

**EVMS Training Snippet Library:**  
**DOE Order 413.3B**  
**EVM Requirements**



**Office of Acquisition and Project Management (OAPM) MA-60**  
**U. S. Department of Energy**  
**July 2014**



- **Objective:**

- Provide Department of Energy (DOE) including the National Nuclear Security Administration with program and project management direction for the acquisition of capital assets with the goal of delivering projects within the original performance baseline (PB), on schedule, within budget and fully capable of meeting mission performance, safeguards and security, and environmental, safety, and health requirements

- **Earned Value Management System**

- An EVMS is required for all projects with a TPC greater than or equal to \$20M. In accordance with FAR Subpart 52.234-4, a contractor's EVMS will be reviewed for compliance with ANSI/EIA-748B, or as required by the contract.

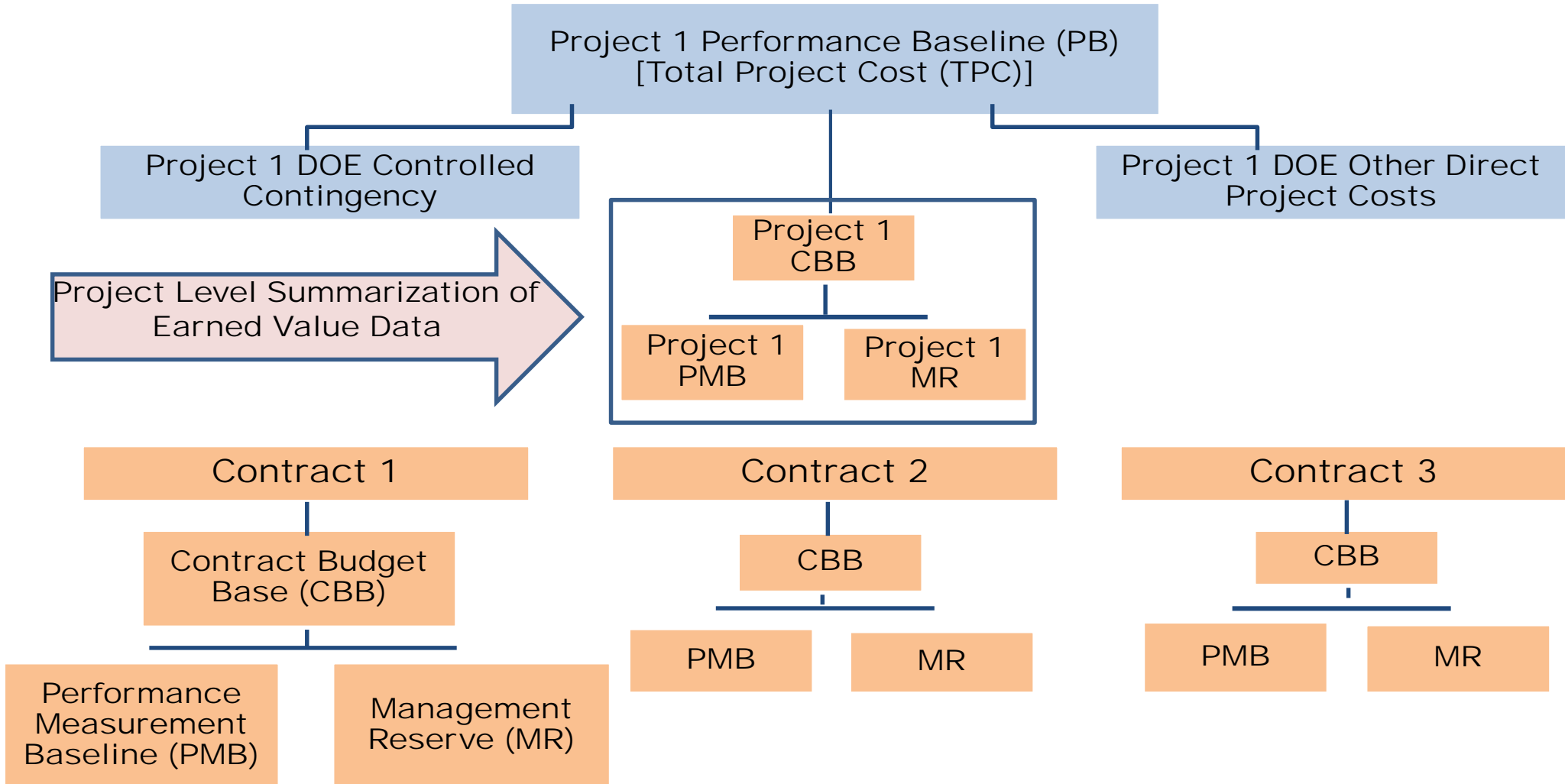


- **Use of EVMS compliant with ANSI/EIA-748 required prior to CD-2**
- **Certification as compliant required prior to CD-3**
- **Surveillance of contractor EVMS begins and is an ongoing process subsequent to certification**
- **EVMS not required for firm fixed-price contracts**
- **Monthly reporting of EVM data into PARS II begins with CD-2 approval**
- **Earned value data reporting continues post CD-4 through completion of final closeout activities associated with tasks included in PMB**



# Acquisition Strategies & Terms

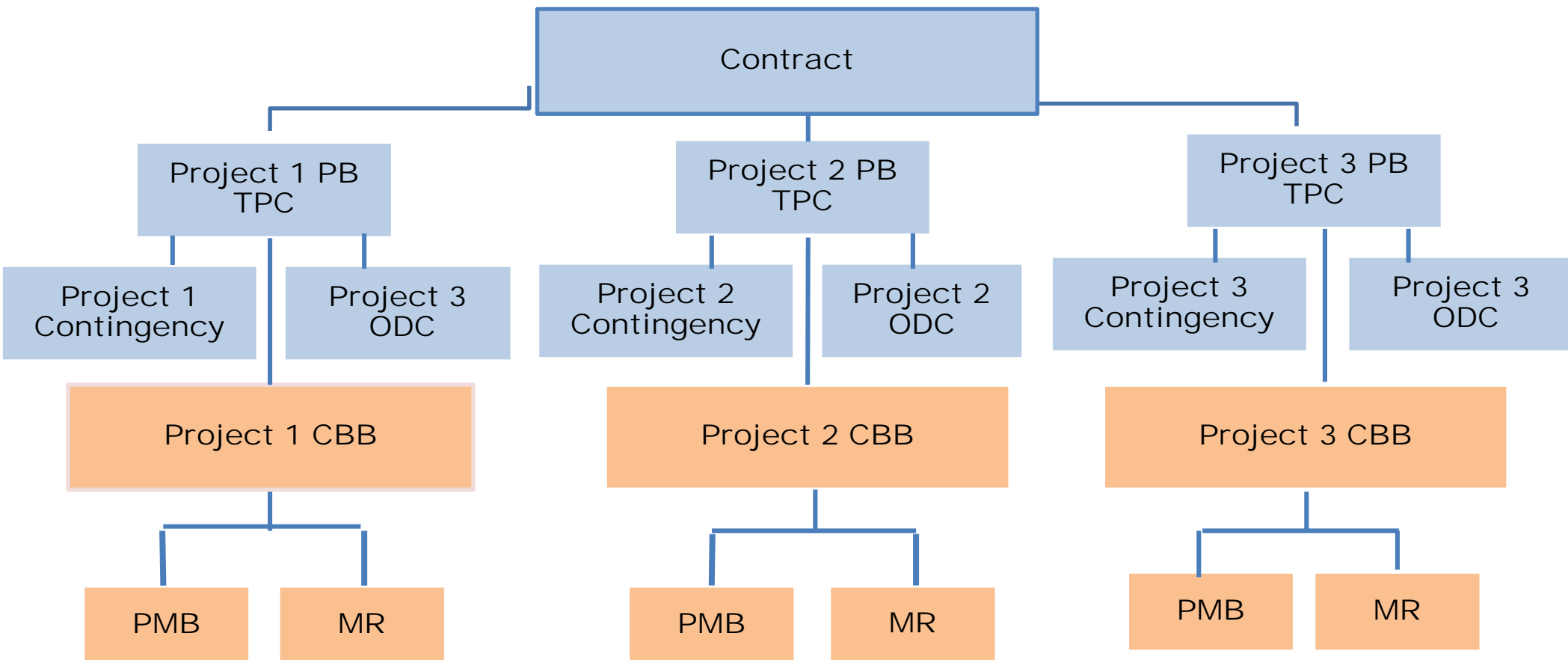
**Example shows one project with contracts issued to three contractors for different portions of the project level SOW.**



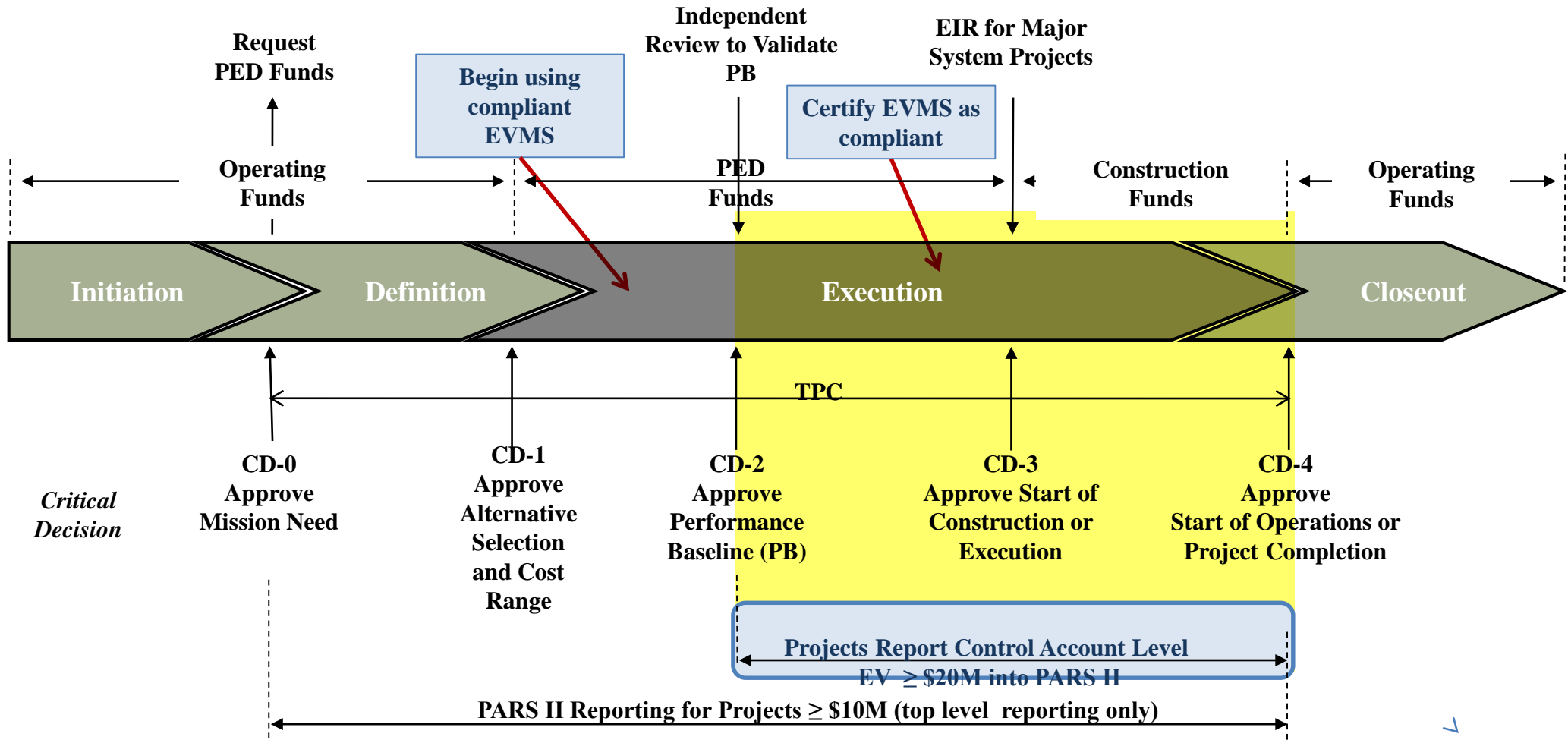
# Acquisition Strategies & Terms



This example shows one contract issued that covers more than one project. Note the TPC is still at the project level, regardless of the position of the contract.



# EVMS Requirements Tied to DOE's Acquisition Lifecycle



Typical DOE Acquisition Management System for Line Item Capital Asset Projects

# EVMS Certification Requirements



- **Certifying Authority and Thresholds (except for firm fixed-price contracts):**
  - OAPM  $\geq$  \$100M;
  - Project Management Support Office (PMSO)  $\geq$  \$50M < \$100M;
  - Contractor self-certification  $\geq$  \$20M < \$50M
  - Certifying Authority, highest to lowest, is OAPM, PMSO and then contractor self-certification; Higher level supersedes lower level
- **Major System Project, i.e.  $\geq$  \$750M**
  - Prior to CD-3 OAPM will conduct surveillance to validated continued compliance if self-certified or PMSO-certified
- **Firm Fixed-Price contracts:**
  - A performance measurement system is required
  - If not ANSI compliant EVMS, the alternative performance management system must be approved by the Acquisition Executive

# EVMS Surveillance Requirements



- **Conducted to ensure continued compliance of certified contractor systems**
- **Surveillance Authority and Thresholds**
  - Consistent with Certifying Authority Thresholds
  - OAPM  $\geq$  \$100M;
  - PMSO  $\geq$  \$50M < \$100M;
  - Contractor self-surveillance  $\geq$  \$20M < \$50M
- **Frequency:**
  - Contractors must conduct annual self-surveillance of their EVMS, ideally by an entity independent of the contractor's project team.
  - OAPM or PMSO must conduct surveillance no later than the contract midpoint or every 2 years, during contract extensions, or as directed by the Acquisition Executive







- **Corporate Certification**

- Allows a contractor to adopt their existing certified EVMS for application under a new contract at another location
- Contractor will be considered certified upon acceptance of prior certification documentation
- DOE must conduct surveillance prior to CD-3

- **Other Certification Issues Handled on Case Basis**

- One or more EVMS certified contractors form LLC and adopt an existing certified EVMS
- New contractor adopts incumbent contractor's certified EVMS
- DOE will conduct either Certification or Implementation review before granting certification of compliance

# Notification of Non-Compliance with ANSI/EIA-748



- **May be issued if surveillance reviews indicate that**
  - Contractor's EVMS has not been maintained and is significantly non-compliant with the ANSI/EIA-748, and/or
  - Contractor has failed to, or ignored contractual direction to correct deficiencies
- **Typically a Review for Cause would be conducted to determine the extent and depth of non-compliance as defined in DOE Guide 413.3-10A**
- **Upon completion of the RFC, the PMSO or OAPM may issue a Notice of Non-Compliance with ANSI/EIA-748 to the Contracting Officer or Acquisition Executive noting if certification has been withdrawn**

# Contractor Requirements Document (CRD)



- **DOE O 413.3B, Attachment 1**
  - Incorporated into contract for DOE O 413.3B applicable projects
- **Contractor Requirements**
  - Comply with all requirements of the CRD
  - Prime contractor responsible for flow down requirements of the CRD to subcontractors when the TPC of the project is equal to or greater than \$20M
  - Except for Firm Fixed Price contracts, employ an EVMS compliant with ANSI/EIA-748 and conduct annual self-surveillance
  - Submit monthly project performance data via Project Assessment and Reporting System (PARS II) in accordance with the “Contractor Project Performance Upload Requirements” document maintained by OAPM
  - Report technical performance analysis and corrective action plans for variances to the project baseline objectives
  - Develop and maintain a schedule that is resource-loaded with labor, material, and equipment costs to include unit prices and quantities, and identifies the critical path



- **DOE, Program and Project Management for the Acquisition of Capital Assets, DOE O 413.3B**, Washington, DC: 11-29-2010.  
<https://www.directives.doe.gov/directives/current-directives/directives-current-400-series> (Same link for Guides)
- **DOE Guide 413.3-7A, Risk Management**
- **DOE Guide 413.3-10A, Earned Value Management Systems**
- **DOE Guide 413.3-20, Change Control Management**
- **DOE Guide 413.3-21, Cost Estimating Guide**
- **DOE Office of Management, Project Management, Earned Value Management website.** <http://energy.gov/management/office-management/operational-management/project-management/earned-value-management>
  - **DOE OAPM, EVMS Surveillance Standard Operating Procedure (ESSOP)**
  - **DOE OAPM, EVMS & Project Analysis Standard Operating Procedure (EPASOP)**



# External EVM-Related References

- **American National Standards Institute/Electronic Industries Alliance (ANSI/EIA) 748;**  
<http://webstore.ansi.org/RecordDetail.aspx?sku=EIA-748-C>
- **Department of Defense PARCA Integrated Program Management Report (IPMR) Implementation Guide, 1/28/2013**
- **Federal Acquisition Regulations 34.2 and 52.234, Earned Value Management Systems.**  
<http://energy.gov/management/office-management/operational-management/project-management/earned-value-management>
- **GAO Cost Estimating and Assessment Guide, GAO-09-3SP.** Washington, DC: March 2009.  
<http://www.gao.gov/new.items/d093sp.pdf>
- **GAO Schedule Assessment Guide, GAO-12-12OG.** Washington, DC: May 2012.  
<http://www.gao.gov/assets/600/591240.pdf>
- **NDIA IPMD Earned Value Management Systems Intent Guide, 2011 and Surveillance Guide, 2011** <http://www.ndia.org/Divisions/Divisions/IPMD/Pages/Documents.aspx>
- **OMB Circular A-11, Part 7, Capital Programming Guide**  
[http://www.whitehouse.gov/omb/circulars\\_a11\\_current\\_year\\_a11\\_toc](http://www.whitehouse.gov/omb/circulars_a11_current_year_a11_toc)



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## EARNED VALUE MANAGEMENT

- Aviation Management
- Executive Correspondence
- Energy Reduction at HQ
- Facilities and Infrastructure
- Freedom of Information Act
- Financial Assistance
- Information Systems
- Procurement and Acquisition
- Project Management
  - Earned Value**
  - Lessons Learned
  - Reviews and Validations
  - Documents and Publications
  - RCA and CAP

Earned Value Management (EVM) is a systematic approach to the integration and measurement of cost, schedule, and technical (scope) accomplishments on a project or task. It provides both the government and contractors the ability to examine detailed schedule information, critical program and technical milestones, and cost data.

- [EVMS Surveillance Standard Operating Procedure \(ESSOP\) - 26 Sep 2011 \(pdf\)](#)
  - [EV Guideline Assessment Templates - \(MS Word\)](#)
  - [DOE EVMS Cross Reference Checklist - \(pdf\)](#)
  - [DOE EVMS Risk Assessment Matrix - \(MS Word\)](#)
- [Formulas and Terminology "Gold Card" - Sep 2011 \(pdf\)](#)
- [Slides from the OECM Road Show: Earned Value \(EV\) Analysis and Project Assessment & Reporting System \(PARS II\) - May 2012 \(pdf\)](#)
- [DOE EVM Guidance](#)

### EVM TUTORIALS

[Module 1 - Introduction to Earned Value](#) (pdf 446.86 kb) July 17, 2003

This module is the introduction to a series of online tutorials designed to enhance your understanding of Earned Value Management. This module's objective is to introduce you to Earned Value and outline the blueprint for the succeeding modules. This module defines Earned Value management. It looks at the differences between Traditional management and Earned Value management, examines how Earned Value management fits into a program and project environment, and defines the framework necessary for proper Earned Value management implementation.

<http://energy.gov/management/office-management/operational-management/project-management/earned-value-management>

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