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How EVMS fits into the Contract Administrative Office (CAO) area of Responsibilities in accordance with FAR 42.302?

Overview of FAR 42.302 & How EVM/ EVMS Fits

- Multifunctional Teams provide most of the Contract administration functions details are provided in FAR 42.302 (a)
- Earned Value Management (EVM) Program Analysis is the main service provided – this service is provided by the various multifunctional teams
 - Contract Management Team (CMT)
 - Program Support Team (PST)
 - Support Program Support Team (SPST)
- Earned Value Management System (EVMS) Surveillance feeds into these functions by ensuring the contractor EVM data is accurate

FAR 42.302 Discussion

- FAR 42.302 (a) Contract Administration Functions
 - These FAR elements are the foundation of the DCMA Multifunctional Team

Subpart 42.3—Contract Administration Office Functions

42.301 General.

When a contract is assigned for administration under [Subpart 42.2](#), the contract administration office (CAO) shall perform contract administration functions in accordance with 48 CFR Chapter 1, the contract terms, and, unless otherwise agreed to in an interagency agreement (see [42.002](#)), the applicable regulations of the servicing agency.

42.302 Contract administration functions.

(a) The contracting officer normally delegates the following contract administration functions to a CAO. The contracting officer may retain any of these functions, except those in paragraphs (a)(5), (a)(9), (a)(11) and (a)(12) of this section, unless the cognizant Federal agency (see [2.101](#)) has designated the contracting officer to perform these functions.

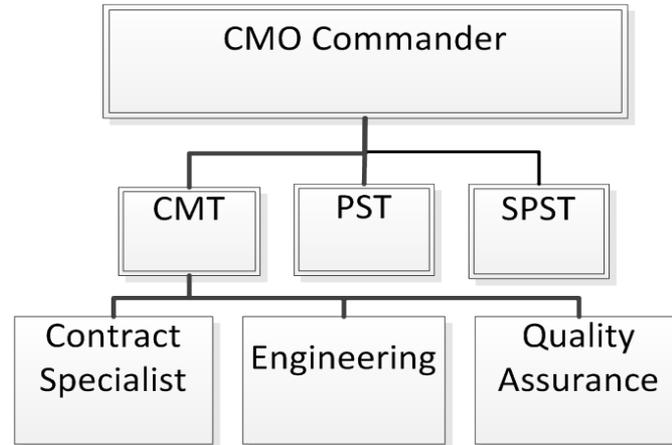
(1) Review the contractor's compensation structure.

(2) Review the contractor's insurance plans.

(3) Conduct post-award orientation conferences.

(4) Review and evaluate contractors' proposals under [Subpart 15.4](#) and, when negotiation will be accomplished by the contracting officer, furnish comments and recommendations to that officer.

The Contract Management Office (CMO) – Contract Management Team (CMT)





Multifunctional Teams - CMT

- DCMA multifunctional teams
 - Contract Management Team (CMT)
 - Program Support Team (PST)
 - Support Program Support Team (SPST)
- The CMT is a standing group of personnel within a Contract Management Office (CMO)
- Establishment of the CMT to provide CAS is in accordance with Federal Acquisition Regulation (FAR) 42.302 (a)

Contract Management Team (CMT) Definition

■ Definition

- The CMT is a group of CMO functional specialists assigned to a contract who:
 - Review new contracts and/or modifications on existing contracts
 - Perform an initial contract review
 - Determine skill-set and PST organizational and surveillance requirements to support new major programs
 - As deemed necessary by the Administrative Contracting Officer (ACO), conduct a Post Award Orientation Conference (PAOC) with all CMT members assigned to that contract

CMT Contract Review Duties

- Reviewing New Contracts and/or Modifications on Existing Contracts
 - The CMO receives a new contract or modification
 - Multifunctional personnel are assigned by the CMO Commander or designee to the CMT to perform the initial Contract Receipt and Review (CRR)
 - This activity is driven and in accordance with FAR 42.302 (a)

CMT Contract Receipt and Review

- Perform Initial Contract Receipt and Review
 - Determine the CMO's ability to accept CAS responsibility of the contract including contract deficiencies
 - Identify what clauses, special requirements, statement of work (SOW), statement of objectives (SOO), data rights, data markings, and contract data requirements list (CDRL)/supplier data requirements list (SDRL) are on contract
 - Review the (CDRL/SDRL) to ensure the appropriate Data Item Description (DID) is referenced
 - Identify any information security or International Traffic in Arms Regulations (ITAR)
 - Period of Performance (PoP)
 - Dollar Value
 - Major Program Thresholds
 - Earned Value Management Thresholds (>\$20M)
 - What functions need to be assigned to provide CAS based on the scope of work
 - Determine the need for a Post Award Orientation Conference (PAOC)



CMT Program Support Team (PST) Duties

- Determines skill-set and PST organizational requirements to support new major programs
 - Two situations:
 - CMT determines the need for a PST and outlines the CAS requirements for CMO and DCMA Senior Leadership decision
 - The ACO must meet with the CMT to determine the extent of surveillance to be performed
 - CMT develops the initial surveillance plan and organizational structure
 - Transition contract surveillance and oversight once a PST is established
 - For non-major programs, the CMT performs CAS regardless based on the specifications of the contract and scope
 - There is an exception for EVM Analysis
 - » DCMA only performs EVM program analysis for non-major programs if the customer wants it and there is a MOA/Delegation in place
 - EVMS system surveillance is still required in accordance with federal regulation



Multifunctional Support on a CMT

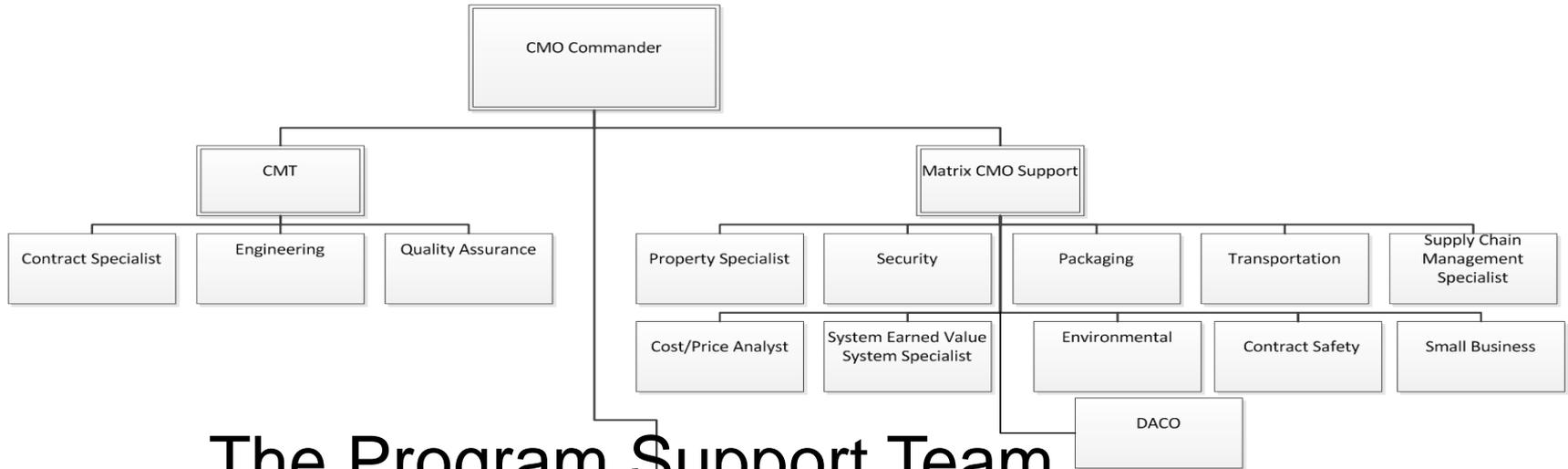
- Multifunctional Personnel Supporting a CMT:
 - Can range from a Contracting, Quality Assurance, Engineering, EVM Specialist etc.
 - Further CAS support is determined and assigned based on the specifications of the contract



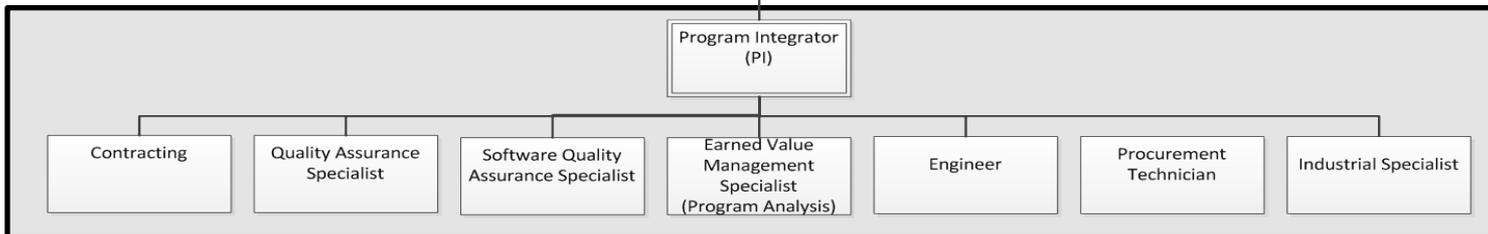
Multifunctional Teams - PST

- DCMA multifunctional teams
 - Contract Management Team (CMT)
 - Program Support Team (PST)
 - Support Program Support Team (SPST)
- After the contract is determined to require Major Program Support, a PST is assembled with DCMA Senior Leadership concurrence and then the CMO Commander issues a PST Letter based on the contract scope. Many major programs have Earned Value Management (EVM) on contract
- Establishment of the PST to provide CAS is in accordance with Federal Acquisition Regulation (FAR) 42.302 (a, 67)

Organization Chart with PST



The Program Support Team



PST Assembly

- After the contract is determined to require Major Program Support, a PST is assembled with DCMA Senior Leadership concurrence and then the CMO Commander issues a PST Letter based on the contract scope. Many major programs have Earned Value Management (EVM) on contract

PST Team Definition

- A Program Support Team (PST):
 - Multifunctional Team lead by a Program Integrator supporting a major program
 - Contains resources from various functional areas
 - Positively **INFLUENCES** program success in accordance with FAR 42.302 (a) (67)

PST FAR 24.302 (a) (67)

- FAR 42.302 (a) (67)

“Support the program, product, and project offices regarding program reviews, program status, program **PERFORMANCE** and actual or **ANTICIPATED** program problems”

PST Responsibilities

Positive Influence of DCMA PST Support

As a collective unit, PST Members are responsible:

- **PERFORMANCE = Quantifying Cost, Schedule and Technical issues, risks and trends**
- **ANTICIPATED = Predictive Analysis**

PST Duties

- The PST:
 - Performs CRR on follow-on contracts and modifications
 - Supports the PAOC as determined by the ACO
 - Provides a monthly analysis and a report to internal and external customers
 - Status
 - Performance
 - Predictive Analysis
 - Develops, executes and updates a surveillance plan
 - Provides functional surveillance plans to include in the overarching contract surveillance plan
 - Attends PST, contractor, and customer meetings
 - **Performs independent risk and issue identification quantifying cost and schedule**
 - **Analyzes earned value management data as applicable to each functional area**
 - **Performs predictive analysis**
 - Provides Integrated Baseline Review (IBR) support , if requested

Key/Core PST Members

- Key PST Members
 - Program Integrator
 - Quality Assurance Specialist
 - Earned Value Management Specialist (Program Analysis)

- Core PST Members
 - Contracting
 - Software Quality Assurance
 - Engineer
 - Software
 - Systems
 - Industrial
 - Procurement Technician
 - Industrial Specialist

Program Integrator (PI) PST Roles

- Leads and coordinates the Program Support Team (PST)
- Integrates all aspects of contract administration to achieve program specific objectives
- Verifies completion of CRR
- Establishes goals and priorities ensuring the proper skill-set
- Establishes communication lines between DCMA upper management, the contractor, and the PMO and attends all pertinent meetings
- Develops, maintains, and executes an overarching surveillance plan
- Reviews functional surveillance plans to ensure customer requirements are captured
- Recommends surveillance adjustments based on PST surveillance status, performance and predictive insight
- Establishes and negotiates a memorandum of agreement, when required
- Ensure multifunctional delegations are issued and maintained
- Develops and submits the monthly report highlighting future program performance
- Primary representative to the customer and the contractor
- Assesses contract performance
- Predicts future performance
- Makes actionable recommendations based current status, issues, and risks

Quality Assurance Specialist PST Roles

- Assure contract technical performance
- Accepts products/technical services and authorizes delivery, on behalf of the Government
- Identifies non-conformances/non-compliances and issues CARs
- Tracks CAP status for issued CARs
- Inspect, test, and accept products, supplies, and services
- Conduct risk assessments and develop risk plans to mitigate risks
- Monitor contractor quality and performance
- Observe production activities and monitor quality
- Audits product and contractor Quality Management Systems (QMS)
- Perform Data Collection and Analysis
- Witness First Article Testing / Production Lot Testing
- Support Material Review Boards (MRB), addressing deviations and non-conforming materials
- Support Physical Configuration Audit (PCA) and Functional Configuration Audit (FCA)
- Verify Critical Safety Item (CSI) Management
- Provides inputs to monthly reporting



Earned Value Management Specialist (Program Analysis) PST Roles

- Analyze EVM program data as applicable to each functional area
- Provide IBR support
- Provide an independent contract cost and schedule forecast based on EVM analysis, functional surveillance and risk and issue identification
- Report on the contractor's integrity to maintaining and performing to the performance measurement baseline
- Assess contractor and customer cost and schedule projections for reasonableness
- Performs schedule risk analysis (SRA)
- Assembles EVM surveillance planning
- Provides the DCMA independent EAC and ECD
- Analyzes the contractor's reports and deliverables and provides a monthly report
- At times, may be also responsible for EVMS surveillance



Additional PST Support

- Divisional Administrative Contracting Officer
- Property Specialist
- Transportation
- Security
- Packaging
- Cost/Price Analyst
- **System's Earned Value Management Specialist – provides insight into data quality (can you trust the contractor's EVMS to deliver accurate information)**
- Environmental
- Facility Safety
- Supply Chain Management Specialist
- Small Business

EVMS – System EV Surveillance

- System Earned Value Management Specialist
 - Plans, organizes and conducts a program of surveillance to ensure that the contractor’s management control system complies with EVMS
 - Create and issue a surveillance plan for system surveillance
 - Ensure the validated EVMS system continues to remain compliant
 - Conducts risk assessments and develops plans for the review and surveillance of program EVM(S) used by major defense contractors at the various Contract Management Offices (CMOs) within DCMA and other Government organizations
 - Analyzes and interprets high level, broadly stated DoD and DCMA directives and instructions to determine proper application within the EVM(S) context
 - Prepares a Corrective Action Request (CAR) for noncompliant areas in a timely manner, e.g., identifies a persistent pattern of variance from an accepted production standard
 - Reviews and clarifies contractor response for Corrective Action Plan (CAP) adequacy and, if acceptable, establishes benchmarks for follow-on reviews. Determines acceptability of results, and if condition is not sufficiently improved, prepares documentary basis for escalating the issue
 - Participate as a team member in Compliance Reviews to evaluate EVM control systems for contractor validation
 - Consults daily with high-level government site or supplier personnel performing data traces, interviewing contractor personnel, reporting issues, and identifying contractor system description discrepancies to the ANSI/EIA-748 area and process criteria
 - Prepares required documentation and written recommendations that constitute the basis for validation decisions, as well as attends any required meetings
 - Provides inputs to monthly reporting, as needed

PST Member General Duties

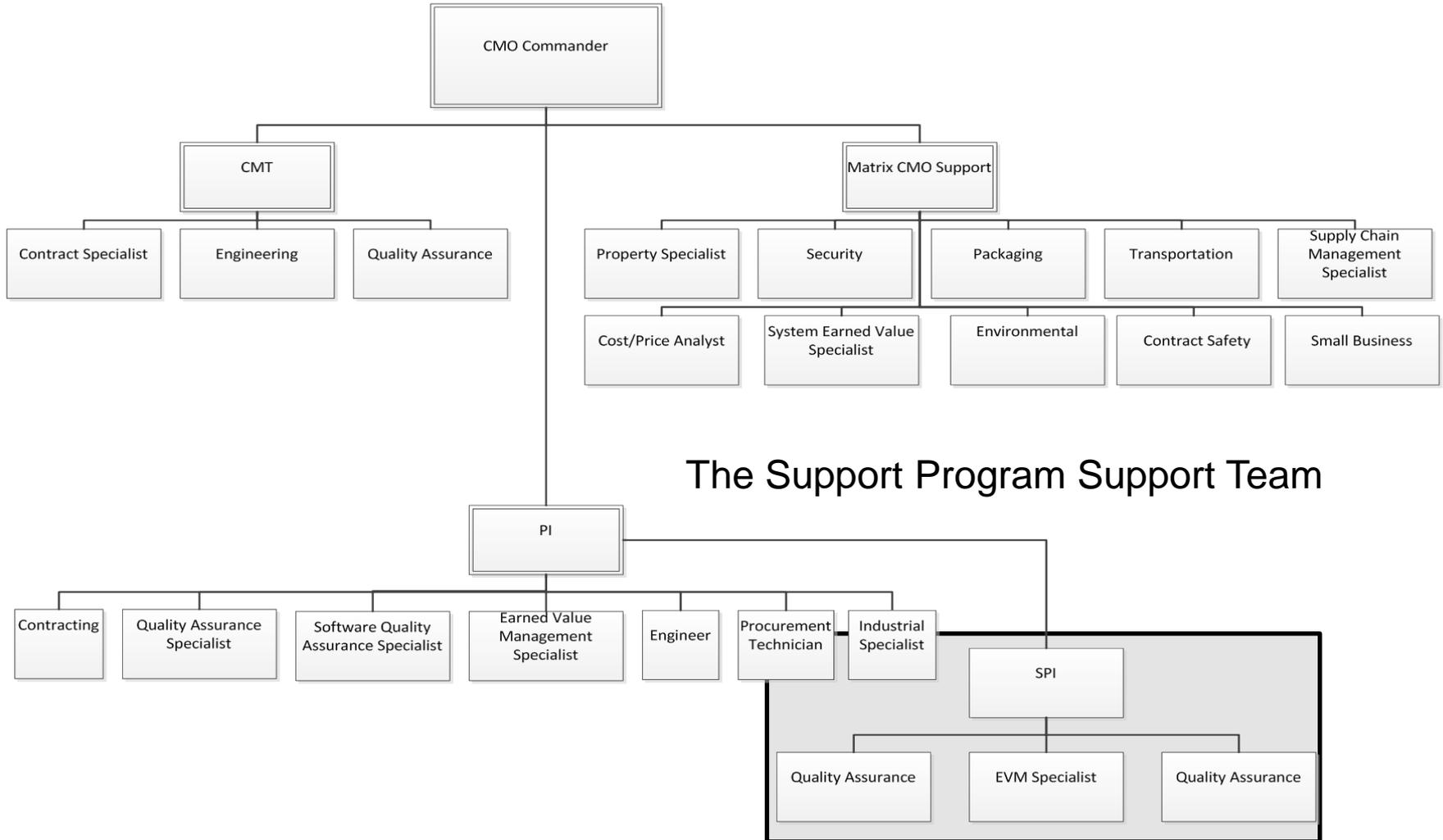
- ALL Multifunctional Personnel supporting a PST (regardless of function):
 - Work together to determine contract **performance**
 - Use their surveillance as a foundation for identifying risks and issues that independently highlight **anticipated** contract cost and schedule risks and significant issues
 - Perform CRR
 - Foundation of surveillance
 - Identifies Prime contractor requirements
 - Identifies subcontractor flow-down requirements
 - Stimulates functional or multifunctional letters of delegations to the cognizant DCMA of the subcontractor
 - Multifunctional LoDs require an SPST



Multifunctional Teams - SPST

- DCMA multifunctional teams
 - Contract Management Team (CMT)
 - Program Support Team (PST)
 - Support Program Support Team (SPST)
- The cognizant CMO accepts the LoD and assigns a Support Program Integrator (SPI) and Support Program Support Team (SPST) based on the requirements discussed and negotiated in the multifunctional LoD

Organization Chart Showing SPST



When is an SPST Required?

- During CRR, the Program Integrator and EVM Specialist identified subcontractor flow-down requirements for EVM and other sub-tier functions
- A multifunctional delegation is always required if:
 - EVM is flowed down to the subcontractor level
 - \geq \$20M for cost reimbursable or incentive fee contracts
 - EVM and EVMS is flowed down to the subcontractor level
 - \geq \$50M for cost reimbursable or incentive fee contracts
 - The subcontractor is a major program supplier that represents a \geq 20% of the contract acquisition cost
- This requirement drives the need for a multifunctional letter of delegation to a cognizant DCMA of that supplier



Multifunctional SPST Delegation

- Communication lines are opened by the Prime with the cognizant DCMA functional directors
- Specific contractual surveillance activities are discussed and negotiated for inclusion into the Letter of Delegation (LoD)
- The cognizant CMO accepts the LoD and assigns a Support Program Integrator (SPI) and Support Program Support Team (SPST) based on the requirements discussed and negotiated in the multifunctional LoD

Establishing a SPST

- The CMO Commander at the Subcontractor's facility has to accept the multifunctional delegation. The Commander then assigns a SPI, and a supporting multifunctional team (EVM Program Specialist, and Quality Assurance Specialists) to form and SPST supporting the contract

SPST Support Program Integrator (SPI)

- Leads and coordinates the SPST
- Attends PST meetings and contractor meetings, as required
- Reviews purchase orders
- Integrates all aspects of delegated contract administration to achieve program specific objectives
- Establishes goals and priorities ensuring the proper skill-set
- Develops, maintains, and executes a surveillance plan
- Reviews functional surveillance plans to ensure delegated requirements are captured
- Recommends surveillance adjustments based on SPST surveillance status, performance and predictive insight
- Ensure multifunctional delegations are executed and current
- Assembles a monthly report for the prime PST
- Primary representative to the Program Integrator and the contractor
- Assesses contract performance
- Predicts future performance
- Makes actionable recommendations based current status, issues, and risks
- Provides Integrated Baseline Review (IBR) support, as necessary

SPST Functional Support

- Reviews purchase orders
- Provides a monthly analysis and a report as specified in the LoD
 - Status
 - Performance
 - Predictive Analysis
- Develops and updates functional surveillance plans
- Attends SPST, contractor, and Prime PST meetings
- **Performs independent risk and issue identification quantifying cost and schedule**
- **Analyzes earned value management data as applicable to each functional area**
- **Performs predictive analysis**
- Provides Integrated Baseline Review (IBR) support

SPST - Very Similar to a PST

- Multifunctional Personnel Supporting a SPST:
 - Can mirror the same players as a PST
 - If Earned Value Management is captured in the LoD (\geq \$20M), the SPST must have a person assigned to perform EVM analysis and system surveillance
 - Note: This person might perform multiple functions (e.g., Engineering and EVM Analysis)
 - If Earned Value Management is captured in the LoD (\geq \$50M), the SPST must have a person assigned to perform EVM analysis and system surveillance, and validation is required
 - Determined and assigned based on the specifications and requirements of the letter of delegation

Summary

- DCMA multifunctional teams are the foundation of our Agency's support
- There are three different types of multifunctional teams that provide three distinct roles: CMT, PST, SPST
- All three multifunctional teams provide surveillance/service consisting of statusing, **tracking performance**, and **providing predictive analysis**
- Formation of these teams and the services they provide are driven by the FAR