

Objective Standards Of Performance

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Appendix F - Objective Standards of Performance

Modification No.: M378
Supplemental Agreement to
Contract No. DE-AC03-76SF00098

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Introduction

This Appendix contains the performance objectives, criteria, and measures (POCMs) which are the components of the performance-based management system that the University and DOE will utilize for Laboratory oversight as described in Clause 2.6, Performance-Based Management. The POCMs will be clear and reasonable objective standards against which the University's overall compliance with obligations under this contract will be assessed.

The POCMs will be subject to annual review and may be modified by the agreement of the Parties in accordance with the procedures set forth in Clause 2.6, Performance-Based Management, Clause 5.1, Contract Modifications, and Clause 5.3, Program Performance Fee. It is understood that the changes in the POCMs may be proposed based on cost/risk/benefit analysis. The DOE and UC rating processes will give primary emphasis and consideration to the Contractor's self-assessment against Appendix F POCMs, recognizing that the UCLAO and the Contracting Officer may take into account other pertinent information (for example, major ES&H performance issues or significant mission disruption) consistent with Clause 2.6 (d)(3) and Clause 2.6(e) to arrive at the annual rating of Laboratory performance.

This Appendix contains a description of the process to be used by the University and DOE to evaluate the Contractor's performance of administration, and operations and by DOE-SC to evaluate the, science, and technology at the Laboratory.

Business systems may require modification as POCMs are revised in accordance with Clause 2.6, Performance-Based Management. Where systems are so modified in the course of a review period, DOE agrees to take such modification into account in the appraisal.

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Section A - Laboratory Management

Performance Objective

1.0 Laboratory Leadership

Laboratory leadership, in support of DOE and Laboratory missions, ensures the stewardship and viability of the institution. (Weight = 100%)

Note: The Gradient for each measure is shown in the attachment and the weighting between Approach/Deployment and Results is A/D=40% and R=60%.

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 Strategic Planning

Evaluation of management's approach for strategic planning that aligns Laboratory vision, goals, programs, resources, facilities and performance expectations with DOE's mission, strategic plans and objectives. The assessment will focus on achievement of the key objectives contained in the Laboratory's plans and how this information is communicated with DOE. (Weight = 20.0%)

1.1.b Effective Resource Management and Stewardship of Assets

Evaluation of management's effectiveness to plan, prioritize, and manage costs, infrastructure and staff resources consistent with DOE and Laboratory goals. Assessment will focus on performance results; which may include indicators of cost effectiveness, such as the ratio of S&T to A&O staff, representative operations support activities, and other productivity or re-engineering indicators. (Weight = 20.0 %)

1.1.c Research Support from Other Sponsors

Evaluation of management's effectiveness in fostering non-DOE sponsored work and collaborations that benefit from the unique research competencies and scientific facilities of the Laboratory, build upon and complement DOE's mission, and advance the nation's scientific and economic interests. The assessment will focus on the planning and management of non DOE sponsored research, institutional resources to enable externally sponsored work, and the coordination with DOE. (Weight = 20.0 %)

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1.1.d Community Relations and Science Education

Evaluation of management’s approach and effectiveness in strengthening relationships with the community and in advancing science education related to Laboratory programs. The assessment will focus on management’s effectiveness in addressing community issues in a proactive manner and the successful implementation of science education programs. (Weight = 20.0%)

1.1.e Diversity Leadership and Awareness.

Evaluation of senior management’s effectiveness in increasing the awareness of diversity in all divisions of the Laboratory. The assessment will focus on the development and implementation of divisional diversity plans and their innovative actions to enhance the work environment for all employees and to engage in proactive methods of diversity outreach and recruitment designed to promote equality of opportunity. (Weight =20.0%)

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%)	Beginning of a systematic approach to the key mission and business areas. Early stages of a transition from reacting to problems to a general improvement orientation. Major gaps exist in deployment that would inhibit progress in achieving the key mission and business objectives.	Early stages of developing; some improvements and/or early good performance level in a few key mission and business areas.
Good (70 to 79%)	A sound systematic approach, responsive to the key mission and business areas. A fact-based improvement process in place in key areas; more emphasis is placed on	Improvement trends and/or good performance levels reported for most key mission and business areas.

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	<p>improvement than on reaction to problems. No major gaps in deployment, though some areas may be in the very early stages of deployment.</p>	<p>No pattern of adverse trends and/or poor performance levels in the key mission and business areas. Some trends and/or current performance levels show areas of strength and/or good to very good relative performance levels.</p>
<p>Excellent (80 to 89%)</p>	<p>A sound systematic approach, responsive to the key mission and business areas. 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. 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. Most improvement trends and/or current performance levels are sustained in most other areas. Many to most trends and/or current performance levels show areas of leadership and very good relative performance levels.</p>
<p>Outstanding (90 to 100%)</p>	<p>A sound systematic approach, fully responsive to key mission and business areas. A very strong fact-based improvement process is a key management tool; strong refinement and integration - backed by Excellent analysis. 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. Excellent performance levels in most other areas. Strong evidence of industry and benchmark leadership demonstrated in many areas.</p>

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Section B – Science and Technology

The DOE Office of Science will perform and document an appraisal of the Science and Technology performance of the Laboratory for FY2003. The appraisal will use, but not be limited to, the Science and Technology Assessment Criteria outlined below. The Contractor will continue to use external peer reviews to provide advice to internal management on the overall quality of the technical work, the effectiveness of Laboratory management in fostering an atmosphere conducive to scientific inquiry, and other aspects affecting the ability of the Laboratory to continue to respond effectively to the DOE's mission.

Criteria for Science & Technology Performance Assessment

- Quality of Science-Recognized indicators of excellence, including impact of scientific contributions, leadership in the scientific community, innovativeness, and sustained achievement will be assessed as appropriate. As appropriate, other performance measures such as publications, citations, and awards may be considered. This criterion is to be applied to all aspects of technical work, including science, engineering, and technical development
- Relevance to National Needs and Agency Mission-The impact of Laboratory research and development on the mission needs of the Department of Energy and other agencies funding the programs will be assessed in the reviews. Such considerations include energy policy, economic competitiveness, and national environmental goals, as well as the goals of DOE and other Laboratory funding agencies in advancing fundamental science and strengthening science education. The impact of Laboratory programs on industrial competitiveness and national technology needs will be assessed. The assessment will include characteristics that are not easily measured, including relevance of research programs to national technology needs and effectiveness of outreach efforts to industry. As appropriate, they may also consider such performance measures as licenses and patents, collaborative agreements with industry, and the value of commercial spin-offs.
- Performance in the Technical Development and Operation of Major Research Facilities-Performance measures include success in meeting scientific and technical objectives, technical performance specifications, and user availability goals. Other considerations may include the quality of user science performed, extent of user participation and user satisfaction, operational reliability and efficiency, and effectiveness of planning for future improvements, recognizing that DOE programmatic needs are considered to be primary when balanced against user goals and user satisfaction
- Program Management and Planning-The assessment should focus on broad programmatic goals, including meeting established technical milestones, carrying out work within budget and on schedule, satisfying the sponsors, providing cost-effective performance, planning for orderly completion or continuation of the programs, and appropriate publication and

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dissemination of scientific and technical information. In assessing the effectiveness of programmatic and strategic planning, the reviewers may consider the ability to execute projects in concert with overall mission objectives, programmatic responsiveness to changes in scope or technical perspective, and strategic responsiveness to new research missions and emerging national needs. In the evaluation of the effectiveness of program management, consideration include morale, quality of leadership, effectiveness in managing scientific resources (including effectiveness in mobilizing interdisciplinary teams), effectiveness of organization, and efficiency of facility operations.”

Section C - Performance Objectives, Criteria And Measures**1 Environment, Safety, And Health**

The Laboratory's goal is to accomplish its mission cost-effectively while striving for an injury-free workplace, minimizing waste streams and adverse impacts to the public and environment from its operations.

The following Performance Objective, Criteria and Measures are linked to best practices and national standards for ES&H programs and systems. They include best practices in self-assessment and hazard analysis, certified/independently validated ES&H management systems, and process and outcome measures to validate Integrated Safety Management.

Performance Period: Unless otherwise specified in the measures, the performance period is October 1, 2002 through September 30, 2003.

Performance Objective**1.0 Do Work Safely**

The Laboratory uses best practices and certified/independently validated 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**1.1 Best Practices and Certified/Independently Validated ES&H Management Systems**

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. (weight = 40%)

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

The Laboratory will complete scheduled milestones to assess, develop and implement best practices in (i) self-assessment and (ii) hazard analysis and (iii) certified/independently validated ES&H management systems. Agreed upon milestones are the following:

(i) Best Practices in Self-Assessment

Milestones	Target Completion
1. Research DOE and industry benchmarks and standards for SA programs.	11/01/02
2. Select SA best practice criteria (i.e., benchmark/standard) most appropriate for LBNL operations and activities.	11/15/02
3. Define best practice review process	01/15/03
4. Identify review panel and schedule review	3/1/03
5. Complete third party review of SA program	6/30/03
6. Identify gap analysis of LBNL SA program against best practices.	7/30/03

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7. Develop best practice improvements identified by gap analysis.	9/30/03
8. Complete any FY03 milestones for implementing best practice improvements.	9/30/03
9. Complete implementation of best practice improvements	TBD (FY04)

(ii) Best Practices in Hazard Analysis

Milestones	Target Completion
1. Develop review criteria for the evaluation of best practices for hazard analysis of the Lab's research and development facilities. Consideration shall be given to practices described in DOE Supplemental Directive 5481.1B, PUB 3000, Chapter 6, and certified ES&H systems with hazard analysis elements.	11/15/02
2. Select independent review panel and schedule review	12/15/02
3. Complete independent review	3/1/03
4. Identify gap analysis of LBNL programs against best practices.	4/1/03
5. Develop best practice improvements to address programmatic deficiencies identified in gap analysis. Improvements include actions for determining applicability of DOE Supplemental Directive 5481.1B for LBNL operations, amending PUB 3000, Chap 6, to institutionalize best practice improvements, and assuring process consistency with hazard analysis elements in proposed certified ES&H systems (see Part II below). Prepare schedule for implementation of best practice improvements.	5/1/03
6. Complete FY03 milestones for best practice improvements.	9/30/03
7. Complete implementation of best practice improvements	TBD (FY04)

(iii) Certified Independently Validated ES&H Management Systems

Milestones	Target Completion
1. Research international/national standards for certification/validation of ES&H management systems.	12/15/02
2. Select international/ national standards for certification/validation of ES&H management systems	1/15/03
3. Develop Lab ES&H management systems plan.	6/30/03
4. Conduct assessment by organizations that have experience in ES&H management systems.	TBD (FY04)
5. Develop and implement FY04 milestones/ improvements to address recommendations identified by assessment.	TBD (FY04)
6. Develop and implement FY05 milestones/ improvements to	TBD (FY05)

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address recommendations identified by assessment	
7. Implement certification/ validation process.	TBD (FY05)

Assumptions

1. It is expected that to accomplish this measure will be a multiple year effort.
2. This objective is consistent with the ES&H five-year (FY03-FY07) strategic plan.
3. A certified/independently validated ES&H management system will be based on:
 - Principles described by the DOE Office of Science (Card memo) of line management accountability, national standards, oversight, contractor accountability, vision, and incentives
 - International/national standards
 - Self-Assessment against the standards
4. LBNL will notify DOE of complications and delays that result in missing milestone target dates. Contract performance rating will not be lowered when milestones are completed after the proposed target dates with no adverse impacts to the certification/ validation process.
5. To complete the best practice studies and certification process, new milestones will be developed and agreed upon each year by DOE/BSO and LBNL for FY04 and FY05.
6. The selection of the independent review panels for the best practice studies in self-assessment and hazard analysis shall be jointly agreed upon by DOE/BSO and LBNL.
7. The selection of the certification/ validation standards and systems shall be jointly agreed upon by DOE/BSO and LBNL. Certified/independently validated ES&H management systems under consideration include ISO 14001 Environmental Management System elements, Voluntary Protection Program (VPP), OSHAS 18001 Occupational Safety and Health Management System elements, Accreditation Association for Ambulatory Health Care (AAHC), Emergency Management, and DOE Laboratory Accreditation Program (DOELAP). The DOE/BSO Director and LBNL Deputy Director of Operations will resolved conflicts in the selection process. Contract performance rating will not be lowered in event milestone target dates are missed due to conflict resolution process.
8. Certification/ validation process will be based upon nationally recognized standards and performed by nationally recognized experts.
9. Validation of the best practice improvements shall be conducted by DOE/BSO.

Gradients:

- Unsatisfactory Little of 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: Weighted completion of 11 of 17 milestones scheduled for FY03.
- Excellent: Weighted completion of 13 of 17 milestones scheduled for FY03.
- Outstanding: Weighted completion of 15of 17 milestones scheduled for FY03.

Criterion

1.2 ISM System Process Measures

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The Laboratory uses the five core functions and seven guiding principles of Integrated Safety Management (ISM) in its management and work processes.
(Weight = 30%)

Assumptions (for all process measures)

1. 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. To support the gathering of information, the Laboratory reports on significant changes in ES&H systems and processes at the quarterly OA meetings. Examples of significant changes include modifications of any ISM plans; changes to ES&H policies and requirements in the Regulations and Procedures Manual (RPM), LBNL/PUB-3000, Operating and Assurance Plan (OAP), and Work Smart Standard (WSS) set; and alterations in EH&S Division staffing patterns, allocation of resources, and/or organizational structure.
2. The Laboratory's self-assessment program is a major component for evaluating ISM at the Laboratory. BSO personnel are invited to participate as observers in self-assessment activities, including, but not limited to, validation of division self-assessments and integrated functional appraisals. DOE observers can provide feedback on the Laboratory's self-assessment activities. Such feedback can be used as supplemental information to address the quality and effectiveness of the Laboratory's Self-Assessment Program.
3. ISM plans refers to the Laboratory's Institutional Safety Plan, each division's ISM plan, and the Operations departmental (Facilities and Directorate) ISM plans.
4. Subcontractor operations/personnel are included in implementation of ISM if the subcontractor is performing part of the Laboratory's operations and reporting its hours to the Laboratory. To this end, the Laboratory's contracting process evaluates and considers the safety record of prospective subcontractors; once selected, subcontractor statistics are gathered and performance tracked separately. Subcontractors are excluded from LBNL OSHA reporting if they are "servicing" the Laboratory (e.g., copy machine vendors or other transient workers).
5. Peer reviews, existing procedures, implementing memoranda, Laboratory tracking system data, and other work process products serve as demonstrable evidence in contribution to satisfaction of measure gradients. Successes and difficulties associated with these processes are included in the report. It is not the intention of this measure to foster the generation of supportive or demonstrable documents other than those needed or necessary to perform the work.
6. The evaluation of the process measure is the DOE validation of the effectiveness of ISM implementation.
7. Environmental management is a key component of the Lab's ISM plan. Environmental performance as described in FY02 Appendix F Measure 1.2.h, Waste Reduction and Recycling, Measure 1.2.g, Tracking Environmental Incidents, and Measures 1.3.a, Environmental Restoration Cost Variance, and Measure 1.4.a, Environmental Restoration Schedule Variance, shall be evaluated in Process Measure 1.2.c, Perform Work, and reported at least quarterly in either Operational Awareness meetings, DOE/LBNL program meetings, ES&H quarterly reports, or Site Environmental Reports. Overall rating of environmental performance is the average gradient performance for all four measures.

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Process Measures

1.2.a Work Planning

Line management provides evidence that the ISM Division Plans and work planning adequately identify and prioritize resources to address programmatic needs and work safety. Line managers regularly participate in ES&H activities. (weight = 7.5%)

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	More than 70% of Division ISM plans have been reviewed and updated within past year. ISM plans are evaluated for quality of content to address the Division scope of work and for consistency with institutional ISM requirements. Work planning demonstrates that work and safety priorities are adequately balanced. Line managers regularly participate in ES&H activities. The institutional ISM plan has been reviewed and updated for changes in site-wide scope of work.
Excellent	More than 80% of Division ISM plans have been reviewed and updated within past year. ISM plans are evaluated for quality of content to address the Division scope of work and for consistency with institutional ISM requirements. Work planning demonstrates that work and safety priorities are adequately balanced. Line managers regularly participate in ES&H activities. The institutional ISM plan has been reviewed and updated for changes in site-wide scope of work.
Outstanding	More than 90% of Division ISM plans have been reviewed and updated within past year. ISM plans are evaluated for quality of content to address the Division scope of work and for consistency with institutional ISM requirements. Work planning demonstrates that work and safety priorities are adequately balanced. Line managers regularly participate in ES&H activities. The institutional ISM plan has been reviewed and updated for changes in site-wide scope of work.

1.2.b Identify and Control Hazards

Divisions have a process to appropriately identify, analyze, and categorize the hazards and have identified the appropriate requirements to mitigate the risks associated with the division's work. (weight = 7.5%)

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	Hazards have been appropriately identified for more than 70% of the division self authorized work and more than 90% of work requiring formal authorizations (i.e., RWAs, RWPs, AHDs, SSAs).

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Excellent	Hazards have been appropriately identified for more than 80% of the division self authorized work and more than 95% of work requiring formal authorizations.
Outstanding	Hazards have been appropriately identified for more than 90% of the work requiring division self-authorization and 100% of work requiring formal authorizations.

1.2.c Perform Work

Work is performed within the conditions and requirements for ES&H specified by Lab policies and procedures. (weight = 7.5%)

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	More than 80% of authorized work (i.e., SAA, AHD, RWA, RWP, X-Ray, SSA, SAD) is in compliance (note: RWA compliance is measured against major and significant deficiencies). More than 80% of required ES&H training is completed. More than 90% of serious and imminent danger situations, as defined by LCATS Hazard Level 1 and 2, are identified, analyzed for root causes, and mitigated within the specified timeframe. Environmental performance is achieved at an overall Good Gradient Level as specified in the FY02 Appendix F performance measures 1.2.h, 1.2.g, 1.3.a and 1.4.a (see assumption #7).
Excellent	More than 85% of authorized work (i.e., SAA, AHD, RWA, RWP, X-Ray, SSA, SAD) is in compliance (note: RWA compliance is measured against major and significant deficiencies). More than 85% of required ES&H training is completed. More than 95% of serious and imminent danger situations, as defined by LCATS Hazard Level 1 and 2, are identified, analyzed for root causes, and mitigated within the specified timeframe. Environmental performance is achieved at an overall Excellent Gradient Level as specified in the FY02 Appendix F performance measures 1.2.h, 1.2.g, 1.3.a and 1.4.a (see assumption #7).
Outstanding	More than 90% of authorized work (i.e., SAA, AHD, RWA, RWP, X-Ray, SSA, SAD) is in compliance (note: RWA compliance is measured against major and significant deficiencies). More than 90% of required training is completed. 100% of serious and imminent danger situations, as defined by LCATS Hazard Level 1 and 2, are identified, analyzed for root causes, and mitigated within the specified timeframe. Environmental performance is achieved at an overall Outstanding Gradient Level as specified in the FY02 Appendix F performance measures 1.2.h, 1.2.g, 1.3.a and 1.4.a (see assumption #7).

1.2.d Feedback and Improvement

Opportunities for institutional improvements are identified from the Lab's annual ES&H Self-Assessment Report. Milestones for implementing improvements shall be met. (weight = 7.5%)

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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	Opportunities for institutional improvements are identified in the Lab's annual ES&H Self-Assessment Report. A plan of action with milestones for each improvement target has been developed.
Excellent	More than 80% of the milestones in the plan of action have been met.
Outstanding	More than 90% of the milestones in the plan of action have been met.

Criterion

1.3 ISM System Outcome Measures

System outcome measures are linked to the ISM process measure. System outcomes are used to validate and drive ISM excellence.

(Weight = 30%)

Outcome Measures

1.3.a Routine Exposures from Routine Activities

Occupational radiation doses to individuals (excluding accidental exposures) from DOE operations will be managed to assure that applicable 10 CFR 835 limits are not exceeded. (weight = 7.5%)

Assumptions

1. The performance period for this measure is from July 1, 2002 to June 30, 2003.
2. Any actual or anticipated significant changes in workloads or badged worker population (interpreted to be an increase or decrease of 10% or more) that would affect radiation doses are brought to the attention of UC and DOE, and appropriate adjustments are made.
3. Some variability is expected, which may not indicate a trend.
4. This Measure is directed toward current management and control of radioactive materials.
5. Outcome Measure reports demonstrate how results are used to drive improvement or maintain current best management practices.

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	No individual exposures in excess of 500 millirem without an increase in workload (unless specifically authorized in writing and approved by the Radiological Control Manager).

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Excellent	Qualify for Good, plus the number of individual exposures exceeding 100 millirem is less than or equal to the control level of 10, without an increase in workload.
Outstanding	Qualify for Excellent, plus the average individual positive dose is less than the control level of 50 millirem, without an increase in workload.

1.3.b Prevention of Unplanned Radiation Exposures

ORPS reportable occurrences of unplanned radiation exposures, skin or personal clothing contamination are managed and minimized. (weight = 7.5%)

Assumptions

1. For the purpose of this measure, unplanned radiation exposures are considered to be greater than 100 mrem..
2. The number of individuals contaminated is counted.
3. Some variability is expected, which may not indicate a trend.
4. Outcome Measure reports demonstrate how results are used to drive improvement or maintain current best-management practices.

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	The weighted number of contaminated individuals is more than 6.0 but less than or equal to 8.0.
Excellent	The weighted number of contaminated individuals is more than 4.0 but less than or equal to 6.0.
Outstanding	The weighted number of contaminated individuals is less than or equal to 4.0.

1.3.c Control of Radioactive Material

Loss of control of radioactive materials is managed and minimized. (weight = 7.5%)

Assumptions

1. Off-normal occurrences have a weighting factor of 1, and unusual occurrences have a weighting factor of 1.5.
2. Some variability is expected, which may not indicate a trend.
3. This Measure is directed toward current management and control of radioactive materials.
4. Outcome Measure reports demonstrate how results are used to drive improvement or maintain current best-management practices.

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	The weighted number of occurrences is more than 4.0 but less than or equal to 6.0.
Excellent	The weighted number of occurrences is more than 2.0 but less than or equal to 4.0.
Outstanding	The weighted number of occurrences is less than or equal to 2.0.

1.3.d Accident Prevention

The baseline period for comparison is CY 1997 data. The Lab's Severity and frequency (defined as Lost Workday Case Rate (LWC) and Total Recordable Case Rate (TRC) respectively) of accidents during the performance period will be compared to the baseline period. The number of Bureau of Labor Statistics reportable occurrences of these accidents will be tracked. A downward trend is expected as compared to the baseline year. The overall performance rating for this measure will factor in LWC and TRC rates and other accident prevention information identified below. (weight = 7.5%)

Assumptions

1. Laboratory statistics are collected for the baseline for all Laboratory incidents, including subcontractors as reported to CAIRS.
2. For FY 2003 and future years, baseline assumptions are reviewed and, if appropriate, updated by mutual agreement between the local DOE office and the Laboratory.
3. Subcontractor operations/personnel are included for all subcontractors whose injury data are reported to CAIRS. Subcontractors are excluded if they are "servicing" the Laboratory (e.g., copy machine vendors or other transient workers).
4. The Laboratory's five-year goal for reduction of LWC and TWC is derived from the industry best-in-class Benchmarking Study completed in 1998 and in agreement with DOE.
5. Consideration is given to the Laboratory's rank for LWC and TRC within the best-in-class peer group.
6. Establishment and reporting of upper and lower control limits to determine the significance of accident rate variation (caused variation vs. random variation) are examined.
7. Consideration is given if any targeted/focused accident prevention program to a subpopulation within the Laboratory demonstrates effective intervention and/or improvement in the combined LWC and TRC score.
8. Consideration is given on demonstration of quantifiable return on investment (ROI) from implementation of accident prevention program initiatives.
9. Consideration is given to the rate of annual rate of reduction for LWC and TRC, using best in class as the benchmark and 1997 as the baseline year.
10. Overall rating of accident performance should be weighted toward higher recognition and credit for managing and reducing severity (LWC) of DOE recordable cases, due to LBNL's efforts to develop

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and implement multiple accident prevention initiatives early in the performance contract period. Therefore, the LWC has a weighting factor of 2 to 1 compared to the TRC.

11. If the DOE CAIRS reporting system changes during the performance year, data reported under the new system will be used after the effective date of the change. If the changes in the CAIRS system have an inequitable impact on this measure, the measure will be renegotiated at that time.

Progress toward reduction goals is evaluated using the following scoring system:

TRC between 3.00 and 2.25 = 1 point
TRC between 2.25 and 1.50 = 2 points
TRC below 1.50 = 3 points

LWC between 1.50 and 1.00 = 2 points
LWC between 1.0 and 0.50 = 4 points
LWC below 0.50 = 6 points

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	Performance for LWC and TRC is scored and then summed. The sum for this gradient is 2 to 4 points, with consideration for demonstrated achievements identified within the list of assumptions.
Excellent	Performance for LWC and TRC is scored and then summed. The sum for this gradient is 5 to 7 points, with consideration for demonstrated achievements identified within the list of assumptions.
Outstanding	Performance for LWC and TRC is scored and then summed. The sum for this gradient is 8 or more points, with consideration for demonstrated achievements identified within the list of assumptions.

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Section C - Performance Objectives, Criteria And Measures

2 - Project/Facilities and Construction Management

The University of California, in partnership with the Department of Energy, shall plan, acquire, operate, maintain, lease, and dispose of physical assets as valuable national resources. The management of physical assets from acquisition through operations and disposition shall be an integrated and seamless process linking the various life cycle phases. Stewardship of these physical assets during all phases of their life cycle shall be accomplished in a safe and cost-effective manner to meet the DOE mission and to ensure protection of workers, the public and the environment. This management of physical assets shall incorporate industry standards, a graded approach and these performance objectives.

General Note: Plans, lists and milestones will be made a matter of record in the first month of the fiscal year. These plans, lists and milestones may be revised during the year by mutual agreement between the Laboratory and DOE Facility Functional Managers. Milestones may be weighted upon mutual agreement.

Performance Objective

1.0 Real Property Management

The Laboratory will effectively manage Real Property.
(Weight = 5%)

Criterion

1.1 Real Property Management

Real property is effectively managed consistent with mission, requirements, and DOE direction.
(Weight = 5%)

Performance Measure

1.1.a Program Implementation

Number of completed milestones/milestones scheduled for completion.
(Weight = 5%)

Assumptions

Intent is to measure the effectiveness, completeness, and timeliness of implementation of Real Property management actions. Milestones will be established in partnership with DOE and made a matter of record. Milestones may be established for Facilities Information Management System completeness, office space utilization, substandard building space conversion, real property leases, etc.

Appendix F - Objective Standards of Performance

Gradient

Unsatisfactory less than 0.60
Marginal 0.60
Good 0.70
Excellent 0.80
Outstanding 0.90

Performance Objective

2.0 Physical Assets Planning

The Comprehensive Integrated Planning Process should reflect current and future Laboratory needs.
(Weight = 14%)

Criterion

2.1 Comprehensive Integrated Planning Process

The Laboratory develops, documents, and maintains a comprehensive integrated planning process that is aligned with DOE mission needs.
(Weight = 14%)

Performance Measure

2.1.a Effectiveness of Planning Process

Assess how the planning process is implemented to achieve maximum effectiveness in anticipating and articulating DOE and Laboratory needs.
(Weight = 14%)

Assumptions

The Laboratory will work with DOE counterparts in a cooperative effort to continuously evaluate the effectiveness of the comprehensive integrated planning process through the development of Laboratory specific planning elements/milestones. Site specific planning elements/milestones will be made a matter of record.

Gradient

Unsatisfactory less than 0.60
Marginal 0.60
Good 0.70
Excellent 0.80
Outstanding 0.90

Appendix F - Objective Standards of Performance

Performance Objective

3.0 Project Management

The Laboratory will complete construction projects within approved budgets, schedules and scopes.
(Weight = 33%)

Criterion

3.1 Construction Project Performance

Construction projects greater than \$500K (regardless of type of funds) achieve project performance objectives.
(Weight = 33%)

Performance Measure

3.1.a Work Performed

Number of objectives completed/number of objectives planned for completion.
(Weight = 33%)

Assumptions

The intent is 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. An objective list for all active projects will be negotiated with DOE and made a matter of record. Only meaningful objectives will be listed, but each active project will have at least one objective per year. By mutual agreement between the Laboratory and DOE, objectives may be weighted for project significance, for project size/cost, for late/early completion, for improved/diminished scope, etc. Negotiated objectives are not to be interpreted as baseline change approval.

Gradient

Unsatisfactory	less than 0.70
Marginal	0.70
Good	0.80
Excellent	0.90
Outstanding	1.00

Performance Objective

4.0 Maintenance

The Laboratory will maintain capital assets to ensure reliable operations in a safe and cost-effective manner.
(Weight = 33%)

Appendix F - Objective Standards of Performance

Criterion

4.1 Facility Management

Facility operations and maintenance are effectively managed consistent with mission, risks, and costs.

(Weight = 33%)

Performance Measure

4.1.a Program Implementation

Sum of completion percentages for all milestones worked/milestones scheduled for completion.

(Weight = 33%)

Assumptions

Intent is to measure the effectiveness and timeliness of the Laboratory's facility maintenance program. A list of mutually agreed milestones will be made a matter of record. Milestones will be established for internal performance indicators using Energy Facility Contractors Group (EFCOG) benchmarking elements, operational awareness activities, annual maintenance summary report and others as mutually agreed.

Gradient

Unsatisfactory less than 60%

Marginal 60%

Good 70%

Excellent 80%

Outstanding 90%

Performance Objective

5.0 Utilities/Energy Conservation

The Laboratory will maintain a reliable utility system and conserve energy.

(Weight = 15%)

Criterion

5.1 Energy Management

Energy initiatives are managed consistent with a comprehensive energy management plan.

(Weight = 15%)

Performance Measure

Appendix F - Objective Standards of Performance

5.1.a Energy Goals

Energy goals accomplished/goals scheduled to be accomplished in accordance with the plan.
(Weight = 15%)

Assumption

The energy management plan will be made a matter of record.

Gradient

Unsatisfactory	less than 0.60
Marginal	0.60
Good	0.70
Excellent	0.80
Outstanding	0.90

Section C - Performance Objectives, Criteria And Measures**3 Financial Management**

Lawrence Berkeley National Laboratory (LBNL) will use the Financial Management Performance Assessment Plan (FMPAM) for fiscal year 2003. The Financial Management organization will finalize its final assessment plan with DOE and UC by October 1, 2002. This plan will cover performance thresholds, performance ranges, specific scoring criteria, and frequency of reporting.

In this model, points are used to determine the score for each activity. Weights and the corresponding points are shown below at the Objective, Criteria, and Performance Measure Levels. Exhibit I summarizes the activities to be measured, performance ranges, and point value for each activity. The final rating will be based on the total activity points earned. The rating percentage will be calculated as a ratio of total points earned to total points possible (where a total weight of 100% is equal to 1,000 points).

General Note Regarding Gradients

All performance measures are rated as composites of numerous sub measures described in the protocol document. Points are earned for each sub measure. The sub measure points earned are totaled for each associated performance measure. The resulting performance measure score will be calculated as a percentage of total points possible. The following table illustrates the appropriate adjectival rating associated with percentage of points earned.

<u>Percent of Points</u> <u>Earned</u>	Rating
90-100%	Outstanding
80-89%	Excellent
70-79%	Good
60-69%	Marginal
59% or less	Unsatisfactory

Performance Objective**1.0 Effective Accounting Practices**

The Controller's Organization shall ensure the accounting practices are effective, efficient, and according to generally accepted standards and principles.
(Weight = 14.1% / Total Points =141)

Criterion

Appendix F - Objective Standards of Performance

1.1 Cash Management

The Controller's Organization shall have effective processes to disburse and collect government funds.

(Weight = 2.5% / Total Points = 25)

Performance Measures

1.1.a Effectiveness of Disbursements

The effectiveness of vendor payment processes will be measured.

(Weight = 1.2% / Total Points = 12)

1.1.b Effectiveness of Collections

The improvement trends for collection of accounts receivable will be measured.

(Weight = 1.3% / Total Points = 13)

Basis for Rating

Exhibit I summarizes the activities to be measured, performance ranges, and point value for each activity.

Criterion

1.2 Account Management

Ensure that the Controller's Organization effectively manages high-risk accounts.

(Weight = 11.6% / Total Points = 116)

1.2.a Work For Others (WFO) Accounts - Use of UC Bridge Funding

The Controller's Organization shall demonstrate effective management of UC financing of WFO.

(Weight = 2.8% / Total Points = 28)

1.2.b High Risk Account Reconciliations

The Controller's Organization shall demonstrate effective accounting processes/results for high-risk account reconciliations.

(Weight = 6.4% / Total Points = 64)

1.2.c Asset Management

The Controller's Organization shall demonstrate effective accounting processes/results for asset management.

(Weight = 2.4% / Total Points = 24)

Basis for Rating

Appendix F - Objective Standards of Performance

Exhibit I summarizes the activities to be measured, performance ranges, and point value for each.

Performance Objective

2.0 Financial Stewardship

The Controller's Organization practices provide for financial stewardship, including compliance, data integrity and reporting.

(Weight = 34.4% / Total Points = 344)

Criterion

2.1 Financial Compliance

The Controller's Organization shall demonstrate stewardship and compliance with DOE and federal accounting standards and policies.

(Weight = 17.6% / Total Points = 176)

Performance Measures

2.1.a Audit Results and Resolution

The Controller's Organization will be measured on the audit results and resolution of audit findings.

(Weight = 1.8% / Total Points = 18)

2.1.b Internal Controls and Compliance on Subject Areas

The Controller's Organization will be measured on the adequacy of their internal controls environment.

(Weight = 3.6% / Total Points = 36)

2.1.c Cost Accounting Practices

The Controller's Organization compliance with Cost Accounting Standards will be measured.

(Weight = 7.2% / Total Points = 72)

2.1.d Accuracy of DOE Financial Statements

Demonstrate effective accounting processes/results for accuracy of DOE financial statements.

(Weight = 5.0% / Total Points = 50)

Basis for Rating

Exhibit I summarizes the activities to be measured, performance ranges, and point value for each activity.

Criterion

Appendix F - Objective Standards of Performance

2.2 Financial Reporting

The Controller's Organization will demonstrate effective reporting of financial information.
(Weight = 10.8% / Total Points = 108)

Performance Measures

2.2.a Internal Financial Management Reporting

The Controller's Organization will be measured on the reporting of financial information to internal customers.

(Weight = 3.8% / Total Points = 38)

2.2.b DOE and Other External Laboratory Reporting

The Controller's Organization will be measured on the reporting of financial information to DOE and other external customers.

(Weight = 7.0% / Total Points = 70)

Basis for Rating

Exhibit I summarizes the activities to be measured, performance ranges, and point value for each activity.

Criterion

2.3 Standards and Principles

The Controller's Organization shall have documented, effective internal controls and policies and procedures.

(Weight = 6.0% / Total Points = 60)

2.3.a Financial Controls

The Controller's Organization shall demonstrate the effectiveness of internal controls in primary accounting processes as identified with DOE.

(Weight = 3.0% / Total Points = 30)

2.3.b Financial Policies and Procedures

The consistency, accuracy, completeness, and currency of financial policies and procedures will be measured.

(Weight = 3.0% / Total Points = 30)

Basis for Rating

Exhibit I summarizes the activities to be measured, performance ranges, and point value for each activity.

Appendix F - Objective Standards of Performance

Performance Objective

3.0 External Budget Products and Services

The Controller's Organization provides quality and appropriate budget formulation and execution products and services to external customers in support of their financial management systems, policies, and procedures.

(Weight = 21.5% / Total Points = 215)

Criterion

3.1 Budget Formulation and Validation

The Controller's Organization shall provide budget formulation and validation products and services that facilitate effective financial management and stewardship of resources.

(Weight = 5.0% / Total Points = 50)

Performance Measures

3.1.a DOE Budget Submission and Validation

The Laboratory's formal DOE budget submission and validation activities will be measured for proactiveness, timeliness, accuracy, completeness, and customer satisfaction.

(Weight = 5.0% / Total Points = 50)

Basis for Rating

Exhibit I summarizes the activities to be measured, performance ranges, and point value for each activity.

Criterion

3.2 Budget Execution and Cost Management

The Controller's Organization shall provide budget execution products and services that facilitate effective financial management and stewardship of resources.

(Weight = 16.5% / Total Points = 165)

Performance Measures

3.2.a Control of Funds

The Laboratory's costs and commitments are controlled within established limits.

(Weight = 9.0% / Total Points = 90)

3.2.b Reports, Submissions, and Requests

Appendix F - Objective Standards of Performance

The Controller's Organization's reporting of budget execution and cost management to DOE will be measured.

(Weight = 7.5% / Total Points = 75)

Basis for Rating

Exhibit I summarizes the activities to be measured, performance ranges, and point value for each activity.

Performance Objective

4.0 Effective Decision Support

The Controller's Organization provides appropriate business information and intelligence, expertise, analysis, reports and organization management to enable effective internal decision making processes and outcomes.

(Weight = 19.0% / Total Points = 190)

Criterion

4.1 Internal Planning, Reporting, and Analyses

The Controller's Organization shall provide effective planning, reporting, and analytical decision support to its internal customers.

(Weight = 19.0% / Total Points = 190)

Performance Measures

4.1.a Effective processes and tools

The Controller's Organization uses effective processes and tools that satisfy customer needs.

(Weight = 14.5% / Total Points = 145)

4.1.b Institutional Distributed/Indirect Budget and Rate Management

The Controller's Organization institutional distributed/indirect budget and rate management activities will be measured.

(Weight = 4.5% / Total Points = 45)

Basis for Rating

Exhibit I summarizes the activities to be measured, performance ranges, and point value for each activity.

Performance Objective

5.0 Effective Financial Management Systems

Appendix F - Objective Standards of Performance

The Controller's Organization will provide proactive leadership in improving financial information systems and decision support tools, in support of DOE and Laboratory initiatives.
(Weight = 11.0% / Total Points = 110)

Criterion

5.1 Effective Internal Systems

The Controller's Organization will provide proactive leadership in improving financial information systems and decision support tools.
(Weight = 6.0% / Total Points = 60)

Performance Measure

5.1.a Evolving to Meet Technology Advances

The Controller's Organization will demonstrate the effectiveness of the Laboratory's financial information systems and decision support tools in support of internal customer's needs.
(Weight = 6.0% / Total Points = 60)

Basis for Rating

Exhibit I summarizes the activities to be measured, performance ranges, and point value for each activity.

Criterion

5.2 Support of DOE Initiatives

The Controller's Organization shall provide support to DOE initiatives related to relevant DOE Councils and major financial information systems.
(Weight = 5.0% / Total Points = 50)

Performance Measure

5.2.a Effectiveness of Support of DOE Initiatives

The Controller's Organization shall demonstrate the effectiveness of the Laboratory's support to DOE management and information systems initiatives.
(Weight = 5.0% / Total Points = 50)

Basis for Rating

Exhibit I summarizes the activities to be measured, performance ranges, and point value for each activity.

EXHIBIT I
LBL FINANCIAL MANAGEMENT
FY 2003 SUB MEASURES

Note: Gauged gradients are scored based on results during the assessment year. A percentage of points, from 100% to 50%, are earned based upon these results. Below a certain performance level, zero points are earned. The summary of gauged gradients below indicate the performance levels required to earn 0%, 50%, 60%, 70%, 80%, and 90% of available points.

MEASURE	ACTIVITY	GRADIENTS	POINT VALUE
1.1.a	Effectiveness of Disbursements		12
1.1.a.1	Vendor payments made on time. (Gauged Gradient)	<i>Percentage of Points Earned</i> 0/50/60/70/80/90 <i>Performance Level (%)</i> ≤59.99/60.00/68.00/76.00/84.00/≥92.00	10
1.1.a.2	Customer satisfaction results.	Meets/Doesn't Meet	2
1.1.b	Effectiveness of Collections		13
1.1.b.1	Effective processing of receivables invoices. (Gauged Gradient)	<i>Percentage of Points Earned</i> 0/50/60/70/80/90 <i>Performance Level (Days)</i> ≥15.01/15.00/12.50/10.00/7.50/≤5.00	5
1.1.b.2	No delinquent non-federal receivables (>160 days).	Meets/Doesn't Meet	4
1.1.b.3	No delinquent federal receivables (>160 days).	Meets/Doesn't Meet	4
1.2.a	Work For Others (WFO) Accounts – Use of UC Bridge Funding		28
1.2.a.1	The Laboratory provides UC with timely information on UC bridge funding.	Meets/Doesn't Meet	14
1.2.a.2	The Laboratory provides DOE/OAK with timely information on UC bridge funding.	Meets/Doesn't Meet	14
1.2.b	High Risk Account Reconciliations		64
1.2.b.1	Payroll bank account is reconciled within 20 workdays after receipt of the Account Reconcilement Report from the bank.	Meets/Doesn't Meet	16
1.2.b.2	Payroll bank account - Controllable reconciling items over 60 days old will not exceed 25% of the total controllable reconciling items. The 60- day time period will begin from the date that the reconciliation is completed.	Meets/Doesn't Meet	16
1.2.b.3	Vendor bank account is reconciled within 20 workdays after receipt of the Account Reconcilement Report from the bank.	Meets/Doesn't Meet	16
1.2.b.4	Vendor bank account - Controllable reconciling items over 60 days old will not exceed 25% of the total reconciling items. The 60-day time period will begin from the date that the reconciliation is completed.	Meets/Doesn't Meet	16

Appendix F - Objective Standards of Performance

MEASURE	ACTIVITY	GRADIENTS	POINT VALUE
1.2.c	Asset Management		24
1.2.c.1	Upon approval from Property, capitalize all completed capital construction projects no later than the next monthly accounting period after beneficial occupancy.	Meets/Doesn't Meet	16
1.2.c.2	Financial Management participates in the Unified Project Call process, which ensures all funding determination requests are evaluated and prioritized for appropriateness. Funding is monitored for appropriate allocation and distribution.	Meets/Doesn't Meet	8
2.1.a	Audit Results and Resolution		18
2.1.a.1	Appropriate targeting of accepted findings. (Appropriate target dates were set for all audit findings. Points are assigned based on percentage of target dates that were met.)	<u>Percentage of Points Earned</u> 0/50/60/70/80/90/100 <u>Performance Level</u> <u>(% Target Resolution Dates Met)</u> ≤49/50/60/70/80/90/100	9
2.1.a.2	Appropriate resolution of accepted findings. (Appropriate resolution was set for all audit findings. Points are assigned based on percentage of resolution of all accepted audit findings that were met.)	<u>Percentage of Points Earned</u> 0/50/60/70/80/90/100 <u>Performance Level</u> <u>(% Target Resolution Dates Met)</u> ≤49/50/60/70/80/90/100	9
2.1.b	Internal Controls and Compliance on Subject Areas		36
2.1.b.1	Self-assessment reports and related documentation, as determined in conjunction with DOE/OAK. (DOE/OAK will determine if self-assessment reports and related documentation were complete.)	<u>Percentage of Points Earned</u> 0/50/60/70/80/90/100 Performance Level <u>(% of Self-Assessment Reports and Related Documentation Requiring Additional Information)</u> ≥51/50/40/30/20/10/0	18
2.1.b.2	Appropriate targeting of self-assessment findings. (DOE/OAK will determine if appropriate target dates were set and met for all self-assessment findings.)	<u>Percentage of Points Earned</u> 0/50/60/70/80/90/100 <u>Performance Level</u> <u>(% of Target Resolution Dates Not Met)</u> ≥51/50/40/30/20/10/0	9
2.1.b.3	Appropriate resolution of self-assessment findings. (DOE/OAK will determine if appropriate resolution was met for all self-assessment findings.)	<u>Percentage of Points Earned</u> 0/50/60/70/80/90/100 <u>Performance Level</u> <u>(% of Target Resolution Dates Not Met)</u> ≥51/50/40/30/20/10/0	9
2.1.c	Cost Accounting Practices		72
2.1.c.1	Indirect rate submissions are timely, accurate, complete, and in conformance with Cost Accounting Standards (CAS), as determined by DOE/OAK.	Meets/Doesn't Meet	18
2.1.c.2	CAS change proposal submissions are timely, accurate, complete, and in conformance with the agreed upon requirements as determined by DOE/OAK.	Meets/Doesn't Meet	18

FY 2003
 Effective 10/01/02
 M371 issued 4/14/03 [changes to Financial Management]

Appendix F - Objective Standards of Performance

MEASURE	ACTIVITY	GRADIENTS	POINT VALUE
2.1.c.3	CAS Disclosure Statement is current, accurate, and complete and in conformance with the agreed upon requirements as determined by DOE/OAK.	Meets/Doesn't Meet	18
2.1.c.4	Internal customer information distribution process is in place. Information is distributed to customers on timely basis (i.e., within 10 workdays after notification of DOE/OAK approval).	Meets/Doesn't Meet	18
2.1.d	Accuracy of DOE Financial Statements		50
2.1.d.1	DOE balance sheet codes reconciliations.	95% = Meets	16
2.1.d.2	The Laboratory is free of material GMRA audit findings.	Meets/Doesn't Meet	16
2.1.d.3	Financial Statement reports address the information requirements specified in the appropriate Federal Accounting Standard and/or DOE guidance.	Meets/Doesn't Meet	18
2.2.a	Internal Financial Management Reporting		38
2.2.a.1	Monthly and periodic financial management reports are accurate, complete and meet user needs.	Meets/Doesn't Meet	38
2.2.b	DOE and Other External Laboratory Reporting		70
2.2.b.1	Timeliness of MARS transmission.	Meets/Doesn't Meet (Monthly)	30
2.2.b.2	MARS reporting requirement changes implemented as required by the DOE schedule (B&R recasts, OPI codes, etc.).	95% = Meets	20
2.2.b.3	Timeliness, accuracy and completeness of periodic DOE financial reports.	95% = Meets	10
2.2.b.4	Timeliness, accuracy and completeness of ad hoc DOE financial reports.	95% = Meets	10
2.3.a	Financial Controls		30
2.3.a.1	WFO account management.	Meets/Doesn't Meet	15
2.3.a.2	UCDRD account management.	Meets/Doesn't Meet	15
2.3.b	Financial Policies and Procedures		30
2.3.b.1	Financial policies and procedures are accurate, consistent, complete, and current in areas assessed, and are available to Laboratory organizations.	<u>Percentage of Points Earned</u> 0/50/60/70/80/90/100 <u>Performance Level</u> <u>(% of Financial Policies and</u> <u>Procedures Accurate, Consistent, Complete</u> <u>and Current)</u> ≤49/50/60/70/80/90/100	15
2.3.b.2	Changes and/or updates to financial policies and procedures are communicated in a timely manner (i.e., within 10 workdays of final publication).	Meets/Doesn't Meet	15

Appendix F - Objective Standards of Performance

MEASURE	ACTIVITY	GRADIENTS	POINT VALUE
3.1.a	DOE Budget Submission and Validation		50
3.1.a.1	Proactivity and customer satisfaction. The Laboratory takes proactive steps to ensure that the DOE field budget submission and validation is timely, accurate, complete, and meets DOE/OAK's needs.	Meets/Doesn't Meet	25
3.1.a.2	DOE Field Budget Submission. Timeliness, Accuracy, and Completeness. The Laboratory's DOE field budget submission exhibits and schedules are submitted to DOE timely, accurately and with all schedules completed as prescribed in the DOE's guidance.	Meets/Doesn't Meet	25
3.2.a	Control of Funds		90
3.2.a.1	Laboratory costs are within cost control levels at the end of each monthly accounting period for DOE direct funding.	Three and one half points will be awarded for each month where there are no instances of costs exceeding available funds at the cost control level.	42
3.2.a.2	The sum of the Laboratory's DOE funded costs and commitments do not exceed available funds at the B&R Obligational Control Level (OCL) at year-end.	Meets/Doesn't Meet	15
3.2.a.3	The Laboratory's Reimbursable WFO costs do not exceed available funds at the Reimbursable Work Order (RWO) Obligational Control Level (OCL) at year-end.	Meets/Doesn't Meet	15
3.2.a.4	Laboratory Costs are within cost control levels for all DOE funding -throughout the year.	Nine additional points will be awarded at year-end if no instances of costs exceeding available funds at the cost control level occurred during the entire fiscal year.	9
3.2.a.5	Laboratory costs are within cost control levels for Reimbursable WFO funding throughout the year.	Nine additional points will be awarded at year-end if no instances of costs exceeding available funds at the cost control level occurred during the entire fiscal year.	9
3.2.b	Reports, Submissions, and Requests		75
3.2.b.1	Functional Cost Report is timely, accurate, and complete as determined by DOE.	Meets/Doesn't Meet	25
3.2.b.2	Uncosted Balance Reports are timely, accurate, and complete as determined by DOE.	Meets/Doesn't Meet	25
3.2.b.3	Regular and ad hoc budget and cost reports are timely, accurate, and complete as determined by DOE (e.g., Statement of Costs Incurred and Claimed, Laboratory Directed Research and Development [LDRD] Report, WFO Modification Request).	Meets/Doesn't Meet	25

Appendix F - Objective Standards of Performance

MEASURE	ACTIVITY	GRADIENTS	POINT VALUE
4.1.a	Effective processes and tools		145
4.1.a.1	Financial Management provides effective, value-added tools for quality analysis and informed decisions (e.g., Operating Plan, Institutional Forecast Summary for Director's Review, and the Institutional Plan Summary Report).	Meets/Doesn't Meet	50
4.1.a.2	Financial Management supports processes that meet the needs of the Laboratory (e.g., training, utilization of effective financial systems, rate management, and work force development).	Meets/Doesn't Meet	50
4.1.a.3	Controller's Organization cost trends compared to total Laboratory costs. (Gauged Gradient)	<u>Percentage of Points Earned</u> 0/50/60/70/80/90 <u>Performance Level (%)</u> ≥1.59/1.58/1.38/1.20/1.00/≤0.80	45
4.1.b	Institutional Distributed/Indirect Budget and Rate Management		45
4.1.b.1	The Laboratory takes proactive steps to ensure that the institutional indirect budget formulation and execution submissions and periodic reports are timely, accurate, complete, and meet the needs of Laboratory Management.	Meets/Doesn't Meet	45
5.1.a	Evolving to Meet Technology Advances		60
5.1.a.1	Customer driven development priorities.	Meets/Doesn't Meet	12
5.1.a.2	Accuracy of data.	Meets/Doesn't Meet	12
5.1.a.3	Internal systems strategic planning.	Meets/Doesn't Meet	12
5.1.a.4	Software security.	Meets/Doesn't Meet	12
5.1.a.5	Effective use of Electronic Data Interchange (EDI) technology.	Meets/Doesn't Meet	12
5.2.a	Effectiveness of Support of DOE Initiatives		50
5.2.a.1	Support of Financial Management Systems Improvement Council (FMSIC) and the Business Management Information System (BMIS).	Meets/Doesn't Meet	20
5.2.a.2	DOE satisfaction with timely FMS Plan submission.	Meets/Doesn't Meet	20
5.2.a.3	DOE satisfaction with the Laboratory's coordination and support of DOE priorities and long-term system initiatives.	Meets/Doesn't Meet	10

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Section C - Performance Objectives, Criteria And Measures

4 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 national standards using an independent third-party to validate the system.

(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 national standards.

(Weight = 100%)

Assumptions

- 1) It is expected that to accomplish this measure will be a multiple year effort.
- 2) This objective is consistent with the HR five-year (FY03-FY07) strategic plan.
- 3) 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: Recruitment, Retention, Development, and Labor and Employee Relations

Appendix F - Objective Standards of Performance

4) The cycle for completing this activity will consist of the following phases: Assessment, Design, Development, Implementation, and Evaluation.

Gradient

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 national standards have been developed and a gap analysis completed for four areas under the mutually agreed-upon project plan.

Excellent In addition to the good gradient, HR has developed a transition plan responsive to the gap analysis for two of the areas.

Outstanding In addition to the excellent gradient, HR has developed a transition plan responsive to the gap analysis for four of the areas.

Section C - Performance Objectives, Criteria And Measures

5 Information Technology Infrastructure

Performance Objective

1.0 Information Technology Infrastructure.

The Laboratory provides information technology infrastructure and services by meeting customer requirements and providing a protected computing environment that serves the open scientific mission of the Laboratory.

(Weight = 100%)

Criterion

1.1 Customer Satisfaction

Evaluation of the degree to which the Laboratory's IM products and services meet customer requirements.

(Weight = 50%)

Performance Measure

1.1a Level of Customer Service

Evaluation of customer service reviews and implementation of activities toward improvement.

Assumptions

- 1) Measurement deliverable: results of the customer service metrics.
- 2) The agreed to Information Management areas to be addressed by this Performance Measure:
 - CIS-Desktop Support
 - Average satisfaction overall from Help Desk ticket survey – Stable above 9.0 out of 10 or increasing
 - % of tickets with response to any survey question of 5 or lower out of 10. - Decreasing
 - % of help tickets resolved by Help desk at "first touch" - Increasing

Gradient

Unsatisfactory No results are demonstrated and little or no effort has been expended in establishing effective processes towards achievement of the performance measure.

Marginal Results fall short of the expectations for the "good" gradient however some effort has been made to establish effective processes.

Appendix F - Objective Standards of Performance

- Good A systematic approach to the measurement of customer service. Evidence of meeting commitments to customer's requirements.
- Excellent Cost effective and/or innovative approaches to measuring customer satisfaction, customer involvement throughout life cycle of information management activities, and evidence of improvement in customer service.
- Outstanding Sustained high level of customer service.

1.2 Criterion

Protected computing environment

1.2.a Performance Measure

Evaluation of the effectiveness of the Laboratory's Cyber Protection Program (CPP) in providing a protected computing environment by deploying cyber protection measures based on cost and risk.

(Weight = 50%)

Assumptions

CPP develops quantifiable assessment data

CPP deploys effective countermeasures based on cost and risk using the Laboratory's Risk Assessment Model

CPP monitors damage, identifies and addresses vulnerabilities, promotes awareness and responsibilities, and informs line management.

Gradient

Unsatisfactory No results are demonstrated and little or no effort has been expended in establishing effective processes towards achievement of the performance measure.

Marginal Results fall short of the expectations for the "good" gradient however some effort has been made to establish effective processes.

Good A systematic approach to monitoring damage, vulnerabilities, and awareness is deployed. Evidence that monitoring data from the risk assessment model is used to inform line management of protection issues. Vulnerabilities are addressed.

Excellent Monitoring damage, vulnerabilities, and awareness leads to the improved deployment of countermeasures that are evaluated by return on investment (ROI). Total program costs including damages are minimized. Vulnerabilities are addressed. Monitoring data is used to inform line management, to adjust protection and individual awareness, and to improve the risk assessment model.

Outstanding Monitoring damage, vulnerabilities, and awareness of responsibility leads to the improved deployment of countermeasures that are evaluated by return on investment (ROI). Total program costs including damages are minimized as preventive measures are adapted to the ever-changing threat environment. Vulnerabilities are addressed. Monitoring data is used to inform line management,

to adjust protection and awareness of individual responsibility, and to improve the risk assessment model. Line management and individual staff are aware of vulnerabilities and accept residual risk. LBNL monitoring and risk assessment practices demonstrate progress toward a “validated systems” approach to 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, promote customer service, and operate 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).

Performance Measure

1.1.a Measuring System and Service Levels

An overall Procurement excellence score is 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%)

Gradient

Points	Rating
≥ 90 Points	Outstanding
80 – 89 Points	Excellent
70 – 79 Points	Good
60 – 69 Points	Marginal
< 60 Points	Unsatisfactory

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Section C - Performance Objectives, Criteria And Measures**7 Property Management****1.0 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.

Criterion**1.1 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), and will collaborate with other SC Laboratories in searching for the availability of property best practices and nationally recognized standards for adoption into Laboratory property operations.

Performance Measure**1.1.a Measuring System and Service Levels (Weight = 90%)**

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.

Gradient:

Points	Rating
>=475 Points	Outstanding
>=450 Points	Excellent
>= 400 Points	Good
>= 352 Points	Marginal
<352 Points	Unsatisfactory

Performance Measure**1.1.b Introducing Best Business Practices to Improve Property Performance (Weight = 10%)**

The Laboratory will collaborate with other DOE/SC Laboratories in studying, identifying, and documenting property best practices for potential adoption at DOE/SC sites. All SC Laboratories will be encouraged to participate in this activity by providing baseline information and by assisting in the research of non-DOE Property Systems and the assessment of their applicability. Included in this effort will be a review of other SC Laboratory property practices

Appendix F - Objective Standards of Performance

and procedures with the objective of developing a suite of validated SC Property System elements. The elements will be based on recognized or developed standards and accepted or developed practices.

Gradient:

Unsatisfactory: Little or no effort has been demonstrated towards the achievement of the performance measure.

Marginal: Some effort was demonstrated; however, results fell short of the expectations for a “Good” rating.

Good: The Laboratory contacted all SC Laboratories to collaborate in studying, identifying, and documenting property best practices for potential adoption at DOE/SC sites. A substantial amount of other SC Laboratory property practices and procedures were reviewed.

Excellent: The criterion for a “Good” rating has been met. In addition, new practices have been identified for possible implementation at the Laboratory.

Outstanding: The criterion for an “Excellent” rating has been met. In addition, new practices have been identified and some have been implemented at the Laboratory.

Section D - Assessment And Appraisal

Part 1 - UC Self-Assessment and Rating Process

- The UC Management team evaluates Laboratory Management and operations and administration systems for each Laboratory in each functional area (, Environment, Safety & Health, Facilities Management, Financial Management, Human Resources, Information Technology Infrastructure, Procurement, and Property Management) on the basis of established performance measures.
- Weighting of points for each area is established at the beginning of each annual evaluation cycle. Numerical scores expressed as percentages are assigned to each functional area based upon the performance assessment ratings listed below. These percentages multiplied by the maximum points allocated for each functional area result in the total points for that area. UC will provide ratings for Laboratory Management and for Operations and Administration Systems.

Part 1 – UC Evaluation and Appraisal

EVALUATION OF LABORATORY MANAGEMENT 100 PTS

Evaluation of Operations and
Administration Systems 400 pts



Environment, Safety and Health	100 pts
Project/Facilities/Construction Mgt	50 pts
Financial Management	50 pts
Human Resources	50 pts
Information Management	50 pts
Procurement	50 pts
Property Management	50 pts

**EVALUATION OF LABORATORY MANAGEMENT + EVALUATION OF OPERATIONS &
ADMINISTRATION SYSTEMS**

Total 100 points

Total 400 Points

Part 2 - DOE Evaluation and Appraisal



Evaluation of Laboratory Management
 100 pts

Evaluation of Operations and
 Administration Systems 400 pts

Evaluation of Science and Technology
 500 pts

Environment, Safety and Health	100 pts
Project/Facilities/Construction Mgt	50 pts
Financial Management	50 pts
Human Resources	50 pts
Information Management	50 pts
Procurement	50 pts
Property Management	50 pts

500 points

Evaluation of Laboratory
 Management

+

Evaluation of Operations &
 Administration Systems

+

Evaluation of S&T

Total 100 points

Total 400 Points

Total 500 Points

Part 3 - Performance Appraisal

Example

	Rating (*See Table 1)	% x	Max pts	Pt Score
Laboratory Management	Excellent	85% x	100 =	85 pts
Total of Laboratory Management				85 pts
Science & Technology	Excellent	85% x	500 =	425 pts
Total of Science and Technology				425 pts
 Operations & Administration Systems				
Environment, Safety & Health	Good	75% x	100 =	75 pts
Project/Facilities/Construction Mgt	Good	75% x	50 =	37.5 pts
Financial Management	Good	75% x	50 =	37.5 pts
Human Resources	Excellent	85% x	50 =	42.5 pts
Information Management	Good	75% x	50 =	37.5 pts
Procurement	Outstanding	95% x	50 =	47.5 pts
Property Management	Good	75% x	50 =	37.5 pts
Total of Operations and Administration Systems				315 pts
Total of Laboratory Management, Science & Technology and Operations & Administration Systems				825 pts

Table 1 - Adjectival Rating/Points Conversion

Adjectival Rating	Total Points
Outstanding	900 - 1000 points
Excellent	800 - 899 points
Good	700 - 799 points
Marginal	600 - 699 points
Unsatisfactory	0 - 599 points

Table 2 - DOE - UC Rating Adjectives

Numerical Range	Adjectival Description	Definition
< 60	Unsatisfactory	Significantly below the standard of performance; deficiencies are serious, and may affect overall results, immediate senior management attention, and prompt corrective action is required.
69- 60	Marginal	Below the standard of performance; deficiencies are such that management attention and corrective action are required.
79 - 70	Good	Meets the standard of performance; assigned tasks are carried out in an acceptable manner - timely, efficiently, and economically. Deficiencies do not substantively affect performance.
89-80	Excellent	Exceeds the standard of performance; although there may be room for improvement in some elements, better performance in all other elements offset this
100-90	Outstanding	Significantly exceeds the standard of performance; achieves noteworthy results; accomplishes very difficult tasks in a timely manner

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