

**NDIA Program Management Systems Subcommittee Meeting**

**August 19 – 20, 2003**

Computer Sciences Corporation, Falls Church, VA

**Tuesday, August 19<sup>th</sup>, 2003**

Ruth Franklin asked Buddy to hand out the NDIA flyer announcing “The Program Manager Guide to the Integrated Baseline Review” which is located at NDIA website <http://www.ndia.org/advocacy/resources/>.

Jim Gasbarro, Humphreys & Associates, called the August 2003 NDIA-PMSS meeting to order and introduced the keynote speaker Buddy Everage, CSC. Buddy presented the CSC Federal Sector EVMS Certification Strategy depicted below:

- 1) Review current practices, processes, procedures. Write system description, 85 – 98 pages with Federal Sector Program Mgmt Control System (PMCS) (EVM) policy
- 2) Progress Assessment Reviews – program assistance; training requirements; GAP analysis
- 3) Assessment Reviews – Dec 2003/Jan 2004; readiness review of 3 individual pilot programs; documentation review.
- 4) Self Evaluation Compliance Review – Mar 2004/Apr 2004; DCMA observer, 3 program customers involved. Submit Self Evaluation Compliance Review report May to DCMA for review and approval. Qualified for certification June 2004.

A question arose regarding NDIA approval & involvement in the certification strategy for CSC. The PMSS Committee is supportive of effort. Assessing initial capability. Application will come later. It was discussed that there exists the possibility to go straight to contract award and an Advanced Agreement without a compliance [or conformance as some referred to it] review. This is very dependent on customer requirements. For instance, OMB has compliance in Circular A-11 to follow the guidelines of the ANSI. Another point was raised as to whether there is a requirement for certification? Other systems exist that don't require certification – Material Accounting and Property Accounting to name two.

Pete Wynne, Lockheed Martin, covered a few administrative items and went over the agenda for the day as well as explaining the full two day format for the meeting. Pete briefly covered the recruiting initiative to get more industry participation. This initiative is still viable and will be addressed at further meetings

Jim Gasbarro then introduced the working groups and informed the group that time for breakout sessions was to be utilized by the work group leaders to instead outbrief the status of work group events.

Pete Wynne presented the “Corporate Systems for Compliance” and provided a handout of the current work in progress of the group. The working group has documented, for each of the 32 ANSI standards, an intent statement as well as a program manager value statement and a list of outputs/attributes associated with each. Pete asked for comments to be provided back to him by September 19, 2004. The time-line for the publication is tentatively set for mid 2004 after acceptance through the PMSS committee and the GEIA.

Bob Loop, Boeing, presented the status of the Surveillance working group. Bob stated that the DCMA had elected not to participate in writing the guide. Instead, the DCMA will review the guide when completed by the working group.

The time line for publication of the Surveillance work group is 1) May 03 Published a Whitepaper, and 2) Issue a draft guide by the 2003 Fall conference

The thought process of the work group is to reflect a common approach for any kind of surveillance setting a higher standard than is in use today. The goal of the Surveillance work group is to establish an approach that may minimize formal surveillance in the future.

Gay Infanti, Northrop Grumman, presented the status from the Risk Management (RM) team. According to the time-line of this work group they were chartered in May 02 and their last meeting was in July 03. They are currently developing a survey that will be hosted by the Defense Acquisition University (DAU). Early results of the RM survey are expected to be covered at the upcoming Fall workshop at Falls Church, VA.

Joan Ugljesa, Applied Integration Management, presented the revitalization of the EDI work group. Joan's approach is to utilize XML as the approach and asked if there was approval from the committee to move in that direction. No disagreements were heard and Joan will continue to develop the XML approach and brief the committee on the status.

Pete Wynne covered the Over Target Baseline/Over Target Schedule (OTB/OTS). There was no real progress since Randy Steeno, Boeing, provided status from the February PMSS committee meeting. There was discussion amongst the group questioning the merits of an OTB/OTS document. Some members expressed concern that this process should not be controlled by the Services and prior approval is not required. It was discussed that the OTB is no different from a establishing a baseline or a re-plan but does involve possibly going over target and resetting variances?

Jim Gasbarro then closed the days session by asking for any informal discussions by any of the Government attendees.

Steve Krivokopich, DCMA indicated that his office had brought on two new people. One was Cindy Cider from Boeing Canoga Park and the other was Richard Kelly. Steve reported he now has 5 people in total supporting his office.

David Treacy, EVMS Program Manager for the Department of Energy. David stated that DoE contracts over \$20M have an EVM requirement. The DoE is writing policy and guidance, not procedures. David stated he is currently working a Lockheed Martin review with Sandia Labs.

### **Wednesday, August 20<sup>th</sup>, 2003**

Pete Wynne provided an overview of the days agenda and included any known changes to published agenda. Pete also discussed any clearinghouse items – One of which covered contract clauses relating to EVMS. There was a call for action to bring forward any unusual contract clauses that Industry or Government may be seeing.

Each of the working groups presented a brief synopsis of their status for any new participants that joined the Wednesday session. There was a discussion during the Corporate Compliance that the group needs to ensure that we do not develop an audit guide, a perceived compliance document, or the dreaded checklist.

Buddy Everage asked that the work group better define the outputs/products. Wayne Abba suggested that possibly this could replace or take the place of the criteria EVMIG. Ellen Udell, Office of the Secretary of Air Force, sensed the output section list of samples is not complete. A general request to better define the output section of the intent document. Ted Rogers, EVM Lead for Navair, commented that there was proliferation of contract clauses from MR to OTB. A general consensus of the committee to understand what's driving the Program Managers thought process. Ted stated that the clauses were coming out of the contracting org, especially OTB where they think it's financial. Ted Rogers raised the question of what schedule process does one get when ANSI is put on contract on contract? Scheduling is a strong approach. What type is required? If one wants network schedules then that is perceived as added cost and not a part of EVM. What is really meant by "Industry best practice" [referring to networked schedules] but in the final analysis it's not really used. One comment noted that there is a fine line if you describe/prescribe tools or a specific process. Does ANSI include horizontal/vertical integration? Is scheduling not part of EV? Gary Christle, Center for Naval Analysis, commented be careful changing our expectations of the ANSI and holding validation hostage. Put a specific line item in contract or get in on the front and resolve before contract award.

Ron Lile, OSD/PA&E/CCDR - Project Office, presented the DCRC Status and described his office as the one stop shop for cost analyst. Ron described the four focus areas: Automation, support, analyses, policy and training in each area. The future in data formatting is in XML and moving away from X12. Lockheed Martin F-35 (Joint Strike Fighter) is providing a pilot effort to test the pre-processor and validator. In the next 6 months Ron's office will publish a user guide and get more industry involvement. A draft manual covering software resource data requirements is available.

Wayne Abba presented the international EVMS/Practice Standard update. Wayne stated that in the standards area – not much happening. In the UK (Steve Wake) issued their standard. Australia is moving to a national standard. Lloyd Carter is the person to contact. John Paine – EV applied to fixed price contracts in Australia. A panel consisting of Steve Grimmet, Jim Gasbarro, and Wayne Abba will be at the Fall conference. The International Performance Mgmt Council (IPMC) has gone quiet. The members may have moved on? There will be an attempt to try to rejuvenate for the Fall (Tyson's Corner) conference. At the College of Performance Management there is a representative to the PMI Board of Directors. On a recent trip to Brazil met with the special assistant to Brazil MoD. He expressed interest in Project Management discipline with an emphasis on PMI. The 1<sup>st</sup> CPM branded international conference will be in Tokyo on Oct 27-29. Pat Finneras, Boeing, will be the Keynote speaker. 300-500 attendees are expected. Sponsors include the College of Performance Management, Tokyo Project Management Institute, Project Mgmt Foundation, The agenda will include politicians speaking, Microsoft, NTE, and Nikka business publications. Last summer at the Project Mgmt Summit sponsored by Nikka Business Publications Indonesia was the most recent entry into PMI. Paul Giamoro 1<sup>st</sup> EV based Project Mgmt seminar next year sponsored by World Bank (Paul Austin). Corruption exists in businesses that World Bank funds and they would like to see more project management in use. Also look for the Portugal – Euro 2000 venue (EV) article in PM magazine.

Walt Berkey then presented the IBR Guidebook (located on the OSD & NDIA Website) PN-HB-748-1. The GEIA Balloting of the broad industry closed on 7/31/03. No word yet on comments. Walt stated that all of the NDIA members and working group have access to the ANSI Standard and associated handbooks. GEIA is the entry into the ANSI body. The balloting process includes individuals in U.S. industry that are part of GEIA. They usually concur, concur

w/comments, or do not concur. One non-concur does not stop the process. The process goes back to the company to find out why. GEIA then adjudicates the decision. Walt then discussed future ANSI clarifications and handbooks. Walt stated that the 32 guidelines are the heart. We Need to go through the thought process to decide which direction to proceed. Whether the handbooks become a part of ANSI or become clarification documents.

Every 3 years ANSI goes through a re-validation so it would not be a big deal to incorporate a change. The PMSS work groups (Surveillance, Risk Mgmt, ANSI Intent) are all going to publish something one day. What do we want to do with the output,. GEIA expects NDIA PMSS to recommend strategy and support changes. The Surveillance team should be looking at the intent outputs. We need an answer to a legal question regarding potential copyright issues.

Debbie Tomsic, OSD PA&E, presented the status of OSD activity.

- The Regulatory requirement to comply with ANSI is in Table 5000.2
- 5000.2-R What is the status? Interim guidance issued (Oct 02)
- The 5000.2-R interim guidebook still stands until it's replaced w/streamlined guidebook. It is canceled except it is still a guidebook (not mandatory) until such time it's replaced with a streamlined guidebook. 5000.2-R should be used for best practices, lessons learned, and expectations.
- The IBR Guide is completed and the April version is on the NDIA & OSD website. Also on the web site is a Pete Aldrich letter thanking and communicating an endorsement. Dr. Nancy Spruill memo, June 4, IBR guide completed to SAEs, and should be used as an endorsement of the guide.
- In regards to the OSD independent study a SOW is developed. OSD will revisit the purpose and focus. Initially the study was envisioned as an external assessment of earned value in the department. Suggestions for improvement and corrective actions. OSD is now rethinking the problem/concern list, having it validated and where it help/assist in actions. Executive level 2 hr meeting on July 8, including the services, MDA, DAU, Intel agencies. The outcome said it was premature to go forward with the study. There is a need for follow on meetings to collect more information and dialogue with Defense Acquisition Excellence Council on 7 Oct which is the next date for their meeting. The objective will be primarily to have lower level come back with communication and problem resolution. Debbie is to chair the lower level group to work plans & actions from the executive group and DAEC (Industry and NDIA). DAEC Oct meeting kick-off approach/forum to surface problems, issues in EV community. 1 ½ - 2 hr meeting every quarter. Debbie took the action to provide the DAEC Makeup.
- BCF 102 (DAU Course) "Fundamentals of EVM" is an on-line course. October 2003 is the target to have available.
- EVM website little progress. DAU PMCO to host an EVM community.
- Streamline Performance Reporting – combine CPR & CSSR. Not much headway. Consensus was that it is a good idea. Sept working group meeting will pull together a team to put strategy together.
- Debbie will continue to support NDIA working groups.

Ron Zelizer, Northrop Grumman, stated that he had an audit plan from the DCAA stating they were the owner of 14 of the ANSI guidelines? This is the West Coast region. Steve Krivokopich accepted the input to get with Rich Zell and their DCAA counterpart to investigate.

Steve Krivokopich stated there will be a government track at Fall Conference. Compliance evaluation – one size doesn't fit all.

Ellen Udell introduced the AF EV Focal Points as Maj John Garrett  
Ellen discussed the Community of Practice website and having EV experts at the Center  
Dr. Sambur is not a proponent of CPI/SPI as an Award fee criteria. Ellen says the Air Force is  
looking for alternatives and open for recommendations. The “Guide to Analysis of Contractor  
Data” rewrite ready for year-end publication.

Wayne Abba, Dekker Trakker, is hosting the January PMSS meeting – looking for demand. It is  
near the Airport. There will sailing in the Sea Tracker and the Silver Gate Yacht Club amenities  
the night before.

Lt. Col. James Gordon – NRO EV focal point stated the DCMA is not cleared and the DCAA is  
cleared. Tries to coordinate all 3 (NRO, NIMA, NSA) at once on system reviews. Supporting a  
Government EAC initiative to time phase variances. This to portray how expected funding  
requirements deviate from the plan.

David Treacy, EVM focal point for the DOE, re-stated the \$20M application for EVMS. DOE  
Weapon Systems are not considered to be Acquisition Programs. David expects that to change.  
There is no requirement to certify a system. DoE will use DCMA as the agent. for Joint  
Surveillance Program. David indicated the DoE has an Application Guide in work.

Jim Gasbarro then closed the session by asking for closing remarks and comments.