



EFCOG PM-30 Update

Melvin Frank

Melvin.Frank@hq.doe.gov

Office of Project Controls & Policy (PM-30)

Office of Project Management (PM)

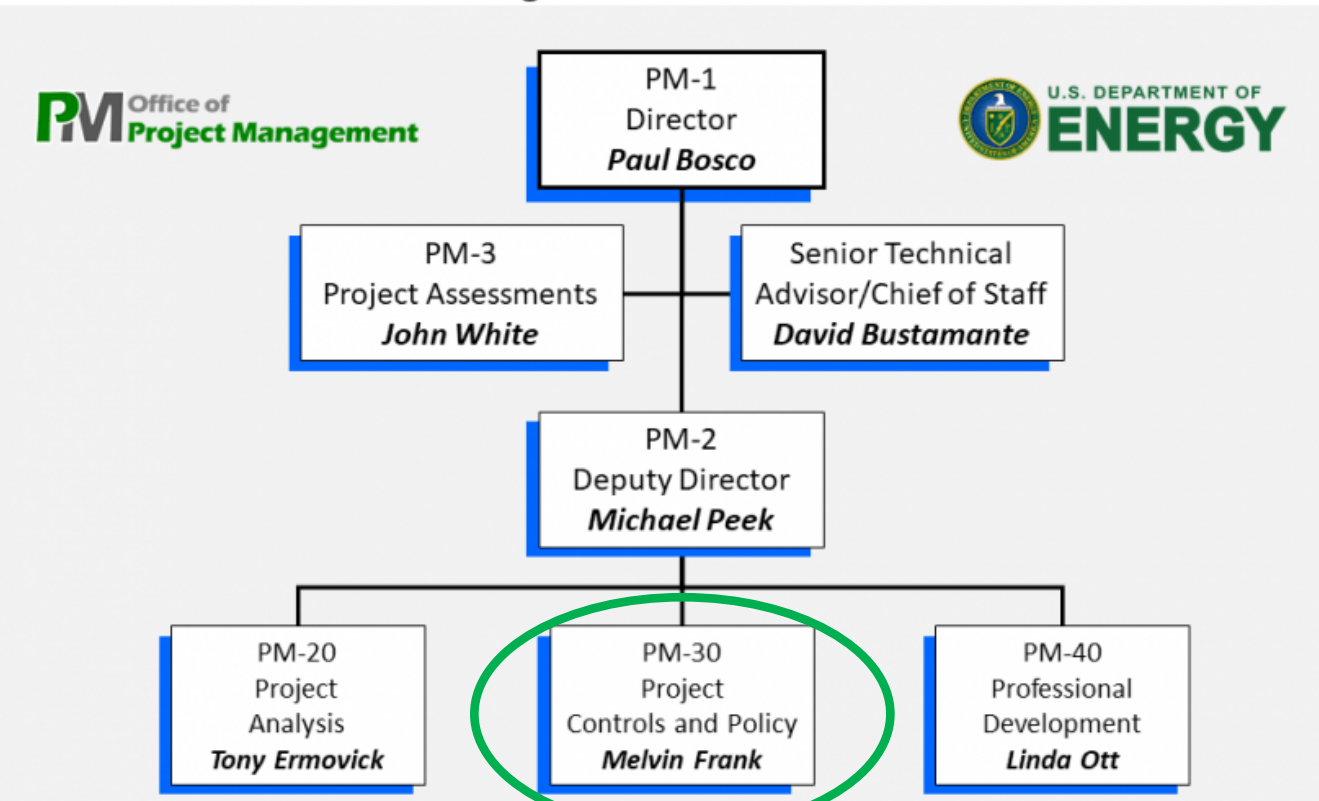
April 10, 2023



DOE PM-30 – Who We Are

OFFICE OF PROJECT MANAGEMENT (PM)

Organization Chart



Effective: April 7, 2022

Compliance

Carney, Kevin
 Goldsmith, Daniel
 Loop, Robert
 Taliaferro, Matthew
 Kester, David (CONTR)
 Young, Amber (CONTR)

Performance

West, Matthew
 Kong, Brian
 Amin, Dipali (CONTR)
 Nye, Thomas (CONTR)
 Ogrodnik, Robert (CONTR)

Policy

Kevin Andersen
 Pulido, Erika (CONTR)

Special Projects

Victoria Premaza

PARS

Richardson, Garrett
 Haseler, Craig (CONTR)
 Mann, Wilson (CONTR)
 Burgess, Adam (CONTR)
 Coty, Christopher (CONTR)
 Jaeger, Julianne (CONTR)
 Mondo, Louisa (CONTR)
 Novicio, Ray (CONTR)
 Samuel Runner (CONTR)



Key Items

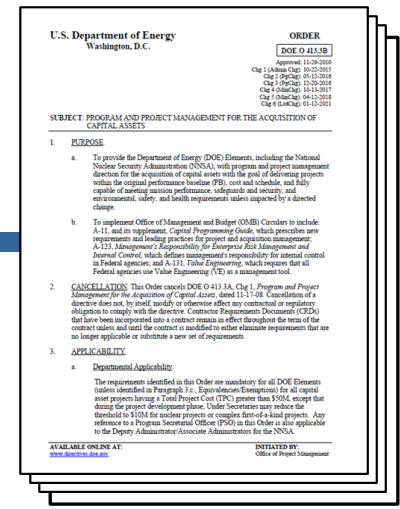
- **IP2M METRR**
- **Compliance Reviews**
- **Order/Guides**
- **IMS**
- **Indirect Budget/Cost Management**

- **OTB/OTS**



PM-30 EVMS Mission

- **Appendix A, Table 2.3 CD-3 Requirements**
- **Prior to CD-3 - Employ a certified Earned Value Management System compliant with EIA-748C, or as required by the contract. (Refer to DOE G 413.3-10A.) - Certified by: PM ≥ \$100M**
- **Conduct EVMS surveillance to ensure compliance with EIA-748C, or as defined in the contract. Contractor must conduct the surveillance annually. Conducted by: PM ≥ \$100M**
- **Appendix B, section 14**
- **Office of Project Management**
 - g. **Establish, maintain and execute the EVMS Certification and Surveillance Review processes** in accordance with established levels to ensure full compliance with applicable FAR and OMB requirements.
 - h. **Perform EVMS Certification and Surveillance Reviews** of contractors with projects that have a TPC of \$100M or greater and, on an exception basis, or at the request of the PMSO, of contractors with projects that have a TPC between \$50M and \$100M.





ASU Study – IP2M METRR

- Software
- Training
 - How to use
 - How to facilitate
- Obtain additional performance data
- Future Updates
- Use in tailoring/scalability to validate maturity of alternate project control systems



FY2023 Planned Compliance Reviews

- **Consolidated Nuclear Security (CNS), LLC**
 - Pantex, 1st Qtr FY2023
 - EVMS Implementation Review
- **Consolidated Nuclear Security (CNS), LLC**
 - Y-12 National Security Site 2nd Qtr FY2023
 - EVMS Surveillance Review
- **Savannah River Mission Completion (SRMC) –**
 - Savannah River Site (SRS) 3rd Qtr FY2023
 - EVMS Certification Review*
- **ASD (Advanced Sources and Detectors), Triad**
 - Los Alamos Nuclear Lab (LANL) 3rd Qtr FY2023
 - EVMS Implementation Review
- **Savannah River Nuclear Solutions (SRNS)**
 - Savannah River Site (SRS) 1st Qtr FY2024
 - EVMS Certification Review
- **SIMCO**
 - Waste Isolation Pilot Plant (WIPP) 2023/24
 - EVMS Certification Review*
- **Idaho Environmental Coalition (IEC), LLC**
 - Idaho National Laboratory 2024
 - EVMS Certification Review



413.3 Policy and Guidance

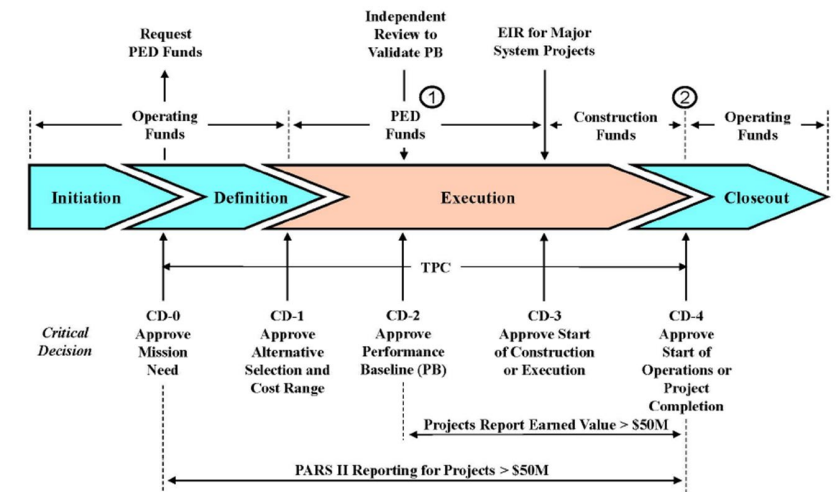
- **413.3B Limited Change to incorporate CARP, RCA/CAP, PMLL policy memos**
- **413.3B Appendix E – Non-Rad/Haz/Complex, Commercial-Type <\$100M**

[Directives | Department of Energy](#) or <https://www.enrgy.gov/projectmanagement/directives>



New - DOE Office of Project Management (PM) Integrated Review Schedule Analysis (IRSA) Standard Operating Procedure (SOP)

- **The IRSA SOP is newly developed and deployed.**
 - Serves as a primary (schedule analysis) reference, collating resources and detailing schedule analysis procedures internal to PM.
 - Complements other DOE guidance by detailing how PM implements DOE O 413.3B requirements
 - Clarification/Standardization for routine review activities include:
 - Use quantitative and qualitative analysis for schedule assessment in sufficiency reviews.
 - Consistently capture schedule assessments with a “*schedule notebook*”.
 - Utilize AACEI Schedule Classifications per Recommended Practice (RP) 27R-03, Schedule Classification System.
 - Integrate evaluation methodology:
 - meet GAO Schedule Assessment Guide Best Practices (GAO-16-89G) and EIA-748 assessed through maturity metrics (per the DOE PM EVMS Compliance Review Standard Operation Procedure (ECRSOP) Appendix A.





DOE O 413.3B – Program and Project Management for the Acquisition of Capital Assets

DOE O 413.3B Change 7:

- PM is following the Fast Track revision path as defined in DOE Order 251.ID
 - Update requirements for corrective action plans tied to root cause analyses when a project's performance baseline is breached as noted in the August 18, 2022, memo.
 - Update the thresholds for construction design and minor construction for general plant projects.
 - Incorporate sustainability design requirements noted in an April 5, 2022, memo from the Deputy Secretary on Climate Adaptation, Resilience and Sustainability in Project Management
 - Update project management lessons learned requirements per S-2 memo of September 18, 2020
- Resubmitting to DRB following resolution of ~150 comments
- Hope to finalize and publish before summer

DOE O 413.3B – Next Update

- Start process in later summer 2023
- Review backlog of comments
- Appendix E



DOE O 413.3B Appendix E, STREAMLINING OF NON-COMPLEX, NON-NUCLEAR PROJECTS

- **Efficient delivery of projects (i.e. commercial) projects based on the consideration of project size, complexity, cost, and risks**
 - Intent is to provide additional guidance on streamlining for projects between \$50M - \$100M
 - Establishes tailored project management requirements that would present substantial benefit of a streamlined approach of the application of Department of Energy (DOE) Order (O) 413.3B without increasing risk to the Department.
 - Applicable projects' risks differ from the technically challenging population of most DOE capital asset projects and are non-nuclear, non-complex projects found external to the government, routinely commercially executed.
- **Examples of streamlining efforts being considered include:**
 - combined Critical Decisions (0/1, 2/3);
 - consolidation of required documentation; and
 - abbreviated reporting into PARS at CD-2/3 approval with the requisite documentation versus Contractor Project Performance uploads.

*Non-complex, Non-nuclear,
Commercial-like projects*



- **Tailoring is necessary for the efficient delivery of projects**
 - Applied to all projects considering size, complexity, cost, risks, visibility, safety, security, schedule
 - Identified as early as possible prior to the impacted CD
 - Does not imply the omission of requirements; address requirements to extent necessary and practical
 - Tailored elements specified in Project Execution Plan (PEP) or Tailoring Strategy
 - Approved by PME
- **Does not apply to nuclear safety requirements, which use “graded approach” (prescribed in 10 CFR Part 830)**



- **Consolidation or phasing of CDs**
- **Substituting equivalent documents**
- **Using a graded approach to document development and content**
- **Creating portfolio of projects to facilitate single CD**
- **Acquisition Strategy (AS) for the entire group of projects**
- **Adjusting the scope of Independent Reviews**
- **Delegation of acquisition authority**



- **Establish standard tailoring approach**
 - to comply with project management requirements identified in O413.3B for a class of projects which have risks that differ from the technically challenging population of most DOE capital asset projects
- **If tailor in other ways, then follow existing O413.3B tailoring requirements**
 - section 4.a.(2), Appendix A Table 2.1, and Appendix C section 27



- **Non-nuclear, non-complex, commercial-type projects are those that can utilize commercial standards and practices**
- **Key characteristics include:**
 - Not an applicable DOE nuclear facility per definition of 10 CFR 830 Subpart A
 - No hazards above those that can be addressed given 10 CFR §851.23 Safety and health standards
 - Does not include critical technology elements as defined in DOE Guide (G) 413.3-4A, Technology Readiness Assessments Guide
 - Is not part of a phased set of projects as defined in Order Appendix C, Section 27.b, or does not require integration with other projects



- **Total Project Cost (TPC) >\$30M (current line-item/minor construction monetary threshold) and <\$100M**
- **Not yet achieved CD-0**
- **Does not apply to any non-construction type capital asset project**

- **If a Program Office does not complete 90% of projects using this protocol across a three-year rolling average, not to exceed by more than 10% of the original project cost baseline for the original approved scope at CD-2, the Program Office shall no longer use this protocol but shall revert to following O413.3B Appendices A, B, and C**



- **While not diminishing the decision-making authority of the Project Management Executive (PME), tables establish the tailored requirements for combined critical decisions:**
 - CD-0/1 – Approve Mission Need, Alternative Selection, and Cost Range
 - CD-2/3 – Approve Performance Baseline and Start of Construction, and
 - CD-4 – Approve Project Completion consistent with the beneficial occupancy date (BOD).
 - Project Closeout – provides closure status of the project, contracts, regulatory drivers, and fiscal condition.



- **FPD should strive to meet the following**
 - Time from initial CD-0/1 to CD-4 is less than 5 years
 - Project is executed via firm fixed price (FFP) subcontracts, comprising at least 85% of the total estimated cost (TEC), not including planned management reserve and contingency
- **PME delegated to field office/site manager**
 - If retained at HQ then explain why in PEP



- **Appendix E projects included in Departmental-wide metrics**
 - PM provides independent validation
- **Appendix E projects included in Monthly Status Report**
 - PM provides monthly assessment
- **All Appendix E projects reported in PARS**
 - Monthly status starting at CD-0/1
 - Earned value or other applicable performance data starting at CD-2/3
 - Submit PEP and other CD or equivalent documents
 - Approved PB at CD-2/3 (TPC, CD-4/BOD, Scope, and KPPs if necessary/appropriate)
 - Actual TPC, scope accomplished, and KPPs achieved at CD-4/BOD
 - Submit Performance Baseline Change Proposal approvals to PM



- **Streamlined pathway to grow the base of certified FPDs.**
- **Provide FPDs necessary documented experience via PARS in accord with the PMCDP Certification and Equivalency Guidelines (CEG) (<https://community.max.gov/x/IQd1Qw>).**
 - Program Offices may elect to manage projects of less than the Order applicability threshold of \$30M using this protocol



- **Appendix E combines various documents, reports, and plans in the Project Execution Plan (PEP)**
 - Such as Mission Need Statement, Acquisition Strategy, Business Case Analysis, Risk Management Plan, FPD Appointment, ISM and QAP plans, etc.
 - Length and detail of these sections should be consistent with the complexity of the project and by which to effectively manage
 - CD-0/1 Cost Range and CD-2/3 Performance Baseline
 - PEP approved by the PME at both CD-0/1 and when updated at CD-2/3
- **Consistent with discussion in Critical Decision tables in 413.3B Appendix A**
 - documents and reports respective to various requirements are not intended to be stand-alone and may be combined



413 Guides

- **Updates In Progress**

- DOE G 413.3-20, Change Control Management
- DOE G 413.3-12, Front-End Planning & Project Definition Rating Index (PDRI)
- DOE G 413.3-4B, Technology Readiness Assessments
- DOE G 413.3-2X, Project Management Funding (**New Guide**)
- DOE G 413.3-2X, Project Scope (**New Guide**)

- **Planned Updates**

- DOE G 413.3-21B, Cost Estimating Guide
- DOE G 413.3-7B, Risk Management
- DOE G 413.3-5B, Performance Baseline
- DOE G 413.3-6C, High Performance Sustainable Building



Integrated Master Schedule (IMS)

- **High Total Float**
 - Impact critical path
 - Identification and management of
- **Zero Budget Activities**
 - Schedule Visibility Tasks
 - Indirect Budget Based (aka SVT-I)



High Total Float (HTF)

- **Identified, documented, reported, managed**
- **Routine schedule walkdowns**
- **Ties to risk management**
 - Integration across all project management processes should lead to avoidable planning, scheduling, and budgeting issues caused when there is a divergence in the planned progression
- **Documented justifications**
 - Provide examples as to what constitutes acceptable justification
 - Address why added activities are not reasonable or of value
- **Self-governance role**
- **Alternate metrics and controls to verify the process is still in control and risk is managed**
 - Demonstrate the activities with total float more than the threshold are being managed and not overlooked
- **Reasonable Total Float - <https://community.max.gov/x/WwPIXg> and in CAG (B.7.4 and B.7.5)**



Zero Budget Activities

- **Minimizes EVMS value proposition**
- **Cost and Schedule Disintegration**
- **Inaccurate current status**
- **Non-Credible PMB and EACs**
- **Limits management understanding of issues/risks and ability to take corrective actions and make informed decisions**



SVT

- **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)**
 - NON-COMPLIANT with EIA-748 and DOE O 413.3B
 - Non-resource loaded PMB work
 - Charged to indirect budget
 - Breaks iron triangle of Scope/Schedule/Budget alignment - central tenet of EVMS and PM
 - Results in misalignment of S-P-A within budget/cost and schedule systems
- **Impacts up to 16 GLs**
 - (1, 2, 3, 5, 6, 8, 9, 10, 11, 12, 16, 22, 23, 26, 27, 28)



Associated Attributes

- 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's
- 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
- G.2. Incorporate Changes in a Timely Manner



Indirect Budget/Cost Management

- PM-30 and NA-MB-63 Partnership
 - NA-MB-63 responsible for indirect performance, rates and CAS compliance
 - PM-30 responsible for EIA-748 EVMS compliance
 - Work synergistically to execute assigned missions where overlap
- NA-MB-63 included as team member in EVMS reviews of NNSA contractors
 - Leverage existing NA-MB-63 products and review results to extent feasible
 - PM 30 coordinating with NA-MB-63 on the review approach, interviews, in-brief/out-brief, documented findings and report prior to discussion with or distribution to contractor
- PM-30 to update CAG based on insights



Intent of Indirect Management Process in EIA-748: Ascertain confidence that indirect budgets established at base and resource levels consistent with CAS disclosure are managed such that variances and reasons are known early and can either be mitigated to retain stable rates, or budgets/rates are adjusted appropriately, and rate changes promptly communicated to project level for inclusion in determination of project budgets and EACs.

GL4 (E1) – Indirect Management Process and Budget Owners

GL13 (E2) – Time-phased indirect budgets established; rates determined/changed

GL19 (E3) Indirect costs accumulated

GL24 (E4) – Indirect costs compared to time-phased indirect budgets; variances mitigated or changes made to

Indirect Controls

Corporate Level

Project Level

Rates

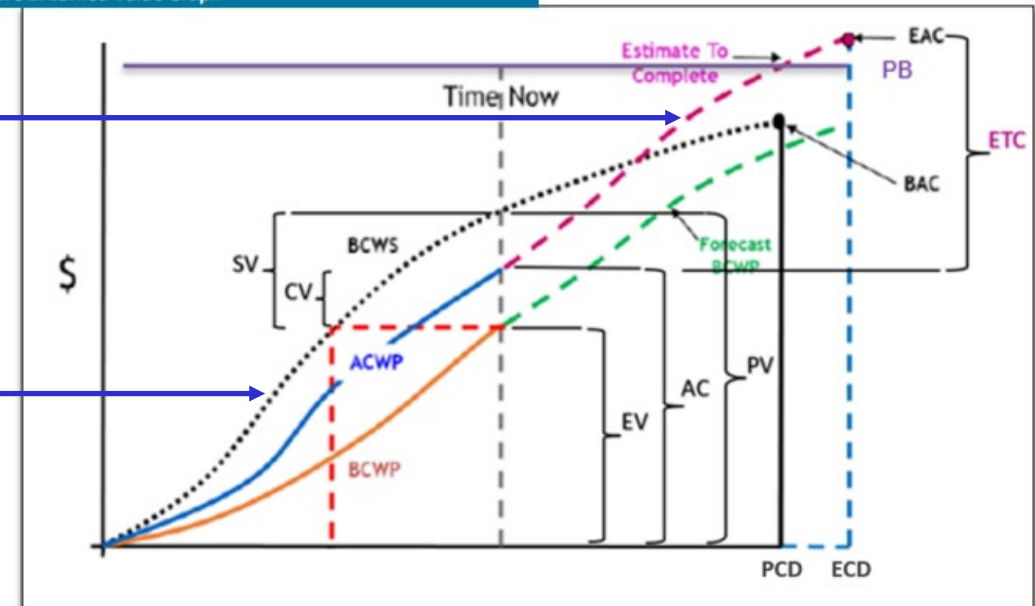
Project Controls

P6/IMS/Scheduling System

COBRA/Budget System

Oracle/Accounting System

Figure 2. Earned Value Graph





Questions? Discussion...





Locations of Items

- <https://www.energy.gov/projectmanagement/ecrsop-appendices-materials>

Earned Value Management

Office of Project Management

Office of Project Management » Services » Earned Value Management

ABOUT EVM

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.

- Integrates scope, cost, and schedule, with risk management
- Allows objective assessment and quantification of current project performance
- Helps predict future performance based on trends

EVMS RESOURCES

- [EVMS Implementation Guidance](#)
- [EVM SMEs](#)
- [EVM Training](#)
- [IP2M METRR \(ASU EVMS Study\)](#)

Materials to support the EVMS Compliance Review Standard Operating Procedure (ECRSOP)

Appendix A: EVMS Compliance Assessment Guidance

ATTACHMENT	FILE TYPE	REVISION DATE	DESCRIPTION
Compliance Assessment Governance (CAG)	PDF	6/1/2022	The PM CAG provides the information needed to better understand the principles and elements of the Electronic Industries Alliance (EIA)-748 EVMS standard. It conforms to the Integrated Program Project Management (IP2M) Maturity and Environment Total Risk Rating (METRR) stemming from the Arizona State University study which identified and assessed a spectrum of EVMS operating environment and implementation maturity factors.
Compliance Reference Crosswalk (CRC)	XLSX	7/12/2022	The EVMS Compliance Reference Crosswalk (CRC) Excel file is used to document the review of the contractor's EVM system description and supporting procedures under configuration control.
Metric Crosswalk*	ZIP	1/24/2022	This ZIP file contains a comparison breakdown of all the differences between the metrics version 3.0 and 4.0. Each Metric Specification sheet shows the versions side by side and comments the changes.
Metric List	PDF	1/21/2022	This file contains the entire listing of all DOE EVMS Metrics organized by Process Area and Attribute.
Metric Specification	PDF	1/21/2022	This file contains all of the DOE EVMS Metric specifications.
Metric Specification Legend	PDF	1/21/2022	This file is the legend for all metric specification sheets. It explains what each block on the sheets contain for easy reference.

*Due to file size, please contact your DOE PM-30 analyst to get a copy of this document.

Appendix D: EVMS Compliance Review Team Toolkit

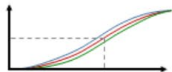
ATTACHMENT	FILE TYPE	REVISION DATE	DESCRIPTION



Locations of Items



▶ 413 Resource Center ▶ Reviews & Metrics ▶ PARS & Earned Value Management ▶ Training & Certification ▶ Workshops & Awards ▶ About PM



Earned Value Management (EVM)



Search content on PM-MAX:

- EVM Home
- Guidance
- Training Materials
- SMEs
- Clearinghouse Topics
- EVM Compliance Collaborations
- IP2M METRR
- Acumen Fuse®
- Empower®

Team Collaborations

- PM Max = <https://community.max.gov/x/poptQw>
- Energy.gov = <https://www.energy.gov/projectmanagement/earned-value-management>
- PARS = <https://pars.doe.gov>
- IP2M METRR = <http://ip2m.pars.doe.gov>
- Reasonable Total Float - <https://community.max.gov/x/WwPIXg>



OTB/OTS

Before OTB	
Total Allocated Budget (TAB)	
Contract Budget Base (CBB) or Project Budget Base (PBB)	
Performance Measurement Baseline (PMB)	MR

After OTB	
Total Allocated Budget (TAB)	
Contract Budget Base (CBB) or Project Budget Base (PBB)	Over Target Budget (OTB)
Performance Measurement Baseline (PMB)	MR



OTB vs BCP

- **OTB is to the CBB.....as.....BCP is to the PB**
 - BCP changes TPC and CD-4...typically for performance issues
 - OTB and OTS are about K performance NOT scope change
 - May or may not include BCP to PB
 - OTB increases TAB to over CBB for K performance issues
 - OTS increases K Schedule Completion beyond CBB for K performance issues
 - Reporting of OTB/OTS changes should be on continuum; not just one time deal



OTB as Part of BCP

- Purpose of an OTB/OTS – allow for realistic PMB
- Subsumed into the BCP of the PB as that happens
 - OTB approved by the CO and FPD in the interim to enable better performance measurement during the process
 - Explainable period where the checkbook TPC value of the new PMB and MR (based on OTB) plus Fee, ODC, and Contingency do not reconcile to the current approved TPC while it is undergoing BCP
 - When BCP approved - alignment of the PMB and checkbook numbers
- Key is documented change control



OTB Scenarios

	Original	
PB/TPC	100	
Contingency	10	
Fee	5	
ODC	5	
TAB	80	
OTB	0	
CBB	80	
MR	10	
PMB	70	

Scenarios





OTB Scenarios

	Original	Scenario 1	
PB/TPC	100	100	
Contingency	10	5	
Fee	5	5	
ODC	5	5	
TAB	80	85	
OTB	0	5	
CBB	80	80	
MR	10	10	
PMB	70	75	

Scenarios

1 - all K performance issue (\$5)



OTB Scenarios

	Original	Scenario 1	Scenario 2
PB/TPC	100	100	100
Contingency	10	5	5
Fee	5	5	5
ODC	5	5	5
TAB	80	85	85
OTB	0	5	2
CBB	80	80	83
MR	10	10	10
PMB	70	75	75

Scenarios

1 - all K performance issue (\$5)

2 - scope in project to PB but not to K added to K (\$3) along with K performance issue (\$2)



OTB Scenarios

	Original	Scenario 1	Scenario 2	Scenario 3
PB/TPC	100	100	100	130
Contingency	10	5	5	10
Fee	5	5	5	5
ODC	5	5	5	5
TAB	80	85	85	110
OTB	0	5	2	30
CBB	80	80	83	80
MR	10	10	10	10
PMB	70	75	75	100

Scenarios

1 - all K performance issue (\$5)

2 - scope in project to PB but not to K added to K (\$3) along with K performance issue (\$2)

3 - All K performance issue increases TPC (\$30)



OTB Scenarios

	Original	Scenario 1	Scenario 2	Scenario 3	Scenario 4
PB/TPC	100	100	100	130	130
Contingency	10	5	5	10	10
Fee	5	5	5	5	5
ODC	5	5	5	5	5
TAB	80	85	85	110	110
OTB	0	5	2	30	15
CBB	80	80	83	80	95
MR	10	10	10	10	10
PMB	70	75	75	100	100

Scenarios

1 - all K performance issue (\$5)

2 - scope in project to PB but not to K added to K (\$3) along with K performance issue (\$2)

3 - All K performance issue increases TPC (\$30)

4 - scope change and performance issues increase PB (\$30); scope added to K (\$15); K performance issue increase (\$15)

Applicable references – DOE Order 413.3B



- **Appendix A, Table 2.3 CD-3 Requirements**

- **Prior to CD-3 - Employ a certified Earned Value Management System compliant with EIA-748C, or as required by the contract. (Refer to DOE G 413.3-10A.) - Certified by: PM ≥ \$100M**

- **Conduct EVMS surveillance to ensure compliance with EIA-748C, or as defined in the contract. Contractor must conduct the surveillance annually. Conducted by: PM ≥ \$100M**

- **Appendix B, section 14**

- **Office of Project Management**

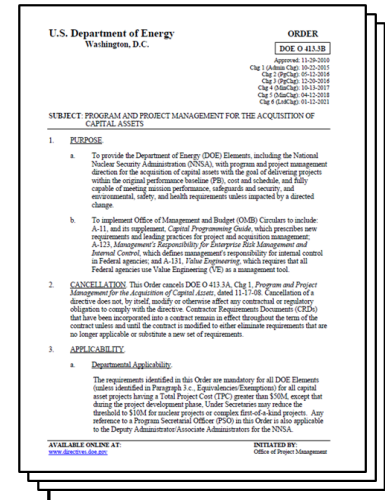
- g. **Establish, maintain and execute the EVMS Certification and Surveillance Review processes** in accordance with established levels to ensure full compliance with applicable FAR and OMB requirements.

- h. **Perform EVMS Certification and Surveillance Reviews** of contractors with projects that have a TPC of \$100M or greater and, on an exception basis, or at the request of the PMSO, of contractors with projects that have a TPC between \$50M and \$100M.

- **Appendix C, section 8**

- **Earned Value Management System.**

An EVMS is required for all projects with a TPC greater than \$50M. In accordance with FAR Subpart 52.234-4, a contractor's EVMS will be reviewed for compliance with EIA-748C, or as required by the contract. (Further details on establishing, employing, and maintaining a compliant EVMS are found in DOE G 413.3-10A, EIA-748C, and DOE Integrated Program Management Report (IPMR) Data Item Description (DID)).



Applicable references – DOE Order 413.3B

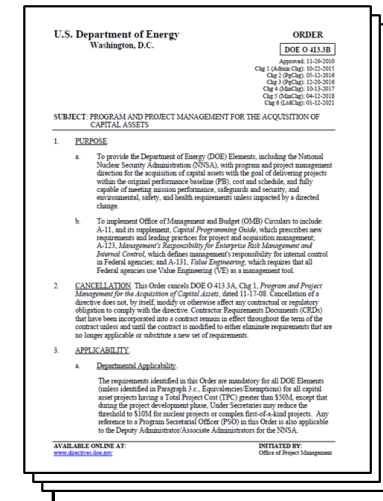


- Appendix C, section 8
- Earned Value Management System (continued).

a. EVMS Certification. This is the initial determination by PM that a Contractor's EVMS is in full compliance with EIA-748C, or as required by the contract, on all applicable projects. Documentation of the certification shall be provided to the Contracting Officer and the PMSO. The Contracting Officer must provide copies of transmittal memoranda or related documents to PM. All relevant documentation shall be maintained in PARS II.

- For contractors where there are applicable projects with a TPC between \$50M and \$100M, the contractor shall maintain EVMS compliant with EIA-748C.
- For contractors where there are applicable projects having a TPC of \$100M or greater, PM must conduct the certification review process and certify the contractor's EVMS compliance with EIA-748C, or as required by the contract.

b. EVMS Surveillance. This is meant to ensure that a contractor's certified EVMS remains in full compliance with EIA-748C, or as required by the contract, on all applicable projects. A surveillance review may include an assessment against some or all of the EIA-748C requirements. The extent of the surveillance review will be tailored based on current conditions.



Applicable references – DOE Order 413.3B

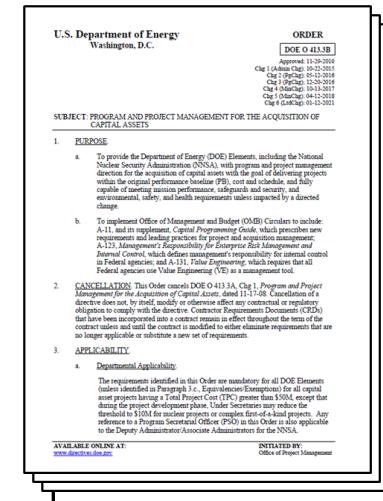


- **Appendix C, section 8**
- **Earned Value Management System (continued).**

1) Notification of Non-Compliance. If following a PM surveillance review, the contractor has not fully corrected the noted deficiencies despite offers of assistance from PM, has ignored contractual direction to take corrective action, or the results of the surveillance review indicate non-compliance with EIA-748C, PM may issue a Notice of Non-Compliance with EIA-748C, or as required by the contract, to the Contracting Officer and will note whether the contractor's EVMS certification has been withdrawn.

2) Implementation Review. An implementation review is a special type of surveillance performed at PM's discretion in lieu of a certification review when EVMS compliance is a requirement. This type of review extends the certification of a contractor's previously certified system. The implementation review must be conducted prior to CD-3 or at the latest within three months of construction mobilization. A contractor's certified system may be extended in the following situations:

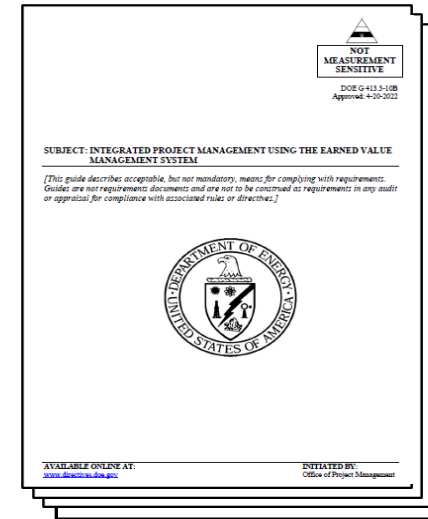
- When a contractor adopts one of their existing certified EVMS for application under a new contract at the same or different site(sometimes referred to as Corporate Certification).
- From one project to another project after a period of system non-use.
- A previously certified system description to a significantly revised system description.
- From one certifying entity to another (meaning other Civilian Federal Agency or DoD to DOE) provided the contracting entity remains the same.
- When a new contractor adopts the previous contractor's existing certified system with minimal to no change in the system description, processes, or tools.



- Section 6.4.2, Key Compliance-Related Terms

DOE Certifying Authority

Per DOE O 413.3B,2 DOE PM is the cognizant DOE organization to certify a contractor's EVMS as compliant with EIA-748 for a project portfolio with at least one project having a TPC of \$100 million or more. This guide uses the term DOE certifying authority to identify EVMS roles and responsibilities performed by DOE PM. As defined by dollar thresholds in DOE O 413.3B,2 for a contractor with a project portfolio with at least one project with a TPC between \$50 million and \$100 million, EVMS certification by DOE PM is not required; however, the EVMS must remain compliant with EIA-748 requirements. Contractors are expected to conduct assessments to confirm their EVMS compliance with EIA-748 requirements in these cases. Although this compliance determination is the contractor's responsibility, assessments may be coordinated with the site field office or use support contract subject matter experts; in this case, the method of determining compliance must be identified and should not be cited as "self-certification".



Applicable references –FAR clause



52.234-4 Earned Value Management System.

As prescribed in [34.203\(c\)](#), insert the following clause:

EARNED VALUE MANAGEMENT SYSTEM (NOV 2016)

- (a) The Contractor shall use an earned value management system (EVMS) that has been determined by the Cognizant Federal Agency (CFA) to be compliant with the guidelines in Electronic Industries Alliance Standard 748 (EIA-748) (current version at the time of award) to manage this contract. If the Contractor's current EVMS has not been determined compliant at the time of award, see paragraph (b) of this clause. The Contractor shall submit reports in accordance with the requirements of this contract.
- (b) If, at the time of award, the Contractor's EVM System has not been determined by the CFA as complying with EVMS guidelines or the Contractor does not have an existing cost/schedule control system that is compliant with the guidelines in EIA- 748 (current version at time of award), the Contractor shall-
- (1) Apply the current system to the contract; and (2) Take necessary actions to meet the milestones in the Contractor's EVMS plan approved by the Contracting Officer.
- (c) The Government will conduct an Integrated Baseline Review (IBR). If a pre-award IBR has not been conducted, a post award IBR shall be conducted as early as practicable after contract award.
- (d) The Contracting Officer may require an IBR at-
- (1) Exercise of significant options; or
- (2) Incorporation of major modifications.
- (e) Unless a waiver is granted by the CFA, Contractor proposed EVMS changes require approval of the CFA prior to implementation. The CFA will advise the Contractor of the acceptability of such changes within 30 calendar days after receipt of the notice of proposed changes from the Contractor. If the advance approval requirements are waived by the CFA, the Contractor shall disclose EVMS changes to the CFA at least 14 calendar days prior to the effective date of implementation.
- (f) The Contractor shall provide access to all pertinent records and data requested by the Contracting Officer or a an authorized representative as necessary to permit Government surveillance to ensure that the EVMS conforms, and continues to conform, with the performance criteria referenced in paragraph (a) of this clause.
- (g) The Contractor shall require the subcontractors specified below to comply with the requirements of this clause: [Insert list of applicable subcontractors.]

_____ (End of clause)

