessary to reach an "Exceptional" level on each element. Additional information regarding performance expectations can be in the form of written instructions, work plans, records of feedback sessions, responses to employee questions concerning performance, memoranda describing unacceptable performance, or any reasonable manner calculated to apprise the employee of the requirements against which he or she is to be measured. This additional specification should be sufficient to assist the employee in achieving the "Exceptional" level.

C. Performance standards and elements to the maximum extent feasible shall be reasonable, realistic, attainable, and sufficient under the circumstances to permit accurate measurement of an employee's performance, and adequate to inform the employee of what is necessary to achieve a "Fully Successful" level of achievement. Performance standards that assess an employee's manner of performance must be job related, documented, and measurable. There must be a nexus between the expected manner of performance and the expected job results.

D. Performance standards must be written at least at the Fully Successful achievement level. However, standards can be written for more than one level of achievement where appropriate.

E. The Union shall be given reasonable written advance notice (no less than 15 calendar days) when Management changes, adds to, or establishes new elements and performance standards. Prior to implementation of the above changes to performance standards, management shall meet all bargaining obligations.

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F. To the maximum extent feasible, performance standards shall be defined in terms of objective criteria. In addition, they shall be defined in the terms of criteria that are observable, measurable, fair and job-related. Performance measures in terms of quality, quantity or timeliness, must provide a clear means of assessing whether objectives have been met.

G. Employees will be evaluated based on a comparison of performance with the standards established for the appraisal period. Elements and standards shall be based on the requirements of the employee's position.

H. Normally, elements are not weighted or assigned different priorities. However, the Department will inform the employee, at the time the elements and standards are communicated, whether aspects of any job elements are to be accorded different priority. If the elements, standards, or priority changes, that change(s) will be communicated to the employee when it becomes effective. In addition, each time an employee is assigned to a new position, the Department shall communicate the specific elements and performance standards, and any differing priority, of the position that will apply to the employee.

I. When the Department mandates national performance standards, all bargaining obligations with the Union shall be met at the national level.

Section 6 - Communications

A. An orientation briefing will be provided to all new employees entering on duty, and there will be an oral discussion to explain, clarify, and communicate the employee's job responsibilities as articulated in the employee's position description and/or performance plan. The purpose of this discussion is to ensure that there is a clear and common understanding of the duties and responsibilities contained in the employee's position description and/or performance plan.

B. Orientation sessions shall be held when there is a change in the work situation. Examples may include, but are not limited to:

- A change in the supervisor of record;
- When the employee is detailed;
- A change in the work unit's goals, objectives, or work processes;
- A change in assignments; or
- When an employee returns from an extended absence.

C. Normally within thirty (30) days after entry into the position or when an employee's position description or performance plan is changed, employees shall receive a copy of the position description and the performance plan. Employees shall be advised of the major tasks and responsibilities of their jobs, including which are critical and non-critical, and any priority and weighting for the elements.

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D. The rating official will assure that the employee has an up-to-date position description, access to up-to-date copy of the Department's mission and goals and, if applicable, the career ladder plan, and will initiate a dialogue with the employee to discuss the employee's duties and responsibilities in relation to the organizational unit's goals and the Department's mission. Employees are encouraged to bring training or developmental needs to the attention of the supervisor.

E. At the beginning of each rating period and when changes are made to performance standards the Department agrees that the supervisory personnel shall meet with their employees to discuss new or revised critical and non-critical elements and standards; however, if the elements have not changed, the supervisor shall communicate to them that the critical and non-critical elements will remain the same for the appraisal period. Critical and non-critical elements and standards can change, among other cases, when an employee moves from one level in a career ladder position to another level. The purpose of the meeting shall be to clarify any questions that the employees have concerning their performance standards (for example, explanations or examples of what employees must do to perform at each level). Any questions left unanswered during the meetings referenced above will be responded to within one (1) week of the end of the meeting. If questions remain from a group meeting, the entire group shall be informed of the response.

Section 7 - Uses of the Performance Appraisal Process

A. The performance appraisal process is used for making a basic determination that an employee is meeting their job requirements. It is also the basis for making certain personnel-related decisions.

B. Within-Grade Increase – An employee who has attained a rating of “Fully Successful” and has achieved an “acceptable level of competence” will be entitled to appropriate within-grade increases.

C. A rating of “Fully Successful” will be used as the initial factor in determining basic eligibility for consideration of awards, promotions, and other personnel actions.

D. Each element in the employee's performance plan will be rated with one of the following “Levels of Achievement:”

1. Exceptional
2. Fully Successful
- ~~3. Less Than Fully Successful~~

E. Performance standards will be written at the “Fully Successful” level of achievement. Supervisors may elect to write standards at levels other than the “Fully Successful” achievement level, or to provide other guidance on how to exceed performance expectations.

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F. In general, an "Exceptional" level of achievement means that all "Fully Successful" performance standards for the element are significantly surpassed. This level is reserved for employees whose performance in the element far exceeds normal expectations and results in significant contributions to the organization.

G. An "Outstanding" summary rating is attained when the achievement levels for all elements are designed as "Exceptional." An "Excellent" summary rating is attained when the achievement levels for critical elements are designated as "Exceptional" and the achievement levels for non-critical elements are designated as at least "Fully Successful." Employees who want to achieve the "Exceptional" achievement level on one or more of their elements are encouraged to talk with their supervisor about appropriate stretch goals for each element in question.

H. Any employee receiving an "Outstanding" performance rating shall be eligible to receive an award.

I. Any employee receiving an "Excellent" performance rating shall be eligible to receive an award.

J. Any employee receiving a "Fully Successful" performance rating shall be eligible to receive an award.

Section 8 - Process

A. All bargaining unit employees will receive an annual performance appraisal for the period October 1 through September 30, or other dates agreed to by the national parties, thereby certifying that the job duties and responsibilities have been performed at an acceptable level. The evaluation will be issued in writing to the employees within sixty (60) calendar days of the end of the appraisal period. Employees new to the Department (with less than ninety (90) calendar days) as of October 1, will receive a delayed evaluation upon completion of the ninety (90) calendar days.

B. If there is a change from one (1) permanent position to another during the last ninety (90) days of the appraisal year, the special rating of record becomes the rating of record for the appraisal period. The employee's existing rating shall be used as the rating of record until a rating of record is prepared. Ratings for periods of time which are less than the full annual appraisal period will be so noted. Ratings of record must be postponed or delayed as required in 5 CFR 430 and 531.

C. The employee self-assessment is a critical source of employee performance information and can contribute to improved communication between supervisors and employees. An employee who chooses to prepare such assessment shall be granted a reasonable amount of time to document the accomplishment and prepare the assessment. The employee shall submit that self-assessment to their immediate supervisor within ten (10) working days after the end of the appraisal cycle.

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D. Employees should be aware that their self-assessment/input is essential to the appraisal process. Employees are strongly encouraged to provide information to the rating official that can be used to supplement the rating official's knowledge concerning their performance and contributions to the mission of the Department. Employees who wish to do self-assessments under this Section will be given appropriate guidance to help them prepare a performance self-assessment. The guidance will be provided during duty time and structured around their performance plan .

E. When evaluating performance, the Department shall not hold employees accountable for factors which affect performance that are beyond the control of the employee. All changes in working procedures must be communicated to employees before they can be charged with errors. If the initial instruction was communicated in writing, the change should also be communicated in writing.

F. The fact that an employee assumes new tasks, receives new elements, changes positions, is a trainee, or gets promoted does not create a presumption that their performance may not be exceptional or otherwise deserving of recognition or an award. Rather, each employee's appraisal shall be strictly based on their performance against those elements that apply during the relevant appraisal cycle.

Section 9 – Progress Reviews and Informal Discussions

A. Ongoing appraisal. An appraisal program shall include methods for appraising each critical and non-critical element during the appraisal period. Performance on each critical and non-critical element shall be appraised against its performance standard(s). Ongoing appraisal methods shall include, but not be limited to, conducting one or more progress reviews during each appraisal period.

B. Supervisors will conduct at least one mid-point formal progress review with each employee and document the results of the review.

C. The purpose of the progress review is to exchange information concerning the performance of the employee as compared to the established elements and standards. In this review, employees are encouraged to discuss information, which impacts on their performance. The supervisor shall notify an employee of adverse information when he/she becomes aware of it; information not provided to the employee at that time shall not be used to adversely affect the employee's performance appraisal. The review may include identification and consideration of any formal or informal training felt to be helpful in aiding the employee to accomplish his/her performance plan.

~~D. Informal discussions are a standard part of supervision and should occur throughout an appraisal period.~~

1. Discussions may be initiated by the supervisor or employee. Discussions may be held one-on-one or between a supervisor and a work group.

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2. Discussions should be candid, forthright dialogues between the supervisor and employee(s) aimed at improving the work product. Discussions will provide the opportunity to assess accomplishments and progress and identify and resolve any problems in the employee's or work team's work product. Where indicated, the supervisor shall provide additional guidance aimed at developing the employee(s) and improving the work product or outcome. Discussions will provide the employee the opportunity to seek further guidance and understanding of his or her work performance.
3. Informal discussions may become formal, depending on the circumstances.

Section 10 - Performance Improvement Plan (PIP)

A. If the supervisor determines that the employee is not meeting the standards of his/her critical element(s), the supervisor shall identify the specific, performance-related problem(s). After this determination, the supervisor shall develop in consultation with the employee and union representative, a written PIP. The PIP will identify the employee's specific performance deficiencies, the successful level of performance, the action(s) that must be taken by the employee to improve to the successful level of performance, the methods that will be employed to measure the improvement, and any provisions for counseling, training, or other appropriate assistance. In addition to a review of the employee's work products, the PIP will be tailored to the specific needs of the employee and may include additional instructions, counseling, assignment of a mentor, or other assistance as appropriate. For example, if the employee is unable to meet the critical element due to lack of organizational skills, the resulting PIP might include training on time management. If the performance deficiency is caused by circumstances beyond the employee's control, the supervisor should consider means of addressing the deficiency using other than a PIP. The parties agree that placing the employee on 100% review alone, does not constitute a PIP.

B. The performance improvement plan will afford the employee a reasonable opportunity of at least ninety (90) calendar days to resolve the specific identified performance-related problem(s). The PIP period may be extended.

C. Ongoing communication between the supervisor and the employee during the PIP period is essential; accordingly, the supervisor shall meet with the employee on a bi-weekly basis to provide regular feedback on progress made during the PIP period. The parties may agree to a different frequency of feedback. The feedback will be documented in writing, with a copy provided to the employee. If requested by the employee, Union representation shall be allowed at the weekly meeting.

D. The goal of this PIP is to return the employee to successful performance as soon as possible.

E. At any time during the PIP period, the supervisor may conclude that the employee's performance has improved to the fully successful level and the PIP can be terminated. In that event, the supervisor will notify the employee in writing, terminate the PIP, and evaluate the employee as fully successful or higher.

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F. In accordance with 5 CFR 432.105 (a) (2), if an employee has performed acceptable for one year from the beginning of an opportunity to demonstrate an acceptable performance (in the critical element(s) for which the employee was afforded an opportunity to demonstrate acceptable performance), and the employee's performance again becomes unacceptable, the VA shall afford the employee an additional opportunity to demonstrate acceptable performance before determining whether to propose a reduction in grade or removal.

Section 11 - Performance-Based Actions

A. Should all remedial action fail and the employee's performance is determined to be unacceptable, the supervisor will issue a rating of unacceptable performance to the employee. One of the following actions will be taken: reassignment, reduction to the next lower appropriate grade, or removal.

B. An employee who is reassigned or demoted to a position at a lower grade shall receive a determination of his/her standing after ninety (90) calendar days in the new position.

C. A notice of reassignment for performance reasons shall contain an explanation of the reasons why training had been ineffective or inappropriate. When a reassignment is proposed in these instances, the following shall apply:

1. The reassignment shall be to an available position for which the employee has potential to achieve acceptable performance;
2. The employee shall receive appropriate training and assistance to enable the employee to achieve an acceptable level of performance in the position;
3. The reassignment shall be within the commuting area of the employee's current position; and
4. The reassignment shall be at the grade and step level equal to that of the position held by the employee prior to the reassignment.

D. An employee whose reduction in grade or removal is proposed for unacceptable performance is entitled to:

1. Thirty (30) calendar days' advance written notice of the proposed action which identifies both the specific instances of unacceptable performance by the employee on which the proposed action is based, and the critical element(s) of the employee's position involved in each instance of unacceptable performance;
2. A reasonable time, not to exceed twenty (20) calendar days, to answer orally and in writing;
3. A reasonable amount of authorized time up to eight (8) hours, to prepare an answer. Additional time may be granted on a case-by-case basis;

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4. The employee and/or their representative will be provided with a copy of the evidence file.
- E. An official who sustains the proposed reasons against an employee in an action based on unacceptable performance will set forth their reasons for the decision in writing.
- F. The employee will be given a written decision which:
1. Specifies the instances of unacceptable performance on which the decision is based; and
 2. Specifies the effective date, the action to be taken, and the employee's right to appeal the decision.
- G. The final decision in the case of a proposed action to either remove or downgrade an employee based on unacceptable performance shall be based on those instances which occurred during the current appraisal period.
- H. The decision shall inform the employee of their right to appeal to either the Merit Systems Protection Board in accordance with applicable laws or to file a grievance under the negotiated grievance procedure.

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