

Questions and Answers on 5 CFR part 430, subpart B Final Regulations – Updated September 21, 2026

New questions and substantive updates denoted with an asterisk (*). All questions relate specifically to the General Schedule (GS) and GS-equivalent populations covered under subpart B. Senior Executive Service (SES) and Senior Professional (SL/ST) populations are not referenced or included in this document.

A. Standardized Distribution Terminology*

1) What is a Preliminary Rating?*

A preliminary rating is a type of performance rating, as defined in 5 CFR 430.203, used in the operationalization of a standardized ratings distribution. The preliminary rating is the supervisor's initial rating recommendation that is forwarded to the calibration panel. The preliminary rating should not be shared with the employee, and the preliminary rating should not be influenced by the agency's rating distribution caps.

2) What is a Relative Ranking?*

A relative ranking is the ranking by a supervisor of all rated employees from 1 to N, from the highest to lowest performer (with no ties), based on the agency's calibration factors. OPM strongly suggests that the ranking serve as the first calibration mechanism of the appraisal process and be submitted to the calibration panel(s) accompanying the individual's preliminary rating.

3) What is a Calibration Panel?*

A calibration panel is a panel of senior agency employees that reviews all preliminary ratings and relative rankings and applies the agency-determined calibration factors across a set group of employees. Agencies may establish calibration panels at varying levels within the organization.

4) What are Calibration Factors?*

Calibration factors are the common, objective criteria a calibration panel applies to compare employees who received the same preliminary rating. Agencies determine their own factors, which must be published in agency policy and shared with employees.

5) What is a Performance Management Officer (PMO)?*

The Performance Management Officer is an agency-level role that is responsible for the agency's compliance with governmentwide ratings distribution caps. The PMO serves as the agency's performance management oversight official and should be involved in all aspects of the agency's performance management process.

B. Overview of the Rule

1) What are the major changes made under this final rule?

The final rule makes several significant changes to performance appraisal regulations for GS, prevailing rate (Federal Wage System), and certain other non-SES employees. Major changes include:

- Authorizing OPM to establish and maintain a standardized distribution of some or all performance rating levels that agencies must apply.
- Removing the regulatory prohibition on comparing, categorizing, and ranking employees for purposes of assigning summary ratings.
- Eliminating summary rating patterns that include a Level 2 rating and retaining only approved summary rating patterns that provide meaningful distinctions in performance.
- Restricting use of the two-level (Pattern A) appraisal program to seasonal employees, teachers, GS-1 through GS-4 employees, and Federal Wage System employees.
- Eliminating the governmentwide requirement for mandatory higher-level review and approval of Level 1 (Unacceptable) ratings of record.
- Clarifying that ratings of record generally may not be challenged through negotiated grievance procedures under 5 U.S.C. 7121.
- Requiring all supervisors covered by 5 CFR part 430, subpart B, to have a supervisory critical element in their performance plans.
- Requiring OPM to evaluate and certify agency performance appraisal systems on a biennial basis.
- Requiring agencies to administer performance appraisal systems consistent with the merit system principles set forth in 5 U.S.C. 2301.

2) Why is OPM making these changes to the performance management regulations?

Federal performance appraisal systems have struggled for decades to meaningfully distinguish between levels of performance. Data shows that most employees receive ratings at or above Fully Successful and OPM believes the current appraisal system framework has contributed to rating inflation and reduced accountability. The rule is intended to improve the accuracy of performance ratings, promote meaningful distinctions in performance, strengthen accountability, and enhance OPM oversight of agency appraisal systems.

3) Who is covered by this rule?

The final rule applies to employees covered by 5 CFR part 430, subpart B, including:

- GS employees.
- Federal Wage System employees.
- Certain other non-SES employees.

It does not apply to:

- SES employees.
- SL/ST employees (pending finalization of a separate rule that moves senior professional coverage to 5 CFR part 430, subpart E).
- Schedule C or G appointees.

4) When do the requirements of the final rule take effect?

The final rule becomes effective August 6, 2026. Compliance with the reduced summary level patterns and the elimination of a Level 2 rating of record at 5 CFR 430.208(e)(1) and (2) is delayed until January 1, 2027. This allows agencies to complete fiscal year 2026 performance appraisals using all five summary level ratings, including Level 2, as appropriate.

C. Rating Levels and Summary Level Patterns

1) What are the Rating Levels?

- Level 1 = Unacceptable
- Level 3 = Fully Successful (or equivalent)
- Level 4 = Agency-defined intermediate superior level
- Level 5 = Outstanding (or equivalent)

Note that only Level 5 may be called "Outstanding."

2) Is the Level 2 rating being eliminated?

Yes. The final rule eliminates all summary level patterns that contain a Level 2 rating. Agencies will implement this part of the regulations by January 1, 2027 for the FY27 performance cycle.

3) What summary level patterns will remain?

Only three summary level patterns will remain:

Pattern A: Level 1, Level 3

Pattern B: Level 1, Level 3, Level 5

Pattern C: Level 1, Level 3, Level 4, Level 5

4) Can agencies still use a pass/fail system?

Yes, but only for certain groups of employees. Agencies may continue to use Pattern A (pass/fail) for:

- Seasonal employees
- Teachers
- GS-1 through GS-4 employees
- Federal Wage System employees

5) May agencies voluntarily use Pattern B or Pattern C for employees eligible for Pattern A?

Yes. The final rule permits agencies to use a more differentiated rating pattern where appropriate.

6) Will employees need to adjust their expectations about ratings?

Employees should ensure they are informed on their agency's new performance management system and process. Although OPM expects fewer employees to receive the highest ratings, agencies should emphasize that Level 3 (Fully Successful) is a good rating.

7) Could I receive a lower rating than I previously received even if my performance has not changed?

Supervisors are responsible for rating employees on an annual basis, based on the individual's performance requirements. Although performance requirements remain the same from year to year, the supervisor's assessment is based on the employee's results for that time period. There is no way to determine that performance has not changed from year to year. As stated above in Question 6, a Level 3 rating represents successful performance and employees who receive a Level 3 rating are considered a valued and fully successful member of the government workforce.

8) What can I do to improve my chances of receiving a higher rating?

Employees should:

- Understand performance expectations early
- Focus on mission impact
- Demonstrate measurable contributions beyond Fully Successful expectations
- Document accomplishments and provide a self-assessment
- Seek feedback regularly

These factors align with OPM's emphasis on meaningful performance differentiation.

D. Performance Ratings and Standardized Distribution

1) Does the final rule require agencies to use a standardized distribution of ratings?

The rule authorizes OPM to establish and maintain a standardized distribution of some or all rating levels. Agencies must follow any distribution requirements established by OPM through policy or guidance.

2) Will supervisors still evaluate my actual performance?

Yes. Ratings must still be based on actual job performance during the appraisal period and cannot assume a level of performance without evaluation. Supervisors must evaluate each individual's performance based on documented standards and measurable outcomes. Supervisors will not assign a preliminary rating based on rating caps. The supervisor's preliminary rating will be used in the agency's calibration process.

3) Does a Level 3 rating mean I'm a poor performer?

No. Receiving a Level 3 rating means you have successfully met all of your performance requirements and are performing at the Fully Successful level. Employees who earn a Level 3 rating are valued contributors whose work supports the agency's mission and the success of the federal government.

A standardized approach to performance ratings helps ensure consistency across the agency. As a result, changes in the number of Level 4 or Level 5 ratings do **not** mean that employees receiving Level 3 ratings are performing less effectively. A Level 3 rating reflects solid, successful performance and recognizes employees who consistently fulfill the expectations of their position.

4) How will my rating be affected by the standardized distribution?

Agencies will determine objective and transparent calibration factors for supervisors to create a relative ranking within his or her group.

5) Will employees be ranked against each other?

The final rule permits agencies to compare, categorize, and rank employees or groups of employees for purposes of assigning summary ratings when implementing OPM-established distribution requirements. The agency's calibration panel will ensure consistency among ratings with respect to organizational performance by using consistent and transparent calibration factors.

6) Does the final rule require establishing quotas for poor performers, such as requiring agencies to rate a certain percentage of their employees at Level 1 (Unacceptable)?

No. The rule does not require agencies to assign a specified percentage of employees a Level 1 (Unacceptable) rating.

7) Can everyone on a high-performing team still receive top ratings?

Yes. However, OPM expects standardized distributions to limit concentration of the highest ratings. Agencies will have the flexibility to internally distribute ratings percentages, such as among components, but must still achieve any OPM-directed distribution rating caps at the agency level. See Question 9 for additional information.

8) At what organizational level should standardized distribution be applied?*

Agencies have the flexibility to apply the standardized distribution requirements at an appropriate aggregate level based on agency size and mission outcome. Compliance with the OPM-established distribution must ultimately be demonstrated at the agency level.

9) How should an agency calculate the number of employees that may receive a given rating to comply with a standardized distribution limit that is established as a percent of the agency's total covered employees?*

Agencies should round down to the closest whole number and never round up. For example, if the agency has 983 employees and OPM establishes that no more than 30% of employees may receive a Level 4 or 5 rating: $(983 * 0.3) = 294.9$. Therefore, no more than 294 of the agency's total covered employees may receive a Level 4 or 5 rating. A covered employee is an employee

covered by 5 CFR part 430, subpart B. OPM's September 21, 2026 [memorandum](#) includes guidance on implementing the standardized distribution caps for Fiscal Year 2026 performance close out.

E. Performance Improvement and Assistance

1) Does the final rule eliminate assistance to employees with performance deficiencies?

No. Agencies remain responsible for addressing performance deficiencies and providing assistance consistent with chapter 43 requirements and agency policy.

2) Why was the regulatory provision regarding assistance for performance below Fully Successful but above Unacceptable removed?

The provision was tied to the existence of a Level 2 summary rating. Because Level 2 is being eliminated, employees performing below Level 3 (Fully Successful) would now be considered unacceptable.

3) Must agencies still provide an opportunity to demonstrate acceptable performance before taking a chapter 43 action?

Yes. The final rule does not change statutory requirements governing performance-based actions under chapter 43. Employees whose performance becomes unacceptable must still receive assistance and opportunities to improve as required by law.

F. Higher-Level Review of Unacceptable Ratings

1) Does the final rule require mandatory higher-level review and approval of a Level 1 rating of record?

No. The final rule removes the Governmentwide requirement for mandatory higher-level review and approval of Level 1 ratings of record.

2) May agencies continue to require higher-level review of Level 1 ratings?

Yes. Agencies may establish internal policies requiring review or approval of Level 1 ratings.

3) Does removal of the mandatory review requirement affect employee rights under chapter 43?

No. Employees retain all procedural rights associated with any subsequent performance-based action.

G. Employee Rights and Challenges to Ratings

1) May employees challenge a rating of record through a negotiated grievance procedure?

Generally, no. Under the final rule, ratings of record may not be challenged through negotiated grievance procedures established under 5 U.S.C. 7121.

2) What if my collective bargaining agreement currently allows grieving ratings?

Existing contract provisions may continue until the collective bargaining agreement expires. After expiration, the new rule would be in effect.

3) Can agencies continue to allow administrative reconsideration of ratings?

Yes. Agencies may establish procedures permitting employees to request reconsideration of ratings within agency-established parameters.

4) Can a rating of record still be changed after issuance?

Yes. A rating may be changed under the circumstances identified in the regulations, including correction of errors, certain formal proceedings permitted by law or regulation (other than a negotiated grievance procedure barred by 5 CFR 430.208(k)), or the reconsideration processes established by the agency's own policy.

5) Do I still have the right to file an EEO, whistleblower, or prohibited personnel practice complaint?*

Yes. The rule does not affect employees' rights to pursue EEO complaints, whistleblower complaints, or prohibited personnel practice complaints.

6) Do I still have MSPB appeal rights?

Employees who retain MSPB appeal rights for performance-based removals or reductions in grade are generally: (1) preference-eligible employees; (2) competitive service employees who have completed their probationary or trial period; and (3) excepted service employees who qualify as "employees" under 5 U.S.C. chapter 75, subchapter II (generally those with at least two years of continuous service in the same or similar positions).

7) May an agency define or limit the parameters of its informal reconsideration process?*

Yes. Agencies have latitude to define the parameters of informal reconsideration, and the regulation requires that the process be specified in agency policies and procedures.

8) If a rating is changed after the validation of the agency's standardized distribution, does the agency need to re-calibrate its ratings?*

No. However, agencies must also keep a record of any rating changes made following the original agency distribution of ratings. Those ratings will be identified as part of an agency's submission for OPM performance appraisal system certification.

H. Supervisory Accountability

1) What is the new supervisory critical element?

Every supervisor covered by 5 CFR part 430, subpart B, must have a supervisory critical element in their performance plan, comprised of OPM-established supervisory requirements and agency-established criteria for protecting whistleblowers, as required by 5 U.S.C. 4302(b).

2) What is the purpose of the supervisory critical element?

The supervisory critical element is intended to strengthen accountability for effective performance management, employee development, recognition of high performance, and timely action taken to address performance deficiencies.

3) May an agency modify the supervisory requirements in the supervisory critical element?

No. The supervisory critical element must be included in the supervisor's performance plan and include the OPM-established supervisory requirements. An agency may not modify these requirements. If an agency wishes to add additional requirements, it may do so by adding the requirements to one or more separate critical elements.

4) Will supervisors be evaluated based on the ratings' distribution of their subordinate employees?

No. The supervisory critical element focuses on how supervisors carry out performance management responsibilities, not on the distribution of ratings assigned to subordinates.

5) Will supervisors receive additional training?

Yes. OPM plans training, tools, and implementation guidance for supervisors, managers, and HR professionals.

I. Biennial Certification of Appraisal Systems

1) What is the new biennial appraisal system certification requirement?

OPM will evaluate and certify agency performance appraisal systems on a biennial basis to ensure agency systems maintain compliance with applicable law, regulation, merit system principles, and OPM performance management guidance. OPM will issue biennial certification criteria, policy, and instructions for agencies to submit their system(s) for certification.

2) What happens if OPM determines an appraisal system does not comply with requirements?

OPM will direct the agency to take corrective action and implement changes necessary to achieve compliance.

3) What happens if an agency fails a biennial certification?

The final rule authorizes that OPM may recommend that the Office of Management and Budget limit an agency's aggregate awards spending based on an unfavorable certification determination.

J. Other Personnel Actions

1) May performance ratings continue to be used for personnel decisions?

Yes. Ratings may continue to be used, where authorized by law and regulation, for decisions involving awards, retention standing, and other personnel actions.

2) Does the final rule change agency authority to grant performance awards?

No. Agencies retain authority to grant performance awards consistent with applicable law, regulation, OPM policy, and agency policy.

3) Can ratings still affect promotions?

Yes. The final rule specifically notes that rating procedures may continue to inform promotion decisions where authorized.

4) Will ratings still transfer with me when I move agencies?

Yes. Agencies must continue transferring ratings of record when employees move between agencies or organizations.

5) How should agencies handle ratings and performance awards for employees who have opted for the Deferred Resignation Program (DRP)?

Agencies should not rate employees who have chosen the DRP. If an agency wants to rate or reward DRP employees who work past September 30, 2026, it should set procedures in its performance management closeout policy.

The rating period for GS employees (and others covered by 5 CFR part 430, subpart B) may not end early. When rating and/or rewarding DRP participants, the following must be taken into consideration:

1. Employees must have completed the minimum period of performance ([5 CFR § 430.207\(a\)](#)) prior to being placed on administrative leave;
2. An agency shall not issue a rating of record that assumes a level of performance by an employee without an actual evaluation of that employee's performance ([5 CFR 430.208\(a\)\(2\)](#)); and
3. Employees must be on the agency's rolls on the last day of the appraisal period in order to receive a **rating of record** as defined in [5 CFR § 430.203](#). An "interim" rating or "closeout" rating is not a rating of record for which a performance award may be granted.

K. Special Employee Populations

1) Are Schedule C and Schedule G employees subject to the standardized distribution requirements?

No. The final rule included a provision that OPM may exclude Schedule C and Schedule G employees from standardized distribution requirements. Additionally, OPM issued a [memorandum](#) on April 28, 2026, excluding Schedule C and G General Schedule positions from the performance appraisal requirements under subchapter I of chapter 43 of title 5, United States Code.

2) Are Schedule Policy/Career employees excepted from these changes?

No. Schedule Policy/Career positions, as a group of excepted service employees, are not excluded from the performance appraisal requirements under subchapter I of chapter 43 of title 5, United States Code. Employees serving in Schedule P/C positions do not have appeal rights before the MSPB.

3) Are Offices of Inspector General (OIGs) considered part of the parent agency or a separate agency for purposes of this guidance?*

For purposes of chapter 43, 5 U.S.C. 4301(1) defines “agency” to mean an Executive agency and the Government Publishing Office, subject to statutory exclusions for Government corporations, certain intelligence agencies, and the Government Accountability Office. Under this definition, an Office of Inspector General (OIG) is not a separate agency; it is a component of its parent Executive agency. Additionally, the Inspector General Reform Act of 2008 does not treat OIGs as separate agencies for the purposes of non-SES management. In order for an OIG to maintain its own performance appraisal system, the head of the parent agency must document his or her approval of the separate system.

4) How should temporary and seasonal employees be handled for purposes of calibration and standardized distribution?*

The agency-wide standardized distribution cap requirement applies to all employees whose rating period ends on September 30th and who are eligible to receive a rating of record. Agencies should consider appropriate calibration factors for unique populations such as temporary and seasonal employees. Note that per 5 U.S.C. 4301(2)(H), individuals serving in a position under a temporary appointment for less than a year may agree to serve without a performance evaluation; however, they will not be considered for a reappointment or for an increase in pay based in whole or in part on performance.

L. Performance Management Officer (PMO)*

1) Are agencies required to establish a formal process to designate the PMO?*

No. OPM recommends that agencies document the PMO position and its incumbent in agency policy. The PMO’s final rating validation authority should be codified in any agency-level policy and communicated to all employees.

2) Can an agency have more than one PMO?*

No. Each agency must have one PMO responsible for the agency’s accountability and compliance. However, agencies may designate similar roles to assist with implementation and accountability at the component level. Agencies also have the flexibility to develop roles within the performance management process, as needed.

3) May the CHCO serve as the agency PMO?*

Yes.

4) Can the PMO serve as a member of a calibration panel?*

OPM recommends the PMO provide independent oversight and validation of calibration results. Serving as a panel member could make the oversight role difficult to maintain.

M. Relative Ranking and Calibration*

1) Are agencies required to use relative ranking in their rating process?*

Relative ranking is not required but is strongly recommended that agencies use it as part of their calibration program.

2) At what level is relative ranking conducted?*

OPM recommends that relative ranking be conducted at the supervisor level, covering all of the supervisor's rated employees.

3) How should supervisors rank employees who hold different positions, series, or grades?*

Each employee's performance is evaluated against the expectations for his or her own position and grade. The rank-order comparison is then made using the agency's calibration factors. Agencies may define comparison groups, and a supervisor may maintain more than one rank list, provided the calibration program defines those groups.

4) Are agencies responsible for developing a calibration program for FY26 ratings?*

Yes. Agencies must have a calibration program in place for the FY26 appraisal cycle prior to the end of the cycle on September 30, 2026.

5) May an agency use more than one set of calibration factors?*

Yes. Components may propose their own factor sets, provided each is applied consistently within its comparison group, is approved at the agency level, and is included in the agency-wide performance management policy.

6) May an interim appraisal/rating for GS employees serve as the preliminary rating to be submitted to the calibration panel?*

"Interim appraisal" is colloquial term often used in practice; however, it should not be used in official performance management policies or guidance. A *performance rating*, as defined in 5 CFR 430.203, is the written, or otherwise recorded, appraisal of performance compared to the performance standard(s) for each critical and non-critical element on which there has been an opportunity to perform for the minimum period.

For example, a performance rating could reflect a prior supervisor's evaluation of the employee's performance during a portion the appraisal period. The performance rating must be transferred to the employee's new supervisor. The supervisor of record at the end of the appraisal period is responsible for assigning a preliminary rating that is forwarded to the agency's calibration panel(s).

7) Must calibration panels review all employee appraisals, or only those with preliminary Level 4 or Level 5 ratings?*

Calibration panels should review the fully rated population across all fully successful and above rating levels. Standardized distribution compliance must be validated across Level 4 and Level 5 ratings. Agencies may allocate more panel discussion time to Level 4 and Level 5 ratings, but all rated employees should be part of the calibration process.

8) Will calibration panels be expected to review employee self-assessments when making rating decisions?*

Agencies should consider the review of self-assessments by calibration panels when designing their calibration program design. Agencies maintain full flexibility in the design and execution of their calibration program.

9) How is feedback from the calibration panel communicated back to the supervisor when the panel adjusts a preliminary rating?*

Agencies should build a feedback loop into their calibration program so panel findings flow back through the rating chain before the supervisor communicates the final rating to the employee. This process should be documented in the calibration program.

N. Labor Relations*

1) Must agencies bargain before implementing calibration and standardized distribution?*

Yes, unless an applicable collective bargaining agreement contains provisions establishing procedures and appropriate arrangements for implementing a standardized distribution of ratings. For additional information on collective bargaining obligations, agencies should consult OPM's [*memorandum*](#) on Collective Bargaining (dated July 24, 2026).