

# **EVMS Training Snippet Library: EVMS Stage 3 Surveillance**



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



- **Recurring process of review**
  - Continued compliance with ANSI/EIA-748 and DOE policy.
- **Verifies implementation**
  - The use of the EVM system is maintained over time and on subsequent applications (e.g., on new projects).
- **Assesses extent of system use for management purposes**
  - If the contractor is continuing to use their EVMS effectively to monitor and manage cost, schedule, and technical performance.

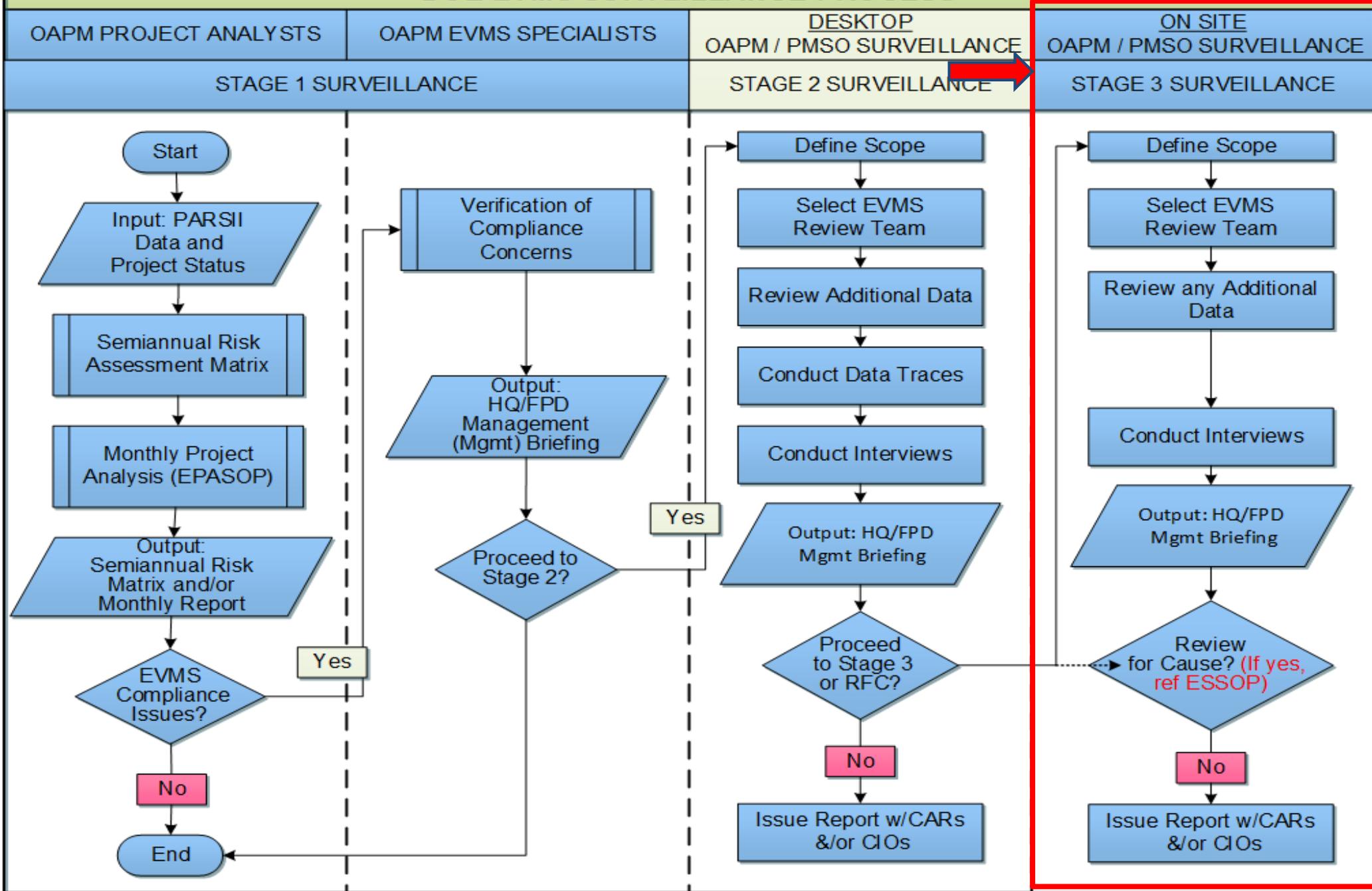
# DOE Surveillance Policy and Procedures



- 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)



# DOE EVMS SURVEILLANCE PROCESS



# Stage 3 Surveillance Step by Step



- **Scope Definition**
- **Team Selection**
- **Review Any Additional Data**
- **Conduct Interviews**
- **Management Briefing**



# Stage 3 Scope Meeting

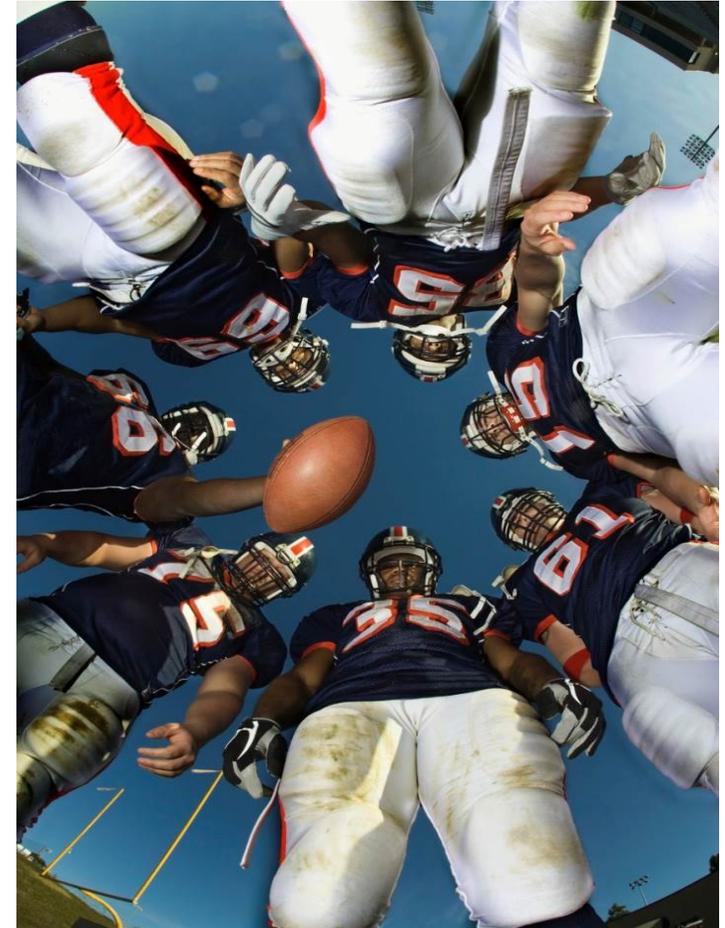


- **Scope defined based on:**
  - Stage 2 results
  - Additional areas that are best assessed on site, such as
    - Supporting system integration
    - CAM knowledge
- **Project selection:**
  - The entire contractor portfolio of projects requiring EVMS will be considered for EVMS surveillance
- **Results:**
  - A determination of projects and EVM system areas to be examined;
  - The documentation and artifacts necessary for the surveillance;
  - The team composition; and
  - The timeline for the surveillance

# Team Selection



- **Review scope dictates expertise needed (e.g., scheduling, accounting, etc.)**
- **Scope drives the size of the team**
  - How many projects are in the contractor's portfolio?
  - How many concerns were identified in Stage 2?
  - How many interviews will be conducted?



# Team Roles / Responsibilities



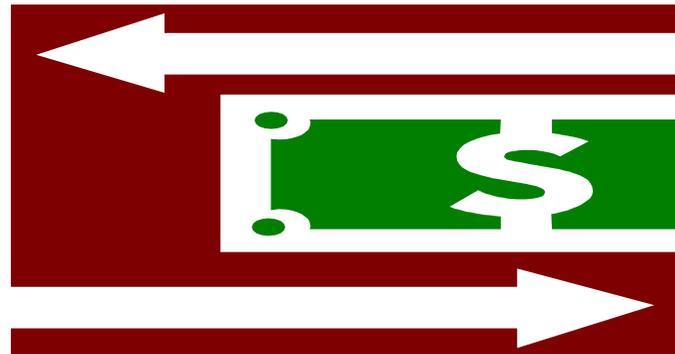
<b>ROLE</b>	<b>RESPONSIBILITY</b>
<b>OAPM EVM Specialist</b>	<b>Surveillance lead; facilitate/lead the process; resolve issues; document results</b>
<b>OAPM/PMSO Project Analyst</b>	<b>Support process with technical project specific insight</b>
<b>Contract Support</b>	<b>EVMS team members; assist in assessment; prepare review documentation and reports</b>
<b>Program/FPD</b>	<b>Support process with resources, time, data, and personnel</b>

# Stage 3 Data Call



- **Data requested for Stage 3 may include:**
  - Project and control account specific data, based on scope of review and selection of Control Accounts under review
  - Accounting Handbook to include procedures regarding:
    - Indirect rate analysis
    - Timekeeping/Labor
    - Cost collection and charge code structure
    - Material Accounting
    - Subcontractor Accounting
    - Reconciliation process
    - CASB disclosure statement; Government approval letters
    - Results of any Government accounting system audits

- **For Accounting Team use in reviewing Accounting System entries on site**
  - Records for the following: Labor (direct & indirect) charges, material charges, subcontractor charges
  - Accounting corrections report/log
  - Overtime reports showing exempt employees and how many charge codes were used
  - Current rates for the applicable indirect pools



# Typical On Site Review Format



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

- **Interview areas may include:**

- Work authorization
  - Organization
  - EVM methodologies
  - Cost and schedule integration
  - Cost accumulation
  - Scheduling and budgeting
  - Material management
  - Risk assessment and mitigation
  - Variance analysis
  - Use of the information
  - Subcontract management and integration of data
- Change control and maintenance
  - EAC process
  - EVMS program training



# What to Expect During Interviews



- **Interviewees:**
  - Contractor Management, Project Controls, and Control Account Managers as well as some DOE Site Personnel
- **CAMs must have live access to the cost and schedule tools**
- **Interviewees show, prove, demonstrate**
- **Interviewers will drill down, trace, analyze to verify data accuracy**
- **Team conducts a critical assessment of the tools, procedures and processes, and how they are used to manage the work**



- **Prepare HQ/FPD Management briefing with recommendation for either**
  - Continue with surveillance close out actions:
    - Final report with CARs/CIOs
    - Approval of a contractor Corrective Action Plan and CAR closeout criteria
- **OR**
  - Schedule a Review for Cause
    - If non-compliances indicate concerns with the entire system, then a Review for Cause may be justified



Home » Operational Management » Project Management » Earned Value Management

## 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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