



United States Department of Agriculture


Research, Education, and Economics
Agricultural Research Service

APR 28 2008

DECISION MEMORANDUM FOR THE DEPUTY ADMINISTRATOR

SUBJECT: Options for Performance-based Awards in AFM for the Shortened Rating Cycle

TO: James H. Bradley, Deputy Administrator
Administrative and Financial Management

FROM: Karen M. Brownell, Director
Human Resources Division 

Current AFM policy on performance-based awards provides a variety of options from which employees may select depending on whether they receive a 'Superior' or 'Outstanding' performance rating. For the rating cycles that will end on September 30, 2008, I recommend modifying the performance award policy to address the shorter timeframes that will be covered by these cycles. The recommendations below apply to all AFM employees regardless of whether they are currently on a calendar year or spring performance cycle. Employees currently on a calendar year cycle will have their rating period shortened to 9 months; employees on a spring cycle will have their rating period shortened to 6 months.

Specifically, I recommend the following:

- Suspend the use of Quality Step Increases (QSIs) for 'Outstanding' ratings for the transition cycle; and,
- Pro-rate the value of cash and time-off awards based on the length of the cycle relative to a normal, year-long cycle.

QSIs

One condition of granting a QSI is that an employee cannot have received one in the 52 weeks prior to the granting of another. Since the rating cycles will be shortened to either 6 or 9 months, employees who received a QSI for the last rating period will not be eligible for another if they receive a subsequent 'Outstanding' rating because 52 weeks will not have elapsed. In addition, QSIs are regarded as the highest form of performance recognition allowed. Due to the shortened rating



Administrative and Financial Management
5601 Sunnyside Avenue • Beltsville, MD 20705-5100
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