

**NDIA Program Management Systems Minutes**  
**April 26 – 29, 2004**

Program Management Systems Committee Workshop  
April 27, 2004

Jim Gasbarro gave opening remarks and information about this year's attendance. In attendance were:

James Gasbarro, Humphreys & Associates  
Robert Loop, Raytheon  
Buddy Everage, Computer Sciences Corporation  
Peter Wynne, Lockheed Martin Aeronautics Company  
Gay Infanti, Northrop Grumman  
Wayne Abba, Dekker, Ltd.  
Walt Berkey, Lockheed Martin  
Garrett Coleman, U.S. Department of Veterans Affairs  
John Garrett, USAF  
Edward Watte, USAF  
Alan Lachel, USAF  
James Gordon, NRO  
Susan Meyer, MITRE  
DeDe Gimian, Northrop Grumman  
Gene Adams, Northrop Grumman  
Beverly Solomon, Northrop Grumman  
Judie Edwards, MDA/EUC  
David Melton, Missile Defense Agency  
Jim Wrisley, Performance Management Associates, Inc.  
Floyd Reece, Raytheon  
Neil Albert, MCR  
Joan Ugljesa, AIM  
Diane Neff, Batelle  
Ted Rogers, NAVAIR  
Anthony Plaisance, Northrop Grumman  
Richard Zell, HQ DCMA  
Gary Troop, C/S Solutions, Inc.  
David Bailey, OSD/PA&E/DCARC  
Kevin Martin, KManagement Group  
Bill Altman, Battelle

Ruth Franklin, Director NDIA Procurement, covered administrative matters.

Jim Gasbarro, Humphreys & Associates, called for nominees for participation on the at-large Director positions. A decision is needed by May, and definitely for the June Procurement meeting.

Peter Wynne, Lockheed Martin, gave an update on the ANSI Intent Draft Guide which will be posted on the NDIA website and distributed for a wider use and comment.

Walt Berkey, Lockheed Martin, presented an update to the reciprocity agreement between APM and NDIA dealing with the ANSI implementation in the UK.

Bob Loop, Raytheon, presented the EVMS Surveillance Guide which will be posted to the NDIA website for further distribution and use.

Richard Zell, DCMA, spoke about the effectiveness of Joint Surveillance. He stated they are finding some non-compliance across the board at a particular large company. Wayne Abba, Dekker Tracker, – How handled within Contracting and Acquisition Policy. Wayne questioned how to get DCMA local sites to [use the policy](#). Possibly through Advance Agreements & Single Process Initiatives – Even across the board application is to put a standard out within an ANSI family of documents. Publish under DAU or NDIA website.

Maj. Garrett reminded us that the guide is not a standard, it will never be contractual / compliance guide. Government support – if they use, then we're on the right path. There was some disagreement over what the government is looking for. Good clearinghouse perhaps.

1. It is the industry guide for surveillance.
2. Customers (prime or government) recommend adoption of guide to facilitate one approach.
3. 2-year update cycle
4. Post on website
5. Clearinghouse NDIA PMSS
6. Contract takes precedence

Jim Gasbarro – Called for any volunteers for the Fall conference, which needs an industry co-chair. Neil Albert, MCR, volunteered. Jim announced the next meeting of the PMSC will be in August and hosted by Battelle in Columbus, OH

Gay Infanti, Northrop Grumman, said the Risk Management [survey is not all done with the survey results](#). [The Survey runs through June 30 for closure](#). Preliminary results show stovepiped processes EV vs RM. The next step is to finalize the survey and publish the results.

Joan Ugljesa, AIM, presented the status of the EDI working group. The ANSI X-12 standard was pushed by DOD including funding for the effort. XML is more user friendly and uses English tags, but need to use a schema to describe the cost and schedule

terms. Joan is looking for sponsorship with the industry XML standards group and has asked for help in soliciting participation for sponsorship.

Peter Wynne presented the recently revised DCAA Audit Guidance.

Program Management Systems Committee Meeting  
April 28, 2004

Jim opened with a call to order. In attendance were:

Jim Gasbarro, Humphreys & Associates  
Peter Wynne, Lockheed Martin Aeronautics Company  
Wayne Abba, Dekker, Ltd  
Robert Loop, Raytheon  
Ivan Bembers, NGA  
Walt Berkey, Lockheed Martin  
Jim Wrisley, Performance Management Associates, Inc.  
Randy Steeno, The Boeing Co.  
Joan Ugljesa, HIM  
Eleanor Haupt, USAF  
Buddy Everage, Computer Sciences Corporation  
Neil Albert, MCR  
Floyd Reece, Raytheon  
Beverly Solomon, Northrop Grumman  
DeDe Gimian, Northrop Grumman  
Gene Adams, Northrop Grumman  
Ted Rogers, NAVAIR  
Diana Neff, Battelle  
Bill Altman, Battelle  
Peter Deacon, General Dynamics  
Garrett Coleman, U.S. Department of Veterans Affairs  
John Garrett, USAF  
Ray Nulk, US Army  
Mike Donnelly, DOE  
David Melton, Missile Defense Agency  
Anthony Plaisance, Northrop Grumman  
Gay Infanti, Northrop Grumman  
Larry Axtell, OUSD (AT&L) AR&A  
Debbie Tomsic, OUSD (AT&L) AR&A  
Ronald Lile, OSD (PA&E)  
Robert Currie, Technomics, Inc.  
Kevin Martin, KManagement Systems Group  
Richard Zell, HQ DCMA

Peter Wynne announced the previous meeting (from February 2004) minutes are now posted to the NDIA website along with the charts that were presented.

Debbie Tomsic, OSD Acquisition Resources & Analysis, introduced Larry Axtel as her backup. Debbie gave an update of OSD activity.

### EVM ACTIVITIES

- Defense Acquisition Management Information Retrieval. Help OSD better perform their oversight activities. Pull data quicker from official sources. Sept. implementation.
- WBS Handbook – Award Contract to update the MIL Handbook 881 – web accessible.
- OSD EVM website – noteboard transferred to ACV in January 2004. ([www.acq.osd.mil/pm](http://www.acq.osd.mil/pm)), existing OSD website to be maintaining links and other improvements.
- AT&L Acquisition Community – [didn't capture all comments...see presentation]
- International Performance Management Council – 10 year U.S. MOU with Canada/Australia '95. UK bilateral agreement. Other countries (Japan/Sweden) expressed interest. Office of International Co-op working to update/extend for 10 more years in November '05. Australia current chair in last November meeting. 1 year role.

### EVM POLICY

Taskings from Chris Hilder, Australian Exchange Officer for 1 ½ years, 1 year with DCMA, last ½ year with AT&L.

- Current EVM Policy
  - Limited to DOD 5000.2 Regulatory Reqs Table. Apply EV over RDT&E \$73M; procurement \$315M.
  - 5000.2 – R now a guidebook (not mandatory) Still working the new Defense Acquisition Guidebook (EV in Chapter 12 proposed). Expecting completion summer of 2004.
- EVM Reporting Requirement
  - Eliminate C/SSR and “CPR -no criteria” – Update CPR DID
  - 26 March DOD EVM working group (government only) consensus of changes to EVM policy in 5 areas
    - Reporting
    - Management
    - Implementation
    - Application
    - IBRs

A Draft Policy paper is included in the package along with Updated CPR and IMS IDs to be made available for NDIA comment. The IMS transfers from the Air Force over to OSD.

The revised OSD EVM Policy lowers threshold to \$20M, but requires validation for \$50M instead of \$73M or \$315M as it used to be.

- FFP – leave up to PMs perceived risk on that contract.
- Establish new thresholds with no differentiation between RDT&E and Procurement
- Anytime EVM is required, then IBR is required.
- Need for DOD Common IBR Handbook.
- Thresholds apply to cost/incentive contracts.
  - Lower to \$20M (from \$73M and \$315M) ANSI compliance, \$20-50M guidelines one does not need an EV system rating
  - Lower system validation to \$50M
  - Raise EVM requirement to \$20M (from \$6.3M)
  - Require IMS at \$20M
  - Require IBR at \$20M
- Need to work out base year to measure from
- Not be retroactive. Can modify Contracts if appropriate

#### Follow-On Actions:

Overall impact should be minimal. There are fewer contracts overall that will require EVM? Most contractors have a Validated system.

How to/lessons learned in DOD guidebook and EVMIG (under DCMA).

Collaborating much more closely with NASA.

#### Next Steps

Comments due by June 14, 2004.

Joint Government/Industry Working Group meeting July 13-14 @ DAU Ft. Belvoir

DAEC last October – all members to provide a rep from each

6 industry, 1 rep from each, gov't agency 2 NDIA – 15-20 total

The action is to get back to DAEC in July/August 2004.

Update DOD 5000.2 (issue interim guidance if necessary)

Update Defense Acquisition Guidelines

Update DFARS clauses

Policy ready to implement in 6-9 months if no major issues

July meeting – bring together the ideas.

Clearinghouse – bring up items. Opportunity to bring non-attribution items.

Gay Infanti asked about the bottom level working group and the mid level bosses of the working level. How gather information in a cooperative, systematic frequency

Suggestion – NDIA gather in April. Fall Conference late year.

#### NDIA Taskings

Response to policies and DIDS by the middle of May.

Bring forward any application issues

The briefing and policy/DID attachments were distributed via email.

Ron Lile, OSD DCARC Update

Ivan Bembers – National Geospatial Intelligence Agency  
Defense mapping and imaging  
Integrated contract performance management 19 October 2001  
Integration of EVM, IMS, TPMS in the management of NGA programs

Mike Donnely – DOE Update

Require EVM and certification of EVM \$20M and up.  
Relationship with DCMA as executive agent.  
Lockheed Martin certification completed recently.  
DOE application guide in work

Wayne Abba – International Update

IPMC – Australia and Canada. Other countries encouraged to participate. Govt to Govt dialogue.  
NDIA – holding meetings with International industry counterparts  
General – CPM/PMI/NDIA. DCMA not in the education long term commitment to train.

Peter Wynne announced again the location and host of the next Committee meeting.  
Jim Gasbarro gave the final wrap up and announced that the next day's executive theme was "no theme"...just an EVM update from each agency.

Program Management Systems Committee  
Government EVM Panel  
April 29, 2004

Jim Gasbarro made opening remarks. In attendance were:

LTC Raymond Nulk, U.S. Army  
John Garrett, U.S. Air Force  
Robert Buhrkuhl, OSD (AT&L)  
Richard Zell, HQ DCMA – OCS  
Keith Kratzert, FAA  
James Gordon, NRO  
David Melton, MDA  
Ivan Bembers, NGA  
David Muzio, OMB/OFPP  
David Treacy, DOE  
Bill Simpson, NASA  
Peter Wynne, Lockheed Martin Aeronautics Company  
James Gasbarro, Humphreys & Associates, Inc.  
Robert Loop, Raytheon

Walt Berkey, Lockheed Martin  
Debbie Tomsic, OUSD (AT&L) ARA  
Larry Axtell, OUSD (AT&L) ARA  
Beverly Solomon, Northrop Grumman  
Joan Ugljesa, AIM  
Gay Infanti, Northrop Grumman  
Garrett Coleman, U.S. Department of Veterans Affairs  
Jennie Jerabek, USCG  
Jim Wrisley, Performance Management Associates, Inc.  
Edward Witte, Air Force  
Peter Deacon, General Dynamics  
Ted Rogers, NAVAIR  
Gene Adams, Northrop Grumman  
Tonya Chickillo, Tecolote  
Susie Meyer, MITRE  
Floyd Reece, Raytheon  
Randy Steeno, Boeing  
Anthony Plaisance, Northrop Grumman  
Clarence Dykes, National Institute of Health  
Kevin Martin, KManagement Systems Group

David Muzio – 300's Policy A-11 Part 7 – New administrator confirmed today. Dave is back in OFPP and will pick up EV. The FAR clause is on boss' desk,; there are nine pages of suggested changes to put EV into the FAR. The Section 2 definitions of EV and Maj Acq are from the traditional DOD system. OMB definitions out of A-11 Part 7 define a major system. FAR changes will come out for comment in the near future. Budget and Performance Integration. Look at major defense Combat Air. Cost/schedule performance goals within those major programs (services and capital). Look at all capital acquisition (not just IT). Look at each acquisition – do they use EV (included in the overall score for that acquisition)?

#### Lt Col Nulk (charts) – Asst Secretary of Navy

Program assessment and analysis directorate

Study – Intelligent EV tool mechanisms. Looking for a consistent meaningful role for EV. 2002 pilot demoed potential but not readiness for implementation. 2004 limited implementation and feasibility study. Black Hawk and Force XII Battle Command Brigade and Below, March 2004, by Mr. Damstetter

Selected Dekker IPursuit for fulfilling the EV data system. Conduct business case analysis from pilot results.

#### Maj. Garrett - USAF (no charts)

1. Smart system metrics and reporting tool. AF wide at Spiral 6 was deployed. Need a data dictionary for EV – ability to reach in and use data as required. AF acq architecture

2. IPT EV– Eleanor Haupt/Susan Wood on the team. Coordinate action plan including charter, MOAs with Acquisition and Finance community ('96 outdated). Right way to populate EV data into SMART. Eleanor Haupt stated there was an “earned schedule” pilot program on an AF program.
3. General Issues
  - a. Assistant Secretary Sambur – Deputy Blaise Durante – strong EV background. Practical advocate.
  - b. EV one of many tools. Risk, Tech, Perf, Schedule (Critical Path). Program reviews to ensure taking advantage of all information.

Dr Robert Buhrkuhl, Deputy Director OSD Acquisition Management, Acquisition Resources & Analysis

Re-establish leadership role in EV. Debbie Tomsic and Larry Axtell, Defense Acquisition Board (DAB) Process, Acquisition Reporting (include EV), DAES Review Transformation mandate – continual journey – change decision Support systems to support today’s environment.

- Acquisition excellence with integrity (one of seven AT&L goals)
  - Capability based focus
  - Shorten acquisition cycle time
  - Increase accuracy and credibility of cost estimates
  - Streamline acquisition oversight processes

EVM activities increased working together.

- Proposed changes to EVM policy
- New avenues for communication, problem resolution
- EVM community
- Policy, implementation, execution dialogue. Report back to DAES

Rich Zell DCMA (no charts)

DCMA Internal Role

JSF, FCS, DOE, DITRA, OMB, lots of interest in getting reviewed once and not getting multiple reviews. There are a number of review for causes where management neglects the EV systems. CAM’s need to be kept focused, trained and in step with managing with the EV techniques.

Joint surveillance is intended to get stakeholders (SPO, local, contractors) together to understand the system. Rich expressed concern where surveillance doesn’t seem to correct problems. We should be trying to improve and fix where issues are discovered.

David Treacy, DOE EVMS Program Manager

- All acquisitions greater than \$20m
- Alternate systems may be authorized by Acq Executive for FP, T & M, other non-cost contracts
- System acceptance required



- DCMA critical to the success of acceptance process
- EVMS application guide under development and no standard DOE contract clause. Plan to employ standard FAR OMB clause when issued.
- DOE EVM policy in place. Key component of DOE acquisition process.
- 2 ½ Day executive EV course for political leadership. Focused on communicating to senior leadership what EV is all about.

#### Bill Simpson, NASA EVM Focal Point

Office of Exploration Systems (OExS) formed to address the primary mission to focus on exploration. Jim Nehman (Deputy to Steidle) named PEO. Craig E. Steidle (RADM retired) selected as Agency Associate Administrator for Exploration Systems. Will affect headquarters and centers to support this mission. Jim to head Program Management Council at the agency level. Wants to incorporate stronger EV at the agency level. Moon and Mars missions are still a strategy. Once space station is complete (26 more shuttles), will retire the shuttle program.

Adm. Steidle letter to Center Directors (dated 5 April 2004) to establish discipline and demand accountability from NASA Program Managers. Instigating IBRs and EV controls on all continuing programs transferring to OExS.

NASA EVM Focal Point Council reenergized last year to provide leadership and direction. Overseen by the NASA Chief Engineer. The council is representatives from across the NASA Centers and Headquarters have been identified. Looking at changing the NASA philosophy and would like to keep consistent with other government agencies. A separate EVM handbook will be issued to provide guidance on policy implementation.

#### Keith Kratzert, FAA

Air Traffic Organization is the new organization merged acquisition and operations units into service units rather than projects. Draft EV policy in review right now. EVM application focus is on Exhibit 300 preparation on a project by project basis.

[www.ATO.faa.gov](http://www.ATO.faa.gov) for more information.

#### Lt. Col. James Gordon, National Reconnaissance Office

##### EVM Initiatives

- Will recognize the system application and reviews of other agencies.
- Require IBR on all programs requiring EVM. More of a risk assessment approach than an accounting.
- 100M cost reimbursable contracts for some time now. Changing threshold, will hold off until the DOD recommendation is proofed out.

#### David Melton, Program Integration EVM Lead, Missile Defense Agency

8 major programs in MDA across Boeing, LM, Raytheon, and Northrop Grumman. MDA on policy includes directives (EVM and IBR) and multiple guidebook (EVM, IBR, Contract Requirements, and Analysis). Used Eleanor Haupt's guide on how to set up award fee using EVM processes. IBR is referred to as Baseline Maintenance Review Planning to get folks to look at the baseline on a continuous basis.

Ivan Bembers, National Geospatial Intelligence Agency Acquisition Management

- Embedded in acquisition and program management; not seen as an outside force
- Emphasize IBR as a continuous process. Primary means to stay involved in the Program Management including gap analysis, IBRs, Joint Surveillance reviews, and contract implementation reviews.

Jim Gasbarro concluded the meeting with a Question and Answer phase.