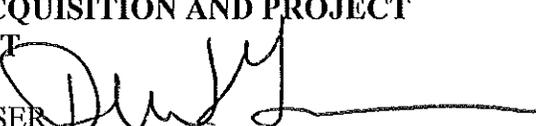




Department of Energy
Washington, DC 20585

AUG 15 2013

MEMORANDUM FOR DAVID BOYD
DEPUTY DIRECTOR
OFFICE OF ACQUISITION AND PROJECT
MANAGEMENT

FROM: DAVID W. GEISER 
DIRECTOR, OFFICE OF LEGACY MANAGEMENT

SUBJECT: Third Quarter Post Competition Accountability Report – Office of
Legacy Management's High Performing Organization for FY 2013

On June 22, 2012, the Deputy Secretary transmitted the Office of Legacy Management's (LM) May 2012 proposal to the Office of Management and Budget (OMB) to sustain LM's high performance organization (HPO) designation for a second five-year period (FY 2012-16). While OMB has not yet formally approved the May 2012 HPO proposal, they recommended we start reporting on the new set of commitments and performance measures.

The proposal includes measures in two areas: Management Excellence and Program Performance. Under each area, we identified goals and actions using a structure that reflects the President's six key management strategies. Those strategies are: 1) driving top priorities; 2) cutting waste; 3) reforming contracting; 4) closing the IT gap; 5) promoting accountability and innovation through open government; and 6) attracting, motivating and retaining top talent.

While the annual Post Competition Accountability Report (PCAR) is comprehensive, it includes a status of all the goals and actions contained in the May 2012 HPO proposal. The quarterly reporting is based on a subset of the goals and actions that warrant more frequent reporting. This memorandum transmits the third quarter FY 2013 PCAR associated with the May 2012 proposal.

Please let me know if you have any questions or concerns about the new reporting structure or the contents of this report.

Attachment



U.S. Department of Energy, Office of Legacy Management

Post Competition Accountability Quarterly Report: High Performing Organization Proposal 2012

This report serves as an official record of the quarterly cost, personnel, and performance information for the Office of Legacy Management to satisfy the post competition accountability requirements.

Fiscal Years (FY) 2012 – 2016: Reporting Period: Third Quarter, FY2013

I. MANAGEMENT EXCELLENCE GOALS

Cutting Waste (Improving Efficiency)

1. Limit Program Direction increases to levels allowed by OMB for inflation.
2. Comply with OMB guidance, OMB-M-12-12, *Promoting Efficient Spending*, regarding mission-related travel.

Quarterly Cost Report					
Funded Activity	HPO Plan Cost		Adjusted Budget Cost (ABC)	Estimated Actual Cost (EAC)	Explanation for Differences
	1Q	2Q			
Mission Travel*	1Q	\$129,000	\$129,000	\$53,935	The EAC is 38% below the HPO Plan Cost as spending was reduced during the Continuing Resolution (CR) due to budgetary uncertainties. In addition, the majority of mission travel occurs in the second half of the year.
	2Q	\$258,000	\$258,000	\$156,940	
	3Q	\$387,000	\$387,000	\$239,312	
Program Direction**	1Q	\$3,367,250	\$3,367,250	\$2,577,153	The budget was adjusted due to the full year CR and sequestration. The EAC is currently 41% below the full year ABC which is on track for the annual cost.
	2Q	\$6,734,500	\$6,145,588	\$4,611,132	
	3Q	\$10,101,750	\$11,095,345	\$6,537,820	

*Mission-related travel is \$516,000.

**The FY2013 HPO Plan Cost was \$13,469,000; the CR annualized rate is \$11,095,345.

3. Manage increase in scope by raising Federal staff levels by 1 FTE per year to a total of 64 in FY2016. The FTE allotment in FY2013 is 61.
4. Maintain LM's average grade level at or below GS 13.0.

Personnel Report			
HPO Planned	HPO Actual		Explanation for Difference
Personnel (FTE)			
61	1Q	55	
	2Q	53	
	3Q	54	
Average Grade Level			LM is recruiting using lower level, career ladder progressions as higher graded employees retire. This will enable us to retain our targeted average grade level of GS-13.0 or below.
13.0	12.6		

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Promoting Accountability and Innovation Through Open Government

- Maintain a safety record better than the DOE average based on the number of incidents/accidents per total work hours. The total reportable cases (TRC) rate uses a rolling average as determined by the DOE Office of Health, Safety and Security.

Safety Record		
LM TRC	DOE TRC	Explanation for Difference
0	1	LM has zero reportable cases for 675,741 total work hours (rolling 12 months through June 2013).

PROGRAM PERFORMANCE GOALS

Cutting Waste (Improving Efficiency)

- Reduce the cost of long-term surveillance and maintenance (LTS&M) by 2 percent per year based on an independently reviewed baseline. (Goal 1)

LTS&M Report			
LTS&M Baseline	EAC		Explanation for Difference
\$39,708,226	1Q	\$39,316,782	The June 2013 EAC reflects a 7.7% cost reduction. Goal 1 continues to evaluate planned work scope and is striving to maintain cost savings at or above the 2% cost reduction goal by the end of the fiscal year.
	2Q	\$37,367,874	
	3Q	\$36,668,935	