

## **Objective Standards Of Performance**

### **Section A - Laboratory Leadership**

#### **Performance Objective**

##### **1.0 Laboratory Leadership**

Assess Laboratory leadership activities that enable successful planning and implementation of research programs for DOE missions and ensure the stewardship and viability of the institution. (Weight = 100%)

Note: The Gradient for each measure is shown in the attachment based on Approach/Deployment and Results.

#### **Criterion**

##### **1.1 Institutional Stewardship and Viability**

Evaluation of Laboratory senior management's approach, deployment and results for ensuring that the institution is capable of executing its current and future missions. (Weight = 100%)

#### **Performance Measures**

##### **1.1.a Planning and Strategic Direction**

Evaluation of management's approach for strategic planning that aligns Laboratory vision, goals, resources, and infrastructure with divisional programmatic needs, and DOE missions and strategic plans. (Weight = 40.0%)

##### **1.1.b Communications, Educational and Community Outreach, and Diversity**

Evaluation of management's approach and effectiveness for external and internal communications, educational outreach, and diversity awareness and planning. (Weight = 30.0 %)

##### **1.1.c Stewardship and Accountability**

Evaluation of management's approach for the establishment of roles, responsibilities, and authorities that provides accountability and effective resource management. (Weight = 30.0 %)

## Gradient

The performance expectation for each performance measure will use the scoring criteria indicated in Table 1 below. Each performance measure indicates the relative weights between the Approach/Deployment criteria and the Results criteria.

Table 1. Appraisal Scoring Guidelines for Laboratory Management

Narrative Rating (Score Range)	Approach/Deployment	Results
Unsatisfactory (59% and Below)	Little or no systematic approach evident; anecdotal information	Little or no results in key mission and business areas.
Marginal (60 to 69%)	<p>Beginning of a systematic approach to the key mission and business areas.</p> <p>Early stages of a transition from reacting to problems to a general improvement orientation.</p> <p>Major gaps exist in deployment that would inhibit progress in achieving the key mission and business objectives.</p>	Early stages of developing; some improvements and/or early good performance level in a few key mission and business areas.
Good (70 to 79%)	<p>A sound systematic approach, responsive to the key mission and business areas.</p> <p>A fact-based improvement process in place in key areas; more emphasis is placed on improvement than on reaction to problems.</p> <p>No major gaps in deployment, though some areas may be in the very early stages of deployment.</p>	<p>Improvement trends and/or good performance levels reported for most key mission and business areas.</p> <p>No pattern of adverse trends and/or poor performance levels in the key mission and business areas.</p> <p>Some trends and/or current performance levels show areas of strength and/or good to very good relative performance levels.</p>
Excellent (80 to 89%)	<p>A sound systematic approach, responsive to the key mission and business areas.</p> <p>A fact-based improvement process is a key management tool; clear evidence of refinement and improved integration as a result of improvement cycles and analysis.</p> <p>Approach is well developed, with no major gaps; deployment may vary in some areas.</p>	<p>Current performance is Excellent in most key mission and business areas.</p> <p>Most improvement trends and/or current performance levels are sustained in most other areas.</p> <p>Many to most trends and/or current performance levels show areas of leadership and very good relative performance levels.</p>
Outstanding (90 to 100%)	<p>A sound systematic approach, fully responsive to key mission and business areas.</p> <p>A very strong fact-based improvement process is a key management tool; strong refinement and integration - backed by Excellent analysis.</p> <p>Approach is fully deployed without significant weaknesses or gaps in the key areas.</p>	<p>Current performance is Outstanding in most key mission and business areas.</p> <p>Excellent performance levels in most other areas.</p> <p>Strong evidence of industry and benchmark leadership demonstrated in many areas.</p>

## **Section C - Performance Objectives, Criteria and Measures**

### **Environment, Safety, and Health**

#### **Preamble**

The Laboratory's overall goal is to accomplish its scientific mission while striving for an injury-free workplace, protecting the public and the environment, and minimizing waste from its operations.

It is the objective of the LBNL ES&H Program to support the Laboratory mission by delivering quality ES&H counsel and services, and to advance the frontiers of science by providing a competitive and cost effective advantage for scientists throughout the Lab. In order to achieve this objective, the Balanced Scorecard approach will be applied to the ES&H Program to measure selected activities for continuous improvement resulting in the competitive advantage desired. The Balanced Scorecard incorporates measurements in the following categories:

- Customer Satisfaction, both internal and external (to include regulatory compliance)
- Internal Processes
- Organizational Capacity
- Financial

It is also the intent of LBNL to continue to operate the Laboratory in a manner that builds on the proven concept and practice of Integrated Safety Management (ISM). The concepts of Balanced Scorecard and ISM are complementary. The elements of the Balanced Scorecard are embedded in ISM and results of internal Balanced Scorecard metrics roll up into the five core functions of ISM.

The following Performance Objective, Criteria and Measures evaluate the effectiveness of ISM while addressing the four categories in the Balanced Scorecard.

Performance Period: Unless otherwise specified in the measures, the performance period is October 1, 2003 to September 30, 2004.

#### **Performance Objective**

The Laboratory uses ISM, best practices, certification, and validation of ES&H Management Systems to integrate ES&H into Lab work processes at all levels so those missions are accomplished while protecting the worker, the public and the environment.

#### **Criterion 1.0**

The Laboratory will assess, develop, and implement best practices and certified/independently validated ES&H management systems based upon industry best practices and international/national standards.

#### **Performance Measure 1.1: Best Practices and Certified/Independently Validated ES&H Management Systems**

To meet efficiency and effectiveness standards of its internal business processes, the Laboratory is satisfactorily progressing towards certification, validation, or accreditation (CVA) of its ES&H Management Systems and implementing actions from its best practices studies. (**weight = 40%**)

## **Performance Gradients**

Unsatisfactory	Little or no effort has been demonstrated towards the achievement of the performance measure.
Marginal	Some effort is demonstrated however results fall short of the expectations for the good gradient.
Good	CVA progress and best practices implementation are significant but impediments have occurred that delay the completion of some certified, validated, or accredited ES&H management system milestones and best practices milestone (>75% of milestones completed).
Excellent	CVA progress is on-schedule with few delays in the completion of certified, validated, or accredited ES&H management system milestones and best practice milestones (>85% of milestones completed).
Outstanding	CVA progress is on-schedule with no significant delays in the completion of certified, validated, or accredited ES&H management system milestones and best practice milestones (>95% of milestones completed).

## **Assumptions**

- ES&H management systems have been identified as part of the FY03 Appendix F POCMs. The Voluntary Protection Program (VPP) identified last year has been replaced with the Occupational Health and Safety Assessment Series (OHSAS) 18001 certification.
- Action plans for the identified ES&H management systems, with the exception of OHSAS 18001, have been reviewed and approved as part of the FY03 Appendix F POCMs. The action plan for OHSAS 18001 certification will be reviewed and approved by BSO as soon as feasible but no later than January 15, 2004.
- CVA of ES&H management systems is a multi-year effort. Future events, issues, or circumstances may result in required or recommended changes to the CVA action plans or in the elimination/addition of candidate ES&H management systems. Any changes to the action plans or list of candidate ES&H management systems must be mutually agreed to by DOE/BSO and LBNL.
- Best Practice assessments of hazard analysis and self-assessment were completed in FY03. Follow-up actions as identified in the best practice improvement plans are to be completed as part of the FY04 Appendix F POCMs. Best practice actions are identified as best practice milestones.

## **Criterion 2.0**

The Laboratory will measure the effectiveness of ISM through its ISM Balanced Scorecard (BSC).

### **Performance Measure 2.1: ISM System**

The Laboratory has an effective Integrated Safety Management (ISM) System that protects Lab employees, the public and the environment while supporting the scientific mission of the Lab. (**weight = 60%**)

## **Performance Gradients**

Performance is rated through the ISM Balanced Scorecard (see following section). Adjectival rating is based on the following percent score:

<b>BSC Overall Percent Score</b>	<b>Performance Gradients</b>
More than 90%	Outstanding
> 80% to < 90%	Excellent
> 70% to < 80%	Good
> 60% to < 70%	Marginal
Less than 60%	Unsatisfactory

## **Assumptions**

- The ISM Balanced Scorecard shall be used to evaluate ISM effectiveness.
- Supplemental information on the quality and effectiveness of the Berkeley Lab's ISM program can be provided through the BSO/LBNL Operational Awareness (OA) Program. Current data gathered to address Appendix F measures from previous performance periods can be used as supplemental information in evaluating specific ISM functions. In particular, the Lab will continue to gather data to monitor worker radiation dose, unplanned radiation exposure, radiation contamination, environmental releases, and overexposure to chemical, biological and physical agents.
- The evaluation of this measure is the DOE validation of the effectiveness of ISM implementation.

## ISM Balanced Scorecard

Balanced Scorecard	ISM Functions	Performance Expectations	BSC Measurements	Weighting Factor	Goals/Ratings
Scope of Work and Planning	Missions are effectively translated into work. Responsibility for safety by managers and staff is effectively communicated.	<i>Self-Assessment ISM Criterion E2,</i> There is ongoing and systematic ES&H communication between management and staff.		1X	Strong ES&H communication in organization.
	Feedback and Improvement	<i>Self-Assessment ISM Criterion E1,</i> Managers and staff are regularly involved in ES&H feedback and improvements.		1X	Customers actively engaged in ES&H activities.
Customer Feedback and Improvement	Internal customers are satisfied with EH&S services and programs that support a safe workplace and protection to the environment and public.	Annual Operations Scorecard ratings for EH&S performance in quality, timeliness, cost, communication, innovation and support of missions.		1X	Customer feedback positive in all areas.
	Scope of Work and Planning	<i>Self-Assessment ISM Criterion E1,</i> Resources are effectively allocated to address ES&H considerations.		1X	Effective allocation of ES&H resources.
Financial		Milestones completed for cost efficiency study.		1X	Scheduled milestones completed.

	Hazard Identification and Analysis	There is an effective process to identify, analyze and categorize LBNL hazards.	<i>Self-Assessment ISM Criterion E4,</i> Divisions have a process to identify, analyze, and categorized hazards associated with work.	1X	Hazard ID and analysis system in place & effective.
<b>Operations (Internal Business Process)</b>	Implementation of Hazard Controls	Administrative and engineering controls to prevent/mitigate hazards are effectively tailored to the work being performed. Applicable safety standards, requirements, and safety envelopes are established.	<i>Self-Assessment ISM Criterion E5,</i> Engineering and other safety controls are in place and maintained; <i>Criterion E6</i> , Administrative controls are in place and maintained.	1X	Controls checked and effective.
	Perform Work	LBNL operations and activities will minimize accidents and injuries.	TRC and DART goals are consistent with DOE HQ/SC expectations that rates will be at the 25 <sup>th</sup> percentile of SIC 873 by FY2005. Goals for FY2004 will be determined jointly by LBNL and BSO by mid-February 2004.	5X	TRC/DART goals - TBD
People	Feedback and Improvement	Employee development promotes staff competency and professional certifications.	<i>Self-Assessment ISM Criterion E9,</i> Staff is proficient in performing work safely.	1X	% completion of required training.
	Ethics Governance Compliance	External reviews by regulatory agencies show that LBNL is in compliance with regulatory requirements.	Number of major non-compliance issues is below internal control number.	4X	Incidents of noncompliance under control number.
<b>Overall Percent Score</b>		total weighted numerical value / 54 (total possible score)			

**Notes:**

1. BSC scoring is based on a red/yellow/green (unsatisfactory/marginal/satisfactory) rating system. Each color-coded rating has a numerical value equal to: green = 3 points; yellow = 2 points; red = 1 point. Each BSC measure has a weighting factor of 1X, 4X, or 5X its numerical score to signify the relative importance of the measure in the Balanced Scorecard. Overall score is the total numerical value of the measurement ratings over the total possible score of 54. The BSC overall percent score is the basis for rating performance for Measure 2.1, ISM System, in the Appendix F contract.
2. BSC measurements shall utilize existing LBNL metrics whenever feasible. Seven of the eleven measures are from Berkeley Lab's FY04 Self-Assessment ISM Performance Criteria. Each ISM criterion is given a percent score based on performance from each of the 16 LBNL divisions or directorates. The ISM percent score is equivalent to the BSC color-coded rating as follows: 90% to 100% = green; 80%-89% = yellow; and less than 79% = red. ISM percent score is provided in the far right column of the "At-a-Glance" table from the Lab's Annual ES&H Self-Assessment Report.
3. Eight of the eleven measures have direct application to DOE's annual validation of ISM. For DOE's purposes, the scores of those measures can be used separately from the total ISM Balanced Scorecard.
4. Incidents of noncompliance are based on the number of reportable occurrences under Group 9 of the Occurrence Reporting and Processing System (ORPS). Less than or equal to two occurrences = green rating; More than two and less than four occurrences = yellow rating; and more than four occurrences = red rating.
5. Measurements for cost effective study and staff certification shall be developed by LBNL management and in collaboration with BSO.
6. The Lab will set targets for worker safety (TRC and DART) consistent with the DOE HQ/SC expectations that the accident injury statistics will be at the 25<sup>th</sup> percentile of SIC 873 by FY2005. Target reduction for FY2004 will be jointly agreed upon by LBNL and BSO by mid-February 2004.

## **Section C - Performance Objectives, Criteria and Measures**

### **Facilities Management**

It is the objective of Facilities Management Program to support the Laboratory mission by delivering quality counsel and services, and to advance the frontiers of science by providing a competitive and cost effective advantage for scientists throughout the Lab. In order to achieve this objective, the Balanced Scorecard approach will be applied to Facilities Management Program to measure selected activities for continuous improvement resulting in the competitive advantage desired. The Balanced Scorecard incorporates measurements in the following categories:

- Customer Satisfaction, both internal and external (to include regulatory compliance)
- Financial
- Internal Processes
- Ethics/Governance/Compliance
- People

The following Performance Objective, Criteria and Measures evaluate the effectiveness of Facilities while addressing the five categories in the Balanced Scorecard.

Performance Period: Unless otherwise specified in the measures, the performance period is October 1, 2003 to September 30, 2004.

#### **Performance Objective**

The Laboratory uses Physical Assets Planning and Real Property, Construction Project Management, and Facilities and Infrastructure Management to achieve excellence in the management of the Facilities at LBNL.

#### **Criterion 1.0**

The Laboratory will develop, document, and maintain a comprehensive integrated planning process that is aligned with DOE mission needs. Real property will be managed consistent with mission, requirements and DOE direction.

#### **Performance Measures 1.0: Physical Assets Planning and Real Property Management**

The intent will be to measure the effectiveness, completeness, and timeliness of implementation of Physical Assets Planning and Real Property Management actions. Milestones will be established using Facilities Information Management System completeness, office space utilization, substandard building space conversion, real property leases, and Physical Assets Planning activities and deliverables. Facilities will revise the Project Call process to enhance financial controls. Facilities will develop Business Ethics training for managers. Milestones will be established in partnership with DOE and made a matter of record at the beginning of the fiscal year. Gradient Points will be determined by multiplying 100 by the weighted value of the milestones completed and dividing by the weighted value of the milestones scheduled for completion.

(Weight = 30%)

## **Criterion 2.0**

The Laboratory will complete construction projects within approved budgets, schedules and scopes.

### **Performance Measure 2.0: Construction Project Management**

The intent will be to measure actual progress against that planned for the fiscal year and for the Laboratory to execute projects and cost project funds in a timely manner. The Laboratory will initiate practices/procedures to support the implementation of Project Management Manual (DOE M 413.3-1). Facilities will develop a curriculum specifically to help train facilities supervisors. Milestones will be established for all active projects over \$500K regardless of type of funds. Milestones will be established in partnership with DOE and made a matter of record at the beginning of the fiscal year. Each active project will have at least one milestone per year. By mutual agreement between the Laboratory and DOE, milestones may be weighted for project significance, for project size/cost, for late/early completion, for improved/diminished scope, etc. Milestones will not be interpreted as baseline change approval. Gradient Points will be determined by multiplying 100 by the weighted value of the milestones completed and dividing by the weighted value of the milestones scheduled for completion.

(Weight = 30%)

## **Criterion 3.0**

The Laboratory will maintain capital assets to ensure reliable operations in a safe and cost-effective manner. Energy initiatives will be managed consistent with a comprehensive energy management plan.

### **Performance Measure 3.0: Facility and Infrastructure Management**

The intent will be to measure the effectiveness of the Laboratory's facility maintenance and energy management programs and plans. The laboratory will seek to achieve the Office of Science Maintenance Investment Index (MII) goal of 1.4% of Replacement Plant Value (RPV) for FY04. The laboratory will implement the utilization of Advance Maximo for Maintenance and Projects. Facilities will seek APPA and IFMA membership for managers. Milestones will be established using Energy Facility Contractors Group benchmarking indicators, operational awareness activities, annual maintenance summary report, Energy Management Plan and others as mutually agreed. Milestones will be established in partnership with DOE and made a matter of record at the beginning of the fiscal year. Gradient Points will be determined by multiplying 100 by the weighted value of the milestones completed and dividing by the weighted value of the milestones scheduled for completion.

(Weight = 40%)

#### **Gradient:**

<b>Points</b>	<b>Rating</b>
$\geq 90$ Points	Outstanding
$\geq 80$ but $< 90$ Points	Excellent
$\geq 70$ but $< 80$ Points	Good
$\geq 60$ but $< 70$ Points	Marginal
$< 60$ Points	Unsatisfactory

**BALANCED  
SCORECARD  
PERSPECTIVES AND  
EXPECTATIONS**

**LBNL Alignment With DOE Mission, Vision & Strategy**

**Facilities Management  
Balanced Scorecard**

PERFORMANCE PERSPECTIVES		PERFORMANCE EXPECTATIONS	PERFORMANCE MEASURES	API WE
<b>Customer</b>	Customer satisfaction Value added for science	Customers needs met Science advanced	Comprehensive Integrated Planning Process (Criterion 1.0) Space Utilization (Criterion 1.0) Utility Service Reliability and Demand Control (Criterion 3.0)	
<b>Financial</b>	Optimum cost efficiency Good stewardship of resources	Cost goals met Financial integrity	Project Delivery Costs (Criterion 2.0) Achieve the Maintenance Investment Index Goal :1.4% of R&V (Criterion 3.0) Building Energy Usage (Criterion 3.0)	
<b>Internal Process</b>	Internal controls Workforce management Utilization of alternative approaches Streamlined processes Good corporate citizenship	On-time delivery Compliance with customer & stakeholder requirements Reengineered/redesigned/revalidated critical processes Reduced cycle times Accountability	Asset Condition/Suitability Assessment (Criterion 1.0) Real Property Leases (Criterion 1.0) Facilities Information Management System (FIMS) Completeness (Criterion 1.0) Project Work Performed (Criterion 2.0) Maintenance Program Implementation (Criterion 3.0) Energy Management Plan Goals Accomplished (Criterion 3.0)	
<b>MISSION</b>	Provide facilities services that support excellence of science.	Achieved Through Five Perspectives	Initiate practices/procedures to support the implementation of Project Management Manual (DOE M 4.13-3-1) Criterion 2.0 Revise Project Call process to enhance financial controls (Criterion 1.0) Develop Business Ethics training for managers (Criterion 1.0)	
<b>VISION</b>	Deliver best value service consistent with scientific priorities, DOE policy and national interests.			
<b>STRATEGY</b>	Change culture to a customer-driven model based on principle-centered management, business ethics, and continuous improvement measures.			
<b>Ethics/Governance/Compliance</b>	External Requirements (DOE) Audits Ethical behavior External regulations			
<b>People</b>	Employee satisfaction Employee alignment Information availability	Employee needs met Employees aligned with key success factors Work groups have data to do jobs	APPA and IFMA membership for managers (Criterion 3.0) Develop curriculum for facility supervisor training (Criterion 2.0) Advance Maximo utilization (Criterion 3.0)	

## **Performance Objectives, Criteria and Measures**

### **Financial Management**

#### **Performance Objective**

##### **1.0 Effective Financial Management**

The Laboratory will implement effective financial management practices in accordance with DOE policies, procedures and requirements and provide quality customer service that supports the mission of the Laboratory. (Weight = 100%)

#### **Criterion**

1.1 The Laboratory will assess, develop, document and report performance results in accordance with established submeasures contained in the Financial Management Performance Assessment Model (FMPAM). (Weight = 100%)

#### **Performance Measure**

##### **1.1.a Method of Measurement**

An overall performance rating will be determined as a result of the points achieved using the FMPAM. (Weight = 100%)

#### **Gradients:**

<b>Points</b>	<b>Rating</b>
$\geq 90$	Outstanding
80-89	Excellent
70-79	Good
60-69	Marginal
$\leq 59$	Unsatisfactory

**Lawrence Berkeley National Laboratory**  
**FY 2004 APPENDIX F**  
**FINANCIAL MANAGEMENT PERFORMANCE ASSESSMENT MODEL (FMPAM)**

Measured Activities		Report Frequency	Gradient	Value of Activity	Core Measures Critical Activity	Total Points for Activity	Percent of Final Score
CUSTOMER							
1.1	Effectively Meet Customer Needs	Quarterly	Meets/ Doesn't Meet	100	Customer Satisfaction	100	10%
2.1	Accounting Practices Disbursements	Quarterly	Gauge	24	Accounting Practices	350	35%
2.1.a	Effective processes ensure timely vendor payments are made and available discounts are taken.	Quarterly	Meets/ Doesn't Meet	24			
2.1.b	Effective management of receivables to ensure no delinquent invoices over 160 days, per DOE guidelines.	Quarterly	Meets/ Doesn't Meet	24			
2.1.c	Reconciliations Management will validate that 68 of the 72 accounts selected by PwC are appropriately reconciled by 3/1/04, and the remaining 4 (dependent upon completion of wall-to-wall stores inventory) by 4/1/04.	Annual	Meets/ Doesn't Meet	24			
2.1.c.2	Develop and maintain processes and procedures that ensure every balance sheet account is regularly reconciled in a timely, accurate and complete manner.	Quarterly	Meets/ Doesn't Meet	24			
2.2	Internal Controls	Quarterly	Meets/ Doesn't Meet	24			
2.2.a	Audit Findings - Develop and implement a tracking system to effectively monitor audit findings and/or recommendations to ensure timely resolution or appropriate corrective action is accomplished.	Quarterly	Meets/ Doesn't Meet	24			
2.2.b	Policies and Procedures - Develop and implement a project plan to establish financial policies and procedures that support CAS, and DOE requirements. Ensure policies and procedures are accessible to users.	Quarterly	Meets/ Doesn't Meet	24			
2.3	Financial Reporting	Quarterly	Meets/ Doesn't Meet	24			
2.3.a	Financial reports submitted to DOE are timely, accurate and complete.	Monthly	Meets/ Doesn't Meet	24			
2.3.b	Monthly MARS transmission is submitted to DOE on a timely basis.	Monthly	Meets/ Doesn't Meet	24			

**Lawrence Berkeley National Laboratory**  
**FY 2004 APPENDIX F**  
**FINANCIAL MANAGEMENT PERFORMANCE ASSESSMENT MODEL (FMPAM)**

Measured Activities		Report Frequency	Gradient	Value of Activity	Core Measures Critical Activity	Total Points for Activity	Percent of Final Score
<b>2.4</b>	<b>Funds Control</b>						
2.4.a	Process exists to ensure costs are within B&R Obligational Control Levels (OCL) at the end of each monthly accounting period for DOE direct funding.	Monthly	Meets/ Doesn't Meet	24			
2.4.b	Process exists to ensure the sum of DOE direct funded costs and commitments do not exceed available funds at the B&R Obligational Control Level (OCL) at year-end.	Annual	Meets/ Doesn't Meet	34			
2.4.c	Process exists to ensure Reimbursable WFO costs do not exceed available funds at the Reimbursable Work Order (RWO) Obligational Control Level (OCL) at year end.	Annual	Meets/ Doesn't Meet	34			
<b>2.5</b>	<b>Budget/Cost Reporting</b>						
2.5.a	DOE Budget Submission is timely, accurate, complete, and meets DOE validation requirements.	Annual	Meets/ Doesn't Meet	34			
2.5.b	DOE budget and cost reports are submitted in a timely, accurate and complete manner (e.g., Functional Costs, Uncosted Balances, Statement of Costs Incurred and Claimed, WFO Modification Request).	Quarterly	Meets/ Doesn't Meet	32			
<b>PEOPLE</b>							
<b>3.1</b>	<b>Staffing, Training and Safety</b>						
3.1.a	Design training program to ensure LBNL financial employees have sufficient knowledge and skills to effectively perform job functions.	Annual	Meets/ Doesn't Meet	82			
3.1.b	Develop and implement staffing plan to execute the functional/operational requirements necessary for effective financial management.	Quarterly	Meets/ Doesn't Meet	84			
3.1.c	Ensure adequate workplace safety exists.	Quarterly	Meets/ Doesn't Meet	84			
					Staffing, Training and Safety	250	25%

**FINANCIAL MANAGEMENT PERFORMANCE ASSESSMENT MODEL (FMPAM)**

Measured Activities		Report Frequency	Gradient	Value of Activity	Core Measures Critical Activity	Total Points for Activity	Percent of Final Score
<b>FINANCE</b>							
4.1	Develop and implement processes to ensure optimum cost efficiency and effective stewardship of resources (cost goals met).	Annual	Meets/ Doesn't Meet	50	Finance	50	5%
5.1	<b>Financial Productivity and DOE Support</b> Ensure highest level of accuracy, integrity and reliability for core financial processes.	Quarterly	Meets/ Doesn't Meet	125	Financial Productivity and DOE Support	250	25%
5.1.a	Ensure compliance with DOE system priorities and initiatives (including FMSIC support).	Quarterly	Meets/ Doesn't Meet	125			
5.1.b							
				TOTAL	1,000	100%	
$\geq 90 = \text{Outstanding}$ 80-89 = Excellent 70-79 = Good 60-69 = Marginal $\leq 59 = \text{Unsatisfactory}$							

## **Section C - Performance Objectives, Criteria And Measures**

### **5 Human Resources**

#### **Performance Objective**

##### **1.0 Effectiveness of HR Operations**

Human Resources programs, services and processes support the operational needs and scientific mission of the Laboratory.

(Weight = 100%)

#### **Criterion**

##### **1.1 Certified Human Resource Management System**

Human Resources will design, develop and implement a certified Human Resource Management system based upon the HR Best Practices and/or national standards using an independent third-party to validate the system, and measure its effectiveness by using an HR Balanced Scorecard.

(Weight = 100%)

#### **Performance Measure**

##### **1.1.a Certified Human Resource Management System**

The Human Resources Management system achieves certification against mutually agreed upon best practices and/or national standards, and the metrics contained in the HR Balanced Scorecard.

(Weight = 100%)

#### **Assumptions**

- It is expected that to accomplish this measure will be a multiple year effort.
- This objective is consistent with the HR five-year (FY03-FY07) strategic plan.
- A certified HR Management System will include the following elements:
  - Requirements will be based upon the DOE Office of Science (Card) principles of Line Management Accountability, National Standards, Oversight, Contractor Accountability, Vision, and Incentives
  - Components of the certified system will consist of standards, self-assessment against the standards, certification, and peer review
  - Best practices national standards for self-assessment will be established for the following areas: Workforce Planning, Compensation & Benefits, Development, and Labor and Employee Relations
  - Metrics will be defined in the HR Balanced Scorecard for the following areas: Customer, Ethics/Governance/Compliance, Finance, People, and Operations/Internal Processes.

#### **Gradients**

<b>Gradient</b>	<b>Balanced Scorecard Metrics Score</b>
Outstanding	$\geq 90\%$
Excellent	$\geq 80\% \text{ but } < 90\%$
Good	$\geq 70\% \text{ but } < 80\%$
Marginal	$\geq 60\% \text{ but } < 70\%$
Unsatisfactory	$< 60\%$

### **Gradient Description**

Unsatisfactory	Little or no effort has been demonstrated towards the achievement of the performance measure.
Marginal	Some effort is demonstrated however results fall short of the expectations for the good gradient.
Good	Best practices or national standards have been reviewed and/or developed, and a gap analysis completed for four balanced scorecard categories agreed to by LBNL, UC, and DOE.
Excellent	In addition to the good gradient, HR has developed a transition plan responsive to the gap analysis for three balanced scorecard categories.
Outstanding	In addition to the excellent gradient, HR has implemented a transition plan responsive to the gap analysis for two balanced scorecard category.

## FY04 Appendix F Balanced Score Metrics

Balanced Scorecard Category	Activity	Weight
<b>Customer</b>	<ul style="list-style-type: none"> <li>Annual Operations Survey of Division Satisfaction</li> </ul>	15%
<b>Ethics/Governance/Compliance</b>	<ul style="list-style-type: none"> <li>Audits/Compliance Requirements: i.e. BICE I-9 Audit (12/03), PERB, EEOC/OFCCP, and DOE or State/Federal Agency audits and reviews</li> </ul>	20%
<b>Finance</b>	<ul style="list-style-type: none"> <li>Compare cost base-line data from Saratoga (FY02) with data from Saratoga (FY03)</li> </ul>	10%
<b>People</b>	<ul style="list-style-type: none"> <li>Develop Manager's Toolkit</li> <li>Implement training based upon defined leadership competencies</li> </ul>	15%
<b>Operational/Internal Process</b>	<p>Accreditation activities in the following areas:</p> <ul style="list-style-type: none"> <li><u>Workforce Planning/Employment</u>: expand metrics and Best Practice standards</li> <li><u>Compensation/Benefits</u>: develop accreditation standards for the Benefits program</li> <li><u>Employee Development</u>: <ul style="list-style-type: none"> <li>develop a definition for leadership competencies and methodology for assessment</li> <li>continue HR staff competency development through certifications and training</li> </ul> </li> <li><u>Labor &amp; Employee Relations</u>: develop metrics for employee grievance, complaint resolution, and contract administration</li> </ul>	40%

# Human Resources Scorecard

## Human Resources Capital Index (HRCI) Metrics

Customer - 15%	People - 15%
Operations Satisfaction Survey	* HR Staff Training & Certification * Leadership Competencies - Definition & Training * Develop and Implement Manager's Toolkit
Ethics/Governance/ Compliance - 20%	
Compliance Audits & Peer Reviews	
Finance - 10%	Operations/Internal Processes - 40%
Saratoga Institute Cost Comparisons with both Peer Groups and Industry	HR Department Accreditation * Workforce Planning/Employment * Employee Development * Compensation/Benefits * Labor & Employee Relations

## **Objective Standards Of Performance**

### **Section C - Performance Objectives, Criteria And Measures**

#### **6 Procurement**

##### **Performance Objective**

###### **1.0 Procurement Excellence**

The Laboratory will maintain a procurement system that ensures Procurement programs incorporate best practices as applicable, promotes customer service, and operates in accordance with policies and procedures approved by DOE and the requirements of the Prime Contract. (Weight = 100%)

##### **Criterion**

###### **1.1 Assessing Degree of Excellence Achieved**

The Laboratory will document and report its performance results against established submeasures contained in the Procurement Assessment Model (PROAM). (Weight = 100%)

##### **Performance Measure**

###### **1.1.a Measuring System and Service Levels**

An overall Procurement excellence score will be determined as a result of the points achieved on the PROAM. The PROAM is the management system framework that establishes and maintains a customer focus, a continuous and breakthrough process improvement culture, and an emphasis on results. (Weight = 100%)

##### **Gradients:**

<b>Points</b>	<b>Rating</b>
<u>≥ 95 Points</u>	Outstanding
<u>≥ 90 but &lt; 95 Points</u>	Excellent
<u>≥ 80.but &lt; 90 Points</u>	Good
<u>≥ 70.4 but &lt; 80 Points</u>	Marginal
<u>&lt; 70.4 Points</u>	Unsatisfactory

## OPERATIONS BALANCED SCORECARD

### PROCUREMENT

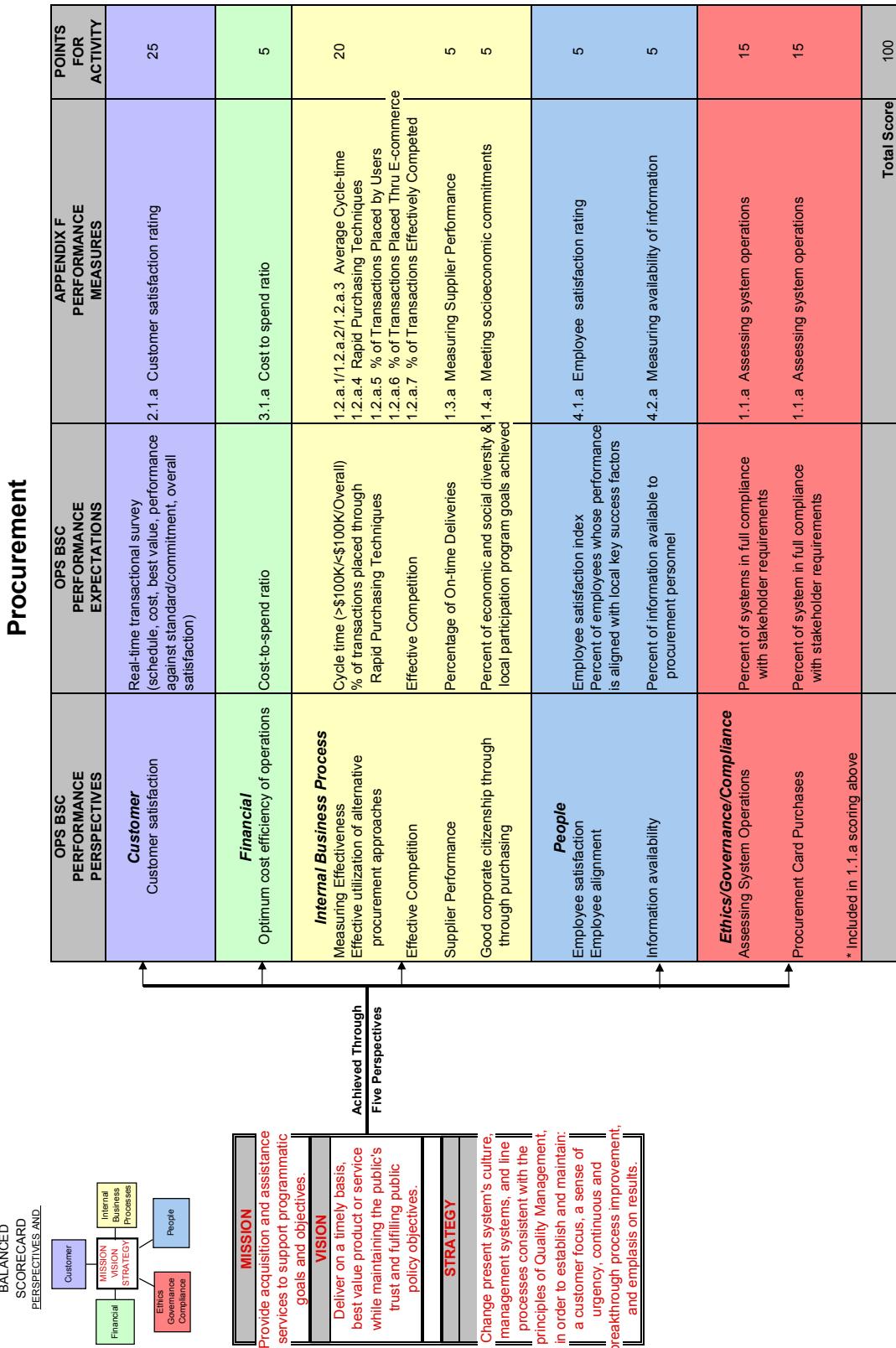
MEASUREMENT CATEGORY	DESCRIPTION	OPS METRIC	APPENDIX F METRIC
Customer	Customer Satisfaction	Customer Satisfaction Rating: % of Customer Satisfaction with the Timeliness, Quality, and Level of Communication provided by Procurement (using transactional surveys)	PROAM Sub-Gauge 2.1.a – Customer Satisfaction Rating % of Satisfied Customers (using transactional surveys)
Financial	Optimum Cost Efficiency of Purchasing Operations	Cost to Spend Ratio Purchasing Operation's operating costs (labor plus overhead) divided by purchasing obligations.	PROAM Sub-Gauge 3.1.a – Cost to Spend % of Purchasing Organization Cost compared to Total Procurement Obligations
Operational/Internal	Acquisition Process	Acquisition Process: Average Cycle Time (Days)  Transactions > \$100K Transactions $\leq$ \$100K Transactions, Overall	PROAM Sub-Gauge 1.2.a – Measuring Effectiveness: Average Cycle Time (Days)  1.2.a.1 - Transactions > \$100K 1.2.a.2 – Transactions $\leq$ \$100K 1.2.a.3 – All Transactions

MEASUREMENT CATEGORY	DESCRIPTION	OPS METRIC	APPENDIX F METRIC
Operational/Internal	Effective Utilization of Alternate Procurement Approaches	Effective Utilization of Alternate Procurement Approaches  % of Transactions Placed by Users	PROAM Sub-Gauge 1.2.a – Measuring Effectiveness: Effective Utilization of Alternate Procurement Approaches  1.2.a.4 - % of transactions placed thru Rapid Purchasing Techniques
Operational/Internal	Use of Effective Competition	% of Transactions Placed Thru Rapid Procurement Techniques  % of Transactions Placed thru E-Commerce	1.2.a.5 - % of Transactions Placed by Users  1.2.a.6 - % of Transactions Placed thru E-Commerce
Operational/Internal	Effective Supplier Management	Use of Effective Competition:  % of Dollars Obligated on Actions > \$100,000 awarded using Effective Competition	PROAM Sub-Gauge 1.2.a.7 – Measuring Effectiveness: Use of Effective Competition  % of Dollars Obligated on Actions > \$100K using Effective Competition
Operational/Internal		Measuring Supplier Performance:  % of On-time Deliveries by Key Suppliers	PROAM Sub-Gauge 1.3.a – Measuring Supplier Performance  % of On-time Deliveries by Key Suppliers

MEASUREMENT CATEGORY	DESCRIPTION	OPS METRIC	APPENDIX F METRIC
Operational/Internal	Good Corporate Citizenship Through Purchasing	Good Corporate Citizenship Through Purchasing: % of Economic and Social Diversity and local Participation Program Goals Achieved, including:  Small Business Small Disadvantaged Business Woman-Owned Small Business Hubzone Small Business Disabled Veterans Small Business	PROAM Sub-Gauge 1.4.a – Meeting Socioeconomic Commitments. The Laboratory makes significant efforts to meet socioeconomic goals (TBD) under the following categories:  Small Business Small Disadvantaged Business Woman-Owned Small Business Hubzone Small Business Disabled Veteran Small Business Veteran-Owned Small Business
People	Employee Satisfaction	Employee Satisfaction Rating:  % of employees satisfied with the work environment, and the organization's professionalism, culture and values (using climate surveys)	PROAM Sub-Gauge 4.1.a – Employee Satisfaction Rating  % of Satisfied Employees (using climate surveys)
People	Employee Alignment	Employee Alignment:  % of employees whose performance evaluation plans are aligned with organizational goals and objectives (to be reported under Appendix F PROAM Sub-Gauge 4.1.a)	N/A

MEASUREMENT CATEGORY	DESCRIPTION	OPS METRIC	APPENDIX F METRIC
People	Employee Information Availability	N/A	PROAM Sub-Gauge 4.2.a – Measuring Availability of Information  % of Information Items Available compared to Information Items Needed
Ethics/Governance/Compliance	Procurement System Approval	Assessing Systems Operations:	The Procurement system is assessed against the system evaluation criteria identified in the Procurement Performance and Assessment Model (PROAM)  Assessment of the degree to which the purchasing system is in compliance with stakeholder requirements including applicable laws, regulations, terms and conditions of contracts, ethics, good business practices, etc. The assessment result is to be expressed in percentage terms.
Ethics/Governance/Compliance	Procurement Card Purchases	Assessing Procurement Card Purchases:	PROAM Sub-Gauge 1.1.a – Assessing Systems Operations  Procurement Card Purchases are in compliance with applicable laws, regulations, policies and business practices prescribed in the Procurement Card Guide and Procurement Policy and Standard Practices.

## FY04 LBNL OPS Alignment With DOE Mission, Vision & Strategy



## **Performance Objectives, Criteria and Measures**

### Property Management

#### **Objective**

Personal Property Excellence (Weight = 100%)

The Laboratory will maintain a personal property system that ensures Property programs incorporate best practices as applicable, promotes customer service, and operates in accordance with policies and procedures approved by DOE and the requirements of the Prime Contract.

The primary purpose of the Personal Property system is to control the assets of LBNL and the Department of Energy. The secondary purpose of the Personal Property system is to support the scientific mission of the Laboratory by ensuring the acquisition, control, identification, and utilization of property to benefit researchers, the Laboratory, and taxpayers.

#### **Criterion**

Assessing Degree of Excellence Achieved (Weight = 100%)

The Laboratory documents and reports its performance results against established sub-measures contained in the Personal Property Assessment Model (PPAM).

#### **Performance Measure**

1.1.a Measuring System and Service Levels (Weight = 100%)

An overall score will be used to determine the approval status of the Laboratory Personal Property Management System. The score is based on points achieved against the established sub-measures in the PPAM. The PPAM provides the management system framework that establishes and maintains a customer focus, a continuous and breakthrough process improvement culture, and an emphasis on results.

Points	Rating
$\geq 475$ Points	Outstanding
$\geq 450$ but $< 475$ Points	Excellent
$\geq 400$ but $< 450$ Points	Good
$\geq 350$ but $< 400$ Points	Marginal
$< 350$ Points	Unsatisfactory

The intent will be to measure the effectiveness, completeness, and timeliness of implementation of Personal Property Management actions. Score Cards will be issued for each Division for all Internal Business measure, similar to EH&S "At-A-Glance Matrix". Milestones will be established using a single, comprehensive, assessment model designed to provide a systematic, ongoing measurement and evaluation of the LBNL property management system. Milestones will be established in partnership with DOE and made a matter of record at the beginning of the fiscal year.

**BALANCED SCORECARD**  
PERSPECTIVES AND  
EXPECTATIONS

**LBNL Alignment With DOE Mission, Vision & Strategy**

