

November 07, 2005

MANAGERS, HUMAN RESOURCES (AREA)

SUBJECT: Pay-for-Performance Mitigating Factors FY2005

Attached you will find guidelines for the process of requesting consideration for a Pay-for-Performance (PFP) Mitigating Factor. A Mitigating Factor is an occurrence beyond an employee's control, which caused a measurable impact not only on the NPA composite summary, but also caused the PFP Overall Performance rating to be lowered by at least one whole point.

As the Area HR manager, your role is to validate that any request that is approved by the performance cluster executive has been properly documented. Any request for consideration must relate to a unit indicator which has caused a lowering of the NPA composite and, therefore, the PFP Overall Performance rating. This process is not to be used for issues raised with corporate indicators or for issues related to core requirements ratings.

Documentation must be maintained at the Cluster level, while the completed, approved, and signed **Request Consideration of Mitigating Factors** form must be validated at the Area level and forwarded to the Manager, Selection, Evaluation, & Recognition (SER) via the "Perform 3" email address. The deadline for submission to SER of all approved forms is December 13, 2005.

One issue that is not referenced in the guidelines is the recently generated "mitigation" report cards for NPA. For those units that have had one or more indicators adjusted at the national level, their adjusted scores have been imported into the PES system, therefore no additional requests for consideration of mitigation for these units should be processed.

Please stress the following key points when communicating and disseminating these guidelines to your evaluators and your performance cluster leadership.

- All requests that are processed must reflect the end-of-year (EOY) rating from the Performance Evaluation System (PES) and the recommended EOY rating based on the mitigation request.
- The mitigation process applies only to EAS employees.
- Due to payroll processing timelines, all requests must be received in SER by close of business December 13, 2005.

If there are any questions or concerns, please contact Vicki Edwards, Manager, Employment Programs, at (202) 268-6186.

Mangala P. Gandhi

Mangala P. Gandhi
Manager
Selection, Evaluation, and Recognition

Attachment

Mitigating Factors – Request for Consideration Process

What is a mitigating factor?

A mitigating factor is a significant occurrence that triggers a measurable impact not only on the NPA composite summary, but on the Pay for Performance overall performance rating as well. In order to qualify for consideration, there must be so significant a change in a unit indicator(s) that it causes a downward change in the NPA composite summary that results in the PFP Overall Performance Rating to be lowered by at least one whole point.

Certain unique situations might constitute mitigating factors. For example, a retail unit consumed by fire, an AMF destroyed by flood, or an act of terrorism that shuts down a transportation network or plant. Additionally, there may be other circumstances that may be considered. For example, a major mailer moves out of one post office area to a neighboring post office, or a mailer ceases operations. What is considered is how that loss of business had a profound impact on the unit indicator, and did this occurrence cause a downward change in the NPA composite summary.

When should an evaluator consider processing a request for a mitigating factor?

When it is apparent that a unit indicator was affected by a unique occurrence or a business condition that was beyond an employee's control, the evaluator should carefully review the facts. The evaluator needs to confirm the following:

- Did the occurrence or condition cause a negative result in one or more of the unit indicators?
- Did that result negatively affect the NPA composite summary?
- Did the downward change in the NPA composite summary result in a lower PFP overall performance rating?
- What efforts were made by the employee to offset the occurrence that impacted the unit indicator?

How should the evaluator handle the on-line ratings in the Performance Evaluation System (PES)?

1. There will be no on-line adjustment to the NPA composite score in the PES.
2. Evaluators will provide ratings of core requirements in the PES as it was designed.
3. The Evaluator will submit ratings and will print off the EOY Rating from the PES.

What is the process for requesting consideration for a mitigating factor?

1. The process begins with the employee, who must describe the situation they believe caused an adverse impact on the unit indicator(s) resulting in a lower overall performance rating. Documentation should be provided to the evaluator to support the impact of a particular occurrence.
2. The evaluator will review the employee's documentation against the criteria constituting a mitigating factor, and if warranted will submit a Request for Consideration of Mitigating Factors Form to their PCES cluster executive. The request form requires the evaluator to document the following:
 - a. The NPA composite summary has been adversely affected because of the unit indicator(s). Documentation must clearly demonstrate that the unit indicator result would have been higher had the event not occurred.
 - b. The evaluator must recommend an alternate unit indicator(s) result supported by sufficient documentation. The documentation must include the trends of this indicator before the occurrence, explaining clearly how the mitigating factor caused the unit result to be lower and therefore impacting the employee's Overall Performance Rating.

- c. The unit summary and composite summary must be re-calculated and submitted along with a copy of the NPA Report Card Detail from WebEIS to the lead PCES cluster executive.
 - d. The evaluator must recommend an alternate overall performance rating on the request for consideration. **Failure to submit a new recommended overall performance rating on the request for consideration format will result in no further processing.**
3. The PCES cluster executive reviews the form and documentation. If approved, the package is forwarded to the area Human Resources manager for review and validation. If disapproved, the PCES cluster executive returns the package to the evaluator, who must then inform the employee in writing.
 4. The area Human Resources manager must verify that the documentation supports the mitigation and the resulting recommended change to the Overall Performance Rating. If valid, area HR manager signs the request form and scans the request form to the Manager Selection, Evaluation, & Recognition (SER) at Headquarters via the Perform3 email address to arrive **NO LATER THAN DECEMBER 13, 2005**. The area must only forward request forms to SER if they verify that the mitigation raises the employee's Overall Performance Rating by at least one whole point. If not valid, the area HR manager returns the package to the PCES cluster executive (who must notify evaluator, and in turn evaluator notifies employee in writing.) All associated paperwork and documentation must be maintained at the cluster level.
 5. Selection, Evaluation, and Recognition (SER) documents validated changes to the Overall Performance Rating and make the changes manually in the Performance Evaluation System (PES). SER confirms completion of this action back to the area HR manager by email message from Perform3.

REMINDERS:

- Mitigating Factor Request for Consideration is available for EAS eligible employees only.
- Mitigating Factor process pertains only to NPA unit indicators. An employee who wishes to dispute an individual core requirements rating must use the "Recourse Process" outlined in the PFP Administrative Rules.
- Any request for mitigation will be treated as an exception and must be fully documented.
- Two documents will be most helpful in calculating mitigation: the NPA Report Card Detail from WebEIS, and the PES report showing the employee's Overall Performance Rating.
- Additional documentation related to the specific unit indicator performance should be submitted along with the request for consideration form.
- Area HR must submit validated request forms with no attachments to SER for processing no later than **December 13, 2005**.
- The mitigating factor must affect an NPA unit indicator so adversely that the PFP Overall Performance Rating result would have been changed by at least one whole point had it not occurred.
- The form and documentation must be kept on file for two years by the approving cluster level office.
- **Requests and supporting documentation must be submitted in time to allow for each level's approval prior to final processing by Area HR and submission to Selection, Evaluation, & Recognition no later than December 13, 2005.**

Request Consideration of Mitigating Factors

Employee Name: _____ Title: _____ EIN _____

Signature: _____ Date: _____

Unit Name: _____ Fin #: _____

*****PLEASE USE ADDITIONAL SHEETS OF PAPER AS NEEDED*****

1. Describe the mitigating factor by addressing each of these criteria:
 - a) What was the significant occurrence?
 - b) When did it occur (dates)?
 - c) How was it beyond the employee's control?
 - d) What was the impact on a unit indicator; unit summary; and composite summary?
2. Briefly describe the trends of the unit indicator prior to the occurrence and attach documentation.
3. Attach NPA Report Card Detail and End-of-Year (EOY) Overall Performance rating from PES.
4. Please record the employee's actual Overall Performance Rating from PES and the rating that would have been achieved but for the mitigating circumstance.

PFP OVERALL PERFORMANCE RATING	
ACTUAL _____	RECOMMENDED _____

CLUSTER REVIEW & APPROVAL

Evaluator Name: _____ Title: _____

Phone: _____ Signature: _____ Date: _____

PCES Cluster Executive Name: _____ Title: _____

Phone: _____ Signature: _____ Date: _____

APPROVED _____ DENIED _____ (CHECK ONE)

AREA VALIDATION

Area Human Resources Manager Name: _____ Title: _____

Phone: _____ Signature: _____ Date: _____

FY 2005 Pay for Performance (PFP) Mitigating Factors Process
November 2005

INTERNAL USE ONLY (HQ SER)
Received _____ (date) _____ (initials)
Entered to PES _____ (date) _____ (initials)