

# Employee Performance Evaluation System

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## Employee Handbook

January 2017



Performance evaluations are important opportunities for supervisors (evaluators) and employees to share in open dialog concerning attainment and setting of goals as well as the employee's individual performance. To that end, performance evaluations should strive to achieve continual and open communication between the supervisor and employee; create a mutual understanding between the employee and supervisor concerning the duties and responsibilities of the employee's job and of the performance objectives established for the appraisal period; identify and resolve performance issues, as necessary; and provide managers (evaluators) with the appropriate information to aid in personnel decisions, which may require an assessment of an individual's job performance.

Simply put, it is actively involving both the supervisor and employee in the overall performance process.

It should also be emphasized that a performance appraisal is a continual process, not an activity restricted to the production of the annual performance appraisal. Supervisors are encouraged to provide periodic feedback on progress toward completing the performance goals that were established at the beginning of the appraisal period.

The Commonwealth of Kentucky's performance evaluation system was developed to assist with the communication between the employee and evaluator. When used properly, the system will accomplish this goal. An employee can participate in his or her own career development and advancement by:

- Meeting with your evaluator at the start of the performance period to discuss your job duties and expectations for the coming year.
- Meeting with your evaluator throughout the performance year to discuss any concerns or problems you may have.
- Meeting with your evaluator at the end of the annual performance period to review and discuss your evaluation.

Employees who receive one of the two highest possible overall ratings shall receive a reward in the form of annual leave. Employees who receive the lowest possible overall rating shall be demoted or terminated. Employees who disagree with their evaluation may appeal.

The following pages offer specific details relating to the employee's role in the evaluation system. Please read this information carefully to be familiar with the performance evaluation law, process, and procedures.

If you need further assistance, we encourage you to contact your agency evaluation liaison or the Performance Management Program Consultants in the Personnel Cabinet. Thanks for your cooperation and assistance in helping to make the employee performance evaluation system a tool that benefits employees, evaluators, and citizens of the Commonwealth of Kentucky.

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# Table of Contents

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Objectives of the Evaluation System .....	2
Kentucky Revised Statute 18A.110 .....	4
Kentucky Administrative Regulation 101 2:180 .....	6
Performance Liaison Responsibilities.....	11
Questions and Answers.....	12
Employee Acknowledgement Form.....	15

# Evaluation System Objectives

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The following is a list of performance evaluation system objectives for Kentucky State Government.

## **Fairness and acceptability to employees.**

The basic structure of the system was developed by a group of employees. As such, employee awareness and support to the evaluation process was viewed as critical to system success. All employees must receive information/orientation to the system.

## **Improved communication between evaluator and employee.**

Performance planning between the evaluator and employee regarding job duties and expectations is required in the evaluation system. This planning will foster greater understanding of what is expected of employees in the performance of their jobs. Such understanding may help employees gauge their own work progress, develop self-confidence, and improve overall job performance.

## **Coaching and feedback by the evaluator prior to the annual evaluation.**

**Three interim reviews** are required during the annual performance period. At each of these reviews, the evaluator must provide the employee with feedback pertaining to performance strengths and areas needing improvement. The interim review meetings provide the opportunity for employees to discuss problems and concerns prior to the annual evaluation.

## **Consistency and uniformity throughout state agencies.**

All state agencies must use the same evaluation form. All eligible employees are evaluated and rated on individual performance based upon job related factors.

## **Improved productivity, enhanced quality, continuous improvement, and employee development.**

When used properly, the system helps employees more clearly understand their job duties and expectations. A solid understanding of the required performance expected along with effective coaching and feedback can translate into improved productivity, enhanced quality, continuous improvement and employee development.

## **Tangible reward to employees.**

Annual leave shall be rewarded to employees who receive either of the two highest overall ratings. This allows agencies/evaluators to reward job success that exceeds the required expectations and provides an incentive for employees to improve.

**Required evaluator training on the performance evaluation system.**

All evaluators must complete training on the employee performance evaluation system prior to completing performance planning, interim review meetings and annual evaluations on eligible employees. The training is designed to ensure that evaluations are completed consistently.

**Provides a permanent record of performance.**

The annual evaluation form and supporting documentation shall be a permanent record of performance, and shall be included in the employee's agency personnel file. This record shall be considered in determining salary advancements, promotions and disciplinary actions. Many agencies review evaluations to assist in making hiring decisions.

# KRS 18A.110

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**KRS 18A.110** requires the Secretary of the Personnel Cabinet to disseminate comprehensive administrative regulations for classified service employees, to provide for uniform standards and methods of evaluating work performance of all employees, and for the use of such methods of evaluation in personnel actions involving discretionary salary advancements, promotions, disciplinary actions and for the development and operation of programs to improve work effectiveness of employees. The statute as relates to the Employee Performance Evaluation System reads as follows:

Section 1. Subsection (1)

- (i) Employee evaluations.

Section 1. Subsection (7)

- (j) For a uniform system of annual employee evaluation for classified employees, with status, that shall be considered in determining eligibility for discretionary salary advancements, promotions, and disciplinary actions. The administrative regulations shall:
  1. Require the secretary to determine the appropriate number of job categories to be evaluated and a method for rating each category;
  2. Provide for periodic informal reviews during the evaluation period which shall be documented on the evaluation form and pertinent comments by either the employee or supervisor may be included;
  3. Establish a procedure for internal dispute resolution with respect to the final evaluation rating;
  4. Permit a classified employee, with status, who receives either of the two (2) lowest possible evaluation ratings to appeal to the Personnel Board for review after exhausting the internal dispute resolution procedure. The final evaluation shall not include supervisor comments on ratings other than the lowest two (2) ratings;
  5. Require that an employee who receives the highest possible rating shall receive the equivalent of two (2) workdays, not to exceed sixteen (16) hours, credited to his or her annual leave balance. An employee who receives the second highest possible rating shall receive the equivalent of one (1) workday, not to exceed eight (8) hours, credited to his or her annual leave balance; and
  6. Require that an employee who receives the lowest possible evaluation rating shall either be demoted to a position commensurate with the employee's skills and abilities or be terminated; and

KRS 18A.095 has been amended in regards to the employee performance evaluation system to read as follows:

Section 2. Subsection (16)

An evaluation may be appealed to the board if an employee has complied with the review procedure established in subsection (7)(j) of Section 1 of this Act.

# 101 KAR 2:180

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NECESSITY, FUNCTION and CONFORMITY: KRS 18A.110(1)(i) and (7)(j) requires the Secretary of the Personnel Cabinet to promulgate comprehensive administrative regulations for classified service employees to establish a uniform system of annual employee evaluations for classified employees. This administrative regulation establishes the uniform employee performance evaluation system.

## Section 1. General Provisions

- (1) The annual performance period shall be one (1) calendar year beginning on January 1.
- (2) Except as provided in subsection (4)(d) of this section, performance evaluations shall be completed no later than January 31 after the end of the annual performance period.
- (3) All agencies shall use the Annual Employee Performance Evaluation Form.
- (4)
  - (a) Except as provided in paragraph (b) or (c) of this subsection, the first line supervisor of an employee at the time the evaluation is due shall be the evaluator.
  - (b) If the first line supervisor has not supervised the employee for sixty (60) calendar days during the performance year, the next line supervisor who meets the sixty (60) day requirement shall be the evaluator.
  - (c) If an employee changes jobs or reports to a different supervisor on or before November 1 of the performance year, the agency shall transfer all performance evaluation documentation for the performance year to the new evaluator for incorporation in the annual evaluation.
  - (d) If an employee changes jobs or reports to a different supervisor after November 1 of the performance year, the annual evaluation shall be completed by the former supervisor prior to the job change.
- (5)
  - (a) Except as provided in paragraph (b) of this subsection, the evaluator shall establish a performance plan for each eligible employee no later than January 31 after the start of the performance period.
  - (b) If an employee's position or job title changes during the performance year, the evaluator shall establish a new performance plan no later than thirty (30) calendar days after the start of the position or job title change. The new performance plan shall become a part of the original performance year evaluation documentation.
- (6) The evaluator shall meet with the employee when completing the performance plan to discuss job duties and expectations.
- (7) Performance evaluations shall be in writing. The evaluator shall:
  - (a) Present and explain all documentation relevant to an employee's performance evaluation;
  - (b) Discuss both the positive and negative aspects of performance with the employee at the annual evaluation;
  - (c) Elicit the employee's opinions and concerns; and
  - (d) Discuss measures to improve or enhance performance with the employee.



- (8) The Personnel Cabinet or agency personnel shall provide supervisor evaluation training on the performance evaluation system.
  - (a) The appointing authority shall require that supervisor evaluation training is completed prior to completing performance planning, interim reviews, and annual evaluations of employees.
  - (b) The Personnel Cabinet shall monitor and validate compliance with supervisor evaluation training requirements.
- (9) An employee shall complete orientation to the performance evaluation system prior to January 1 of the employee's initial performance evaluation period.

## **Section 2. Employee Eligibility**

Performance evaluations shall be completed for all full-time classified employees with status at the beginning of the performance year who have remained in continuous merit status throughout the performance year.

## **Section 3. Performance Planning**

- (1) The performance plan shall specify job responsibilities and expectations in the four (4) categories established in this subsection:
  - (a) Job tasks.
    - 1. The job tasks category shall identify specific duties and expectations of the position held by the employee.
    - 2. The employee's job duties shall be consistent with the position description.
    - 3. Duties and expectations shall be in writing.
    - 4. The evaluator shall assign points to identified duties and expectations.
  - (b) Adaptability/initiative.
    - 1. The adaptability/initiative category shall identify job requirements of the agency.
    - 2. The evaluator shall place each requirement under this category in writing and assign points weighted by importance.
  - (c) Communication/teamwork.
    - 1. The communication/teamwork category shall identify requirements of the agency.
    - 2. The evaluator shall place each requirement under this category in writing and assign points weighted by importance.
  - (d) Self-management.
    - 1. The self-management category shall identify requirements of the agency relating to workplace standards that shall include:
      - a. Attendance;
      - b. Punctuality;
      - c. Career development;
      - d. Responsibility; and
      - e. Dependability.
    - 2. The evaluator shall place each requirement under this category in writing and assign points weighted by importance.

3. The evaluator shall develop the performance plan after consultation with the employee.
  - a. The employee and evaluator shall certify in writing in the performance planning section of the evaluation form that the employee has met with the evaluator and is aware of the performance plan.
  - b. The next line supervisor shall certify that he or she has reviewed the duties and expectations of the employee and finds them to be reasonable and appropriate based upon the employee's job classification.
- (2) Total points assigned for all four (4) categories shall equal 100 total points. The evaluator shall distribute points among the four (4) categories as follows:
  - (a) The job tasks category shall have a minimum of fifty (50) points designated; and
  - (b) The other three (3) categories shall have a minimum of five (5) points designated to each category.
- (3) To obtain the point total for each category, points assigned to each job duty within each category shall be multiplied by the numerical rating provided by the evaluator, as described in Section 5(3) of this administrative regulation.
- (4) Total points in all four (4) categories shall be added to obtain a final performance evaluation score.

#### **Section 4. Performance Coaching and Feedback**

- (1) Modification of the performance plan may occur during the performance evaluation period if the changes are consistent with the duties reflected on an employee's position description.
  - (a) The employee shall be given written notice of changes to the performance plan.
  - (b) Changes to the performance plan shall be indicated on the evaluation form or on a supplemental sheet attached to the form.
  - (c) Changes to the performance plan shall be initialed and dated by the evaluator and the employee when changes become effective.
- (2) A mid-year interim review and year-end interim review shall be required during a performance year.
  - (a) The evaluator shall document the interim reviews.
    1. Interim reviews shall not contain a rating.
    2. The interim meeting section of the evaluation form shall contain comments by the evaluator for each category established in Section 3(1) of this administrative regulation.
  - (b) The employee and evaluator shall sign the performance evaluation form to certify that the interim reviews occurred.
  - (c) For consideration in the annual year evaluation, the employee may attach pertinent comments relating to the interim review within five (5) working days of the interim review meeting.
  - (d) The evaluator shall schedule interim reviews to discuss performance January 1 through June 30 and July 1 through December 31.

- (e) The mid-year interim review shall be completed no later than July 31 after the end of the interim review period, and the year-end interim review shall be completed no later than January 31 after the end of the interim review period.
- (f) Interim reviews shall document performance to justify the annual performance rating.

### **Section 5. Performance Evaluations and Ratings**

- (1) Except as provided in Section 1(4)(d) of this administrative regulation, the evaluator and the employee shall meet no later than thirty (30) calendar days after the performance period ends to discuss the performance ratings.
- (2) Eligible employees shall be evaluated in the four (4) categories described in Section 3 of this administrative regulation.
- (3) All job duties identified within the categories shall be rated on a scale of one (1) to five (5), with five (5) representing superior performance.
- (4) The final performance evaluation shall consist of a defined numerical rating. Point values for the overall performance rating shall be:
  - (a) Outstanding: 450 to 500 points;
  - (b) Highly effective: 350 to 449 points;
  - (c) Good: 250 to 349 points;
  - (d) Needs Improvement: 150 to 249 points;
  - (e) Unacceptable: less than 150 points.
- (5) Unresolved disagreements on ratings or any aspect of the performance evaluation shall be reviewed through the reconsideration process established in Section 7 of this administrative regulation.
- (6) Signatures of the evaluator, employee and next line supervisor shall be required on the final evaluation.
  - (a) The next line supervisor shall sign the evaluation after it is completed, signed and dated by the evaluator and the employee.
  - (b) For the purpose of evaluating or managing the performance of the evaluator, the next line supervisor's signature shall certify that he or she is aware of the evaluation and has reviewed it.

### **Section 6. Performance Incentives**

Annual leave shall be awarded as a performance incentive at the following rates:

- (1) Two (2) workdays, not to exceed sixteen (16) hours, for an "Outstanding" rating; or
- (2) One (1) workday, not to exceed eight (8) hours, for a "Highly Effective" rating.

### **Section 7. Reconsideration and Appeal Process**

- (1) Within five (5) working days of the year-end interim review and annual performance evaluation meeting, an employee may attach pertinent comments relating to the year-end interim review and may request initial reconsideration of the annual performance evaluation by the evaluator.

- (2) Within five (5) working days of the receipt of the request for reconsideration, the initial reconsideration shall be conducted by the evaluator.
- (3) If the employee refuses to sign the form in the employee response section, the evaluation shall not be eligible for reconsideration.
- (4) Within five (5) working days after the initial reconsideration by the evaluator, an employee may submit a written request for reconsideration of the evaluation by the next line supervisor. If neither the evaluator nor the next line supervisor respond to the request for reconsideration in the designated time period, the employee may submit a written request to the appointing authority for response to the request for reconsideration and compliance with this administrative regulation.
- (5) The next line supervisor shall:
  - (a) Obtain written statements from both the employee and the evaluator; or
  - (b) Meet individually with the employee and the evaluator.
- (6) The next line supervisor shall inform both the employee and evaluator in writing of the decision no later than fifteen (15) working days after receipt of the employee's request.
- (7) Within sixty (60) calendar days after an employee has received the written decision from the next line supervisor, the employee who has complied with this administrative regulation may appeal a final evaluation which has an overall rating in either of the two (2) lowest overall ratings to the Personnel Board.

#### **Section 8. Evaluation-Based Agency Action**

If an employee receives an overall rating of unacceptable, the agency shall:

- (1) Demote the employee to a position commensurate with the employee's skills and abilities; or
- (2) Terminate the employee.

#### **Section 9.**

- (1) Except as requested in writing by the appointing authority and authorized by the Secretary of Personnel, all agencies shall comply with the provisions of this administrative regulation. An evaluator shall complete required performance planning, interim reviews, and annual evaluations for each eligible employee. If the Secretary of Personnel approves an exception, written justification for the decision shall be placed in the employee's personnel file.
- (2) The exception decision shall be sent, in writing, to the appointing authority within ten (10) days of receiving the request for exception.

# Employee Performance Evaluation Liaison Responsibilities

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Each cabinet/agency in state government has an agency liaison for employee performance evaluation. Liaison responsibilities are as follows:

- A. To distribute information to employees and evaluators as requested by the Personnel Cabinet.
  - B. To remind all evaluators of the performance plan, interim review meetings and the annual evaluation prior to the date each should occur.
  - C. To distribute necessary employee performance evaluation forms, handbooks, standardized agency expectations, and/or other agency management directives.
- II. To coordinate all employee performance evaluation training within the agency. This will involve the following:
- A. Identification of all staff person(s) who train or assist in training of evaluators in the agency.
  - B. To attend required training on employee performance evaluation given by the Personnel Cabinet. This training is also required for any persons who will assist in training.
  - C. To maintain a current listing of evaluators who have completed performance evaluation training.
  - D. To monitor the supervisory staff changes and performance evaluation training conducted within the agency to insure the following:
    - 1. all persons who evaluate receive the required training.
    - 2. all training be consistent with information explained in 101 KAR 2:180.
- III. To monitor evaluator compliance in all meetings required by the employee performance evaluation process.
- IV. To counsel and advise evaluators as needed on problems relating to the evaluation of employees.
- V. To submit to the Personnel Cabinet the rating information on all employees eligible for annual performance evaluations.
- VI. To maintain all employee evaluation documents in the agency's central personnel file.
- VII. To complete reports and assist in the auditing of evaluation documents as requested by the Personnel Cabinet to be used in monitoring the performance evaluation system.

To review the current Cabinet/Agency Evaluation Liaison listing you may visit the Personnel Cabinet's website at <https://personnel.ky.gov/Pages/learning-PerfEval.aspx> .

# Frequently Asked Questions

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**Q. Why have an employee performance evaluation system?**

- A. 1) To improve communication between employees and management.  
2) To improve productivity and quality of service to the public.  
3) To clarify employees duties and responsibilities.  
4) To identify training needs.

**Q. Who will be eligible through this system?**

- A. Performance Evaluations shall be completed for all full time classified employees with status at the beginning of the performance year, and have remained in continuous merit status throughout the performance year.

**Q. Will an eligible employee receive additional money as a result of this system?**

- A. No money is tied to this evaluation system. Instead employees who receive either of the two (2) highest possible **overall** ratings in the system shall receive a reward in the form of annual leave. Such leave shall be credited to the employee's leave balance as follows:

- 1) An employee who receives a rating of "Outstanding" shall receive the equivalent of two (2) workdays, not to exceed sixteen (16) hours.
- 2) An employee who receives a rating of "Highly Effective" shall receive the equivalent of one (1) workday, not to exceed eight (8) hours.

**Q. Will an employee on initial probation be evaluated through this system?**

- A. No, an employee on initial probation is not eligible to be evaluated through this system.

**Q. Will an employee's performance evaluation be used in determining salary advancements, promotions and demotions?**

- A. Yes, an employee's performance evaluation will be one factor considered in determining eligibility for salary advancements, promotions and demotions.

**Q. Why is every employee being rated at the same time?**

- A. 1) Supervisors have the opportunity to evaluate all employees within a reasonably short period of time, and learn of any consistent needs or problems throughout his or her area of responsibility.  
2) With all employees being evaluated at the same time the supervisor should evaluate all employees more fairly and consistently.

**Q. What role will the Personnel Cabinet have in regard to the evaluation system?**

- A. 1) The Personnel Cabinet will monitor the operation of this program statewide.  
2) It will have overall responsibility for the systems implementation and administration.

**Q. Will non-merit employees be evaluated?**

- A. No, a non-merit employee is not eligible to be evaluated through this system.

**Q. Can a supervisor who is on probation evaluate employees?**

- A. Yes, if he/she has supervised the employee for at least 60 calendar days and has met the training requirement.

**Q. What happens to an employee who receives a rating of “Unacceptable”?**

- A. He/she must be demoted to a position commensurate with his/her skills and abilities or can be terminated.

**Note: Disciplinary action may be taken at any time as provided for in 101 KAR 1:345.**

**Q. What happens when an employee refuses to sign his/her evaluation form after the evaluation?**

- A. The employee will not be allowed to appeal any disagreement with the evaluation. In this case, the evaluator should document in the employee response section of the evaluation form that the employee refused to sign. This should be indicated in the space for the employee’s signature and then initialed and dated by the evaluator. If possible, a witness should be present.

- Q. May an employee request reconsideration on his/her evaluation based on a disagreement over a performance score in one category?**
- A. Yes, an employee may request reconsideration as he/she may appeal any part of his/her evaluation through this internal appeal.
- Q. May an employee appeal to the Personnel Board his/her evaluation based on a disagreement over a performance score in one category?**
- A. No, an employee may only appeal an evaluation to the Personnel Board when he/she receives either of the two lowest **overall** ratings. Such an appeal cannot be made to the board unless the employee has first exhaust the internal reconsideration appeal.
- Q. During the reconsideration process, when the next line supervisor changes a rating in a particular job category, how is this indicated on the form?**
- A. The next line supervisor should mark out the first score and/or rating given and indicate the new one in the appropriate space. The next line supervisor must place his/her initials over any changes on the form.
- Q. When the employee and evaluator agree on a rating and sign it, can any other line supervisor change a particular rating?**
- A. No.
- Q. If an employee, who works in a field office requests reconsideration of his /her evaluation, does the agency give him/her leave time to travel to Frankfort for the meeting with the evaluator?**
- A. Yes, an employee who has requested reconsideration should not be charged leave time in the event he/she has to travel to another location outside the local area to meet with the evaluator.



**Personnel Cabinet  
Employee Acknowledgement Form  
Employee Performance  
Evaluation System**

**I hereby certify that I have reviewed the information for the Employee Performance Evaluation System provided. I acknowledge the following:**

- 1) Performance evaluations shall be completed on all full time classified merit employees who:
  - A) hold status as of January 1 of the performance year, and
  - B) have remained in continuous merit status throughout the performance year.  
(January 1 through December 31)
- 2) My evaluator (supervisor) shall establish a performance plan which consist of job duties, expectations and assigned points. The evaluator will meet with me to discuss the performance plan and the evaluation system no later than January 31 after the start of the performance period.
- 3) A mid-year interim review and year-end interim review is required between the evaluator and myself during the performance year.
- 4) My evaluator shall complete my annual performance evaluation no later than January 31 after the end of the annual performance period.
- 5) Should I receive the highest possible **overall** rating of “Outstanding”, I shall receive the equivalent of two (2) workdays of annual leave, not to exceed sixteen (16) hours of annual leave.
- 6) Should I receive the second highest possible **overall** rating of “Highly Effective”, I shall receive the equivalent of one (1) workday of annual leave, not to exceed eight (8) hours of annual leave.
- 7) Should I receive an overall rating of “Unacceptable”, the agency shall:
  - A) Demote me to a position commensurate with my skills and abilities, or
  - B) Terminate my employment.
- 8) I may appeal unresolved disagreements on ratings or any aspect of the evaluation through the reconsideration process established in regulation.
- 9) I may appeal **overall** ratings of “Needs Improvement” and/or “Unacceptable” to the Personnel Board upon exhausting the internal reconsideration process. Appeals must be filed within 60 calendar days after receiving the written decision from my next line supervisor.

I have read and understand the above. I understand my evaluator will maintain this form in my performance evaluation file.

Employee’s Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Cabinet: \_\_\_\_\_ Department: \_\_\_\_\_

Evaluator’s Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
(Supervisor’s)