



Performance Pay Program ("W3P")

**for State Classified
Employees**

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Appendix:

PERFORMANCE PAY PLANNING AND EVALUATION Form

COLORADO PERFORMANCE PAY SYSTEM

The three components of the Colorado Performance Pay System (PPS) are performance management, annual performance awards, and dispute resolution. PPS performance awards will be based on performance as rated by supervisors.

Goals & Objectives

The purpose of Western's Performance Pay Program ("W3P") is to facilitate and maximize the contribution of each employee in carrying out the Western State mission and to provide compensation to employees in a manner that is directly related to their level of success in meeting established objectives.

Western State College promotes intellectual maturity and personal growth in its students and graduates citizens prepared to assume constructive roles in local, national and global communities.

— excerpt from the Western State College
Vision Statement

Program Assessment

A review committee made up of employees and supervisors will provide on-going evaluation and review of program, forms, etc. This committee will make recommendations to the cabinet for the incorporation of state-mandated changes and which address identified issues affecting the consistent treatment of employees campus wide.

Annual Reporting

Western State College will input the Colorado Performance Pay data into the CPPS system and develop a method/tool to track and report performance and award information. Annual reporting will include the following:

- Total dollars appropriated for annual performance awards for the prior fiscal year;
- Total amount of those appropriated dollars awarded to employees for annual performance awards (excludes non-monetary awards); and
- Total amount of dollars awarded for each performance category.

Training

Training on W3P is provided for all affected supervisors and employees. This training is mandatory and is individualized for each new supervisor and each new classified employee as part of the new employee orientation process. All classified employees and their supervisors receive copies of this Performance Pay Program, as well as Stateline or other state publications which provide information on new PPS developments.

Training shall typically be a one-hour session for both employees and supervisors. Subjects covered must include a review of the performance levels and their definitions, the performance cycle and process, writing performance goals, and the mechanics of completing the performance evaluation form at each stage. Additionally, supervisors will receive additional training in coaching and avoiding rater bias.

When changes are made to the College's program, an update session will be held to address new provisions. These sessions are expected to last up to four hours, depending upon the number and complexity of the changes.

PERFORMANCE MANAGEMENT REFERENCE GUIDE

What is performance management?

The performance management component is the cornerstone of the PPS. It is the systematic process of linking and aligning organizational resources to execute strategies which are expected to achieve specific, measurable results. These performance goals, standards and expectations should be “SMART”:

Specific	detailed, clear, task or behavior focused, results oriented
Measurable	quantity, quality, timeliness, project results, cost savings
Achievable	able to complete with effort, within skill level
Realistic	logical for the job, resources available, practical
Trackable	able to monitor progress, observe increments over time

Successful performance management must include the following components:

- There must be mutual respect between employees and supervisors.
- Managerial style must be conducive to employee growth.
- The supervisor and the employee must mutually develop a core of clear job expectations and measures of success.
- Successful employees expect the organization to reward them in appropriate ways.
- When performance evaluations are conducted for like classifications within the same department, standard competencies should be applied.
- Complete records of all performance evaluations are maintained in a permanent file for a minimum of five years, and employees have access to their own files.

This Performance Management Reference Guide section contains detailed instructions and guidelines. Supervisors are encouraged to review the Reference Guide prior to performance planning and evaluation.

Timelines

Performance management is an annual process in which classified employees and their supervisors progress through three interconnected phases: **planning**, **mid-year review**, and then **final evaluation** with optional self-evaluation. The annual rating period begins April 1st and ends March 31st. Rating periods for new hires start with the date employment begins and will conform to the above schedule, resulting in a pro-rated time period the first year.

Rating Levels

Needs Improvement - This rating level encompasses those employees whose performance does not consistently and independently meet expectations set forth in the performance plan as well as those employees whose performance is clearly unsatisfactory and consistently fails to meet requirements and expectations.

Marginal performance requires substantial monitoring and close supervision to ensure progression toward a level of performance that meets expectations. Although these employees are not currently meeting expectations, they may be progressing satisfactorily toward a Successful rating and need coaching/direction in order to satisfy the core expectations of the position.

Successful – This rating level encompasses a range of expected performance. It includes employees who are successfully developing in the job, employees who exhibit competency in work behaviors, skills, and assignments, and accomplished performers who consistently exhibit the desired competencies effectively and independently. These employees are meeting all the expectations, standards, requirements, and objectives on their performance plan and, on occasion, exceed them. This is the employee who reliably performs the job assigned and may even have a documented impact beyond the regular assignments and performance objectives that directly supports the missions of the organization.

Exceptional - This rating represents consistently exceptional and documented performance or consistently superior achievement beyond the regular assignment. Employees make exceptional contributions that have a significant and positive impact on the performance of the department or the college and may materially advance the mission of the organization. The employee provides a model for excellence and helps others to do their jobs better. Peers, immediate supervision, higher-level management and others can readily recognize such a level of performance.

W3P form document

The parts of the form necessary to carry out the requirements are: the Performance Pay Planning & Evaluation (page 1) is used for signatures and appropriate sections completed after each phase of the performance management process. The Overall Rating Calculation (page 2) is used to: (1) record performance factors and weights selected in the planning session; (2) record evaluation ratings at the end of the evaluation period; (3) to calculate an overall rating level. The remaining eight pages contain Performance Factors which are utilized to set up individual performance factors as appropriate for each employee's job. The statewide uniform core competencies are pre-checked to incorporate them into five of the factors and are required for every employee's annual evaluation. The Supervision & Human Resource Management factor is also required for any employee who supervises and is responsible for the evaluation of another non-student employee.

Planning

Performance planning is the vital first step in performance management and there must be mutual understanding of what is expected and how it is to be measured. Both the supervisor and employee must read the Position Description Questionnaire (PDQ) and insure that job duties are accurate so that the evaluation is based on pertinent criteria. A performance plan lists expectations of the position, and is targeted for the job-related objectives or areas of growth for the specific employee. Development of the plan must be a combined effort between supervisor and employee, with ultimate responsibility left to the supervisor. Plans may be modified throughout the appraisal period.

A *performance plan* must be developed during a planning session with the supervisor and employee. This planning session must occur **within 30 days** (generally by April 30th) of the beginning of the rating period.

Performance factors related to job duties are selected and weights are assigned to these factors (totaling 100%). The employee must have input in selecting performance factors. Available materials and resources such as current PDQ's or job descriptions, previous performance plans and appraisals, may be used in developing the performance plan. Employee performance plans should align with College and departmental goals and objectives.

In accordance with Director's procedures P-6-1-B, the statewide, uniform core competencies cannot be disregarded in the final rating for each employee. These competencies are in communication, interpersonal skills, customer service, accountability, and job knowledge; the core competencies have been pre-checked on the form. Source of funds, method of funding, and length of state services shall not be a performance factor.

During the planning session, the following must occur:

- Teamwork can be measured as a component of an individual's performance plan and performance awards proportioned accordingly.
- Select performance factors and assign weights (totaling 100%) to those factors. (These factors and weights will be used in the employee's final evaluation at the end of the rating period.)
- Enter selected factors and assign weights on each factor page. Use the Goals & Requirements for Exceptional Performance narrative section to document expectations for Exceptional ratings.
- The supervisor and employee must sign the Performance Planning section of the Performance Pay Planning & Evaluation form. If exceptional goals are established, the appropriate reviewer must also sign.
- A copy of all completed and signed performance management documents applicable to the employee's performance plan must be given to the employee as well as sent to Human Resources no later than April 30th.

Mid-Year Review

Under performance management, the *mid-year review* is critical to both the employee and supervisor. The state requires coaching and feedback during the performance year. During this review process, feedback is provided on how well the employee is doing on the performance factors and the exceptional performance goals that were set during the planning session. Both the employee and the supervisor are given the opportunity to assess the employee's progress and performance.

This phase will include a review of the Performance Plan and completion of the Mid-Year Review Meeting section. The optional mid-year review scoring boxes on the individual factors may be used as an indicator of current levels of performance, but they are not totaled or used in the calculation of the final Performance Evaluation. If used for mid-year review, circle that heading on the form. Discussing any changes to the original exceptional performance goals will occur at this time. Supporting documentation to exceptional performance changes or any other plan revision can be provided in the narrative section Mid-Year Adjustments or Comments on the form.

Both employee and supervisor are required to sign the Mid-Year Progress Review Meeting section of the Performance Pay Planning & Evaluation form. If changes are made to any exceptional goals, the appropriate reviewer must also sign. A copy of the signed document form, along with any other verifying information used in the review process, must be returned to the office of Human Resources when completed.

Evaluation

The supervisor must evaluate the employee's performance based on the performance plan **within 30 days** (by April 30th) of the end of the rating period. Three rating levels will be used: Needs Improvement, Successful, and Exceptional. Quotas or forced distribution processes for determining the number of ratings in any of the three performance levels shall not be established.

Step 1 – Pre-Evaluation Meeting with the employee.

- Be prepared and give the employee the time to prepare.
- *No scoring is communicated at this step.*
- Schedule an appointment and allow sufficient time. Select a time when you and the employee are not under great pressure.
- Provide privacy. Pick a place with minimum interruptions.
- Decide what to accomplish in the interview and have clearly in mind the performance criteria to be used.
- If the optional mid-year review scoring boxes on the individual factors were not used, the employee may use these for self-evaluation. If used for self-evaluation, check that box heading on the form.
- Consider the employee's point of view; anticipate what the reaction to the discussion might be.
- Have a good statement prepared to satisfactorily launch the discussion.
- Be in a good frame of mind. If you are preoccupied, delay the interview to a more appropriate time.
- Have the necessary forms or factual information ready to present at the proper time. Having to search for such information during the interview is distracting.

Step 2 - The supervisor rates the employee's performance on each factor selected during the planning session.

- Where feasible, supervisors should consider multi-source assessment methods in employee evaluations.
- The statewide uniform core competencies will be incorporated into every employee's performance plan and be considered during every employee's evaluation.
- Supervisors are reminded of the added value of the narrative section and are encouraged to supplement the rating with comments, and where appropriate, suggestions.
- Additional pages may be attached as needed.
- Performance factors for which the employee is given an Exceptional or a Needs Improvement rating must include supporting narrative comments.
- In addition, a Needs Improvement rating requires a performance improvement plan or corrective action.
- The supervisor must complete the Annual Evaluation factor rating section of the form.
- An overall rating level is assigned based on the total number of points calculated using the conversion table.

Step 3 - The evaluation is then reviewed by the designated reviewer.

- The cabinet-level reviewer ensures quality and consistency of all performance ratings within the College among similarly situated employees.
- The reviewer may not change the preliminary score given by the supervisor, but may recommend reconsideration.

- The reviewer must sign the Performance Evaluation Rating section of the Performance Pay Planning and Evaluation Form prior to the final overall rating being provided to the employee.

Step 4 - Lastly, both the supervisor and employee complete and sign the Performance Evaluation Rating section of the Performance Pay Planning & Evaluation form.

- A copy of all completed and signed performance management documents must be returned to the office of Human Resources no later than April 30th. *This is the first time at which the overall evaluation rating is communicated to the employee.*

Step 5 - A review of all final evaluations.

- In accordance with P-6-1-K of the Director's procedures, the Human Resources office and cabinet-level personnel are responsible for the College's review process.
- A review of all final evaluations will be completed.

Interim Planning and Evaluation

If an employee moves to another appointing authority or department, or changes classification due to reallocation or promotion, during a performance cycle, an interim overall evaluation shall be completed. The new appointing authority or department shall develop a new plan for the remaining portion of the performance cycle; in the case of a reallocation or promotion, the new plan shall cover the trial service period.

The interim evaluation score from the first portion of the performance period shall be entered on the new plan in the calculation table on the bottom of the second page and prorated according to the instructions. When a final score is given, it shall also be entered into the calculation table and prorated to arrive at an overall annual rating.

State mandated PPS sanctions for Failure to Evaluate

If a supervisor fails to develop a *performance plan* or do a *performance evaluation*, the reviewer develops the plan and/or does the evaluation. If neither the supervisor nor the reviewer develops the plan or does the evaluation, the reviewer's supervisor is responsible, on up the chain of command until either or both are completed as required by law. Classified supervisors who fail to establish a performance plan or do a performance evaluation for an employee are not eligible for annual performance award. Designated raters who fail to complete a plan or evaluation with 30 days of the established deadline may received disciplinary suspensions in increments of one workday.

As per P-6-2-A, a classified employee receives a default rating of "Successful" if the supervisor(s) fail(s) to evaluate. Further, all supervisors (classified and non-classified) should have a provision or "factor" in their performance plans that measures and evaluates the effectiveness of whether they have carried out the requirements and procedures of the College's PPS in a complete and timely manner.

Exempt supervisors (and their managers) shall be disciplined in conformance with Section 2.10 of the Western State College of Colorado Handbook for Professional Personnel if they do not comply with the requirements and procedures of this program in a complete and timely manner. Additionally, all supervisors (*including* faculty and administrators) who fail to establish a performance plan or to do a performance evaluation for their employees are subject to action under CRS 24-50-118 (loss of one-week's pay) and/or other Department of Personnel Director's procedures.

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IMPLEMENTATION OF PPS ANNUAL PERFORMANCE AWARDS

Budget Allocation

Permanent employees are eligible for an annual performance award. Subject to the provisions of P-3-19, prior to the payment of annual performance awards, the State Personnel Director shall specify and publish the percentage ranges for performance levels based on the available statewide performance pay funding. Based upon the published percentage ranges, the President will annually determine the percent of annual performance awards for each performance level for the college following the Board of Trustees budget allocation process. The percentage will be communicated to employees as soon as the budget process has been completed, but no later than July 15th of each fiscal year.

Performance Awards

The following information is provided to employees with respect to the various adjustments related to Western's performance pay program and in conformance with State rules.

- Annual base and non-base building annual performance awards will be a percentage of salary, effective on the statewide common date of July 1st.
- Base pay is defined as salary, excluding any premiums, and paid on a fixed, non-variable basis.
- The annual performance award is based on the final overall rating.
- The employee must be employed on July 1st of the new fiscal year to receive a payment of a base-building performance award.
- Non-base building performance awards that are granted must be paid in full, even if the employee terminates employment.
- Base-building performance awards are permanent and paid as regular salary.
- If the final overall rating is Exceptional, the adjustment to base pay shall not exceed the grade maximum and any portion of the adjustment amount that exceeds maximum shall be paid as a one-time lump sum in the July payroll.
- Non-base building performance awards must be re-earned annually.
- When the overall rating is Successful, the performance award cannot exceed the grade maximum; if base pay is at grade maximum or in saved pay above the maximum, the employee is ineligible for a performance award.
- Base salary shall not exceed range maximum.
- No annual performance award will be given for rating of Needs Improvement.

- An employee granted an annual performance award shall not be denied the adjustment because of a corrective or disciplinary action issued for an incident after the close of the previous performance cycle.
- Employees who transfer from other state agencies will have their performance score from their previous agency prorated and combined with their prorated score at Western State College to arrive at total final score.
- Employees' current department as of July 1st is responsible for payment of the annual performance award.
- For new employees hired into the state classified system after July 1st, their annual performance awards will be prorated based on months of employment to July 1st.
- New employees starting after December 1st that would have less than six months of employment by May 31st are ineligible for annual performance award on July 1st of their first year.
- Non-monetary awards based upon performance may be implemented in the future.

3

EMPLOYEE DISPUTE RESOLUTION PROCESS

The dispute resolution process is an open, impartial process that is not a grievance or appeal and has two stages: (1) internal to the College; and (2) external to the state Department of Personnel. Retaliation is prohibited against any person involved in the dispute resolution process. Copies of this dispute resolution process will be given to employees annually.

The following procedures are to be used for disagreements concerning disputes that are not claims of discrimination; allegations of discrimination must be filed with the State Personnel Board. *The burden of proof in this dispute resolution falls upon the employee.* No party is entitled to legal representation at any step in the process, although each may have an advisor at any step in the process. The advisor may provide counsel but it is recommended that the employee speaks on his/her own behalf.

Only the following matters are disputable:

- the individual performance plan, including lack of a plan during the planning cycle;
- the individual final overall performance evaluation, including lack of a final overall evaluation;
- the application of the College's performance pay program to the individual employee's plan and/or final overall evaluation; and,
- full payment of the performance award.

The following matters are not disputable:

- the content of the College's performance pay program;

- matters related to the funds appropriated;
- the performance evaluations and performance awards of other employees; and,
- the amount of a performance award, unless the issue involves the application of the State procedures or the College's performance pay program.

Only the issue(s) originally presented in writing shall be considered throughout the dispute resolution process.

Decision-makers are limited to addressing facts surrounding current action and shall not substitute their judgment for that of the rater, but may instruct raters to follow the agency plan, correct error(s), reconsider a performance rating or plan or other appropriate action. They may also suggest other appropriate processes such as mediation. Decision-makers cannot render a decision that would alter Western's PPS program.

Internal Procedures for Resolving Disputes

If there is a dispute, the employee and supervisor should schedule an informal meeting to resolve the issue(s) within **two working days**. Every effort shall be made by the parties to resolve the issue at the lowest possible level in a timely manner. Informal resolution before initiating the dispute resolution process is strongly encouraged. The employee should bring any supporting documentation that may aid the supervisor's decision.

If the employee and supervisor are unable to come to agreement during this meeting, or if they are unable to meet, the employee is required to sign the performance plan or evaluation, indicate whether he/she agrees or disagrees, and may initiate the internal dispute resolution process.

1. If an employee disagrees with the weights assigned to the performance factors during the planning process, the individual performance objectives assigned during the planning process, or to the performance evaluation, or lack thereof, the employee may request review in writing to the next higher level supervisor within **three (3) working days** of signing the performance evaluation or plan. The employee's request should:
 - Contain specific examples of his/her disagreement with the plan or the evaluation;
 - Indicate what remedy the employee is seeking with regards to his/her performance plan or evaluation (i.e., changes to the rating, reconsidering a factor score, etc.);
 - Include all pertinent documentation related to the dispute necessary to substantiate his/her claim.

Disputes with the supervisor outside of the performance evaluation will not be taken into account at this time. The higher level supervisor may meet with the concerned parties at his/her discretion but must render a decision in writing and deliver to the employee within **five (5) working days** of the date the review was received. A copy of the review must be sent to the supervisor.

2. If the employee does not agree with the decision of the higher level supervisor, the employee may request review to the appointing authority or designee using the process and time lines listed above. *The employee may not add any additional items to be*

considered at the third stage of the dispute resolution process. This final decision must be made within **five (5) working days** of the date the review request was received.

3. The decision of the appointing authority or designee is final and no further internal recourse is available. Employees will be given written notices that they may, after completion of the internal process, submit a written request to the State Personnel Director. Notice will include deadlines, list of what must be included in the request (copies of the original issues and the final decision) and the address for filing.

External Procedures

An employee, after internal review, may request review by the State Personnel Director. Such request must be filed at the address specified in R-8-40 within **five (5) working days** of the final decision and must include a copy of the original issues and the College's final decision.

The external stage is administered by the State Personnel Director. The Director shall retain jurisdiction, but may select a qualified neutral third party to review the matter. The neutral third party has **30 days** to issue a written decision that is final and binding. External raters shall not substitute their judgment for that of the rater, reviewer, or the College's dispute resolution decision maker at the internal stage.