

PERFORMANCE MANAGEMENT SYSTEMS

- 1. REASON FOR ISSUE:** To issue Department of Veterans Affairs (VA) procedures regarding performance management systems.
- 2. SUMMARY OF CONTENTS/MAJOR CHANGES:** This handbook contains VA policy on performance management. The pages in this transmittal replace the corresponding page number in Part I and II of VA Handbook 5013, dated April 15, 2002. The change adds Chiropractors appointed under 38 U.S.C., chapter 74 under the coverage of applicable Title 38 procedures. It will be incorporated into the electronic version of VA Handbook 5013 that is maintained on the [Office of Human Resources Management Web site](#).
- 3. RESPONSIBLE OFFICE:** The Employee Relations and Performance Management Service (051), Office of the Deputy Assistant Secretary for Human Resources.
- 4. RELATED DIRECTIVE:** VA Directive 5013, Performance Management Systems.
- 5. RESCISSIONS:** None

CERTIFIED BY:

**BY DIRECTION OF THE SECRETARY
OF VETERANS AFFAIRS:**

/s/Robert N. McFarland
Assistant Secretary for
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PART I. TITLE 5 PERFORMANCE APPRAISAL PROGRAM

1. COVERAGE. This part applies to the process used to appraise the performance of the following Department of Veterans Affairs employees:

- a. General Schedule employees, including employees covered by the Performance Management and Recognition System Termination Act of 1993.
- b. Federal Wage System employees.
- c. Scientific and Technical (Senior Level) employees paid under 5 U.S.C. 5376.
- d. Licensed physical therapists, registered or certified respiratory therapists, licensed practical or vocational nurses, pharmacists, and occupational therapists appointed under 38 U.S.C. 7401(3) or 7405.
- e. Veterans Canteen Service employees appointed under 38 U.S.C., chapter 78.
- f. Temporary and Term employees, except as specifically excluded.

2. EXCLUSIONS. This part excludes the following:

- a. Officers appointed by the President by and with the advice and consent of the Senate, or by the President alone, to positions for which rates of basic compensation may exceed the maximum rate provided in the General Schedule.
- b. Employees in the Senior Executive Service.
- c. Full-time, part-time, and intermittent physicians, dentists, [chiropractors,] nurses, nurse anesthetists, optometrists, podiatrists, physician assistants, expanded-function dental auxiliaries appointed under 38 U.S.C. 7401(1), 7405(a)(1)(A), or 7406, and individuals appointed under 38 U.S.C. 7306 in the Office of the Under Secretary for Health.
- d. Non-U.S. citizens employed at the VA Regional Office, Manila, Republic of the Philippines, who are paid according to local prevailing wage rates.
- e. Temporary employees in the excepted service for which employment is not reasonably expected to exceed 90 days in a 12-month period.
- f. Members of the Board of Veterans' Appeals and the Board of Contract Appeals.
- g. Veterans Benefits Administration (VBA) non-executive directors.
- h. Veterans Health Administration (VHA) Associated Health Trainees.
- i. Employees covered by the VHA Executive Career Field Program.

PART II. TITLE 38 PROFICIENCY RATING SYSTEM

1. SCOPE

a. This part implements the Proficiency Rating System used to appraise the performance of full-time, part-time and intermittent Physicians, Dentists, Podiatrists, Optometrists, [Chiropractors,] Nurses, Nurse Anesthetists, Physician Assistants, and Expanded-Function Dental Auxiliaries appointed under 38 U.S.C., chapter 73 or 74.

b. This part excludes the following:

(1) The Under Secretary for Health

(2) Distinguished Physicians

(3) [Individuals at the Director grade] appointed under 38 U.S.C. 7401(1) and individuals appointed under 38 U.S.C. 7306.

(4) Full-time, part-time and intermittent certified respiratory therapists, registered respiratory therapists, licensed practical or vocational nurses, occupational therapists, licensed physical therapists, and pharmacists appointed under 38 U.S.C. 7401(3) or 7405.

(5) Title 38 employees covered by the Veterans Health Administration Executive Career Field Program. See VA Handbook 5013, Part I, Appendix F.

2. REFERENCES. Title 38 U.S.C., chapters 73 and 74

3. POLICY

a. The requirements for the Proficiency Rating System are regulations prescribed pursuant to section 7421 of Title 38, U.S. Code. The proficiency rating system is designed to assure the effective and efficient utilization of the covered employees and to furnish bases for assistance and guidance to them in the performance of their assignments and the development of their skills and abilities.

b. The proficiency rating system provides for planned, continuous, and systematic review, analysis and evaluation by all supervisors of the effectiveness of employees in their assignments.

c. The proficiency rating of supervisors includes an evaluation of their performance in furthering equal employment opportunity, including employment of disabled veterans and other individuals with disabilities, minority groups, and women.

4. PROCEDURES. The Under Secretary for Health and designees will prescribe instructions for periodic counseling of employees, for regular annual proficiency ratings, for delays of these ratings, and for special ratings to be made as administratively required.

b. When an unsatisfactory rating has been approved for a temporary full-time, part-time, or intermittent employee, supervisory officials will review the employee's service and, if applicable, clinical privileges, and determine whether termination is appropriate (See VA Handbook 5021).

c. When an unsatisfactory rating has been approved for a permanent employee, supervisory officials will review the employee's services and clinical privileges, and then determine which of the following actions may be appropriate:

(1) The employee should be detailed for a period not to exceed 6 months under the guidance of a highly qualified preceptor.

(2) The employee should be sent for additional training.

(3) The employee should be reassigned or have a change in duty assignment.

(4) The employee's fitness for continued VHA employment should be considered by a Physical Standards Board. (See VA Handbook 5019, Occupational Health Services.)

(5) The employee's clinical privileges should be modified.

(6) Procedures in VA Handbook 5021 should be initiated.

11. ADVICE FROM EXPERT SOURCES. Although it is ultimately the responsibility of management officials to evaluate performance and take appropriate action, under certain limited circumstances these officials may need other professional advice and assistance in analyzing the nature of observed performance deficiencies. The proficiency approving official, after obtaining any needed authorizations, may request assistance from such professional sources as the Deans Committee, a consultant, or a peer group with expertise in the areas of the performance in question. The person or persons so designated will review the specified deficiencies and report findings and recommendations to the approving official.

12. PERIODIC STEP INCREASES AND RATE ADJUSTMENTS

a. Physicians, Dentists, Podiatrists, Optometrists, Physician Assistants, [Chiropractors,] Registered Nurses, Nurse Anesthetists and Expanded Function Dental Auxiliaries

(1) **Requirements.** Full-time, part-time and intermittent employees will be considered for periodic step increases or rate adjustments when they complete the required waiting periods and their work meets all of the following conditions for acceptable level of competence:

(a) The total measure of the effectiveness and conduct of the employee is fully satisfactory, with any weaknesses balanced by strengths.

(b) A satisfactory current proficiency rating .

(c) No evidence or action is of record or in process that is contradictory to an overall judgment of current full satisfactory performance and conduct.

b. Special Instructions

(1) **Section B--Narrative Evaluation by Rating Official.** The rating official will document how the nurse meets the criteria stated in the Nurse Qualification Standard and appropriate functional statement, other significant professional contributions and accomplishments such as publications, commendations, recognition by professional groups, committee/ task force membership, grants or awards, and areas needing improvement.

(2) **Section C--Rating by Rating Official.** An adjective rating will be assigned for each category. The adjective rating will reflect and summarize how the nurse meets the criteria stated in the Nurse Qualification Standard and appropriate functional statement.

(a) **Category I--Nursing Practice.** In the area of clinical practice, administration, education or research, demonstrates a level of nursing practice which meets the criteria for the nurse's grade as described in the Nurse Qualification Standard, and for the nurse's position as described in the functional statement.

(b) **Category II--Interpersonal Relationships.** Works effectively with individuals and groups at the level which meets the criteria for the nurse's grade as described in the Nurse Qualification Standard, and for the nurse's position as described in the functional statement.

(3) **Section D--Overall Rating.** The rating official objectively appraises overall competency based on ratings in Section C. An overall rating of unsatisfactory must be assigned when either Category I or Category II is rated unsatisfactory. (See paragraphs 9 and 10 of part II, this handbook.)

(4) **Section E--Comments of Approving Official.** The review will be conducted by the next level supervisor above the rating official. On receipt of the completed Proficiency Report form, the approving official will review the report for accuracy and completeness, and return the form to the rating official for corrections and/or additions when necessary. Comments on readiness for assignment of greater responsibilities normally will be included.

3. SPECIAL INSTRUCTIONS FOR RATING AND PROCESSING VA FORM 10-2623a FOR PHYSICIANS, DENTISTS, PODIATRISTS, OPTOMETRISTS, [CHIROPRACTORS,] NURSE ANESTHETISTS, PHYSICIAN ASSISTANTS AND EXPANDED-FUNCTION DENTAL AUXILIARIES--ACTION BY RATING AND APPROVING OFFICIALS

a. Review the five categories and elements carefully to determine which categories cover the assignment of the employee to be rated. All employees will be evaluated for Personal Qualities (category V) in addition to the other pertinent categories.

b. A guide defining the five categories and providing an explanation of the elements for the categories is included in this appendix.