

U.S. Department of Energy
Pacific Northwest Site Office

Fiscal Year 2012 Annual Performance Plan



U.S. DEPARTMENT OF
ENERGY

Office of
Science

Approved By: _____

A handwritten signature in black ink, appearing to read "R. Snyder", written over a horizontal line.

Roger E. Snyder, Site Manager

September 29, 2011

Manager's Introduction & Executive Summary

Introduction

The Pacific Northwest Site Office (PNSO) mission is to provide programmatic, operational, and institutional stewardship of the Pacific Northwest National Laboratory (PNNL) in support of the Department's Science and Technology (S&T) programs, goals and objectives. PNSO provides excellence in Laboratory contract administration and acts as the agent for the Office of Science (SC) and other Federal organizations which utilize the Laboratory. PNSO enables Contractor success in maximizing mission delivery by ensuring that government commitments are met and that government liabilities are proactively identified and managed. PNSO also partners with the Contractor and corporate parent to steward the assets of the Laboratory; performs risk-based oversight through use and validation of the Contractor Assurance System; evaluates Contractor performance against expected outcomes; and works with the Contractor to continuously improve performance.

Fiscal Year 2011 Accomplishments

PNSO made significant progress towards meeting SC Goals and improving performance in FY 2011. Through partnership with our Contractor, PNSO has implemented a strategic approach to Laboratory stewardship, made continuous improvement in how we manage our contract and conduct oversight, and improved operations by strengthening relationships and communication. PNSO also made significant progress in obtaining a comprehensive understanding of the Laboratory operating costs, risks, and liabilities, securing the future of the Laboratory as a government institution, and creating a shared future vision for PNSO's role in managing the PNNL contract. Internally, steps were taken to enhance organizational performance through increased teaming while emphasizing individual contributions towards shared organizational goals. These successes are evidenced by better integration of DOE and Contractor performance assurance activities that have resulted in reduced assessments; improved process efficiencies and response times on DOE commitments; shifted federal behavior toward a performance versus compliance approach; and improved site office integration and effectiveness.

Fiscal Year 2012 Goals and Objectives

Evaluation of the 2011 DOE Strategic Plan, the 2012 SC Deputy Director for Field Operations (DDFO) Goals, and our FY 2011 performance initiatives yielded performance-based improvement opportunities that have been incorporated into our Site Office goals, objectives, and measures for FY 2012 (see PNSO Measures to DDFO Objectives Matrix). Our key goals for FY 2012 include:

1. Improving Laboratory stewardship through increased understanding and control of government resources and liabilities while maximizing mission delivery;
2. Refining the contract management framework and emphasizing the contractual relationship to better enable efficient and effective mission execution and performance assurance; and
3. Optimizing our organizational and operational performance to achieve excellence in mission execution.

PNSO Measures to DDFO Objectives Matrix

DDFO Goal 1: Get Back to Basics	DDFO Goal 2: Improve our Laboratories and their Safe and Sustainable Operation	DDFO Goal 3: Support But Confirm CAS Results	DDFO Goal 4: Drive Mission-Outcome-Oriented Policies and Implementation Strategies, Internally and Across the Department
<i>DOE Strategic Goal 4: Management and Operational Excellence</i>	<i>DOE Strategic Goal 2: The Science and Engineering Enterprise</i>	<i>DOE Strategic Goal 2: The Science and Engineering Enterprise</i>	<i>DOE Strategic Goal 4: Management and Operational Excellence</i>
Objective 3.1 – Ensure That Our Workforce is Capable and Engaged <i>Measures:</i> 3.1.1 Keep the PNSO workforce plan current and relevant 3.1.2 Actively manage human capital 3.1.3 Provide team learning opportunities 3.1.4 Ensure staff development and qualifications	Objective 1.2 – Ensure Mission Readiness (Laboratory Stewardship) <i>Measures:</i> 1.2.1 Ensure lifecycle management and integration of Laboratory research assets within the Integrated Management System 1.2.2 Ensure operational requirements are identified, addressed, and integrated within the Integrated Management System	Objective 2.3 – Monitor and Evaluate Contractor Performance <i>Measures:</i> 2.3.1 Develop and maintain assessment plans 2.3.2 Ensure operational awareness of Contractor performance 2.3.3 Perform integrated analysis and report assurance results	Objective 2.1 – Reduce Barriers to Mission Execution <i>Measures:</i> 2.1.1 Manage contract deliverables 2.1.2 Meet commitments to the Contractor 2.1.3 Ensure timely processing of proposals and funding documents
Objective 3.2 – Create a Sustainable Organization by Optimizing Resources <i>Measures:</i> 3.2.1 Utilize technology to increase PNSO efficiency and effectiveness 3.2.2 Ensure PNSO plans and procedures are current 3.2.3 Develop a PNSO sustainability plan			Objective 3.3 – Strengthen Key Relationships <i>Measures:</i> 3.3.1 Support SC initiatives and/or requests for assistance 3.3.2 Maintain key relationships 3.3.3 Develop a PNSO communication program

Additional PNSO Measures

<p>DDFO Goal 1: Get Back to Basics</p>	<p>DDFO Goal 2: Improve our Laboratories and their Safe and Sustainable Operation</p>	<p>DDFO Goal 3: Support But Confirm CAS Results</p>	<p>DDFO Goal 4: Drive Mission-Outcome-Oriented Policies and Implementation Strategies, Internally and Across the Department</p>
<p><i>DOE Strategic Goal 4: Management and Operational Excellence</i></p>	<p><i>DOE Strategic Goal 2: The Science and Engineering Enterprise</i></p>	<p><i>DOE Strategic Goal 2: The Science and Engineering Enterprise</i></p>	<p><i>DOE Strategic Goal 4: Management and Operational Excellence</i></p>
	<p>Objective 1.1 – Assure Strategy Development (Laboratory Stewardship) <i>Measures:</i> 1.1.1 Assure the Laboratory’s strategic planning aligns the mission to SC designated capabilities. 1.1.2 Assure the Laboratory’s Project Portfolio Management translates strategy into S&T mission delivery.</p>		<p>Objective 2.2 – Actively Manage Contractual Change and Institutional Risk <i>Measures:</i> 2.2.1 Improve institutional risk management 2.2.2 Keep the contract and contract management plan current and relevant 2.2.3 Implement a new technology transfer mechanism and transition from the Use Permit</p>

Performance Oversight Plan

Introduction

The PNSO Oversight Plan emphasizes a performance-based approach with a focus on confirming the sustainability of PNSO and PNNL performance in delivering desired results and outcomes. The approach includes the following attributes:

- Diligence in continual clarification of Roles, Responsibilities, Authorities and Accountabilities;
- Increased reliance on the Contractor's Assurance System to deliver accurate performance information;
- Strengthened partnering and transparency between the PNSO and the Contractor in assessment planning and results, as well as measuring and monitoring performance;
- Increased emphasis in leveraging the acceptance of contract deliverables in understanding performance;
- Development of improved PNSO data collection and reporting that links Site Office activities to performance objectives of both PNSO and the Contractor.

Site Office Performance

PNSO evaluates performance against the goals, objectives, and measures identified in this plan through tri-annual program performance reviews. Performance results are documented at each of these meetings and in the Annual Assessment Report. Additionally, the Site Office self-assesses its performance through several other activities including the annual Integrated Safety Management declaration, Quality Assurance program reviews, and other external audits or peer reviews as applicable. These goals and objectives are linked to staff performance through Individual Performance Plans.

Contractor Performance

The primary mechanism for evaluating Contractor performance is through the annual Performance Evaluation Measurement Plan (PEMP) which is developed in accordance with SC guidance and measured by S&T project sponsors and PNSO. Performance confirmation activities of the Contractor are divided into four categories with varying levels of rigor and formality. The categories are 1) Assessments (see Appendix A – PNSO IAS), 2) Surveillances, 3) Management Walk-throughs and 4) Operational Awareness. Reviews conducted by external organizations are also considered by the Site Office in confirming Contractor performance. Contractor issues management activities are conducted, reported and tracked by the Contractor and monitored by the Site Office.

Performance Data Collection and Feedback Mechanisms

PNSO documents its performance confirmation activities of the Contractor and the Site Office in its Performance Assurance Reporting (PAR) tool and links the entries to both the PEMP and APP objectives

to assure that the work performed by the Site Office is properly aligned with expectations. The data can be utilized to monitor performance of the Laboratory and the Site Office. Data entered in the PAR tool also serves as documented objective evidence of performance confirmation activities. Performance data is collectively analyzed and reported during PNSO program reviews, shared with SC-3 as requested, and utilized as input for the PEMP evaluation process.

Contractor Assurance System (CAS) Implementation

The Site Office has been proactive in partnering with the Contractor to add the CAS contract clause, modify additional contract clauses to eliminate the previous corporate assurance provisions, and remove the DOE O 226.1A CRD requirement from the contract. The intent, goals, and specific attributes of the CAS clause have been in existence and practiced at PNNL since 2004. Continued monitoring of CAS implementation is performed through tri-annual reviews with the Contractor.

PNSO Integrated Assessment Schedule (IAS)*
Appendix A

Management & Operations Program	Title	Planned Completion	Reviewing Organization	Organization Reviewed	Frequency
Accounting & Cost Allocation	FY 12 LDRD Certification	12/1/2011	ISC-ORO	PNNL	Annual
Safeguards and Security	Periodic SAS Survey of Hohman Plating	12/31/2011	ISC	Subcontractor	2 Year
M&O-Facility Management	FY 12 PNNL FIMS Validation	3/31/2012	PNSO	PNNL	Annual
Budgeting - Cost Estimating - Pricing	FY 12 Budget Validation Review	9/30/2012	ISC-ORO	PNNL	Annual
Budgeting - Cost Estimating - Pricing	FY 12 Funds Control System-concentration - Limited Use Appropriations	9/30/2012	ISC-ORO	PNNL	3 Year
Nuclear Operations - Facility Safety	2012 Nuclear Maintenance MP implementation effectiveness	9/30/2012	ISC	PNNL	Periodic
Nuclear Operations - Facility Safety	2012 SSO Assessment of NPH by the ISC	9/30/2012	ISC	PNNL	Annual
Nuclear Operations - Facility Safety	2012 SSO Fire Suppression System Review	9/30/2012	ISC	PNNL	Annual
Nuclear Operations - Facility Safety	2012 SSO Criticality Alarm System	9/30/2012	ISC	PNNL	Annual
Accounting & Cost Allocation	FY 12 Annual Financial Management Review (concentration-Indirect Burdening of Unallowable Cost)	9/30/2012	ISC-ORO	PNNL	Annual
N/A	FY 12 Audit Resolution and Follow-up	9/30/2012	ISC-ORO	PNNL	3 Year
Budgeting - Cost Estimating - Pricing	FY 12 Biennial Prices Charged for Materials and Services	9/30/2012	ISC-ORO	PNNL	2 Year
Accounting & Cost Allocation	FY 13 LDRD Certification	12/1/2012	ISC-ORO	PNNL	Annual
Environmental Management	Assessment for ISO-14001-2004 Certification to PNWD	12/31/2012	PNSO	PNNL	3 Year
Facility Management	FY 13 PNNL FIMS Validation	3/31/2013	PNSO	PNNL	Annual
Research & Project Management	FY 13 EVMS Assessment	6/30/2013	PNSO	PNNL	Annual
Accounting & Cost Allocation	FY 13 CAS Compliance Audit	9/30/2013	ISC-ORO	PNNL	Annual
Accounting & Cost Allocation	FY 13 Revised CAS Disclosure Statement Review	9/30/2013	ISC-ORO	PNNL	Annual

Accounting & Cost Allocation	FY 13 Annual Financial Management System	9/30/2013	ISC-ORO	PNNL	Annual
Accounting & Cost Allocation	FY 13 Financial Management Assurance (FMA)- (A-123)	9/30/2013	ISC-ORO	PNNL	2 Year
Budgeting - Cost Estimating - Pricing	FY 13 Billing Rates and Forward Pricing Rates	9/30/2013	ISC-ORO	PNNL	Annual
Research & Project Management	FY14 EVMS Assessment	6/30/2014	PNSO	PNNL	Annual
Accounting & Cost Allocation	FY 14 CAS Compliance Audit	9/30/2014	ISC-ORO	PNNL	Annual
Budgeting - Cost Estimating - Pricing	FY 14 Billing Rates and Forward Pricing Rates	9/30/2014	ISC-ORO	PNNL	Annual
Budgeting - Cost Estimating - Pricing	FY 14 Biennial Prices Charged to Materials and Services	9/30/2014	ISC-ORO	PNNL	2 Year
Accounting & Cost Allocation	FY 14 Annual Financial Management Review	9/30/2014	ISC-ORO	PNNL	Annual
Accounting & Cost Allocation	FY 14 Report on Adequacy and Compliance of Disclosure Statement Revisions	9/30/2014	ISC-ORO	PNNL	Annual

* This assessment schedule does not include PNSO surveillances, walkthroughs, operational awareness activities or external reviews.

PNSO FY 2012 APP Implementation Plan**Appendix B****PNSO Vision**

Enable world-leading science and technology in a safe and secure manner by providing superior contract management, stewardship, and leadership in a performance-based environment where everyone contributes and has an opportunity to grow.

PNSO Management Principles and Values

In striving to accomplish the PNSO Vision and contribute to the achievement of the DOE Strategic Goals, PNSO has embraced the Department's Management Principles as reiterated below:

- Our Mission is vital and urgent.
- Science and technology is at the heart of our mission.
- We will treat our people as our greatest asset.
- We will pursue our mission in a manner that is safe, secure, legally and ethically sound, and fiscally responsible.
- We will manage risk in fulfilling our mission.
- We will apply validated standards and rigorous peer review.
- We will succeed through teamwork, communication, and continuous improvement.

In addition to the Management Principles, PNSO has developed the following Site Office Values:

- We will be professional, respectful, and impartial in conducting our business.
- We will partner with the Contractor and Parent Company to assure a successful Laboratory, while holding the Contractor accountable for meeting contract expectations.
- We will fully utilize our collective knowledge, abilities, and diversity of thought to solve problems.
- We will strive to implement a performance based culture with clear expectations, accountability, and performance measurement.
- We will all contribute towards making PNSO a great place to work.

PNSO FY 2012 Goals, Objectives, and Measures

The APP is used as the principal mechanism for planning and tracking Site Office activities and provides a basis for efficiently and effectively measuring and reporting Site Office performance.

The Secretary of Energy has challenged the Department to accelerate and improve the execution of the Department's mission. The PNSO goals reflect our commitment to directly contribute to the successful execution of the Department's goals and are reinforced by management principles and values that have

matured at PNSO over time. These principles provide the performance-based framework that enables continuous improvement in mission execution through increased transparency and collaboration, shared accountability, and clear performance expectations.

The APP creates linkage between the Department's goals and the PNSO objectives while providing a systematic and efficient way of tracking performance. The PNSO Strategic Goals for FY 2012 are provided below and are consistent with the DOE Mission, the SC Goals, and the PNSO Vision and Values. The goals are implemented through their associated objectives and measures.

- **Goal 1 – Ensure Laboratory Stewardship.** Demonstrate a stewardship culture through understanding and controlling government resources and liabilities while meeting current commitments and future DOE needs.
- **Goal 2 – Improve Contract Management and Performance Assurance.** Create and maintain a contract management framework that enables efficient and effective mission execution.
- **Goal 3 – Optimize Organizational Performance.** Achieve organizational and operational excellence in accomplishing our mission.

The PNSO FY2012 objectives were derived from a top-down analysis of the Department's Strategic Plan and SC Goals intersected with a bottom-up analysis of risks and continuous improvement opportunities, both residual and emerging, as identified by the Site Office. The risk-based focus enables PNSO to actively manage and adjust resources as necessary to mitigate negative risks and maximize positive opportunities.

Detailed performance measures have been developed to facilitate the measurement of Site Office progress in mitigating risk and accomplishing the objectives. Although the identified measures may be the primary means for defining performance, additional performance information that is available to the Site Office from other sources may be utilized to manage resources, mitigate issues and risks, and determine the overall success in meeting an objective. The objectives and measures are provided in detail below.

Goal 1 – Ensure Laboratory Stewardship

Demonstrate a stewardship culture through understanding and controlling government resources and liabilities while meeting current commitments and future DOE needs.

As the stewards of PNNL, PNSO and the Contractor are active partners in assuring maximum mission delivery while ensuring the Laboratory is effectively and efficiently utilized, developed, renewed and enhanced to meet current and future needs. Realization of this goal would be demonstrated through the following objectives and measures:

- **Objective 1.1 – Assure Strategy Development:** Ensure the Contractor provides quality strategic planning which aligns SC designated Laboratory Core Capabilities with the Laboratory’s mission. (Owner: Julie Turner)

Measure	Purpose/Description	Target
1.1.1 Assure Strategy Development	Assess performance of the Laboratory’s strategy development to assure it addresses the evolution of SC designated Laboratory Core Capabilities and implements an integrated approach to ensure associated research staff, facilities and infrastructure, equipment, and materials are available to meet anticipated DOE and national needs.	<p>Ensure FY 2012 Laboratory Agenda reflects alignment between Site Office and the Contractor. <i>December 2011</i></p> <p>Ensure FY 2013 Laboratory Plan reflects alignment between the Site Office and the Contractor and is completed in accordance with SC guidance. <i>July 2012</i></p> <p>Review all of the Laboratory’s S&T and M&O Initiative Plans and provide Contractor feedback. <i>August 2012</i></p>
1.1.2 Assure Project Portfolio Management and Strategy Execution	Assess performance of the Laboratory’s Project Portfolio Management (PPM) in translating strategy into mission accomplishment by assuring that the Contractor maintains a portfolio of research projects that is consistent with the Laboratory’s agenda and is executed in a manner that meets operational requirements and utilizes research staff, facilities, equipment and materials in an efficient and effective manner.	<p>Monitor Contractor progress in integrating and developing performance measures for the Develop Strategy and Project Execution CBPs. Communicate status to staff through operational awareness, briefings, and walkthroughs. <i>Tri-annual CBP Forum</i></p> <p>Collaborate with the Contractor to define PNSO data access needs and user perspective (i.e. dashboard) in Oracle PPM development. <i>September 2012</i></p>

- **Objective 1.2 – Ensure Mission Readiness:** Ensure that operational requirements and laboratory resources (research staff, facilities & infrastructure, equipment, and materials) are developed, integrated, and effectively and efficiently managed such that the Laboratory remains state-of-the-art and is well-positioned to meet current and future DOE needs and sustainability goals. (Owner: J. Turner)

Measure	Purpose/Description	Target
<p>1.2.1 Assure Lifecycle Management and Integration of the Core Business Processes (CBPs):</p> <ul style="list-style-type: none"> • Research Staff • Facilities and Infrastructure • Research Equipment • Research Materials and Specimens 	<p>Partner with the Contractor to assure the continued development and integration of the Laboratory's CBPs.</p> <p>Review contract deliverables both from a compliance perspective and how well it achieves the following stewardship outcomes:</p> <ul style="list-style-type: none"> • Present needs are met without compromising the ability to meet future needs. • Mission delivery is maximized and institutional liability is minimized. • Resources are properly utilized, developed, renewed and enhanced while achieving DOE sustainability goals. 	<p>Monitor progress for 300 Area site services against project plan and take appropriate actions. <i>Monthly</i></p> <p>Monitor Contractor progress in integrating and developing performance measures for subject CBPs. Communicate status to staff through operational awareness, briefings, and walkthroughs. <i>Tri-annual CBP Forum</i></p> <p>Ensure EMSL projects (Q-wing, HRMAC, Radiological Capability, HPCS, etc.) meet milestones as defined in Project Management Plans. <i>Project Milestones</i></p> <p>Obtain CSIL CD-0 Approval. <i>November 2011</i></p> <p>Develop and insert H-Clause into the contract to drive sustainability. <i>December 2011</i></p> <p>Submit Site Sustainability Plan to SC including annual goals and a description of how sustainability is considered in planning. <i>December 2011</i></p> <p>Partner with Contractor and BER to achieve a common understanding of EMSL Facility Operational Cost. <i>December 2011</i></p> <p>Develop PNSO strategy to manage, oversee, and/or make improvements to DOE-leased contractor assets. <i>March 2012</i></p> <p>Implement the strategy for long term physical security. <i>March 2012</i></p>

Measure	Purpose/Description	Target
		Approve Campus Master Plan that includes mutually agreed to planning principles. <i>May 2012</i>
1.2.2 Assure Integration of Operational Requirements Within the Integrated Management System	Partner with the Contractor to assure operational requirements are effectively identified and addressed in elements of the Integrated Management System. Review contract requirements both from a compliance perspective and how well it achieves stewardship outcomes.	Review the Laboratory requirements management system to ensure that 100% of contractual requirements are appropriately identified, translated, and implemented. <i>March – September 2012</i>

Goal 2 – Improve Contract Management and Performance Assurance

Create and maintain a contract management framework that enables efficient and effective mission execution.

PNSO is focused on improving contract management by emphasizing its contractual relationship with the contractor. Specifically, we will continue to eliminate unnecessary transactions and take appropriate risks that enable the Laboratory to execute its mission and deliver our government contractual commitments on or ahead of schedule. PNSO’s approach to assurance is built on cooperating with the contractor on shared goals and objectives for the institution, monitoring performance against those goals and objectives within the requirements of the contract, and providing clear performance expectations and feedback throughout the year. Realization of this goal would be demonstrated through the following objectives and measures:

- **Objective 2.1 – Reduce Barriers to Mission Execution:** Collaborate with the Contractor to eliminate unnecessary transactions, deliver contractual commitments on or ahead of schedule, and implement a performance-based contract framework that enables the Contractor to better execute the Laboratory mission.

(Owner: D. Biancosino)

Measure	Purpose/Description	Target(s)
2.1.1 Manage Contract Deliverables	Continue to refine and track deliverables identified in the contract. Manage the contract to reduce or eliminate deliverables where it makes sense. Ensure that deliverables from the Contractor are	Modify and use PNSO systems to track and report deliverable review/acceptance/rejection. <i>Weekly</i>

	adequately reviewed and responded to if required.	
2.1.2 Meet Commitments to the Contractor	Continue to track commitments and correspondence between DOE and the Contractor. We will continue to improve on our response time and on-time percentage.	Achieve 90% on-time response rate to required or agreed timeframes.
2.1.3 Ensure Timely Processing of Proposals and Funding Documents	Track the PNSO processing times of Work Authorizations and WFO proposals and funding documents to assure a quick turnaround of documents and facilitate work on mission related activities.	Turnaround proposal and funding actions within: < 5 working days Turnaround contract funding modifications: < 3 working days

- **Objective 2.2 – Actively Manage the Contract:** Improve contract management by emphasizing the contractual relationship with Battelle, collaborating to manage risks to the institution, and managing change to keep the contract current and relevant to the Laboratory mission.
(Owner: R. Kilbury)

Measure	Purpose/Description	Target(s)
2.2.1 Improve Institutional Risk Management	Partner with the Contractor to drive continuous improvement in implementing a comprehensive risk management framework that provides increased assurance in risk management and decision making. Evaluate the contractor assurance system and employ a risk-based approach to determine where additional oversight is warranted.	Develop an approach for evaluating the contractor assurance and enterprise risk management systems to determine where additional risk-based oversight is warranted. <i>March 2012</i>
2.2.2 Keep the Contract and Contract Management Plan Current and Relevant	Ensure the contract is maintained to the most current set of requirements in a timely fashion so as to not impact mission accomplishment or put the institution at risk. As necessary, translate the requirements to the contractor and PNSO staff. Complete the actions approved for the PNNL Acquisition Plan, which	<u>Extend/Compete Milestones:</u> Complete an Agreement in Principle for Lease/Equipment Agreement with Battelle. <i>October 2011</i> Complete Home Office and Fee Negotiations. <i>October 2011</i>

	<p>includes the accomplishment of successful negotiations on several items of interest to DOE prior to an extension of the existing PNNL contract with Battelle.</p> <p>Ensure that the Contract Management Plan is a dynamic document which reflects how PNSO manages the contract and the requirements and delivers against the Government's commitments to the Contractor in an ever-changing contractual environment.</p>	<p>Process Congressional Notifications. <i>February 2012</i></p> <p>Execute Lease Agreement. <i>March 2012</i></p> <p>Execute Contract Extension Modification. <i>April 2012</i></p> <p><u>Update Current Contract</u></p> <p>Update Directives/Clauses based on new requirements or new work. <i>Quarterly or As Needed</i></p> <p>Incorporate the FY 12 Performance Evaluation and Measurement Plan. <i>October 2011</i></p> <p><u>Update Contract Management Plan</u></p> <p>Obtain Contract Management Plan approval by MA/SPE. <i>December 2011</i></p>
<p>2.2.3 Implement a new technology transfer mechanism and transition from the Use Permit</p>	<p>Partner with HQ, the NLDC and the Contractor to develop and implement a new technology transfer mechanism. This will include participation in the development of language, review checklists, implementing procedures, new policies and evaluation of performance metrics.</p> <p>Transition the continuing Use Permit work to the new mechanism or work for others. PNSO will be actively engaged in applicable contract changes, oversight of the simplification of the accounting systems currently employed, approval of disclosure and accounting practice changes, transfer of applicable property, materials and specimens, evaluation</p>	<p><u>Implement ACT</u></p> <p>Complete Agreement for the Commercialization of Technology (ACT) H Clause and begin implementation process for pilot program in March. <i>30 Days after Clause availability</i></p> <p>Report Monthly Progress on ACT Implementation to include: development of ACT checklist for work authorization; development of procedures; review and PNSO feedback to Contractor on contractor's procedures. <i>October 2011 – March 2012</i></p> <p><u>Transition from Use Permit</u></p> <p>Report monthly progress on Use Permit Transition Plan to include: accounting system changes; transfer of applicable property, materials and</p>

	of conflict of interest mitigations and other aspects of this transition effort as applicable.	specimens; and conflict of interest mitigations. <i>March – September 2012</i>
--	--	---

- **Objective 2.3 – Monitor and Evaluate Contractor Performance:** Continue to implement and improve the integrated methodology for providing confirmation of the PNNL CAS, including systematic capture of performance data and results that are clearly linked to the PEMP process. (Owner: R. Haffner & L. Vickerman)

Measure	Purpose/Description	Target
2.3.1 Develop and Maintain Assessment Plans	Develop an Integrated Assessment Schedule (IAS) that incorporates the evaluation of contract deliverables, contract and regulatory requirements, areas of risk, and Site Office objectives. Periodically assess and update the IAS as relevant and emerging performance information is evaluated. Enter and maintain PNSO assessments in the SC electronic tracking system.	Approve IAS. <i>October 2011</i> Update the IAS per Performance Assurance Committee (PAC) analysis and program review results, relying on confidence and understanding of risk impacts. <i>Tri-annual Program Review</i>
2.3.2 Ensure Operational Awareness of Contractor Performance	Plan, conduct, and document operational awareness activities, including surveillances, walkthroughs and day-to-day monitoring of Contractor performance utilizing the Performance Assurance Reporting (PAR) tool. These activities should be linked to the FY 2012 PEMP and FY 2012 APP objectives.	Assess progress in improving the quality of operational awareness PAR entries in communicating whether performance expectations were met or not. <i>Tri-annual Program Review</i>
2.3.3 Perform Integrated Analysis and Report Assurance Results	Evaluate performance assurance results utilizing data from PAR, Site Office Correspondence System and staff knowledge. Identify and discuss trends or issues on a periodic basis to provide input to PNSO Program Reviews and HQ as requested. Provide timely and relevant	Conduct integrated PAC analysis and communicate results to the Site Office utilizing the PNSO Program Review process. <i>Tri-annual Program Review</i> Ensure Contractor performance feedback is timely, relevant, and communicated consistently through the appropriate formal and informal

	feedback to the contractor that is consistent with a “no surprises” open communication environment. Feedback should be consistent across both formal and informal communication modes.	channels. <i>Tri-annual Program Review</i> Produce a quality, timely Contractor performance evaluation (PEMP) report at end of year with no surprises based on feedback provided to the Contractor throughout the year. <i>October 2011</i>
--	--	--

Goal 3 –Optimize Organizational Performance

Achieve organizational and operational excellence in accomplishing our mission.

We will treat our people as our greatest asset and succeed through shared goals and accountability, teamwork, and continuous improvement. We will continue to optimize our operations, strengthen relationships, and implement sustainable practices. Realization of this goal would be demonstrated through the following objectives and measures:

- Objective 3.1 – Ensure That Our Workforce is Capable and Engaged:** PNSO will ensure that: 1) quality workforce planning is accomplished; 2) top-quality staff are recruited and retained; 3) staff are provided the individual training to include certifications, where required, to successfully complete their job, including ISC staff as appropriate; 4) a positive work environment is maintained and everyone sees how they contribute; and 5) meaningful performance evaluations are completed and recognitions are provided as appropriate.
 (Owner: Julie Erickson)

Measure	Purpose/Description	Target
3.1.1 Keep the PNSO Workforce Plan Current and Relevant	Conduct a workforce needs analysis, update the Site Office Workforce Plan, and work with the ISC and HQ to develop required staffing plans in support of the Program Direction budget call.	Develop staffing needs in support of the FY14 budget call. <i>January 2012</i> Conduct a workforce needs analysis and update the PNSO Workforce Plan. <i>August 2012</i>
3.1.2 Actively Manage Human Capital	Ensure current and future staffing needs (as identified in the PNSO staffing plan) are fulfilled by completing actions to evaluate, backfill, realign responsibilities and	Meet, analyze, and communicate human capital actions. <i>Monthly</i> Complete staffing backfills and/or

	skills, and/or utilize ISC support as appropriate.	optimize staff responsibilities and identify required training needs. <i>Within 3 months of vacancy</i>
3.1.3 Provide Team Learning Opportunities	Develop and implement an internal training/learning program to provide opportunities for staff to share and learn together.	Provide a minimum of three PNSO staff training/learning opportunities focused on a team approach. <i>Each quarter</i>
3.1.4 Ensure Staff Development and Qualifications	Develop, maintain, and make reasonable efforts to execute IDPs that incorporate professional and organizational needs. Maintain PNSO's Qualification Plan and organizational needs by creating a learning environment that encourages staff engagement in continuous learning opportunities and supports SC intern programs and DOE leadership development programs.	Ensure all PNSO staff IDP's are updated. <i>December 2012</i> Meet requirements in accordance with TQP plan; Complete reporting requirements (FTCP) and provide continuous learning opportunities for PNSO staff and others. <i>Annual</i>

- **Objective 3.2 – Create a Sustainable Organization by Optimizing Resources:** PNSO shall strive to become an organization where its staff continually expands their capacity to create the results required to meet our mission, organizationally embrace change, remain dynamic, and continue searching for ways to improve.
(Owner: T. Davis)

Measure	Purpose/Description	Target
3.2.1 Utilize Technology to Increase PNSO Efficiency and Effectiveness	Qualitatively track PNSO activities and actions taken to increase staff efficiency and effectiveness through the use of technology. Conduct a review of new capabilities within SharePoint 2010 and develop a new PNSO Intranet to provide key information to staff in as efficient and effective manner possible.	Identify and implement technology (hardware and/or software) which supports an efficient and effective team approach. Develop a pilot Intranet Site for PNSO. <i>June 2012</i>
3.2.2 Ensure PNSO Plans, Procedures and Guiding Documents Are Current	Ensure all PNSO plans, procedures and guiding documents remain current. PNSO Management shall	Identify a due date for revision or completion of each PNSO procedure or other guiding document.

	identify revision dates for all of PNSO procedures and other guiding documents and ensure they are reviewed and updated as appropriate.	<i>October 2011</i>
3.2.3 Develop a PNSO Sustainability Plan	Develop, maintain and track against a PNSO Sustainability Plan.	Execute a PNSO Sustainability Plan. <i>March 2012</i>

- Objective 3.3 – Strengthen Key Relationships:** PNSO continues to be a key part in the execution of the Office of Science mission by ensuring that: 1) PNSO is responsive to all SC and other HQ customer needs, requests for assistance, and provides quality support to initiatives as appropriate; 2) internal and external communications are conducted in an efficient manner; and 3) relationships are strengthened with other key interfaces such as the ISC, HQ, and the Hanford Site Federal offices and their contractors whose support of and/or interrelationship with PNSO is vital in the effective execution of the PNSO mission.
 (Owner: D. Trader)

Measure	Purpose/Description	Target
3.3.1 Support SC Initiatives and/or Requests for Assistance.	Qualitatively track PNSO participation in SC and other Lab customer initiatives/activities (i.e., SCMS, DOE Order reviews, SC Lab Performance Assessment Process, Program Reviews.	Identify areas where PNSO provided support to external initiatives or requests for assistance and, where possible, gain customer feedback on the quality of the support. <i>Tri-annual Program Review</i>
3.3.2 Maintain Key Relationships	Qualitatively track PNSO activities and actions taken to maintain and strengthen relationships with all organizations whose support of and/or relationship with PNSO is vital in the effective execution of the PNSO mission.	Develop a relationship matrix for those organizations that are vital to PNSO in the execution of our mission. <i>March 2012</i> Provide feedback to those organizations regarding effectiveness of needed support. Identify issue areas, assess progress on resolving issues, and improve implementation of cross-cutting activities, policies, and procedures. <i>Tri-annual Program Review</i>
3.3.3 Develop a PNSO Communication Program	Track PNSO activities and actions taken to develop a Communications Program that strengthens PNSO's	Develop/Update Communications Program. <i>March 2012</i>

	local community outreach to improve identity and understanding of the PNSO and PNNL missions and helps improve internal PNSO communications.	
--	--	--

Document Approval Form

1. Document Type:

- Guiding Document
 Planning Document
 Procedure
 Other (describe): _____

2. Document Title: PNSO FY 2012 Annual Performance Plan

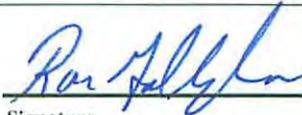
3. Document Number (obtain # from PNSO Document Coordinator): **PNSO-PLAN-01-REV5**

4. Brief explanation and justification (explain purpose of new document, revision, or cancellation):
 PNSO Approval of the FY 2012 Annual Performance Plan (APP)

5. Request submitted by:

Ronald P. Gallagher

Name (Print)



Signature

9/28/2011

Date

6. Requirement document(s): Does a requirement (or requirements) drive this document? If so, please specify (e.g., legal requirement, R2A2, directive, etc.)

- Yes Please specify: SCMS Guidance and DDFO Guidance Memo (Annual Planning: FY 2012 DDFO Goals, Objectives, Oversight Plan, and Guidance for APPs and AARs)
 No

7. Actions identified for document implementation:

- "awareness or briefing approach (classroom training, all-hands-staff meetings, one-on-one, computer based, self-study)
 revisions to other processes and procedures, program descriptions, or other documents
 other, explain: _____

8. Representative user concurrence:

Terry L. Davis

Name (Print)



Signature

9/28/11

Date

Note: A representative user's concurrence is not necessary for minor revisions or cancellations.

9. PNSO Management concurrence

Julie K. Erickson, Deputy Manager

Name (Print)



Signature

9-29-11

Date

Ted P. Pietrok, OD Director

Name (Print)



Signature

9-29-11

Date

Debbie E. Trader, LSD Director

Name (Print)



Signature

9/29/11

Date

Note: Concurrence is required by any supervisor who will be subject to requirements contained in the document.

10. PNSO Site Office Manager approval:

Roger E. Snyder, Manager

Name (Print)



Signature

9/29/11

Date

Note: Signature approves this document for deployment on the PNSO internal portal.