EVMS Training Snippet Library:

DOE EVMS Review Approach

Office of Acquisition and Project Management (OAPM) MA-60
U. S. Department of Energy
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DOE EVMS Policy and Procedures

- **Department of Energy (DOE) Order 413.3B,** *Program and Project Management for the Acquisition of Capital Assets*, **11/29/2010**

- **DOE Guide 413.3-10A, Earned Value Management System (EVMS)**

- **OAPM EVMS Surveillance Standard Operating Procedure (ESSOP)**

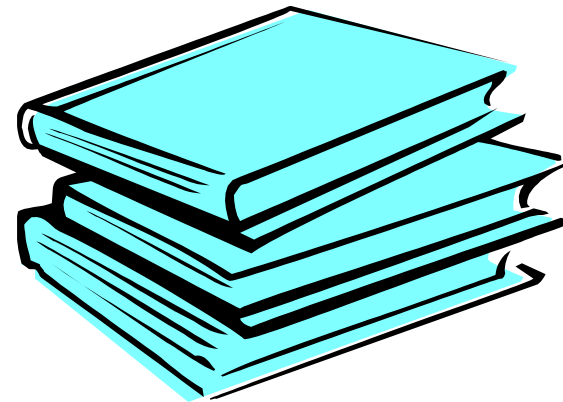- **OAPM EVMS Certification Standard Operating Procedure (ECSOP)**

- **The intent of the EVMS review process is to:**

  - Ensure deployment of an EVMS *compliant* with *ANSI/EIA-748*

  - *Ensure implementation of the EVMS to monitor and manage cost, schedule, and technical performance*

  - *Assess maintenance and continued implementation of the EVMS*

  - *Provide a documented and defensible record for both DOE and the Contractor in support of compliance*

Certification of EVMS compliance will not occur until full completion of the review process

Compliance Determination Resources

- **NDIA Intent Guide**

- **EVM Implementation Guide (EVMIG)**

- **Bowman Interpretive Guide**

- **Other sources/historical documents**

- **DOD/DCMA interpretation guide and test steps**

- **Pre-Certification**
  - Certification Review
- **Post Certification**
  - Surveillance
  - Implementation
  - Review for Cause

- **Purpose**
  - A process used to determine if an Earned Value Management System (EVMS) meets the intent of the guidelines found in ANSI/EIA 748

- **Scope**
  - EVM System description and supporting procedures
  - Implementation
  - Tool demonstration and review

- **Certifying Authority and Thresholds (except for firm fixed-price contracts):**
  - OAPM ≥ $100M;
  - Project Management Support Office (PMSO) ≥ $50M < $100M;
  - Contractor self-certification ≥ $20M < $50M
  - Major System Project, i.e. ≥ $750M
  - Prior to CD-3 OAPM will conduct surveillance to validate continued compliance if self-certified or PMSO-certified

- **Purpose**
  - Conducted to demonstrate continued compliance of a certified system to the ANSI/EIA-748 guidelines and approved system descriptions, verify the EVM data is useful, timely, and effective; and assess whether the data is used to make informed decisions
- **Process**
  - Risk-Based and Data-Driven approach; Conducted in up to 3 Stages
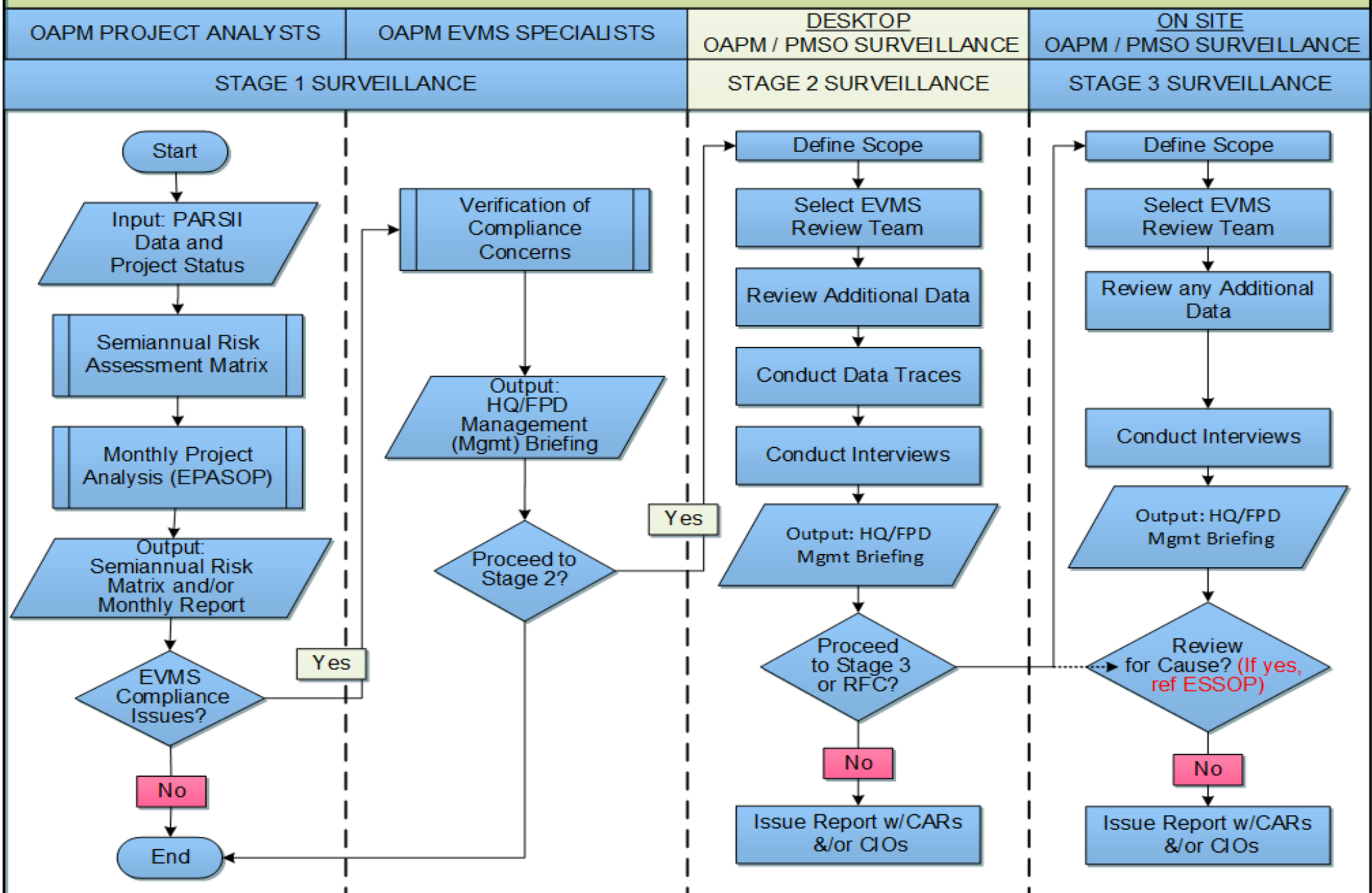- **Surveillance Authority and Thresholds**
  - Consistent with Certifying Authority Thresholds
  - OAPM ≥ $100M
  - PMSO ≥ $50M < $100M;
  - Contractor self-surveillance ≥ $20M < $50M
- **Frequency:**
  - Contractors must conduct annual self-surveillance of their EVMS, ideally by an entity independent 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

DOE EVMS SURVEILLANCE PROCESS

OAPM PROJECT ANALYSTS	OAPM EVMS SPECIALISTS	DESKTOP OAPM / PMSO SURVEILLANCE	ON SITE OAPM / PMSO SURVEILLANCE
STAGE 1 SURVEILLANCE		STAGE 2 SURVEILLANCE	STAGE 3 SURVEILLANCE

STAGE 1 SURVEILLANCE

Start
↓
Input: PARSII Data and Project Status
↓
Semiannual Risk Assessment Matrix
↓
Monthly Project Analysis (EPASOP)
↓
Output: Semiannual Risk Matrix and/or Monthly Report
↓
EVMS Compliance Issues? → Yes
│
No
↓
End

OAPM EVMS SPECIALISTS

Verification of Compliance Concerns
↓
Output: HQ/FPD Management (Mgmt) Briefing
↓
Proceed to Stage 2? → Yes

STAGE 2 SURVEILLANCE (DESKTOP)

Define Scope
↓
Select EVMS Review Team
↓
Review Additional Data
↓
Conduct Data Traces
↓
Conduct Interviews
↓
Output: HQ/FPD Mgmt Briefing
↓
Proceed to Stage 3 or RFC?
│
No
↓
Issue Report w/CARs &/or CIOs

STAGE 3 SURVEILLANCE (ON SITE)

Define Scope
↓
Select EVMS Review Team
↓
Review any Additional Data
↓
Conduct Interviews
↓
Output: HQ/FPD Mgmt Briefing
↓
Review for Cause? (If yes, ref ESSOP)
│
No
↓
Issue Report w/CARs &/or CIOs

EVMS Implementation Review

- **Purpose**
  - Performed in lieu of a Certification Review when EVMS compliance is a requirement.
  - Extends certification of previously certified system

- **Scope**
  - Tailored depending on risks associated with nature of extension
  - It may be conducted on site or as a desk review

- **Extension factors**
  - From one contractor facility to another
  - From one contractor to a replacement contractor using same systems
  - From one project to another project after a period of system non-use
  - For a significantly revised system description
  - From one certifying entity to another (external, e.g. other Federal agency to DOE; internal, e.g. PMSO to OAPM)

- **Purpose**
  - Conducted when concerns exist that output of EVMS from certified system may no longer meet the intent of the guidelines and is not useable for decision-making

- **Objectives**
  - Determine whether EVMS may be relied upon to provide reliable and accurate project information
  - Determine extent and depth of non-compliance
  - Identify corrective actions required to reaffirm system acceptability
  - Determine if EVMS certification should be suspended or withdrawn

On Site Expectations

- **Expectations:**
  - Team
    - Arrives on time
    - Well prepared
    - Professional
  - Contractor
    - Safety/security
    - Facilities
    - Responsive
    - Available

MUTUAL TRUST AND RESPECT

Typical On Site Review Format

- **Welcome/Introductions/Safety**
- **In Brief by Government Review Director**
- **Contractor Presents:**
  - Brief Overview
  - Scheduling and Cost Engines Demonstration
  - Process flow via EVMS Storyboard
- **Interviews Conducted**
  - Control Account Managers (CAMs)
  - Project Controls
  - Contractor Management
  - Government Federal Project Director and CO
- **Out Brief by Government Review Director**

- **Contractor Management, Project Controls, and Control Account Managers are interviewed as well as some DOE Site Personnel**
- **CAM interviews will be conducted where the CAM has access to the cost and schedule tools used to manage the control account(s)**
- **Interviewees must be able to show, prove, demonstrate that they are using the system to manage their projects**
- **Interviewers will drill down, trace, analyze to make sure the data is accurate**
- **The team will conduct a critical assessment of the tools, procedures and processes, and how they are used to manage the work**

- **Corrective Action Request (CAR):**

  - A CAR is a systemic or limited occurrence of an ANSI/EIA 748 non-compliance or a significant impact to reporting

  - A CAR requires a Corrective Action Plan (CAP), approval, and closeout

- **Continuous Improvement Opportunity (CIO):**

  - A CIO is a recommended improvement or expansion of good practices for wider application

  - CIOs do not require implementation or response; dialog is encouraged

Corrective Action Plan (CAP)

- **CAP approval criteria**
  - Thoroughness of root cause analysis; need for formal causal analysis
  - Adequacy of corrective action to prevent recurrence
  - Review for repeat non-compliances; assessment of metrics
  - Verify guideline compliance
  - Closure criteria, e.g. clear activities required to be successfully accomplished before the CAR can be closed out
  - The surveillance team documents the status of these activities and is responsible for ensuring that the statuses of activities are documented
- **CAP / CAR verification and closure**
  - Verification of completion of CAP activities may include any or all of the following:
    - Review evidence packages
    - Conduct additional CAM interviews
    - Data sampling and analysis

Documenting Review Results

- **EVMS Review reports are issued to document the review actions**

- **Contents:**
  - Executive Summary Scope of Review
    - Health of the EVMS
  - Assessment and Findings
    - System deficiencies identified
    - Best Practices Identified
  - Conclusion
  - Attachments include CARs and CIOs

Closing the Review

- **All Corrective Actions for the issued CARs have been reviewed, verified as complete, and closed**
- **Final Report documenting closeout is issued via memorandum to the CO; copies to internal stakeholders**
- **The Certifying Authority makes all determinations regarding system compliance**
- **The CO will issue formal notification to the contractor**

Standard Processes and Tools

- **ESSOP and ECSOP describes surveillance and certification processes**

- **Standard templates, tools, forms, briefings, reports, and requests**
  - Risk assessment and data trace templates and tools
  - Review plan/report, In/out briefs, data/document requests
  - Interview Findings Form (IFF), CAR/CIO Form, CAP Format

**Available on OAPM's EVM Home page
or by request**

DOE OAPM EVM Home Page