

Performance Review Board (PRB) Charter and Guidelines National Oceanic and Atmospheric Administration (NOAA)

I. Authority

In accordance with 5 *U.S.C. 4314(c)*, the NOAA Performance Review Board (PRB) must review initial performance ratings, performance bonuses, and annual pay increases for members of the NOAA Senior Executive Service (SES) and Senior Scientific and Technical (ST) and Senior Level (SL) positions.

II. Purpose

The purpose of the NOAA PRB is to fairly and impartially review the initial performance appraisals, summary ratings, performance award recommendations (i.e., executive bonuses and pay increases), and other performance-based personnel actions. PRB recommendations will be forwarded by the Chairperson to the NOAA Director for Workforce Management for review and consideration by the Under Secretary for Oceans and Atmosphere/NOAA Administrator.

The PRB recommends to the Under Secretary of Commerce for Oceans and Atmosphere/NOAA Administrator names of SES and ST/SL executives to be nominated for the Presidential Rank Awards of Distinguished and Meritorious.

III. Functions and Responsibilities

The PRB is responsible for reviewing senior executive performance appraisal information for fairness and equity among NOAA's executive corp. Also, the PRB provides feedback to the Under Secretary for Oceans and Atmosphere /NOAA Administrator and the Deputy Under Secretary for Operations (DUS/O) of the senior executive performance appraisal process for NOAA.

The functions and responsibilities of the PRB include:

1. Reviewing the appraisal and initial rating recommended by the senior executive's supervisor and the senior executive's written response, if any, as well as any other reviews requested, to ensure that the recommended rating is supported and appropriate. The PRB will utilize the criteria provided by the Department for review of performance appraisals and ratings.
2. With respect the Office of Personnel Management (OPM) certification criteria, PRB members must focus on linkage to strategic goal alignment, and performance distinctions in executives' ratings and subordinate executive ratings as well. In addition, performance based pay adjustments and awards must accurately reflect and recognize both individual and organizational performance.

3. Make a written recommendation concerning a senior executive's appraisal and rating. Where the PRB does not concur with the initial appraisal or ratings, or the record shows senior executive disagreement with the rating official's action, the PRB recommendation shall be supported by a written justification.
4. Make written recommendations to the Under Secretary of Commerce for Oceans and Atmosphere/NOAA Administrator concerning:
 - * Whether a senior executive should receive a bonus and/or other performance award and arrange in priority order those senior executives who are recommended for a bonus.
 - * Whether a proposed performance based pay adjustment (increase or decrease in pay rate) based on performance, is appropriate, and meets NOAA's supplemental pay adjustment criteria.
 - * Whether a senior executive should be considered for a Presidential Rank Award (Meritorious or Distinguished).

Appraisals of senior executives must be based on both individual and organizational performance, taking into account such factors as:

- Alignment - Performance expectations are linked to or derived from the agency's mission, strategic goals, program/policy objectives and/or annual performance plan.
- Consultation - Performance expectations are based on senior employees' involvement and input and were communicated to the employee at the beginning of the appraisal period and appropriate times thereafter.
- Results - Performance expectations for senior employees apply to their respective areas of responsibility; reflect expected agency or organizational performance; clearly describe performance that is measurable, demonstrable, or observable; and focus on tangible outputs, outcomes, milestones, or other deliverables.
- Balance - Performance expectations for senior employees include appropriate measures or indicators of results; customer/stakeholder feedback; quality, quantity, timeliness, and cost effectiveness as applicable; and competencies or behaviors that contribute to and are necessary to distinguish outstanding performance.
- Assessment and Guidelines - The agency head, or designee, provides assessments of performance of the agency overall.
- Oversight - Rigorous oversight of the appraisal process is provided by the agency head, or designee who certifies that: 1) the senior employee appraisal process makes meaningful distinctions based on relative performance; 2) results

of the process take into account, as appropriate, the agency's assessment of its performance against program performance measures; and 3) pay adjustments, cash awards, and levels of pay accurately reflect and recognize both individual and organizational performance.

■ Accountability - The senior employee's rating (as well as subordinate employee's performance expectations and ratings for those with supervisory responsibilities) appropriately reflect the employee's performance measures, and any other relevant factors.

■ Performance Differentiation - 1) the appraisal system includes a rating level that reflects outstanding performance and provides for clear differentiation of outstanding performance, as defined in the regulations; and 2) the appraisal process results in meaningful distinctions in relative performance based on senior employees' actual performance against rigorous performance expectations.

■ Pay Differentiation - Individual pay rates and pay adjustments, as well as overall distribution, reflect meaningful distinctions among executives based on their relative contribution to agency performance. Agencies must ensure transparency in the process for making decisions. The highest performing senior employees should receive the largest pay adjustments and or highest pay (including both basic pay and performance awards), particularly above the rate for level III of the Executive Schedule.

■ Balanced measures

The Balanced measure approach includes: 1) the Employee perspective, 2) the Customer perspective; and 3) the Business perspective.

5. The Chair of the PRB must:
 - a) Lead the discussion among the panel members for each appraisal and related recommendations to ensure adequate review and coverage;
 - b) Moderate discussions that involve difference of opinions among Panel members;
 - c) Review any response by the SES member and, as necessary, conduct further review of appraisals and related documentation (e.g., interview rating officials and/or executives); and,
 - d) Ensure that rating officials and the executives are notified of any changes to their initial summary rating before submission to the Under Secretary for review and approval.
6. Perform such additional functions as may be required of it by the NOAA Operating Executive Resources Board (OERB) or the NOAA Appointing Authority (i.e., Under Secretary).

IV. PRB Selection, Membership and Organizational Structure

1. The Under Secretary or Deputy Under Secretary will select senior executives for membership on NOAA 's PRB. These senior executives will include career and non-career appointees (a majority of the members will be SES career) and be from NOAA as well as non-NOAA organizations. Each member shall have a current fully successful rating or above, and shall possess a knowledge and understanding of the SES performance appraisal system.
2. The appointment of PRB members will be for a period of approximately 24 months and will officially begin with the publication of their names, and terms of office, in the *Federal Register*. No individual can serve on the PRB until his or her name is published. The terms of office are renewable at the discretion of the Under Secretary or Deputy Under Secretary for Operations.
3. The Chairperson and Co-Chairperson of the PRB will be appointed and approved by the Under Secretary of Commerce for Oceans and Atmosphere/NOAA Administrator or Chair, Operating Executive Resources Board. The Chairperson shall oversee the Board 's activities and transmit its findings to the Director for Workforce Management, who will present them to the Under Secretary for approval.
4. The Director for Workforce Management, or his or her designee, shall serve as the Executive Secretary of the PRB. The Executive Secretary shall be responsible for providing overall personnel guidance and administrative support to the PRB and shall maintain appropriate records of meetings, recommended actions and other activities.

V. Operating Procedures

1. The PRB must have at least three members present to carry out its assigned functions. When the appraisal of a career appointee is under review, a majority of the members must be SES career appointees.
2. The PRB will review the *Narrative Summary* along with the CD-518, *Senior Executive/Professional Performance Agreement*, for each executive.
3. The PRB shall review and evaluate the Initial Summary Rating and, if applicable, any senior executive's response and the comments and recommendation(s) from the higher level reviewing official on the Initial Summary Rating, and conduct any further review needed to make its recommendation.

4. PRB members must vote on performance matters before it except as noted in 4 (four) below. Members of the PRB can only discuss performance related topics during deliberations. Other issues or topics of executives that are not performance in nature (e.g., conduct issues, etc.) cannot be discussed.
5. The PRB shall make written recommendations on executive ratings, bonus recommendations, and/or performance-based pay adjustments to the Under Secretary who will then review the recommendations and make the final decision.
6. In instances where the PRB does not concur with the initial appraisal or rating, or the record shows disagreement among members with the supervisor ' s proposed appraisal and/or rating, the PRB shall provide a justification for any recommended changes to such rating.
7. A PRB member shall not participate in a performance review when:
 - * The review pertains to the PRB member;
 - * The PRB member is the rater of the senior executive whose performance is being rated;
 - * The PRB member is the direct subordinate of the senior executive whose performance is being reviewed; or,
 - * The PRB member was the designated higher level reviewer of the Senior Executive whose performance is being reviewed.

VI. **Determining Rating and Bonus Recommendations**

In accordance with *5 C.F.R. 430.310*, DOC's *Executive Personnel Policy Manual* (Section 12.5) and guidelines provided by the Office of Personnel Management (OPM), PRB members should consider the below procedures in reviewing initial ratings.

1. In reviewing initial ratings and recommending final ratings, the PRB must consider the following:
 - a) The narrative summary of actual performance and the level of achievement of each critical element should relate logically to the critical elements and the performance standards.
 - b) The recommended overall rating should relate logically to the level of achievement of each critical element.

- c) The rating should reflect both individual and organizational performance.
 - d) If performance was marginal or unsatisfactory, the appraisal should indicate the degree to which the senior executive was or was not able to control or manage the situation/program.
2. In reviewing and recommending performance awards (bonuses), the PRB must consider program accomplishments, managerial accomplishments, and individual accomplishments.
- a) Program accomplishments include:
 - 1) Importance of the specific programs or projects;
 - 2) Scope or degree of impact of the accomplishments;
 - 3) Relative difficulty and complexity of objectives and accomplishments;
 - 4) Significance of the contributions to the mission of the organization;
 - 5) Effectiveness of organizational performance;
 - 6) Effects on mission accomplishments; and,
 - 7) Total contributions in relation to those of peers.
 - b) Managerial accomplishments include:
 - 1) Improvements in quantity or quality of work or service; increases in productivity or improvements in timeliness or responsiveness; and significance of improvement;
 - 2) Improved effectiveness of the people and organization for whom the SES member is responsible;
 - 3) Success in human and financial management as evidenced by the reduced costs, better utilization of resources, achievement of affirmative action goals, cooperation or collaboration, team building, cost efficiency, and improved efficiency;
 - 4) Significance of other indicators of effectiveness or productivity;
 - 5) Managerial contributions in relation to those of peers;

- 6) Level of responsibility;
- 7) Efforts in the reduction of paperwork;
- 8) Development of staff and increasing staff managerial and technical competencies; and,
- 9) Successful implementation of the performance appraisal program for subordinates.