



DEPARTMENT OF THE NAVY
COMMANDER
NAVAL EDUCATION AND TRAINING COMMAND
250 DALLAS STREET
PENSACOLA, FLORIDA 32508-5220

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NETCSTAFFNOTE 12000
N1CP
20 Jun 2023

NETC STAFF NOTICE 12000

From: Commander, Naval Education and Training Command

Subj: NAVAL EDUCATION AND TRAINING COMMAND HEADQUARTERS
BUSINESS RULES FOR 1 APRIL 2023 - 31 MARCH 2024
PERFORMANCE CYCLE AWARDS

Ref: (a) DoD Instruction 1400.25
(b) DON HR Guide No. 451-02, Guidance on Implementing Awards of Sep 05
(c) DON OCHR Memo, Supervisory Performance Management Critical Element of 3 Dec 10
(d) DoD Memo, Performance Appraisal Critical Element for the Protection of Classified Information of 12 Jun 13
(e) DON OCHR Memo, Department of the Navy Guidance for Implementation of Section 1097 of the National Defense Authorization Act for Fiscal Year 2018 Performance Management of 20 Jun 19

Encl: (1) Naval Education and Training Command Headquarters Business Rules for 1 April 2023 - 31 March 2024 Performance Cycle Awards

1. Purpose. To publish the Naval Education and Training Command (NETC) Headquarters (HQ) business rules for the 1 April 2023 - 31 March 2024 performance cycle for positions covered under Defense Performance Management and Appraisal Program (DPMAP) in compliance with references (a) through (e).

2. Background. Volume 431 of reference (a) establishes and implements policy, establishes procedures, provides guidelines and model programs, delegate's authority, and assigns responsibilities as it pertains to the Department of Defense (DoD) Civilian Personnel Management System: Performance Management and Appraisal Program. Volume 451 of reference (a) establishes and implements policy, establishes procedures, provides guidelines and model programs, delegates authority, and assigns responsibilities as it pertains to the DoD Civilian Personnel Management System: Awards. Reference (b) provides Department of Navy (DON) procedures for establishing and

implementing awards programs. Reference (c) provides the DON recommended language to include as a critical element in the performance plan of every manager and supervisor. Reference (d) sets forth a DoD requirement that all positions responsible for handling classified information must contain a critical element within their performance plan addressing this requirement. Reference (e) implements the requirement of a mandatory supervisory performance standard for whistleblower protection.

3. Policy. To fairly assess and award employees' performances, and maintain a results-based culture, connecting employees' duty performance to our organizational mission and goals. NETC utilized references (a) through (e) in the development of enclosure (1) which supports NETC HQ employees' required participation in the DPMAP.

4. Action. All NETC HQ staff members, as applicable, will read and abide by the business rules of enclosure (1).

5. Records Management

a. Records created as a result of this notice, regardless of format or media, must be maintained and dispositioned per the records disposition schedules located on the DON Assistant for Administration, Directives and Records Management Division portal page at [https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-and-Information-Management/ Approved%20Record%20Schedules/Forms/AllItems.aspx](https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-and-Information-Management/Approved%20Record%20Schedules/Forms/AllItems.aspx).

b. For questions concerning the management of records related to this notice or the records disposition schedules, please contact the local records manager.

6. Forms. The following form is available for download from Naval Forms Online <https://forms.documentservices.dla.mil/order/>: DD 2906 (Department of Defense Civilian Performance Plan, Progress Review, and Appraisal).

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7. Cancellation Contingency. This notice is cancelled upon receipt of the next notice on this subject and for record purposes on 30 April 2024.



C. COLLINS, JR.
Chief of Staff

Releasability and distribution:

This notice is cleared for public release and is available electronically on the NETC public web site (www.netc.navy.mil) or by e-mail at netc-directives@us.navy.mil.

NAVAL EDUCATION AND TRAINING COMMAND HEADQUARTERS BUSINESS RULES
FOR 1 APRIL 2023 - 31 MARCH 2024 PERFORMANCE CYCLE AWARDS

This document sets forth the NETC HQ business rules for the 1 April 2023 - 31 March 2024 performance cycle awards. This document is subject to change as revisions are implemented from higher-level policies from the Office of Personnel Management, DoD, and DON.

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SECTION 1: PROCESS FRAMEWORK

1. DPMAP provides a framework for supervisors and managers to communicate expectations and job performance to employees throughout the performance year. DPMAP facilitates a fair and meaningful assessment of employee performance; and it establishes a systematic process for planning, monitoring, evaluating, and recognizing and rewarding employee performance that contributes to mission success.

2. Commands are granted the flexibility to determine how to conduct the Performance Awards Review Board (PARB) process to include business rules that best support organizational operations and mission. NETC HQ has determined that each division director (DD) and special assistant (SA) code will

function as a separate and individual PARB. Codes with a small number of employees may combine together or merge with a larger size code upon approval by the Chief of Staff (COS).

3. To ensure fairness and good business decisions across the HQ while addressing adherence to merit system principles, PARBs will be established consistent with the framework identified within appendix A to review and approve performance awards. PARBs are not authorized to establish a forced distribution of awards. This does not prevent PARBs from making other distinctions among employees or groups of employees based on individual performance. Relative comparisons among individuals or groups, such as rank ordering or categorizing employees, can be used for making decisions about distributing awards.

4. Funding of each PARB will be per section 2 of this enclosure.

5. Granting awards shall be per the guidance of references (a) and (b) and this notice. Awards will be used as tools to acknowledge and motivate employees by recognizing and rewarding significant performance contributions. Awards are neither mandatory nor guaranteed.

6. The NETC COS will serve as the NETC HQ PARB chair and will review recommendations made by the individual DD or SA PARBs before discussion with employees. Recommendations may be returned to a DD or SA for changes to the award and distribution. Employees who are on the command rolls and retire within the last 90 days of the performance cycle may receive a performance-based award. Employees who are on the command rolls and transfer within the DoD within the last 90 days of the performance cycle may receive a performance-based award. This would need to be coordinated between the comptroller offices of the gaining and losing organizations. Employees who transfer within the NETC domain during the last 90 days of the performance cycle shall receive a performance-based award.

7. All DDs and SAs must adhere to the requirements of sections 3 through 6 of this enclosure and the timeline requirements of appendix D.

SECTION 2: AWARD FUNDING SOURCES

1. Guidance regarding award allocations and processes is contingent upon the receipt of an authorization to execute fiscal year (FY) 2024 awards based on 1 April 2023 - 31 March 2024 performance. The awards budget will be restricted to a specific spending percentage of the total aggregate salaries for monetary rating-based awards (associated with or connected to the end of the rating cycle) and contribution awards (e.g., on-the-spot and special act awards) given throughout the year.

2. Pending the receipt of authorization to distribute monetary awards, the approximate authorized limit will be calculated based on the aggregate adjusted salaries (base salary plus any applicable locality pay) for those employees onboard at the end of the previous FY and executed with current adjusted salaries (base plus locality) as of 31 March 2024 to allow for within grade increases (WGI), promotions, etc., received during the rating period.

3. Time-off awards are an alternate and additional means of recognizing employees' superior accomplishments where time-off from duty is granted without loss of pay or charge to leave, and for which the number of hours granted is commensurate with the employee's contribution or accomplishment. Awarding of time-off awards shall be per the criteria of reference (b) and appendix E of this notice, which provides the criteria and an awards scale to be used in determining the value of contribution in granting a time-off award. Time-off awards are limited to no more than 80 hours in a leave year. Time-off awards are not appropriate for birthdays, length of service, to create the effect of a holiday, or to be treated as administrative excusals or leave. Managers and supervisors should refrain from increasing the use of time-off awards solely to compensate for reduced award allocations.

4. Quality Step Increases (QSI): A QSI is an accelerated step increase; it is a permanent increase in an employee's rate of basic pay from one step or rate of the grade to the next higher step of that grade. Caution should be used when awarding QSIs, as this could affect the organization's overall funding.

a. An employee may be eligible for a QSI for a performance award if they meet the following criteria:

(1) Currently be paid below step 10 of their grade.

(2) Have a most recent rating of record of level 5 ("Outstanding").

(3) Have demonstrated sustained performance of high quality for a significant period of time.

(4) Have not received a QSI (or QSI-equivalent under a personnel system other than the general schedule) within the preceding 52 consecutive calendar weeks.

b. Recommendations for a QSI will be submitted in writing by DD or SA to COS for approval. Recommendations should address how the proposed recipient has performed at an exceptional level in order to justify a permanent increase in the employee's pay. Additionally, there should be an expectation of continued high performance.

SECTION 3: PERFORMANCE PLANS

1. All employees must have an approved performance plan for the 1 April 2023 - 31 March 2024 performance cycle in the DPMAP myPerformance tool. When supervisors or employees do not have access to myPerformance tool, DD Form 2906 must be used to document the performance plan, progress review(s), and rating of record until access is obtained. Once access to the tool is obtained, the information must be input into the myPerformance tool.

2. Critical Elements

a. Employees. Performance plans for employees will have a minimum of three to a maximum of four critical elements. Critical elements may not be weighted.

b. Supervisors. Per volume 431 of reference (a), the number of supervisory performance elements on performance plans for supervisors will equal or exceed the number of non-supervisory (technical) performance elements. Supervisors are required to have four critical elements; two technical elements

and two supervisory elements. Critical elements may not be weighted. In compliance with references (c) and (e), the two NETC standardized supervisory critical elements provided in appendix B are required for all supervisors.

c. Certain positions that involve specific safety and security responsibilities, and those positions with access to classified information, require a specific type of critical element. Reference (d) provides additional information on required critical elements by type of position. Appendix C provides recommended verbiage for critical elements addressing employee access to classified information.

d. Performance standards must be provided for each performance element in the performance plan and must be written at the "Fully Successful" level. The standards should include specific, measureable, achievable, relevant, and timely criteria, which provide the framework for developing effective results and expectations.

e. The higher level reviewer (HLR) approval of employee performance plans is optional.

3. Performance plans shall be clearly communicated to employee and approved no more than 30 days after the beginning of a rating cycle, permanent assignment to a new position or reassignment, and after an employee is temporarily assigned, detailed, or promoted to a position that is expected to last more than 120 days. "Approved" entails approval by the rating official (RO), and employee acknowledgement documented.

4. Modifying the plan during the appraisal cycle. Critical elements may be modified, added to, or deleted from an employee's performance plan as needed throughout the performance period per volume 431 of reference (a). All approved modifications to the employee's performance plan must be communicated to the employee, and the employee should acknowledge the revisions as appropriate using the MyPerformance appraisal tool or on the DD Form 2906. If within 90 calendar days of the end of the appraisal cycle the RO needs to adjust the employee's performance plan due to changes in duties or work requirements, the RO may:

a. Revise the element or standard at the beginning of the next appraisal cycle;

b. Update the plan. If the employee does not have an opportunity to perform the new element(s) for the minimum 90-calendar-day period, do not rate the revised element(s); or

c. Extend the appraisal cycle by the amount of time necessary to allow 90 calendar days of observed performance under the revised element or standard. Extending the appraisal cycle will affect the start date of the employee's subsequent appraisal cycle; however, the subsequent appraisal cycle should still end March 31 of the following calendar year.

SECTION 4: MONITORING, ASSESSING, AND REWARDING PERFORMANCE

1. The supervisor of record will be the RO of the employee. The supervisor of record will also be the RO of employees on detail, temporary promotion, or other temporary assignment. Input is required from the temporary supervisor regarding the employee's performance. The second-line supervisor will serve as the HLR. In unique employee-supervisor alignment situations, the first-line supervisor of record may serve as both the RO and HLR; employees and ROs can make adjustments to the HLR in the DPMAP MyPerformance tool.

2. ROs must monitor and assess the performance of their employees on a regular basis so that they can provide continual feedback that is specific, fair, and accurate. ROs are required to hold a minimum of three mandatory performance discussions. These discussions will include the initial performance plan meeting to discuss performance expectations, one progress review, and the final performance appraisal discussion to communicate the rating of record. Feedback should address recent performance and what is expected at the "fully successful" level. Monitoring performance includes assessing and adjusting performance expectations in critical elements as needed.

3. Progress reviews. While more are encouraged, at least one progress review is required, and should be accomplished mid-cycle, at which time employees shall be informed of how they are progressing in regard to their critical elements. Progress reviews shall be documented in the DPMAP myPerformance tool.

4. Evaluating Performance

a. Minimum period of performance. To receive a rating of record and be eligible for a performance award, an employee must complete the minimum 90 days under the approved performance plan in the same position.

b. When a rating of record cannot be prepared at the time specified, the appraisal period may be extended to ensure the minimum 90-day period is met as long as the extension does not interfere with the ability to manage any part of the rating and rewarding process for the employee's organization. Contact NETC N1CP for guidance concerning an extension. A rating of record should be prepared as soon as practicable once the necessary conditions have been met.

c. An employee cannot be held accountable for work that does not get done because of an absence for which the employee is on any type of approved leave. If there is a specific performance standard for the appraisal year, it may be prorated for the amount of time the employee was at work.

d. Employee narrative self-assessment, while not mandatory, is highly encouraged and is due to the RO no later than (NLT) 15 days after the end of the rating cycle.

e. ROs are required to consider employee self-assessments and prepare written assessments of employee performance and contribution to mission NLT 30 days after the end of the appraisal period. Written assessments will be used to justify the ratings level (5, 3, or 1) to the HLR, which will determine the award amounts. ROs should not simply concur with what the employee wrote in the assessment. RO assessments should provide employees with meaningful feedback and should address both strong and poor performance.

f. ROs shall base ratings on a comparison of performance toward critical elements and standard performance rating levels outlined in appendix A.

g. Individual elements are assigned to one of three rating levels: "Outstanding" as the highest rating, a "Fully Successful," or "Unacceptable" as the lowest rating. An

"Unacceptable" rating level is assigned if one or more critical elements are rated as "Unacceptable."

5. Awards. In order to provide a means to recognize and reward employee accomplishments and contributions, rating officials will assess an employee's performance against prescribed DPMAP performance elements and standards in the employee's performance plan and assign a rating score of 1, 3, or 5 to each performance element as outlined within volume 431 of reference (a). In doing so, rating officials will make clear and consistent distinctions between different levels of performance and individual contributions within the rating official narrative assessments, at all rating levels. The overall rating of record is derived from averaging the ratings of the employee's individual performance elements. After the HLR reviews and approves ratings of record per volume 431 of reference (a), the rating of record is final. The average of performance element ratings will determine the award amount for which an employee is eligible.

a. Awards allocation are established by Office of Management and Budget and Office of Personnel Management awards guidance. Employees shall be recognized and rewarded for their annual performance and contributions to the mission. This includes monetary, time-off, and honorary awards throughout the year per Section 45 of Title 5, U.S. Code. The intent of all awards is to motivate employees by recognizing and rewarding significant individual, team, or organizational achievements and contributions.

b. Annual performance awards are neither mandatory nor guaranteed. When granted, annual performance awards are paid as a total award dollar amount based on the average rating of record. The approved awards eligibility framework is identified within appendix A.

c. In determining awards, rating officials will consider and apply the performance rating levels identified within appendix A. In addition, PARBs are responsible for ensuring the award is consistent with the performance rating levels identified within appendix A.

d. Employees with higher ratings of record must receive higher dollar amounts than those with lower ratings of record at the same grade level (e.g., a GS-09 who receives an outstanding rating must receive a higher dollar amount than a GS-09 who received a fully successful rating).

e. Before recommending and approving QSIs or time-off awards, ROs, HLRs, and PARBs should consider other recognition received by employees during the performance period. Since awards are calculated as a function of basic pay, care should be taken to ensure similarly situated employees with like performance are rewarded in a consistent manner, and there are clear distinctions in award amounts for different levels of performance and contribution to mission.

f. HLR approval of employee assessments and ratings shall be completed within 30 days of the end of the performance cycle. If the HLR requests that changes be made to the performance rating, the plan shall be returned to the RO.

g. Awards will then be calculated based on the average rating of record, reviewed and approved by the PARB. The PARB does not have the authority to change an employee's ratings as determined by the RO and HLR. However, the PARB does have the authority to change awards.

6. Closing Performance Plans and Narrative Statements

a. A narrative statement is required and plans are closed when an employee changes positions, is promoted, or leaves the agency with less than 90 days on an approved plan. The RO creates a performance narrative statement in the myPerformance tool under the "narrative" tab stating the circumstances, i.e., "[Employee] did not perform under an approved performance plan for the minimum period of 90 calendar days and is [retiring, accepting a position outside of the organization, etc.], effective [date]." Then, the ROs should "close" the performance plan.

b. A narrative statement is required and plans are closed when an employee has performed under an approved plan for 90 days or more and there are more than 90 days left in the cycle. The RO creates a performance narrative statement in the myPerformance tool under the "narrative" tab stating the

circumstances, i.e., "[Employee] is [retiring, accepted a position outside of the organization, etc.], effective [date], and there are more than 90 calendar days left in the performance cycle." Then, the ROs should "close" the performance plan.

c. When the RO leaves after the employee has been on an approved plan for a minimum of 90 days and there are at least 90 days left in the cycle, both the employee and RO will complete a narrative statement and the plan remains open. The incoming RO will consider the former RO's narrative at the end of the cycle when assigning a rating of record.

d. When the employee or RO leaves with less than 90 days remaining in the cycle, the final performance appraisal' process should be followed whereby a rating of record is rendered. If circumstances preclude the departing supervisor from carrying out this responsibility, the HLR may serve as the RO.

SECTION 5: ADDRESSING "UNACCEPTABLE" PERFORMANCE AND IDENTIFYING AND IMPROVING UNACCEPTABLE PERFORMANCE

1. Addressing marginal performance. Supervisors should address performance problems whenever performance is determined to be below "Fully Successful" but, above "Unacceptable". Performance issues should be addressed early, and should take the following actions as appropriate:

a. Clearly communicate to the employee that current performance fails to meet the performance standards described in the performance plan; provide clear guidance as to what is needed in order for the employee to improve; and provide specific examples of what and how work has not met expectations, as well as examples of work that would meet expectations.

b. Offer appropriate assistance.

c. Provide ideas of where the employee may go to obtain additional assistance or training, if applicable.

d. Provide closer supervision and feedback. This might include more frequent reporting, special assignments, or on-the-job training.

e. If performance issues persist, use a more formal approach to help employees improve and seek assistance from the human resources office.

2. Addressing unacceptable performance. In compliance with volume 431 of reference (a), if the employee's performance declines to less than "Fully Successful" in one or more performance elements, the supervisor, in consultation with the servicing human resources office, will determine whether action is more appropriate under Section 432.105 or part 752 of Title 5, CFR, and must provide notice of the performance deficiencies. The supervisor, or other appropriate management official, must follow the procedures contained in Sections 432.104 and 432.105 of Title 5, CFR and this section if action is being taken under Section 432.105 of Title 5, CFR. The procedures are:

a. Rating of record. Provide notice to the employee by issuing a rating of record of "Unacceptable." A rating of record of "Unacceptable" will be effective the day it is communicated to the employee.

b. WGI delay or denial based on a rating of "Unacceptable" performance. The RO with the assistance of the human resources office should provide the employee with the reasons for any negative determination and inform the employee of their right to reconsideration of the determination. The time spent improving performance to the "Fully Successful" level will not count toward the completion of the necessary waiting period for a WGI (referred to in volume 431 of reference (a) as the "WGI delay offset period"). The effective date of the rating of record will establish the start date of the WGI delay offset period.

c. Opportunity period. The supervisor must identify in writing (i.e., in a performance improvement plan (PIP)):

(1) Element(s) in which performance is "Unacceptable" and a description of the unacceptable performance.

(2) What standards the employee must attain in order to demonstrate "Fully Successful" performance.

(3) The time allowed for the opportunity to demonstrate "Fully Successful" performance. This amount of time must be reasonable and commensurate with the duties and responsibilities

of the position. Generally, this should typically be 30 to 90 calendar days, except when it is determined that a longer period is necessary to provide sufficient time to evaluate an employee's performance.

(4) Statement of the possible consequences of failure to raise performance to the "Fully Successful" level during the PIP period.

(5) The PIP is a formal commitment from the supervisor to help the employee improve their performance. The supervisor must follow the PIP and continuously evaluate opportunities that will assist and support the employee. All actions by management to comply with the PIP, the employee's performance, progress and deficiencies must be documented.

d. Successful performance after PIP. If the employee succeeds in demonstrating acceptable performance at the "Fully Successful" level or higher by the end of the PIP, a new rating of record will be recorded. The date the employee is eligible for a WGI will be reset to accommodate the WGI delay offset period. The "Fully Successful" rating of record will establish the end date of the WGI delay offset period. The RO must contact the human resources office to process the "Fully Successful" rating of record, reset the WGI delay offset period, and provide the employee notice of their successful completion of the PIP.

e. If the employee fails to demonstrate performance at the "Fully Successful" level despite the PIP, the employee may be reduced in grade, reassignment, or removed from federal service pursuant to Section 432.105 of Title 5, CFR. In cases of voluntary or management-directed personnel actions, such as change to lower grade, reassignment, resignation, separation, or removal, the effective date of the action will establish the end date of the WGI delay offset period.

SECTION 6: PERFORMANCE AWARDS REVIEW BOARD

1. The same PARB structure utilized in previous cycles will apply for the current cycle. The PARB is responsible for reviewing and approving all performance awards at a strategic level for fairness, appropriateness, consistency, and adherence to merit system principles. Each PARB is a separate entity and

may organize differently, function differently, and may produce different results based on size and funding. Each DD and SA will serve as the PARB chair of their respective code and determine the need for additional membership.

2. Each RO is responsible for ensuring all employee performance appraisal activities (i.e., establishment of performance plans, progress reviews, and annual assessments) are completed as required, per the guidance in volume 431 of reference (a) and this notice. Activities should also be completed in compliance with the timeline outlined in appendix D.

3. PARB Purpose and Structure:

a. Each DD and SA PARB is responsible for review and approval of all performance awards at a strategic level.

b. Each DD and SA PARB will follow the recognition and reward principles of:

(1) Being able to make meaningful distinction for employee level of performance and their contribution to mission.

(2) Considering the employee's compensation profile when making award decisions. The total value of the award given to an employee must be commensurate with the value to the organization of the accomplishments recognized.

(3) Rewarding similarly situated employees with like performance and contribution consistently.

(4) Ensuring transparency at all steps of the process.

c. Funding of each PARB shall be per Section 2 of this enclosure.

d. Civilian DDs and SAs will be placed in a separate PARB and chaired by the COS.

e. In assigning, reviewing, or modifying award amounts, the PARB will consider the following: Legitimacy of award amounts and consistency with critical elements, proper documentation of the award amount, RO's rating patterns and rationale for such

patterns, and comparison of award rating consistency among like jobs.

f. All HQ PARBs will apply the guidance for performance awards in references (a) and (b) and appendices A and E of this notice to ensure the rationale for granting performance awards, time-off awards, and QSIs is equitable and applied consistently across the board.

4. NETC HQ PARB results are submitted to the NETC performance management program manager. Results are reviewed and approved by the HQ PARB chair. PARB approval is communicated by the performance management program manager.

5. The HQ PARB chair will be the final approving official.

6. The RO will conduct the annual appraisal conversation to communicate the rating with each employee following HLR approval. RO will communicate any award amounts following the communication from the NETC performance management program manager of PARB approval.

SECTION 7: GRIEVANCES AND APPEALS

Employees may raise issues relating to aspects of the performance appraisal process through the applicable grievance procedures. Non-bargaining unit employees shall follow the procedures and timelines of SECNAVINST 12771.2 and NETCSTAFFINST 12771.2A. A flowchart is provided in appendix F. Bargaining unit employees shall contact their respective union representative or refer to their applicable collective bargaining agreement for grievance procedures and timelines.

1. The substance of an employee's critical elements and determinations concerning awards or additional step increases (QSIs) are not grievable.

2. Determinations concerning awards and award amounts are not grievable.

3. Failure to inform employees of critical elements and standards within the required timeframe is grievable.

4. Performance ratings (outstanding, fully successful, unacceptable) on individual elements and rating levels are grievable.
5. Performance-based removals are not grievable, but may be appealed to the Merit Systems Protection Board.
6. Performance-based demotions may be grieved through the appropriate grievance procedure or appealed to the Merit System Protection Board, but not both.

APPENDIX A
RATING AND AWARDS REVIEW PROCESS

Consistent with DPMAP:

- To determine award amounts for performance ROs will use the average score of all critical element performance ratings to determine the amount, with the exception of any critical element rated "Unacceptable" in which the overall rating will result in a "1."
- Managers should consider all aspects of an individual's compensation profile when making awards decisions to include recent promotions, WGIs, monetary awards paid out during the performance year, and equitable application.
- Care should be taken to ensure that similarly situated employees with like performance and contribution to mission are rewarded in a consistent manner.
- Performance-based awards are neither mandatory nor guaranteed regardless of rating or contribution level scores.
- Each business unit will ensure transparency in all steps of the recognition and rewarding process, to include timely notification to employees of the processes involved.

STEP 1. Assignment of Performance Rating Levels (5, 3, 1). At the end of the appraisal cycle, supervisors (ROs) will assign an individual performance element rating of either 5, 3, or 1 to each critical element based upon the standards and rating criteria in Table 1.

Table 1. Standard Performance Rating Levels

<p>Level 5 - Outstanding</p> <ul style="list-style-type: none">• Produces exceptional results or exceeds expectations well beyond specified outcomes.• The quality and quantity of the employee's work substantially exceeds the standard with minimal room for improvement.• The accuracy, thoroughness, and timeliness of the employee's work on this element are exceptionally reliable.• Sets targeted metrics high and far exceeds them (e.g., quality, budget, quantity).• Application of technical knowledge and skills goes well beyond that expected for the position.• The employee consistently and significantly improves the work processes and products for which they are responsible.• The employee's adherence to procedures and formats, as well as suggestions provided for improvement in these areas increases the employee's value to the organization and overall mission accomplishment.• Work products rarely require minor revisions.• The employee seeks additional work or special assignments at increasing levels of difficulty.• Exhibits the highest standards of professionalism.
<p>Level 3 - Fully Successful</p> <ul style="list-style-type: none">• Effectively produces the specified outcomes, and sometimes exceeds them.• The quality, quantity, and timeliness of the employee's work fully meet the requirement of the performance element.• Consistently achieves targeted metrics.• Major revisions are normally not necessary; most work only requires minor revision.• Projects are completed accurately, thoroughly, and timely.• Technical skills and knowledge are applied effectively to specific job tasks.

- Adheres to procedures and format requirements.
- Proactively informs supervisor of potential issues or roadblocks and offers suggestions to address or prevent them.
- Routine problems associated with completing assignments are resolved with minimum supervision.
- Proactively informs supervisor of potential issues or roadblocks and offers suggestions to address or prevent them.
- Achieves goals with appropriate level of supervision.

Level 1 - Unacceptable

- Does not meet expectations for quality of work; fails to meet many of the required results for the goal.
- The quality, quantity, and timeliness of the work are unsatisfactory.
- Is unreliable; makes poor decisions; misses targeted metrics (e.g., commitments, deadlines, quality).
- Lacks or fails to use skills required for the job.
- Work products must be continually revised and edited; instructions must be reiterated.
- The employee is unable to work reliably and independently without ongoing supervision.
- Products are incomplete or "Unacceptable."
- The employee fails to prioritize and apply routine knowledge and skills expected for the position, contributing to inadequate work products.
- The employee fails or is unable to adapt to changes in priorities, procedures, or program directions.
- Requires much more supervision than expected for an employee at this level.

STEP 2. Calculation of Rating of Record. All performance element ratings are averaged to calculate the rating of record, which reflects the employee's overall job performance during the appraisal cycle based on the rating criteria in Table 2.

Table 2. Rating Criteria

Rating Criteria Rating Level	Rating Criteria
Level 5 - Outstanding	The average score of all critical element performance ratings is 4.3 or greater, with no critical element being rated a "1" (Unacceptable), resulting in a rating of record that is a "5."
Level 3 - Fully Successful	The average score of all critical element performance ratings is less than 4.3, with no critical element being rated a "1" (Unacceptable), resulting in a rating of record that is a "3."
Level 1 - Unacceptable	Any critical element rated as "1."

STEP 3. Higher Level Review (HLR). The HLR reviews and approves ratings of record and performance decisions. Once HLR approval is provided in the automated system of record, MyPerformance tool, the rating of record is final.

STEP 4. Assignment of Award Amounts. In assignment of award amounts, the average rating of record will determine the award that an employee is eligible. With HLR approval, ROs may make recommendations to the PARB for monetary awards above the calculated amount and QSIs. All recommendations must be supported by the RO's written justification and will be subject to PARB review and approval.

APPENDIX B
NETC-REQUIRED SUPERVISORY CRITICAL ELEMENTS

1. Supervisory: Performs all supervisory duties to include: (1) Ensures compliance with applicable laws, regulations, and policies including merit system principles and prohibited personnel practices. (2) Attracts and retains a high-caliber workforce and acts in a responsible and timely manner on all steps in the recruitment and hiring process. (3) Provides opportunities for orientation and tools for enabling employees to successfully perform during the probationary period and beyond. (4) Identifies current and future position requirements to ensure recruitment is appropriately focused and is timely. (5) Completes all performance management tasks in a timely manner including clearly communication performance expectations throughout the appraisal period, holding employees accountable, making meaningful distinctions in performance and rewarding excellent performance, promoting employee development and training, and promptly addressing performance and conduct issues.

2. Leadership: Leads an aligned, engaged, and high-performing team. Creates a positive, safe work environment that allows employees to excel. Upholds high standards of integrity and ethical behavior. Ensures that equal employment opportunity principles are adhered to throughout the organization and promptly addresses allegations of discrimination, harassment, and retaliation. Acts as a good steward of public funds. Maintains a safe work environment and promptly addresses allegations of non-compliance. Effectively develops and champions innovative ideas to improve the organization and create an environment that fosters innovation. Supports the Whistleblower Protection Program by responding constructively to employees who make protected disclosures under Section 2302(b)(8) of Title 5, U.S. Code; taking responsible actions to resolve disclosures; and fostering an environment in which employees feel comfortable making such disclosures to supervisors or other appropriate authorities.

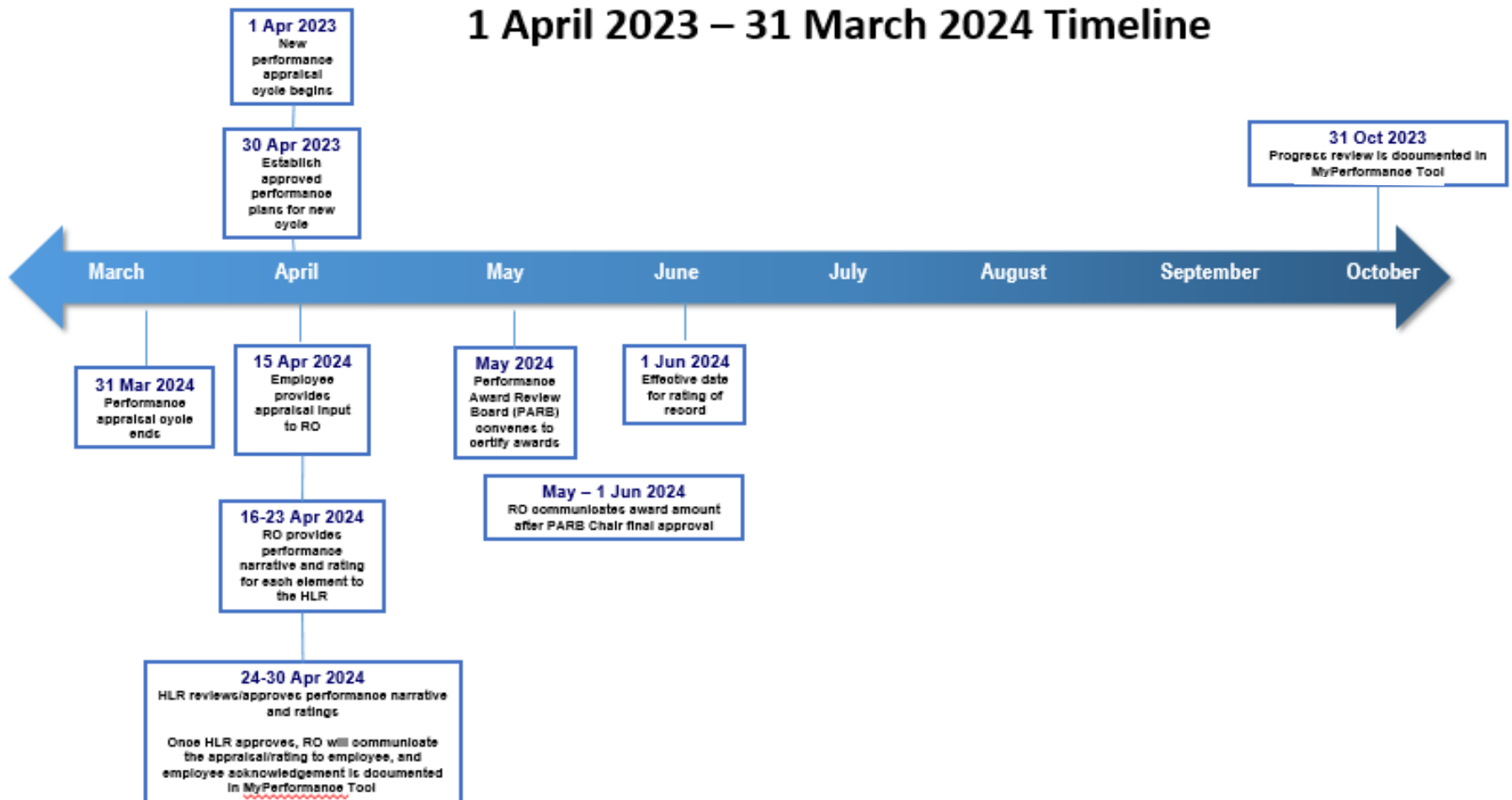
APPENDIX C
NETC-RECOMMENDED CLASSIFIED INFORMATION CRITICAL ELEMENT

In compliance with the DoD requirement, outlined in reference (e), that all positions responsible for handling classified information must contain a critical element within their performance plan addressing this requirement, NETC has provided recommended verbiage for these critical elements below:

1. Supervisory Critical Element. Develop and put in place a sound strategy to ensure employees are safeguarding and protecting classified documents and materials per SECNAVINST 5510.36B. Follow procedures contained in local command security instruction(s) to create a proactive approach to safeguard the handling of classified documents and materials within the organizations specific workspace. Revise employee critical elements to reflect the requirement to protect classified information and systems. Annually review the employee's individual development plan to ensure annual training requirements and certifications are completed per SECNAVINST 5510.36B.
2. Employee Critical Element. Demonstrate on a daily basis a comprehensive knowledge for safeguarding and protecting classified documents and materials per SECNAVINST 5510.36B and local command instructions. With minimal guidance, ensure classified data, information, material is properly identified, stored, and transmitted. Maintain accountability of all materials and immediately report all security breaches to supervisor. By the end of the performance period, complete all annual security training requirements and certifications, and any necessary training reports.

APPENDIX D

1 April 2023 – 31 March 2024 Timeline



APPENDIX E
TIME-OFF AWARD EXAMPLES AND AWARD SCALE

1. Criteria. Examples of achievements that may be considered for a Time-Off Award:

- a. High level of performance.
- b. Making a high quality contribution involving a difficult or important project or assignment.
- c. Displaying special initiative and skill in completing an assignment or project before the deadline.
- d. Using initiative and creativity in making improvements in a product, activity, program, or service.
- e. Ensuring the mission of the unit is accomplished during a difficult period by successfully completing additional work on a project assignment while maintaining the employee's own workload.
- f. Accomplishing a specific, one time, or special assignment that requires extra effort or results in the organization receiving recognition for responsiveness to un-programmed requirement.

2. Time-Off Awards Scale. Value to Organization, Number of Hours.

- a. Moderate Value 1-10 hours:
 - (1) A contribution to a product, activity, program, or service to the public, which is of sufficient value to merit formal recognition.
 - (2) Beneficial change or modification of operating principles or procedures.
- b. Substantial Value 11-20 hours:
 - (1) An important contribution to the value of a product, activity, program, or service to the public.

(2) Significant change or modification of operating principles or procedures.

c. High Value 21-30 hours:

(1) A highly significant contribution to the value of a product, activity, program, or service to the public.

(2) Complete revision of operating principles or procedures, with considerable impact.

d. Exceptional Value 31-40 hours:

(1) A superior contribution to the quality of a critical product, activity, program, or service to the public.

(2) Initiation of a new principle or major procedure, with significant impact.

APPENDIX F

ADMINISTRATIVE GRIEVANCE TIMELINE

