



U.S. Department of Energy

Office of Science
SLAC Site Office
2575 Sand Hill Road, MS-8A
Menlo Park, CA 94025



May 20, 2009

Dr. Persis Drell, Director
SLAC National Accelerator Laboratory
2575 Sand Hill Road, MS-75
Menlo Park, CA 94025

SUBJECT: FY09 Mid-Year Performance Assessment

Dear Dr. Drell:

The purpose of this letter is to provide you formal Mid-FY09 Performance Assessment feedback for PEMP Goals 4 through 8.

Concerning Goal 4, your senior leadership team is to be commended for its extraordinarily commitment & dedication to success and long-term mission sustainability; the honesty and trust earned by SLAC is very high. Additionally, a strong commitment and backing of laboratory by University is very evident.

In general, our evaluation of the mission support systems, articulated in Goals 5 through 8, finds that SLAC is meeting expectations and enabling the Laboratory to successfully execute its science mission with significant improvement and exceptional performance noted in safety, project management, and procurement compared to past performance.

Additionally, the continuing progress in the partnership between SLAC, Stanford University, and the Department of Energy is noted and is considered a foundational element driving a very bright future for the laboratory.

We have included both strengths and areas that we point your attention to for continued improvements in FY09. This letter completes the Site Office evaluation of SLAC's Mid-Year Self Assessment.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Golan".

Paul Golan
Site Manager

cc w/enclosures:

Alexander Merola, SLAC COO

Ernest Maune, SSO

Tyndal Lindler, SSO

Katherine Woo, SSO

4.0 Laboratory Leadership and Stewardship

- Senior leadership team extraordinarily committed & dedicated to success & long-term mission sustainability.
- Honesty and trust earned by SLAC is very high.
- Strong commitment and backing of laboratory by University.
- Safety performance across the laboratory improved significantly.
- LCLS transition to operations proceeding beyond all expectations.
- Significant improvement in contracts/procurement, correcting a major systematic vulnerability.
- Plan of the week and WPC processes are taking hold and having a positive impact on operations.
- Internal communication processes at SLAC and with DOE outstanding; no surprise factor.
- Project Management, in general, has improved significantly over the last year.

Areas to focus on/keys to success during the second half of FY09:

- Fill key leadership vacancies in mission support to positively impact performance.
- Safety performance needs to become less dependent on oversight.
- Incident reporting (ORPS) needs attention.
- Resolve long-standing open issue with overhead rates.
- Improve management of small civil/construction project (<\$10M).
- Improve management of IT/cyber security; laboratory still not capable of diagramming cyber protection infrastructure.
- Improve connection/outreach into the local academic, business, and stakeholder communities.

5.0 Integrated Safety, Health, and Environmental Protection

- Safety program generally effective; ISMS effectively implemented at Laboratory.
- Safety performance is supporting science.
- Significant reduction in TRC/DART Rates in the last 12 months and SLAC is among the best-in-class for all Science laboratories.
- Laboratory continues to foster strong relationships with its regulators.
- Independent audit of SLAC Environmental Management System (EMS) was completed; SLAC and SSO to complete the EMS declaration by June 30, 2009.

Areas to focus on/keys to success during second half of FY09:

- Improve implementation of ISEMS; especially lessons learned.
- Improve effectiveness of assessment program with more routine walkthroughs by line managers
- Improve process for closing corrective actions; this has resulted in missed milestones & lack of timely notification for closed CA's.
- Fully implemented an effective fire protection program. The Hot Work program requires additional improvements.
- Improve Incident Investigation and reporting program.
- Improve subcontractor performance relative to effective implementation of safety requirements.
- Encourage incident reporting at all levels of SLAC management; some supervisors did not show or provide positive and timely reinforcement of employees who report cases.
- As SLAC continues to roll out their Work Planning & Control (WPC) program, Line Management needs to demonstrate their support of the WPC process and increase focus on work hazard identification.

6.0 Effective and Responsive Business Systems

Financial Management

- Progress made to streamline operations and improve performance.

Acquisition Management

- Quality and documentation of subcontract packages have improved substantially resulting in SSO raising the purchasing review threshold in May.
- Increased the number and quality of procurement staff as well as reorganized staff and functions resulted into a more effective organization.
- New management provided acquisition leadership within the Acquisition Department and the SLAC community.

Property Management

- On track to meet its objective of 90% on the BSC metrics.
- Noticeable improvements have been made in the accountability of sensitive property.
- SLAC exceeded its goal of vehicle reduction FYTD.

Human Resources and Diversity

- Developed the Spot Award and Recognition Program.
- Revised plan to implement the R2A2 documents and complete the Ben Val study.
- Developed a new individual performance evaluation system.

Internal Audit and Oversight

- No material findings for Third Party audits.

Technology and Commercialization of Intellectual Assets

- On track to meet collaboration agreements.

Areas to focus on/keys to success during second half of FY09:

Financial Management

- Develop and implement Financial System improvement plan.

Acquisition Management

- Eliminate ratification due to customers ordering/accepting services without sufficient funds.
- Administer contract funds by properly tracking invoices and payments.

FY09 SLAC MID-YEAR PERFORMANCE FEEDBACK SUMMARY

- Ensure Statement of Work is accurate and complete.
- Coordinate with customers and technical staff in planning acquisitions and defining contract requirements.
- Implement and understand the Service Contract Act wage adjustments process.
- Improve three (3) areas in the BSC Performance Measures: (a) Effective Utilization of Alternative Procurement Approaches, (b) Socio Economic Subcontracting Goals, and (c) Cost to Spend Ratio.

Property Management

- Five areas in the BSC Performance Measures requiring additional focus and improvement: (a) Sensitive property control and accountability, (b) GSA vehicle utilization, (c) GSA vehicle maintenance, (d) on-line property sales, and (e) personal property acquired via purchase card and recorded in the property and financial data bases within 72 hours of receipt is improving, but is still below the target.
- GSA vehicle incident rate has increased significantly in 2Q09 and requires management attention.

Human Resources and Diversity

- Four areas requiring additional focus and improvement: (a) implementing the R2A2's, (b) ensure the Ben-Val study is completed by June 30, 2009, (c) complete the workforce planning document and submit to SSO Contracting Officer for review and approval, and (d) ensuring that PII is secured according to the assurances that were made to SSO in FY08 and confirm to the SSO Site Manager.

Internal Audit and Oversight

- Accelerate the Financial System enhancements under the new ERP system improvement plan.

7.0 Operating, Maintaining, and Renewing Facilities and Infrastructure

- SLAC's performance in Facilities Information Management System (FIMS) has shown measurable improvement and received a passing-Green Score Card during 2009 internal audit.
- The lab is currently ahead of schedule for cleaning up significant areas of the site.
- The plan of the week in facilities and infrastructure recognized as a "best practice" by other sites.

Areas to focus on/keys to success during second half of FY09:

- SLAC was late with deliverables in the Executable Plan and IGPP process and certification.
- Resource loaded schedules are not adequately integrated across the site; therefore, do not accurately reflect SLAC's justification for hiring FTE's.
- SLAC should better define and implement the roles and responsibilities for its functions, systems, and gap analysis for programs. Currently, SLAC assigns resources at the beginning of a program, but too often, before completion, resources are reallocated to another program and former program stops and are not completed.
- SLAC failed to meet original schedule for completing replacement of Cooling Tower 101.
- SLAC ineffective in managing S&ORI project scope in regards to B-50 Seismic upgrade.
- Cost estimating needs to improve as it is causing projects to be de-scoped.

8.0 Integrated Safeguards and Security Management

- SLAC exceeded expectations regarding nuclear material control and accountability.
- SLAC transferred seven (7) large sources to Los Alamos recovery program.
- HQ review of SLAC's Nuclear material programs indicated a well run program with proficiencies.

Area to focus on/keys to success during second half of FY09:

- A comprehensive and documented Emergency Management program is not yet in place.
- Provide comprehensive EPHA's for the facilities that have "screened- in" facilities.
- Exercises are required to be conducted for each facility at least annually to ensure all employees are able to safely evacuate their work area.
- Although the Network Re-architecture is scheduled in the POA&Ms, SLAC has failed to prepare a current network diagram to the Site Office.
- There have been incidents of missing and lost computer-related equipment.