

2-3 Performance Ratings

2-3.1 Rating System

- (a) **Regulations.** The state personnel director shall issue regulations to establish a system of probationary ratings, annual ratings, interim ratings, and follow-up ratings for appointing authorities to evaluate and report employee performance and behavior.
- (b) **Ratings.**
- (1) **Types of performance ratings.** A rating issued under this rule is a single overall evaluation of the performance and behavior of the employee for the relevant rating period:
 - (A) **Probationary rating.** A probationary rating rates the overall performance and behavior of the employee as either *satisfactory or unsatisfactory*.
 - (B) **Annual rating.** An annual rating rates the overall performance and behavior of the employee as either *satisfactory or needs improvement*.
 - (C) **Interim and follow-up ratings.** An interim rating rates the performance or behavior of the employee as *unsatisfactory*. A follow-up rating rates the overall performance of the employee as either *satisfactory or unsatisfactory*.
 - (2) **Methods.** Unless provided otherwise in the regulations, an appointing authority may use any appropriate performance rating method developed or approved by the department of civil service to evaluate and rate employees. If an approved rating method yields overall performance evaluation categories different than those in subsection (b)(1), the categories must equate to the overall performance categories required in subsection (b)(1).
 - (3) **Component parts.** If an overall rating is satisfactory, a negative evaluation on an individual subpart of the performance evaluation, such as an individual objective, competency, or factor, is not grievable or reviewable in the departmental review procedure.
- (c) **Review with employee.** A supervisor must review each probationary, annual, interim, and follow-up rating with the employee. Both the supervisor and the employee must sign and date each rating as evidence of the review. The employee's signature on the rating does not indicate that the employee agrees with the rating. The employee may file an explanatory statement to accompany the rating.
- (d) **Use of ratings.** A performance rating may be considered in making human resource decisions, including, for example, promotion, retention, assignment, and training.
- (e) **Report.** If required by the civil service regulations, each appointing authority shall report or certify probationary, annual, interim, and follow-up ratings to the department of civil service.

2-3.2 Probationary Ratings

- (a) **Probationary ratings.** Unless a probationary appointment has been terminated or rescinded, an appointing authority shall evaluate the performance and behavior of each probationary employee and issue a probationary rating as required in the civil service rules and regulations.
- (1) **Full-time employment.** At a minimum, an appointing authority shall issue a probationary rating for a full-time probationary employee after completion of 6 calendar months and again after completion of one calendar year of employment. In addition, if the probationary employee is a new hire without status in the classified service, the appointing authority shall rate the employee after completion of 3 calendar months of employment.
 - (2) **Less than full-time employment.** At a minimum, an appointing authority shall issue a probationary rating for a probationary employee working less than full-time after completion of 9 calendar months and again after completion of 18 calendar months of employment. In addition, if the probationary employee is a new hire without status in the classified service, the appointing authority shall rate the employee after completion of 3 calendar months of employment.
 - (3) **Extension of probation.** If a probationary period is extended beyond one calendar year (for full-time employees) or 18 calendar months (for less than full-time employees), as authorized in rule 3 6.2(b) [Extension of Probationary Period], the appointing authority shall also issue a final probationary rating no later than 28 calendar days after the end of

the extension of the probationary period.

- (b) Satisfactory probationary rating.** A *satisfactory* probationary rating is not discipline and is not grievable.
- (c) Unsatisfactory probationary rating.** The following apply to *unsatisfactory* probationary ratings:
- (1) Discipline.** An *unsatisfactory* probationary rating is discipline and may be the basis for additional discipline, up to and including dismissal.
 - (2) Grievance.** An employee may grieve an *unsatisfactory* probationary rating only as authorized in rule 3-6.5 [Grievance of Probationary Rating or Discipline], rule 8-1 [Grievances], and the applicable regulations.
 - (3) Effects.**
 - (A)** An employee who receives an *unsatisfactory* probationary rating is not eligible for a step increase, a performance-pay award, or reclassification until a later *satisfactory* rating is issued.
 - (B)** The period beginning when the employee receives an *unsatisfactory* probationary rating is not counted as qualifying time for a step increase or reclassification. A step increase, performance-pay award, or reclassification action cannot be made retroactive to a date before a new *satisfactory* rating is issued.
 - (4) Record.** The employee's employment record must reflect any *unsatisfactory* probationary rating.

2-3.3 Annual Ratings

- (a) General.** The following apply to all annual ratings for employees in compensation plans with fixed steps and in performance-pay programs.
- (1) Annual rating required.** An appointing authority shall evaluate the performance of each nonprobationary employee and issue an annual rating as required in the civil service rules and regulations.
 - (2) Number and timing.** An appointing authority shall issue an annual rating at least once annually. In addition, the appointing authority may issue additional annual ratings at any time. If the employee has received an interim rating or an *unsatisfactory* follow-up rating, the appointing authority is not obligated to issue an annual rating for any period covered by the interim or follow-up rating.
 - (3) Performance improvement plan.** If an employee receives a *needs improvement* annual rating, the appointing authority must establish a performance improvement plan to monitor the employee's performance. The performance improvement plan must establish a date by which the appointing authority will issue another annual rating to evaluate the employee's performance under the performance improvement plan.
 - (4) Departmental review procedure.** Each appointing authority shall establish a departmental review procedure for employees to obtain a review of a *needs improvement* annual rating. The procedure must provide for a review by the appointing authority or the appointing authority's designee. If the annual rating is not grievable or appealable to the department of civil service, the review of the appointing authority is also not grievable or appealable.
- (b) Compensation plans with fixed steps.** The following apply to annual ratings for employees in compensation plans with fixed steps:
- (1) Satisfactory annual rating.** A *satisfactory* annual rating is not discipline and is not grievable or reviewable.
 - (2) Needs improvement annual rating.** The following apply to *needs improvement* annual ratings:
 - (A) Discipline.** A *needs improvement* annual rating is not discipline.
 - (B) Complaints.** A *needs improvement* annual rating cannot be grieved unless the employee alleges that the annual rating was issued in violation of [rule 1-8 \[Prohibited Discrimination\]](#) or [rule 2 10 \[Whistleblower Protection\]](#). However, an employee may request a review of a *needs improvement* annual rating within the departmental review procedure authorized in subsection (a)(4).
 - (C)**

Effects.

- (1) **Step.** An employee who receives a *needs improvement* annual rating is eligible for a step increase.
 - (2) **Reclassification.** An employee who receives a *needs improvement* annual rating is not eligible for reclassification until a later *satisfactory* rating is issued. A reclassification action cannot be made retroactive to a date before a new *satisfactory* rating is issued.
- (c) **Performance-pay program ratings and actions.** The following apply to annual ratings and performance-pay actions for employees in performance-pay programs in (1) the senior executive service, (2) the senior executive management assistant service, (3) equitable classification plan (ECP) Group 4, and (4) ECP Groups 1, 2, and 3 if the state personnel director has approved the employee's inclusion in a performance-pay program:
- (1) **Salary review.** An appointing authority shall complete a salary review for each employee in a performance-pay program at the same time it completes the annual rating. The appointing authority shall use the annual rating as one factor in determining the employee's eligibility for an increase in base salary or a lump sum award authorized in rule 5-3.4 [Operation of Compensation Schedules].
 - (2) **Satisfactory annual rating.** A *satisfactory* annual rating is not discipline and is not grievable or reviewable.
 - (3) **Needs improvement annual rating.** The following apply to *needs improvement* annual ratings:
 - (A) **Discipline.** A *needs improvement* annual rating is not discipline.
 - (B) **Complaints.** A *needs improvement* annual rating cannot be grieved unless the employee alleges that the annual rating was issued in violation of [rule 1-8 \[Prohibited Discrimination\]](#) or [rule 2 10 \[Whistleblower Protection\]](#). However, an employee may request a review of a needs improvement annual rating within the departmental review procedure authorized in subsection (a)(4).
 - (C) **Effects.**
 - (1) **Performance-pay award.** An employee who receives a *needs improvement* annual rating is not eligible for a performance-pay award until a later *satisfactory* rating is issued. A performance-pay award cannot be made retroactive to a date before a new *satisfactory* rating is issued.
 - (2) **Reclassification.** An employee who receives a *needs improvement* annual rating is not eligible for a reclassification until a later *satisfactory* rating is issued. A reclassification action cannot be made retroactive to a date before a new *satisfactory* rating is issued.
 - (4) **Grievances regarding other performance-pay actions.** Performance-pay awards are discretionary. An employee is not authorized to grieve or appeal a performance-pay action unless a grievance or an appeal is specifically permitted in this rule or the applicable regulations.
 - (A) **Grievance permitted.** An employee aggrieved by any of the following performance-pay actions may file a grievance as authorized in rule 8-1 [Grievances] and the applicable regulations:
 - (1) The employee's pay is reduced.
 - (2) The appointing authority does not rate the performance of the employee at least once annually.
 - (3) The performance-pay action is alleged to violate [rule 1-8 \[Prohibited Discrimination\]](#) or [rule 2 10 \[Whistleblower Protection\]](#).
 - (B) **Grievance prohibited.** Except as expressly authorized in subsection (c)(4)(A), the employee cannot grieve a final performance-pay decision of the appointing authority. By way of example only, the following performance-pay actions cannot be grieved:
 - (1) The amount of a performance-pay award.
 - (2) The failure to receive a performance-pay award.
 - (3) The distribution of a performance-pay award between a base salary adjustment

and a lump sum award.

- (4) The performance evaluation or performance-pay award of another employee.
- (5) The decision to include a position in, or exclude a position from, a performance-pay program.
- (6) The performance-pay program itself, including, for example, the performance standards, departmental evaluation methods, rating categories, and departmental salary-range subdivisions

2-3.4 Interim and Follow-up Ratings

- (a) **Interim ratings.** An appointing authority may evaluate the performance and behavior of an employee, including a probationary employee, and issue an interim service rating at any time. An interim rating is an *unsatisfactory* rating.
- (b) **Follow-up ratings.**
 - (1) **Follow-up rating period.** If the appointing authority issues an interim rating but does not dismiss the employee, the appointing authority shall establish in writing the length of a follow-up rating period. If, during the follow-up rating period, the employee is placed on a leave of absence without pay or extended sick leave, the follow-up rating period is automatically extended for an additional period equal to the period of the employee's absence.
 - (2) **Follow-up rating.** The appointing authority shall evaluate the performance and behavior of the employee during the follow-up rating period and issue a follow-up rating as required in the civil service rules and regulations. The appointing authority shall issue the follow-up rating before or within 28 calendar days after the end of the follow-up rating period. If the appointing authority fails to issue a follow-up rating within the time allowed, the employee may, within 14 calendar days after the end of the period allowed for issuance of the follow-up rating, request in writing that the appointing authority issue the follow-up rating. If the appointing authority fails to issue the follow-up rating within 14 calendar days after the employee's written request, the employee is returned to satisfactory standing, effective the end of the follow-up rating period. However, the return to satisfactory standing does not nullify any prior interim rating or *unsatisfactory* follow-up rating or preclude the later use of any such rating.
- (c) **Discipline.** Interim ratings and *unsatisfactory* follow-up ratings are discipline and may be the basis for additional discipline, up to and including dismissal.
- (d) **Grievance.**
 - (1) **Nonprobationary employee.** A nonprobationary employee who receives an interim rating or an *unsatisfactory* follow-up rating may grieve the rating as provided in rule 8-1 [Grievances] and the applicable regulations.
 - (2) **Probationary employee.** A probationary employee who receives an interim rating or an *unsatisfactory* follow-up rating may grieve the rating as provided in rule 3-6.5 [Grievance of Probationary Rating or Discipline].
- (e) **Effects.**
 - (1) An employee who receives an interim rating or an *unsatisfactory* follow-up rating is not eligible for a step increase, a performance-pay award, or reclassification until a later *satisfactory* rating is issued.
 - (2) The period during which the employee is rated as *unsatisfactory* is not counted as qualifying time for a step increase or reclassification. A step increase, performance-pay award, or reclassification action cannot be made retroactive to a date before a new *satisfactory* rating is issued.
- (f) **Commission action.** If an employee receives an interim rating and a subsequent *unsatisfactory* follow-up rating and the appointing authority has taken no adverse action, the state personnel director may recommend to the civil service commission that the employee be separated from the classified service.