



A Framework for Developing Earned Value Management Systems (EVMS) Policy for Information Technology (IT) Projects

Prepared by the Federal CIO Council

December 5, 2005

**A Framework for Developing Earned Value Management Systems (EVMS) Policy
for Information Technology (IT) Projects – December 5, 2005**

Table of Contents

1. Background.....3

 1.1. Document Purpose.....3

 1.2. Intended Audience.....3

2. Legislation, Policies and Standards4

 2.1. Legislation.....4

 2.2. Policies.....4

 2.3. Standards.....4

3. Scope5

4. Processes6

 4.1. Organization, Planning, Scheduling and Budgeting.....6

 4.1.1. Program Planning.....6

 4.1.2. Integrated Baseline Reviews7

 4.2. Monitoring, Analysis and Reporting.....7

 4.2.1. EVM Data Collection.....7

 4.2.2. Reporting and Analysis of EVMS Data7

 4.2.3. Integration with Portfolio Management7

 4.2.4. Training.....8

 4.3. Data Management and Control.....8

 4.3.1. Baseline Change Control Process.....8

 4.3.2. Corrective Action Plans8

 4.3.3. Compliance Reviews8

 4.3.4. Surveillance Reviews9

 4.4. Templates and Tools.....9

 4.5. Integration of EVMS with Acquisition Processes.....9

5. Stakeholders/Roles and Responsibilities.....10

6. Glossary11

7. Appendix A: ANSI/EIA 748 Guidelines.....12

8. Appendix B: FAR Modifications on EVMS15

1. Background

Earned Value Management (EVM) is a project management control tool allowing visibility into technical, cost and schedule planning, performance and progress for major IT projects. EVM not only encourages contractors to use effective internal cost and schedule management control systems, but also provides the manager with timely and consistent cost, schedule and progress data. The implementation of an Earned Value Management System (EVMS) ensures that cost, schedule, and technical aspects of the contract are truly integrated and estimated, and actual progress of the project can be identified. OMB requires the use of an EVMS compliant with the guidelines in ANSI/EIA Standard 748 for all major IT investments with development work.

1.1. Document Purpose

The purpose of this document is to demonstrate a model EVMS framework for the development of agency EVM policy. It is not intended to be all-inclusive, but rather to provide key components as determined through review of existing EVM policies, to assist agencies in developing their EVM policies as required by OMB Memorandum M-05-23. Per OMB Memorandum M-05-23, agencies are to develop such policies no later than December 31, 2005.

1.2. Intended Audience

The intended audience for this document is agency staff responsible for development of agency EVM policy.

2. Legislation, Policies and Standards

The agency EVM policy should provide references to legislation, policy and standards pertaining to EVM. Agency EVM policy should consider the following:

2.1. Legislation

Relevant legislation includes:

- *Government Performance and Results Act of 1993* – Mandates the use of performance metrics.
- *Federal Acquisition Streamlining Act of 1994* – Requires agency heads to achieve, on average, 90% of the cost and schedule goals established for major and non-major acquisition programs of the agency without reducing the performance or capabilities of the items being acquired.
- *Clinger-Cohen Act of 1996* – Requires establishment of the processes for executive agencies to analyze, track, and evaluate the risks and results of major investments in IT and requires reporting on the net program performance benefits achieved by agencies.

2.2. Policies

Relevant policy includes:

- *OMB Circular A-11 (Part 7, Planning, Budgeting, Acquisition & Management of Capital Asset)* – Outlines a systematic process for program management, which includes integration of program scope, schedule, and cost objective; requires use of earned value techniques for performance measurement during execution of the program; specifically identifies ANSI/EIA Standard 748.
- *OMB Memorandum M-04-24, “Expanded Electronic Government (E-Gov) President’s Management Agenda (PMA) Scorecard Cost, Schedule and Performance Standards for Success* – Provides additional information on the President’s Management Agenda (PMA) Expanded Electronic Government initiative and the standard for success concerning cost, schedule and performance goals.
- *OMB Memorandum M-05-23, “Improving Information Technology (IT) Project Planning and Execution”* – Provides guidance to assist agencies in monitoring and improving project planning and execution and fully implementing EVMS for major IT projects.

2.3. Standards

Relevant standards include:

- *American National Standards Institute/Electronic Industries Association (ANSI/EIA) Earned Value Management System (EVMS) Standard 748-1998* – Industry process for use of EVMS including integration of program scope, schedule and cost objectives, establishment of a baseline plan for accomplishment of program objectives, and use of earned value techniques for performance measurement during the execution of a program.

3. Scope

Agency EVM policy should define the criteria to determine projects for which EVMS applies. Criteria should be consistent with OMB Circular A-11 and other relevant legislation, policies, and standards as outlined above.

OMB Circular A-11 defines a “major acquisition/investment” to mean a system or project requiring special management attention because of its importance to the mission or function of the agency, a component of the agency or another organization; is for financial management and obligates more than \$500,000 annually; has significant program or policy implications; has high executive visibility; has high development, operating, or maintenance costs; or is defined as major by the agency’s capital planning and investment control process. OMB may work with the agency to declare other investments as major investments. Agencies may add additional criteria for defining projects as “major”.

Per OMB Circular A-11, EVMS is required for those parts of the major investment where developmental effort is required. EVMS is to be applied to both Government and contractor efforts. For operational/steady state systems, an operational analysis system as discussed in Phase IV of the Capital Programming Guide is required. A performance-based service contract/agreement with a defined quality assurance plan should be the basis for monitoring contractor or in-house performance of this phase.

Furthermore, agencies may identify additional criteria for defining projects to which EVMS is required. Such a classification can be based on criteria including:

- Level of management visibility
- Level of development/modernization/enhancement (DME) funding
- Duration of development phase
- Level of risk

If compliance with EVMS guidelines is not required, consider whether tailored products and processes that are EVMS-based should be employed. With tailoring, the objective remains effective management control of contract performance risk and to obtain early indicators of expected cost, performance, and schedule results.

4. Processes

The agency EVM policy should provide details regarding agency processes to implement and use EVM to plan and manage IT investments. The policy should give consideration to both federal staff and contractor resources.

ANSI/EIA Standard 748 provides an overall structure for an integrated cost/schedule/performance measurement system. The structure consists of 32 criteria organized into five high-level categories:

- Organization,
- Planning, Scheduling and Budgeting,
- Accounting Considerations,
- Analysis and Management Reports, and
- Revisions and Data Maintenance.

Agency EVM policy should be consistent with these categories and criteria. Please refer to Appendix A for the full list of ANSI/EIA Standard 748 criteria. The following sections provide a framework for agencies to use in developing the processes for the implementation and use of EVM. The sections are aligned to the five high-level categories outlined in ANSI/EIA Standard 748.

4.1. Organization, Planning, Scheduling and Budgeting

This section addresses the categories of the ANSI/EIA Standard 748, ‘Organization’ and ‘Planning, Scheduling and Budgeting’.

4.1.1. Program Planning

Agency EVM policy should provide guidelines and schedule for the initial project planning using an EVMS. The agency EVM policy should consider the development of the following:

- **Work Breakdown Structure (WBS)** – a task oriented detailed breakdown, which defines the work packages and tasks at a level above that defined in the networks and schedules.
- **Organizational Breakdown Structure (OBS)** – a functionally oriented division of the contractor’s organization established to perform the work on a specific contract.
- **Responsibility Assignment Matrix (RAM)** – correlates the work required by a Contract Work Breakdown Structure element to the functional organization responsible for accomplishing the assigned tasks.
- **Performance Measurement Baseline (PMB)** – the time-phased budget plan against which project performance is measured. Assessment of the PMB is conducted through Integrated Baseline Reviews (IBRs).

Agency EVM policy should indicate a timeline for development of the above items, roles and responsibilities of resources involved (e.g., content developers, reviewers), and templates and tools utilized.

4.1.2. Integrated Baseline Reviews

Per OMB Memorandum M-05-23, agency EVM policy should address the use of Integrated Baseline Reviews (IBR) to finalize the cost, schedule and performance goals. An IBR is an assessment of the PMB to ensure the adequacy, accuracy and risks of the PMB. The agency EVM policy should include a schedule, process and participants for conducting IBRs.

4.2. Monitoring, Analysis and Reporting

This section addresses the ANSI/EIA Standard 748 categories, ‘Accounting Considerations’ and ‘Analysis and Management Reports’.

4.2.1. EVM Data Collection

The agency EVM policy should outline a systematic way to collect data necessary to support EVM. The agency EVM policy should describe any templates, tools, and systems utilized and additionally provide controls to ensure the data is collected consistently and reliably to inform management decisions. The agency EVM policy should detail any systems used to track data and the process for tracking actual costs at the control account level.

The agency EVM policy should additionally address collection of data from both government and contractor resources.

4.2.2. Reporting and Analysis of EVMS Data

The agency EVM policy should indicate the process and procedures used to review the EVM data collected to support the identification of performance issues. Furthermore, the agency policy should address the process for resolution of performance issues – and include details regarding escalation procedures.

Specifically, agency EVM policy should outline:

- Standard reports (layouts, templates, schedules)
- Exception reporting (e.g., Variance Analysis Report required if cost/schedule variance exceeds an acceptable threshold)
- Contractor reporting requirements (including reporting layouts and templates)
- Review schedule (to include review purpose, inputs/outputs, activities, and participants)
- Escalation procedures if acceptable thresholds are exceeded (e.g., CIO notified if cost/schedule variance exceeds X%)
- Requirements for development of Corrective Action Plans (See Section 4.8.2)

4.2.3. Integration with Portfolio Management

In accordance with OMB Memorandum M-04-24, agency EVM policy should address the use of EVMS data and analysis to make management and IT portfolio management and Capital Planning and Investment Control (CPIC) decisions (i.e., how and when is performance data received by the agency; who reviews it; is further analysis done; does the agency use a tool to

manage the data reported; how is performance information reported to senior management; and what they do with the information).

4.2.4 Training

Agency EVM policy should outline guidelines on training for program office staff and contractor personnel on the analysis of generated earned value data. Suggestions for training include: formal training classes; contractor-sponsored training; on-the-job training; and training materials available on performance management websites.

4.3. Data Management and Control

This section addresses the category consistent with ANSI/EIA Standard 748, 'Revisions and Data Maintenance'.

4.3.1. Baseline Change Control Process

Agency EVM policy should provide details regarding the baseline change control process and baseline control guidelines. The policy should include processes to document revisions and authorize changes.

4.3.2. Corrective Action Plans

Major investments with a variance outside of established thresholds for cost or schedule should develop Corrective Action Plans. Such plans provide strategies to correct deficiencies and to improve investment performance. The agency EVM policy should outline required components of Corrective Action Plans as well as agency resources responsibilities for the development and review of Corrective Action Plans.

4.3.3. Compliance Reviews

Per OMB Memorandum M-05-23, full implementation of an EVMS for IT projects includes compliance reviews of agency and contractor EVM systems. The agency EVM policy should address the compliance review process, including at a minimum:

- Schedule and criteria for conducting compliance reviews
- Required documentation
- Activities to be performed
- Participants – with specifics regarding roles and responsibilities
- Process for corrective actions (including impacts to the acquisitions process)
- Reporting of findings
- Criteria for success

4.3.4. Surveillance Reviews

Per OMB Memorandum M-05-23, agencies are required to periodically review the agency or contractor to ensure it continues to meet ANSI/EIA Standard 748. Agency EVM policy should address the surveillance review process, including at minimum:

- Schedule and criteria for conducting surveillance reviews
- Required documentation
- Activities to be performed
- Participants – with specifics regarding roles and responsibilities
- Impacts to acquisition process (i.e., contracts considerations)
- Reporting of findings
- Criteria for success

4.4. Templates and Tools

Templates and tools are not a substitute for the establishment and adherence to EVMS processes but can be used to assist in the management and reporting of EVMS data. The agency EVM policy should address the development and review of any templates and specify all agency tools used to collect, manage, and report on EVMS data.

4.5. Integration of EVMS with Acquisition Processes

The agency EVM policy should provide details regarding agency procedures to include EVMS requirements in contracts and agency in-house Project Charters. Per OMB Memorandums M-04-24 and M-05-23, agencies are required to include a provision and clause in major acquisition contracts and/or project charters (for in-house projects) directing the use of an EVMS compliant with the guidelines in ANSI/EIA Standard 748 to ensure the earned value data and analysis used to measure and report work progress on these investments are produced by an EVMS that meets the guidelines in ANSI/EIA Standard 748. The agency EVM policy should include sample contract language, project charter language, key points of contact in the acquisition office, and review processes to ensure compliance. For additional information, please refer to Appendix B (proposed Federal Acquisition Regulation modifications on EVMS).

5. Stakeholders/Roles and Responsibilities

The agency EVM policy should provide roles/responsibilities for all stakeholders involving in the implementation and use of EVM. Stakeholders should include government and non-government (e.g., contractors). Potential stakeholders include: Office of the Chief Information Officer, Office of the chief Financial Officer, IT Investment Review Boards, Project Managers, Procurement officials, etc.

6. Glossary

The agency EVM policy should contain a glossary of common EVMS terminology to ensure a common understanding.

7. Appendix A: ANSI/EIA 748 Guidelines

The following is from the *American National Standards Institute/Electronic Industries Alliance Standard 748-98, Earned Value Management Standards*, May 1998.

Organization

1. Define the authorized work elements for the program. A work breakdown structure (WBS), tailored for effective internal management control, is commonly used in this process.
2. Identify the program organizational structure including the major subcontractors responsible for accomplishing the authorized work, and define the organizational elements in which work will be planned and controlled.
3. Provide for the integration of the company's planning, scheduling, budgeting, work authorization and cost accumulation processes with each other, and as appropriate, the program work breakdown structure and the program organizational structure.
4. Identify the company organization or function responsible for controlling overhead (indirect costs).
5. Provide for integration of the program work breakdown structure and the program organizational structure in a manner that permits cost and schedule performance measurement by elements of either or both structures as needed.

Planning, Scheduling and Budgeting

6. Schedule the authorized work in a manner which describes the sequence of work and identifies significant task interdependencies required to meet the requirements of the program.
7. Identify physical products, milestones, technical performance goals, or other indicators that will be used to measure progress.
8. Establish and maintain a time-phased budget baseline, at the control account level, against which program performance can be measured. Initial budgets established for performance measurement will be based on either internal management goals or the external customer negotiated target cost including estimates for authorized but undefinitized work. Budget for far-term efforts may be held in higher level accounts until an appropriate time for allocation at the control account level. On government contracts, if an over target baseline is used for performance measurement reporting purposes; prior notification must be provided to the customer.
9. Establish budgets for authorized work with identification of significant cost elements (labor, material, etc.) as needed for internal management and for control of subcontractors.
10. To the extent it is practicable to identify the authorized work in discrete work packages, establish budgets for this work in terms of dollars, hours, or other measurable units. Where the entire control account is not subdivided into work packages, identify the far term effort in larger planning packages for budget and scheduling purposes.

A Framework for Developing Earned Value Management Systems (EVMS) Policy for Information Technology (IT) Projects – December 5, 2005

11. Provide that the sum of all work package budgets plus planning package budgets within a control account equals the control account budget.
12. Identify and control level of effort activity by time-phased budgets established for this purpose. Only that effort which is unmeasurable or for which measurement is impractical may be classified as level of effort.
13. Establish overhead budgets for each significant organizational component of the company for expenses which will become indirect costs. Reflect in the program budgets, at the appropriate level, the amounts in overhead pools that are planned to be allocated to the program as indirect costs.
14. Identify management reserves and undistributed budget.
15. Provide that the program target cost goal is reconciled with the sum of all internal program budgets and management reserves.

Accounting Considerations

16. Record direct costs in a manner consistent with the budgets in a formal system controlled by the general books of account.
17. When a work breakdown structure is used, summarize direct costs from control accounts into the work breakdown structure without allocation of a single control account to two or more work breakdown structure elements.
18. Summarize direct costs from the control accounts into the contractor's organizational elements without allocation of a single control account to two or more organizational elements.
19. Record all indirect costs which will be allocated to the contract.
20. Identify unit costs, equivalent units costs, or lot costs when needed.
21. For EVMS, the material accounting system will provide for:
 - Accurate cost accumulation and assignment of costs to control accounts in a manner consistent with the budgets using recognized, acceptable, costing techniques.
 - Cost performance measurement at the point in time most suitable for the category of material involved, but no earlier than the time of progress payments or actual receipt of material.
 - Full accountability of all material purchased for the program including the residual inventory.

Analysis and Management Reports

22. At least on a monthly basis, generate the following information at the control account and other levels as necessary for management control using actual cost data from, or reconcilable with, the accounting system:

A Framework for Developing Earned Value Management Systems (EVMS) Policy for Information Technology (IT) Projects – December 5, 2005

- Comparison of the amount of planned budget and the amount of budget earned for work accomplished. This comparison provides the schedule variance.
 - Comparison of the amount of the budget earned the actual (applied where appropriate) direct costs for the same work. This comparison provides the cost variance.
23. Identify, at least monthly, the significant differences between both planned and actual schedule performance and planned and actual cost performance, and provide the reasons for the variances in the detail needed by program management.
 24. Identify budgeted and applied (or actual) indirect costs at the level and frequency needed by management for effective control, along with the reasons for any significant variances.
 25. Summarize the data elements and associated variances through the program organization and/or work breakdown structure to support management needs and any customer reporting specified in the contract.
 26. Implement managerial actions taken as the result of earned value information.
 27. Develop revised estimates of cost at completion based on performance to date, commitment values for material, and estimates of future conditions. Compare this information with the performance measurement baseline to identify variances at completion important to company management and any applicable customer reporting requirements including statements of funding requirements.

Revisions and Data Maintenance

28. Incorporate authorized changes in a timely manner, recording the effects of such changes in budgets and schedules. In the directed effort prior to negotiation of a change, base such revisions on the amount estimated and budgeted to the program organizations.
29. Reconcile current budgets to prior budgets in terms of changes to the authorized work and internal replanning in the detail needed by management for effective control.
30. Control retroactive changes to records pertaining to work performed that would change previously reported amounts for actual costs, earned value, or budgets. Adjustments should be made only for correction of errors, routine accounting adjustments, effects of customer or management directed changes, or to improve the baseline integrity and accuracy of performance measurement data.
31. Prevent revisions to the program budget except for authorized changes.
32. Document changes to the performance measurement baseline.

8. Appendix B: FAR Modifications on EVMS

The following is from FAR Case 2004-019, *Federal Acquisition Regulation Earned Value Management System (EVMS)*, Federal Register, Volume 70, Number 67, April 8, 2005.

34.X03 Solicitation provisions and contract clause.

- (a) The contracting officer shall insert a provision that is substantially the same as the provision at 52.234-X1, Notice of Earned Value Management System, in solicitations for contracts that require the contractor to use an earned value management system (EVMS) and for which the Government may require an Integrated Baseline Review (IBR) after contract award. When an offeror is required to provide an EVMS plan as part of its proposal, the contracting officer shall forward a copy of the plan to the cognizant Administrative Contracting Officer (ACO) or responsible Federal department or agency and obtain their assistance in determining the adequacy of the proposed EVMS plan.
- (b) The contracting officer shall insert a provision that is substantially the same as the provision at 52.234-X2, Notice of Earned Value Management System-Pre-Award IBR, in solicitations for contracts that require the contractor to use an EVMS and for which the Government will require an IBR prior to contract award. When an offeror is required to provide an EVMS plan as part of its proposal, the contracting officer shall forward a copy of the plan to the cognizant ACO or responsible Federal department or agency and obtain their assistance in determining the adequacy of the proposed EVMS plan.
- (c) The contracting officer shall insert a clause that is substantially the same as the clause at 52.234-X3, Earned Value Management System, in solicitations and contracts that require a contractor to use an earned value management system (EVMS).

PART 52--SOLICITATION PROVISIONS AND CONTRACT CLAUSES

8. Add sections 52.234-X1, 52.234-X2, and 52.234-X3 to read as follows:

52.234-X1 Notice of Earned Value Management System.

As prescribed in 34.X03(a) use the following provision:

Notice of Earned Value Management System (Date)

- (a) The offeror shall provide documentation that the cognizant Administrative Contracting Officer (ACO) or a Federal department or agency has recognized that the proposed earned value management system (EVMS) complies with the EVMS guidelines in ANSI/EIA Standard-748 (current version at time of solicitation).
- (b) If the offeror proposes to use a system that does not meet the requirements of paragraph (a) of this provision, the offeror shall submit a comprehensive plan for compliance with the EVMS guidelines.
 - (1) The plan shall--
 - (i) Describe the EVMS the offeror intends to use in performance of the contracts;
 - (ii) Distinguish between the offeror's existing management system and modifications proposed to meet the guidelines;

**A Framework for Developing Earned Value Management Systems (EVMS) Policy
for Information Technology (IT) Projects – December 5, 2005**

- (iii) Describe the management system and its application in terms of the EVMS guidelines;
 - (iv) Describe the proposed procedure for administration of the guidelines, as applied to subcontractors; and
 - (v) Provide documentation describing the process and results of any third-party or self-evaluation of the system's compliance with the EVMS guidelines.
- (2) The offeror shall provide information and assistance as required by the Contracting Officer to support review of the plan.
- (3) The Government will review the offeror's plan for EVMS before contract award.
- (c) Offerors shall identify the major subcontractors, or major subcontracted effort if major subcontractors have not been selected, planned for application of the guidelines. The prime Contractor and the Government shall agree to subcontractors selected for application of the EVMS guidelines.
- (End of provision)

52.234-X2 Notice of Earned Value Management System--Pre-Award IBR.

As prescribed in 34.X03(b), use the following provision:

Notice of Earned Value Management System, Pre-Award IBR (Date)

- (a) The offeror shall provide documentation that the cognizant Administrative Contracting Officer (ACO) or a Federal department or agency has recognized that the proposed earned value management system (EVMS) complies with the EVMS guidelines in ANSI/EIA Standard-748 (current version at time of solicitation).
- (b) If the offeror proposes to use a system that does not meet the requirements of paragraph (a) of this provision, the offeror shall submit a comprehensive plan for compliance with the EVMS guidelines.
- (1) The plan shall--
- (i) Describe the EVMS the offeror intends to use in performance of the contracts;
 - (ii) Distinguish between the offeror's existing management system and modifications proposed to meet the guidelines;
 - (iii) Describe the management system and its application in terms of the EVMS guidelines;
 - (iv) Describe the proposed procedure for administration of the guidelines, as applied to subcontractors; and
 - (v) Provide documentation describing the process and results of any third-party or self-evaluation of the system's compliance with the EVMS guidelines.
- (2) The offeror shall provide information and assistance as required by the Contracting Officer to support review of the plan.

***A Framework for Developing Earned Value Management Systems (EVMS) Policy
for Information Technology (IT) Projects – December 5, 2005***

(3) The Government will review and approve the offeror's plan for EVMS before contract award.

(c) Offerors shall identify the major subcontractors, or major subcontracted effort if major subcontractors have not been selected subject to the guidelines. The prime Contractor and the Government shall agree to subcontractors selected for application of the EVMS guidelines.

(d) The Government will conduct an Integrated Baseline Review (IBR), as designated by the agency, prior to contract award. The objective of the IBR is for the Government and the Contractor to jointly assess technical areas, such as the Contractor's planning, to ensure complete coverage of the contract requirements, logical scheduling of the work activities, adequate resources, methodologies for earned value (budgeted cost for work performed (BCWP)), and identification of inherent risks.

(End of provision)

52.234-X3 Earned Value Management System.

As prescribed in 34.X03(c), insert the following clause:

Earned Value Management System (Date)

(a) In the performance of this contract the Contractor shall use an earned value management system (EVMS) to manage the contract that at the time of contract award has been recognized by the cognizant Administrative Contracting Officer (ACO) or a Federal department or agency as compliant with the guidelines in ANSI/EIA Standard-748 (current version at time of award) and the Contractor will submit reports in accordance with the requirements of this contract.

(b) If, at the time of award, the Contractor's EVMS has not been recognized by the cognizant ACO or a Federal department or agency as complying with EVMS guidelines (or the Contractor does not have an existing cost/schedule control system that is

[[Page 17949]]

compliant with the guidelines in ANSI/EIA Standard-748 (current version at time of award)), the Contractor shall apply the system to the contract and shall be prepared to demonstrate to the ACO that the EVMS complies with the EVMS guidelines referenced in paragraph

(a) of this clause.

(c) Agencies may conduct Integrated Baseline Reviews (IBR). If a pre-award IBR has not been conducted, such a review shall be scheduled as early as practicable after contract award, but not later than 180 days after award. The Contracting Officer may also require an IBR at (1) exercise of significant options or (2) incorporation of major modifications. Such reviews will normally be scheduled before award of the contract action.

(d) Unless a waiver is granted by the ACO or Federal department or agency, Contractor proposed EVMS changes require approval of the ACO or Federal department or agency, prior to implementation. The ACO or Federal department or agency, shall advise the Contractor of the acceptability of such changes within 30 calendar days after receipt of the notice of proposed

***A Framework for Developing Earned Value Management Systems (EVMS) Policy
for Information Technology (IT) Projects – December 5, 2005***

changes from the Contractor. If the advance approval requirements are waived by the ACO or Federal department or agency, the Contractor shall disclose EVMS changes to the ACO or Federal department or agency at least 14 calendar days prior to the effective date of implementation.

(e) The Contractor agrees to provide access to all pertinent records and data requested by the Contracting Officer or a duly authorized representative. Access is to permit Government surveillance to ensure that the EVMS conforms, and continues to conform, with the performance criteria referenced in paragraph (a) of this clause.

(f) The Contractor shall require the subcontractors specified below to comply with the requirements of this clause: [Insert list of applicable subcontractors.]

(End of clause)

[FR Doc. 05-6864 Filed 4-7-05; 8:45 am]