

## **Status Summary**

### **Contract Financial Management Business Process Improvement (BPI) Project**

**Objective:** To realize an efficiency of at least a 10% savings (i.e., approximately 0.8 FTE in FY 2004).

**Desired Outcome:** Achieve maximum FTE efficiency gains with a minimum of 10% savings.

**Original Schedule:** October 2002- January 2003: Planning and Assessment Steps  
January 2003-March 2003: Improvement Step  
March 2003- May 2003: Implementation and Measurement Steps

**Revised Schedule:** October 2002-February 2003: Planning and Assessment Steps  
February 2003-April 2003: Improvement Step  
April 2003-June 2003: Implementation and Measurement Steps

**Success(Output/  
Outcome) Metric:** Specific output performance measures will be developed as part of the Implementation Step. These measures will provide an operational means of monitoring the contract and financial management function and will contribute to the continual improvement of the program.

**Comments:** Schedule: The original schedule was adjusted to allow 4 additional weeks to accommodate staff and senior management workload priorities.

On May 7, 2003, the NMSS Leadership Team (LT), followed by the Executive Team on June 5, 2003, were briefed on the following near term ("quick hit") efficiency improvements developed by the BPI team:

- replacement of individual Project Descriptive Summaries (PDS) for contracts and tasks planned for the upcoming fiscal year with a single division summary of contract actions needed;
- better standardization of commercial and DOE laboratory Statements of Work (SOW); this efficiency will benefit the Divisions and PMDA
- elimination of cover letters for DOE laboratory actions:
- elimination of dual PMDA Director and Deputy Director concurrence and signature.

These efficiencies, when implemented, will realize a savings of 1.1 FTE, which exceeds the goal of 0.8 FTE.

The BPI team received Leadership Team (LT) approval to expand the original charter to include the analysis of longer term improvements, such as:

- possible replacement of the NMSS financial management system, COSTS, (similar systems are currently operating in OHR and ADM);
- possible enhancements to COSTS, in lieu of replacement
- electronic submittal of contractor monthly letter status reports, commonly referred to as MLSRs;
- implementation of conflict-of-interest (COI) review, streamlining improvements developed for CNWRA contract.

Both NRC staff and contractor resource expenditures are on track, to date, with the spending/hourly use plans which had been developed.