

PROCEDURE # 8.7b	EFFECTIVE DATE	REVISED DATE
TITLE: ANNUAL EMPLOYEE PERFORMANCE EVALUATION	1/15/2015	
ATTACHMENT TO	REVIEW DATES	
POLICY #: 8.7		
POLICY TITLE: SUPERVISION AND ANNUAL PERFORMANCE EVALUATION		
CHAPTER: HUMAN RESOURCES		

I. PURPOSE

To establish a standardized process for the supervision and evaluation of all employees on an annual basis. By implementing clear guidelines and consistent evaluation criteria, the organization seeks to promote professional growth, ensure accountability, and recognize outstanding performance. This evaluation process is designed to support open communication between employees and supervisors and to foster a culture of continuous improvement throughout the organization.

II. PROCEDURES

A. Annual Performance Evaluation

All employees will receive evaluations on an annual basis in the anniversary month of their hire.

1. Annual performance evaluations require scoring of key characteristics of employee performance using a numeric scale per the "LRE Performance Appraisal Form". Supervisors will select one of the following ratings regarding employee performance: Exceeds Expectations (3), Meets Expectations (2), Needs Improvement (1), or Not Acceptable (0).
2. On the "LRE Performance Appraisal Form", a comment box is afforded for "Examples/Justifications to support ratings". This is optional for performance that is rated "Meets Expectations" (2) or higher. For areas scored as needing improvement (1) or not acceptable (0), supervisors must provide comments in the appraisal form.

B. Annual Performance Evaluations: Supervisor Responsibilities

Supervisors will complete the Annual Performance Appraisal Evaluation in a timely manner.

1. Supervisors will ensure that their employees are aware of their upcoming annual performance evaluation to afford them an opportunity to formally meet to discuss questions, concerns, or receive evidence of performance not previously discussed.
2. Supervisors will utilize the "LRE Performance Appraisal Form" to provide feedback and scoring for the annual performance evaluation per the method

described. The annual performance evaluation must take into consideration the *overall* performance of the employee for the entire performance period.

3. Supervisors will complete draft performance evaluations which may include self-evaluations and information as presented by the employee.
 - a. Supervisors of employees who transfer to another position will assist the new supervisor in completing the draft annual performance evaluation for the transferred employee.
4. The Supervisor's Chief Officer will review draft evaluations with supervisors to ensure compliance with the objectives of fairness, accuracy, and quality. The supervisor's Chief Officer will work with supervisors to address any shortcomings and facilitate changes as necessary.
5. After the evaluation is reviewed and approved by the supervisor's Chief Officer, the supervisor will meet with the employee to review the annual performance evaluation.
6. The supervisor and employee will review the annual performance evaluation and complete "Objectives for the Next Reporting Period".
 - a. Supervisors are expected to provide feedback throughout the evaluation period. There should generally be no surprises for an employee who has received consistent mentorship and supervision throughout the year.
 - b. While the annual performance evaluation should be used to document both positive and negative overall performance, it is not intended as a performance improvement plan or disciplinary tool.
7. The completed performance evaluation will be signed by the supervisor, employee, and CEO.
 - a. The employee's signature is required to acknowledge receipt of the annual performance appraisal and does not necessarily constitute agreement with the scoring.

C. Annual Performance Evaluations: Employee Responsibilities

1. Upon learning of the evaluation due date, employees may request a formal meeting with supervisors to address any questions, concerns, or provide evidence of performance that may not have been previously discussed or considered.
2. The annual performance evaluation provides an opportunity for employees to review their Job Description for clarification of roles and responsibilities, and for the employee to offer recommended changes to their Job Description.
 - a. In the Employee Comments section of the LRE Performance Appraisal Form, the employee must initial under the box that most correctly correlates to their understanding of the requirements of their position.
 - b. Employees may provide additional comments but are not required to do so.

D. Performance-Based Wage Increases

1. Employees who receive a Not Acceptable (0) in any area will be ineligible to receive performance-based increases. Performance-based increases for

employees who achieve an overall score of 2.3 will receive fifty percent of the maximum approved merit allowance. Employees who achieve an overall score of 2.6 or above will receive one hundred percent of the maximum approved merit allowance. If an employee does not achieve an overall score of 2.3 or above and has not received a Not Acceptable (0) in any area, the employee may request a second evaluation in 6 months.

2. Any performance-based increase applied may not result in a pay rate that exceeds the maximum of the pay grade.
3. Cost of Living Adjustments (COLA) are not considered “performance-based increases”. COLA applies to all LRE positions regardless of performance and is determined based upon budget, economic conditions, and market factors.
4. Special consideration for merit increases based on assumption of additional responsibilities or exceptional performance are subject to approval of the Chief Executive Officer

III. CHANGE LOG

Date of Change	Description of Change	Responsible Party
7/1/2025	NEW Procedure	Human Resources Representative