

NDIA IPMD Meeting Minutes

Government / Industry Meeting – February 1, 2017

1. Mr. Dan Lynch, IPMD Chair, called the meeting to order. Dan started the meeting by welcoming everyone and highlighting the agenda topics for the day. As is the committee's normal practice, all attendees introduced themselves. Dan thanked Deltek for sponsoring the meeting.
2. Note: These minutes are intended to supplement the charts shown during the presentations (as applicable). Charts (with some exceptions) will be uploaded to the IPMD website shortly after the meeting.
3. Mr. Jason Kinder, Deltek, sponsor of this meeting, provided an overview of the 2016 "Clarity" survey on project management. Deltek received over 600 respondents to the survey from A&D, government, services and a wide variety of company sizes. Jason discussed the findings around risk management and successful project management as well as financial imperatives companies face. Jason also noted the findings around how companies organize relative to program management and the top challenges for PMs. Jason summarized the key takeaways about project management from the responses.
4. For today's government attendees, Dan briefed a streamlined version of the IPMD update charts presented yesterday. Dan highlighted the IPMD board members, a recap of recent activities to include the collaboration on several efforts with USG representatives, and a preview of the upcoming meeting schedule. Dan also provided an overview of all the IPMD working groups and recapped the various communications the IPMD has sent out or published.
5. A DOE panel discussion was led by Mr. Mel Frank, Mr. Dave Kester, Mr. Kevin McGuire and Ms. Sandi Tracy. Mel addressed the EVMS pilot project status which includes an update to their policy handbook and incorporates the tool kit DOE is adopting. Mel provided an overview of where his project management group fits within DOE and how his organization is structured. Mel discussed the goals of the pilot project was to reduce cost and become more efficient in compliance and surveillance practices – moving from large data requests and stacks of paper to data driven reviews.

Dave next spoke about the plans of the DOE pilot. The initial effort was on the UPF project (Y-12 National Security Complex – Oak Ridge, TN). The contract is a Maintenance and Operations contract with a broad scope of work and a close working relationship with the government. The \$6.5B project covers the entire life cycle – design, construction and commission finishing by 2025. The project will now move to other sites. The specific outcome was a reduction in size of the EVMSIH (handbook), automated and data driven

approach to reviews, a better process for certify the contractor's compliance with EIA-748 and document all the findings. Tests were reduced from approximately 600 tests to 270, with 87% of the tests being automated.

Sandi next discussed her role at CNS and how they partnered with DOE to achieve EVMS compliance. She discussed the old checklist process by control account and all the manual effort involved. She then discussed the benefits of the new more automated process such as drill down to detail capability, repeatable processes, all resulting in significant time saving. Sandi addressed the quicker loop of reviewing data, discovering anomalies, and corrective action.

Kevin demonstrated the tool online to the attendees. He walked everyone through how the tool is structured, the functionality within the tool, the test mechanisms and results.

6. A break was taken.
7. Mr. Dale Gilliam (IPMD Vice Chair) asked the attendees who served in the military to stand and be recognized. Dale noted that the next two presenters served in the military. He also noted that the upcoming presentations will be more strategic in nature and looking beyond EVMS to larger program management discussions.
8. CAPT. Frank Michael, USN (Ret.) presented on the "NDIA 2017 State of Affairs". Frank first thanked Deltek for sponsoring this event and also Christy Mason for her work in coordinating this event. 2016 was a year of change for NDIA – the organization was realigned (program development activities were separated from business operations), several strategic hires were made, and efficiencies were made (9 divisions and 1 industrial committee eliminated).

Frank noted the new vision statement – to be the trusted leader in defense and national security associations. Frank highlighted the 2017 focal areas – workforce development, cyber security, defense resourcing, innovation, international engagement, sustainment and logistics, technological superiority, and streamlining acquisition. Frank noted the structure of how NDIA works and the process for the organization. Frank discussed the renewed focus on communication and collaboration across NDIA divisions and affiliated organizations.

Frank noted the major upcoming events and activities such as an academia summit in DC, the establishment of a program development advisory council and new chapter and division newsletters. A significant focus is the emerging capabilities division that will include topics like offensive cyber, cyber/EW convergence, and machine learning. Frank discussed how NDIA is the choice for coordinating new and upcoming topics as numerous military agencies and academics reach to for help. Frank highlighted several of the policy initiatives in work with Congress, the new administration and across media.

He touched on the subject of what a Trump presidency will have on the defense industry. It is expected to be positive but time will tell. Frank also highlighted the redesign of the website which was a significant change as well as the new logo. Frank closed with a discussion on why we are here – for the warfighter.

9. Mr. John Mueller, DAU, presented on the topic “Acquisition Program Transition Workshops (APTW): Creating an Environment for Acquisition Success”. John noted that the goal of this process is that government and industry will come together to provide the needed product or service to the warfighter. John discussed how the mindset of government or industry to “win” (beat each other) needs to be replaced with a win/win mentality where both parties succeed and ultimately the warfighter.

John noted that APTW is always a joint process and devoted to change the culture. The goal is to start discussions early, gain joint understanding and thus improve program performance. John discussed how the workshops are developed, structured and executed. It is a multi-week process of coordination that culminates in the actual workshop. It is not a DAU event but DAU facilitates the session to get the government program office and contractor to have a shared vision and goals. APTW are typically done at initial award but also can be conducted during program phase transition or a follow on award, a special event or deliverable or approaching a contract close out.

Typically what is discovered is there is misalignment between teams, a lack of shared view of risks or critical areas, and that this process can be a jump start for an IBR. Ideally, the government program office plans the APTW and puts it in the RFP. If not in the RFP, they can still be conducted after proposals are submitted or at award. On occasion, DAU has received requests from industry requesting that an APTW be conducted.

Last year 40 APTWs were conducted with approximately 50 planned for this year. John believes that the “repeat business” he is seeing validates the success of the process.

10. A lunch break was taken
11. Mr. Gary Troop, CPM, briefly spoke about the organization and EVM World coming up in late May/early June. Gary also mentioned the formation of an international chapter and a meeting coming up in Bogota, Colombia.
12. The IPMD working groups provided brief updates from their discussions yesterday and the initiatives they are working.
 - a. Agile (Ms. AnnMarie Oien aka AMO): AMO discussed their upcoming milestones and subgroup activity. She highlighted the version 1.1 guide status. The document is expected to be republished before the April meeting. Version 1.2 is in work. AMO walked the committee through the Agile WG product roadmap.

- b. Planning and Scheduling (Mr. Yancy Qualls): Yancy summarized the 2016 accomplishments including the release of the updated PASEG. Yancy mentioned the support to the other NDIA guides that have scheduling information and the various issue resolutions worked with PARCA. For 2017, there is a lot of support being provided to the Agile WG, the update to the Predictive Measures guide, and various government/industry collaboration.
- c. Clearinghouse (Mr. Gary Humphreys, Mr. Joe Kusick and Mr. Russ Rodewald): Russ discuss the Price/Usage variance formula and the updating of the EVMSIG to align with 748-C. He also mentioned other changes to IPMR DID wording to clarify issues raised previously. Joe discussed stop work orders and contract descopeing. Joe will renew conversations with PARCA and DPAP to attempt to resolve this historical issue surrounding contracting officers reducing contract scope at EAC values vs original target cost values. Gary highlighted other topics discussed and that they will be documented for future reference.
- d. CSDR (Mr. Randy Steeno): The WG is chartered with understanding what CADE CSDR are occurring to report back to the IPMD. In 2016 the WG provided numerous comments on the "FlexFile DID" as well as comments to the 1921-Q DID, 1921-T/Q and 1921-M/R DID. For 2017 the WG will continue to work with CADE and their data requirements and that CADE and the WG plans on establishing a users working group. Randy noted that CADE has updated their website and that it is much improved.
- e. PM (Mr. Gerry Becker): Gerry noted the 2 big initiatives – update the Predictive Measures guide and the PM Best Practices Guide (Mr. Neil Albert will be leading this effort). The WG discussed how to conduct additional panels like the one held in yesterday's meeting.
- f. Contracts (Mr. Jean Lohier): Jean noted the reconstitution of members in the working group. Jean noted the initiative to bridge the gap between contracts personnel, PM, EVM, etc. The WG will be submitting a paper on roles and responsibilities for various groups and how Contracts interacts with those groups. Jean noted the WG will develop a stronger relationship with NCMA.
- g. Prime/Sub (Ms. Amanda McNanley): Amanda noted the 4 white papers that are nearing publishing after review by the IPMD board. Amanda also discussed the collaboration with the Clearinghouse group on issue resolution. The WG discussed flowdown requirements and IPMR integration.

- h. Benchmarking (Mr. John Duval): John noted the first meeting of the WG was yesterday. John discussed the schedule of the planned survey on EVM that will benchmark the cost of implementation and maintenance.

13. A break was taken.

14. Mr. John McGregor provided a PARCA update. John noted that several early charts he is presenting were the same as yesterday re: the IPMR update. John noted that tomorrow's session will go into more detail for Format 7 (led by Mr. John McGann). John provided a status update on the DFARS update, the 5000.02 update (has been signed), EVMS reciprocity (EVMS compliance data can be shared across government agencies), EVMSIG update (expect publication in April/May timeframe), MIL-STD-881C update, EVMIG replacement, OTB/OTS guide update, and Agile and EVM PM desk guide. John discussed that in both the updated DFAR and 5000.02 they have incorporated language discussing EV application around the nature of the work vs just if the dollars are over a threshold.

Mr. Neil Albert next discussed the MIL-STD-881C update. This topic was discussed at yesterday's meeting (see separate notes). Neil noted that this update was started in July 2016 and is expected to complete in August 2017. He discussed the changes in the appendices that are being worked and requested industry help to rebut government cost estimators who would like to see contract WBS reporting at extremely low levels.

15. Mr. Shane Olsen and Mr. Russ Rodewald presented the DCMA update to the IPMD. Shane noted the update to the Standard Surveillance Instruction which was mainly an administrative update including the change in threshold levels, internal responsibilities and removal of the DCAA support requirement. The Compliance Review Instruction is in review after similar administrative changes. Going forward the surveillance and compliance review documents will be merged to reflect the movement toward data driven reviews, risk based analysis and integration with the DFARS business systems process. The Program Analysis Pamphlet will be rescinded and subsumed by an Major Program Support manual for analysis and reporting.

Shane discussed the standup of the EVMS center with 6 hub sites which shifts from a geographical organization to a centralized corporate organization. The DCMA organization changes are being impacted by the recent executive order directing a federal hiring freeze.

Russ discussed the EV Data Pilot and EVAS. A decision (CCB meeting tomorrow) this week will be made on finalizing the metrics (currently 132) so that they can be coded into the tool. Russ expects the roll out of data driven surveillance in the latter part of 2017 (target is August). Russ also noted DCMA working with PARCA relative to the NDAA language increasing the scope of cost data collected by CAPE. From DCMA's viewpoint if greater levels of data is created that is where DCMA will test in surveillance and compliance.

Shane discussed the MOU signed in December 2016 on reciprocity. DCMA will help share data and review data shared by other federal agencies. DCMA will not automatically approve a system based on the approval of another agency but would expect that shared information should reduce the time and effort to achieve DCMA approval.

Russ addressed DCMA's review of the NDIA Agile guide. Comments were provided back but late and may not make it into the current update but will be addressed for future updates. Russ stated that contractors must document agile processes within their system description if they are not consistent with standard implementation. DCMA relies on their EVMSIG and the contractor's system description to establish compliance.

A question was asked about joint surveillance post EVAS implementation. Shane stated that they will be reviewing the program data and if there are no issues, there would be limited interaction and a report written. On the other hand if there are multiple issues then DCMA would have interaction and follow up discussions.

16. Dan Lynch closed the meeting by thanking all the presenters over the last 2 days and the attendees from the government. Dan recognized Christy Mason again for organizing the meeting logistics and Deltek for sponsoring. Dan noted that the presentations will be placed on the website by next week as well as sending out PARCA's EVMSIG update. Lastly Dan thanked all the attendees for making the IPMD what it is. Next meeting will be in April in Fairfax.