

DEFENSE CONTRACT MANAGEMENT AGENCY



DCMA



One team, one voice delivering global acquisition insight that matters.



DCMA Update for NDIA IPMD

Presented By:
DCMA EVMS Center

NDIA IPMD Hurst, TX

August 29th, 2018

- Mission
- Work Products
- 2018 Surveillance Results
- 2019 Surveillance/Compliance Planning
- Continued Focus
- Key Contacts

- Develop and execute EVM System Surveillance Plans (SSP) to ensure ongoing system compliance
- Provide documented output in System Surveillance Reports (SSR)
 - Assess system compliance to 32 EIA-748 Guidelines
 - Seek corrective actions to resolve identified deficiencies
- Execute Validation Reviews to support EVMS DFARS and Business System requirements in CBAR
- Engage with Program Offices, Services & OSD to ensure the correct requirements are placed on contract
 - Integrated Baseline Review support
 - Perform Reviews for Cause upon customer request for contracts >\$20M
- Communicate mission and requirements to Contractors and Industry groups

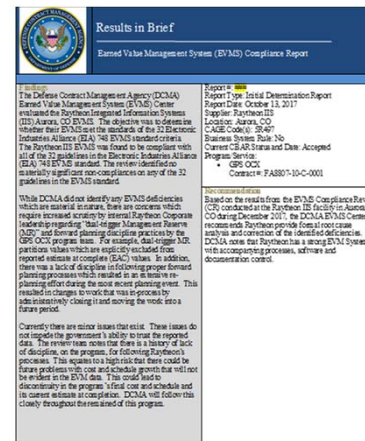


• Issuances:

- Chapter in the Draft MAN-2301-01 “Contractor Business Systems”
- Business Practices that define internal processes
 - Pre-Award EVMS Plan Reviews (BP1) – **COMPLETE - Posted**
 - Contractor System Description Review (BP2) – **IN COORDINATION ECD 9/30**
 - Contract Initiation Support (BP3) – **COMPLETE - Posted**
 - EVM System Surveillance (BP4) – **COMPLETE - Posted**
 - Reviews for Cause (BP5) – **IN COORDINATION ECD 10/30**
 - Compliance Reviews (BP6) – **COMPLETE TO BE POSTED**
 - Metric Configuration Control (BP7) – **COMPLETE - Posted**

• Mission Deliverables/Issuances:

- Compliance Review Reports
- System Surveillance Plans and Reports
- CAR Status Reports/CAR Closure



EVMS Center Business Practice 4

Effective Date: March 1, 2018
 Subject: Earned Value Management System (EVMS) Surveillance
 Process Output: Contractor Surveillance Reporting
 DAI Code(s): D1460 Earned Value Surveillance (Ops Audit Earned Value)
 D1600 Surveillance Planning
 D6000 Analysis Results
 DCMA PIP EVMS Policy Lead, Kevin Conroy, 804-416-9166

Point of Contact:

References: DFARS 234.201, DFARS 232.204-7002, EVMS Implementation Guide (EVMSIG), DCMA INST 1204 Corrective Action Process, Test Metric Specification Sheet, DCMA MAMT and FPMI 262

Purpose: Business Practice 4 defines a uniform process to conduct ongoing assessments (surveillance) of contractor EVMS compliance to the Electronic Industry Alliance Standard 748 EVMS (EIA-148) guidelines. The DCMA surveillance process will replace the contractor's internal EVMS surveillance process or in any way remove the contractor's responsibility to implement and maintain an approved EVMS.

Roles and Responsibilities:

1. Director, EVMS Center (referred to as "Director" in this document). Final authority for all surveillance actions, including surveillance initiated by Special Programs as defined below. Responsible for issuance of plans, review and execution of review activities. Final authority for the issuance or revision of all surveillance Corrective Action Requests (CARs).
2. Group Lead, EVMS Center (referred to as "Group Lead" in this document). Assigns responsibilities to the Team Lead and Team Members to perform surveillance as outlined in this business practice. Responsible for approval/development of all surveillance plans/reports and any resulting CARs.
3. Team Lead, EVMS Center (referred to as "Team Lead" in this document). Reviews the technical content and coordinates all surveillance plans/reports and any resulting CARs with the Group Lead. Ensures consistent ongoing level ongoing compliance coverage. Coordinates site system status with cognate contracting offices.
4. Team Member, EVMS Center (referred to as "Team Member" in this document). Executes the activities as directed in accordance with the process defined below.
5. Director, DCMA Special Programs (DSP). Maintains personnel trained and capable of supporting surveillance planning and

Version: V1.8

Defense Contract Management Agency

[EVMS Center Group Name]
 [Contractor Name]
 [CITY, STATE]
 [Page Code]

EVMS SURVEILLANCE PLAN
 [DATE]

Approved By: _____ Received By: _____
 X _____ X _____
 Date Entered and Date Entered

Distribution Statement: Distribution authorized to Contractor Name & Page Code and U.S. Government Offices listed in Table 2 of this document only. Other requests for this document shall be referred to the DCMA EVMS Center Director.

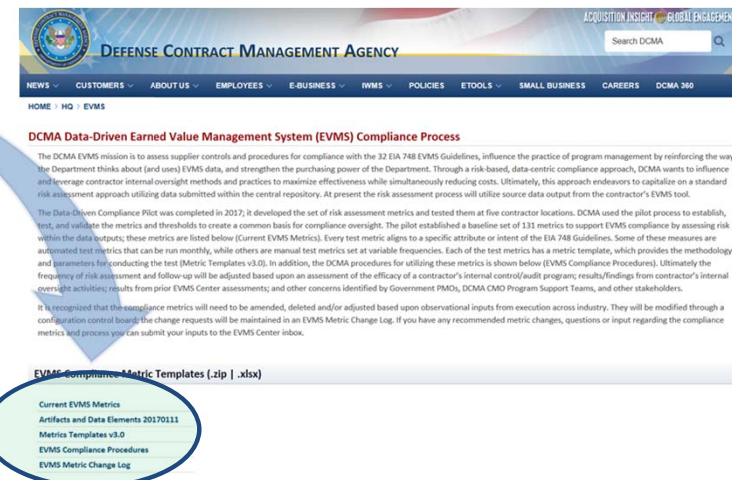
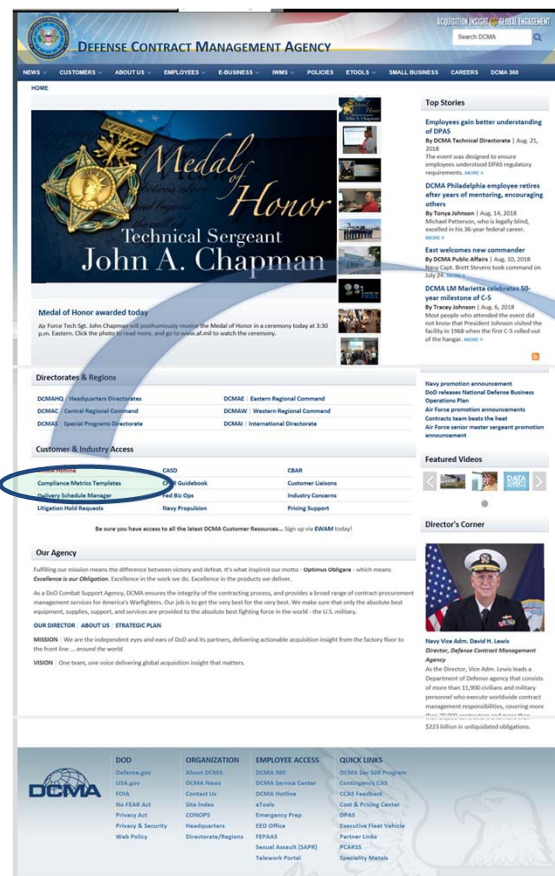
Go to DCMA home page

www.dcma.mil

Click on *“Compliance Metrics Templates”*

This will take you to 2nd screen which will allow you to access the following:

- Metric listing
- Metric templates
- EVMS Center Compliance procedures
- EVMS Metric Change Log



2018 Surveillance Results

- 2018 Surveillance Focus
 - BP4 – Group 1 Metrics
 - 47 Metrics (mostly automated)
 - Cost and schedule health metrics



- 2018 Surveillance Results *(Range of results at each Hub)*
 - Surveillance Events conducted: 8 - 12
 - Metrics executed: Between 300 – 600
 - Metrics tripped: Between 12% - 25%

Keep in mind this is an Initial Snapshot

Total Results For 2018

- 65 Surveillance Events
- 2943 Metrics executed
- 513 Metrics tripped the thresholds
- As a result, 17% of metrics required further investigation

WHAT DOES THIS MEAN??

- Tripped threshold indicates higher potential risk
- Approach focuses on the 17% that tripped
 - Correlate/compare metric trips against system process requirements to assess compliance
- Focus is on risk prevention and mitigation
- Data gathering and analysis is ongoing



As the process is launched, it is premature to draw conclusions based on the initial snapshot of data

2019 Surveillance Planning

- We are starting Calendar Year 2019 SSPs in September
- We are planning on 1 visit per site
 - If additional are needed, this will be discussed with specific sites



- PIXB – Twin Cities
 - 19 onsite visits planned for CY19
 - Plan on attending 5 IBRs
- PIXD – Dallas
 - 24 onsite visits planned for CY19
 - Plan on attending 3 IBRs
- PIXG – Boston
 - 28 onsite visits planned for CY19
 - Plan on attending 3 IBRs
- PIXL – Orlando
 - 15 onsite visits planned for CY19
 - Plan on attending 4 IBRs
- PIXN – Carson
 - 20 onsite visits planned for CY19
 - Plan on attending 1 IBR
- PIXR – Tucson
 - 15 onsite visits planned for CY19

• **THIS IS NOTIONAL, SUBJECT TO CHANGE**



DEFENSE CONTRACT MANAGEMENT AGENCY

Compliance Review Schedule 2019

| <u>Hub</u> | <u>Location</u> | <u>Date</u> | <u>Date</u> <u>Status</u> |
|--------------------|------------------------|--------------------|--|
| PIXL - Orlando | East Region | 25 Feb | Firm |
| PIXG - Boston | West Region | 8 Apr | Firm |
| PIXB – Twin Cities | Central Region | 23 Apr | Firm |
| PIXB – Twin Cities | West Region | 18 Jun | Firm |
| PIXB – Twin Cities | Central Region | 19 Feb | Tentative |
| PIXN - Carson | Central Region | Feb | Tentative |
| PIXR - Tucson | Central Region | Mar | Tentative |
| PIXN - Carson | East Region | May | Tentative |
| PIXR - Tucson | Central Region | Jun/Jul | Tentative |
| PIXG - Boston | West Region | Aug | Tentative |

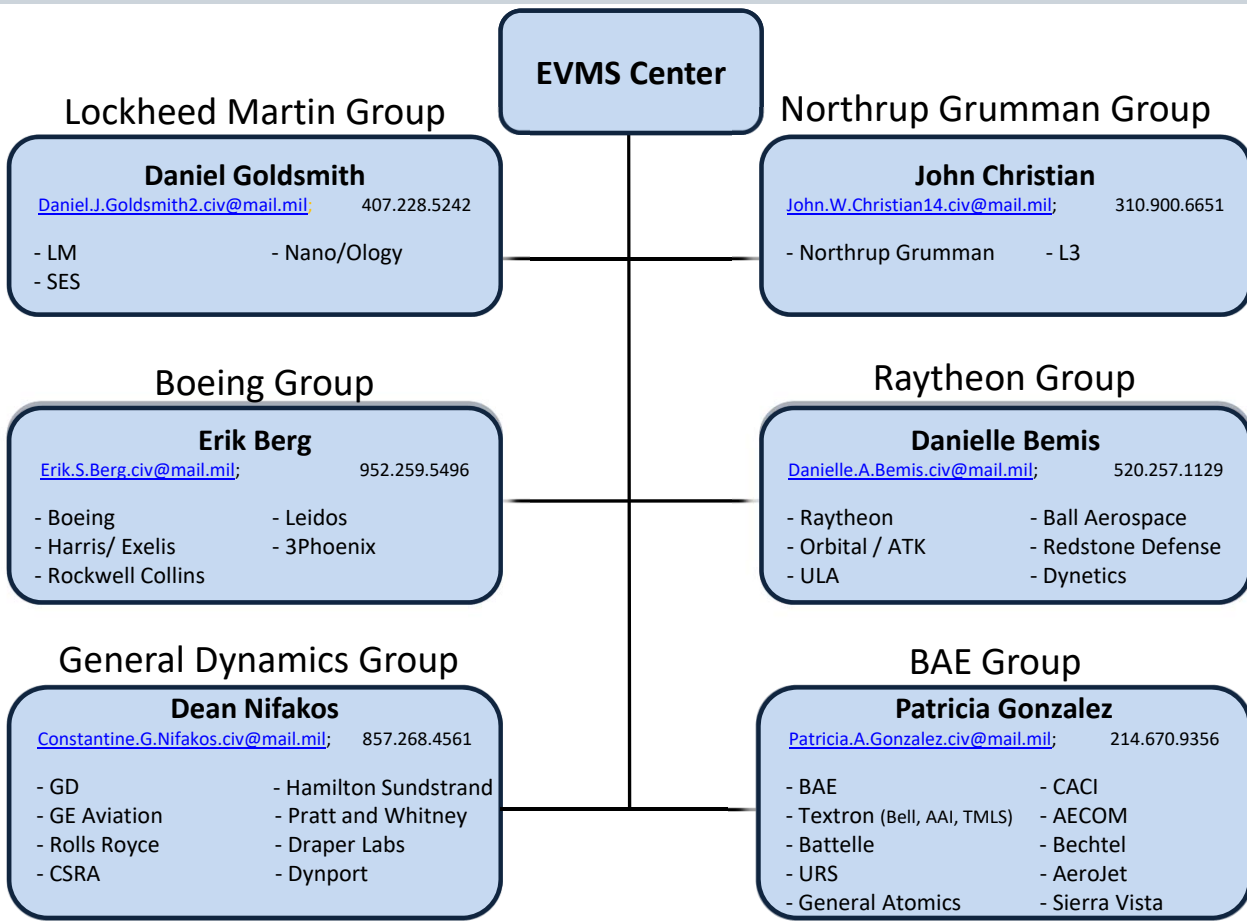


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- Consistency of oversight across Contractors
 - Surveillance and compliance missions performed by same group
 - Metrics being utilized in surveillance and compliance reviews
- Early engagement with PMO & Contractor
 - Initiation engagement looking to move oversight from D2P
 - Early warning on potential system issues can limit materiality
- Leveraging internal oversight to limit onsite engagements
 - Effectiveness of contractor internal controls impact level of engagement
 - Onsite reviews based on risk (minimum one visit per year)
- Continued push towards automation of metric assessment

EVMS Center Key Contacts



Questions?

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