

**NATIONAL SUPPLEMENT**  
**Between**  
**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**And**  
**AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES**  
**NATIONAL COUNCIL OF HUD LOCALS 222**

**Subject:** Implementation of ePerformance at HUD

**Scope:** The scope of this supplement encompasses the impact and implementation of ePerformance at HUD on bargaining unit employees in all organizations of the Department. For clarity, ePerformance includes the implementation of the SMART Standards methodology for employee performance plans and the implementation of the new automated ePerformance module of the HIRTS system.

1. **Factors for Success:** Active employee participation at all phases of the performance process is vital for success. In order to promote and facilitate more employee participation, the Department's performance management programs encourage employee involvement in goal setting and the development of critical elements and standards for their individual performance plans.
2. **Training and Orientation:**
  - a. HUD will develop a listing of "Frequently Asked Questions" (FAQs) regarding ePerformance (new system and SMART standards) and post them on the ePerformance/SMART standards bulletin board created on hud@work updating as additional questions and answers become available.
  - b. HUD will develop and issue technical brochures regarding SMART standards methodology and related marketing materials to enhance employee awareness regarding the ePerformance Roll Out and the upcoming training. The Performance Management Information Guidebook for HUD Employees will continue to be distributed and promoted.
  - c. HUD will identify training sites for instructor-led, classroom orientation and training for employees in the larger HUD offices (as determined by Management). The training shall include training on the HIRTS ePerformance module, the development of SMART elements and standards, and a general overview on the Department's performance management programs and policy guidance pertaining to implementing a results-oriented performance culture.
  - d. HUD offices not identified for instructor-led classroom training shall be trained via a new ePerformance training video. HUD will establish a schedule with HUD Broadcast for presenting the new video. It will be archived and available for desktop viewing at the employee's convenience to supplement the training. Copies of the video will be distributed to each HUD Office and a designated Liaison/Point of Contact (POC) will coordinate the scheduling of video presentations for the local employees of that office. In addition, the "POC" will provide support and assist with employee questions or other issues that might

arise during the presentation of the video training. Local human resources staffs, and Field training consultants will also provide training support and assistance.

- e. In the classroom training and during video presentations, questions will be allowed and answers provided immediately, where possible, or if necessary, posted to an ePerformance bulletin board created on [hud@work](mailto:hud@work). Management will have staff designated to respond to bulletin board questions.
- f. Management will designate time blocks for "Ask the Expert" consultations regarding SMART standards methodology. The HITS Help Desk will continue to provide support for systems-related issues and questions on ePerformance.
- g. The ePerformance Roll Out training will be coordinated through Administrative Officers in Headquarters and in the Field, through the Human Resources Division Directors and the Field Training Coordinators to ensure the training delivery and the assignment/availability of the Liaison/POC staffs to provide local training support.
- h. Management shall notify the Local Union of all training and orientations scheduled.

3. **Development of SMART Standards and Elements:**

- a. Supervisors/managers or employees may develop draft standards, or supervisors/managers may secure examples of draft standards prepared by Headquarters, Hubs, or field offices, which may be modified.
- b. Prior to the communication of performance plans, supervisors/managers shall:
  - 1) hold performance planning meetings with employees either in groups of similarly situated employees, or individually. (Participation is voluntary but highly recommended);
  - 2) provide information necessary to determine performance parameters and necessary to enable the Union to engage in full and proper discussions; and
  - 3) notify the local Union of the meeting and provide an opportunity to participate.
  - 4) during the implementation phase of ePerformance, but no longer than the end of the second quarter of fiscal year 2008, where Management chooses to hold individual employee planning meetings, official time used to attend these meetings may be coded as 36 on form HUD-25006-A.
- c. With consideration given to input from the performance planning meeting, supervisors/managers then enter the critical elements and standards into the ePerformance module of HIHRTS for each grade and position supervised.

- d. Once the elements and standards have been entered into ePerformance, employees will then be invited to review and comment on the elements and standards based upon their unique circumstances (i.e. collateral duties, particular workload, etc.).
  - e. After consideration of individual employees' input, the supervisor will finalize the elements and standards, and communicate them in accordance with ePerformance procedures. Where possible, communication will be done face-to-face, however, at a minimum, communication will be done over the phone, except in extenuating circumstances.
4. **Applicability of SMART Standards at All Rating Levels:** Standards that are written to SMART methodology must include SMART criteria for each defined rating level, i.e., Outstanding, Excellent, and Unsatisfactory.
5. **SMART Standards Methodology:** Critical elements and standards in ePerformance shall be applied in a fair and equitable manner. Supervisors shall comply with the SMART Standards methodology when developing employee performance plans. Management agrees to implement the SMART standards methodology, as defined below:
- a. **Specific:** The elements in the employee's performance plan need to clearly identify what needs to be accomplished—that is, the results that the employee is aiming towards should be the central focus of each critical element (i.e., if the goal is to complete reports, the standard should specify what milestones need to be achieved to count the report as complete).
  - b. **Measurable:** Elements should have clearly defined measures (quality, quantity, timeliness or cost-effectiveness), which will allow both the employee and the supervisor to know that the requirement has been achieved. The supervisor will communicate to the employee how the results will be determined. To maximize the value of performance measures, they must reflect accomplishments that are meaningful and important.
  - c. **Attainable:** All elements and standards must be achievable. The employee and the supervisor will discuss the work relating to the critical elements to establish a clear expectation of what must be done to achieve the results expected. In the discussion, consideration will be given to the time, tools, training, support or other resources and control factors that are necessary for the employee to perform at the required level.
  - d. **Relevant:** Critical elements and performance standards are to be aligned with the goals of the Department and the mission of the employee's organization. Critical elements must be related to a particular position, the employee's organization's Management Plan or the organization's Annual Performance Plan. Supervisors will communicate to employees how their role contributes to the success of the organization and how their critical elements support that contribution.
  - e. **Time-bound:** The employee will be made aware when the expected result is to be achieved. Critical elements should include milestones, or a schedule, and all

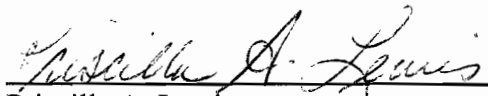
dates should be clearly communicated so that the employee will have an understanding of what is expected and by when it is expected.

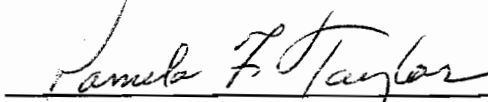
6. **Prohibition of Absolute Standards:** Performance standards should avoid the appearance of requiring perfection rather than excellence. Standards should not be absolute, allowing no room for error.
7. **Equitable Goals:** In a work unit, bargaining unit employee goals at all rating levels shall not exceed non-bargaining unit employee goals at the same rating levels.
8. **Performance Plan Disputes:** Employees may bring disputes concerning their Performance Plans to the attention of the Reviewing Official. The Reviewing Official may exercise authority to change the disputed portion of the Performance Plan after discussion with the Rating Official.
9. **Reassessment of SMART Elements and Standards During the Rating Year:** At any time during the appraisal period, employees may raise any issues concerning the critical elements and standards in the performance plan to the supervisor. If an adjustment is made, the employee must have not less than 90 days to perform under the revised critical element and standards in the revised plan.
10. **Reassessment of SMART Elements and Standards in Subsequent Rating Years:** At the beginning of each appraisal cycle, supervisors will conduct performance planning meetings with the employee(s) to review SMART elements and standards and establish the new performance plans. The Union will be notified of, and allowed to participate and ask questions in all performance planning meetings held with one or more employee(s).
11. **Supervisory Notice:** Management agrees that employees will be told which supervisors or managers are permitted to contribute to their review/rating.
12. **Progress Reviews:** Employee progress reviews shall be in the middle of the appraisal period. Where possible, communication will be done face-to-face, however, at a minimum, communication will be done over the phone, except in extenuating circumstances. The employee shall be allowed to suggest possible changes to make critical elements and standards better or to respond to changed circumstances.
13. **Performance Evaluations with Representational Time:** Performance standards and ratings apply only to the performance of agency-assigned duties. Time spent on union representational duties/activities will not be considered as negative factors when evaluating employees under the ePerformance system.
14. **Rating Delays:** There are only six (6) acceptable reasons for a delay of performance ratings. These six (6) reasons are listed in Section 37.05 (8) of the HUD/AFGE Agreement.
15. **Conversion from Paper to Electronic Filing:** For rating year '07, official Performance Ratings shall be maintained by the agency in hardcopy. The ePerformance module in HIHRTS shall be modified to accept employee comments

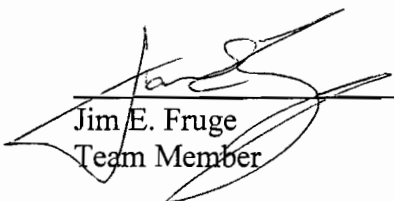
within three (3) days after receipt of their annual Performance Ratings. The modification shall be made before the agency converts from hardcopy to electronic filing of Performance Ratings. Employees may make comments on their hardcopy Progress Reviews.


16. **HIHRTS Access**: Employee rating information for ePerformance requires the use of HIHRTS. Inadvertent or improper distribution, loss, or release of employee performance information in violation of the Privacy Act is grievable.
17. **Recording Errors**: Management agrees to correct, retroactively, any employee's ePerformance rating incorrectly recorded, including any electronic versions. Electronic corrections will be initiated as soon as possible. Pending the electronic correction, management will provide the affected employee a corrected hardcopy of the rating within one (1) full pay period after the determination that a correction is warranted. Until the electronic copy is corrected, the agency shall accept the hardcopy whenever requiring a copy of the last rating of record.
18. **Union Information**: Upon request, and in advance of the performance planning meeting, Management shall provide information necessary to enable the Union to engage in full and proper discussions.
19. **Performance Plan Documentation**: Upon Union request, Management agrees to provide the Union electronic or paper copies of all approved Performance Plans including elements and standards.
20. **Grievance Rights**: Management agrees that the application of e-Performance standards are grievable under the HUD/AFGE Agreement.
21. **Performance Management Plan**: Time frames for development and communication of Performance Plans as set forth in the Performance Management Plan of the Performance Management System (the Red Book, dated 10/90) may be temporarily suspended. All other requirements of the Red Book remain in effect.
22. **Future Discussions**: At either parties' request, the parties shall meet to discuss ePerformance and SMART standards.
23. **Local Agreements**: In accordance with Article 5 of the HUD/AFGE Agreement, local bargaining will be conducted concerning local issues related to the impact of ePerformance, including but not limited to local processes or agreements for holding performance planning meetings.
24. **Status of Previous Supplements**: This Supplement supercedes Supplement 81.

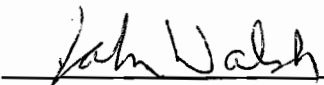
FOR MANAGEMENT

  
Priscilla A. Lewis  
Chief Negotiator

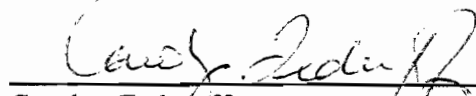
  
Pamela F. Taylor  
Team Member

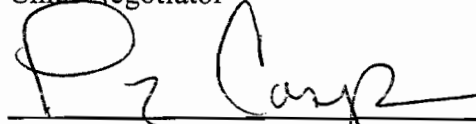
  
Jim E. Fruge  
Team Member

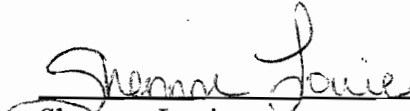
  
Mary Ellen Hill  
Team Member

  
John Walsh  
Team Member

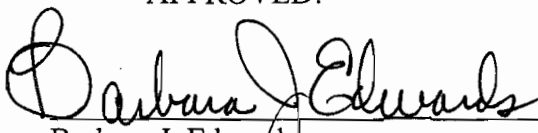
FOR AFGE

  
Carolyn Federoff  
Chief Negotiator

  
Perry H. Casper  
Team Member

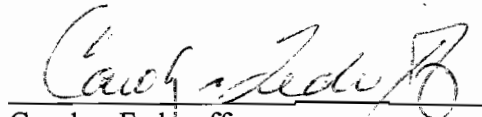
  
Shannon Louie  
Team Member

APPROVED:

  
Barbara J. Edwards  
Deputy Assistant Secretary  
For Human Resource Management

Date Signed August 1, 2007

APPROVED:

  
Carolyn Federoff  
President, AFGE National Council  
of HUD Locals 222

Date Signed July 30, 2007