



NOTE: Discussions during the Clearinghouse are typically based on partial or incomplete information and do not apply to every instance where a similar situation occurs. Not all issues are black and white, and we will discuss the different outcomes and interpretations that may apply. As such, the information below is NOT AUTHORITATIVE, but provided as informative and intending to supplement and initiate discussions. There are times when the discussion is specific and definitive on issues, we will emphasize those instances in our notes.

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Discussions:

- IPMDAR Emerging Issues

The group walked through several program situations that cause challenges for producing and submitting an IPMDAR report.

- Reporting of actuals only at contract initiation: the EVM-CR requires at least one to-complete period to accept the file submittal.
- Initiating a contract with company funding (prior to a contractual POP): the EVMCR does not include data outside the POP for a contract.
- Sorting data by CLIN: the DID include allowances to require additional fields be added to the data and CLIN could be included in the CDRL as a requirement.

In each instance the recommendation was to partner with ADA technical support or your customer to get the correct requirements on contract and understand potential challenges or peculiarities with the EVM-CR.

- Government surveillance when contracts are not definitized.

Executing surveillance when there is a large amount of Authorized Unpriced Work (AUW) resulted in citing Business Practice 4 where it does not clarify whether negotiated costs must exist before surveillance can be conducted. There were many approaches cited by contractors but primarily after the panel was finished.

- Initiating a contract with AUW includes all contractual requirements be implemented as you complete the work. Therefore, surveillance may be conducted but certain data anomalies may be present due to the lack of definitization.
- The contract would display proposal data only---it would be like an extended proposal and the IPMR (or appropriate monthly report) reviewed by the surveillance team would embody proposal estimate data in BAC.

- Only the near-term work would be definitized with the remaining contractual budgets held in UB or SLPPs
- No Management Reserve (MR) would be displayed with the rationale is that risk and opportunity assessments not completed yet.
- EAC may be reported the same as BAC or have VAC equate to the existing cumulative variances.
- Display ACWP and make BCWP and BCWS the same showing no SV or CV

- Schedule Visibility Tasks for Indirect work (SVT-I)

DOE programs utilize SVT-I tasks to represent some contract work that is indirectly billed; facility maintenance would be one example.

- 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

Although not SVT-I's have not been used in DOD, they use SVTs for similar tasks. The primary difference is the cost allocation where DOE has more government owned facilities, and all indirect costs would hit the same contract objective. In DOD space, the costs can be distributed across multiple contracts, but the task or SVT would be necessary to include in the IMS because it impacts work progress.

- Proactive management of LOE where alternatives like:

There were extensive discussions around the use of and alternatives to Level of Effort as an EVT.

- using Apportioned Effort instead of LOE for management/oversight of discrete effort
 - some software does not have the capability for Apportioned Effort was cited as potential roadblocks at some facilities.
- using PERT Cost formula for more than low value material for, as an example, some labor would be better than LOE.
 - The panel some indicated it would be an allowable approach provided it was included in their System Description and it was accepted by DCMA.
 - PERT carries the requirements to update EACs every month and the process would need to be demonstrated. For PERT, the BCWP calculation is based on EAC value so any CPI-TCPI test would result in a circular calculation and could not be used for EAC validation.

- Another AUW discussion addressed the fact that contractors are using Undistributed Budget (UB) as a clearinghouse for changes. However, they are not distributing the entire amount because of the potential to receive less than the estimated budget for their AUW. This would result in a need to reduce budgets from Work Authorization Documents (WAD)s that have been issued to Control Accounts which could be a significant administrative burden.