

**U.S. Department of Energy ORDER**  
**Washington, DC**

**DRAFT**  
**DOE O 331.1D**

Approved: XX-XX-XXXX

**SUBJECT: EMPLOYEE PERFORMANCE MANAGEMENT AND RECOGNITION PROGRAM**

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1. PURPOSE.

- a. To establish requirements and responsibilities for the administration of the non-Senior Executive Service (SES) and Senior Professional or Technical (SL/ST) performance management program for all non-SES/SL/ST employees.
- b. To improve individual and organizational performance, enhance program effectiveness, and ensure accountability by focusing on results, service quality, customer satisfaction, and by aligning critical elements with organizational goals and the Department of Energy's (DOE) Strategic Plan.

2. CANCELLATION. DOE O331.1C Admin Chg 3, *Employee Performance Management and Recognition Program*, dated 11-13-14.

3. APPLICABILITY.

- a. Departmental Applicability. Except for the exemptions in paragraph 3.c., this directive applies to all Departmental elements, including Bonneville Power Administration (BPA).

The Administrator of National Nuclear Security Administration (NNSA) must assure that NNSA employees comply with their respective responsibilities under this directive. Nothing in this Order will be construed to interfere with the NNSA Administrator's authority under section 3212(d) of Public Law (P.L.) 106-65 to establish Administration-specific policies, unless disapproved by the Secretary.

In accordance with the responsibilities and authorities assigned by Executive Order 12344, codified at 50 USC sections 2406 and 2511 and to ensure consistency through the joint Navy/DOE Naval Nuclear Propulsion Program, the Deputy Administrator for Naval Reactors (Director) will implement and oversee requirements and practices pertaining to this directive for activities under the Director's cognizance, as deemed appropriate.

- b. DOE Contractors. This directive does not apply to DOE contractors.
- c. Equivalencies and Exemptions to DOE O 331.1C. Requests for exemption to this Order must be submitted in memorandum form to the Director, Office of Human Capital Management, Office of the Chief Human Capital Officer. The memorandum must include the basis for the exemption, identify the requirement for which the exemption is sought, and request a timeframe, as applicable.

Exemption. This directive does not apply to:

- (1) Employees in Senior Executive Service (SES) and Senior Professional or Technical (SL/ST) positions.
- (2) The award determinations and limits for Advanced Research Projects Agency-Energy (ARPA-E) employees in pay plans ER and ET who are subject to the additional pay limits established by P.L. 111-358.
- (3) The award determinations and limits for Exceptionally Well Qualified (EWQ) employees in pay plan EQ who are subject to additional pay limits established by P.L.113-76.

#### 4. REQUIREMENTS.

##### a. General.

- (1) Each covered employee must have a performance plan established in the Department's Electronic Performance Management System (ePerformance). ePerformance will be used for all phases of the performance management process from creation of the performance plan to the annual summary rating and final transmittal to an employee's electronic Official Personnel File (eOPF).
- (2) The normal annual appraisal period for Non-BPA General Schedule (GS), hourly non-management negotiated pay (BB), hourly leader negotiated pay (BL), and hourly supervisory negotiated pay (BS) employees in which a performance plan must be established, performance must be monitored, and a rating of record must be prepared is: October 1 through September 30 of the subsequent calendar year. For exceptions, see paragraphs 4.c.(7) (12).
- (3) The annual appraisal period for BPA GS, BB, BL, and BS employees in which a performance plan must be established, performance must be monitored, and a rating of record must be prepared is: November 1 through October 31 of the subsequent calendar year. For exceptions, see paragraphs 4.c.(7) (12).
- (4) The minimum appraisal period required to receive a performance rating is 90 days from the effective date that the employee is assigned, detailed, or temporarily promoted to a position.
- (5) Employees who start a new position through appointment, reassignment, reinstatement or transfer in the last 90 days of the appraisal period will have their appraisal period extended to the end of the following appraisal period not to exceed 15 months. For example, an employee who transfers to DOE from another federal agency on August 1, 2015, will have a 14-

month performance plan that will begin on August 1, 2015 and end September 30, 2016.

- (6) Employees who have been covered by a performance plan for at least 90 days and are detailed or temporarily promoted during the last 90 days of the appraisal period will receive their rating of record for the current appraisal period based on their permanent position, while the temporary assignment will be included in the following appraisal period. For example, the employee's appraisal period begins on October 1, 2015, the employee is detailed to another position on July 21, 2016; the employee will receive their rating of record based on their performance in the permanent position from October 1, 2015 through July 20, 2016. The employee's next appraisal period will begin on July 21, 2016 and end on September 30, 2017.
- (7) There is no requirement that a Reviewing or Rating Official occupy his/her position for a specific length of time before he/she can create a performance plan, conduct a progress review or issue a performance rating.
- (8) Each covered employee must have at least one progress review conducted during the appraisal period. The review must include a discussion with the employee and must be documented in ePerformance.
- (9) Departmental elements must provide an atmosphere in which open and frank two-way communications can be achieved between employees and their supervisors regarding all aspects of this program.
- (10) Information and training on the requirements and administration of the program will be made available to all covered employees by the Office of the Chief Human Capital Officer.
- (11) Training is required for all covered employees and their supervisors at least every 2 years; new employees are required to complete training within the first 45 days of the effective date of their assignment.
- (12) An employee must contact his/her servicing Human Resources Office for procedures to request reconsideration of his/her rating of record.

b. Performance Plans.

- (1) Performance plans are to be developed jointly by the Rating Official and employee or group of similarly situated employees, but the Rating Official, in conjunction with the Reviewing Official, determines the content if there is any disagreement with the employee.

- (2) Performance plans must be completed and signed by at least the Reviewing and Rating Officials at the beginning of the appraisal period; normally within 30 days, but no later than 45 days from the effective date of an assignment. Performance plans for employees who are on a temporary assignment, such as detail or temporary promotion must be completed within 30 days from the effective date of the assignment.
  - (a) The Reviewing Official signs first to certify that the Rating Official is aware of their performance management responsibilities (e.g. the Rating Official is aware the performance plan must be discussed with the employee) and to approve that the plan is consistent with meeting the Department's overall mission and goals.
  - (b) The Rating Official signs prior to the employee to certify that the employee was afforded the opportunity to discuss the performance plan and the employee; declined to meet with the Rating Official, is not available to or declines to sign the plan. If an employee declines to sign the plan, the Rating Official will advise the employee that his/her signature only acknowledges that the plan was discussed; it does not necessarily indicate the employee agrees with the plan. If the employee does not sign the plan within 15 days of the first request, the Rating Official will annotate on the form that the employee declined to sign and the employee will receive their rating of record for the appraisal period based on the evaluation of the critical elements in the plan. If the employee is not available to sign, the Rating Official will annotate the form that the employee was unable to sign and provide a reason.
  - (c) The employee signs last to certify that the job performance outcomes and expectations of the performance plan were discussed. The employee's signature does not necessarily indicate agreement with the performance plan.
- (3) The performance plan is considered official when the plan, signed by at least the Reviewing and Rating Officials is made available to the employee. In the event that the Rating Official is unavailable for an extended period of time and an Acting Rating Official is not designated, the Reviewing Official may discuss, certify and provide the plan to the employee.
- (4) A plan must only contain critical elements that are specific, measurable, achievable, relevant to the work performed, linked to organizational mission and goals, and time-bound; and may include dates, or milestones for specific deliverables or projects.

- (5) The number of critical elements must be at least 3, but no more than 6, in which a critical element can be double- or triple-weighted for a maximum of 6 weighted elements.
- (6) Each critical element must be written only at the Meets Expectation (ME) level, which is also referred to as the Fully Successful level.
- (7) Specific occupational and safety standards which must be included in critical elements will only be in performance plans that require the performance of occupational and safety standards as intrinsic to the duties of the position.
- (8) Only positions officially classified as supervisor (coded 2 or 4) must have a critical element for supervision which will be at least double-weighted. The supervisory critical element at Appendix A must be used as the supervisory element for all supervisors.
- (9) Performance plans should be reviewed and updated when the duties and responsibilities or the outcomes and expectations of a critical element change. However, changes will not be made to the performance plan if there are less than 90 days remaining in the appraisal period.

c. Appraisal (Rating) Process.

- (1) The rating of record must be completed and signed by at least the Rating and Reviewing Officials within 45 calendar days from the end of the appraisal period.
- (2) After the end of the appraisal period, the Rating Official will use his/her own observation, supplemental sources and input from the employee and/or customers, to objectively evaluate the employee's performance. The Rating Official will then assign each critical element one of the following rating levels and include a narrative justification that supports the rating.
  - (a) Exceeds Expectations (EE) is a level of performance that is consistently and dramatically higher than that described at the ME level in terms of work products and/or results achieved, high cost-savings or cost avoidances, and/or extremely high levels of efficiency, effectiveness, and timeliness.
  - (b) Meets Expectations (ME) is the "Fully Successful" or acceptable level that is described for each critical element and is intended to describe the level that is reasonably expected to be achieved in terms of quality, quantity, effectiveness, and timeliness.
  - (c) Fails to Meet Expectations (FME) is the lowest level that a critical element can be rated. It indicates that the employee's performance

is "Unacceptable". When one critical element is rated FME, the overall summary level rating is FME.

- (d) Not Ratable (NR) indicates that the employee did not have an opportunity to perform the critical element due to reasons beyond the employee's control (e.g., when a project has been delayed due to a lack of funding, an employee has an extended absence due to Workers Compensation or is on Leave Without Pay, or the critical element needs to be revised significantly or deleted).
- (3) A summary rating will be determined using the Summary Rating Determination Chart below. The chart corresponds to pattern E in Title 5, Code of Federal Regulations section 430.208(d).

<b>Total Weighted Critical Elements</b>	<b>Summary Rating</b>
All at rated EE	SE (Level 5)
Majority rated EE	EE (Level 4)
Majority rated ME, or equally divided between ME and EE, or all at ME	ME (Level 3)
Any at FME	FME (Level 1)

- (4) Summary Ratings will be assigned by the Rating Official and approved by the Reviewing Official. If there is disagreement, the two officials must resolve the issue(s), if an agreement cannot be reached; the Reviewing Official has final authority over the summary rating issued as the rating of record.
- (5) The performance appraisal is considered official when the appraisal signed by at least the Reviewing and Rating Officials is provided to the employee. In the event that the Rating Official is unavailable for an extended period of time and an Acting Rating Official is not designated, the Reviewing Official may discuss, certify and provide the rating of record to the employee. Exception: When a rating of record is issued at the FME level, the rating must be reviewed and approved by a higher-level management official.
- (a) The Reviewing Official signs first to certify that the Rating Official is aware of their performance management responsibilities (e.g. the Rating Official is aware the summary rating must be discussed with the employee), and he/she approves the summary rating, and to ensure consistency in the application of the performance management program among subordinates.

- (b) The Rating Official signs prior to the employee to certify that the employee was afforded the opportunity to discuss the summary rating and the employee; declined to meet with the Rating Official, is not available to or declines to sign the appraisal. If the employee declines to sign, the Rating Official will advise the employee that his/her signature only acknowledges receipt of the summary rating; it does not necessarily indicate agreement with the rating. If the employee does not sign within 15 days of the first request, the Rating Official will annotate on the form that the employee declined to sign and certify the summary rating as the employee's rating of record for the appraisal period. If the employee is not available to sign, the Rating Official will annotate the form and provide a reason why the employee is unable to sign.
  - (c) The employee signs last to acknowledge that the summary rating was discussed. The employee's signature does not necessarily indicate agreement with the rating.
- (6) When an employee is detailed or temporarily promoted within DOE for 90 days or more, the Rating Official of the temporary assignment must create a performance plan ePerformance the contains the critical elements the employee will be rated on during the temporary assignment. At the end of the assignment the Rating Official will document a rating for each critical element which will become the employee's Advisory Rating for the temporary assignment. The Rating Official of permanent position will consider the advisory rating when preparing the employee's rating of record for the entire appraisal period.
  - (7) When an employee is temporarily detailed outside of DOE for 90 days or more, the Rating Official will make every attempt to contact the employee's temporary supervisor and request a narrative performance appraisal based on the performance-related criteria that was communicated in writing to the borrowed employee at the beginning of the temporary assignment; this should be a requirement in the Interagency Agreement.
  - (8) When an employee is reassigned or promoted within DOE and more than 90 days are remaining in the appraisal period, the losing organization is not required to complete an advisory rating for the gaining organization to consider in determining the rating of record for the appraisal period.
  - (9) When an employee is reassigned or promoted within DOE and less than 90 days are remaining in the appraisal period, the losing organization must complete a performance rating that will serve as the rating of record for the appraisal period if the employee was covered by a performance plan for at least 90 days in the losing organization.

- (10) When an employee transfers into DOE and less than 90 days are remaining in the appraisal period, the gaining organization will provide a pro-rated performance award based on the losing agency's rating of record for the employee if that agency provides one; otherwise, the employee will not have a rating of record for that appraisal period.
- (11) When an employee transfers out of DOE and less than 90 days are remaining in the appraisal period, the losing organization must complete a performance rating that will serve as the rating of record for the employee for the appraisal period if the employee was covered by a performance plan for at least 90 days in the losing organization.
- (12) When an employee separates other than for a transfer (e.g. resignation or retirement) before the end of an appraisal period after being covered for at least 90 days, a performance rating is not required to be completed.
- (13) When a Rating Official changes (e.g. reassignment, detail, retirement) within the last 90 days of the appraisal period, the departing Rating Official must complete performance ratings that will serve as the ratings of record for the appraisal period for all subordinates who have been covered by performance plans for at least 90 days. Exception: When the Rating Official does not have enough time (e.g. short-notice reassignment) to complete a rating of record for each eligible employee, they must leave sufficient information on each employee's performance to assist the new Rating Official and/or the Reviewing Official in completing the ratings of record for the appraisal period.
- (14) A new rating of record must be prepared for the following situations:
  - (a) When an employee's performance has changed from ME or above to FME to document a decision to deny or approve a within-grade increase;
  - (b) When an employee's performance has changed from ME or above to FME when administering a reduction in force;
  - (c) When an employee covered by the Careers Pathways Programs performance has changed from ME or above to FME and is ready to be converted to a permanent appointment; and
  - (d) When an employee's summary rating has improved above their current summary rating of FME at the completion of a Performance Improvement Plan (PIP).

d. Performance Awards.

- (1) General.

- (a) An employee will only receive one type of award for a ME or higher rating of record.
- (b) Management determines what type of award(s) will be offered to each employee based on eligibility, and will take into consideration the employee's preference, and will determine what award is approved.
- (c) When an employee is reassigned or promoted within DOE and less than 90 days are remaining in the appraisal period, the losing organization will determine the appropriate award. If the award will be a cash award, then the losing organization must provide the award amount based on the employee's salary at the time of the action and provide the funding citation to the gaining organization to process the award.
- (d) When an employee transfers into DOE and less than 90 days are remaining in the appraisal period, the gaining organization will provide a pro-rated performance award based on the losing agency's rating of record, if available, for the period of time in DOE as an incentive to transfer. The following information is to be included in employment offer letters issued to transfer employees within the last 90 days of the appraisal period.

"When a current federal employee transfers into DOE from another federal agency within the last 90 days of the appraisal period, the employee will be eligible for a pro-rated performance award (barring any budgetary constraints) based on the former agency's rating of record, provided the following criteria are met:

- 1 The rating of record is issued to the employee during the last 90 days of DOE's current appraisal period;
- 2 The rating of record is not under a Pass/Fail program and is equivalent to at least the Meets Expectations level in the DOE performance program;
- 3 The employee did not receive a performance award based on the rating of record from their former agency for the current appraisal period, and
- 4 The employee provides the former agency's rating of record to the servicing HR Office no later than November 1 of the current year or December 1 of the current year for BPA GS, BB, BL and BS employees.

Federal employees who do not meet the above criteria will not be eligible for a performance award until the end of the next appraisal period."

(2) Eligibility.

- (a) A covered employee who is employed by the Department on the last day of the appraisal period (i.e. September 30 or October 31 for BPA GS, BB, BL and BS employees) must have a summary rating of ME or above for the current appraisal period.
- (b) Employees who are assigned (e.g. promoted) to a SES, SL, or ST position during the appraisal period are not considered to be covered employees on the last day of the appraisal period and therefore, are not eligible to receive a performance award under this program.
- (c) Employees that are in a pay status of less than 2080 hours during the appraisal period, including current, newly hired, transferred, and part-time employees who have been covered by a performance plan for at least 90 days on the last day of the appraisal period, are eligible for a pro-rated performance award based on his/her time in a pay status during the appraisal period. Periods of Leave Without Pay (LWOP) for employees performing military duty or receiving workers' compensation are considered to be in a pay status for pro-rata purposes.

(3) Pay Pools.

- (a) Departmental elements will provide 3 to 4 percent of their covered employees' total salaries as of the last day of the annual appraisal period. However, in the event that fiscal year funding is not sufficient as a result of budget reductions, changes in allocations or similar unanticipated circumstances, affected heads of DOE elements may request an exception from the DOE Chief Human Capital Officer. This exception would be limited to the performance award requirements of this policy, especially if granting performance awards would necessitate the need for a reduction in force, furlough or other similar cost-cutting remedy.
- (b) Employees who are assigned to SES, SL, or ST positions during the appraisal period are not considered to be covered employees on September 30 or October 31 for BPA GS, BB, BL and BS employees; therefore, their salaries will be included in the applicable gaining organization's SES, SL, or ST performance awards pool.

- (c) Two separate pay pools will be established based on the employee's permanent position; one for supervisory and one for non-supervisory employees. The percentage of salaries used for each pool will be the same. For example: A non-supervisory employee promoted to a supervisory position during the last 90 days of the appraisal period will have his/her salary included in the non-supervisory pay pool and will receive his/her performance award based on the salary at the time of promotion.

(4) Cash Awards.

- (a) Awards will be determined based on the summary rating and shares multiplied by the applicable share value of the applicable pool and employee's salary as follows:

- 1 SE – 5 shares;

- 2 EE – 4 shares;

- 3 ME –

- a 3 shares when the majority of weighted elements are rated at ME;

- b 2 shares when the elements are equally divided between EE and ME; or

- c 1 share when all weighted elements are rated at ME and management elects to offer this award.

- (b) Pro-ration is determined by dividing the total hours in a pay status, by 2080 hours and multiplying the result times the pro-rated share value. Periods of LWOP for employees performing military duty or receiving workers' compensation are considered to be in a pay status for pro-ration purposes.

(5) Other Performance Awards.

- (a) Quality Increase (QI). An employee with a summary rating of SE is eligible for a quality step increase or equivalent pay adjustment, which are both referred to as a quality increase, in lieu of a cash or time-off award, if the following criteria are met for the entire annual appraisal period:

- 1 The employee is at the full performance level of a career ladder;

- 2 The employee has not been promoted, including a transfer that results in a promotion;
- 3 The employee has been in the same grade or pay band level;
- 4 The employee must be below step 10 of their grade level (for GS employees);
- 5 The employee has received a Significantly Exceeds Expectations (SE) summary rating;
- 6 The employee has demonstrated sustained performance of outstanding quality;
- 7 The employee has not received a QSI within the preceding 52 consecutive calendar weeks; and
- 8 The employee occupies a "permanent position."

(b) Time-Off Award. An employee may be given a time-off award in lieu of a QI or cash award based on the summary rating. Time off may be granted in one hour increments up to the maximum number of hours as follows:

- 1 SE – 50 hours;
- 2 EE – 40 hours;
- 3 ME –
  - a 30 hours when the majority of weighted elements are rated at EE and at least 1 at ME;
  - b 20 hours when elements are equally divided between EE and ME; and
  - c 10 hours when all weighted elements are rated at ME and management elects to offer this award.

Pro-ration is determined by dividing the total hours in a pay status, by 2080 hours and multiplying the result times the applicable hours for the rating and rounding to the nearest whole hour. Periods of LWOP for employees performing military duty or receiving workers' compensation are considered to be in a pay status for pro-ration purposes.

e. Poor or Unacceptable Performance.

- (1) At any time during the appraisal period an employee demonstrates that he/she is performing at least one critical element at the FME (unacceptable) level, the supervisor must inform the employee of this in writing and/or verbally. The supervisor must then provide the employee an opportunity to improve performance to an acceptable level by developing a formal Performance Improvement Plan (PIP).
- (2) Absent extraordinary circumstances, PIPs must be issued within 30 days of any finding (rating or informal review) that an employee is performing at the FME level. PIP's not issued within this timeframe will require the OCHCO's review and approval prior to issuance to the employee.
- (3) An opportunity to improve period of no less than 30 days must be provided for each critical element in which the employee's performance is at FME level. The PIP may be extended if the Rating Official feels additional time is needed to allow the employee to raise performance to the ME level.
- (4) Employees who have been given a notice of unacceptable performance and who are on a PIP on the last day of the appraisal period will have his/her appraisal period extended (not to exceed 15 months) until the completion of the PIP.
- (5) The PIP must include:
  - (a) The specific critical element(s) for which performance is at the FME level;
  - (b) The specific actions needed to improve performance to the ME level; these actions must be specifically linked to the element for which performance was determined to be at FME;
  - (c) The assistance that will be provided to help the employee attain the ME level; this assistance may include, but is not limited to, formal training, on-the-job training, counseling, and coaching. It is imperative that the Rating Official ensures the assistance promised to the employee is delivered; and
  - (d) A statement that if the employee's performance improves but lapses again to the FME level on the same critical element(s) within 1-year from the start of the PIP, the Rating Official may propose a performance-based action, i.e., reduction in grade or termination, without placing the employee on an additional PIP.
- (6) At the conclusion of the period in which the employee is subject to the PIP, management must take appropriate action based on the results of the employee's performance while on the PIP.

f. Reductions in Force.

- (1) When preparing for reduction in force, credit will be provided for additional years of service in accordance with 5 CFR 351.504 for performance as follows:
  - (a) 20 years for SE;
  - (b) 16 years for EE, and
  - (c) 12 years for ME.
- (2) When multiple summary rating patterns are involved in a competitive area, a separate determination will be made at that time which will provide the most equitable treatment for affected employees.

g. Other Awards and Forms of Recognition.

- (1) If a Departmental element wants to establish a local awards program, the program must:
  - (a) Recognize and reward individuals and/or teams, including those who support a Departmental element but are not in that element, based on:
    - 1 Suggestions and inventions;
    - 2 Training, education, and development; and
    - 3 Other noteworthy achievements or contributions.
  - (b) Recognize the achievements or contributions of employees who are on detail, on an Intergovernmental Personnel Act (IPA) assignment, or have transferred to an international organization.
  - (c) Establish criteria for determining the value of an achievement, contribution, or suggestion.
  - (d) Limit the value of nonmonetary items conferred in connection with informal recognition awards to a "nominal value" of \$50 or less.
  - (e) Publicize the criteria for awards periodically.
  - (f) Relate the award choice and size to the magnitude of the achievement, contribution, or suggestion.

- (g) Ensure that special awards that are based on an employee's position clearly exceed the recognition afforded as a performance award.

(2) Monetary Awards

(a) Special Act or Service (SAS) Award

- 1 A SAS award is monetary recognition for employees (as individuals or in groups) for special acts or services that are of special benefit to the Department. Accomplishments or achievements must be in connection with or related to official employment, but outside of the employee's normal job duties or day-to-day requirements and non-recurring in nature. Job responsibilities included in an employee's performance plan are to be rewarded through the performance award process.
- 2 A SAS award is not allowed to recognize employees who volunteer to support activities and events; volunteers should be recognized through a non-monetary acknowledgement.
- 3 An employee who has a current rating of record of ME or above and is not on a PIP is eligible to receive a SAS award.
- 4 The amount of a cash award for a special act or service is based on the intangible benefit to the organization. All nominations must contain the approving official's signature and date as well as a justification that clearly describes the "value of the benefit" and the "extent of the application" that supports the benefit. See Appendix B for the Department's Monetary Awards Scale.
- 5 When a cash award is granted to a group for superior accomplishments, the following provisions apply:
  - a The accomplishments must have substantially exceeded normal expectations for the group as a whole;
  - b All employees to whom the accomplishment or contribution is creditable, including a supervisor, may share in the award;

- c A cash award may be divided in equal shares or allotted to each member in proportion to his or her share of credit for the contribution;
- d Separate justifications for each member of the group must be included with the overall description of the accomplishment if the members of the group receive different dollar amounts; and
- e The total amount of a cash award to a group should be based solely on the value of tangible and intangible benefits accruing from the contribution; the total amount of the award may not exceed the amount that would be authorized if the contribution had been made by one individual.

(b) On-the-Spot (OTS) Award

- 1 An OTS award allows supervisors and other individuals to grant employees (as individuals or in groups) immediate monetary recognition for a significant deed or accomplishment performed with exceptional and unanticipated speed and quality under difficult or unusual circumstances.
- 2 All nominations must contain the approving official's signature and date as well as a justification that describes the value of the benefit derived from the contribution, and include specific examples of results to clearly support the nomination.
- 3 The amount of an OTS award can vary between \$50 and \$500 per employee. There is no ceiling on the total amount of any group OTS award. However, the award amount for each group member may not exceed \$500.
- 4 There is no restriction on the number of OTS awards an employee may receive within a calendar year period, either individually or as part of a group.

(c) Time-Off Award (TOA)

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

- 2 TOAs, including those for performance, are limited to 80 hours in over a 12 month period (i.e., fiscal year). Time off may be granted in increments of up to 40 hours for any single employee contribution. Scheduling of time off is subject to supervisory approval.
- 3 Time off must be scheduled and taken within 1 year after the date the award is effective (i.e., the date of the SF-50 effecting the award, normally the first day of the first pay period following final approval of the award). If the time is not taken off within 1 year, it will be forfeited. In rare occasions, Heads of Departmental elements may approve extensions of up to 90 days on a case-by-case basis for unavoidable reasons that have prevented or will prevent using the time.
- 4 For a part-time employee or an employee with an uncommon tour of duty, the total time off granted during a leave year as an incentive award may not exceed the average number of hours of work in the employee's biweekly scheduled tour of duty. For example: If an employee's scheduled tour of duty is 64 hours biweekly, the employee may be granted up to 64 hours of time off during the leave year, and cannot exceed 32 hours for a single achievement. See Appendix C as a reference for determining time off not based on performance rating. *Exception: Employees who do not have a regular, established tour of duty (intermittent) are not eligible for a time off award.*
- 5 Time off awards may not be converted to cash or transferred to another agency. Any unused time off will be forfeited once an employee separates or transfers to another federal agency. If forfeited, no other award or compensation may be substituted.

- (3) All awards that affect more than one Departmental element must be coordinated with the Office of the Chief Human Capital Officer (OCHCO). The OCHCO will maintain a list of Secretarial and Departmental awards on its web site at: [Departmental Awards](#).

## 5. RESPONSIBILITIES.

- a. Secretary or Designee.
  - (1) Approves Secretarial Awards.

- (2) Recommends to the Office of Personnel Management an award for an employee in excess of \$10,000.
- b. Administrator, NNSA.
- (1) Coordinates the NNSA performance program with the Office of the Chief Human Capital Officer.
  - (2) Establishes an NNSA awards program.
  - (3) Approves performance awards up to \$10,000.
  - (4) Approves Special Act or Service awards up to \$10,000.
  - (5) Approves on-the-spot awards up to \$500.
  - (6) Recommends an award in excess of \$10,000 to the Secretary.
- c. Heads of Departmental Elements Other than NNSA.
- (1) Communicates the Department's strategic plan to employees and integrate the performance management process into the strategic planning process for the organization.
  - (2) Holds Rating Officials accountable for rigorous performance management of subordinates and for aligning subordinate employees' performance plans to organizational goals.
  - (3) Ensures consistency and equity in performance ratings and performance awards.
  - (4) Establishes local and Departmental awards programs, with the concurrence of the Office of the Chief Human Capital Officer.
  - (5) Approves performance awards up to \$10,000.
  - (6) Approves Special Act or Service awards up to \$7,500.
  - (7) Recommends awards in excess of \$7,500 to the Office of the Chief Human Capital Officer.
  - (8) Approves On-the-Spot awards up to \$500.
  - (9) Approves extensions of up to 90 days to the time limit for using time-off awards [see paragraph 4g(4)].
  - (10) Ensures that adequate funds are available for payment of monetary awards.

- (11) Publicizes and coordinates Departmental awards and ceremonies, and approves travel expenses for guests.
  - (12) Submits requests for exceptions to program requirements to the OCHCO.
- d. Office of the Chief Human Capital Officer.
- (1) Develops the Departmental Employee Performance Management System and obtains OPM approval of the system; develops the performance and recognition program for covered employees; and ensures appropriate information and training on the requirements and administration of the program is available to covered employees.
  - (2) Approves exemptions to program requirements; coordinates on the NNSA performance management program.
  - (3) Approves Special Act or Service awards for Departmental elements except the NNSA up to \$10,000.
  - (4) Coordinates all Secretarial awards and concurs on all Departmental awards prior to implementation.
  - (5) Maintains a list of Secretarial and Departmental awards and posts them on its web site.
  - (6) Publicizes and coordinates Secretarial awards ceremonies and approves travel expenses for guests.
  - (7) Reviews Departmental element awards programs for compliance and accountability purposes.
  - (8) Coordinates beneficial suggestions that apply to more than one Departmental element or that affect another agency.
  - (9) Coordinates and provides applicable reports to OPM.
- e. Reviewing Official.
- (1) Holds Rating Officials accountable for managing the performance program (e.g., issue performance plans, conduct progress reviews, complete performance appraisal, etc.) for their subordinates in accordance with this Order.
  - (2) Reviews and approves performance plans and appraisals to verify that individual critical elements are realistic and relevant to achieving the Department's mission and goals.

- (3) Ensures consistency and equity in performance ratings and performance awards.
  - (4) Reviews and approves non-performance monetary and time-off award nomination packages for compliance with this Order as applicable.
- f. Rating Official.
- (1) Develops performance plans jointly with employees; includes results-focused performance requirements that are aligned with organizational goals and objectives. The Rating Official will provide the employee the opportunity to participate, however, the Rating Official has the final decision on the critical elements.
  - (2) Implements performance plans within 30 days, but no later than 45 days from the beginning of the appraisal period.
  - (3) Discusses performance outcomes and expectations with the employee throughout the appraisal period.
  - (4) Conducts and documents progress reviews. The review must include a discussion with the employee.
  - (5) Prepares performance ratings after the end of the appraisal period by objectively evaluating each critical element and assigning the appropriate rating level.
  - (6) When departing during the last 90 days of the appraisal period, the Rating Official must complete performance rating for each eligible employee that will serve as the rating of record for the appraisal period for all subordinates who have been covered by performance plans for at least 90 days. Exception: When the Rating Official does not have sufficient time (e.g. short-notice reassignment) to complete a rating of record for each eligible employee, they must leave information on each employee's performance to assist the new Rating and/or the Reviewing Officials in completing the ratings of record for the appraisal period.
  - (7) Provides performance counseling to assist employees in improving performance to an acceptable level.
  - (8) Consults with the servicing HR Office prior to developing a Performance Improvement Plan (PIP) when an employee's performance drops to the FME level on at least one critical element. Evaluate performance at the completion of the PIP and take appropriate action based on the results of the assistance.

- (9) Reviews and/or approves non-monetary and time-off award nomination packages for compliance with this Order as applicable.

6. REFERENCES.

- a. 5 U.S. Code Part III, Subpart C, Chapter 43 – Performance Appraisal;
- b. 5 U.S. Code Part III, Subpart C, Chapter 45– Incentive Awards;
- c. 5 U.S. Code Part III, Subpart D, Chapter 53 – Periodic step-increases and Additional Step-Increases;
- d. 5 Code of Federal Regulations, Part 430 – Performance Management;
- e. 5 Code of Federal Regulations, Part 432 – Performance Based Reduction in
- f. Grade and Removal Actions;
- g. 5 Code of Federal Regulations, Part 451 – Awards;
- h. 5 Code of Federal Regulations, Part 531– Within-Grade Increases and Quality Step Increases;
- i. 5 Code of Federal Regulations, Part 293 – Employee Performance File System Records;
- j. Code of Federal Regulations, Part 297 – Privacy Procedures for Personnel Records;
- k. Office of Personnel Management – Guide to Processing Personnel Actions;
- l. Office of Personnel Management – Guide to Personnel Recordkeeping;
- m. DOE 331.1C – Employee Performance and Recognition Program;
- n. DOE O 322.1A – Pay and Leave Administration and Hours of Duty;
- o. DOE Performance Time-Off Award Clarification Memorandum dated November 14, 2013;
- p. DOE Policy Guidance Memorandum #38 – Exceptions to Policy Regarding Quality Step Increases, dated November 13, 2014; and
- q. DOE Policy Guidance Memorandum #29 – Employment Offer Letters – Performance Management, dated September 7, 2012.

## 7. DEFINITIONS.

- a. Acceptable Level of Performance: Performance that meets the requirements of an employee's critical elements, which are written at a ME level.
- b. Advisory Rating: An unscheduled performance rating that is prepared for an employee who is detailed or temporarily promoted to another position or specific set of duties for 90 days or more, and consists of a rating of each critical element; the advisory rating is completed by the Rating Official to whom the detailed or temporarily promoted employee reports.
- c. Appraisal: The process under which employee performance is reviewed and evaluated.
- d. Appraisal Period: The established period of time for which performance will be reviewed and a rating of record will be prepared; in DOE, normally the fiscal year (October 1 to September 30), unless special circumstances exist [as described in DOE O 331.1 5c (7-12)].
- e. Certification: The process of formally signing the performance plans and ratings to acknowledge the implementation of a performance plan at the beginning of the appraisal period when the plan is issued, when a progress review is held, and at the end of the appraisal period when the rating of record is rendered.
- f. Critical Element: An assignment or responsibility of such importance that unacceptable performance in a single critical element would constitute an overall FME summary rating; it identifies specific performance outcomes and expectations that are to be accomplished during the appraisal period, the manner of performance in which they have to be done, how well they have to be done, and how they will be measured.
- g. Days: Calendar days, unless otherwise specified.
- h. Minimum Appraisal Period: The minimum appraisal period is 90 days from the effective date that the employee is assigned, detailed, or temporarily promoted to a position; in no case shall an appraisal period be less than 90 days.
- i. Pay Pool: The funding allocated to pay performance awards. Each Departmental element will provide 3%-4% of their covered employees' total salaries as of September 30 to establish its pay pools; two pools will be established, one for supervisory employees and one for non-supervisory employees; the same percentage will be used for each pool.
- j. Performance Award: A lump-sum cash award based on a rating of record of Meets Expectations or higher.

- k. Performance Improvement Plan (PIP): A formal memorandum notifying an employee of the need to improve unacceptable performance, to identify specific performance deficiencies, to communicate the potential consequences of continued unacceptable performance, to inform the employee how performance may be improved, and to establish a timeframe for observing and reevaluating performance.
- l. Performance Plan: A document that contains critical elements that specify the expected performance outcomes and expectations upon which an employee's performance is evaluated; the performance plan is expected to be developed jointly by the Rating Official and the employee; and it becomes official when signed by at least the Reviewing and Rating Officials and is provided to the employee.
- m. Performance Rating: A written or otherwise recorded appraisal of performance based on the outcomes and expectations for each critical element, on which there has been an opportunity to perform for at least 90 days; a performance rating is also referred to as a summary rating and rating of record.
- n. Performance Standard: Specific occupational and/or safety standards when the performance of occupational and/or safety duties are an essential part of the position.
- o. Position of Record: The position to which an employee is officially assigned at the time of the appraisal (temporary details are not official positions of record).
- p. Progress Review: A required meeting typically occurring during the middle of the appraisal period between the Rating Official and the employee to discuss the employee's progress towards meeting the job performance expectations in the employee's performance plan; at least one progress review is required each appraisal period.
- q. Quality Increase: An increase in an employee's rate of basic pay from one step or rate of the grade of his or her position to the next higher step of that grade or subsequent higher rate within the pay band, an employee must receive a summary rating of Significantly Exceeds Expectations (SE) on his/her most recent rating of record to be eligible.
- r. Rating Levels: Levels of performance used to evaluate individual critical elements and derive a final summary rating; DOE's rating levels for critical elements are Exceeds Expectations (EE), Meets Expectations (ME), Fails to Meet Expectations (FME) and Not Ratable (NR).
- s. Rating Official: Normally, the immediate supervisor of an employee who is responsible for developing performance plans, monitoring performance, and rating performance of the employees under his/her supervision; Rating Officials

must evaluate an employee's performance fairly and accurately against each critical element.

- t. Rating of Record: The summary appraisal prepared at the end of the appraisal period for performance of duties over the entire appraisal period and the assignment of a summary level (as specified in 5 CFR 430-208); an employee's rating of record can be used as a basis for pay, awards, development, retention, removal, and other personnel decisions.
  - u. Recognition: Acknowledging contributions through monetary and non-monetary means.
  - v. Reviewing Official: The person with full supervisory authority who is responsible for approving performance plans and summary ratings of record prior to their transmittal to employees; the Reviewing Official is normally the Rating Official's immediate supervisor.
  - w. Share: A percentage increase to base pay; the share value is determined by dividing the Awards Pool (a percentage of all employee base salaries within a pay pool) by the sum of the employees' aggregate salaries (sum of all employees' salaries within a pay pool).
  - x. Summary Level: The numerical value in 5 CFR 430.208 that corresponds to DOE's summary levels.
  - y. Summary Rating: An overall rating based on the rating for the critical elements that describes an employee's overall performance throughout the appraisal period; this rating is considered the rating of record and is described using summary levels.
  - z. Within-Grade Increase (WGI): A periodic increase in an employee's rate of basic pay from one step of the grade of their position to the next higher step of that grade.
8. CONTACT. Questions concerning this directive should be addressed to the Office of Strategic Planning & Policy at (202) 586-8451.

BY ORDER OF THE SECRETARY OF ENERGY:

ELIZABETH SHERWOOD R.  
Deputy Secretary

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## **APPENDIX A SUPERVISORY CRITICAL ELEMENT**

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

Provides leadership and support to improve the hiring process to recruit a diverse and highly skilled workforce by planning for current and future workforce requirements, identifying skills required for the job, proactively participating in the recruitment and interviewing processes, and providing assistance to newly hired Federal employees in accordance with DOE requirements and established time frames in order to meet the President's recruitment and hiring reform objectives.

Provides training and mentorship to employees on the relationship of individual program priorities and goals to the Departmental Strategic Objectives in the DOE Strategic Plan. Supports employee development through job details, training, and other means; provides highly-potential employees with opportunities to work between headquarters and the field, as well as between line and support functions.

(Identify any organizational milestone, deliverables, or deadlines)



**APPENDIX B - MONETARY AWARDS SCALE  
FOR TANGIBLE/INTANGIBLE BENEFITS**

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



**APPENDIX C – TIME OFF AWARDS SCALE  
FOR TANGIBLE/INTANGIBLE BENEFITS**

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