



Missile Defense Agency

Earned Value Management (EVM) Update



Presented to NDIA/PMSC

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MDA EVM Overview

- **12 Major Programs with EVM Requirements**
- **4 Primary Contractors – Boeing, LM, NG, Raytheon**
- **\$31B in CBB**
- **Implemented Annual IBR Process**
- **EVM Analysis Key Component in**
 - **Director's Program Reviews (Quarterly Baseline Execution Reviews)**
 - **MDA Baseline Accountability Report – Annual Report to Congress**
 - **Monthly Performance Summary Report (PMs to MDA leadership)—Also Requested by GAO**

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MDA EVM Overview

- **GAO Conducts Annual Audit**
 - **Evaluates Data Reliability through Software Tools**
 - **Evaluates Contractor Timely Incorporation of Changes into PMB**
 - **Evaluates IBR Process to Validate Changes (Request for IBR Out-briefs)**
- **Overarching MOA with DCMA**
- **EVM Health Process (Gap Analysis and Best Practices) in following areas: Contractual Reqmts.; IBR; EVM Analysis; Scheduling Analysis; EVM System; DCMA; Training**
- **Develop and maintain excellent Training Modules and Provide Continuous Training**

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Director Emphasis on EVM

- **IBR Memorandum**
 - Use of IBRs as an on-going process **and at least annually.**
 - Improve schedule “deep dives” and schedule risk assessments.
 - Review 100% of baseline. (Include level-of-effort)
 - Apply MDA IBR Best Practices
 - Make use of the MDA IBR Support Team (EVM analysts and schedulers) to facilitate consistent IBR planning and execution.
- **PMs Required to Establish Plan for Annual Review of Baselines**

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MDA Integrated Baseline Reviews

Recent & Future IBRs

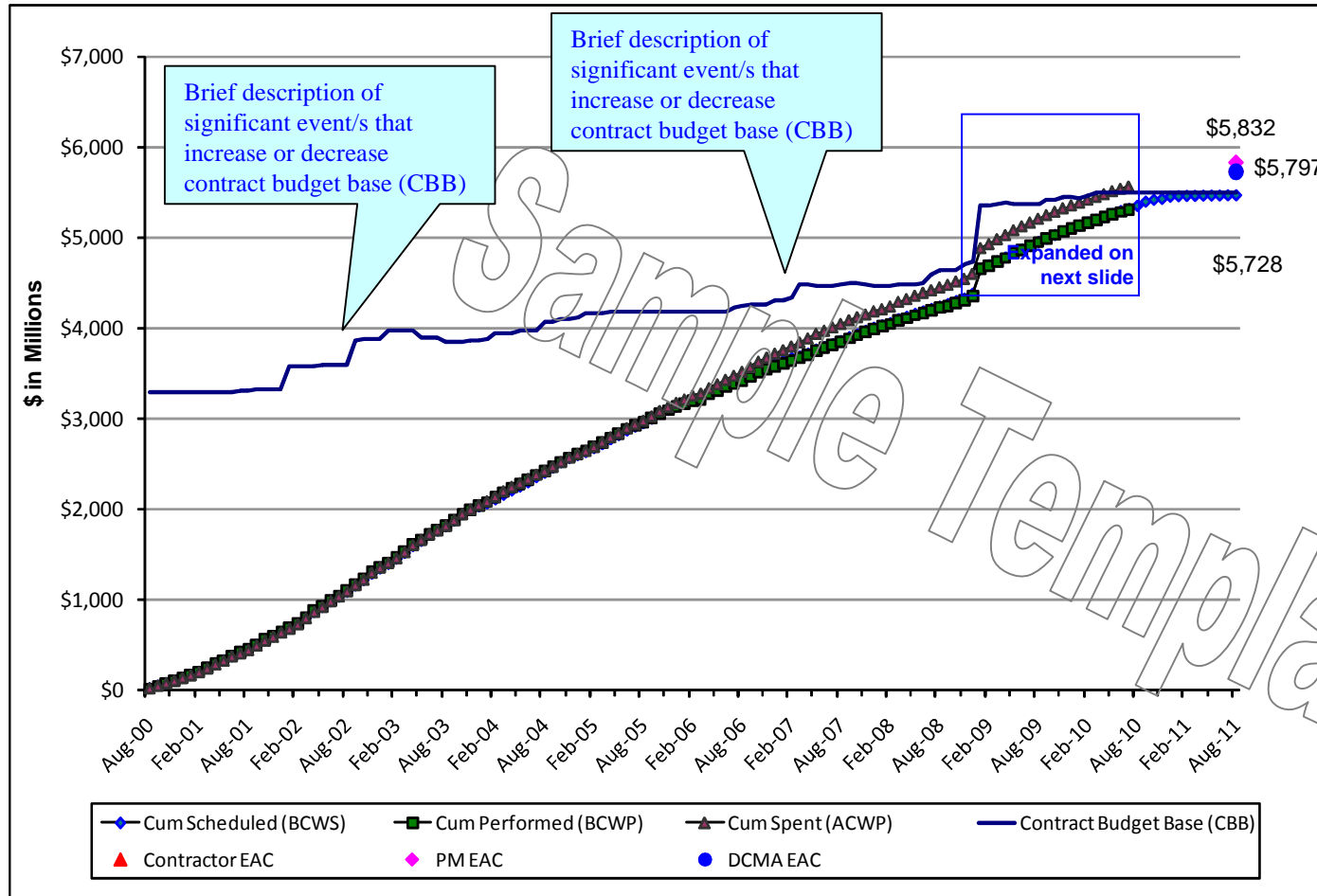
Updated xxJAN 2010

Program	Contractor	Recent IBR Information			Future IBR Information		
		Date	Dollar Amount	Scope	Planned Date	Dollar Amount	Scope
1	A						
2	B						
3	C						
4	B						



EVM Reporting - Sample Schedule, Performance & Actuals

MDA Baseline Execution Review



Key Cost/Schedule Variance (CV/SV) Drivers

Cost: The cum CV: The unfavorable variance is driven primarily by... (include current and cumulative CV discussion)

Schedule: The cum SV: The unfavorable variance is driven primarily by.... (include current and cumulative SV discussion)

Impacts (cost, schedule, technical, funding)

- Explain technical, cost, schedule, & contractual impacts

Current Funding Impact:

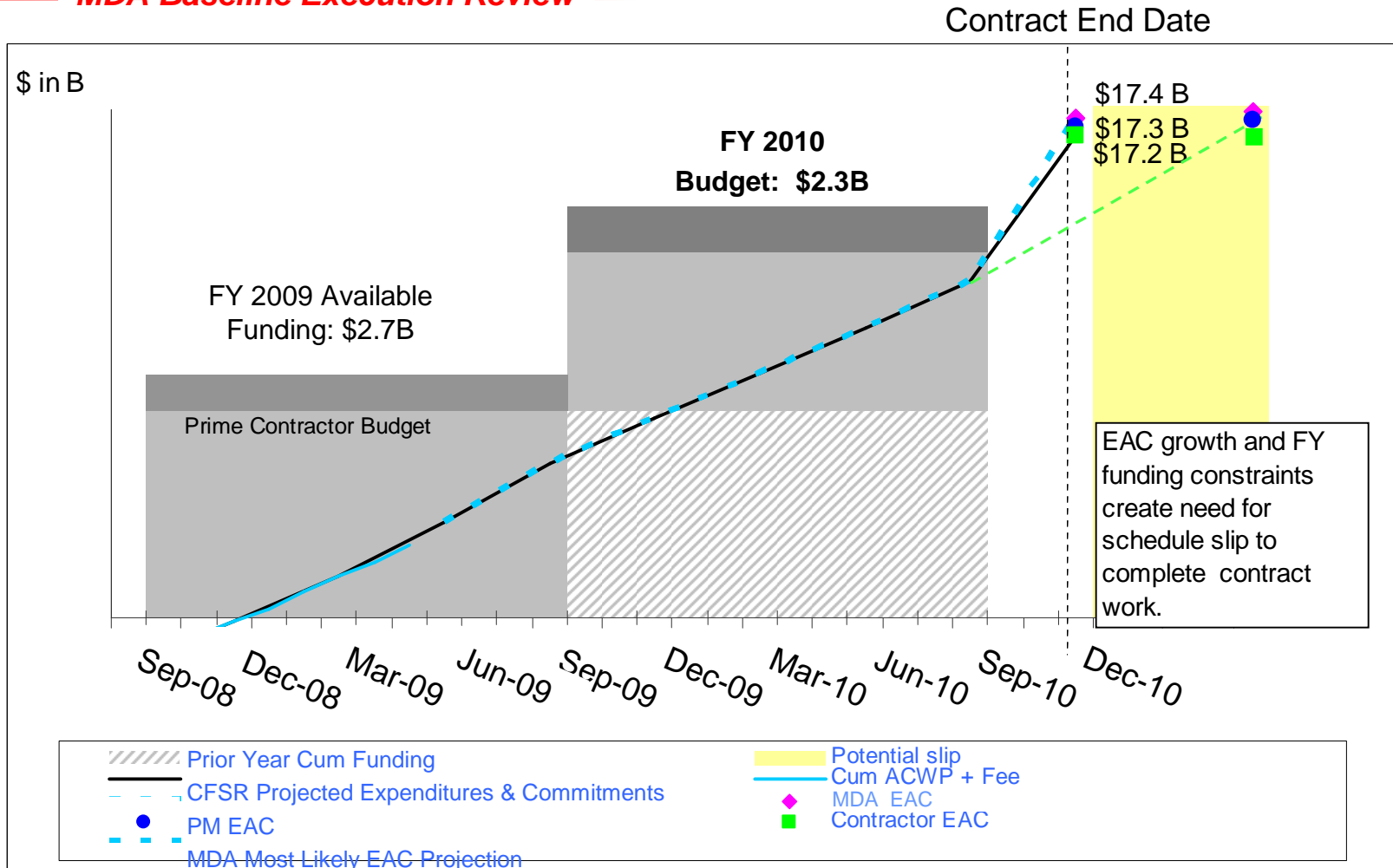
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Prime Contractor	Contract Type	CBB	Variances	Cumulative		Current Month		EAC	VAC
Contractor Name	CPAF	\$5,700	SV	-\$10.0	-0.2%	-\$2.1	-8.0%	PM \$5,832.2	-\$132.2
Period of Performance	Work Remaining	% Complete	CV	-\$95.0	-3.0%	-\$3.1	-10.0%	KTR \$5,797.3	-\$97.3
Jan 2000 - Jan 2011	\$885	85.0%	Level of Effort (LOE) Percentage	XX%		DCMA		\$5,728.5	-\$28.5



MDA Earned Value/Budget Integration Chart tells a similar story

MDA Baseline Execution Review



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DCMA/MDA Collaboration

MDA Baseline Execution Review

- **Overarching MOA with DCMA**
 - **Validate LOE Work**
 - **Develop Independent EAC**
 - **Reconcile CPR & CFSR**
 - **Support Rigorous IBR Planning Process**
- **MDA Support of EVM Surveillance**
 - **Schedule Integration**
 - **Managerial Analysis**
 - **Change Incorporation**



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Conclusion

- **EVM role at MDA**
 - **Implement Integrated Project Management Processes (EVM)**
 - **Plan and facilitate a thorough Integrated Baseline Review Process in all MDA programs**
 - **Develop reliable independent Estimates at Completion (EACs) on all contracts**
 - **Ensure analyses of time-phased EACs with FY budgets and funding**
 - **Ensure EVM cost data and variance trends are integrated with scheduling analysis**
 - **Assist PMs and BFM use of EVM as a planning, execution, and performance measurement process**
 - **Maintain EVM , Schedule Analyst, and PM Staff Skill Levels**

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Questions ?

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