

Department of Energy
Federal Procurement System

***Balanced Scorecard
Performance Measures
Information Document***

Office of Procurement
and Assistance Management

Issued: March 2003

Purpose:

The purpose of this document is to identify and describe, *in one place*, the important aspects of each performance measure. The intent is to ensure consistency Department-wide in the generation and reporting of assessment results. For each measure, the following information is provided:

1. Identification of the measure in question, along with the associated Performance Objective, and BSC Perspective.
2. The *Definition* of the performance measure. The Definition is a “plain English” explanation of what the measure is intended to cover.
3. The *Data Source* for the performance measure. The Data Source is intended to identify the chief source of data for development of the measurement result.
4. The *Data Generation* for the performance measure. The Data Generation explains the methodology for development of measurement results.
5. The *Data Verification* for the performance measure. The Data Verification identifies the primary responsibilities relative to accuracy of the data generated and reported under the measure. It also describes data retention and records availability requirements as applicable.
6. The *Measurement Formula* for the performance measure. The Measurement Formula is a description of exactly how the measurement results are to be derived.
7. The *Measurement Notes* applicable to the performance measure. As needed, this section provides pertinent information concerning the conduct of the assessment under the measure in question. It is an attempt to provide any relevant information concerning how to do the measurement, what is included in the measure, etc. **It is not intended to cover the obvious**, but to cover important issues that may not normally be obvious.

By providing all of this information in one place, Departmental procurement offices will no longer have to refer to several different documents when determining how to assess performance under a measure, or how to document results. This new document will be a “living” document, modified by ME-62 as needed.

Customer Perspective

Performance Objective: Customer Satisfaction

Performance Measure: **Timeliness**

Definition: Measures the extent of customer satisfaction with the timeliness of procurement processing, planning activities, and on-going communications.

Data Source: Customer Survey.

Data Generation: Accomplished by using standardized survey instrument. Individual survey responses are entered into the Excel Data Reduction Program which calculates results.

Data Verification: Procurement Directors are responsible for accuracy of data and retention of Excel Program Reports in accordance with records management requirements. Reports will be made available for compliance and/or HQ reviews.

Measurement Formula: Number of customers responding to the survey that are satisfied with timeliness divided by the total number of customers responding to the survey.

Measurement Notes: Reporting offices are to use the standardized survey provided by HQ. Reporting offices are encouraged to add additional questions that have significance on the local level, but do not include the responses to these questions in the results reported to HQ.

All offices are to survey a representative number of customers. In order to ensure the statistical accuracy of results, offices are to strive for a minimum of 30 survey responses. For most offices, the primary customers are the Procurement Request generators - those programmatic personnel that utilize and benefit from the contractor provided goods and services. If appropriate, offices may also wish to consider including program management, especially if there have been major procurement actions during the reporting period. The customers selected for the survey should be from the universe of customers that utilized the services of the procurement office during the reporting period. In the annual BSC report of assessment results, reporting offices are to describe the methodology used for selection of customers surveyed, and describe the rationale for its use.

Survey responses should be anonymous (unless survey responder wishes to identify himself/herself), and should allow for the provision of comments.

Customer Perspective

Performance Objective: Customer Satisfaction

Performance Measure: **Quality**

Definition: Measures the extent of customer satisfaction with the quality of goods and services delivered.

Data Source: Customer Survey.

Data Generation: Accomplished by using standardized survey instrument. Individual survey responses are entered into the Excel Data Reduction Program which calculates results.

Data Verification: Procurement Directors are responsible for accuracy of data and retention of Excel Program Reports in accordance with records management requirements. Reports will be made available for compliance and/or HQ reviews.

Measurement Formula: Number of customers responding to the survey that are satisfied with the quality of goods and services delivered divided by the total number of customers responding to the survey.

Measurement Notes: Reporting offices are to use the standardized survey provided by HQ. Reporting offices are encouraged to add additional questions that have significance on the local level, but do not include the responses to these questions in the results reported to HQ.

All offices are to survey a representative number of customers. In order to ensure the statistical accuracy of results, offices are to strive for a minimum of 30 survey responses. For most offices, the primary customers are the Procurement Request generators - those programmatic personnel that utilize and benefit from the contractor provided goods and services. If appropriate, offices may also wish to consider including program management, especially if there have been major procurement actions during the reporting period. The customers selected for the survey should be from the universe of customers that utilized the services of the procurement office during the reporting period. In the annual BSC report of assessment results, reporting offices are to describe the methodology used for selection of customers surveyed, and describe the rationale for its use.

Survey responses should be anonymous (unless survey responder wishes to identify himself/herself), and should allow for the provision of comments.

Customer Perspective

Performance Objective: Effective Service Partnership

Performance Measure: **Extent of customer satisfaction with the responsiveness, cooperation, and level of communication with the procurement office.**

Definition: Measures customer perception of the level of responsiveness, cooperation, and communication with the procurement office.

Data Source: Customer Survey.

Data Generation: Accomplished by using standardized survey instrument. Individual survey responses are entered into the Excel Data Reduction Program which calculates results.

Data Verification: Procurement Directors are responsible for accuracy of data and retention of Excel Program Reports in accordance with records management requirements. Reports will be made available for compliance and/or HQ reviews.

Measurement Formula: Number of customers responding to the survey that are satisfied with the responsiveness, cooperation, and level of communication divided by the total number of customers responding to the survey.

Measurement Notes: Reporting offices are to use the standardized survey provided by HQ. Reporting offices are encouraged to add additional questions that have significance on the local level, but do not include the responses to these questions in the results reported to HQ.

All offices are to survey a representative number of customers. In order to ensure the statistical accuracy of results, offices are to strive for a minimum of 30 survey responses. For most offices, the primary customers are the Procurement Request generators - those programmatic personnel that utilize and benefit from the contractor provided goods and services. If appropriate, offices may also wish to consider including program management, especially if there have been major procurement actions during the reporting period. The customers selected for the survey should be from the universe of customers that utilized the services of the procurement office during the reporting period. In the annual BSC report of assessment results, reporting offices are to describe the methodology used for selection of customers surveyed, and describe the rationale for its use.

Survey responses should be anonymous (unless survey responder wishes to identify himself/herself), and should allow for the provision of comments.

Internal Business Perspective

Performance Objective: Acquisition Excellence

Performance Measure: **Extent to which internal quality control systems are effective.**

Definition: Measures the extent to which quality control systems are effective, particularly with respect to compliance with laws and regulations, vendor selection and performance, contract administration, and subcontractor oversight.

Data Source: Procurement Manager's Self-Assessment Survey, local protest data, compliance review results.

Data Generation: Accomplished by using standardized survey instrument.

Data Verification: Procurement Directors are responsible for accuracy of data and retention of Excel Program Reports in accordance with records management requirements. Reports will be made available for compliance and/or HQ reviews.

Measurement Formula: Procurement Director's individual assessment of the extent to which internal quality control systems are effective.

Measurement Notes: Procurement Directors have flexibility in conducting this survey. For some offices, only the Procurement Director completes the survey. In others, the director and his/her senior staff complete the survey, and the scores are averaged. Either way is acceptable, provided that it is consistently applied over time - in other words, don't switch back and forth each year. Pick a methodology and stick to it otherwise trend data can be negatively impacted.

This survey provides for scoring on a 1 to 5 basis, and allows for assignment of partial points (e.g. 4.5, 3.2, etc). However, it is necessary to convert the survey results into a percentage format before reporting the results to HQ. Therefore, 5 is equivalent to 100%, 4 to 80%, 3 to 60%, 2 to 40%, 1 to 20%. An overall rating of 4.7 would be equivalent to 94% (4.7 divided by 5).

When developing an assessment rating under the Procurement Manager's Self-Assessment Survey, be sure to consider the results of the most recent compliance review conducted of the procurement organization.

Procurement Directors are also to identify any sustained protests occurring during the assessment period.

Internal Business Perspective

Performance Objective: Most Effective Use of Contracting Approaches to Maximize Efficiency and Cost Effectiveness - Use of Purchase Cards

Performance Measure: **Number of purchase card transactions as a percentage of total actions under \$25,000.**

Definition: Measures the number of purchase card actions as a % of actions under \$25K. This measure is tracked at the Departmental level only; offices do not have to report on this measure.

Data Source: Contracts Under Twenty Five Thousand System (CUTS), Bank of America.

Data Generation: Data is tabulated from the listed tracking systems.

Data Verification: Procurement Directors are responsible for accurately reporting results in tracking systems and retention of records in accordance with records management requirements. Records will be made available for compliance and/or HQ reviews.

Measurement Formula: The number of purchase card transactions under \$25K divided by the total number of all transactions under \$25K (including purchase cards).

Measurement Notes: This measure appears in the OMB sponsored Government-wide Procurement Performance Measurement Program.

Internal Business Perspective

Performance Objective: Most Effective Use of Contracting Approaches to Maximize Efficiency and Cost Effectiveness - Use of Purchase Cards

Performance Measure: **Total amount of cost avoidance through the use of purchase cards.**

Definition: Measures the amount of cost avoided by using a purchase card as opposed to a purchase order. This measure is tracked at the Departmental level only; offices do not have to report on this measure.

Data Source: Bank of America.

Data Generation: Data is tabulated from the listed tracking system.

Data Verification: Procurement Directors are responsible for accurately reporting results in tracking systems and retention of records in accordance with records management requirements. Records will be made available for compliance and/or HQ reviews.

Measurement Formula: The number of purchase card transactions multiplied by \$68 (see Measurement Notes).

Measurement Notes: The savings for each action is based on a study conducted by the Procurement Executive's Association in concert with the Office of Federal Procurement Policy. Their findings indicated that approximately \$68 in administrative processing fees is saved by the Government each time that a purchase card is used rather than a standard purchase order. This measure appears in the OMB sponsored Government-wide Procurement Performance Measurement Program.

Internal Business Perspective

Performance Objective: Most Effective Use of Contracting Approaches to Maximize Efficiency and Cost Effectiveness - Use of Electronic Commerce

Performance Measure: **Percent of purchase and delivery orders issued through electronic commerce as a percentage of simplified acquisition actions.**

Definition: Measures the percent of purchase and delivery orders issued through electronic commerce as a percentage of total simplified acquisition actions.

Data Source: Electronic Purchase and Data Systems, Procurement and Assistance Data System (PADS), CUTS, Industry Interactive Procurement System (IIPS), DOE/C-Web, local tracking systems.

Data Generation: Data is tabulated from the listed tracking systems.

Data Verification: Procurement Directors are responsible for accurately reporting results and retention of records in accordance with records management requirements. Records will be made available for compliance and/or HQ reviews.

Measurement Formula: The number of purchase and delivery orders issued through electronic commerce divided by the total number of simplified acquisition actions.

Measurement Notes: Although most electronic commerce actions under this measure are tracked in DOE/C-Web, actions may also include those processed under IIPS, GSA Advantage, reverse auctions, and GSA's e-commerce web site.

When calculating this measure, note that purchase cards do not count as electronic commerce actions. Accordingly, they should not be counted as part of the simplified acquisition base used to derive the results for this measure.

Internal Business Perspective

Performance Objective: Most Effective Use of Contracting Approaches to Maximize Efficiency and Cost Effectiveness - Use of Electronic Commerce

Performance Measure: **Percent of synopses (for which widespread notice is required) and associated solicitations posted on FEDBIZOPPS.**

Definition: Measures the percent of synopses that are required to be posted on the Government's single point of entry, applicable to actions over \$25,000 only. This measure is tracked at the Departmental level only; offices do not have to report on this measure.

Data Source: Electronic Purchase and Data Systems, PADS, IIPS, DOE/C-Web.

Data Generation: Data is tabulated from the listed tracking systems.

Data Verification: Procurement Directors are responsible for accuracy of data entered into the listed tracking systems.

Measurement Formula: The number of synopses for actions over \$25K that are posted on FEDBIZOPPS divided by the total number of synopses for actions over \$25K.

Measurement Notes: Actions posted on FEDBIZOPPS were previously required to be posted in the Commerce Business Daily. Offices are to utilize electronic methods and procedures (i.e. IIPS) to ensure that the required synopses and notices reach FEDBIZOPPS.

Internal Business Perspective

Performance Objective: Most Effective Use of Contracting Approaches to Maximize Efficiency and Cost Effectiveness- Use of Electronic Commerce

Performance Measure: **Percent of all new competitive acquisition transactions over \$100,000 conducted through electronic commerce.**

Definition: Measures the percent of competitive acquisition actions valued at over \$100,000 that are conducted through electronic means (i.e., both the solicitation (if one is required) and award are conducted electronically). This measure is tracked at the Departmental level only; offices do not have to report on this measure.

Data Source: PADS, IIPS.

Data Generation: Data is tabulated from the listed tracking systems.

Data Verification: Procurement Directors are responsible for accuracy of data entered into the listed tracking systems.

Measurement Formula: The number of new competitive acquisition transactions over \$100K conducted through electronic commerce divided by the total number of new competitive acquisition transactions over \$100K.

Measurement Notes: Actions under this measure must be solicited (if required) and awarded through IIPS.

Note that this measure tracks acquisition actions only. However, requirements now exist for utilization of IIPS for financial assistance actions. See Financial Assistance Letter 2002-03 issued December 6, 2002 for more information.

For delivery orders under GSA schedule that are coded as competitive in PADS, these actions do not normally require any form of "solicitation." Therefore, they would count under this measure if awarded electronically.

Task orders under DOE multiple award contracts DO require solicitation of the selected contractors. Therefore, both the task order solicitation action and resulting award must be done electronically to count under this measure.

Internal Business Perspective

Performance Objective: Most Effective Use of Contracting Approaches to Maximize Efficiency and Cost Effectiveness- Performance-Based Service Contracts

Performance Measure: **PBSCs awarded as a percentage of total eligible new service contract awards (applicable to actions over \$100,000).**

Definition: Measures the number of new Performance-Based Service Contracts awarded as a percentage of total eligible new service contract awards for actions exceeding \$100K.

Data Source: PADS.

Data Generation: Data is tabulated from the listed tracking system.

Data Verification: Procurement Directors are responsible for accuracy of data entered into PADS. On a routine basis, HQ will randomly sample pre and post award actions and compare against the FAR PBSC standards.

Measurement Formula: The number of new PBSC awards over \$100K divided by the total number of eligible new service contract awards over \$100K.

Measurement Notes: The word “eligible” refers to the fact that certain service contract awards are not considered “eligible” for processing in a performance-based fashion and are therefore excluded. These exclusions are Construction, A&E, and Utilities.

This measure includes M&Os, and all task and delivery orders for services over the specified dollar threshold.

The focus of the measure is new award actions only.

Internal Business Perspective

Performance Objective: Most Effective Use of Contracting Approaches to Maximize Efficiency and Cost Effectiveness- Performance-Based Service Contracts

Performance Measure: **Percent of total eligible service contract dollars obligated for PBSCs (applicable to all actions over \$25,000).**

Definition: Measures the dollars obligated on performance-based service contracts (with a contract value over \$25K) as a percentage of total eligible service contract dollars obligated. This measure is tracked at the Departmental level only; offices do not have to report on this measure.

Data Source: PADS.

Data Generation: Data is tabulated from the listed tracking system.

Data Verification: Procurement Directors are responsible for accuracy of data entered into PADS. On a routine basis, HQ will randomly sample pre and post award actions and compare against the FAR PBSC standards.

Measurement Formula: The amount of dollars obligated on PBSC awards whose current contract value is over \$25K divided by the total amount of dollars obligated on eligible service contract awards whose current contract value is over \$25K.

Measurement Notes: The word “eligible” refers to the fact that certain service contract awards are not considered “eligible” for processing in a performance-based fashion and are therefore excluded. These exclusions are Construction, A&E, and Utilities.

This measure includes M&Os, and all task and delivery orders for services over the specified dollar threshold.

This action applies to any dollars obligated on a performance-based service contract whose current contract dollar value exceeds \$25K.

This measure appears in the OMB sponsored Government-Wide Procurement Performance Measurement Program, and the action is tracked at the \$25K level to be consistent with this program.

Internal Business Perspective

Performance Objective: Most Effective Use of Contracting Approaches to Maximize Efficiency and Cost Effectiveness - Use of Competition

Performance Measure: **Percent of total dollars obligated on competitive actions over \$25,000.**

Definition: Measures the percent of dollars obligated on competitive acquisition actions over \$25K compared to all actions over \$25K. This measure is tracked at the Departmental level only; offices do not have to report on this measure.

Data Source: PADS.

Data Generation: HQ will generate data from PADS.

Data Verification: Procurement Directors are responsible for accuracy of data entered into PADS.

Measurement Formula: Total dollars of actions in the Individual Procurement Action Report (IPAR) Block 78 A+C divided by the total dollars of actions in Block 78 A+C+D.

Measurement Notes: This action applies to any dollars obligated during the fiscal year on a contract that was awarded competitively and whose current contract dollar value exceeds \$25K.

This measure appears in the OMB sponsored Government-wide Procurement Performance Measurement Program which is responsible for the above formula.

Block 78 of the IPAR is entitled "Ext Competed" and contains the following choices:

- A = Competed action
- B = Not available for competition
- C = Follow-on to competed action
- D = Not competed

As can be seen, actions not available for competition are excluded from consideration. Interagency agreements are also excluded.

Internal Business Perspective

Performance Objective: Most Effective Use of Contracting Approaches to Maximize Efficiency and Cost Effectiveness - Use of Competition

Performance Measure: **Percent of actions competed for actions over \$25,000.**

Definition: Measures the percent of new acquisition contract award actions competed for actions over \$25K. This measure is tracked at the Departmental level only; offices do not have to report on this measure.

Data Source: PADS.

Data Generation: HQ will generate data from PADS.

Data Verification: Procurement Directors are responsible for accuracy of data entered into PADS.

Measurement Formula: The number of actions in the Individual Procurement Action Report (IPAR) Block 78 A+C divided by the number of actions in Block 78 A+C+D.

Measurement Notes: This measure appears in the OMB sponsored Government-wide Procurement Performance Measurement Program which is responsible for the above formula.

Block 78 of the IPAR is entitled “Ext Competed” and contains the following choices:

- A = Competed action
- B = Not available for competition
- C = Follow-on to competed action
- D = Not competed

As can be seen, actions not available for competition are excluded from consideration. Interagency agreements are also excluded.

Internal Business Perspective

Performance Objective: Most Effective Use of Contracting Approaches to Maximize Efficiency and Cost Effectiveness - Use of Competition

Performance Measure: **Percent of total dollars obligated on orders over \$25,000 under MACs that were awarded using the fair opportunity process.**

Definition: Measures the percent of total dollars obligated on orders over \$25,000 under Multiple Award Contracts that utilized the fair opportunity process. This measure is tracked at the Departmental level only; offices do not have to report on this measure.

Data Source: PADS.

Data Generation: HQ will generate data from PADS.

Data Verification: Procurement Directors are responsible for accuracy of data entered into PADS.

Measurement Formula: The total dollars of actions reported in IPAR Block 44 A divided by the total dollars of actions in Block 44 A through E.

Measurement Notes: This measure appears in the OMB sponsored Government-wide Procurement Performance Measurement Program which is responsible for the above formula.

Block 44 of the IPAR is entitled “Multiple Award Contract Fair Opportunity” and contains the following choices:

- A = Fair Opportunity Process
- B = Urgency
- C = One/Unique Source
- D = Follow-On Contract
- E = Minimum Guarantee

The intent of this measure is to track dollars obligated on those orders whose current value is over \$25K that were awarded using the “fair opportunity” process as opposed to those that utilize urgency, one/unique source, follow-on contract, or minimum guarantee.

Internal Business Perspective

Performance Objective: Most Effective Use of Contracting Approaches to Maximize Efficiency and Cost Effectiveness - Use of Competition

Performance Measure: **Percent of actions for orders over \$25,000 under MACs that were awarded using the fair opportunity process.**

Definition: Measures the percent of actions for orders over \$25,000 under Multiple Award Contracts that utilized the fair opportunity process. This measure is tracked at the Departmental level only; offices do not have to report on this measure.

Data Source: PADS.

Data Generation: HQ will generate data from PADS.

Data Verification: Procurement Directors are responsible for accuracy of data entered into PADS.

Measurement Formula: Number of actions reported in IPAR Block 44 A divided by the total number of actions in Block 44 A through E.

Measurement Notes: This measure appears in the OMB sponsored Government-wide Procurement Performance Measurement Program which is responsible for the above formula.

Block 44 of the IPAR is entitled “Multiple Award Contract Fair Opportunity” and contains the following choices:

- A = Fair Opportunity Process
- B = Urgency
- C = One/Unique Source
- D = Follow-On Contract
- E = Minimum Guarantee

The intent of this measure is to track the number of orders over \$25K awarded using the “fair opportunity” process as opposed to those that utilize urgency, one/unique source, follow-on contract, or minimum guarantee.

Internal Business Perspective

Performance Objective: Streamlined Processes - Procurement Administrative Lead Time (PALT) for Acquisition

Performance Measure: **For new competitive service awards over \$100,000 (except major site and facility management contracts): Determine the average time from receipt of offer (or solicitation closing date if applicable) to date of award for each new award. Calculate the percent of award actions that fall within the target range (include those actions that outperform the range).**

Definition: Measures the percent of applicable awards that are processed within the specified target lead time range.

Data Source: PADS, Procurement and Assistance Tracking System (PATS), local tracking systems.

Data Generation: Data is generated from PADS, PATS, and local tracking systems.

Data Verification: Procurement Directors are responsible for accurately reporting results and retention of records in accordance with records management requirements. Records will be made available for compliance and/or HQ reviews.

Measurement Formula: Number of award actions that fall within the target range (or outperform the range) divided by the total number of actions.

Measurement Notes: This measure assesses the *percent* of awards that are processed within the designated target range, which is expressed in days. Those actions that are awarded faster (sooner) than the target range of days are to count as having met the target.

Each action is tracked from the receipt of offer (or solicitation closing date, if applicable) until date of award. Since the vast majority of our competitive acquisition actions have solicitations, you will track from the solicitation closing date. On multiple award solicitations, you will be tracking the PALT on all awards made.

Internal Business Perspective

Performance Objective: Streamlined Processes - Procurement Administrative Lead Time (PALT) for Acquisition

Performance Measure: **For orders for services under the Federal Supply Schedules that require a Statement of Work and a Request for Quotation: Determine the average time from receipt of offer (or solicitation closing date if applicable) to date of award for each new award. Calculate the percent of award actions that fall within the target range (include those actions that outperform the range).**

Definition: Measures the percent of applicable awards that are processed within the specified lead time range.

Data Source: PATS, local tracking systems.

Data Generation: Data is generated from PATS and local tracking systems.

Data Verification: Procurement Directors are responsible for accurately reporting results and retention of records in accordance with records management requirements. Records will be made available for compliance and/or HQ reviews.

Measurement Formula: Number of award actions that fall within the target range (or outperform the range) divided by the total number of actions.

Measurement Notes: This measure assesses the *percent* of orders that are processed within the designated target range, which is expressed in days. Those orders that are awarded faster (sooner) than the target range of days are to count as having met the target.

Internal Business Perspective

Performance Objective: Streamlined Processes - Procurement Administrative Leadtime for Financial Assistance.

Performance Measure: **For new competitive awards: Determine the average time from receipt of application (or solicitation closing date if applicable) to date of award for each new award. Calculate the percent of award actions that fall within the target range (include those actions that outperform the range).**

Definition: Measures the percent of applicable awards that are processed within the specified lead time range.

Data Source: PADS, PATS, local tracking systems.

Data Generation: Data is generated from PADS, PATS, and local tracking systems.

Data Verification: Procurement Directors are responsible for accurately reporting results and retention of records in accordance with records management requirements. Records will be made available for compliance and/or HQ reviews.

Measurement Formula: Number of award actions that fall within the target range (or outperform the range) divided by the total number of actions.

Measurement Notes: This measure assesses the *percent* of assistance awards that are processed within the designated target range, which is expressed in days. Those awards that are awarded faster (sooner) than the target range of days are to count as having met the target.

Each action is tracked from the receipt of the application (or solicitation closing date, if applicable) until date of award. However, there are some competitive actions in the assistance arena where the evaluation and selection process is done by the program offices, and procurement doesn't see the action until the selected application is forwarded to procurement for award. In these instances, you will need to make sure that program provides you with the solicitation closing date, or the date the actual application was received (in the case of the open/rolling solicitations). We realize that this includes time that is not within the control of the procurement office, but we are to track it anyway. Note that on multiple award solicitations, you will be tracking the PALT on all awards made.

Internal Business Perspective

Performance Objective: Reduction in Overage Instruments

Performance Measure: **Percent reduction in overage acquisition and financial assistance instruments.**

Definition: Measures the percent reduction in the number of contract and assistance actions in the overage closeout status.

Data Source: PADS.

Data Generation: Data is generated from PADS.

Data Verification: Procurement Directors are responsible for accurately reporting results and retention of records in accordance with records management requirements. Records will be made available for compliance and/or HQ reviews.

Measurement Formula: Take the balance of overage instruments at the beginning of the year and add any new actions occurring during the reporting period. From this total, subtract the number of actions processed during the reporting period. Compare this new total with the original beginning balance, and calculate the percent difference.

Measurement Notes: This measure tracks the percent reduction in the number of overage instruments during the course of the fiscal year. Each office will be expected to reduce its total number of overage instruments by at least 10% by the end of the fiscal year. Note that we are talking about overage instruments only, not all instruments in inactive/closeout status.

This measure is calculated by using the PADS Close-Out Progress by Award Office Report (the old #765 Report) which tracks acquisition instruments above \$25K only, and tracks financial assistance at all dollar values. This is the universe of awards to be included in the base.

Note: In tabulating the results for this measure, you must use the “frozen” data base for the specified FY as described below. If you request a Close-Out Progress by Award Office Report without specifying that it be from the “frozen” data base, it will be generated from the “production” data base which is continually changing, even for a year that is already “frozen.” We must stick with the frozen data base so that we will all be working from the same set of figures. So, as an example, for FY 2001 your beginning balance would be the balance at the end of FY 2000 using the FY 2000 frozen data base. Your ending balance for FY 2001 would be the end of year frozen data base for FY 2001. Same procedure for future years.

At the beginning of the fiscal year, each office will request a Close-Out Progress by Award Office Report from the PADS frozen data base from the previous FY to establish its baseline of overage instruments (i.e., the total number of overage acquisition and financial assistance instruments). At the end of the year, each office will use the newly “frozen” data base to determine the new number of overage instruments and then calculate the percentage difference in the totals. ***It is recognized that during the course of the year new instruments will be added to the overage status. Therefore, you will need to handle the new instruments while decreasing the original backlog by at least 10%.*** We are combining the acquisition and assistance totals together rather than tracking the reductions separately in order to give you more flexibility during the fiscal year in meeting your target reduction. If, at the end of the fiscal year, your total number of overage instruments is greater than at the beginning of the year, you are to report this as a negative percentage.

Examples:

Beginning of fiscal year total count:	379	Beginning of fiscal year total count:	379
End of fiscal year total count:	<u>299</u>	End of fiscal year total count:	<u>415</u>
Difference:	80	Difference:	(36)
Reported % reduction:	21%	Reported % reduction:	-9%

Internal Business Perspective

Performance Objective: On-Time Delivery

Performance Measure: **Percentage of contracts where contractual delivery date meets actual delivery/acceptance date.**

Definition: Measures the percentage of contracts where contractual delivery date meets actual delivery/acceptance date. Applies only to procurement actions over \$1M.

Data Source: Past Performance Data Base, local deliverable tracking systems.

Data Generation: Data is generated from listed tracking systems.

Data Verification: Procurement Directors are responsible for accurately reporting results and retention of records in accordance with records management requirements. Records will be made available for compliance and/or HQ reviews.

Measurement Formula: Number of contracts completed on-time divided by the total number of completed contracts.

Measurement Notes: Traditionally, much flexibility has been provided to the Procurement Directors in determining how to define “on-time delivery,” provided that the approach was used consistently. This flexibility was permitted because of the wide range of contract types awarded throughout the Department (supply contracts with numerous line item deliverables, service contracts with no “hard” deliverables, research contracts with no deliverables other than a possible final report, etc.). Although some flexibility is still required in the application of this measure, the following information is provided in an attempt to provide for more consistency among the procurement offices.

The focus of this measure is the *percent of contracts* where delivery was made on-time as opposed to the percent of contract line items delivered on-time. As such, it is suggested that a contract not count under this measure until the existing contract time period (base period, option period, etc.) has expired. The contract counts at the end of the base period, and then again at the end of each option period. If the contract contained specifically identified line item deliverables, then the issue is whether or not the line items were delivered within the time period specified in the contract (as modified). If there were numerous line item deliverables, and not all were delivered timely, then prudent judgement by the procurement office (perhaps with input from program personnel) will be needed in determining whether to count the entire contract as timely or not. A key contract item not delivered in time would be significant. But a few minor deliverables among hundreds may not be significant.

For research contracts and other efforts where the only deliverable may be a final report, was it delivered within the time period specified in the contract?

For support service contracts, were the services delivered within any time restrictions defined in the contract?

Many contracts require the submission of periodic management or administrative reports (cost reports, manpower reports, etc.) that are incidental to the actual performance of work under the contract. The timely submission of these reports may be of benefit in helping support the decision that a contractor is timely or not. But the submission of these reports should not be the sole factor in determining timeliness.

Internal Business Perspective

Performance Objective: Supplier Satisfaction

Performance Measure: **Extent of supplier (i.e. contractor/vendor) satisfaction with the responsiveness, cooperation, and level of communication with the procurement office.**

Definition: Measures the extent of supplier (i.e., contractor/vendor) satisfaction with the responsiveness, cooperation, and level of communication with the procurement office.

Data Source: Vendor Survey.

Data Generation: Accomplished by using standardized survey instrument. Individual survey responses are entered into the Excel Data Reduction Program which calculates results.

Data Verification: Procurement Directors are responsible for accuracy of data and retention of Excel Program Reports in accordance with records management requirements. Reports will be made available for compliance and/or HQ reviews.

Measurement Formula: Number of suppliers responding to the survey that are satisfied with the responsiveness, cooperation, and level of communication divided by the total number of suppliers responding to the survey.

Measurement Notes: Reporting offices are to use the standardized survey provided by HQ. Reporting offices are encouraged to add additional questions that have significance on the local level, but do not include the responses to these questions in the results reported to HQ.

All offices are to survey a representative number of suppliers. In order to ensure the statistical accuracy of results, offices are to strive for a minimum of 30 survey responses. The suppliers selected for the survey should be from the universe of suppliers that had active contracts during the reporting period. Although the primary focus of this measure is acquisition contractors, purchase order vendors and financial assistance recipients may be included if they represent a substantial portion of the workload. In the annual BSC report of assessment results, reporting offices are to describe the methodology used for selection of suppliers surveyed, and describe the rationale for its use.

Survey responses should be anonymous (unless survey responder wishes to identify himself/herself), and should allow for the provision of comments.

Internal Business Perspective

Performance Objective: Socioeconomics

Performance Measure: **Percent Achievement of Assigned Goals**

Definition: Measures the percent achievement of assigned socioeconomic goals.

Data Source: PADS, Subcontract Reporting System, Office of Small and Disadvantaged Business Utilization, local tracking systems.

Data Generation: Data is tabulated from the listed tracking systems.

Data Verification: Procurement Directors are responsible for accurately reporting results and retention of records in accordance with records management requirements. Records will be made available for compliance and/or HQ reviews.

Measurement Formula: Each office is to calculate the percent to which each assigned socioeconomic goal was achieved, then combine results for an overall average achievement.

Measurement Notes: None

Learning and Growth Perspective

Performance Objective: Access to Strategic Information

Performance Measure: **The extent to which reliable procurement management information systems are in place.**

Definition: Measures the extent to which reliable procurement management information systems are in place. It considers the quality of in-house management information systems, electronic reporting of data to the FPDS, whether or not customers can access real-time award data, etc.

Data Source: Procurement Manager's Self Assessment Survey (Data Collection).

Data Generation: Accomplished by using standardized survey instrument. Individual survey responses are entered into the Excel Data Reduction Program which calculates results.

Data Verification: Procurement Directors are responsible for accuracy of data and retention of Excel Program Reports in accordance with records management requirements. Reports will be made available for compliance and/or HQ reviews.

Measurement Formula: Procurement Director's individual assessment of the extent to which reliable procurement management information systems are in place.

Measurement Notes: Procurement Directors have flexibility in conducting this survey. For some offices, only the Procurement Director completes the survey. In others, the Director and his/her senior staff complete the survey, and the scores are averaged. Either way is acceptable, provided that it is consistently applied over time - in other words, don't switch back and forth each year. Pick a methodology and stick to it otherwise trend data can be negatively impacted.

This survey provides for scoring on a 1 to 5 basis, and allows for assignment of partial points (e.g. 4.5, 3.2, etc). However, it is necessary to convert the survey results into a percentage format before reporting the results to HQ. Therefore, 5 is equivalent to 100%, 4 to 80%, 3 to 60%, 2 to 40%, 1 to 20%. An overall rating of 4.7 would be equivalent to 94% (4.7 divided by 5).

Learning and Growth Perspective

Performance Objective: Employee Satisfaction

Performance Measure: **Superior Executive Leadership**

Definition: Measures employee perception of organizational culture and values, professionalism of procurement management, and extent of empowerment.

Data Source: Employee Survey.

Data Generation: Accomplished by using standardized survey instrument. Individual survey responses are entered into the Excel Data Reduction Program which calculates results.

Data Verification: Procurement Directors are responsible for accuracy of data and retention of Excel Program Reports in accordance with records management requirements. Reports will be made available for compliance and/or HQ reviews.

Measurement Formula: Number of employees responding to the survey that are satisfied with the quality of executive leadership divided by the total number of employees responding to the survey.

Measurement Notes: Reporting offices are to use the standardized survey provided by HQ. Reporting offices are encouraged to add additional questions that have significance on the local level, but do not include the responses to these questions in the results reported to HQ.

For this measure, “employee” is defined as any person working in the procurement office who reports to the Procurement Director for supervision. This includes secretarial and administrative staff. Several offices have industrial relations/contractor human relations staffers or other “non-procurement” staffers who report to the Procurement Director for supervision. These staffers do not do normal procurement work, but since they report to the Procurement Director for supervision, they are to count in the employee survey (but they do not count towards calculation of the cost to spend ratio).

All active employees should be surveyed.

Learning and Growth Perspective

Performance Objective: Employee Satisfaction

Performance Measure: **Quality Work Environment**

Definition: Measures employee's degree of satisfaction with tools available to perform the job, with mechanisms in place to ensure effective communications to accomplish job requirements, and with current benefits and job security.

Data Source: Employee Survey.

Data Generation: Accomplished by using standardized survey instrument. Individual survey responses are entered into the Excel Data Reduction Program which calculates results.

Data Verification: Procurement Directors are responsible for accuracy of data and retention of Excel Program Reports in accordance with records management requirements. Reports will be made available for compliance and/or HQ reviews.

Measurement Formula: Number of employees responding to the survey that are satisfied with the level of quality of the work environment divided by the total number of employees responding to the survey.

Measurement Notes: For this measure, "employee" is defined as any person working in the procurement office who reports to the Procurement Director for supervision. This includes secretarial and administrative staff. Several offices have industrial relations/contractor human relations staffers who report to the Procurement Director. These staffers do not do normal procurement work, but are usually dedicated to the M&Os. Since they report to the Procurement Director for supervision, they are to count in the employee survey (but they do not count towards calculation of the cost to spend ratio).

All active employees should be surveyed.

Learning and Growth Perspective

Performance Objective: Organization Structured for Continuous Improvement

Performance Measure: **Assessment of the level of continuous improvement.**

Definition: This measure considers the extent of benchmarking and other improvement initiatives, the existence of an effective quality culture, existence of strategic planning actions, etc.

Data Source: Procurement Manager's Self-Assessment Survey (Mission Goals).

Data Generation: Accomplished by using standardized survey instrument. Individual survey responses are entered into the Excel Data Reduction Program which calculates results.

Data Verification: Procurement Directors are responsible for accuracy of data and retention of Excel Program Reports in accordance with records management requirements. Reports will be made available for compliance and/or HQ reviews.

Measurement Formula: Procurement Director's individual assessment of the level of continuous improvement that exists within the organization.

Measurement Notes: Procurement Directors have flexibility in conducting this survey. For some offices, only the Procurement Director completes the survey. In others, the director and his/her senior staff complete the survey, and the scores are averaged. Either way is acceptable, provided that it is consistently applied over time - in other words, don't switch back and forth each year. Pick a methodology and stick to it otherwise trend data can be negatively impacted.

This survey provides for scoring on a 1 to 5 basis, and allows for assignment of partial points (e.g. 4.5, 3.2, etc). However, it is necessary to convert the survey results into a percentage format before reporting the results to HQ. Therefore, 5 is equivalent to 100%, 4 to 80%, 3 to 60%, 2 to 40%, 1 to 20%. An overall rating of 4.7 would be equivalent to 94% (4.7 divided by 5).

Learning and Growth Perspective

Performance Objective: Quality Workforce

Performance Measure: **Percent of all acquisition personnel meeting the qualification standards of the Acquisition Career Development (ACD) program.**

Definition: Measures the extent to which acquisition personnel meet the training and experience requirements of the Acquisition Career Development program. Note that educational requirements are not tracked under this measure.

Data Source: Career Development data systems.

Data Generation: Data is tabulated from the listed data systems.

Data Verification: Procurement Directors are responsible for accurately reporting results and retention of records in accordance with records management requirements. Submitted results will be compared with data maintained by the Departmental Career Development Coordinators.

Measurement Formula: Number of acquisition personnel that meet the qualification standards of the ACD program divided by the total number of acquisition personnel.

Measurement Notes: Please make sure that the results reported under this measure are consistent with information reported to the Departmental Career Development Coordinators.

Acquisition personnel have 18 months to attain their certification. Therefore, if you have a new hire from outside of the DOE acquisition community, they have 18 months from the date of hire to get certified at their level. Similarly, if someone is promoted from a Level I to a Level II position, or from a Level II to a Level III position, they have 18 months to get certified. Those personnel that are still within their 18 month period are removed from the calculation base for this measure since they have 18 months to qualify (in other words, it is as if they did not yet exist). Note that someone promoted within their level (e.g. from a GS-9 to a GS-11 position) IS NOT excluded from the count because those are both Level II positions.

Refer to DOE Order 361.1 for further information on qualification standards.

Learning and Growth Perspective

Performance Objective: Quality Workforce

Performance Measure: Percent of certified acquisition personnel meeting the ACD Continuous Learning Requirement

Definition: Measures the extent to which certified acquisition personnel have met the continuous learning requirements of the Acquisition Career Development (ACD) program.

Data Source: Career Development data systems.

Data Generation: Data is tabulated from the listed data systems.

Data Verification: Procurement Directors are responsible for accurately reporting results and retention of records in accordance with records management requirements. Submitted results will be compared with data maintained by the Departmental Career Development Coordinators.

Measurement Formula: Number of certified acquisition personnel that meet the continuous learning requirements of the ACD program divided by the total number of certified acquisition personnel.

Measurement Notes: Please make sure that the results reported under this measure are consistent with information reported to the Departmental Career Development Coordinators.

The ACD program requires 80 hours of continuous learning over a two year period. If a certified individual's two-year period has not yet been completed, then they are considered as having met the continuous learning requirement and are counted as such. If the two-year period has expired and the individual has not met the continuous learning requirements, then they would be counted as a negative under this measure. In addition, they would no longer be considered certified under the ACD program and would therefore count as a negative under that measure also. Once they achieve the required number of continuous learning hours, they would again be considered qualified under the ACD program and would count as a positive entry under both ACD measures. In this event, their new two-year period would begin once the continuous learning requirements were met.

Refer to DOE Order 361.1 for further information on this program.

Learning and Growth Perspective

Performance Objective: Quality Workforce

Performance Measure: **Percent of all financial assistance personnel meeting the qualification standards of the Financial Assistance Career Development Program.**

Definition: Measures the extent to which all financial assistance personnel have met the training and experience requirements of the Financial Assistance Career Development Program.

Data Source: Career Development data systems.

Data Generation: Data is tabulated from the listed data systems.

Data Verification: Procurement Directors are responsible for accurately reporting results and retention of records in accordance with records management requirements. Submitted results will be compared with data maintained by the Departmental Career Development Coordinators.

Measurement Formula: Number of financial assistance personnel that meet the qualification standards of the Financial Assistance Career Development Program divided by the total number of financial assistance personnel.

Measurement Notes: Please make sure that the results reported under this measure are consistent with information reported to the Departmental Career Development Coordinators.

Only personnel predominately involved in the award and administration of financial assistance are required to meet the requirements of the Financial Assistance Career Development Program.

Refer to DOE Order 361.1 for further information on this program.

Financial Perspective

Performance Objective: Optimum Cost Efficiency of Purchasing Operations

Performance Measure: **Cost to Spend Ratio**

Definition: This measure represents the ratio of the cost of operation of the procurement office versus the total dollars obligated. The costs and obligations associated with M&O actions are excluded.

Data Source: PADS, local budget tracking systems.

Data Generation: The Cost to Spend Ratio is calculated from data extracted from listed data systems.

Data Verification: Procurement Directors are responsible for the accuracy of the calculated ratio, and for retention of source documents and ratio calculation sheets in accordance with records management requirements. Records will be made available for compliance and/or HQ reviews.

Measurement Formula: Procurement organization's operating costs (labor plus overhead) divided by procurement obligations.

Measurement Notes: This measure is affected by the costs to operate a procurement shop (which **are** within the control of the procurement office to a large extent), and by money obligated (which is **not** totally within the control of the procurement office). As a result - we may see some strange behavior over time.

Elements to be included in developing the cost of operations include procurement staff salaries, training, and contractor support. The procurement office staff includes secretaries and any other staff dedicated to the procurement function. For those offices who have industrial relations/contractor human relations staff under the direction of the Procurement Director or other personnel who do not support the true procurement function (i.e., property, facilities management, etc.), do not include these staffers in developing your cost figures as these staffers are not involved in the day-to-day award of procurement or financial assistance actions. Note that you **WOULD** include these personnel in the employee satisfaction survey if they report to the Procurement Director for supervision.