

BPA Fish and Wildlife Division Process Improvement Initiative

July 2004 Council Update

Spokane, Washington

Council Sponsorship for Process Improvement

The Process Improvement Initiative is progressing well, leading up to significant deliverables scheduled for completion within FY'04.

At this time, we would like to communicate specific items for which Council support will be critical to our success.

In this presentation, we will:

- **Present the major activities Process Improvement will conduct this fiscal year.**
- **Outline specific areas Council support will be integral to our success.**
- **Present some detailed material to cultivate lower-level understanding in a few key areas.**

Summer Activities

Five major activities are scheduled for the remainder of the fiscal year.

1. FY'05 Contract Execution	<ul style="list-style-type: none">• Manage F&W's busiest contracting period, conducting the renewal of 136 contracts prior to September 30.• Enable use of the right contracting agreement type, including the application of fixed-price and financial-assistance as much as possible.• Work with contractors to support the use of the expanded list of agreement types.
2. Defining Projects in Prism	<ul style="list-style-type: none">• Provide projects with a common approach to defining the work, deliverables, budget, schedule, spending plan, location, and scientific metrics.• Organize all project attributes around F&W's list of approved Work Elements.• Enhance and implement the Prism system, allowing all project data to be viewed by external parties across the region.
3. Project Status Reporting	<ul style="list-style-type: none">• For FY'05 contracts, enable contractors to submit periodic status reports in an on-line fashion.• Use a streamlined approach that makes status reporting a brief activity when the project is going well.• Make how frequently status reports are submitted match the needs of each project.• Enable status reports to be viewed by all parties on-line.
4. Biological Metrics	<ul style="list-style-type: none">• Define an exhaustive set of metrics for all program actions.• Capture all metrics for FY'05 projects in Prism.• Allow for the measurement of both forecasted and actual performance.
5. COTR and Contractor Guidance	<ul style="list-style-type: none">• Deliver comprehensive guidance for COTRs, including everything from mechanical step-by-steps to documentation of management expectations.• Produce similar guidance that provides external partners with everything they need to interact with the F&W program.• Hold summer workshops to rollout changes.

1. FY'05 Contract Execution

BPA is expanding it's contracting capabilities to better fit the work.

- BPA has 136 contracts to renew before September 30.
- We have broadened the list of available agreement types to include more significant use of Fixed-Price and Financial-Assistance.
- Contractors and BPA project managers will be working together to identify where there are opportunities to apply one of the new agreement types. Our philosophy is to use the right tool for the job.
- Not all vendors can enter into FP and FA agreements. This includes restrictions on the ability of Federal Agencies to receive grants or enter into fixed-price agreements. BPA is still pursuing this issue.
- Many contracts will use a blend of agreement types to best match the work.
- BPA will contract for work in phases, as it makes sense.

It is going to take time for our contractors to transition to agreements other than cost-reimbursement and for all projects to be setup in Prism.

Council Support for FY'05 Contract Execution

BPA seeks specific Council support for the following items.

- Support the rules of each contracting agreement type. For fixed-price, this includes not paying the contractor until work is complete and satisfactory.
- For Fixed-Price we need to develop and then support a process to quickly execute change orders where project details change unexpectedly.
- Support BPA's approach to contract for work in phases, as it makes sense on a case-by-case basis.
- Know that for fixed-price, some project costs may exceed their anticipated compensation. Without a change order, the contractor will not be compensated for the overrun.
- Assist BPA in encouraging the vendors to adopt the right agreement type for the job.
- Consider how contingency funding can be made available, particularly to encourage contractors to utilize fixed-price contracts.

2. Defining Projects in Prism

BPA's enhancement of Prism is below budget and on-schedule.

- BPA's Prism System will be ready to accept FY'05 projects and contracts as they renew.
- All projects will use a consistent approach to defining their work, budget, schedule, spending, plan, location, and scientific metrics.
- All information will be organized around an approved list of Work Elements for the F&W program.
- BPA will use this information to manage projects against milestones and better report on financial expenditures, including accrual estimates, for FY'05.
- Initially, BPA project managers will enter project information into Prism.
- Contractors, Council, and others will be able to view information to ensure it is correct at any time.
- Eventually, contractors will play a more significant role entering project information, potentially in the form of proposals.

Council Support for Defining Projects in Prism

BPA seeks specific Council support for the following items.

- Support BPA's effort to define all projects using a consistent approach within Prism.
- Understand the approved list of Work Elements. Specifically:
 - The level of detail at which work will be tracked.
 - How all project data including budget, schedule, metrics, etc. will be defined by Work Element.
- Assist in developing requirements for what executive reporting the Council would like to see out of Prism.

Would the Council enjoy a demonstration of BPA's working Prism system at the August Council meeting?

3. Project Status Reporting

BPA is improving its ability to communicate the status of F&W projects.

- Institute a program policy that requires all contractors to submit periodic status reports on-line through Prism, regardless of contracting agreement type.
- BPA is implementing this policy because:
 - Today, there is no transparent information about a project's status.
 - The level of information about projects differs by project, COTR, and BPA's relationship with each contractor.
 - There is no documented history about a project's significant events or communications pertaining to its progress.
 - Project conversations are often based on different sources of information, rather than a single view of the facts.
- Our design enables status reports to be completed quickly, especially for those projects that are on-track. Information will include:
 - A Red/Yellow/Green rating against all project milestones.
 - A estimate of percent complete.
 - The communication of additional details, mandatory for yellows and reds.
 - A new estimated completion date for milestones that are off-schedule..
 - An area for the BPA project manager to include their comments on the receipt of each report.
- How frequently status is required will be up to the PM and CO. Minimum is quarterly.
- Reports will be available to track project progress across status reporting periods.

Council Support for Status Reporting

BPA seeks specific Council support for the following items.

- Support a program policy that requires all contractors to submit a status report with a pre-defined frequency
- Assist BPA in handling missing, incomplete, or late status reports.
- Use status reports as a first source in researching project issues.

4. Biological Metrics

FY'05 contracts will require contractors collect metrics for all project actions!

- BPA is conducting an effort to define metrics for all program actions.
- We are going to define these metrics in concert with regional entities in order to:
 - Adopt PCSRF metrics in as many instances as possible.
 - Capture metric information at the Work Element level to accurately describe BPA projects.
 - Communicate BPA's approach to capturing metric information in anticipation of sharing information with other regional entities.
 - House metric information in BPA's Prism system that can be accessible through on-line reporting and for sharing with other databases.
- All FY'05 contracts will include compensation for work required to capture and communicate measurements to BPA.
- Contractors will be able to enter their measurements through Prism on-line.

Required Council Support:

- Support compensating contractors for their work to gather metrics data.

5. COTR and Contractor Guidance

Process Improvement depends on delivering clarity on select roles and responsibilities.

- BPA is currently writing a F&W Project Manager/COTR manual.
- The manual will outline the expectations and rules for BPA COTRs.
- It will also provide external contractors with all of the information they need to work with BPA.

Required Council Support:

- One of our program's greatest challenges pertains to perceptions of roles and responsibilities.