



**Earned Value Management System Center (EVMSC)
Business Practice 5
EVMS Request for Compliance Assessment (RCA)**

Effective Date:	December 11, 2023
DAI Code(s):	D4000 – Surveillance Planning D5461 – EVMS System Compliance D6000 – Analyze Results
Point(s) of Contact:	Danielle Bemis, Policy Lead Keven Davis, Policy Lead

Purpose: Defines the process for the EVMS Center personnel to conduct stakeholder EVMS RCAs.

Reference(s):

1. **Federal Acquisition Regulation (FAR)**
 - a. 34.201: Earned Value Management System Policy
 - b. 42.202(e)(2): Assignment of contract administration
2. **Defense Federal Acquisition Regulation (DFARS)**
 - a. 242.302 (S-71): Contract Administration Functions
 - b. DFARS 252.234-7002: Earned Value Management System
3. **234.203 Solicitation provisions and contract clause, EVMS Threshold Class Deviation Memo**
4. **Department of Defense Earned Value Management System Interpretation Guide (EVMSIG)**
5. **Electronic Industries Alliance (EIA) 748**
 - a. EVMS Standard 32 Guidelines
6. **DCMA Manual**
 - a. 2303-01: Surveillance
 - b. 2301-01: Contractor Business Systems

Roles and Responsibilities:

1. **Director**
 - a. Ensures compliance with this BP.
 - b. Ensures internal EVMSC developed training, guidance and tools align with this BP.
 - c. Assist and mentor the workforce with the implementation and execution of this BP.
 - d. Elevates through the chain of command unresolved challenges, including gaps, in executing the processes and procedures of this BP.
 - e. Ensures the EVMS Center has a process in place to review documentation and provide advice on identified weaknesses to the cognizant Contract Management Office (CMO) as identified by execution of this BP.

2. **Group Lead**

- a. Ensures compliance with this BP.
- b. Assigns responsibilities to the Team as outlined in this business practice.
- c. Serves as the conduit between the Segment Lead and the EVMS Center Director to resolve gaps in policy/manuals/guidance.
- d. Assist and mentor the workforce with the implementation of this BP.
- e. Provides oversight of the team's effort and supports communications with the cognizant Contracting Officer (CO), DCMA Contract Management Office (CMO), the Program Management Office (PMO) and the contractor.
- f. Coordinate and communicate review results with the appropriate stakeholders.

3. **Segment Lead**

- a. Ensures compliance with this BP.
- b. Plans, schedules and executes this business practice in coordination with the Group Lead.
- c. Communicates status with the CO, CMO, PMO, and contractor, as applicable.
- d. Assigns and oversees the efforts of the assigned EVMS Specialist(s) in accordance with the process defined below, ensuring resources are properly allocated.
- e. Coordinate with CO on the supplier's business system status.
- f. Ensures that submitted work products are timely, accurate and distributed appropriately.

4. **EVMS Specialist**

- a. Complies with this BP and other issued directives.
- b. Executes the process defined in this BP as directed by the Segment Lead and Group Lead.
- c. Accurately documents all compliance activities.
- d. Maintains appropriate level of communications with Segment Lead.

5. **Contracting Officer** (referred to as "CO" in this issuance). Coordinate with the EVMS Center for review of contractor's EVMS.

PROCESS:

1. **Overview:** EVMS assessments shall be conducted in accordance with applicable overarching DCMA surveillance policies as well as the requirements of this business practice at all prime contractor and subcontractor sites where a Request for Compliance Assessment (RCA) has been identified by the PM, EVMS functional specialist, and/or other stakeholder organizations. The responsibilities and procedures contained herein are equally applicable for assessing compliance for both prime contracts and subcontracts alike as defined in FAR 34.201. Except where specifically stated within this business practice, the term "contractor" applies equally to subcontractors as well as prime contractors, and specifically establishes a requirement for communication with the prime contractor associated with the subcontractor and the cognizant CO.

An RCA is a focused assessment of a contractor's EVMS, comprised of an EVM System Description (SD), command media, processes, related tools, and the contractor's ability to implement the EVM system on contracts with a DFARS EVMS

requirement. The RCA should be limited to only the system processes affected, in order to minimize programmatic disruptions and ensure the greatest return for resources expended. The RCA is applicable to EVMS contracts valued greater than \$20M where the stakeholder deems the reporting data quality appears suspect. The primary objectives of the RCA are to:

- Ensure accuracy of performance data generated for government contracts.
- Determine if the system acceptance should be withdrawn.
- Assess and ensure correction of identified issues, including below-threshold contracts, which do not require a formally accepted system nor continuing surveillance.

PLAN:

2. Receive RCA – Stakeholder(s) contacts DCMA EVMS center regarding concerns on an applicable contractor's EVMS. Stakeholders may include, and are not limited to:
 - a) Procuring Contracting Officer (PCO)
 - b) Program Management Office (PMO)
 - c) DCMA Cognizant Contracting Officer (CO)
 - d) DCMA CMO Program Integrator (CMO-PI)
 - e) Nunn-McCurdy Integrated Program Team (IPT)
 - f) Prime contractor (for subcontractor issues)
3. Identify Stakeholder Concerns – The appropriate EVMSC Segment Lead coordinates with the RCA initiator to discuss the concerns and obtain a brief history of the program challenges and stakeholder interaction with the contractor.
 - a) Ensure the RCA includes only contracts containing the applicable EVMS clauses or the commensurate flow-down clause from a prime contract to a subcontract. EVMSC does not review contracts without the applicable EVMS clause.
 - b) Discuss and document concerns of the stakeholder in the Intake and Analysis Form (IAF) (Attachment A). Ascertain the status of the program, performance issues, technical concerns, or ongoing disagreements. Additional items to consider may include period of performance, percent complete, and cost/schedule performance. Identify actions taken by customer and CMO to address programmatic issues or potential weaknesses.

4. Document Stakeholder Concerns – The Segment Lead or delegated EVMS Specialist conducts a preliminary assessment of the stakeholder concerns and collects information on the contractor's EVMS using BP5 Attachment A - Intake and Analysis Form (IAF). The assessment shall consider the following at a minimum:
 - a) Determine if any contract data requirements list (CDRLs) have been rejected and if so, identify the reasons that were provided for the rejection and verify status of the contractor response.
 - b) Contact CMO PI/EVM-specialist to obtain reports and discuss local concerns on the program and system.
 - c) Review applicable Contractor Business System (CBS) assessment(s) to ascertain CO entered system status.
 - d) Research any recently closed, or opened, EVM-related CARs.
 - e) Determine the number of contracts for the facility that include the EVMS clause in order to identify overall EVM system risk impacts.
 - f) Identify whether EVMSC has recently performed an applicable surveillance event.
 - g) Inquire about major subcontractors and determine subcontract value and if the EVMS clause was appropriately flowed down.
 - h) Utilize contractual deliverable data for the intake and analysis form. Do not request additional EVMS data from the supplier for the completion of the IAF.
 - i) Determine if the concerns identified can be associated with specific guidelines or process areas.
 - j) Identify potential system-level issues and potential sources of these issues.
5. Risk Assessment –If applicable, the resulting risk assessment shall be evaluated per the relevant Business Practice.
6. Disposition on how to proceed with RCA – The EVMSC Segment Lead presents the results and recommendation to the Group Lead to determine the course of action:
 - a) If the contract(s)/purchase orders in the RCA are scheduled for surveillance, the contract(s) do(es) not contain required DFARS clause or if the stakeholder's concern is not a valid EVMS compliance issue then no formal surveillance is warranted:
 - i) Notify the stakeholder(s) using the stakeholder notification letter (Attachment B).
 - ii) If applicable, update the existing surveillance plan and risk assessment with the stakeholder concerns; and
 - iii) If applicable, address the areas of concern during EVMS surveillance (BP4) based on available information.
 - b) If the contract(s)/purchase orders in question have the applicable DFARS clause, the stakeholder concerns are valid EVMS compliance issues, the program is not currently scheduled for surveillance and the issues are limited to a partial set of the guidelines, then a BP4 event is warranted:
 - i) The Segment Lead defines the scope of the event(s)
 - ii) The Segment Lead assigns an EVMS Specialist to complete the event(s) using the BP4 process.
 - iii) The Segment Lead sends an RCA notification memorandum (Attachment C) to the CO.
 - c) If the contract(s)/purchase orders in question have the applicable DFARS

clause, the stakeholder concerns are valid EVMS compliance issues, and the issues encompass a majority or all of the guidelines, then a BP6 event is warranted:

- i) The Group Lead performs the role of Review Chief (may be delegated to the Segment Lead)
- ii) The Review Chief defines the BP6 approach and assign a Review Deputy
- iii) The Review Chief sends an RCA notification memorandum (Attachment C) to the CO.

CONDUCT:

Conduct any event per the relevant Business Practice identified in Step 6.

REPORT:

Report any event per the relevant Business Practice identified in Step 6.

This business practice remains in effect until further notice.

Attachments:

- A. Intake and Analysis Form (IAF)
- B. Stakeholder Notification Letter
- C. CO RCA Notification Memorandum

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