

DFARS Procedures, Guidance, and Information

PGI 234—Major System Acquisition

(Added April 23, 2008)

PGI 234.2—EARNED VALUE MANAGEMENT SYSTEM

PGI 234.201 Policy.

(1)(iii) When the program manager decides to implement earned value management on contracts and subcontracts valued at less than \$20,000,000, a cost-benefit analysis shall be conducted and the results documented in the contract file. Considerations for determining the effectiveness of applying earned value management in these situations and guidance for tailoring reporting can be found in—

(1) The Defense Acquisition Guidebook, Chapter 11, Section 11.3, at <https://akss.dau.mil/dag/DoD5000.asp?view=document>; and

(2) The DoD Earned Value Management Implementation Guide at <https://acc.dau.mil/CommunityBrowser.aspx?id=19557>.

(iv) In extraordinary cases where cost/schedule visibility is required and cannot be obtained using other means, the program manager shall request a waiver for individual contracts from the Milestone Decision Authority. In these cases, the program manager will conduct a business case analysis that includes rationale as to why a cost or fixed-price incentive contract was not an appropriate contracting vehicle. Considerations for determining the effectiveness of applying earned value management in these situations and guidance for tailoring reporting can be found in—

(1) The Defense Acquisition Guidebook, Chapter 11, Section 11.3, at <https://akss.dau.mil/dag/DoD5000.asp?view=document>; and

(2) The DoD Earned Value Management Implementation Guide at <https://acc.dau.mil/CommunityBrowser.aspx?id=19557>.

(2) The procuring contracting officer shall obtain the assistance of the administrative contracting officer in determining the adequacy of an earned value management system (EVMS) plan that an offeror proposes for compliance with ANSI/EIA-748, under the provision at DFARS 252.234-7001, Notice of Earned Value Management System. The Government will review and approve the offeror's EVMS plan before contract award. Instructions for performing EVMS plan reviews can be found at <http://guidebook.dema.mil/39/instructions.htm>.

(4) Additional guidance on earned value management can be found in—

(A) The Guidebook for Earned Value Management System (EVMS) System-Level Surveillance at <http://guidebook.dema.mil/79/instructions.htm>;

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(B) The Guidebook for Earned Value Management System - Program Analysis at http://guidebook.dema.mil/248/guidebook_process.htm; and

(C) The Program Managers' Guide to the Integrated Baseline Review Process (the IBR Guide) at <http://www.acq.osd.mil/pm/currentpolicy/currentpolicy.html>.