

NDIA Integrated Program Management Division

Clearinghouse Working Group

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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>

- Issues that impact IPMDAR submittals
- Undefined contracts & impacts to execution
- SVT-I: Schedule Visibility Tasks for indirect costs
- Budgeting for LOE support WPs
 - POP is extended
 - Apportioned / LOE planning approaches
 - Proactive LOE management
- Managing Negotiation Loss/Gain

IPMDAR Emerging issues

- **Contract implementations that may impact successful IPMDAR delivery:**
 - Contract initiation reporting of Actuals only
 - ❖ EVM-CR did not accept actuals only for a new undefinitized contract
 - ❖ [Ktr] Entering time period for To-Date data but no To-Complete data existed for future periods
 - ❖ EVM-CR needs at least 1 To-Complete period
 - Initiating a contract with company funds (CFR)
 - ❖ IPMDAR did not include BCWS, BCWP, or ACWP incurred prior to POP

Surveillance is executed in accordance with the DFARS

- **Contract implementations that impact successful IPMDAR delivery:**
 - Reporting by CLIN
 - ❖ IPMDAR supports additional fields, such as CLIN, but report format does not change
 - SPD file could not use the SPD converter utility and provide data in excel
 - ❖ Had to use validator to identify *non-printable esc-character* in schema and correct issue
 - Data-set submitted where Total Cost \neq Sum of EOC
 - ❖ Validator does not reject this condition (warning)

Surveillance is executed in accordance with the DFARS

- How are Surveillance Requirements impacted by:
 - **Definitized versus undefinitized contracts?**
 - **How does this impact the approach to establishing Management Reserve (MR)?**
 - **Contracts on stop work; continuing under company funding**

Surveillance is executed in accordance with the DFARS

Definitization status & stop-work

- **DCMA Business Practice #4**

DCMA Business Practice (BP) 4 defines the process to evaluate contractor EVMS compliance with the EIA-748 EVMS Standard through continuing surveillance. EVMS assessments are conducted in accordance with the applicable overarching DCMA surveillance policies (DCMA Manual 2301-01, Contractor Business Systems, and 2303-01, Surveillance) as well as the requirements of this BP at all contractor sites where there is a contractual requirement for EVMS oversight.

The EVMS surveillance process can be summarized into three phases: 1) Plan, 2) Conduct, and 3) Report.

The DCMA surveillance process does not replace the contractor's internal EVMS surveillance process or remove the contractor's responsibility to implement and maintain an approved EVMS.

DCMA's surveillance may leverage reports and findings from the contractor's internal surveillance activities.

SVT-I (Indirect)

- **Schedule Visibility Tasks (SVT)**
 - Tasks/Activities in IMS to represent non-PMB Scope (but related to PMB work)
 - Should be logically linked
 - Represents work that doesn't have resource requirements
- **Schedule Visibility Tasks – Indirect (SVT-I)**
 - Currently being used at a few DOE Sites, SVT Offshoot
 - Non-resource loaded PMB work
 - charged to indirect budget
 - Results in misalignment of S-P-A within budget/cost and schedule systems
- **Impacts up to 15 GLs**
 - (1, 2, 3, 5, 6, 8, 9, 10, 11, 12, 16, 22, 23, 26, 27)

SVT-I (Indirect)

- A.1. Product-Oriented WBS and A.2. WBS Hierarchy
- A.3 Organizational Breakdown Structure (OBS) and A.5. Control Account (CA) to Organizational Element
- A.4. Integrated System with Common Structures and C.3. Work Authorization Documents (WADs)
- B.5. Integrated Master Schedule (IMS) Resources
- B.10. Time-Phased Performance Measurement Baseline (PMB) and C.1. Scope, Schedule and Budget Alignment
- C.5. Budgeting by EOC; C.6. Work Package Planning, Distinguishability, and Duration; C.7. Measurable Units and Budget Substantiation; C.8. Appropriate Assignment of EVT
- D.1. Direct Costs; F.1. Calculating Variances; and F.2. Variances to CAs
- F.4. Management Analysis and Corrective Actions; F.5. Estimates at Completion (EAC); J.1. Identify and Analyze Risk

- Budgeting approach for LOE work packages supporting discrete work packages
 - **With the Extension of the Period of Performance (POP)**
 - **Use of Management Reserve is for true scope change only**
 - **Benefits of Apportioned Effort approach**



Inspection Effort

Planned and Earned as LOE

Inspection estimated as 10% of related production Control Account

	Budget		Earned	
	Production Control Account	Inspection Control Account	Production Control Account	Inspection Control Account
June	200	20	150	20
July	500	50	450	50
Aug	100	10	150	10
Sept	0	0	50	0
Total	800	80	800	80



Example Of Apportioned Effort

Inspection estimated as 10% of related production Control Account

	Budget		Earned	
	Production Control Account	Inspection Control Account	Production Control Account	Inspection Control Account
June	200	20	150	15
July	500	50	450	45
Aug	100	10	150	15
Sept	0	0	50	5
Total	800	80	800	80

LOE Planning Approaches

- Establish one LOE work package
 - Spread “Peanut Butter” the effort to the end of the Period of Performance (POP) versus
- Establishing multiple LOE work packages with 3- or 4-month durations or annual
 - LOE typically relates to discrete scope accomplishment – not time limited
 - Over-run limited to “last” WP
- Establishing LOE work packages to align to program milestones?
 - Over-run(s) align with milestone phase

Proactively Managing LOE

- **EVMSIG – Guideline 12**

Baseline start and finish dates for work packages planned as LOE must be proactively managed to ensure variances do not result from failure to maintain the plan ...

The incorrect application of LOE will distort performance status ...

Care must be taken to ensure when a control account contains work packages planned with both discrete and LOE, the contractor must establish controls to minimize any potential distortion of control account performance and variance analysis

Managing Negotiation Loss

- **Establishing Management Reserve can be achieved for each authorized change**
- **Handling the shortfall if the negotiation ends in a loss**
 - **Using Undistributed Budget**

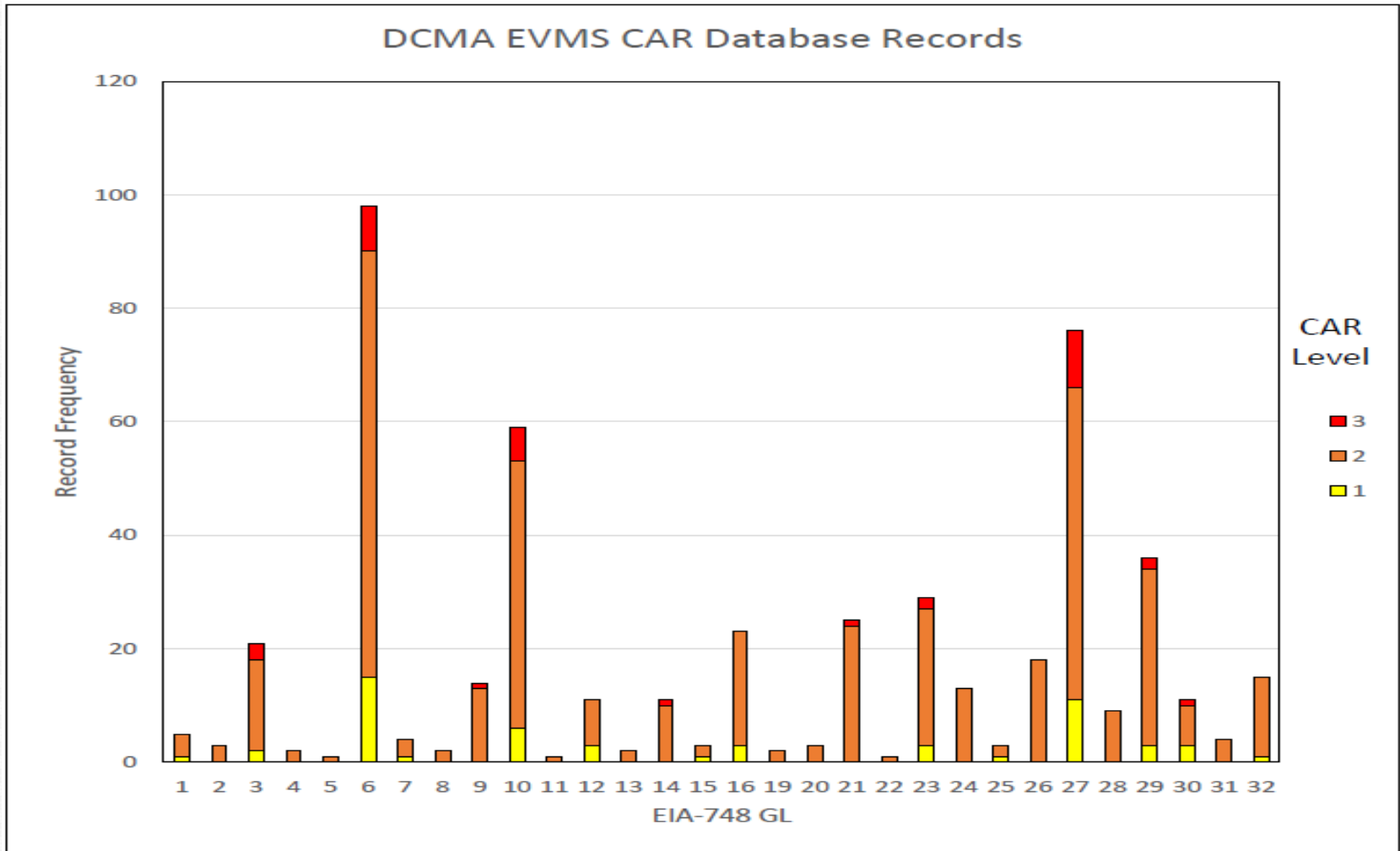


Managing Budgets

Date	Description	Negotiated Contract Cost (NCC)/Contract Target Cost (CTC)	Authorized Unpriced Work (AUW) /Undefined Contract Action (UCA)	Contract Budget Base (CBB)	Management Reserve (MR)	Performance Measurement Baseline (PMB)	Undistributed Budget (UB)	Allocated (Distributed) Budget
14 Jan	Contract Award	100,000	-0-	100,000	-0-	100,000	100,000	-0-
10 Jun	PSM Design Analysis, AUW Change	No Change	10,000	10,000	No Change	10,000	10,000	No Change
10 Jun	30 Days Initial PSM Design Analysis Effort Auth. By PM	No Change	No Change	No Change	No Change	No Change	-3,000	3,000
20 Aug	Additional 30 days of PSM Design Analysis Auth. by PM	No Change	No Change	No Change	No Change	No Change	-3,000	3,000
22 Oct	P0002, PSM Design Analysis Definized	9,500	-10,000	-500	No Change	-500	-500	No Change
22 Oct	Increase MR from UB	No Change	No Change	No Change	400	-400	-400	No Change
25 Nov	Remaining P0002, PSM Design Analysis Auth. by PM	No Change	No Change	No Change	No Change	No Change	-3,100	3,100

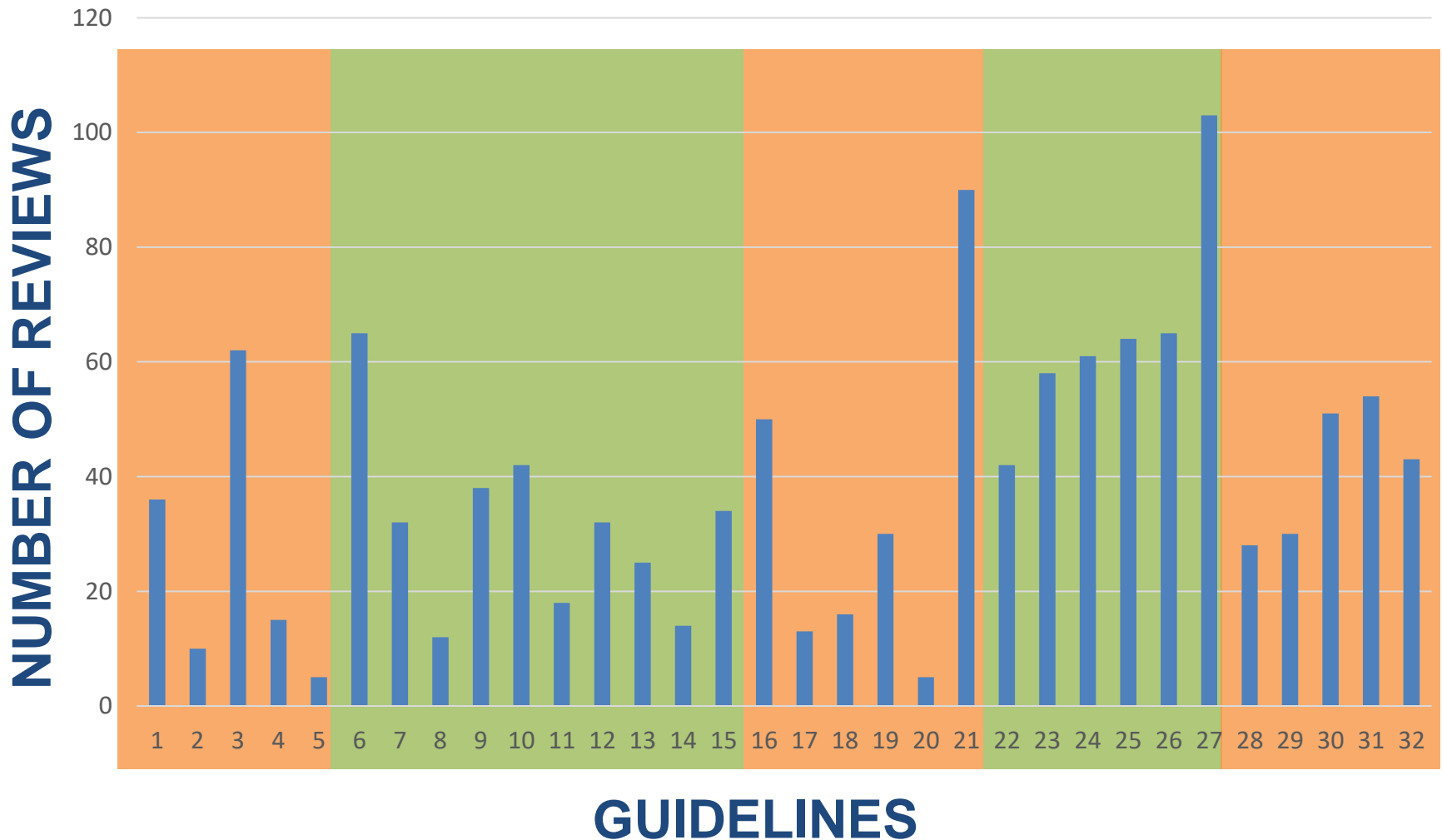
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Use Case (data as of April 2022, 505 EVMS records)





Common Guideline Deficiencies





Material Measurement

