

APPENDIX E

SITE HISTORIAN LOG

Site Historian Log

Site Historians in each of the participating Demonstration Group and Comparison Group organizations¹ documented events that occurred during the timeframe of April 1, 2004—March 31, 2005 that provide context for the Demonstration Project activities.

Category	Description of Event and Potential Impact on Demonstration Project	Reporting Organization
Leadership Change	In November 2004, the Associate Director for Management (SES) position became vacant. Since then, the Division Chiefs for Administrative Services and the Communications Division have been rotating in the Acting role. This position still remains vacant, so these two Division Chiefs will jointly share Pay Pool Manager responsibilities for the Management Directorate. This may have some minor impact on the payout process during the '05 Performance Cycle.	ESA - BEA
Outreach Efforts	In August 2004, BEA conducted training for new supervisors, using the newly developed PPS Manual for Rating Officials. The impact has been positive as supervisors learn more about the pay for performance system.	ESA - BEA
Pay Pool Percentages	In June 2004, BEA's Budget Office duplicated the PPS pool contribution amount by employee off-line to generate an estimated pool; analyzed the effects of minimal contributors on the pay pool; and analyzed the effects of supervisory pay differential on the pay pool. As a result, BEA retained its original historical increase and bonus percentage pools.	ESA - BEA
Policies/ Procedures	In May 2004, BEA developed Pay Setting Guidelines, as well as supplemental materials, to assist managers in making pay setting decisions. The OPMB agreed the Demonstration Project had matured enough that approval for pay decisions should be delegated to the Pay Pool Managers. As a result, managers are much more aware, and make better use, of the pay setting flexibilities available to them under the Demonstration Project.	ESA - BEA
Favorability	The Demonstration Project appears to be working smoothly within TA.	TA
Outreach Efforts	Supervisory training has been conducted to fill knowledge gaps due to change in supervisory staff. It is expected that this will continue to have a positive effect on staff.	TA
Payouts	All TA employees received their pay increases and bonuses. The process went smoothly.	TA
Budget Issues	TA's budget has been declining for the past two years. The FY 05 budget was reduced by one-third over the FY 04 budget, and the President's FY 06 budget reduces it by another one-third.	TA
Hiring Issues	Due to budget constraints, TA had been unable to replace departing staff. In FY 05 (in anticipation of the FY 06 budget), a request has been made for VERA/VSIP/RIF authority to reduce staff by another one-third. As result, TA has not had the opportunity to make the most of the Demonstration Project's flexibilities in hiring and setting new salaries.	TA

¹ NOS also had the opportunity to participate but indicated that they did not have any information to submit.

Category	Description of Event and Potential Impact on Demonstration Project	Reporting Organization
Automated Classification System	ITS formally requested that Team Leader positions be recognized in ACS. This request was approved and a button designating Team Leader positions was added.	NTIA/ITS
Favorability	The Demonstration Project appears to be working smoothly within PPI. There are many more positive comments about the Demonstration Project. Most employees have adjusted well to the Demonstration Project.	NOAA - PPI
Payouts	All PPI employees received their pay increases and bonuses. The process went smoothly.	NOAA - PPI
Outreach Efforts	Briefings for employees have been provided; web site continually updated; supervisor training conducted; ongoing ad-hoc training conducted.	OS
Payouts	All OS employees received their pay increases and bonuses. The process went fairly smoothly. There were several informal grievances that required adjusting scores or payouts.	OS
Organizational Change	OHRM went through transformation of its organization. Three new leadership development programs were stood up focused on mission critical occupations. The OHRM received "Green" status from OPM/OMB as a result of the transformation in 2004.	OS
Hiring Issues	OS had a hiring freeze summer of 2004. The organizational change, resulted in a 20 FTE loss due to granting buyouts and early outs. After the organizational transformation, OS resumed hiring and focused on hiring employees with skills sets related to mission critical occupations.	OS
Pay for Performance	The first payout of the Demonstration Project for OS was accomplished in 2004 with very few formal grievances.	OS
ACI Increases	Almost all of OS employees received their payouts correctly and on time. At the Department, we had only a few days to create 250 tables based on OPM pay tables that came out shortly before the NFC deadline. NFC provided us a short extension that, along with Department staff working long hours, helped to ensure a timely ACI payment.	OS
Expansion	OS provided a Federal Register notice to OPM to expand to two unions within OS.	OS
Favorability	The Demonstration Project appears to be working smoothly within OS. There are many more positive comments about the Demonstration Project.	OS
Software/ Systems Issues	There were continued improvements to the PPS web-based software. Several Demo reports have still not been programmed in time for the payouts. The DOC staff and contractors were continuing to make strides in improving the software and reports. This resulted in many working meetings between the bureau teams, DOC staff, and contractors. The DOC contractor resigned to go to a new position outside of DOC. This left a large gap in trying to get the software to work during payout. This caused a tremendous problem for the Department and the systems administrators. There was little documentation on how the system was configured. The lack of documentation problem has been brought to the attention of the Department. Luckily, we have a certified programmer who is getting up to speed on PPS and correcting some of its systemic problems.	OS

Category	Description of Event and Potential Impact on Demonstration Project	Reporting Organization
Outreach Efforts	In order to better communicate to NESDIS employees, several emails were sent to all NESDIS employees to keep them informed about the Demonstration Project. In addition, there were several outreach briefings on the Demonstration Project.	NOAA - NESDIS
Payouts	All our NESDIS employees received their pay increases and bonuses. The process went fairly smoothly. There were several informal grievances that required adjusting scores or payouts.	NOAA - NESDIS
Pay Pool Percentages	The NESDIS Deputy Assistant Administrator continued using the same allotment percentages for both the increase and bonus pools.	NOAA - NESDIS
Hiring Issues	NESDIS still has a “hiring and reassignment” process that slows down recruiting and hiring for positions above the ZA and ZP pay band IV (or any position above a GS-12). These positions must be approved by the NESDIS Assistant Administrator. There are complaints about the time lag to hire due to the hiring waiver process. In addition, many of our organizations’ positions 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 hiring process has been slower.	NOAA - NESDIS
ACI Increases	Almost all of NESDIS employees received their payouts correctly and on time. Due to a change in locality pay for one group of employees, the change was not caught in time to pay the correct ACI increase. A retroactive payment corrected the error.	NOAA - NESDIS
Expansion	NESDIS offered its employees at the Wallops Command and Data Acquisition Station, at Wallops, Virginia, the opportunity to participate in the Demonstration Project. The union employees declined, but 15 management employees are now in the Demonstration Project. Several union employees have since indicated that they want to participate.	NOAA - NESDIS
Favorability	The Demonstration Project appears to be working smoothly within NESDIS. There are many more positive comments about the project. Many poor performers have left NESDIS or have shown progress in their performance. NESDIS had two formal Demonstration Project grievances. There were several informal grievances that were resolved.	NOAA - NESDIS
Software/ Systems Issues	There were continued improvements to the PPS web-based software. Several Demo reports have still not been programmed in time for the payouts. The DOC staff and contractors were continuing to make strides in improving the software and reports. This resulted in many working meetings between the NOAA team, other DOC Demo groups, DOC staff and contractors. Unfortunately, the DOC contractor resigned to go to a new position outside of DOC. This left a large gap in trying to get the software to work during payout. This caused a tremendous problem for the Department and the systems administrators. There was little documentation on how the system was configured. The lack of documentation problem has been brought to the attention of the Department.	NOAA - NESDIS

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Automated Classification System	There have been some changes in the software and it is now working better. The Departmental staff and the contractor are working to ensure that the new classification standards are implemented in the ACS to accommodate the Demonstration Project expansion.	NOAA – NESDIS
Expansion	In the past year, we have doubled employee participation in the Demonstration Project through the expansion approved by OPM. The Demonstration Project now includes approximately 1,900 employees and 19 pay pool managers. This also was the first performance cycle for pay pool managers and employees who were assigned to the newly-created Pacific Island Region and the Pacific Island Fisheries Science Center. These new organizations were officially added as organizations to the NOAA Fisheries as part of the Demonstration Project on October 5, 2003. The bulk of employees in the Pacific Island Region were previously in the Demonstration Project as part of the Southwest Regional Office.	NOAA - NMFS
Policies/ Procedures	Repayment Student Loan Policy was issued in October 2004. ESA may use this new policy as a recruitment incentive.	ESA - HQ
Budget Issues	There was a 40 percent reduction in the 06 Budget. This reduction will reduce operation costs because the number of personnel will decrease as functions will be realigned and consolidated.	ESA - HQ
Performance Appraisal System (Comp Group)	The two level general workforce appraisal system will be replaced by a four level system in October 2005. This four level prototype is being reviewed by an agency-wide taskforce and the task force will have a final plan by FY 06.	ESA - HQ