

NDIA Integrated Program Management Division

Clearinghouse Working Group

Gary Humphreys, H&A
Russ Rodewald, Raytheon
Danielle Bemis, DCMA
Sept 13, 2022

Integrated Program Management Division (IPMD) - Clearinghouse

IPMD Purpose: Leading the Advancement of Integrated Program Management Through Industry and Government Partnership

- **Clearinghouse Mission:** This committee provides a forum for industry's EVMS practitioners to raise and discuss EVMS or related issues. The goal is to identify common issues, gather facts and supporting data, formulate industry positions, and develop recommendations for issue resolution. This committee handles the process steps necessary to capture the facts and data and to develop mutually acceptable resolutions along with specific recommendations that can be presented to the IPMD board for further action.

Clearinghouse Committee Page – issue input forms & past briefings

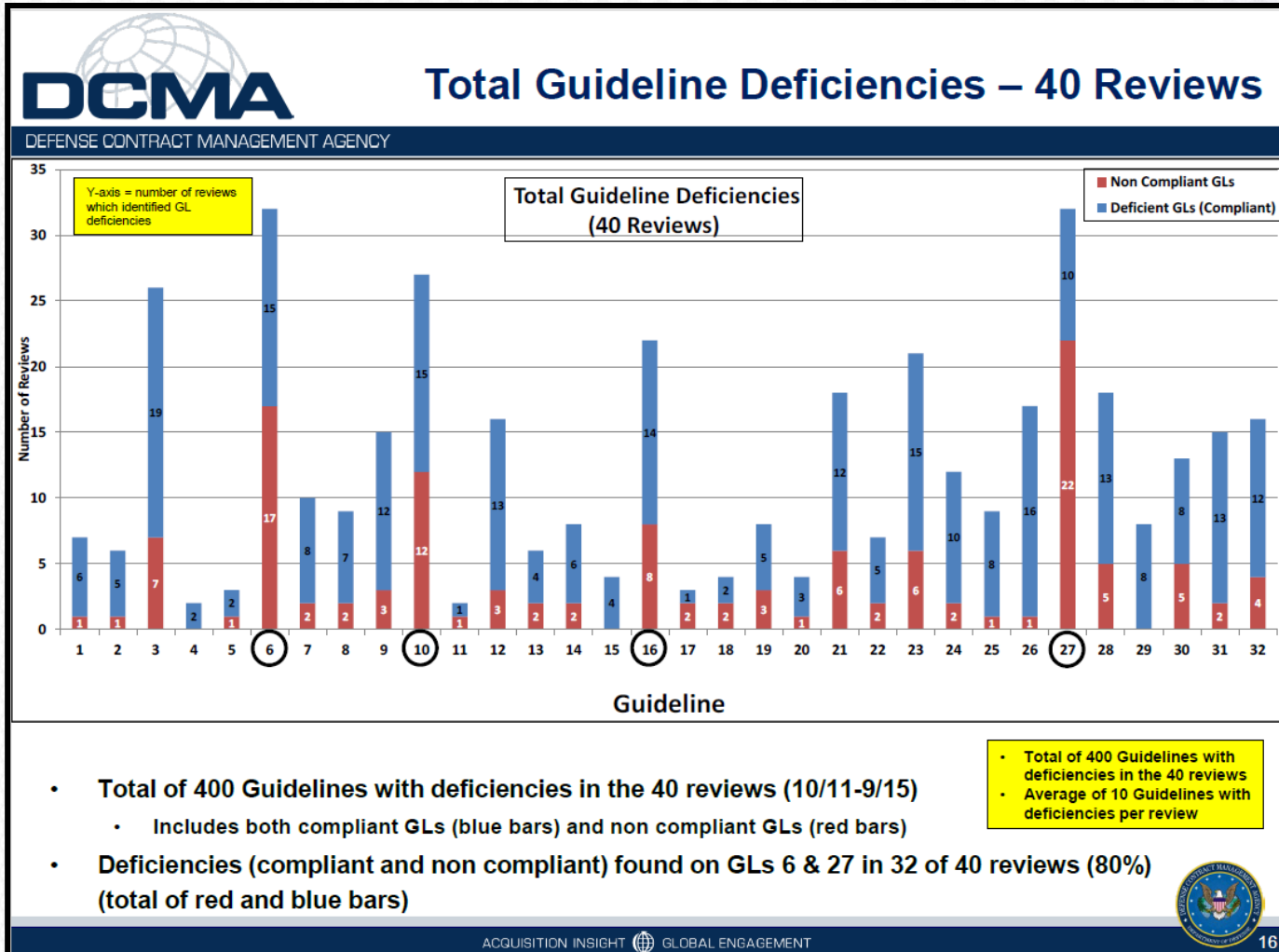
<http://www.ndia.org/divisions/ipmd/working-groups/clearinghouse>

- **[DCMA] 14-pt Analysis**
- **Accruals – use of estimated ACWP**
- **VAR thresholds**
- **EVTs at the task level**
- **MR usage for LOE support when Finish dates are extended**

- ❑ **14-pt is still evident in contract CDRs**
- ❑ **No longer used by DCMA (EVMS Center)**
 - ❖ Certain analytics still used to confirm schedule quality (DECM, etc.)
- ❑ **Is there a set of analytics industry uses to assess schedule “soundness” or “quality”**

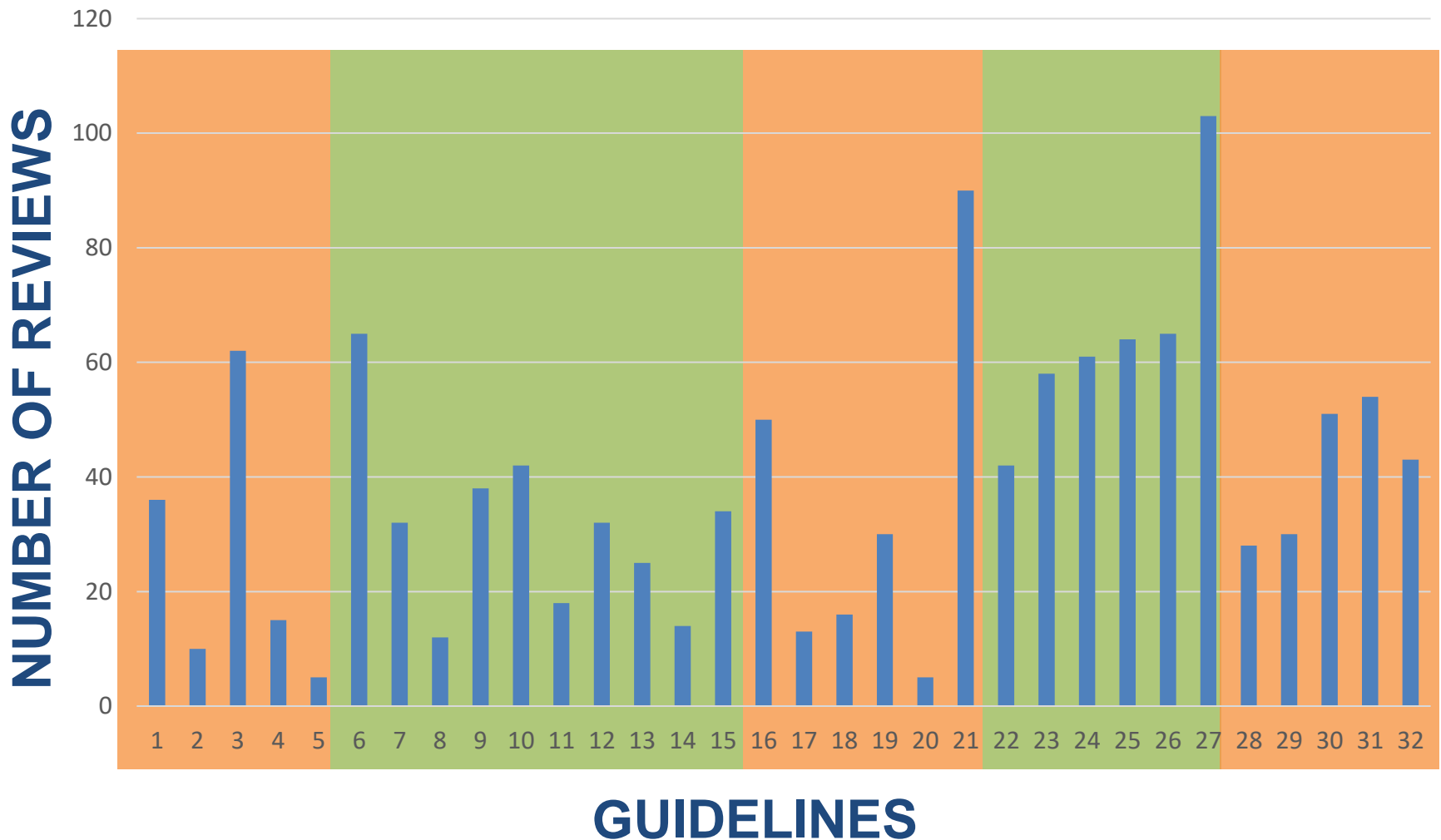
1. One of the most common compliance deficiency aside from EACs
2. Typical costs that have timing issues
 - Material
 - Contractor Labor
 - Equipment

Historically high Deficiency Guidelines (2011-15)



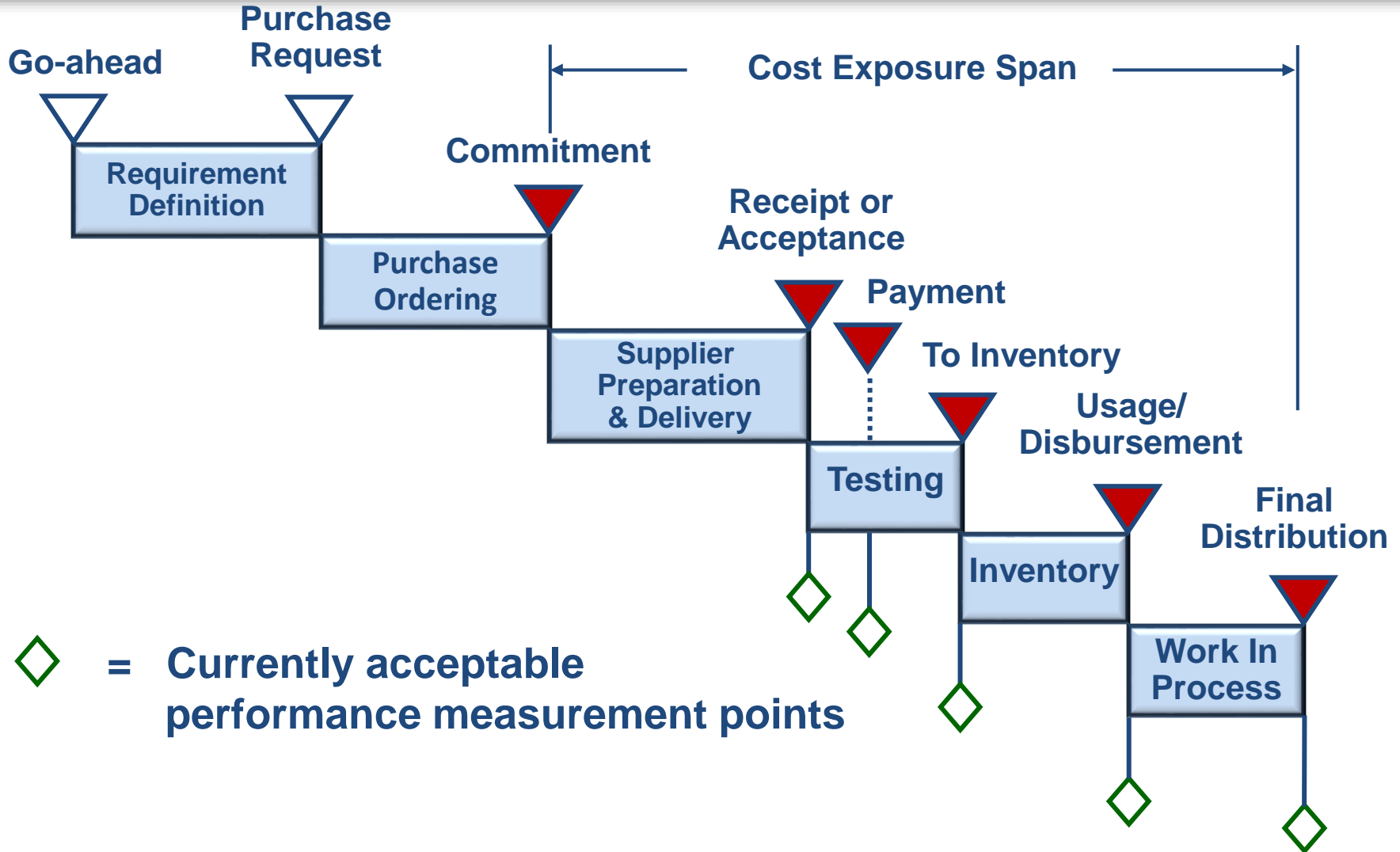


Common Guideline Deficiencies





Material Measurement



Defining the top Variance analysis

- Worst absolute negative variances
- Worst percentage negative variances
- Combination of above
- Address any positive variances

Variations by Control Account, top 5 with no definition on threshold

We state 15 variances, and we tell them WBS Level 3 as follows:

- 1) Current cost – Top 4
- 2) Cum Cost – Top 3
- 3) Current Schedule – Top 4
- 4) Cum Schedule – Top 3
- 5) VAC – 1 overall program

We state 15 variances, and we tell them WBS Level 3 as follows:

- 1) Current Cost – top 3+/- and >\$100K
- 2) Current Schedule - top 3+/- and >\$100K
- 3) Cum Cost - top 3+/- and >\$150K
- 4) Cum Schedule - top 3+/- and >\$150K
- 5) VAC top 3+/- and >\$150K

Control Account level, 40 variances PLUS unlimited VAC

- 1) Current Cost – top 5 variances
- 2) Current Schedule – top 5 variances
- 3) Cum Cost – top 10 variances
- 4) Cum schedule – top 10 variances
- 5) VAC – top 10 variances
- 6) Any VAC which changes more than +/- \$100K in any reporting period.

Unlimited number by control account, but VAC is limited to top 5.

- 1) Current variances – ALL exceeding +/- \$25K and +/-10%
- 2) Cumulative variances – ALL exceeding +/- \$50K and +/- 10%
- 3) VAC – 5 largest exceeding +/- \$100K and +/-5%

WBS limited to 15 (Gov will select which ones if more than 15 that break thresholds)

- 1) +/- \$100K and +/- 10% for current period cost or schedule variances
- 2) +/- \$200K and +/- 10% for cumulative period cost or schedule variances
- 3) +/- \$200K and +/- 10% for VAC



Typical Variance Analysis Thresholds

At the control account reporting levels:

	<u>Favorable</u>	<u>Unfavorable</u>
Current month	\$100,000 and 30%	-\$50,000 and -20%
Cumulative to date	\$200,000 and 20%	-\$100,000 and -10%
Variance At Complete	\$400,000 and 10%	-\$200,000 and -5%

EVTs at the task level

- The specific topic is assessing / claiming performance at a sub-work package (i.e. activity / task) for work packages with Milestone Weight % complete (incremental) Earned Value Techniques.

M1	M2	M3	M4	M5	M6	EVT	Milestone Weight	Task PMT	Notes
Work Pacakge 1						MWPC			EVT is assigned at the WP level
Task 1							10%	0/100	Baseline Hours span 1 month - WP will earn 10% when task is completed
	Task 2						20%	50/50	Baseline Hours span 2 months - WP will earn 10% when task starts, and 10% when task is completed
			Task 3				10%	0/100	Baseline Hours span 1 month - WP will earn 10% when task is completed
	Task 4						40%	% Complete	Baseline Hours span 4 months - this task will require a QBD should incremental progress be claimed.
				Task 5			20%	50/50	Baseline Hours span 2 months - WP will earn 10% when task starts, and 10% when task is completed

EVTs at the task level

JANUARY 2020

Clearinghouse Question

- **There can only be one EVT for a WP**
 - GL10: WP is established using the best method to budget and then measure its progress
 - The EVT is established based on how the work is planned
 - **Where long duration WPs are unavoidable, ...**
 - **... interim milestones representing measurable, technical accomplishment are required.**
 - Milestones not centered around expenditure of resources rather by accomplishment

ID	CA#	WP #	MS #	Task Name	EVT	EV%	Dur	Baseline Start	Baseline Finish	2017						
										Jan	Feb	Mar	Apr	May	Jun	Jul
4	1.1.01			Control Account 1		0	115 days	1/2/17	6/12/17	[Gantt chart for CA 1: 1/2 to 6/12]						
9	1.1.01	1.1.01.5		Work Package 5	IM	0	90 days	2/6/17	6/12/17	[Gantt chart for WP 5: 2/6 to 6/12]						
10	1.1.01	1.1.01.5	1.1.01.5.01	Milestone 01		0	15 days	2/6/17	2/24/17	[Gantt chart for MS 01: 2/6 to 2/24]						
11	1.1.01	1.1.01.5	1.1.01.5.02	Milestone 02		0	10 days	2/27/17	3/10/17	[Gantt chart for MS 02: 2/27 to 3/10]						
12	1.1.01	1.1.01.5	1.1.01.5.03	Milestone 03												
13	1.1.01	1.1.01.5	1.1.01.5.04	Milestone 04												
14	1.1.01	1.1.01.5	1.1.01.5.05	Milestone 05												
15	1.1.01	1.1.01.5	1.1.01.5.06	Milestone 06												

MAY 2018

- The EVT is assigned at the detailed task level
 - Earned Value Techniques (EVTs) are assigned to Tasks not to the Work Package (WP)
 - The detailed task under the WP may have various EVT's based on how the work is planned and performance will be earned

MR usage for LOE support (extended finish)

- **Can MR budget be used when LOE support labor must be extended due to a slip in finish date**

Discussion:

- **Extension driven by customer**
- **Extension driven by internal slips**