



U.S. DEPARTMENT OF
ENERGY

Office of
Science

SLAC Site Office
SLAC National Accelerator Laboratory
2575 Sand Hill Road, MS-8A
Menlo Park, CA 94025

May 4, 2011

Persis Drell, Director
William Madia, Vice President of Stanford for SLAC
Alexander Merola, Chief Operating Officer
2575 Sand Hill Road
Menlo Park, CA 94025

SUBJECT: FY2011 Mid-Year Performance Assessment

Dear Persis, Bill and Sandy

The purpose of this letter is to provide our mid-year assessment of SLAC's performance against the objectives and notable outcomes in the FY2011 Performance Evaluation and Management Plan for Goals 4 through 8. Enclosed are the details of our assessment in each of the goals for the first half of FY11 and the focus areas for the last half of the year.

In summary, the laboratory has continued to perform at a level that supports the needs of the mission that ensure sustainable outcomes and achievements. The improvements made over the past several years continue to be fostered by the leadership of the laboratory to accomplish outstanding science. The fulfillment of several senior leadership vacancies will continue SLAC's excellent user support and reliable facilities along with enabling the laboratory's goal of expanding the portfolio for performing science.

Congratulations on the performance during this period and I look forward to SLAC completing the focus areas that will drive the mission into the future.

Sincerely,

A handwritten signature in black ink that reads "Hanley Lee".

Hanley Lee
Acting Manager
SLAC Site Office

Enclosure

cc: Paul Golan, SSO
Ernest Maune, SSO
Thomas Rizzi, SSO
Tyndal Lindler, SSO
Katherine Woo, SSO

SLAC FY2011 Mid-Year Assessment

Goal 4: Laboratory Leadership and Stewardship

4.1 Leadership and Stewardship

- The LCLS was awarded the DOE's Project of the Year in March. Excellent leadership in successfully completing the project and supporting user operations made this happen. LCLS-II is off to a great start with a successful OECM/SC independent project review for CD-1.
- LCLS operations continue to provide excellent beam to Users. Several papers have already been published impacting the scientific community and the future of the facility.
- SLAC continued to hire outstanding candidates to fill out the senior management team which included the ALDs for the Accelerator and SSRL Directorates; renowned scientists to lead the Photon Science divisions; a CFO with DOE experience; Director of Office of Planning and Assessment, and Director of Communications. Evidence of new second tier management is beginning to make an impact.
- The new senior managers will assist in pushing the lab agenda forward and focus on enabling science by the SLAC staff.
- Stanford University continues to be an advocate and supporter of SLAC in recruiting excellent senior staff. The Board of Overseers is an effective oversight body ensuring expectations are being met and providing assurance to the site office.

Focus Areas

- Support LCLS-II towards approval of CD-2.
- Proactively manage the recent increase in safety incidents and vehicular accidents.
- Resolve issues with management of small projects.
- Continue excellent execution of ARRA projects.
- Implement the Communication Strategic Plan to increase awareness of the laboratory within the community and beyond.
- Present a clear and concise future plan to SC that will gain confirmation and support in meeting goals to expand the research portfolio of SLAC.
- Continue to disposition excess materials using protocols formerly covered by the moratorium.
- Continue path to improve the business systems (processes and ERP) to provide modern support functions to the laboratory.
- Determine the issues and the corrective actions related to the SLAC Pension Plan.
- Focus efforts are needed to ensure the laboratory meets expectations in successfully passing the CAS peer review in January 2012.

Goal 5: Environmental Health and Safety

5.1 Health and Safety System

In general, the laboratory is providing an efficient and effective health and safety program that supports the mission.

- SLAC has reduced Days Away Restricted and Transferred (DART) recovery days by 99.7% since 2008.
- However, TRC rates indicate a recent increase, up from 0.51 for FY 2010 to 1.0 for FY11-to-date.
- There has been an increase in GSA vehicle accidents on-site.
- A fully effective fire protection program has not yet achieved sufficient level for best-in-class Highly Protective Risk. Positive progress has been made in this area, but further development is required.
- Hot Work program is deficient in the required periodical technical assurance/assessment by PAI/SME.

5.2 Environmental Management System

- SLAC successfully developed technical basis documents and implemented radiological survey/release procedures and protocols, leading to the off-site disposition of 87 concrete shield blocks from the bone yard.
- SLAC is in the process of completing documents for the planned recycling of scrap metal from the BaBar Detector and PEP-II project.
- SLAC Environmental Protection personnel have collaborated effectively with the EM ID/IQ contractor on many key technical aspects of the EM Environmental Remediation Project, resulting in the completion of physical work by the EM ID/IQ contractor, and contributing to a significant reduction in the legacy soil and groundwater contamination footprint at SLAC.

Goal 6: Business System

6.1 Financial Management System

- SLAC CFO is successfully addressing the FY10 OIG findings and is on track to address the outstanding SU Internal Audit findings.
- SLAC is working with Booz Allen Hamilton to develop a plan for updating the ERP systems for Financial Management.
- SLAC has nine initiatives in FY11 to improve financial management systems:
 1. Reimbursement direct deposit – complete
 2. ARF phase I – completed; ARF phase II – April
 3. Excel for lab budget – complete
 4. Integrated reporting tables – complete
 5. Time and effort – July
 6. E-Marketplace – May
 7. ERP/Booz Allen Hamilton – August
 8. Improve internal controls – September
 9. Internal control/system improvement – September

6.2 Acquisition Management System

- DOE's subcontract review thresholds were increased in January 2011 due to improvement in the FY10 Balanced Score Card Assessment and in subcontract packages reviewed; packages were well documented, followed approved purchasing system processes and included correct terms and conditions (e.g. competitive subcontract award from \$2M to \$4M and ARRA funded subcontract award from \$200K to \$500K).
- Proposed Procurement Description (PD) was reviewed by DOE SSO and the revised PD will be submitted for approval. Revised sets of subcontract terms and conditions will be submitted for DOE's review and approval consistent with the revised PD.
- Higher quality services in acquisition management are expected due to the new hire of a Procurement Compliance Manager and a Contract and Policy Manager.
- Based on the SLAC's first quarter self-assessment briefing, SLAC is not meeting Balanced Score Card target at mid-year.

6.3 Property Management System

Property: SLAC has a property/fleet PERT scheduled for May 9-13. SLAC has conducted a self-assessment and has not identified any major issues. SLAC is on track to meet or exceed the Property Balanced Score Card metrics.

Vehicle: SLAC vehicle accidents are excessive and SLAC has conducted a training stand down. SLAC is not on track to meet the fleet Balanced Score Card metrics; specifically, the vehicle accident rate metric.

6.4 Human Resources Management System

- SLAC has summarized their wage and salary practices into a single document.
- SLAC has proposed a comprehensive variable pay program for all employees and an incentive pay plan for the senior executives.
- SLAC is working closely with the site office on implementing DOE O 350.1 (Contractor Human Resources Mgt. Program).

6.5 Internal Audit and Oversight Management System

- SLAC continues to manage the ARRA projects well as seen by the recent IG audit of ARRA projects that resulted in no findings.
- SU Internal Audit is providing reasonable and timely reviews and has identified issues with SLAC interdepartmental billings (SU and SLAC) and balance sheet account monthly reconciliations.
- SLAC has submitted a Quality Assurance Plan for review and the Plan was approved by the SSO.
- SLAC Computing Department is developing a comprehensive research and computing facility proposal with Stanford University; working closely with the CFO on the SLAC Enterprise Resource Planning solution; and, has successfully addressed the issues from the FY10 IG audit.

6.6 Transfer of Technology

- SLAC continues to execute CRADA's and WFO's satisfactory.
- SLAC provided patent training for SLAC inventors.
- Five provisional or regular patent applications filed from last year are now in the U.S. patent office for review. Six others are in the SLAC Office for evaluation.

Goal 7: Facility Operations

7.1 Manage Facilities and Infrastructure

SLAC has taken significant steps to improve the facilities management systems and processes.

- New maintenance manager hired. Transitioning the division from preventive to predictive maintenance processes, saving cost and schedule due to equipment breakdowns.
- Two new energy managers hired to address Site sustainability, LEED for new and existing buildings, and Energy goals.
- Developing partnerships with SU and other SC labs to address sustainability legacy gaps.
- The Facilities Director and his management team have taken the lead on Laboratory Mission Readiness and preparing for the peer review in May. SLAC has participated as reviewers and visitors at other laboratories.

7.2 Facilities and Infrastructure to Support Continuation and Growth

SLAC has taken significant steps to improve the infrastructure that supports the mission.

- Seismic study of SLAC buildings and infrastructure completed by an outside engineering firm on 9/17/2010. SLAC is addressing current needs and planning future improvements for the seismic safety of site buildings.

Goal 8: Safeguards and Security Management/Emergency Preparedness

8.1 Effective Emergency Management System

The SLAC Emergency Management System continues to make progress but still have additional improvements to be implemented.

- SLAC is working with NA-40 staff in planning and preparation for a site-wide emergency exercise.
- Progress towards continuity of business plan has been slow. Effective and Verifiable Emergency Management Program has not yet been fully developed and implemented per DOE O 151.1C (Comprehensive Emergency Mgt. System).

8.2 Cyber Security

SLAC is making good progress against the findings and recommendations issued in the DOE FY 2010 Financial Statement Audit, which includes cyber security. The completed actions will improve the efficiency and effectiveness of SLAC's Cyber Security.

8.3 Physical Security

SLAC's physical security system is fully supporting the mission and SLAC is leading the way in SC for transparent security technologies.

- SLAC has completed installation of the night owl operational awareness system and a new security building.
- SLAC is on schedule to complete the FY11 security upgrades to the main gate, alpine gate, and building 50. Upgrades will be more transparent and cost less to operate than the existing systems.

8.4 Protection of Sensitive Information

SLAC is fully supporting the Mission in this area and continues enhance the HR information system.