

APPENDIX E

SITE HISTORIAN LOG

Site Historian Log

Site Historians in each of the participating Demonstration Group and Comparison Group organizations documented events that occurred during the timeframe of April 1, 2002—March 31, 2003 that provide context for the Demonstration Project activities.

Category	Description of Event and Potential Impact on Demonstration Project	Reporting Organization
Appropriation and Budget Issues	Along with the FY03 Budget , BEA received an additional 50 new initiative positions, which increased BEA’s staff complement to approximately 500 employees.	BEA
Appropriation and Budget Issues	The budget was approved very late. As a result, managers were hesitant to hire anyone until they knew exactly how much funding would be available. They also were concerned that they might have gone over budget on some projects (because they did not know how the pay increase was going to be applied).	NTIA/ITS
Appropriation and Budget Issues	OAR’s budget situation in FY03 worsened. OAR received only \$0.5 million of its \$5.0 million of adjustments to base, plus unreimbursed costs of approximately \$0.9 million due to the enacted Federal pay raise of an additional 1 percent. As part of the final appropriation, OAR sustained an across the board cut of \$2.5 million. Several additional unexpected cuts included \$2.3 million from the Space Environment Center budget and \$4.5 million from the rent budget for the new Boulder, CO building (78 percent of which would have to be made up from OAR research budgets). OAR has requested a reprogramming of funds that is now in Congress for approval. If the reprogramming is not approved, employees in the labs will be subject to furloughs and possibly RIFs. There may be more labs in FY03 who will not be able to provide increases to their employees.	OAR
Appropriation and Budget Issues	Over the past six years, OAR has incurred over \$40 million in base erosion. In FY02, the Annual Comparability Increase of 4.7 percent was not fully funded, which added to the shortfall of funds.	OAR

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Appropriation and Budget Issues	The end of the FY02 year closeout revealed that OAR's Environmental Technology Laboratory (ETL) overran appropriated funds by \$2M due to a shortfall in a major reimbursable program. ETL was given guidance for restructuring to develop a smaller, more NOAA-focused organization. Actions to be taken were: call for voluntary leave without pay, hiring freeze, pre-approval of all travel, and proposals for new funds. Additionally, ETL management decided to use bonuses in lieu of performance increases to reward employee performance in FY02 because it added no permanent cost to the ETL base and it moved a step closer to meeting OAR guidelines of a better balance between ETL's federal salary burden and base funding level. Supervisors explained this at their preliminary performance review meetings with employees. The OAR DAA approved bonuses versus increases. Money was transferred from increases to bonuses within the laboratory pay pools. The lab also needs to reduce their federal positions from 60 to 40 by FY05 to make the staffing consistent with ETL base funds. This is being done through attrition and use of Voluntary Early Out Authority. Regarding impact, this may have skewed the increase/bonus average percents for FY 02. Although employees were not thrilled, they understood the financial difficulty and were happy to be employed. The voluntary leave without pay action ended up saving the lab \$180,000 in FY02.	OAR
Automated Classification System	BEA was unable to implement the new web-based ACS as scheduled, due to problems the contractor experienced in establishing the programming access levels for the System Administrator and managers. Also, there were many inconsistencies in organizational coding by the programmer as well as missing specialty descriptors for some series.	BEA
Automated Classification System	The software has been working well but there have been some changes in the software. The Departmental staff and the contractor are working to ensure that the software complies with the DoC password policy.	NESDIS, NMFS
Automated Classification System	When one NTIA/ITS staff member tried to use the new web-based ACS, we found that we were listed as being in the Office of the Secretary. We finally found someone who was able to get us into the system properly. This briefly slowed down the hiring process.	NTIA/ITS

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Expansion	<p>During April 18 - June 6, 2002, extensive efforts were conducted to address bargaining unit concerns about employee participation in expansion of the Demonstration Project involving five major NOAA Fisheries organizations. One international, three national, and five local bargaining units were involved. Bargaining unit objections were based on misinformation and continuing concerns about managerial discretion in exercising pay for performance interventions, despite over four years of demonstrated agency success. Notwithstanding generally favorable reception of the Demonstration Project among non-participating employees, the negative bargaining unit positions would result in a bar to participation by approximately 1,000 covered employees in any expansion effort.</p> <p>As a result of an OPM determination to permit expanded participation in the Demonstration Project with employees not represented by bargaining units, NOAA Fisheries was able to include many employees from its Fisheries Science Centers as well as the Southeast Regional Office. Employees with the newly created Pacific Islands Regional Office and Fisheries Science Center were also included.</p>	NMFS
Expansion	<p>The Demonstration Project expanded to include more employees. The Washington portion of NTIA considered going into Demo. If they had decided to participate, the ITS director would have become a PM, reporting to an OU in DC. Also, all ITS ZAs and ZTs would have “floated” up to DC (since ITS has fewer than 5 staff in each path). However, the decision was made not to participate.</p>	NTIA/ITS
Favorability	<p>The Demonstration Project appears to be working smoothly within NESDIS and NMFS. There are many more positive comments about the Demonstration Project. Most employees have adjusted well to the Demonstration Project. Many of the poor performers have left NESDIS and NMFS or have showed progress in their performance.</p>	NESDIS, NMFS
Hiring Process	<p>Although the Presidential Hiring Freeze was lifted, NOAA still has a “hiring waiver” process that slows down recruiting and hiring for positions above the ZA, ZP pay band IV (or any position above a GS-12). The NESDIS Assistant Administrator must approve these positions. Some employees may complain in the survey or in focus groups about the time lag to hire due to the hiring waiver process.</p>	NESDIS
Hiring Process	<p>The security clearance process continues to slow down the hiring process. Many of our organizations require a security clearance before an employee can report for duty. Because of increased security requirements due to 911 and the implementation of the new Homeland Security Agency, the process has been slower.</p>	NESDIS
Leadership Change	<p>After almost four years under an Acting Director, NTIA/ITS hired a new Director in October 2002, who will serve as ITS’ OU and PM. The fact that the new Director is SES, and not in the system as an employee, makes the PPS system a little easier for ITS to use.</p>	NTIA/ITS

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Leadership Change	<p>Assistant Administrator transferred to another agency in September 2002. The Chief Financial Officer/Chief Administrative Officer transferred to another agency in November 2002.</p> <p>The Assistant Administrator departed OAR in September and took both his secretary and the Chief Financial Officer to the new agency with him. The Deputy Assistant Administrator took on the responsibilities of the Assistant Administrator in addition to her own duties. The Deputy Assistant Administrator left OAR on maternity leave for 5 months in March 2003. Since March 2003, OAR SES Laboratory Directors have been at HQ in Acting Assistant Administrator and Acting Deputy Assistant Administrator roles. The constant turnover in lead management positions within the organization over most of the year could have an impact on performance of employees and the Demonstration Project overall.</p>	OAR
Leadership Change	<p>The Director, Office of Technology Competitiveness (within the Office of Technology Policy), who was out on an extended absence beginning in Fall 2001, passed away in early 2002. The position has been vacant since that time. Although a selection has been made, TA is awaiting OPM's certification of the candidate's executive core qualifications. There have been a series of acting directors, rotating through the office, for over a year. The impact of this event is that there was no closeout rating on the staff members by the deceased Director, and the acting Directors were either new to the Demonstration Project or unfamiliar with it from a supervisory perspective. That said, it appears that the staff members' ratings did not differ enough to raise concerns on either the part of the employees or the acting supervisors, and no appeals were requested from any of the staff members affected by the event.</p>	TA
Leadership Change	<p>The Director, Office of International Technology (within the Office of Technology Policy), unexpectedly left for a position with a non-profit organization in Fall 2002. The position has been vacant since that time, and the Office of Technology Policy has decided to merge the Office of International Technology with the Office of Technology Competitiveness as a part of workforce restructuring effort to streamline its operation and eliminate layers of management. In the meantime, staff members are reporting to a number of acting supervisors until the merger takes place. TA received no appeals from any of the affected staff members.</p>	TA
Outreach Efforts	<p>In order to communicate better to NESDIS and NMFS employees, several emails were sent to all NESDIS and NMFS employees to keep them informed about the Demonstration Project. In addition, there were several outreach briefings on the Demonstration Project.</p>	NESDIS, NMFS
Pay Pool Percentages	<p>BEA retained its original historical increase and bonus percentages pools.</p>	BEA
Pay Pool Percentages	<p>The NESDIS Operating Board voted to continue using the same allotment percentages for both the increase and bonus pools.</p>	NESDIS

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Payouts	Several of NESDIS employees received their ACI increases late due to a programming error. The PPS software reports were not available for the Systems Administrators to catch the problem.	NESDIS
Payouts	All NESDIS employees received their pay increases and bonuses. The process went smoothly. Only one employee received his increase late.	NESDIS
Payouts	Because the budget was approved very late, part of the pay increase was delayed until more than halfway through FY 03.	NTIA/ITS
Performance Appraisal System Change	The General Workforce performance appraisal system changed from a 5-level to a 2-level system for the FY 2003 rating cycle. The 2-level system consists of "Meets Or Exceeds" or "Does Not Meet Expectations." The 2-level system allows for increased communication between management and employees and encourages managers to recognize employees with incentive awards throughout the year. Incentive awards replaced the 5-level system's performance awards at the end of the rating cycle.	ESA
Performance Payout System	<p>BEA establishes a PPS Freeze Period to stabilize the NFC database before it is loaded into PPS for use in calculating performance payouts and bonuses. Beginning with the FY 2002 PPS cycle, we developed a "best estimate" of the expected PPS-recommended pay pool by manually manipulating the NFC download to adjust for expected, but not-yet-effective, personnel actions.</p> <p>Our experience in tracking the movement of the "best estimate" and the actual PPS data showed that as long as they were anticipated, personnel actions did not change our estimate.</p>	BEA
Performance Payout System	There have been many improvements to the PPS web-based software. Several Demo reports were not programmed in time for the payouts. The DOC staff and contractors have been making great strides in improving the software and reports. This has resulted in many working meetings between the NOAA team, other DOC Demo groups, DOC staff and contractors.	NESDIS, NMFS
Performance Payout System	DoC password policy was significantly tightened in 2002. The Demonstration Project was required to follow the new rules beginning with the 2003 cycle. Give this change, the PPS system had to be changed so that System Administrators, who are no longer permitted to know other users' passwords, could still act as OU, PM, or RO when needed. This necessitated a major re-working of the system, time spent by System Administrators to test it, and consequently higher costs.	NTIA/ITS
Reorganization	On May 3, 2002, ESA's Headquarters was reorganized. The reorganization retitled a Senior Executive Service position and combined three offices into one. It also created a new office and retitled an existing office's name. The reorganization had no budgetary or staffing impacts.	ESA
Title Change	Effective August 2002, the 10 Computer Specialists in the Office of the Chief Information Officer had their titles changed to Information Technology (IT) Specialists. All grade 12 and below IT Specialists continue to be on a special pay rate since January 01, 2001.	ESA