
Carroll County PSA

January 2011
Mission Statement

Springsted provides high quality, independent financial and management advisory services to public and non-profit organizations, and works with them in the long-term process of building their communities on a fiscally sound and well-managed basis.
1. Performance Management Program Overview

A. Introduction

The Carroll County PSA is committed to a performance management system for all personnel. The primary purpose of this formalized performance evaluation system is to assist the PSA and its employees in job effectiveness, professional development and assisting in achieving the PSA’s established goals and objectives.

Performance management is an important part of the PSA’s overall goals and is a necessary, beneficial, and continuous process for provision of service to the citizens of Carroll County. The goals and job responsibilities of employees and units of employees are not just assessed on an annual basis, but are continuously evaluated in order to assure employees are meeting or exceeding established performance standards and attainment of mutually established individual and unit goals. The annual performance evaluation is only a small portion of the overall performance management program. More importantly, when the entire personnel management program is used effectively, the annual performance evaluation may become the easiest part of the process.

One of the most important relationships in any organization is that of the employee and their immediate supervisor. In many cases, the supervisor is the only member of the organization’s management with whom the average employee has any direct contact. The supervisor, in the eyes of many employees, is management; therefore the actions of the supervisor represent the actions of management to the employee. The importance of this relationship cannot be over-emphasized.

It is the responsibility of the supervisor to outline to an employee what their job is and to ensure that the employee is informed of all conditions surrounding their job. It is the supervisor who must show an employee how to do his job or arrange for the employee to be shown how to do it. In addition, each supervisor must analyze the goals they are expected to achieve, then delegate specific duties and responsibilities among unit employees.

B. Purpose

Performance evaluation is a crucial management tool designed to strengthen employee performance, develop employee potential and improve organizational effectiveness. A formal performance management and performance evaluation system is designed to facilitate this process and ensure that all employees are treated fairly and equitably. It is important, however, to remember that the performance evaluation process can only be as effective as the people who are involved in it. As a result, the
A performance management program and performance evaluation system provides an opportunity for the supervisor and the employee to engage in mutually beneficial discussions to assist in improving individual employee and unit performance. Performance evaluations are typically conducted during an employee’s probationary period and thereafter on an annual basis either on an employee’s anniversary date or at the end of a calendar or fiscal year. The purpose of the performance evaluation process is to provide:

- An assessment of individual employees job skills and performance
- Employees with information to be used to enhance or improve job skills and performance
- Communication between management and employees which assists in creating a productive, safe and positive work environment
- Opportunity to minimize problem situations and allow for intervention if necessary
- Opportunity to recognize employees for better than satisfactory performance
- Opportunity for the supervisor and the employee to establish and agree upon goals for the next evaluation period

C. Benefits

Performance evaluation is a basic tool of supervision and employee development. Some of the benefits of the communication which takes place between supervisors and employees during the performance evaluation are:

- Employees want to know “how they are doing”
- Employees need to know when improvement is needed and learn how and what to change
- Supervisors and employees gain a better understanding of the jobs to be done and how they are to be accomplished
- Supervisors and employees gain an understanding of individual employee strengths and weaknesses, which aids in making decisions on training, work assignments, and promotions
- Organizational problems and employee relations issues can be identified and dealt with
- Employees are provided with specific and clear criteria by which they will be evaluated in the performance of their job
D. Process

The performance management process can be broken down into four parts: planning, monitoring, evaluating, and rewarding.

Planning

Planning is the most important aspect of the performance management program. The establishment of goals for individual employees and work units and the assignment of responsibilities to employees within the unit initiates the planning process. Guidelines for establishing goals for the performance evaluation process include:

- Goals should be job, department, or organization related
- Goals should pertain to the type of work the employee is performing
- Goals must be achievable and measurable
- Goals should challenge the employee
- Goals should enable the employee to build on strengths
- Goals should assist an employee in correcting weaknesses
- Goals should conform to the organization and/or department mission
- Goal should involve improving the level of service

Once a supervisor has planned and defined unit goals and mutually established agreed upon individual employee goals, the responsibility moves into the monitoring stage of the performance management program.

Monitoring

Supervisors should monitor unit and individual employee performance on a continuous basis. Performance of essential duties and responsibilities and achievement of mutually established goals are evaluated and re-evaluated as
benchmarks are reached and assignments are modified whenever necessary to attain individual and unit goals.

A supervisor should continuously monitor individual employee and unit performance and provide feedback as a basis for performance evaluation. Monitoring provides the opportunity to identify and assess all facets of performance and developmental and training possibilities for employees within the unit.

The most important aspect of monitoring individual employee and unit performance is communication with employees in the unit. Daily contact or lack of contact with employees is a part of the performance evaluation process. If supervisors do not inform employees they are not performing up to expectations, they can only assume they are meeting the performance standards of their position. Supervisors must provide both constructive criticism and positive feedback. An environment which encourages both is an effective way to improve the quality of work.

By integrating written feedback into the monitoring portion of the performance management program the supervisor initiates the performance evaluation of employees within the unit.

Included as Appendix I is a Performance Note form. This should be used as a formal communication tool. A supervisor should complete a Performance Note on individual employee actions as necessary. It may be used to indicate excellent, poor or improved performance or other thoughts and comments to an employee concerning their performance.

The Performance Note is a stepping stone to maintaining performance records that will assist in the preparation of the annual performance evaluation. By incorporating its use in the supervisor’s feedback process, employees will know what will be reflected in the annual record of performance. The results of the annual performance evaluation should never be a surprise to the employee.

Evaluating

The evaluation portion of the performance management program becomes simply a matter of recording the data for individual employee personnel records if the supervisor uses feedback as part of monitoring performance.

The employee has been aware of the supervisors assessment via performance feedback offered and recorded during frequent monitoring. The actual performance evaluation interview becomes a review of the actual performance over the last evaluation period.

The annual performance evaluation is a chance for the supervisor and employee to specifically address potential development opportunities as well
as the reassessment and statement of goals and objectives for the upcoming evaluation period.

**Rewarding**

The reward element of the performance management system should occur in every part of the system. Many times the ‘rewards’ portion of the performance management system is viewed strictly as a monetary reward. But the reward could take the form of further training or non-monetary recognition of specific achievements individually, within the unit, within the organization or publicly.

As previously mentioned, during the initial planning period a supervisor may realize that in order to accomplish specific goals an employee may need further education or training. During the monitoring stage it may also become apparent that further training or education is needed to accomplish a goal or to assist an employee in attaining the necessary ability to satisfy specific job requirements. The performance evaluation also requires that the supervisor and employee plan for future training needs.

The most important aspect of any performance management program is the ability to create and maintain a forum for open and honest communications between supervisors and employees within the unit concerning job performance and related expectations. This communication necessitates a constant flow of feedback from the supervisor to the employee. By bringing the performance evaluation portion of the performance management system into each step of the process the supervisor facilitates a working environment geared toward goal achievement.

Once the communication channels are open and used to the advantage of the supervisor and employee the performance evaluation portion becomes a known element – with no surprises since the employee has been informed and aware of their individual performance in relation to the upcoming evaluation.
2. Performance Evaluation Forms and Procedures

How does a supervisor conduct an "objective" performance evaluation for employees? On the one hand, total objectivity regarding human behavior is probably not possible. On the other hand, when evaluating an employee's job performance, the system should strive to be as objective as possible.

Performance evaluations should be job related and based on performance standards. To further increase objectivity, performance evaluations should be made on the basis of observable behaviors. This method differs from traditional approaches which emphasize traits, characteristics, attitudes and other non-job related criteria. These frequently have no bearing on job performance.

In order to achieve a more objective performance evaluation system, the evaluation form has three areas in which an individual employee will be evaluated. These areas are as follows:

- Essential job duties and responsibilities.
- Other performance factors
- Mutually established goals

A. Standards

There are five (5) rating categories for each element. These categories are:

**Exceptional Performance:** Employee consistently performs above the established performance standard for the element. In addition, the employee regularly makes positive contributions to the work unit that demonstrates creativity and initiative. Further, the employee has demonstrated a complete understanding of all the requirements of the position and how they relate to the goals of the organization, the mission of the department and the needs of other departments.

**Exceeds Standards:** The employee usually performs above the established performance standard for the element. The employee performs effectively and makes contributions to the work unit that is above the established standards. The employee takes a leadership role in developing new ideas on how to improve the level of service and possesses the job knowledge, skills and abilities required to successfully complete all assigned tasks efficiently and effectively.

**Meets Standards:** The employee maintains a performance level in accordance with the established standard for the element and performs job duties at or near full proficiency. Employee’s work is completed accurately and on time, and employee works well with associates and the public.
Performance Evaluation Forms and Procedures

Needs Improvement: The employee is not meeting some of the performance standards for some of the elements of the job. Counseling may be necessary. Employee may need further training. Employee may be lacking some of the required knowledge, skills, and abilities required to perform some tasks to established standards.

Below Standards: The employee is not meeting the performance standards established for the elements required of this position. Corrective measures are necessary. Employee needs additional training. Employee lacks the required knowledge, skills and abilities and is unable to perform the tasks required of the position.

B. Elements of the Performance Evaluation

1. Evaluation of Essential Duties and Responsibilities
   Employees should be evaluated on the established essential duties and responsibilities of the position included within their classification description. These should be reviewed on an annual basis as a part of the performance evaluation process to ensure that the employee is being evaluated on accurate and up-to-date job-related functions. In order to ensure an objective evaluation of relevant job factors, each essential duty and responsibility should be evaluated separately.

   As part of the evaluation process a determination must be made on what the standard of performance should be. Employees will not know if they are doing the job up to standard unless they are informed of what the standard is. A standard must be developed for each essential job duty and responsibility. The supervisor’s responsibility in this process is to determine whether the individual employee's performance has exceeded the standard, met the standard, or is below the standard.

2. The Scale
   In order to compute performance scores and award performance increases a consistent scale is needed. The evaluation scale is:

<table>
<thead>
<tr>
<th>Rating</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exceptional Performance</td>
<td>4</td>
</tr>
<tr>
<td>Exceeds Standards</td>
<td>3</td>
</tr>
<tr>
<td>Meets Standards</td>
<td>2</td>
</tr>
<tr>
<td>Needs Improvement</td>
<td>1</td>
</tr>
<tr>
<td>Below Standards</td>
<td>0</td>
</tr>
</tbody>
</table>

   If an employee receives a “needs improvement” or “below standards” rating the supervisor should notify the employee that corrective action will be required. The need for corrective action should be noted under “evaluator’s comment”. The supervisor should contact the County’
Human Resources Director, or her designee, for advice and guidance on possible actions.

Each element of an employees’ evaluation shall be independently scored. The total score for all elements is then added, and the sum is divided by the number of elements rated. This score will be a number between 0 and 4, and will fall within one of the five categories (exceptional performance, exceeds standards, meets standards, needs improvement or below standards). An explanation of the rating for each element can be provided in the space provided for comments.

A form entitled Employee Information Supplement is included as Appendix II. This form should be given to the employee to fill out and return prior to the evaluation form being completed. This will give the employee an opportunity to detail major accomplishments and provide other input at the beginning of the evaluation process.

C. Employee Performance Evaluation Report Procedure

1. Ensure that you have either electronic or paper copies of the performance evaluation forms for all positions which you supervise.

2. Review Performance Notes and other documentation gathered throughout the evaluation period on individual employee’s performance on the essential duties and responsibilities of the position and on the mutually established goals for the evaluation period.

3. Begin with Section I (Tab – Performance Evaluation) which lists the essential duties and responsibilities of the position. Read each element and choose the standard which most accurately reflects the level of the employee’s performance. Place an X in the appropriate evaluation box. If you are using the electronic form the score will automatically be calculated. There is an “Add Duty” button above the listed essential duties and responsibilities which when clicked will add blank spaces at the end of the page in order to add additional job duties and responsibilities in which to rate the employee. If additional job duties and responsibilities are added to the form the supervisor should make sure to add to the comment section whether this was a temporary responsibility for the current evaluation period or whether it is a permanent change in the position which should be added to the class description for the position.

4. If you are using the electronic evaluation form, the average score will be calculated automatically and the average score will be carried over to the Summary page. If you are using a hard copy evaluation form, individual scores should be totaled and divided by the number of elements to get the average score for the elements. This average should then be placed on the Summary page.

5. Be sure to complete the comments section on the form. There is a place for a comment for each element. For those using the electronic evaluation form there is also a section to the right of each essential
6. Upon completion of the evaluation of the employee on the essential duties and responsibilities, the supervisor should then move to Section II of the evaluation form (Tab – Other Performance Factors) in which the supervisor will evaluate the employee on “other performance factors” using the same process as was used when evaluating the essential job duties and responsibilities. There is an “Add Other Performance Factor” button at the top of the page of this section of the form to add additional performance factors if required.

7. Upon completion of the “Other Performance Factors”, the supervisor should then move to Section III of the evaluation form (Tab – Mutually Established Goals). The goals for the evaluation period, which were established during the employee’s prior evaluation period, will be listed on the form. The supervisor should check the appropriate box as to whether the goal was completed or not. If the goal was completed, then check the appropriate evaluation rating box. If the goal was not completed, make sure that you provide information in the comment section for the goal as to why the goal was not completed and if it was based on factors within or outside the employee’s control. There is also an “Add Mutually Established Goal” button in this section to add goals for individual employees which may have been established subsequent to the employee’s last performance evaluation.

8. Upon completion of the evaluation of the employee on their mutually established goals for the evaluation period, the supervisor should move to Section IV of the evaluation form (Tab – Mutually Established Future Goals). The supervisor and the employee should establish three or four (dependent on the position this number could be larger or smaller) job-related and achievable goals and objectives for the employee for the upcoming evaluation period. These should then be listed on the form, along with the means that the supervisor will use to measure success in attaining the goals. There is a button on this form to add additional spaces, if necessary, for establishing future goals.

9. On the electronic form, the average scores for each of the three factors of the performance evaluation will be carried over to the Summary Page. If you are using a hard copy, transfer the average score to the Summary Page. The rating for the essential duties and responsibilities counts towards fifty percent of the overall ranking of the employee, other performance factors and mutually established goals are each twenty-five percent of the total evaluation score.

10. Sign the form.

11. Conduct the performance evaluation interview. Discuss the job related and achievable goals and objectives for the next year.
12. Allow the employee the opportunity to comment on the evaluation in the "Employee's Comment" section.

13. Be sure the employee signs the completed evaluation form and return it to the County’s Human Resources Director’s Office for insertion into the employee’s records.

14. The last section of the form is to update individual employee contact information, ensure that required certifications and licenses are maintained and up-to-date, and to note if the current class description for the position needs revision.
3. The Performance Evaluation Interview

An important step in the performance evaluation process is the supervisor’s discussion with the employee. After the form has been completed and the overall evaluation score determined, the results should be discussed with the employee. This should entail two-way communication: conveying the necessary information and answering all questions the employee has about the evaluation. Supervisors should remember that if the employee's performance was evaluated throughout the year on a daily, weekly and monthly basis, there will already be a high level of knowledge about results of the performance evaluation. Accordingly, there will probably be no significant disagreement in the overall evaluation. If misunderstanding or disagreement occurs, this is the time to recognize and resolve it. In addition, this is also the time to set goals for the following evaluation period and consider training and education requirements for the employee.

1. Interview Process Techniques

Interview and evaluation presentation skills take time and practice to master. The following techniques are suggested as guides to help make performance evaluations more objective, accurate and more likely to be well received by employees:

A. Communicate in advance. Explain expectations for employee job performance at the beginning of the rating period. As a part of the evaluation, review the form with the employee and explain how it will be used. Throughout the year, discuss job performance as it occurs and explain how you relate it to the performance standard. Answer all questions openly and thoroughly in order to eliminate any confusion about your expectations and the rationale behind the evaluation.

B. Evaluate performance for the entire year. It is difficult to remember incidents that happened 10 or 11 months ago. However, the performance evaluation covers the whole year. Therefore, performance notes should be kept so that the evaluation will reflect incidents that happened last month, four months ago and eight months ago.

It is recommended that a critical incident or progress log be maintained on each employee. Significant positive and negative job related events should be recorded and discussed with the employee throughout the year. This will form the basis for the performance evaluation. Be careful not to let the most recent performance or one positive/negative incident dominate your evaluation of an individual. It is the supervisor’s responsibility to ensure that subordinates are aware that he/she has informally or formally documented instances of performance and inform employees that such documentation is available for review. Recording observations need not be time consuming if notations are made soon after an incident occurs (e.g. end of each day). Waiting until the end of the week takes much more time in trying to recall the specific incident.
Be sure to record the specific behavior observed rather than a vague statement.

Example

Vague: Jane exceeded my expectations today.

Specific: During down time, Jane voluntarily initiated a file review and selected and suggested items to be purged to make files more useful and to free up badly needed file space.

C. Remember the elements and performance standards. The evaluation is a professional, job related assessment of an employees' annual performance. Objectivity is essential. The elements of the job and the performance standard are intended to help focus your judgment on job related criteria. Make sure you are rating observable behavior. You should not be evaluating personal traits, characteristics or attitudes.

D. The interview/discussion with the employee should be conducted in an environment which facilitates communication and the sharing of ideas and information. It should be quiet, private and absent of interruptions. The supervisor should be able to explain and justify the evaluation. When the employee indicates some disagreement with the score, and is able to substantiate the concern, the supervisor must become an effective listener and maintain objectivity. The additional information will improve the evaluation process. If this results in an altered score, the change should be made on the Employee Performance Evaluation Form. Remember, objective evaluation of job related performance is the goal of this process.

2. Performance Evaluation Techniques

Most employees consider the formal evaluation discussion to be of great importance since it concerns his/her performance and progress, and possible monetary or other reward. Consequently, it should be taken seriously by the supervisor.

The following practices will help make the session a productive and meaningful meeting for both the employee and the supervisor.

A. Plan the evaluation session in advance by defining your objectives for the interview and by outlining the key points you wish to cover. Explain to the employee that the primary purpose of the evaluation is not to grant or withhold rewards or merit increases, but to promote a common understanding of the work objectives and to provide the employee with feedback that the supervisor feels will be of benefit in the employee’s personal growth and advancement.

B. Plan and schedule the interview for a time and place which provides privacy and undivided attention.
C. Encourage the employee to discuss any portion of the evaluation he/she feels is incorrect or unfair.

D. Listen to the employee during the interview, especially immediately after negative feedback has been given. This is when an employee could become defensive and will need to react and explain. Recognize this need and listen. The more the employee talks, the more the defensiveness will dissipate. He/she will then be more willing to look at the situation objectively and accept your evaluation.

E. Your attitude and interest regarding the employee is more important than any counseling technique you may use. If the employee sees that your primary objective is to help him/her do a better job, the evaluation is more likely to be successful. If you put yourself in the role of a judge and the employee is the defendant, the evaluation interview will most likely be a waste of time.

F. The evaluation discussion should not be the only time you discuss an employee’s performance. An effective performance management and evaluation program must be continuous. The evaluation interview should be a re-statement and summary of previous informal evaluations. Feedback is most effective when it immediately follows and employee’s performance, both positive and negative.

Ongoing feedback concerning an employee's performance is very important. You are encouraged as a supervisor to hold periodic informal performance evaluation meetings with your employees. The meetings could be monthly, quarterly or at some other interval. This will allow you to advise employees where they stand regarding their performance and allow employees to take whatever corrective measures are required before the formal performance evaluations are conducted.

G. Together with the employee, establish and agree upon goals for the next evaluation period. Use the Mutually Established Future Goals Tab of the evaluation form when establishing the goals. It may be beneficial to provide the employee with written goals he/she can refer to periodically. Listed below are some guidelines for setting goals. The goals should:

- Be job related;
- Pertain to the type of work the employee is performing;
- Be achievable and measurable;
- Challenge the employee;
- Enable the employee to build upon strengths;
- Assist the employee in correcting weaknesses;
- Conform to the mission of the organization and the department; and
• Improve the level of service to citizens.
4. Assessing the Evaluation

In order for the supervisor to be able to make changes in the evaluation after reviewing them with the employee, it is recommended that the evaluation and examples of performance first be written on a separate sheet of paper, if you are not using the electronic version of the performance evaluation form. Once the final ratings are determined, the evaluation form can be completed. Evaluations should be checked for warning signals which can alert you to parts of the evaluation form which you might want to recheck. Performance evaluation warning signals are noted below:

**Halo Effect**
This occurs if the supervisor allows his or her rating for one factor to affect his or her ratings on the other factors. An example of the halo effect might occur if an employee has written an especially good report. Impressed by the report, the supervisor rates the employee high not only on written communications but on other factors where the high ratings are not necessarily deserved.

To avoid the halo effect the supervisor should look over the factors and think about them as separate skills. Remind yourself that it is possible for someone to be superior in one factor and poor in another.

**Leniency**
Consistently rating employees at the favorable end of the scale may indicate the rater is not critical enough.

A supervisor can check for this tendency by counting the number of "exceptional performance" ratings that he or she gives to your employees. If a majority of the supervisors ratings are "4", the ratings may be too lenient.

**Negative Tendency**
A rater who is overly critical of employees’ work will give most of his/her employee’s generally low ratings on all factors. If a supervisor finds they have given a majority of ratings in the "below standards" category, the supervisor may not be accurately representing the employees’ work performance.

**Central Tendency**
This is the tendency to make almost all evaluations in the center of the scale to unrealistically avoid using the "exceptional performance" and "below standards" ratings. It is very unusual for someone to be totally average. Most of us have strong and weak areas, as well as average ones.
Assessing the Evaluation

Contrast Effect  
This is the tendency to rate employees against other employees. If a supervisor remembers to rate each employee separately and against their own performance standards this effect should be eliminated.

First Impression  
An evaluator who has rated an employee solely upon the basis of a favorable (or unfavorable) first impression, and ignores subsequent favorable or unfavorable observations through the entire evaluation period has fallen into this trap. Supervisors should check for this warning signal and evaluate the employee on all observations.

"Similar to Me"  
This is the tendency to rate an employee favorably if they seem similar to the supervisor, or unfavorably if they are different. Age, sex and race may contribute heavily toward this bias. Being objective and ignoring personal biases will improve an evaluator having this tendency.
APPENDIX I
Performance Note
CARROLL COUNTY PSA
EMPLOYEE PERFORMANCE EVALUATION SYSTEM
PERFORMANCE NOTE

Person completing the form: ______________________________ Date of event: __________
Employee name: _______________________________________
Position: ________________________________________________
Performance element (If relevant, identify the specific knowledge or skill or value from the evaluation form.):
Narrative of the incident or event:

Have you discussed the event with the employee?   Yes ☐ No ☐ Date discussed: ________
Result of the discussion:

Employee’s comments:

Employee’s initials _____  Manager’s initials _____
APPENDIX II
Employee Information Supplement
TO BE COMPLETED BY THE EMPLOYEE:
Answer the following questions and then give this form to your direct supervisor.

Major accomplishments:

What are your most important accomplishments during this rating period?

Support needed:

What type of guidance, instruction or other support do you need from your supervisor to improve your performance during the next rating period?

Training and Education:

Describe any training or education you are completing now or have completed during this rating period.

EMPLOYEE’S SIGNATURE _________________________ DATE _________________
Employee’s signature indicates only that the employee has seen the form and has had the opportunity to make any written comments.
APPENDIX III
Program Policy Guidance and Procedure
CARROLL COUNTY PSA
PAY FOR PERFORMANCE AND PERFORMANCE APPRAISAL PROGRAM

1. OBJECTIVE:
   To provide a pay for performance appraisal program based on performance that meets or exceeds established standards and benefits the citizens of Carroll County by encouraging a high level of performance. All classified positions of the PSA are governed by this program.

2. AUTHORITY:
   This procedure shall be approved by the PSA.

3. DIRECTION:
   The Executive Director is responsible for implementation of a pay for performance and employee appraisal system.

4. METHOD OF OPERATION:
   A. Definitions - The following words or phrases, for the purpose of this procedure, are defined as follows:
      
      Annual Review Period - The annual period of performance of an employee covered by these procedures beginning September 1 of the previous year through August 31 of the current year.
      
      Performance Increase - an annual increase in salary based on meeting or exceeding performance standards. Increases will be based on the steps of the employee’s assigned pay grade.
      
      Performance Factor - a key job responsibility - linked to the PSA’s goals and or mission statement.
      
      Performance Goal - a projected result - measured in terms of quality, quantity, and timeliness.
      
      Performance Increase Program - provides recognition and reward for performance that consistently exceeds standards in the form of a salary adjustment to an employee’s base pay.
      
      Probationary Employee - an employee assigned to a permanent position who has not completed an approved probationary period of employment with the PSA in that particular position. This period is six (6) months for full-time employees and the first 1040 hours for part-time employees unless extended. Part-time employees who have not completed 1040 hours of work within their first year of employment will be eligible for an annual review at the first annual review period following their one-year anniversary date.
      
      Rater/Evaluator - an employee having direct authority over the employee rated, herein referred to as “Rater”, “Evaluator”, or “Immediate Supervisor.” The rater/evaluator is designated as a Department Director, Departmental Supervisor, Assistant Executive Director, or the Executive Director.
      
      Regular Employee – a full-time or part-time employee who has successfully completed the probationary period in a permanent position.
   
   B. Policy
      1. All Employees’ performance is formally evaluated annually on a date established by the PSA.
      2. Newly hired employees in a probationary period will be reviewed prior to the end of their probationary period. Employees who complete the probationary period prior to September 1 will also receive an annual review at the next scheduled annual review date.
      3. Pay for promoted/transferred/demoted employees and reclassification of positions will be handled per Section 5.7 of The Personnel Policies and Procedures Manual.
4. An overall rating of Below Standard usually results in termination; however, at the recommendation of the department head, the Executive Director may offer the employee a three-month re-evaluation period during which the employee will have the opportunity to demonstrate improved performance at a satisfactory level.

C. Description of Performance Appraisal Systems

All employees covered by this policy are evaluated by comparing performance with established performance factors and defined performance levels.

1. Performance Factors

Employees in exempt and non-exempt positions are evaluated on the basis of standardized performance factors designed to measure significant dimensions of their positions as outlined in the PSA’s adopted Performance and Management Evaluation System.

All performance factors are defined on the Performance Appraisal Form developed for each approved PSA job classification.

2. Establishing Performance Goals

It is recommended that goals be established for employees in exempt and non-exempt positions. Working with their employees, department heads and immediate supervisors develop performance goals that conform with unit objectives and the PSA’s goals for that particular office. For probationary employees, immediate supervisors develop the employee’s initial goals.

3. Rating Employee’s Performance

An employee’s performance is rated on the degree to which employee demonstrates behaviors described within each pre-established performance factor and, where applicable, on the basis of attainment of performance goals. For each performance factor, the rater selects the level which most closely describes the employee’s performance. The five (5) levels of performance used in ratings are:

**Exceptional Performance:** Employee consistently performs above the established performance standard for the element. In addition, the employee regularly makes positive contributions to the work unit that demonstrates creativity and initiative. Employee has complete understanding of all the requirements of the position and how they relate to the goals of the organization, the mission of the department and the needs of other departments.

**Exceeds Standards:** Employee usually performs above the established performance standard for the element. Employee performs effectively and makes contributions to the work unit that are above the established standards. Employee takes a leadership role in developing new ideas on how to improve the level of service and possesses the job knowledge, skills and abilities required to successfully complete all assigned tasks efficiently and effectively.

**Meets Standards:** Employee maintains performance level in accordance with the established standard for the element and performs job duties at or near full proficiency. Employee’s work is completed accurately and on time, and employee works well with associates and the public.

**Needs Improvement:** Employee is not meeting some of the performance standards for some of the elements. Counseling may be necessary. Employee may need further training. Employee may be lacking some of the required knowledge, skills, and abilities required to perform some tasks to established standards.
**Below Standards:** Employee not meeting the performance standards established for the elements required of this position. Corrective measures are necessary. Employee needs additional training. Employee lacks the required knowledge, skills and abilities and is unable to perform the tasks required of the position.

4. Establishing Overall Ratings

The total percentage for each employee’s evaluation is calculated and converted to the recommended pay for performance increase between 0 and 4 percent. The following conversion tables shall be utilized by Department Heads and Authority Directors participating in the program:

<table>
<thead>
<tr>
<th>Performance Rating</th>
<th>Performance Based Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.00 – 4.00</td>
<td>4% (2 steps)</td>
</tr>
<tr>
<td>2.00 – 2.99</td>
<td>2% (1 step)</td>
</tr>
</tbody>
</table>

Employees who receive a performance rating below 2.00 shall not be eligible for a performance based increase.

5. Frequency of Ratings

An employee’s performance is formally evaluated at the end of the Annual Review Period with the following exceptions.

a. Probationary Ratings - A probationary employee’s performance is evaluated prior to the completion of the approved probationary period.

   Probationary ratings are to be submitted to the Executive Director, or his/her designee, no later than fifteen (15) calendar days prior to the close of the employee’s probationary period.

   Should an employee’s performance improve or deteriorate significantly any time prior to the close of a probationary period, the preliminary performance evaluation may be modified.

b. Extended Probationary Ratings - Should a probationary employee’s overall performance be less than Meets Standards and the employee is not terminated, the reviewer may request, to the Executive Director, or his designee, in writing, that the employee’s probationary period be extended for a period of up to six (6) months. The employee’s performance should be evaluated and submitted to the Executive Director, or his/her designee, prior to the completion of this extended probationary period.

c. Diminished Performance - If at any time during the review period an employee’s performance diminishes and falls to Below Standards, the employee should be counseled to determine the cause and a specific corrective action plan should be developed. If improvement is not achieved within 30 days, the employee’s performance should be evaluated and the employee placed on probation, not to exceed 90 days. If the employee’s performance has not reached at least a Needs Improvement overall rating, the employee will be terminated. Documentation to support this action must be attached by the evaluator. The employee may be terminated at any time during the probationary period.
Reviewers are responsible for ensuring all documents are forwarded to the Executive Director, or his/her designee, according to the time requirements outlined in this policy.

D. Administration of Performance Appraisal

1. Annual Fund Allocation Process

   The Executive Director shall annually review performance of the Pay for Performance Program and the following process shall be utilized in developing budget estimates for a central pool of funds to be allocated to the PSA.

   a. The percentage of funds dedicated to pay for performance increases shall be estimated and recommended for approval in advance of the annual budget process by the Executive Director.

   b. Each Department Director or Immediate Supervisor will submit the employees annual evaluation form with recommended salary increase to the Executive Director, or his designee, for final approval at a time designated by the Executive Director.

2. Employee Evaluation Administrative Process

   The Executive Director or his designee will distribute performance appraisal forms for those unable to access them from the PSA’s internal computer networks.

   a. Establishing Standards, Goals and Objectives

      Employees will review the standardized performance factors established for their positions. Department Heads and Immediate Supervisors (raters) meet with employees to review the performance appraisal system, discuss job requirements and standards that are applicable to the position, and, if feasible, jointly establish goals and objectives for the coming year.

      Employees and reviewers sign the performance appraisal form to signify this process was accomplished.

   b. Monitoring Performance

      To measure progress toward the accomplishment of established performance goals and the performance of job requirements, Department Heads and Immediate Supervisors should maintain accurate and specific documentation of employee performance.

      Department Heads and Immediate Supervisors should provide feedback to their employees on a regular basis regarding performance.

   c. Processing Pay for Performance Program Increases

      Before the end of the Annual Review Period, the Assistant Executive Director will send reminders or will distribute evaluation forms and any other information and documents to facilitate the processing of pay for performance increases.

      This program will be used to reward performance that consistently meets or exceeds standards in accordance with the PSA’s Performance and Evaluation System. Department Heads and Immediate Supervisors will have the ability to award an increase in pay – that is applied to an employee’s base salary.

      Salary increases for performance that meets or exceeds standards can be awarded at completion of the employee’s evaluation period. However, the maximum percent increase allowed through this program is two steps or four percent (4 %.) If the PPIP increase causes the employee’s base rate to exceed the maximum of their assigned salary range, then the amount awarded cannot exceed the last step on the pay scale.
A Personnel Action Request must be completed for each increase. Forms must be signed by the Assistant Executive Director or Immediate Supervisor and the Employee and then forwarded to the Executive Director’s office for approval and processing.

PSA will duplicate and provide a copy of the Performance Appraisal Form to the employee/recipient, maintain a copy for their files and send the originals to the Executive Director or his/her designee’s office on or before the next pay period.

The Executive Director, or his designee, reviews all documents for compliance with policy, and forwards the forms to the County’s Payroll staff which processes the appropriate increases.

Performance increases will be processed effective the beginning of the first pay period in December.