

National Archives and Records Administration

Transmittal Memo

DATE: September 19, 2019

TO: All Employees

SUBJECT: NARA 356, Performance Management System

Purpose: This directive establishes NARA policy on performance management and within-grade increases for General Schedule and Federal Wage System employees.

Background/significant changes: This policy was made available for agency-wide review and comment in 2018. This version includes minor revisions to address those comments without changing requirements or policy. This policy also makes changes to clarify employee appeal rights for performance-based actions (para. 356.12f(4)), annual performance ratings (para. 356.16c(3)), and WGI denial (para. 356.19c(4)).

Available forms:

- NA Form 3020, Performance Plan
- NA Form 3020s, Supervisory Performance Plan
- NA Form 3021, Performance Appraisal
- NA Form 3055, Mid-Year Progress Review

Cancelled policies:

- Interim Guidance 356-1, Performance Management System, dated July 9, 2018

Cancelled forms: None.

Related policies:

- NARA 309, Awards and Recognition
- Interim Guidance 300-41, Administrative Grievance Procedure

Effective date: This directive is effective on the date of signature.

Contact information: You may direct questions about this guidance to Tyra Matthews, in room 1330, AII, by telephone at 301-837-3196, by fax at 301-837-3533, or by email at tyra.matthews@nara.gov.

DEBRA STEIDEL WALL
Deputy Archivist of the United States

Attachment

National Archives and Records Administration

NARA 356
September 18, 2019

SUBJECT: NARA 356, Performance Management System

PART 1– GENERAL

356.1 Policy.

- a. NARA maintains a performance management system to improve NARA’s organizational performance results and enhance career opportunities for NARA employees by:
- (1) Developing employee performance plans that support the accomplishment of NARA’s mission, Strategic Goals, and other organizational objectives;
 - (2) Providing for regular two-way communication between supervisors and employees regarding individual and organizational performance;
 - (3) Encouraging employee success by providing specific feedback to employees regarding their achievements and performance deficiencies, and providing timely assistance when needed; and
 - (4) Ensuring fair treatment for all employees by providing performance ratings that make meaningful distinctions between different levels of performance, so that employee compensation, awards and recognition, and performance-based personnel actions are based on merit.
- b. The performance standards and expectations in employee performance plans must support or contribute to organizational goals and objectives and the goals and objectives in NARA’s Strategic Plan. This helps to ensure that individual performance contributes to organizational goals and accomplishments, and effectively communicates to staff how their duties and responsibilities contribute to NARA’s mission and Strategic Goals.
- c. Employees must receive regular, specific feedback on their performance. Managers and supervisors must recognize and encourage employee achievements that contribute to organizational success, and must take immediate steps to address performance deficiencies that may negatively impact organizational performance.
- d. Employees must be assigned the performance rating level that best describes their actual performance during the rating period. An employee who is rated “Outstanding” on a critical element must have clearly and substantially exceeded the performance standards for highly successful and met the standards for outstanding performance. Performance that does not meet the standards for highly successful must be rated no higher than “Fully

Successful”. By definition, most employees perform at the fully successful level and a rating above or below that level must be supported by specific evidence.

e. Rating and Reviewing Officials are held accountable in their own performance plans for accurately and appropriately rating employee performance against the standards in the employee’s performance plan and making appropriate distinctions in levels of performance.

f. NARA uses the results of the performance appraisal as a basis for: awards, promotions, including career-ladder promotions, granting within-grade increases, training and development opportunities, pay increases and performance awards, and determining additional retention service credit for a reduction in force.

356.2 Scope and coverage.

This policy describes the standards and procedures relating to the performance management system for all NARA employees except:

- a. Members of the Senior Executive Service (SES);
- b. Senior Level (SL) employees;
- c. Employees appointed by the President;
- d. Temporary employees who are appointed for a term of 90 calendar days or less; and
- e. Other employees in positions specifically excluded from coverage by law or regulation, including those excluded by 5 U.S.C. § 4301(2) and interns.

356.3 Responsibilities.

- a. The Rating Official is responsible for establishing performance plans, appraising performance, assigning performance ratings, and making determinations regarding within-grade increases. Normally, this is the employee’s immediate supervisor.
- b. The Reviewing Official is responsible for reviewing and approving performance plans and appraisals. Normally, this is the Rating Official’s immediate supervisor except that, when an employee reports directly to the Archivist of the United States, the Archivist will serve as both the Rating and Reviewing Official.
- c. The Deciding Official reviews and makes the final decision on proposed performance-based actions and denials of a within-grade increase. The Deciding Official

is normally the next-higher supervisor over the Reviewing Official except that, when the responsibility would assign to the Archivist of the United States, the Archivist may serve as Deciding Official or may designate another management official to serve in that capacity.

356.4 Performance appraisal period.

- a. The performance appraisal period is the period of time for which an employee's performance will be evaluated. The performance appraisal period runs from October 1 through September 30 of each fiscal year.
- b. The minimum appraisal period is 90 calendar days.
 - (1) If an employee is on a performance plan for at least 90 calendar days in the same appraisal period, the employee is entitled to receive an appraisal and summary rating.
 - (2) If an employee has not performed for at least 90 calendar days under any performance plan at all – including in another position or agency – prior to the end of the appraisal period, the employee's appraisal period may be extended for a maximum of 30 calendar days if the extension would allow for the 90 calendar day minimum appraisal period. If a 30 calendar day extension would not provide the required 90 calendar day appraisal period, the employee must be rated "Unable to Rate" for the appraisal period.

356.5 Performance levels.

NARA uses the following five levels to define and rate performance for each critical element and to assign summary ratings.

- a. Outstanding. Rare, high quality performance that results in extraordinary and exceptional accomplishments with significant contributions to the objectives of the organization. Performance that consistently far exceeds standards established at the highly successful level.
- b. Highly Successful. Unusually good performance that consistently generates results above those expected of the position. Performance meets or exceeds all standards established at this level and makes a significant contribution towards achieving organizational objectives.
- c. Fully successful. Good performance and work quality and quantity indicative of a fully competent employee. Performance meets all standards established at this level and contributes towards achieving organizational objectives.

- d. Minimally satisfactory. Performance below the level expected of most employees; the minimum level for retention on the job. Performance meets standards established at this level.
- e. Unacceptable. Performance that is inadequate for retention in the job. Performance fails to meet minimally satisfactory performance standards in one or more critical elements.

PART 2 – PLANNING PERFORMANCE

356.6 Performance plan procedures.

- a. Each employee must be issued a performance plan with critical elements and performance standards that are specifically defined for the employee's position.
- b. The Rating Official must issue a performance plan, in writing, within 30 calendar days of the beginning of the performance appraisal period or within 30 calendar days of the employee's assignment to a new position or new supervisor, except that:
 - (1) An employee on a detail, temporary assignment, or temporary promotion of 90 calendar days or less, or a cross-training assignment of any length, does not require a new performance plan.
 - (2) A detail, temporary assignment, or temporary promotion longer than 90 calendar days, or any other permanent or temporary reassignment requires a new performance plan. A new plan must be issued by the Rating Official in the gaining office.
 - (3) If a new performance plan is not issued as required, the employee's previous performance plan remains in effect until a new plan is issued, provided the employee remains in the same position.
- c. The Rating Official, in consultation with the Reviewing Official and the employee, must establish performance standards for each critical element. Performance standards must contribute or relate to agency-wide or organizational performance goals that support NARA's Strategic Plan. This approach ensures that performance plans for all employees support NARA's mission and goals.
- d. Employees are encouraged to participate in developing their performance standards. The Rating Official must consider any input provided by the employee before

finalizing the performance plan; however, the Rating Official has final authority for establishing performance plans and standards.

e. The Rating Official must record each employee's critical elements and performance standards on NA Form 3020, Performance Plan. For supervisory employees, the Rating Official must use NA Form 3020s, Supervisory Performance Plan.

f. The Reviewing Official must review and approve all performance plans to ensure consistency with plans established for similar positions within her or his organization and for conformity with organizational goals. **Both the Rating and Reviewing Officials must sign each performance plan before issuing the plan to the employee.**

g. The Rating Official must present the employee with a copy of her or his performance plan and discuss the critical elements and performance standards each time a new performance plan is issued. If the employee is in the bargaining unit, she or he is entitled to Union representation at this meeting (at the employee's election). If the employee provides input on her or his performance plan at this meeting, the Rating Official has an additional 15 calendar days from that date to consider the employee's input, make changes (if needed), seek Reviewing Official approval (if changes are made), and issue the final performance plan to the employee.

h. The employee is expected to sign her or his performance plan to acknowledge receipt. Employee signature does not indicate agreement with the contents of the plan, and is not required. An employee can be held accountable for the performance standards in a performance plan that has been properly presented to the employee, regardless of whether the employee signs it. If the employee refuses to sign the performance plan, the Rating Official will record that fact on the NA Form 3020, along with the date and time that the content was discussed with the employee.

i. The Rating Official must provide the employee with a copy of the performance plan once it has been issued, and will retain the original in the employee's unofficial personnel file. If the employee is in the bargaining unit, the supervisor must provide the employee's Union representative a copy of the plan upon request.

j. If an employee disagrees with the content of her or his performance plan, the Rating Official and the employee should attempt to resolve the disagreement. If the dispute cannot be resolved, the Reviewing Official will make the final decision as to the content of the performance plan. An employee may not grieve the contents of her or his performance plan.

356.7 Revising performance expectations.

- a. The Rating Official may revise performance standards at any time, provided the employee is given any revisions in writing and there are at least 90 calendar days remaining in the appraisal period.
- b. The Rating Official must revise performance standards any time there is a significant change in the employee's duties during the appraisal period. Examples include:
 - (1) New or revised organizational performance goals or management priorities that change an employee's work assignments (or mix of assignments) from what was contemplated when her or his performance plan was issued; or
 - (2) Outside influences beyond an employee's control, such as new work processes, new technology, or changes in customer demand that make the original performance standards obsolete or impossible to achieve.
- c. Revised performance standards are effective immediately, after they are approved by the Reviewing Official and issued to the employee.

356.8 Critical elements.

- a. Critical elements identify duties and responsibilities of a position that contribute toward accomplishing organizational goals and objectives and are of such importance that unacceptable performance on a single critical element would result in a determination that an employee's overall performance is unacceptable.
- b. The Rating Official, in consultation with the Reviewing Official and the employee, develops and assigns critical elements in employee performance plans using the following standards:
 - (1) For non-supervisory employees, performance plans must contain three to five critical elements, determined by the Rating Official.
 - (2) For all supervisory employees, performance plans must contain five critical elements, of which, two must be the agency-wide standard critical elements for "Supervision" and "Workplace Culture and Morale".
 - (3) The guidance in subparagraphs (1) and (2), above, does not apply to positions for which the Office of Human Capital has approved the use of standardized critical elements. When the Office of Human Capital has approved standardized critical elements for a position or job series, the

Rating Official must use the approved number and content of the critical elements without modification.

- c. Each critical element must be given the same weight when calculating an employee's summary rating. Employee performance plans must not include variable weighting for different critical elements.

356.9 Performance standards for critical elements.

- a. Performance standards are statements of the expectations or requirements established for a critical element at a particular rating level.
- b. The Rating Official must establish performance standards at the minimally satisfactory, fully successful, highly successful, and outstanding performance levels for each critical element. Performance standards must be clear, attainable, fair, and – to the extent possible – measurable.
- c. When possible, performance standards should use objective measures of performance such as quality, quantity, cost savings, and timeliness.
 - (1) For positions involving production or units of work for which the Rating Official can establish specific measures, numerical expressions of quantity, quality, and timeliness may be appropriate.
 - (2) For positions that involve activities of a more subjective nature, numerical standards may not be appropriate. In this case, terms such as "usually," "most," or "almost always," provide acceptable criteria.
 - (3) Performance standards may also address one-time activities, such as the accomplishment of a specific goal or objective. To the extent possible, this type of performance standard should include a deadline, a measure or other description of successful completion, and a quality standard.
- d. Performance standards must consider all aspects of an employee's performance under each critical element. Any performance plan that includes quantity measures must explicitly consider the quality of the work performed and must include a minimum of one critical element that is not based on quantity standards.
- e. Performance standards should be consistent with the employee's position description, but they must also reflect the duties actually assigned to the employee. If a position description is out-of-date, it should be updated as part of the performance planning process.

f. Performance standards must take into consideration the performance level definitions in paragraph 356.5.

PART 3 – MONITORING PERFORMANCE

356.10 Performance feedback.

- a. The Rating Official must provide constructive feedback to each employee regarding her or his performance on a regular basis throughout the rating period. This feedback is not required to be formal or documented, but must provide the employee with a sense of her or his performance in general or on specific assignments.
- b. The Rating Official must conduct at least one formal progress review with each employee mid-way through the appraisal period, but no later than 30 calendar days after the mid-point of the appraisal period. During this mid-year progress review, the Rating Official must:
- (1) Provide the employee with specific feedback, in writing, regarding the employee's performance compared to the performance standards in the employee's performance plan. If the employee is performing at a level that is less than fully successful, the Rating Official must identify the specific performance deficiencies and explain the requirements needed to bring performance to the fully successful level.
 - (2) Consider any input provided by the employee when preparing written feedback. Employees are encouraged to provide their Rating Officials with a summary of their accomplishments prior to the mid-year review; however, employees are not required to prepare self-assessments.
 - (3) Meet with the employee to discuss her or his performance, any changes to the employee's performance standards that may be needed, and any areas needing improvement.
 - (4) Encourage open, honest dialog between the employee and the supervisor about the employee's performance. The Rating Official will not provide the employee with a summary rating or ratings for any critical elements as a part of the mid-year progress review, except that the Rating Official may provide an approximate rating upon request by the employee.
 - (5) Record written feedback on NA Form 3055, Mid-Year Progress Review, sign and date the form, and obtain the employee's signature and date. Employee signature acknowledges receipt and does not indicate agreement

with the progress review. Employee signature is not required. If the employee refuses to sign the mid-year progress review, the Rating Official will record that fact on the NA Form 3055, along with the date and time that the content was discussed with the employee. The Rating Official must provide a copy of NA Form 3055 to the employee and retain the original in the employee's unofficial personnel file.

c. The Rating Official must not consider factors unrelated to the employee's performance when preparing written feedback. The Rating Official should also avoid these topics when providing verbal feedback except that she or he may discuss these topics if initiated by the employee. Factors that are prohibited from consideration include, but are not limited to, the following:

- (1) Medical conditions;
- (2) Reasonable accommodations; and
- (3) Conduct, to include leave and attendance issues.

356.11 Performance that is less than Fully Successful.

a. If, at any time during the appraisal period, the Rating Official determines that an employee's performance is below the fully successful level for any of the critical elements in their performance plan, the Rating Official must provide the employee with assistance to improve her or his performance. The Rating Official should not wait until the mid-year or annual performance review to provide the employee with performance feedback.

b. Minimally Satisfactory Performance. For minimally satisfactory performance in one or more critical elements, the Rating Official must provide the following assistance. The expectations memo can be issued at the same time as the counseling; these steps do not need to be performed in sequence.

- (1) Counsel the employee on her or his performance and solicit feedback from the employee to identify any factors that may prevent the employee from meeting her or his performance standards.
- (2) In consultation with the Office of Human Capital, prepare a memorandum of expectations to the employee addressing each of the factors listed below. The memo must include:
 - (a) The critical element(s) being performed at the minimally satisfactory level;

- (b) Examples of the employee's minimally satisfactory performance under each applicable critical element;
 - (c) An explanation of the fully successful level of performance;
 - (d) An explanation of the performance standards that must be reached in order to demonstrate fully successful performance;
 - (e) Consequences if the employee's performance degrades to an unacceptable level; and
 - (f) Specific assistance and support to be provided to help the employee improve, including additional supervision/review of work, coaching or mentoring, or training, including on-line training. If the Rating Official believes that training would assist in improving employee performance and funds are available for that purpose, the Rating Official must make training available to the employee.
- (3) Document assignments, instruction, and assistance provided to the employee, monitor performance to determine if it rises to the fully acceptable level or declines to the unacceptable level, and provide consistent feedback.
 - (4) Retain records related to assisting the employee and monitoring performance in the employee's unofficial personnel file.

c. **Unacceptable Performance.** For unacceptable performance in one or more critical element(s), the Rating Official, in consultation with the Office of Human Capital, must provide the following assistance. If a performance improvement plan is appropriate, it may be issued at the same time as the counseling; these steps do not need to be performed in sequence. The Rating Official must:

- (1) Counsel the employee on her or his performance and solicit feedback from the employee to identify any factors that may prevent the employee from meeting her or his performance standards.
- (2) Contact the Office of Human Capital to determine the appropriate procedure for resolving the poor performance and whether placing the employee on a specific measurable action plan, or Performance Improvement Plan (PIP), is appropriate.

- (3) If a PIP is determined to be appropriate, consult with the Office of Human Capital to prepare an action plan to assist the employee in improving her or his performance to at least the minimally satisfactory level. Provide the employee with a reasonable opportunity (normally 30 calendar days) to demonstrate minimally satisfactory performance, commensurate with the duties and responsibilities of the employee's position. The PIP must include:
 - (a) The critical performance element(s) being performed at an unacceptable level;
 - (b) Examples of the employee's unacceptable performance under each applicable critical element;
 - (c) An explanation of the minimally satisfactory level of performance;
 - (d) An explanation of the performance standards that must be reached in order to demonstrate minimally satisfactory performance;
 - (e) The start and end date of the opportunity period provided by the PIP;
 - (f) Consequences of failing to improve and sustain performance at an acceptable level, which includes removal from Federal service; and,
 - (g) Specific assistance and support to be provided to help the employee improve during the opportunity period, including additional supervision/review of work, coaching or mentoring, or training, including on-line training. If the Rating Official believes that training would assist in improving employee performance and funds are available for that purpose, the Rating Official must make training available to the employee.
- (4) Document assignments, instruction, and assistance provided to the employee, monitor performance to determine if it rises to the acceptable level, and provide consistent feedback.
- (5) Retain all PIP records in the employee's unofficial personnel folder.

356.12

Procedures for taking a performance-based action.

a. An employee whose performance is unacceptable must be reassigned, reduced in grade, or removed, but only after the employee has been given a reasonable opportunity to demonstrate acceptable performance. The period covered by the PIP constitutes the required opportunity period and issuing the PIP to the employee provides the required notice of opportunity period.

b. If the employee's performance does not improve to an acceptable level at the conclusion of the PIP, the Rating Official may reassign the employee to another office or organization with written notice and a personnel action. If the employee is being reduced in grade or removed, the Rating Official, in consultation with the Office of Human Capital, must follow the procedures established below.

c. If the employee is being reduced in grade or removed for unacceptable performance, the Rating Official must provide the employee with written notice of the proposed personnel action. This notice must:

- (1) Describe the specific instances of unacceptable performance that are the basis of the proposed removal and the critical elements involved in each instance of unacceptable performance, and, if a performance appraisal has been prepared, a copy of the performance appraisal will be provided;
- (2) Provide the employee with 30 calendar days advance notice of the proposed action;
- (3) Notify the employee of her or his right to be represented by an attorney or other representative or, if the employee is in the bargaining unit, the right to Union representation; and
- (4) Provide the employee with 15 calendar days to respond.

d. The employee may provide a verbal and/or written reply to the proposed action. The employee may submit medical documentation if she or he believes a medical condition contributed to the unacceptable performance. The employee has the right to review the material relied on in support of the proposed action in order to prepare her or his response, and the Rating Official must provide this information upon request.

e. After the proposal notice has been issued and the 30-day notice period ends, a Deciding Official must review the proposal notice and supporting evidence, and consider any responses provided by the employee in order to reach a final decision.

- (1) The Deciding Official must issue a written decision within 15 calendar days after the employee's response is received (if a reply is submitted) or after the date the reply would have been due (if a reply is not submitted).

- (2) A decision to remove or reduce in grade must be based on instances of unacceptable performance which occurred during the one-year period ending on the date of the notice of proposed action.
- (3) The Deciding Official's final written decision to demote or remove an employee must include information on the employee's grievance and appeal rights explained in paragraph f, below.

f. Generally, an employee who has been reduced in grade or removed for unacceptable performance has the right to challenge the action through only one of the following forums: A grievance, MSPB appeal, or EEO complaint. A grievance, appeal, or EEO complaint constitutes the election of a forum, and the forum in which one is first filed will constitute an election of that forum.

- (1) **Grievance.** Bargaining unit employees may use the negotiated grievance procedure. The administrative grievance procedure is not available for actions that may be appealed to the MSPB, including actions based on unacceptable performance.
- (2) **MSPB appeal.** An employee may appeal to the MSPB within 30 calendar days after the effective date of the action.
- (3) **EEO complaint.** An employee may pursue an EEO complaint using the process in NARA 395, Equal Employment Opportunity Complaints Program, if she or he believes a reduction in grade or removal is based on prohibited discrimination.
- (4) **OSC complaint.** An employee may submit a complaint to the Office of Special Counsel if she or he believes that a disciplinary or adverse action was taken for reasons prohibited under 5 U.S.C. § 2302, prohibited personnel practices. An employee may pursue an OSC complaint in addition to an EEO complaint. Generally, an employee cannot file an OSC complaint and a grievance or an OSC complaint and an MSPB appeal.

g. If the employee improves her or his performance during the 30 calendar day notice period, the employee will not be reduced in grade or removed.

- (1) If the employee's performance continues to be acceptable for one year from the date of the original written notice, all reference to the unacceptable performance must be removed from any record relating to the employee.

- (2) If the employee's performance degrades to an unacceptable level within one year from the original written notice, she or he may be removed for unacceptable performance.

- h. Nothing in this paragraph prohibits NARA from addressing unacceptable performance through adverse action procedures under Interim Guidance 300-40, Discipline and Adverse Actions.

PART 4 – RATING PERFORMANCE

356.13 Annual performance appraisal.

- a. Performance appraisal is the process of comparing actual job performance against performance standards, rating each critical element, and assigning a summary rating. The summary rating is the written record of the appraisal and includes a written narrative, all critical element ratings, and the summary rating level. The rating of record is the approved summary rating. Rating Officials must complete a rating of record for each employee at least annually.

- b. Each Rating Official must issue a summary rating to each of her or his employees within 60 calendar days after the end of the performance appraisal period or when the employee separates from NARA (including retirement), except that:
 - (1) If an employee is not available due to an extended absence, the Rating Official must forward the performance appraisal to the employee using the method in the best interest of the employee that does not cause undue burden to the agency (e.g. mail or e-mail).

 - (2) The Rating Official must issue an interim rating – which is any summary rating issued before the end of the appraisal period – if any of the following applies. An interim rating must be issued within 30 calendar days after the triggering event.
 - (a) The employee has served for at least 90 calendar days and changes her or his position such as by a reassignment to a new position within NARA (including promotions);

 - (b) At the conclusion of a detail, temporary promotion, or other temporary assignment that requires a performance plan under paragraph 356.6b(2);

- (c) When there is a change in Rating Official and the employee has performed at least 90 calendar days under the supervision of the previous Rating Official during the appraisal period; or
 - (d) If the employee has completed the waiting period for her or his within-grade increase but the employee's rating of record does not reflect the WGI determination (i.e. the employee is not performing at an acceptable level of competence but her or his rating of record is "Fully Successful" or higher, or the employee is at an acceptable level but her or his rating of record is below "Fully Successful").
- (3) If an employee changes position by promotion or reassignment within the last 90 calendar days of the appraisal period, the Rating Official must use the employee's interim rating as the summary rating for the period and an appraisal period that ends on the date of the position change. The employee will receive the appropriate performance award based on this rating and on the grade of the previous position. The employee's next appraisal period begins on the date of the position change and ends at the end of the next annual appraisal period.

356.14 Critical element ratings.

- a. The Rating Official must appraise the employee's actual performance against the employee's written performance standards and assign a rating for each critical element at one of the five performance levels. The Rating Official must consider only the employee's actual performance during the designated performance appraisal period. Presumptive ratings (ratings that are not based on actual accomplishments) are prohibited.
- b. Rating Officials should encourage their employees to submit self-assessments of their performance achievements; however, employees are not required to submit self-assessments. If an employee submits a self-assessment, the Rating Official must consider the employee's input prior to assigning critical element ratings.
- c. If an employee received an interim rating from a different Rating Official earlier in the designated performance appraisal period, the Rating Official must consider that interim rating based on the time period that is covered. The Rating Official must provide a statement of how the interim rating was considered in the annual performance appraisal and summary rating.
- d. The Rating Official must consider the following factors when comparing actual performance against performance standards to determine an appropriate critical element rating level:

- (1) The degree to which performance standards for that critical element were met; and
- (2) The opportunity the employee had to demonstrate performance on the critical element. If an employee was not assigned work on a critical element, the employee cannot be rated on that element. If the employee did not have a reasonable opportunity to perform a particular element for the minimum period (90 calendar days), the element will be marked “Not Applicable” and will not be counted in determining the summary rating.
- (3) If a supervisor must rate all critical elements as “Not Applicable” because the employee was on approved leave or for other factors that were beyond the control of the employee, the employee’s performance appraisal period will be extended for an additional 90 calendar days, to provide the employee with a reasonable opportunity to demonstrate performance on at least one critical element. If, after an additional opportunity period, the employee has not demonstrated performance on at least one critical element, the employee’s rating of record for the performance period will be “Unable to Rate”.

e. The Rating Official must not consider factors unrelated to the employee’s performance when assigning rating levels and will not reference these factors in the employee’s performance appraisal. Examples of factors that are prohibited from consideration are provided in paragraph 356.10c.

f. The Rating Official must record her or his rating for each critical element on NA Form 3021, Performance Appraisal. The Rating Official must provide a written narrative for each critical element, regardless of the rating of the element or the annual summary rating. The narrative must explain how the employee’s performance met, exceeded, or failed to meet the appropriate performance standards, citing specific examples of performance.

356.15 Summary ratings.

a. Rating officials must use the following formulas to derive summary ratings:

| To assign a summary rating of: | Critical elements must be rated: |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outstanding | <ul style="list-style-type: none"> • At least half of all critical elements are rated outstanding; and • All of the remaining critical elements are rated highly successful. |
| Highly Successful | <ul style="list-style-type: none"> • At least half of all critical elements are rated highly successful or higher; and • All of the remaining critical elements are rated fully successful. |
| Fully Successful | <ul style="list-style-type: none"> • No more than 1 critical element is rated minimally satisfactory; and • All of the remaining critical elements are rated fully successful or above. |
| Minimally Satisfactory | <ul style="list-style-type: none"> • Two or more critical elements are rated minimally satisfactory. • No critical elements are rated unacceptable. |
| Unacceptable | <ul style="list-style-type: none"> • One or more critical elements are rated unacceptable. |

b. Forced distributions of ratings are not permitted. There is no limit (or quota) on the number of summary ratings assigned at a given level.

c. The Rating Official must derive the summary rating level and record it on NA Form 3021. Then, the Rating Official must sign the performance appraisal and submit the summary rating as a recommendation to the Reviewing Official.

d. The Reviewing Official must review the recommendation based on the narrative justification provided by the Rating Official and makes a final decision on the summary

rating. **Both the Rating and Reviewing Officials must sign the performance appraisal before it is communicated to the employee.**

e. If the Reviewing Official approves a summary rating of “Minimally Satisfactory” or “Unacceptable,” the Rating Official must consult with the Office of Human Capital before communicating with the employee. The Rating Official will be required to initiate the appropriate actions under paragraph 356.11, “Performance that is Less Than Fully Successful”, if she or he has not already started.

f. The Rating Official must conduct a formal discussion to inform the employee of her or his level of performance as it relates to the critical elements and standards. This conversation should be conducted in person or, if that is not practicable, by telephone.

g. Following the discussion, the Rating Official will ask the employee to sign and date the appraisal form. The employee’s signature acknowledges receipt and does not indicate agreement with the appraisal. Employee signature is not required if the employee refuses to sign. If the employee refuses to sign, the Rating Official will note that fact on the NA Form 3021, along with the date and time that the appraisal was discussed with the employee. The Rating Official must provide a copy of the appraisal to the employee and keep a copy in the employee’s unofficial personnel file.

h. A summary rating is final and becomes the employee’s official rating of record after completion of all reviews and signatures, except that the employee’s refusal to sign the appraisal does not preclude the assigned rating from being the rating of record.

356.16 Disagreement with the performance appraisal.

a. If the employee disagrees with the performance appraisal, she or he is encouraged to discuss the disagreement with the Rating Official in an attempt to resolve the issue informally.

b. If the disagreement cannot be resolved, the employee may discuss the disagreement with the Reviewing Official. The Rating Official must advise the employee of her or his right to respond in writing to the appraisal and attach the employee’s response (if provided) to the appraisal form prior to the employee’s discussion with the Reviewing Official.

c. Generally, if disagreements cannot be resolved at this level, the employee has the right to challenge the denial through either a grievance or EEO complaint, but not both. A performance appraisal or rating of record is not appealable to the MSPB.

- (1) Grievance. A bargaining unit employee may challenge her or his rating of record using the negotiated grievance procedure. The administrative grievance procedure does not cover performance ratings.
- (2) EEO complaint. An employee may pursue an EEO complaint using the process in NARA 395, Equal Employment Opportunity Complaints Program, if she or he believes the rating of record is based on prohibited discrimination.
- (3) OSC complaint. An employee may submit a complaint to the Office of Special Counsel if she or he believes that a rating of record was assigned for reasons prohibited under 5 U.S.C. § 2302, prohibited personnel practices. An employee may pursue an OSC complaint in addition to an EEO complaint. Generally, an employee cannot file an OSC complaint and a grievance.

PART 5 – WITHIN-GRADE INCREASES

356.17 Within-Grade Increases.

- a. Each General Schedule grade has ten steps. A within-grade increase (WGI) is a periodic increase in an employee's rate of basic pay from one step of the grade to the next higher step of that grade. Within-grade increase is synonymous with the terms “periodic step increase” and “within range increase”.
- b. WGIs apply only to General Schedule employees on permanent appointments or on a temporary or term promotion for at least one year.
- c. WGIs will be granted only to employees whose work is of an acceptable level of competence. An acceptable level of competence is demonstrated by a fully successful or higher rating as the employee's most recent rating of record. When an employee's rating of record is not fully successful or higher, her or his WGI will be withheld.
- d. A General Schedule employee at step 1 through 9 will earn an increase to the next higher step of that grade only upon meeting the following requirements:
 - (1) The employee's performance is fully successful or higher, as documented by the last rating of record;
 - (2) The employee has completed the required waiting period for advancement to the next step; and

- (3) The employee has not received an equivalent increase (e.g., by promotion) during the waiting period. For this purpose, a Quality Step Increase (QSI) is not considered an equivalent increase.

e. The required waiting period for advancement to the next step for a General Schedule employee is the beginning of the next pay period following the completion of:

- (1) 52 calendar weeks of service each in steps 1, 2, and 3;
- (2) 104 calendar weeks of service each in steps 4, 5, and 6; and
- (3) 156 calendar weeks of service each in steps 7, 8, and 9.

f. NARA's Human Resources information system, the Federal Personnel Processing System (FPPS), will issue a notice to an employee's Rating Official seven pay periods prior to the effective date of the employee's next WGI. The Rating Official should respond to the notice as soon as possible, but no later than two pay periods before the employee's next WGI date.

- (1) If the employee's most recent rating of record is fully successful or above, the Rating Official must certify that the employee's performance is at an acceptable level of competence, except as provided in subparagraph (3), below.
- (2) If the employee's most recent rating of record is below fully successful, the Rating Official must certify that the employee's performance is not at an acceptable level of competence, except as provided in subparagraph (3), below. This action will withhold the WGI. The Rating Official must then immediately contact the Office of Human Capital for additional guidance.
- (3) If an employee's most recent rating of record does not reflect the Rating Official's competence determination (i.e. the employee is not performing at an acceptable level of competence but her or his rating of record is "Fully Successful" or higher, or the employee is at an acceptable level but her or his rating of record is below "Fully Successful"), the Rating Official must prepare a new rating of record. The Rating Official will then use the new rating of record to make the acceptable level of competence determination and approve or deny the WGI, as appropriate.
- (4) If an employee's most recent rating of record was issued by a different Federal agency, the employee's NARA Rating Official must use that rating of record to make her or his competence determination, except when the

previous agency's rating of record does not reflect the employee's current competence level, as described in subparagraph (3), above.

g. Normally, a WGI is effective on the first day of the first pay period following completion of the required waiting period and in compliance with the conditions of eligibility. When the Rating Official's determination, described in paragraph f above, is made after the waiting period is completed, due to delay, administrative error, oversight, or postponement, the effective date of the WGI will be made retroactive to the original date of eligibility.

356.18 Delay in determination.

a. A Rating Official may delay the determination described in paragraph 356.17f, above, when either of the following applies:

- (1) The employee has not performed for at least 90 calendar days under a performance plan for her or his current position and she or he has not been issued a rating of record in any position (including a position at another Federal agency) within 90 calendar days before the end of the waiting period; or
- (2) The employee is reduced in grade because of unacceptable performance to a position in which she or he is eligible for a WGI or will become eligible within the 90 calendar day minimum appraisal period.

b. When a Rating Official delays the determination, she or he must inform the employee, extend the rating period, and issue a performance plan for the employee's current position. After 90 calendar days, the Rating Official must issue a rating of record and certify the employee's WGI notice in FPPS based on the employee's rating of record.

c. If, after the delay, the Rating Official determines that the employee's performance is at an acceptable level of competence, the WGI will be granted and made retroactive to the beginning of the pay period following completion of the waiting period.

356.19 Denial of WGI.

a. When a Rating Official determines that an employee's performance is not at an acceptable level of competence and denies the employee's WGI, the Rating Official must provide the employee with written notice. The Rating Official's notice must include a copy of the employee's most recent performance appraisal and a memorandum which informs the employee of:

- (1) The reasons for the denial;

- (2) An explanation of what the employee must do to improve her or his performance in order to be granted a WGI; and
 - (3) The right to request reconsideration of the denial. The explanation of the right to request reconsideration must include notification of the rights established in the following sub-paragraphs b(1) to b(5).
- b. The following procedures apply for reconsideration of a denial of a WGI:
- (1) The employee has the right to be represented in her or his request for reconsideration of a denial of a WGI.
 - (2) The request must be made in writing within 15 calendar days after receiving the notice of denial. This time limit may be extended by the Deciding Official at her or his discretion.
 - (3) The request must state the reasons for requesting reconsideration of the denial.
 - (4) The employee, if in a duty status, must be granted a reasonable amount of official time to review the material that is the basis of the denial and prepare a response. Normally, a reasonable amount of official time is not more than four hours. The employee must request this time and receive approval from the Rating Official in advance.
 - (5) The Deciding Official is the next higher supervisor over the Reviewing Official for the performance appraisal which formed the basis for denying the WGI. The notice provided to the employee under paragraph 356.18a must provide the name and contact information of the Deciding Official.
 - (6) The Deciding Official must issue a decision within 15 calendar days after receiving the request for reconsideration.
 - (a) If the Deciding Official decides to grant the WGI, the decision will be made retroactive to the beginning of the pay period following completion of the waiting period.
 - (b) If the Deciding Official sustains a denial, she or he must inform the employee in writing of the reasons for the decision and of the employee's right to appeal the decision to the MSPB or, if the employee is in the bargaining unit, file a grievance under the negotiated grievance procedure.

c. Generally, an employee whose appeal to the Deciding Official has been denied has the right to challenge the WGI denial through only one of the following forums: A grievance, MSPB appeal, or EEO complaint. A written grievance, appeal, or EEO complaint constitutes the election of a forum, and the forum in which one is first filed will constitute an election of that forum.

- (1) Grievance. Bargaining unit employees may use the negotiated grievance procedure. The administrative grievance procedure is not available for actions that may be appealed to the MSPB, including WGI denial.
- (2) MSPB appeal. An employee may appeal to the MSPB within 30 calendar days after the date of the Deciding Official's decision.
- (3) EEO complaint. An employee may pursue an EEO complaint using the process in NARA 395, Equal Employment Opportunity Complaints Program, if she or he believes a WGI denial was based on prohibited discrimination.
- (4) OSC complaint. An employee may submit a complaint to the Office of Special Counsel if she or he believes that her or his WGI was denied for reasons prohibited under 5 U.S.C. § 2302, prohibited personnel practices. An employee may pursue an OSC complaint in addition an EEO complaint. Generally, an employee cannot file an OSC complaint and a grievance or an OSC complaint and an MSPB appeal.

d. Once a WGI has been withheld, the Rating Official is required to determine whether the employee's performance is at an acceptable level of competence at least once every 52 calendar weeks after the original eligibility date for the WGI. The Rating Official may, at her or his discretion, make a determination earlier, provided that at least 90 calendar days have elapsed since the WGI was denied. When a Rating Official grants a WGI after it was denied, the effective date of the WGI is the first day of the first pay period after the acceptable level of competence determination is made.

356.20 Other matters.

a. Waiver of determination. If an employee has not served in any position for the 90 calendar day minimum appraisal period during the final 52 calendar weeks of the waiting period for one or more of the following reasons, NARA will waive the acceptable level of competence determination and the Rating Official must grant the employee's WGI. Under these circumstances, NARA presumes that the employee would have performed at an acceptable level of competence, given the opportunity to do so, but only

for the purposes of granting a WGI: A summary performance rating cannot be issued under the same circumstances.

- (1) Absences that are creditable service under 5 CFR Part 531.406 (e.g., military service);
- (2) Absence on paid leave (i.e., annual or sick leave);
- (3) Receipt of service credit under the back pay provisions of 5 CFR Part 550, subpart H;
- (4) Detail to another agency or employer for which no rating has been prepared; or
- (5) Long term training.

b. Federal Wage System (e.g. Wage Grade) employees. Each Federal Wage System wage schedule has five step rates. Federal Wage System employees are usually hired at the first rate of the appropriate grade and will advance automatically to the next higher step within the grade after completing the relevant waiting period and provided that the employee has a rating of record of fully successful or higher. When an employee's rating of record is not fully successful or higher, her or his advancement will be withheld.

- (1) A Federal Wage System employee will be automatically advanced to the next higher step of her or his grade at the beginning of the first pay period that she or he meets the following requirements:
 - (a) The employee's performance is fully successful or higher, as documented by her or his last rating of record;
 - (b) The employee has completed the required waiting period for advancement to the next step; and
 - (c) The employee has not received an equivalent increase during the waiting period. For this purpose, a QSI is not considered an equivalent increase.
- (2) The required waiting period for advancement to the next step for a Federal Wage System employee is the beginning of the next pay period following the completion of:
 - (a) 26 calendar weeks of service in step 1;

- (b) 78 calendar weeks of service in step 2; and
 - (c) 104 calendar weeks of service each in steps 3 and 4.
- c. WGIs for excluded employees. Some employees who are excluded from the annual performance appraisal requirements (e.g., excepted service intermittent) are still entitled to earn WGIs. For these employees, the following requirements must be met:
- (1) The employee must be provided with a performance plan for her or his position within 30 calendar days after initial appointment or permanent change in position.
 - (2) The Rating Official must prepare a rating of record at the end of the waiting period, make a positive determination that the employee is performing at an acceptable level, and the Reviewing Official must approve both actions.
 - (3) The other requirements for WGIs also apply to excluded employees.

PART 6 – OTHER PERFORMANCE-BASED ACTIONS

356.21 Promotions.

An employee whose current rating of record is below the fully successful level is not eligible for promotion, including career ladder and other non-competitive promotions (except those required by law or regulation). Selecting officials must consider performance appraisals when evaluating candidates for competitive promotion, and must not select candidates whose most recent rating of record is below the fully successful level.

356.22 Probationary employees.

- a. All new hires to the Federal government are subject to a trial period called the probationary period. The probationary period provides an opportunity to evaluate the individual's conduct and job performance to determine if an appointment should become final.
 - (1) A probationary employee should be removed if – at any time during the probationary period – her or his work performance fails to demonstrate fitness for or the qualifications necessary for continued employment.

- (2) The probationary period ends at the end of the employee's scheduled tour of duty on the day before the first anniversary date of her or his appointment.
- (3) The Rating Official must evaluate a probationary employee at three-month intervals throughout the probationary period to determine whether the employee has demonstrated the ability to perform the functions of the position successfully and her or his fitness for continued employment. The Rating Official's evaluation may be informal unless there are performance deficiencies, in which case the Rating Official must counsel the employee and inform her or him how to correct her or his performance.
- (4) If a Rating Official has performance concerns about a probationary employee, she or he must contact the Office of Human Capital immediately.
- (5) Advance notice and an opportunity to reply are not required when a probationary employee is terminated for unacceptable performance. The Rating Official must inform the employee, in writing, of the reason for termination, the effective date, and the official's conclusions as to the deficiencies in the employee's performance.

b. All new supervisors on their first permanent assignment to a supervisory or managerial position must complete a one-year probationary period. The probationary period provides NARA with an opportunity to assess the supervisory performance (but not technical ability or program knowledge) of the new supervisor.

- (1) A probationary supervisor should be removed from a supervisory position if – at any time during the probationary period – her or his work performance fails to demonstrate successful performance as a supervisor.
- (2) The supervisory probationary period ends at the end of the employee's scheduled tour of duty on the day before the first anniversary date of her or his appointment to a supervisory position.
- (3) The Rating Official must evaluate a probationary supervisor at three-month intervals throughout the probationary period, to determine whether she or he has demonstrated the ability to perform the functions of the position successfully. The Rating Official's evaluation may be informal unless there are performance deficiencies, in which case the Rating Official must counsel the employee and inform her or him how to correct her or his performance.

- (4) If a Rating Official has performance concerns about a probationary supervisor, the Rating Official must contact the Office of Human Capital immediately.
- (5) A new supervisor who does not satisfactorily complete the supervisory probationary period will be, except as provided below, reassigned to a position at the same grade and pay as the position the employee vacated to accept the supervisory position, except that:
 - (a) A new supervisor who does not satisfactorily complete the supervisory probationary period and is also serving the probationary period for an initial appointment, should be removed under the provisions of paragraph a above.
 - (b) A new supervisor who vacated a higher-graded position to accept the supervisory position (i.e. the employee was demoted into her or his current supervisory position) is not entitled to return to her or his previous grade and pay if she or he does not satisfactorily complete the supervisory probation period. In this case, the probationary supervisor must be reassigned to a position at the same grade and pay as her or his current position.
- (6) If a probationary supervisor is to be reassigned for performance reasons, the Rating Official must notify the employee, in writing, of the reason for the reassignment, the effective date, and the official's conclusions as to the deficiencies in the employee's performance as a supervisor.

356.23 Service credit during a reduction-in-force.

Performance ratings are considered in determining an employee's retention rights during a reduction-in-force. The employee's last three ratings of record are used to adjust the employee's period of service. "Fully Successful", "Highly Successful", and "Outstanding" ratings provide progressively greater additional service credit. Additional service credit makes it more likely the employee would be retained during a reduction-in-force.

PART 7 – ADMINISTRATIVE

356.24 Training, evaluation, and reporting.

- a. The Office of Human Capital provides training for employees and Rating and Reviewing Officials on the performance management system to ensure its effective administration.

- (1) The Office of Human Capital holds information sessions for all employees on key aspects of the performance management system at least twice yearly, in the middle and near the end of the appraisal period.
 - (2) The Office of Human Capital provides Rating and Reviewing Officials with training on conducting progress reviews and assigning ratings at least twice yearly, in the middle and near the end of the appraisal period.
 - (3) Rating Officials are expected to explain the appraisal program to subordinate employees so that they better understand the purpose and impact of performance plans, progress reviews, and ratings of record.
- b. The Office of Human Capital will periodically review the effectiveness of the NARA performance management system to ensure that standards are applied consistently and accurately, and that the system makes meaningful distinctions between different levels of performance. The Office of Human Capital will report the results of this review and make recommendations for improvements, as needed.
- c. The Office of Human Capital reports the following information to the Office of Personnel Management (OPM) on an annual basis:
- (1) The number of probationary and term employees who were removed by the agency; and
 - (2) The total number of employees placed on a PIP and the number of those employees who received an opportunity period longer than 30 calendar days.

356.25 Authorities.

- a. 5 U.S.C. Chapter 43 and 5 CFR Parts 430 and 431 establish authorities and standards for performance appraisals and actions based on unacceptable performance.
- b. 5 U.S.C. Chapter 53 and 5 CFR Parts 300, 531, and 532 establish authorities and procedures for within-grade increases.
- c. 5 CFR Part 293 establishes policies and standards for maintaining personnel records.
- d. Executive Order 13839, *Promoting Accountability and Streamlining Removal Procedures Consistent with Merit System Principles* (May 25, 2018), establishes procedures to promote accountability while recognizing employee rights and protections.

356.26 Public release.

Unlimited. This directive is approved for public release.

356.27 Records maintenance.

Records created as part of the performance management process described in this directive are covered in General Records Schedule 2.2, Employee Performance File System Records. Records created as a result of the grievance process are covered by General Records Schedule 2.3, Administrative Grievance, Disciplinary, and Adverse Action Files . Both records series are generally maintained by the Office of Human Capital. Records maintained by managers and supervisors should be filed in accordance with General Records Schedule 2.2, Item 080, Supervisors' Personnel Files. Before implementing dispositions, consult the Corporate Records Management records paragraph web page for current records disposition instructions applicable to these records.