

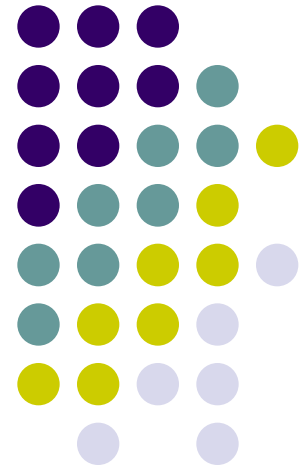
**Energy Facility Contractor Group (EFCOG)  
Earned Value Management System Subgroup (EVMSG)**

**Presentation to:**

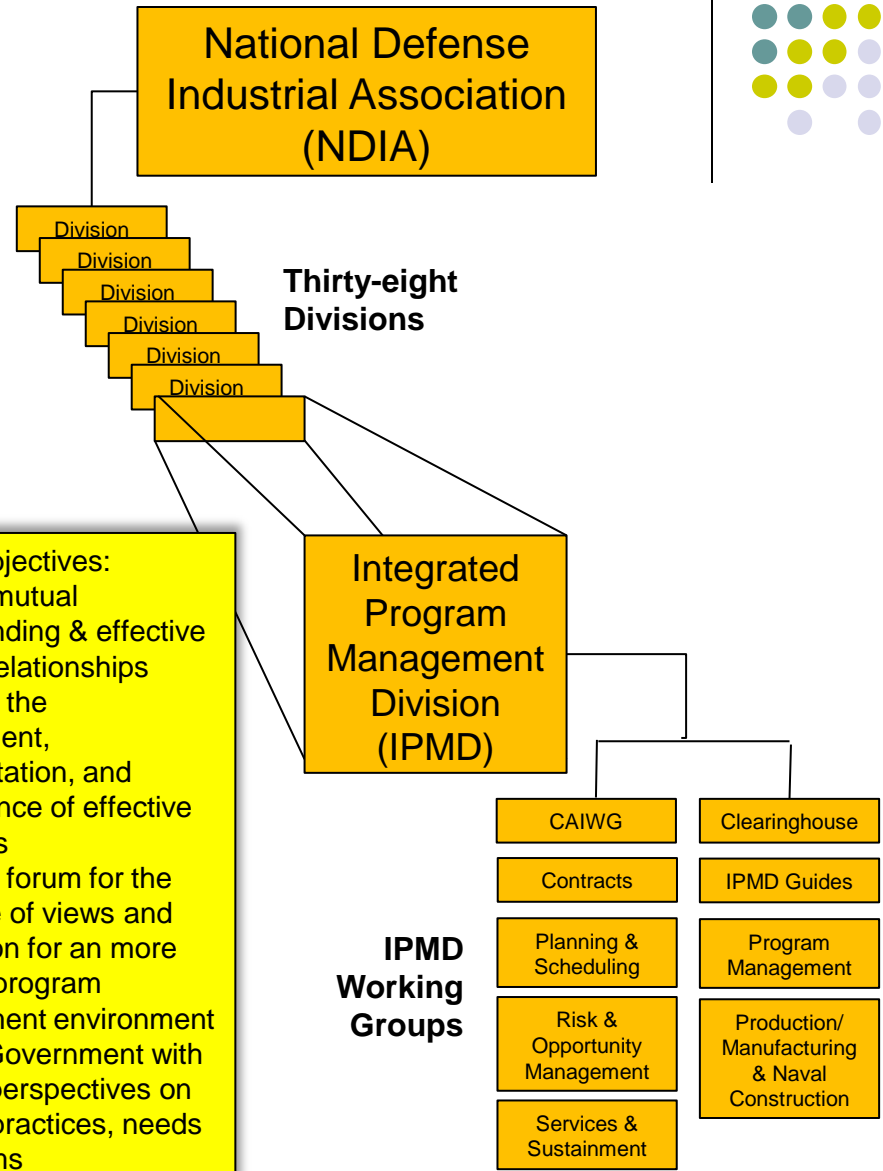
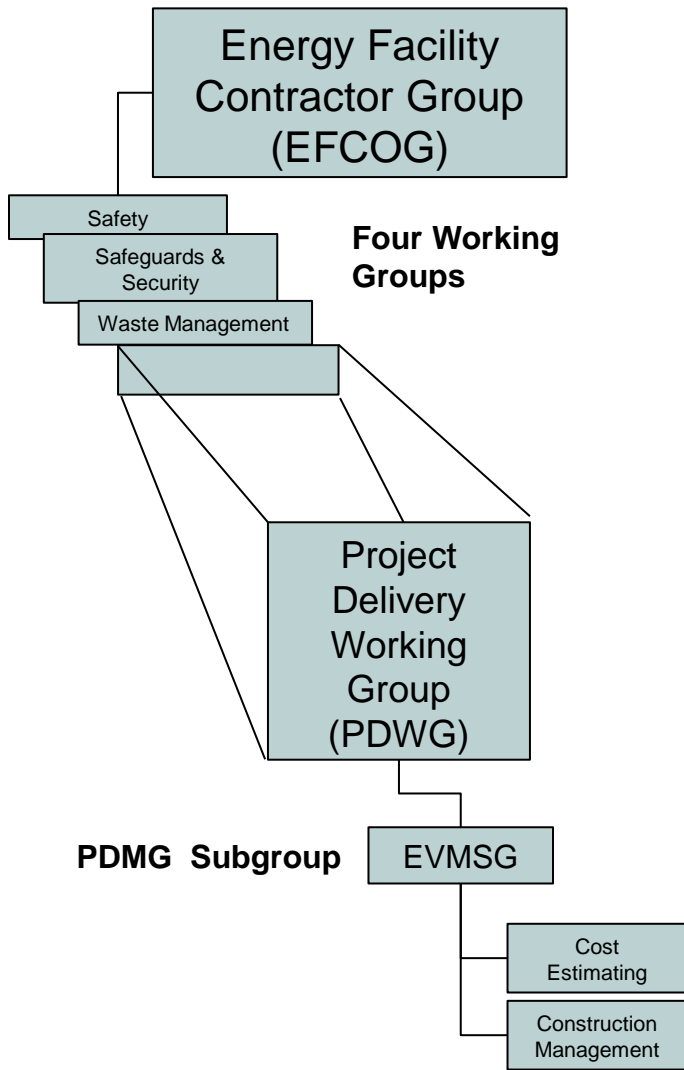
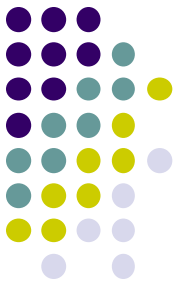
***NDIA Integrated Program Management Division (IPMD)***



Buddy Everage  
Tucson, Arizona  
January 27, 2015

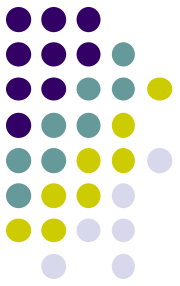


# EFCOG / NDIA Comparison



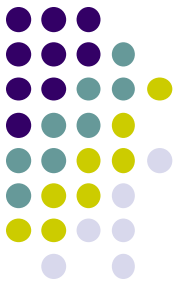
- Common Objectives:**
- Foster a mutual understanding & effective working relationships regarding the development, documentation, and maintenance of effective processes
  - Provide a forum for the exchange of views and information for an more effective program management environment
  - Provide Government with Industry perspectives on policies, practices, needs & problems

# Energy Facility Contractors Group (EFCOG) Project Delivery Working Group (PDWG)

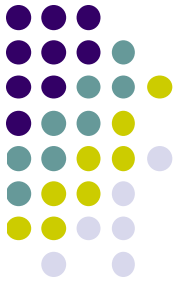


- The Energy Facility Contractors Group (EFCOG) Project Delivery Working Group (PDWG) is chartered to leverage the expertise and experience of U.S. Department of Energy contractors to address challenges and achieve improvements in project delivery across the DOE complex.
- The PDWG's purpose is to seek out, promote and share the best practices and processes for successful project delivery at DOE facilities.
- This will be achieved through contractor subject matter experts and professionals from across the DOE complex, working together and in partnership with DOE to strengthen and advance the development, management and delivery of projects (and project-like activities) in support of DOE missions.

# Energy Facility Contractors Group (EFCOG) Project Delivery Working Group (PDWG)



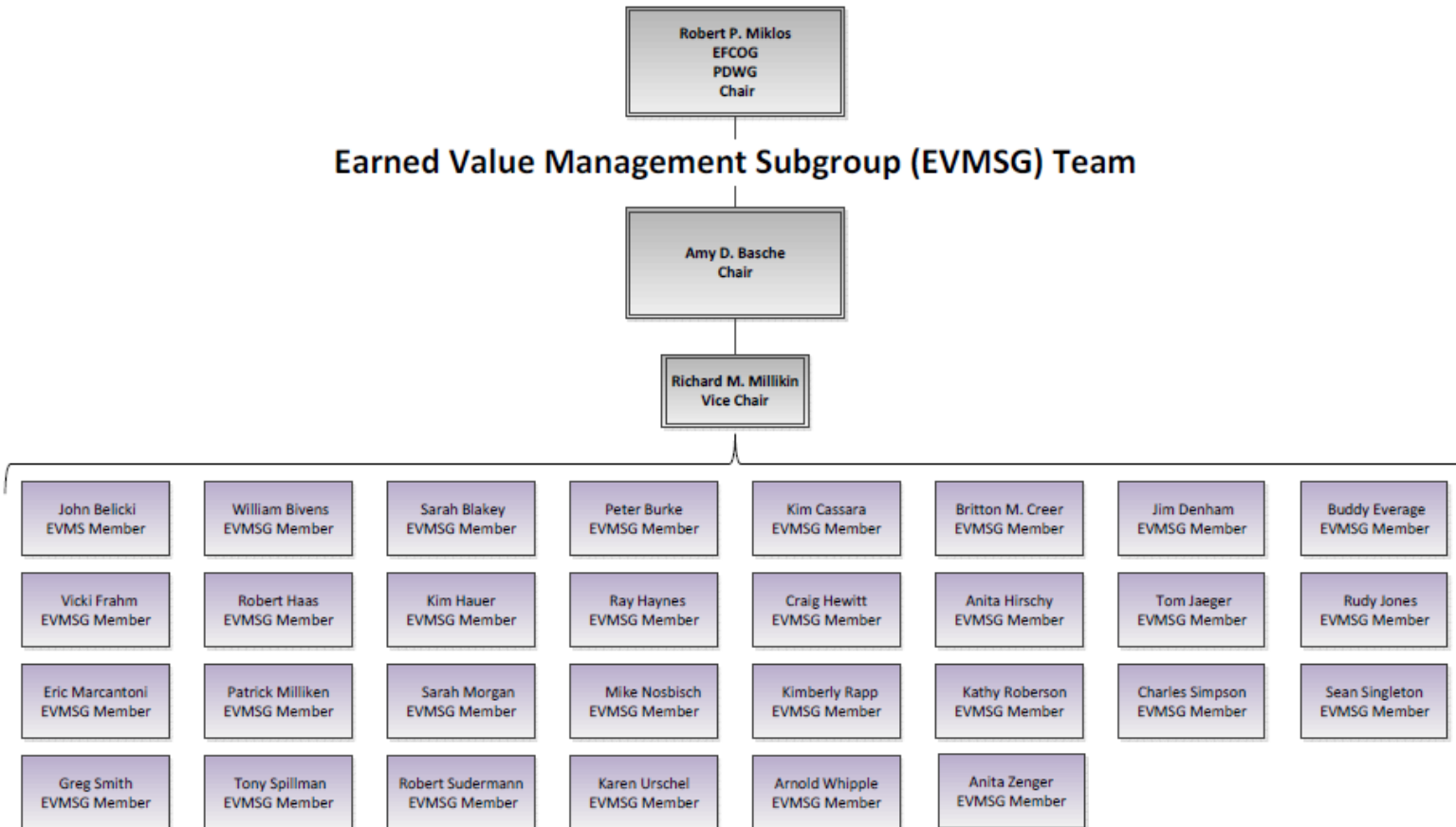
- Areas of focus include:
  - Acquisition strategy and planning
  - **Earned Value Management**
  - Cost Estimating and Scheduling
  - Management of complex DOE projects
  - Integration of safety into the design process and other technical processes
  - Pressure Safety
  - Fire Protection
  - Welding
  - Contract alignment and incentives
  - Start-up and commissioning



# Energy Facility Contractors Group (EFCOG)

## Project Delivery Working Group (PDWG)

### Earned Value Management Subgroup (EVMSG) Team





# EFCOG EVMSG Charter

- The **purpose** of the Earned Value Management Subgroup is to support the Project Delivery Working Group (PDWG) in the development of cost effective, balanced, standardized, and effective approaches to Office of Acquisition and Project Management (OAPM) earned value certification and surveillance.
- The **objectives** of the EVMS Subgroup are to:
  - Provide EVMS lessons learned and best practices across the Department Of Energy (DOE) complex through Energy Facility Contractors Group (EFGOG) representation and feedback, reflecting DOE and Contractors knowledge and experiences
  - Provide peer review support for OAPM earned value certification and surveillance reviews.
  - The EVMS Subgroup will facilitate the exchange of information through workshops, working groups, written materials, etc.

# EFCOG EVMSG Areas of Emphasis



- Rigor, Discipline and Compliance with the requirements
- Consistent approach for Capital Asset Projects, Operations Activities and
- Surveillance and Certification support for Management & Integration Contracts and Management & Operations Contracts
- Training and site support to facilitate detailed and in-depth knowledge of **all** EVM concepts, techniques, and requirements of the current version ANSI EIA-748 Intent Guide

# Meeting the Challenge



Developed and published an EFCOG EVMSG Webpage to post best practices and other valuable resources for use by the DOE contractor community.

**Earned Value Management Subgroup**

Powered by Windows Live

**Welcome to the Project Management Working Group's Earned Value Management Subgroup section of the Energy Facility Contractors Group's Knowledge Portal.**

The purpose of this Knowledge Portal is to provide a vehicle to allow members of the Earned Value Management community to keep abreast of the latest news, issues, and events across the DOE complex; for the sharing of innovative ideas and best practices; and to collaborate virtually on the development and implementation of new Earned Value Management processes and practices.

[PMWG Org Chart Effective April 2014](#) - 04/17/14

[EVMSSG Org Chart](#) - 04/10/14

[Membership Roster](#) - 06/18/14

[EVMS Training Snippets](#) - 10/29/14

**Related Links**

[Office of Management - Earned Value Management Webpage](#) - 05/13/14

[Home](#) | [Charter](#) | [Members](#) | [Documents](#) | [Best Practices](#) | [EVMS Clearinghouse](#)

**Current News** [Meeting Minutes](#)

- [June 9-12, 2014 - Project Management Working Group & Subgroup 2014 Summer Meeting Information](#) - Updated 06/18/14
- [December 9-13, 2013 - Project Management Working Group & Subgroups 2013 Winter Meetings Documents & Presentations](#) - 12/16/13

**Upcoming Events** [EFCOG Calendar](#)

**Hot Documents & Issues**

Documents older than 30 days can be located in the [Documents](#) section of this website.

- [Best Practice #174](#) - CPR/DID Monthly Validation - 10/27/14
- [Best Practice #175](#) - Variance Analysis - 10/27/14





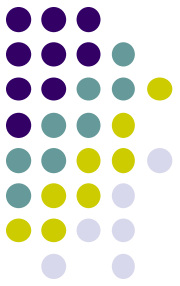
# Developed and Published EVM Best Practices and Lessons Learned

## CPR/ DI-MGMT-81466A - Monthly Validation

### Monthly CPR Data Validation

<i>This requirement instruction validation tool is used by the CPR "Preparer" and "Reviewer" each time a Final CPR is generated. Completed validations are maintained as backup to the CPR's and monthly reports.</i>	<i>Preparer/Reviewers Initial and Date Indicating Data Compliance with the Requirement Instruction</i>		<i>Preparer/Reviewer documents CPR non-compliant data Issues or concerns in this field</i>
Requirement Instruction	Preparer	Reviewer	Comment(s):
<b>REQUIREMENTS:</b>			
<b>1. Format.</b> Use the relevant DD Forms as listed above. All formats shall be submitted electronically in accordance with the following requirements. All formats shall be in a readable digital format (e.g., pdf files are not acceptable). The American National Standards Institute (ANSI) X12 standard (839 transaction set), the United Nations Electronic Data Interchange for Administration, Commerce and Transport (UN/EDIFACT) standard (PROCST message), or the XML equivalent shall be used to submit data electronically to the procuring activity. Contractor formats may be substituted whenever they contain all of the required data elements at the specified reporting levels and are compliant with the X12 standard, XML schema, or equivalent. On-line access to the data may be provided to augment formal CPR submission. (Note: Until the ANSI X12/XML standards are redefined to incorporate the changes to the forms, the new data elements shall be reported in Format 5.)			
<b>2. Content.</b> The CPR shall contain the following:			
<b>2.1 Heading Information - Formats 1 - 5.</b> Preparation instructions for Heading Information (Blocks 1 through 4) apply to Formats 1 through 5.			
<b>2.1.1 Contractor.</b> Enter in Block 1.a the contractor's name and division (if applicable). Enter in Block 1.b the facility location and mailing address of the reporting contractor.			
<b>2.1.2 Contract.</b> Enter the contract name in Block 2.a, the contract number (and the applicable Contract Line Item Number(s) (CLIN(s)) in Block 2.b, the contract type in Block 2.c, and the contract share ratio (if applicable) in Block 2.d.			

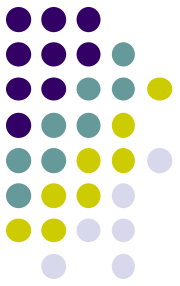
# Developed and Published EVM Best Practices and Lessons Learned – cont'd



## Variance Analysis

Variance Analysis - Cause	
<ol style="list-style-type: none"> <li>1. Identify and disclose the number of previous reporting periods this control account has exceeded the established variance thresholds. Likewise, make note if this is the first instance of the variance exceeding the threshold.</li> <li>2. Identify and describe the cause(s) of the variance(s) through:               <ol style="list-style-type: none"> <li>a. disclosure and discussion of the earned value technique (including where applicable, discrete effort Rules of Performance and weighted factors used to measure performance) specifically addressing the effectiveness and appropriateness of the selected EVT as it relates to the scope and technical approach, i.e., is the EVT or technical approach a driver to the variance?</li> <li>b. disclosure and discussion of any EVT co-mingling...identify and discuss any variance masking that may be occurring as a result of the co-mingling, isolate variance explanations by EVT if co-mingling is present.</li> <li>c. disclosure and discussion of the variance by contributing element of cost, consistent with the Control Account Plan (CAP):                   <ol style="list-style-type: none"> <li>i. Labor (direct labor/Staff Augmentation rates/quantities)</li> <li>ii. Subcontract Usage Based Services (UBS/ X Codes) Table J-3 (rates/quantities)</li> <li>iii. Subcontract P/O (Cost Element 21)</li> <li>iv. Material/Equipment (Cost Element 10)</li> <li>v. Other Originated Cost</li> <li>vi. Overhead Allocations (Rates)</li> </ol> </li> <li>d. disclosure and discussion of schedule durations as it relates to the effectiveness of performance measurement. Short durations (less than four months) are more objective; long durations (greater than 4 months) are more subjective. Disclosure and discussion of schedule basis of duration, total float, and or critical path if appropriate.</li> </ol> </li> </ol>	<p><b>Note(s):</b></p> <ol style="list-style-type: none"> <li>1. <i>Variance explanation discussions must <b>focus on the deviation from the plan</b>. The variance cause/explanation should definitively address why the deviation occurred, consistent with the plan that is being used to measure performance.</i></li> <li>2. <i>Variance explanations are required to <b>answer questions, not introduce them</b>. As such, variance explanation authors are required to provide enough information to <b>contextually frame the analysis</b> in a manner that allows management to understand the issues and make informed decisions.</i></li> <li>3. <i>Identification of scope titles and values that contribute to a variance total are in and of themselves not valid variance cause(s) without the complete correlating explanations.</i></li> </ol>

# Developed and Published EVM Best Practices and Lessons Learned – cont'd



## Peer Review MOA

### 1.0 PURPOSE AND SCOPE

This specific purpose of this MOA is the implementation of “Project Peer Reviews” **as directed in the Deputy Secretary Of Energy Daniel E. Poneman’s April 12, 2011 Memorandum.**

The Deputy Secretary calls for review teams to “...be established with our most talented project, contract and technical staff from across the complex. This includes both Federal and contractor personnel from within and across Program Offices. We all benefit from this cross-fertilization by learning from each other.”

The Secretary’s memorandum further establishes that **“There should be no contractual or budgetary impediments to accomplishing these cross program reviews,** which are fundamental to the professional development of each and every member of both project team and the project management review team. The **knowledge and lessons learned that our project management professionals gain with each review is invaluable.** Project management professional development and departmental knowledge management is the ultimate result; enhancements to project execution performance over time is the by product.”

Finally, the memorandum establishes that **“Indirect accounts at the contributing sites should cover these allowable costs.”** The memorandum closes with “This policy clarification is effective immediately. Your personal leadership and support is needed to improve the peer review process across the DOE complex.”

The scope of this MOA is the “Project Peer Reviews” specifically related to project management and more specifically to the earned value data of participating sites.

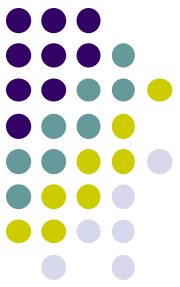
# Partnered with OAPM in Review and Publication of OAPMs Earned Value Training Snippets



## EVMS Training Snippet Library:

1. [1.1 DOE O 413.3B EVM Requirements](#)
2. [1.2 DOE EVMS Review Approach](#)
3. [1.3 EVMS Stage 1 Surveillance](#)
4. [1.4 EVMS Stage 2 Surveillance](#)
5. [1.5 EVMS Stage 3 Surveillance](#)
6. [1.6 DOE EVMS Review for Cause](#)
7. [1.7 DOE EVMS Certification](#)
8. [1.8 DOE Common EVMS Findings](#)
9. [2.1 Contract Performance Report \(CPR\) / Integrated Program Management Report \(IPMR\): Purpose and Uses](#)
10. [2.2 Contract Performance Report / Integrated Program Management Report: FPD Quick Check](#)
11. [2.3 The Integrated Program Management Report \(IPMR\) Data Item Description](#)
12. [2.4 Contract Funds Status Report \(CFSR\) Overview and Reconciliation with IPMR/CPR](#)
13. [3.1A Integrated Master Schedule \(IMS\) Initial Baseline Review](#)
14. [3.1B IMS Monthly Review](#)
15. [3.2 Schedule Health Metrics](#)
16. [3.3 Schedule Guidance & Resources](#)
17. [4.1 OTB OTS Implementation 20140723](#)
18. [4.2 Integrated Baseline Review Process](#)
19. [4.3 Management Reserve vs. Contingency](#)
20. [4.4 Undistributed Budget](#)
21. [4.5 Authorized Unpriced Work](#)
22. [4.6 Baseline Control Methods](#)
23. [4.7 FFP Subcontracting and Prime EVM](#)
24. [4.8 Control Account Manager Roles and Surveillance](#)
25. [4.9 High Level EVM Expectations](#)
26. [5.1 PARSII Overview](#)
27. [5.2 PARS II Analysis-Data Validity Report](#)
28. [5.3 PARSII Analysis Schedule Health Assessment](#)
29. [5.4 PARS II Analysis-Variance Analysis Reports](#)
30. [5.5 PARS II Analysis-Trends Reports](#)
31. [5.6 PARS II Analysis-EAC Reasonableness & IEACs](#)
32. [5.7 PARS II Analysis-OAPM Monthly Report](#)
33. [6.1 Predictive Analysis](#)
34. [6.2 Applied Predictive Analysis](#)

# Current and Upcoming EFCOG EVMSG Initiatives



- Support the Office of Acquisition and Project Management (OAPM) through contractor's standard implementation of Earned Value Management System (EVMS) **Surveillance templates and data traces**.
- *Support the Office of Acquisition and Project Management (OAPM) in development and implementation of standard **Root Cause Analysis (RCAs)***
- *Support the Office of Acquisition and Project Management (OAPM) in development and implementation of standard **Corrective Action Plans (CAPs)***
- *Support the Office of Acquisition and Project Management (OAPM) in development and implementation of standard **Schedule Risk Health Assessments***

# Questions?

