

## Summary Notes

### LBNL Contract Assurance Council Meeting July 22, 2005

#### **Participants**

Bob Van Ness, Acting Chair

Jim Holst

Larry Coleman

Anne Broome

Pat Reed

John Bireley

Judy Boyette

Buck Koonce

Jim Hirahara

Jim Krupnick

John Chernowski

The Agenda for the Council Meeting is attached.

#### **Organizational Items**

A final version of the Council Charter was provided to Council members on July 22. A few editorial comments were incorporated, but there were no substantial revisions to the draft Charter provided at the initial meeting of the Council. The Charter as finalized was approved by the Council and a version dated July 22 is attached.

The search for external members is underway. Karen Clegg, former President of Federal Manufacturing and Technology Division of Allied Signal, the prime contractor for the NNSA Kansas City Production Plant, agreed to serve as an external member of the Council. The immediate goal is to recruit one additional external member for our next Council meeting. This will mean that two of the four external member positions will be filled. The remaining two positions will be put on hold until the Advisory Board's external membership is known. At that time, a determination will be made as to whether there might be external Advisory Board members who might be available to serve on the Assurance Council as well. If not, further recruitment for the remaining two positions will be accomplished.

#### **LBNL Office of Institutional Assurance**

Jim Krupnick provided a briefing on an Earned Value Management System certification effort at LBNL (see attached briefing slide). An external review is scheduled for August 9 thru 11, and the Lab is hoping a successful review will enable them to demonstrate that they meet requirements for a Lab-wide certification.

John Chernowski provided a briefing on the Laboratory Corrective Action Tracking System (LCATS). A copy of the briefing is attached. LCATS is based on a tracking system that has been used and refined at LBNL since 1992 as an ES&H corrective action

tracking system, and is being expanded for use a Laboratory-wide system. The Office of Institutional Assurance will be the system owner. The tracking system is being made more user friendly and modified for the more expanded use. The system will be available for use at the end of this month, but a substantial amount of work is yet to be finalized relative to developing procedures for what actions are appropriate for tracking in the system, how change control will be managed, reporting protocols, validation of completed actions, etc.

### **Contract Performance Appraisal Planning**

The FY05 Contract Performance Appraisal will be unique in that it will cover 8 months under the previous DOE contract (Contract 98) and 4 months under the new DOE Contract (Contract 31). By agreement with the DOE Site Office, the FY05 appraisal will be based primarily on the performance measures in place under Contract 98, and extrapolating the Contract 98 measures over the last 4 months of the rating period. The reporting of performance will also be modified to focus more on evidentiary information and reduce the effort in polishing write-ups. UCOP, LBNL, and DOE Site Office representatives are working jointly in functional teams to discuss preliminary assessments and assure there are no surprises when a final self-assessment is completed. Consistent with past practice, a briefing of our self-assessment of contract performance will be presented to DOE by Buck Koonce toward the end of the calendar year. Buck agreed to inform the Council of the self-assessment results prior to the formal presentation to DOE.

The FY06 Contract Performance Measures are currently under development, utilizing the same UCOP, LBNL, DOE Site Office teams that are working on the FY05 appraisal. The Office of Science is taking a new and active role in prescribing consistent objectives for the Science Labs. This will necessarily reduce our flexibility to customize objectives. However, the framework that Office of Science has adopted is very consistent with what we have been using at LBNL in the past, so no significant adverse impacts are anticipated. As performance measures are being finalized for FY06, the Council will be briefed.

### **LBNL Assurance Letter**

A copy of the Assurance Letter for LBNL dated July 1, 2005, was provided in advance to Council members. The letter is a requirement emanating from the Federal Managers' Financial Integrity Act (FMFIA), where DOE has requested an annual attestation that Laboratory internal accounting and management controls are adequate. At the request of the DOE Site Manager, the Assurance Letter was submitted by VP Foley. The Contract Assurance Council was provided the Assurance Letter to familiarize the members with the types of assurances and issues that will need to be included in the annual Letter. Since one of the Council's responsibilities is to determine the adequacy of Laboratory policies, systems, procedures, and practices, future Assurance Letter should reflect the sense of the Council based on information and assurances provided by the Laboratory Director, the LBNL CFO, and UC oversight. The Council will be asked to review and provide recommendations for next year's Assurance Letter and sufficient lead-time will need to be provided to ensure for adequate deliberation by the Council.

# **AGENDA**

## **LBNL CONTRACT ASSURANCE COUNCIL**

July 22, 2005  
1111 Franklin Street, 5<sup>th</sup> Floor  
Room 5305

### **Introductory Remarks**

#### **Organizational Items**

- Charter
- External members

#### **LBNL Office of Institutional Assurance**

- Earned Value Measurement System
- Office of Contract Assurance

#### **Contract Performance Appraisal Planning**

- FY05 Appraisal
- FY06 Performance Evaluation Measurement Plan

#### **LBNL July 1, 2005, Assurance Letter**

#### **LBNL Assurance Topics**

#### **Council Members:**

VP Foley, Council Chair

SVP Mullinix

SVP Darling

General Counsel Holst

Vice Provost Coleman

VP Broome

Auditor Reed

Academic Senate Chair Blumenthal

AVP Van Ness

AVP Birely

AVP Boyette

Deputy AVP Koonce

External members TBD