

SITE EARNED VALUE MANAGEMENT CERTIFICATION GUIDE

The following outline is intended as a guide to assist DOE sites and programs with the process of independent certification of Earned Value Management Systems (EVMS). It has been compiled by the EFCOG Project Management Working Group from lessons learned from sites which have already been through the review of their systems. The working group recommends that the organization, preparation, documentation, review and corrective actions be managed as a project, utilizing standard project management techniques (planning, scheduling, budgeting, monitoring, etc.)

The DOE/NNSA has contracted with the Defense Contract Management Agency (DCMA) to provide the third-party certification. The certification process is lengthy, including the documentation of individual site's system, training, the review and corrective actions. The actual scheduling of the review is dependant on the resources of DCMA and the DOE/NNSA prioritization of sites. The Office of Engineering and Construction Management (OECM) has established a tentative sites review schedule and the current version may be available by contacting their office. More information, lessons learned and site contact information is available on the EFCOG Project Management Working Group website <http://www.srs.gov/general/efcog/>.

1.0 DEFINE THE REQUIREMENTS

- Identify and obtain ALL higher headquarters and site specific Directives, Orders, Regulations, Policies, Guidelines, etc. that are applicable to your site/business area for employing an Earned Value Management System. Requirements may also be defined in the contract with the customer.
- Ensure that requirements align with the customer requirements as well as the certifying agency.
- If not already in place, create a site/business area EVMS Policy Statement that defines the corporate requirements.
 - EVMS Policy Statement should contain the following sections:
 - 1.0 Statement of Applicability
 - 2.0 Process Requirement PPM Process
 - 3.0 Role, Responsibility, Authority and Accountability - 4.0 Acronymns and Glossary of Terms with Definitions

2.0 SCOPE DEFINITION

- Establish a Task Force/Committee which develops the execution strategy.
- The requirements and parameters of your scope definition should reflect the combination of all the requirements identified above.
- This is a statement that encompasses what must be accomplished from Organization and Staffing through development of the EVMS Surveillance Guidelines.
- Various sites have taken different approaches to the scope definition. Some very large major systems acquisition projects have certified systems specific to that project. Other sites have certified programs, while other sites have certified site-wide systems.
- In the Pre-planning phase for certification establish a planning meeting with OECM and the certifying agency.
 - Agree on who will be on the review team.
 - Agree on the scope of the review/certification.
 - Determine the range of projects and/or programs to be reviewed.
 - Establish a time table to incorporate into your detailed schedule.

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3.0 ORGANIZATION AND STAFFING

- Manage the EVMS certification process as a project. This is accomplished by selecting a Project Manager and identifying task team members which are assigned permanently until the initiative is achieved. Also, identify on an as needed basis Subject Matter Experts (SMEs). Regular team meetings should be scheduled to review baseline commitments, corrective action plans and responsible individual, etc.
- The Task Force/Committee must include Senior and Line Management as well as project personnel including EVMS SMEs.
- Recruit a Champion that has influence/control over everyone associated with this effort. If one cannot be found that meets this requirement, then recruit two or more that can fulfill this critical element.
- The Task Force/Committee reports to the Champion. Typically, the Champion is responsible for:
 - Approves the Scope Definition and the process development schedule.
 - Acquires all the identified resources.
 - Leading the Task Force/Committee
 - Provides concurrence on Task Force/Committee documentation before issuance to site.
 - Interfaces with Senior Management and Program Management to implement corrective actions identified by the Task Force/Committee.
- It may be useful to find a Site-Specific Mentor who is familiar with established EVM systems; either from your parent organization or an outside consultant. The mentor:
 - Challenges the team and provides unbiased evaluation of your efforts.
 - Serves as an EVMS knowledge base.
 - Provides advice regarding the DCMA Evaluation process.
 - Directs your Dry Run.
 - Note: You cannot buy your certification from an outside consultant. While consultants can be useful for the above roles, it is important that the site/program/site own the EVM system.
- Select a Mentors to support internal Programs and Projects – as need is specified
- Staffing may include the following considerations:
 - A Task Force/Committee consisting of motivated members chosen from all areas of the process, i.e., Project Management, Stake holders, Project Controls, and Accounting including EVMS SMEs.
 - Encourage the involvement of your local site customer. This group promotes understanding and buy-in at the local level.

A document controls system should be established. It may be useful to include a Technical Writer dedicated to this effort from the start. The Technical Writer can be the focal point of all process description revisions/updates and be responsible for formatting and producing the final edited version.
 - Because documentation involves a large number of people, a good configuration control system must be established at the beginning of the process.
 - Identify the type of EVMS training required and at which levels of the organization types of training required. Minimally there are 3 types of EVMS training; EVMS basics, Control Account Manager (CAM) training, and EVMS for Management.
 - Identify and determine Trainers
 - ALL organizational members, to include Champions, Senior Management, and all project team members must complete EVMS training prior to the start of their Task

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Force duties. Recommend selected individual seek outside certification to support certification process.

4.0 SCHEDULE

- Create a schedule (baseline) for development and publishing of the EVM System Description that includes individual Task Force member responsibilities and milestones .
- The schedule durations extends from the Scope Definition and is concluded upon approval of a completed and approved Surveillance Guideline.
- Schedule activities with durations that allow regular status updates..
- Status the work schedule regularly and compare status to your baseline schedule. Present at your meetings, to senior management, and to your Champion(s).

5.0 SYSTEM DESCRIPTION

- Perform an in-depth evaluation of your site's current EVM procedures and process and compare what you have in place to the ANSI/ESI 748-A Guidelines (Gap Analysis).
- Document what you do or anticipate your future EVMS process will be; not what you think a review team will want to see.
- Use this Gap Analysis to outline, assign, and prioritize creating your EVM process efforts.
- . Develop a crosswalk between the Process Description and the ANSI/ES I748-A EVMS Guidelines. A compliant EVMS Process MUST satisfactorily address ALL applicable 32 ANSI/ESI 748-A EVMS Guidelines
- The system description should reference procedures or process descriptions.
- The system description should include a description of the Surveillance System and how it will be applied.
- If certain guidelines are not applicable to your site operations, state so in your process description and include justification/explanation why not.
- Decide how the EVMS Process Description is to be formatted. This can follow many formats, e.g. site specific process template, follow the major headings outlined in ANSI/ESI 748-A or any outline that is reasonable to the people and organizations employing this process.
- Include chapter describing EVMS training. A paragraph within a section which describes how compliance will be maintained
- Develop a strategy on how the site will deal with tailoring, variance and/or deviation from the process including the process for approving such deviations.
- Assign specific duties, such as process chapters or sub-chapters to each Task Force member with completion or milestone suspense dates. Suspense dates should be tied to Task Force meetings and included in the schedule.
- Review with particular attention to the process satisfactorily addressing all of the 32 guidelines within ANSI/EIS 748-A.
- Conduct a training session for personnel on your EVMS Process Description. Training requirements should be documented in the system description and may include various levels of training (basics, detailed CAM, and management).

6.0 CONTINUOUS IMPROVEMENTS

- Ensure you have outlined procedures for periodic review and update of your EVM system.

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- Establish a regular Lessons Learned program to share information across various projects and programs.
- Periodically evaluate the cost effectiveness of the system.
- Note : changes are made to the process which should be reflected in the System Description (not vice versa). Changes will be identified thru the tools, procedures, personnel, etc. Establish criteria for major changes that may require notification to the customer and/or the certifying agency.

7.0 TOOLS

- Various Project Control (scheduling, cost processor, tending change control, etc) software is a site preference item. There are a number of commercial software systems that can be effectively used.
- If you do not have project management software in place, finalize your EVMS process first..
- Define your requirements and obtain the software tool that best satisfies everyone's needs.
- Be prepared to describe the tools used in the project controls system and the interfaces between the systems including the transfer of data.
 - Estimating
 - Scheduling
 - Financial Accounting System
 - Cost Processor (integration of ACWP, BCWS, BCWP)
 - Budgeting
 - Reporting
- Be prepared to trace and prove data integrity.
- Be prepared to describe the quality control checks which your system utilized to validate data.

8.0 TRAINING

- Training requirements should be considered and documented. Training is required as part of the certification process but long-term, ongoing training program should also be documented.
- Dedicate a chapter to Training within the EVMS Process Description.
- Typically, Earned Value training is divided into three sections.
 - Earned Value Management Basics defines Earned Value terms and provides an introductory overview of the methods and uses of Earned Value. It includes WHY an EVM system is used.
 - Control Account Manager (CAM) Training is directed to Project Managers and CAMs detailing the duties and responsibilities of opening, managing, reporting on and closing out project control accounts. This training is centered around HOW the EVM system is used.
 - Earned Value for Managers is primarily for project and senior managers to review how management can best use EV as a tool to manage projects.
- Most personnel involved on projects or programs should be trained at least in Earned Value Management Basics.
- Training should be early in process and reinforced before certification review – new culture will take time for personnel to acclimate. It good to have the information fresh and current for persons involved in the certification interviews. At the same time, CAMs must

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demonstrate the consistent use of the system over a period of time so early training of CAMs may be necessary with additional training or a dry run with CAMs closer to the time of the site visit.

- CAMs are the key to the certification success. They need to know the process and demonstrate that they are using the process.
- Maintain accurate records of all EV Training by course type, participant name, and date of class.
- Determine frequency of refresher/recertification training and ensure it is included in the EVMS process

9.0 SURVEILLANCE

- Re-establish the Task Force or a new committee to implement the Surveillance process.
- An expectation of the DCMA evaluation is for the site to establish a surveillance process to ensure the site continues to adhere to the ANSI/EIS 748-A Guidelines.
- An excellent source for a surveillance standard is the National Defense Industrial Association (NDIA) Surveillance Guideline found on their website at www.ndia.org; select Divisions; select Procurement; select Committees and Leadership; scroll down and select Program Management Systems Committee; under Recent Documents, select Surveillance Guide (PDF). The Guide will have to be adapted to your specific DOE site, but the basics are contained within the Guide.
- Dedicate a chapter to Surveillance within the EVMS Process Description. This should include who owns and is responsible for surveillance.

10.0 PREPARATION FOR THE DCMA/DOE EVALUATION

- Appoint a Point of Contact for all communication between DCMA and DOE and your site for documents, questions and requests.
 - The POC must be available daily until the Evaluation Team has completed their site evaluation.
 - Ensure DCMA, DOE and all site personnel understand who the POC is and that ALL communication leading up to the Evaluation will be funneled through the POC.
 - The objective is to provide only one Site source for all Evaluator communication. Similarly, both DCMA and DOE should provide the site with one POC in their respective offices.

10.0 PREPARATION FOR THE DCMA/DOE EVALUATION (Continued)

- Conduct a meeting for all site personnel involved in the EVMS evaluation and outline the “scenario” of events that will occur from the meeting to the departure of the evaluation team.
 - Describe the Data Call process for advance documents requested by the evaluation team (Dollarized RAM, Process Description, 2 months of Project Reports as a minimum)
 - Dates, roles and responsibilities for the conduct of a “Dry Run” EVMS Process evaluation by an independent entity.
 - Roles and responsibilities for adjustments/corrective actions as a result of the “Dry Run”.
- Review of training records to ensure all personnel have received EVMS training.

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- Develop a detailed agenda to include Roles, Responsibilities, and Expectations of site personnel for the conduct of the Joint Evaluation from Team arrival to Team departure.
- Logistics preparations for the Joint DCMA/DOE EVMS Evaluation to include meeting rooms, breakout rooms, site clearance, printer, copier, telephone, and internet access, clearances for “privately owned” laptops that will be used by the evaluation team.
- Block out time on calendars for key personnel. For management participation it is necessary to do this well in advance of the site visit.
- Conduct a meeting with “senior sites management” to review what is scheduled, the resources needed and their role in the review.
- Consider the logistics required for the review
 - Security requirements
 - Meeting rooms
 - Computer and clerical assistance
 - Audio/visual

11.0 ONSITE REVIEW

- Prepare site portion of the In-Briefing, decide site personnel attendance, ensure PMs, CAMs, and Senior Management have been notified and will be available for Evaluation Team interviews when scheduled.
- Have POC available to respond to any requests by the Evaluation Team.
- Ensure a system to provide timely access to information and data.
- Provide administrative support to the team in preparation for the out-brief.
 - May include assistance in presentations, copies, etc.
- Prepare Site attendees list and schedule room for Out-Brief.
 - Schedule senior management participation for the out-brief.

12.0 ADDRESSING FINDINGS (OCIs & CARs)

- Findings will be in the form of Opportunities for Continued Improvement (OCIs), and Corrective Action Requests (CARs).
- OCIs do not require a written response. They are for the site use and disposition as opportunities.
- CARs are further divided into Major or Minor CARs. Minor CARs usually require submission of a written Corrective Action Plan (CAP) that is submitted to DCMA for approval. Major CARs require re-inspection by DCMA
- Corrective Action Plans (CAPs) should be developed as quickly as possible.
 - Be realistic on completion dates for corrective actions.
 - Include recommended close-out options.
- Schedule re-inspection of major CAR corrective actions well in advance of requested date.

15.0 CLOSURE/FINAL CERTIFICATION

- Closure occurs when DCMA re-inspects and/or approves of the submitted CAP.
- Final Certification occurs when DCMA submits their compliance letter to DOE and DOE issues to the site a Letter of Acceptance.