



ACRONYMS

ACWP Actual Cost of Work Performed	Cost actually incurred in accomplishing work performed	= ACTUAL COST
AUW Authorized Unpriced Work	Work contractually approved, but not yet negotiated / definitized	
BAC Budget At Completion	Total budget for total contract thru any given level	
BCWP Budgeted Cost for Work Performed	Value of completed work in terms of the work's assigned budget	= EARNED VALUE
BCWS Budgeted Cost for Work Scheduled	Time-phased Budget Plan for work currently scheduled	= PLANNED VALUE
CA Control Account	Lowest CWBS element assigned to a single focal point to plan & control scope / schedule / budget	
CBB Contract Budget Base	Sum of NCC & AUW	
EAC Estimate At Completion	Estimate of total Cost for total contract thru any given level generated by Ktr, PMO, DCMA, etc. = $EAC_{Ktr} / PMO / DCMA$	
LRE Latest Revised Estimate	Ktr's EAC or EAC_{Ktr}	
MR Management Reserve	Budget withheld by Ktr PM for unknowns / risk management	
NCC Negotiated Contract Cost	Contract Price Minus profit or fee(s)	
OTB Over Target Baseline	Sum of CBB + additional budget approved for remaining work	
PAC Price At Completion	EAC Plus Adjusted Profit or Fee(s)	
PMB Performance Measurement Baseline	Contract time-phased budget plan	
PP Planning Package	Far-term CA activities not yet defined into WPs	
SLPP Summary Level Planning Package	Far-term contract activities not yet defined into CAs	
TAB Total Allocated Budget	Sum of all budgets for work on contract = NCC, CBB, or OTB	
TCPI To Complete Performance Index	Efficiency needed from 'time now' to achieve a Cost Target = $BAC, LRE, \text{ or } EAC$	
UB Undistributed Budget	Broadly defined activities not yet distributed to CAs or SLPPs	
WP Work Package	Near-term, detail-planned activities within a CA	

VARIANCES Positive is Favorable, Negative is Unfavorable

Cost Variance	CV = $BCWP - ACWP$
	CV % = $(CV / BCWP) * 100$
Schedule Variance	SV = $BCWP - BCWS$
	SV % = $(SV / BCWS) * 100$
Variance at Completion	VAC = $BAC - EAC$
	VAC % = $(VAC / BAC) * 100$

OVERALL STATUS

% Schedule	= $(BCWS_{CUM} / BAC) * 100$
% Complete	= $(BCWP_{CUM} / BAC) * 100$
% Spent	= $(ACWP_{CUM} / BAC) * 100$

EFFICIENCIES

Cost Efficiency	CPI = $BCWP / ACWP$	Favorable is > 1.0, Unfavorable is < 1.0
Schedule Efficiency	SPI = $BCWP / BCWS$	Favorable is > 1.0, Unfavorable is < 1.0

BASELINE EXECUTION INDEX (BEI) & Hit Task %

BEI = Total Tasks Completed / (Total Tasks with Baseline Finish On or Prior to Current Report Period)

Hit Task % = $100 * (\text{Tasks Completed ON or PRIOR to Baseline Finish} / \text{Tasks Baselined to Finish within Current Report Period})$

ESTIMATE @ COMPLETION = ACTUALS TO DATE + [(REMAINING WORK) / (PERFORMANCE FACTOR)]

EAC_{CPI}	= $ACWP_{CUM} + [(BAC - BCWP_{CUM}) / CPI_{CUM}]$
$EAC_{Composite}$	= $ACWP_{CUM} + [(BAC - BCWP_{CUM}) / (CPI_{CUM} * SPI_{CUM})]$

TO COMPLETE PERFORMANCE INDEX (TCPI) §

$TCPI_{Target}$ = Work Remaining / Cost Remaining = $(BAC - BCWP_{CUM}) / (Target - ACWP_{CUM})$

§ To Determine the TCPI for BAC, LRE, or EAC Substitute TARGET with BAC, LRE, or EAC
 # To Determine the Contract Level TCPI for EAC, You May Replace BAC with TAB

EVM POLICY: DoDI 5000.02, Enclosure 1, Table 8.

EVMS in accordance with EIA-748 is required for cost or incentive contracts, subcontracts, intra-government work agreements, & other agreements valued $\geq \$20M$ (TY \$). Contracts $\geq \$100M^{\#}$ (TY \$) require that the EVMS be formally validated by the cognizant contracting officer. $\#$ Class Deviation-Earned Value Management System Threshold (9/1/15)
 EVM is discouraged on Firm-Fixed Price, Time & Material Contracts, & LOE activities regardless of cost. Refer to the IPMR Implementation Guide for IPMR Tailoring Guidance.

DoD's EVM CONTRACTING REQUIREMENTS:

DFARS CLAUSES	252.234-7001 "NOTICE OF EVMS" FOR SOLICITATIONS
	252.234-7002 "EVMS" FOR SOLICITATIONS & CONTRACTS
	252.242-7005 "CONTRACTOR BUSINESS SYSTEMS" FOR SOLICITATIONS & CONTRACTS
CONTRACT PERFORMANCE REPORT	DI-MGMT-81466A 5 FORMATS = WBS, ORGANIZATION, BASELINE, STAFFING, EXPLANATIONS & PROB ANALYSES
INTEGRATED MASTER SCHEDULE	DI-MGMT-81650 MANDATORY FOR DoD EVMS CONTRACTS
Integrated Program Mngt Report	DI-MGMT-81861 * 7 FORMATS = WBS, OBS / IPT, BASELINE, STAFFING, EXPLANATIONS & PROB ANALYSES, IMS, HISTORY / FORECAST COST
INTEGRATED BASELINE REVIEW	MANDATORY FOR ALL EVMS CONTRACTS
WBS For Defense Materiel Items	MIL-STD-881-C

* Combines & Supersedes DI-MGMT-81466A & 81650; Effective July 1, 2012

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