



## Earned Value Management Systems Center (EVMSC) Business Practice 6 Compliance Review (CR)

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<b>Effective Date:</b>	November 22, 2023
<b>DAI Code(s):</b>	D2000 – Receive and Review Workload D4000 – Surveillance Planning D5461 – EVMS System Compliance D6000 – Analyze Results (General) D6200 – Analyze Results (Corrective Actions)
<b>Point(s) of Contact:</b>	Danielle Bemis, Policy Lead Keven Davis, Policy Lead

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**Purpose:** Defines the process to evaluate initial compliance of a contractor's EVMS in accordance with DCMA MAN 2301-01: Contractor Business Systems and DCMA MAN 2303-01: Surveillance.

**Reference(s):**

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

**Roles and Responsibilities:**

- 1. Director**
  - a. Ensures compliance with this Business Practice (BP).
  - b. Ensures locally 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).
- 2. Group Lead / Review Chief**
  - 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. Ensures review results are communicated and coordinated with appropriate stakeholders.
- g. Assigns applicable Review Chief and Review Deputy

3. **Segment Lead / Deputy Review Chief**

- 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) / Area Leads and Team Members in accordance with the process defined below, ensuring resources are properly allocated.
- e. Coordinate with CO on supplier business system status.
- f. Ensures that submitted work products are timely, accurate and distributed appropriately.

4. **EVMS Specialist /Team Member**

- 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). Coordinates with the EVMS Center to review the contractor proposed EVMS plan.

**PROCESS:**

- 1. **Overview:** EVMS assessments are 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 there is a contractual requirement for an EVMS CR. 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.

A CR is a comprehensive assessment of a contractor's system, which is comprised of a System Description (SD), command media, processes, related tools, and the contractor's ability to implement the EVM system on contracts with an EVMS requirement. Demonstrating and documenting compliance to the 32 Guidelines in the (Electronic Industries Alliance) EIA 748 EVMS standard is the intention. There are three steps for evaluating compliance:

- Assess whether the contractor's EVM SD adequately documents how its system meets the intent of the 32 Guidelines per Business Process 2;
- Evaluate the contractor's ability to demonstrate the EVMS implementation as described in the SD and supplemental procedures;
- Verify whether the EVMS is providing timely, accurate, reliable and auditable data.

The Review Chief works with the cognizant contracting officer through the Contractor Business System (CBS) process as described in DCMA-MAN 2301-01. When DCMA is not the Cognizant Federal Agency (CFA) for subcontractor(s) with an EVMS requirement, the Review Chief coordinates with the cognizant Corporate Administrative Contracting Officer (CACO) or Divisional Administrative Contracting Officer (DACO). When DCMA is not the CFA for delegations such as NASA, SUPSHIP, DOE, etc., the EVMS Center provides the assessment of compliance to the appropriate CFA. The assessment of compliance shall be the EVMSC final report.

2. Risk Assessment – Risk assessment is an ongoing and continuous process. DCMA requires risk assessments for each surveillance event, including CRs. The risk rating evaluation assesses the likelihood that the CR will result in the occurrence of a deficiency as well as the consequence of that deficiency to the system health. The Segment Lead uses the Event Based Risk Tool (EBRT<sup>1</sup>) to determine likelihood and consequence ratings, with accompanying rating justifications. The Segment Lead documents the risk ratings and justifications in the DCMA official surveillance plan record.

#### **PLAN:**

3. Initiate CR. Several stakeholders may initiate a CR request for contracts containing the EVMS clauses or the flow-down clause from a prime contract to a subcontract. Stakeholders may include, and are not limited to:
  - a. DCMA
  - b. Program Management Office (PMO)
  - c. Program Executive Officer
  - d. Procuring Contracting Officer (PCO)
  - e. Prime contractor (for subcontractor or applicable inter-company work authorization)
  - f. Service Commands

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<sup>1</sup> The EBRT can be downloaded from: <https://dod365.sharepoint-mil.us/sites/DCMA-Teams-PH-PI-PIX/Review%20Scheduled%20Library%20Supervisors%20Only/Forms/AllItems.aspx>

g. Other supported agencies

Upon notification of the CR requirement, the EVMS Center Group Lead shall coordinate completion of the request via the DCMA EVMS Review Request Information Sheet (RRIS) (Attachment A).

A CR is required for any EVM system that has not been formally reviewed for compliance through a comprehensive assessment. A system is the combination of contractor processes, people, and tools. A contractor may have multiple divisions operating under different systems at a single location based upon the command media, tools, and/or management directing implementation. In such a case, those systems would be evaluated through distinctly separate reviews.

A CR may also be required when, due to merger/acquisition activity, a legacy CR and resultant Contractor Business System (CBS) assessment is no longer applicable due to the change in the system's components employed.

4. Initial Visit. A CR may warrant an Initial Visit (IV) as a unique requirement within the CR process. The IV provides an opportunity for early dialogue between DCMA and the contractor on the CR process, expectations, and potential problems with the EVMS processes and procedures.

The Review Chief sends an IV notification memorandum (Attachment P) to the contractor explaining the scope, purpose, and time period of the IV no later than 90 calendar days prior to the IV. The notification should also identify facility requirements (if on-site review is conducted) and the data call items required to conduct the review (Attachment C).

The IV consists of a preliminary data analysis consistent with the DCMA EVMS Compliance Metrics (DECM) selected by the Review Chief. The IV team does not conduct interviews during this visit. The Review Chief shall invite key government EVMS stakeholders<sup>2</sup> that may include the CO, PMO and CMO personnel to accompany the CR Team on the visit. At the start of the CR activities, the Review Chief, or designee, must present an entrance brief (Attachment Q) to the contractor to introduce the purpose, objectives, and process of a CR.

If an IV is conducted, the Review shall provide the Director a draft IV Report (Attachment R) within 10 calendar days after completion of the IV. The IV Report documents the team's analysis and assessments. Due to the limited nature of the analysis and follow-up during an IV, the Review Chief makes an assessment of the severity of the identified issues and determine if a Corrective Action Request CAR(s) is warranted per DCMA Manual 2303-01.

The Director has 5 calendar days to review the draft IV report and provide feedback and required edits. Within 10 calendar days following the Director's review, the Review Chief must incorporate feedback from the Director and submit to document control a final version incorporating the Director's

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<sup>2</sup> Stakeholders may include other agencies or services as warranted, such as National Reconnaissance Office, Defense Contract Audit Agency or offices outside DoD.

feedback. This time period includes any follow-up conversations on incorporated changes from the Director, as needed.

A CR should not be conducted on an approved system when a contractor makes minor changes to the system. Assessment of the changes and impact to the system is considered and evaluated at the discretion of the Group Lead and/or Director as to whether a review is warranted dependent on this evaluation. If a review is not necessary, the changes shall be considered in the risk assessment for continuing surveillance, as part of post-approval oversight.

5. Update CR Schedule. The Director has the authority to determine whether a CR is required, and at least annually will:
  - a. Verify that each EVMS group reviews CBS status to identify any changes.
  - b. Identify new or developing requirements based upon new contracts.
  - c. Develop a plan of expected CRs at least 30 days prior to the beginning of the next fiscal year.
6. Plan CR. The Review Chief plans the CR dates and requests and assigns resources for the reviews. The typical review team size is 10-12 personnel, and should be scaled based on the scope of the review.

The Review Chief is responsible for determining the review team requirements and requesting the Director's concurrence prior to proceeding with any CR activities.

The team should be composed of personnel assigned to the EVMS Center group conducting the review and other personnel committed to the review by respective supervisors. All personnel committed to the review during pre-review, CR execution, and post-review activities must be available to the Review Chief. Respective supervisors of assigned personnel must ensure EVMSC workload is properly managed over the review execution timeframe.

Prior to the review, the Review Deputy, with approval from the Review Chief, assigns the EVMS Specialists to Interview Teams and Area Teams. Each team is assigned a Team Lead. These teams organize and work together to identify areas of potential deficiencies prior to the review. The Defense Contract Audit Agency (DCAA) may help provide subject matter expertise in the areas of "Accounting" and "Indirect Management". The Review Deputy determines the DCAA contact and invites him/her to be a part of the review team. At a minimum, the Team Lead reviews the most recent DCAA related audits (Accounting, Estimating, Material Management & Accounting System (MMAS)) to determine if relevant information exists to consider for the review effort. The Team Leads assign duties and deadlines for team member products and reviews these products prior to arriving on site. The Review Chief provides CR guidance for the EVMS Specialists to communicate team member assignments, team roles, expectations, and team member products.

## CONDUCT:

7. Notification. The Review Chief sends a CR notification memorandum (Attachment B) to the CO. The Review Chief coordinates with the cognizant CO for issuance of a notification to the contractor. The CO should issue a notification to the contractor explaining the review requirement, scope, purpose, Review Chief, and time period of the review no later than 90 calendar days prior to the CR. The notification should also identify facility requirements (if on-site review is conducted) and the data call items required to conduct the review (Attachment C). If no cognizant CO exists, the Review Chief coordinates issuance of the notification letter with the cognizant CACO/DACO.
8. Data Call. The notification letter includes the request for EVMS documentation and data for use during the CR. The notification letter must request the contractor deliver the data to DCMA no later than 45 calendar days prior to the scheduled CR. It is important to request only data pertinent to executing the review. Working with the contractor, the Review Chief must:
  - a. Identify the specific documents and tool outputs referenced in the company's SD or supporting command media (e.g., the Risk & Opportunity Register, Baseline Change Logs, and Corrective Action Log). All specific documents referenced in the SD in support of the system must be included in the data call artifact spreadsheet to allow for development of a storyboard. All other EVMS related directives may be included as needed in support of the CR.
  - b. The Review Chief also requests the documentation and results, including internally issued CARs of recently conducted contractor internal reviews.

In cases where the contractor is non-responsive to the data call, refer the issue to the cognizant CO to follow up with the contractor in writing.

9. Other Data Sources. As part of ensuring effective implementation of the contractor's EVMS, some contractors conduct internal audits/reviews. The team should leverage internal audit information to the extent that the contractor is willing to share, in good faith, any corrective actions required or in place. The Review Chief is responsible for requesting the internal audit results in advance of the CR. This should be provided 45 days in advance of a scheduled review.

The Review Deputy conducts a review of DCMA CARs for CAR history to identify open DCMA EVMS CARs. Any open DCMA EVMS CARs should be addressed and investigated during the review. If the findings are related, the deficiencies should be closed upon completion of the CR activities and reissued with the CR findings if said deficiencies still exist. Condition statements related to closure of open EVMS CARs and discussion of repeat findings uncovered during the CR must be included in the CR report package.

10. Data Analysis. The Data Analysis (DA) is a critical aspect of successfully completing the CR and must include a complete review of all DECM pertinent to the CR that can be evaluated during the pre-event phase. The objective of DA is to identify risk areas in the EVMS and develop interview questions with details and

backup information to allow follow-up. The Review Deputy and Review Chief must manage the review process to ensure a thorough data analysis is completed.

Using the approved version of the DECM, the team must complete the DA at least two weeks prior to the CR to allow time to isolate issues and develop follow-up questions to be documented in the Interview Findings Form (IFF) (Attachment D1 – D7). Any part of the data analysis that cannot be conducted during this phase must be conveyed to the Review Chief for situational awareness prior to the interview planning stage.

11. Interview Planning. To ensure complete coverage of all five EVMS areas, the Review Chief must select key contractor personnel for interviews including, but not limited to, the Program Manager (PM), Business Finance Manager, Indirect Managers, Planning/Scheduling Manager, Risk Manager, Functional Managers, Integrated Product Team Leaders, Material Planners and/or Production Managers, as well as the Control Account Managers (CAMs). To ensure complete coverage of the system, the following criteria should be considered when selecting CAMs and other personnel to be interviewed:
  - a. Potential deficiencies identified during data analysis requiring follow-up.
  - b. Live demonstration of EVMS processes/tools.
  - c. Total Budget at Completion (BAC) of the control accounts.
  - d. Program risk and opportunity areas.
  - e. Frequency of EVMS process, implementation, or performance measurement data issues or anomalies.
  - f. Control accounts (CA) with the highest amounts of Budgeted Cost of Work Remaining (BCWR).
  - g. Earned Value Methods used (discrete, level of effort, and apportioned).
  - h. Elements of Cost (labor, material, other direct costs, and subcontract(s)).
  - i. Critical path or near critical path activities.
  - j. CAs with significant cost/schedule variances and/or frequent baseline changes.
  - k. Stakeholder areas of concern.
12. Pre-Event Brief. A pre-event brief should be held to ensure the government team has completed all pre-event activities and is prepared for the event. This should be scheduled to occur no later than one week prior to the start date. The meeting is led by the Review Chief with assistance from the Review Deputy to brief the Director on data analysis results, interview schedule and scheduled dates for follow-on actions. The Review Chief uses the pre-event briefing template (Attachment E). The Pre-Event Brief is held at the discretion of the Director and may not be required.
13. DCMA Entrance Briefing. At the start of the CR activities, the Review Chief, or designee, must present an entrance brief (Attachment F) to the contractor to introduce the purpose, objectives, and process of the review. The opening meeting may include technical and administrative staff involved in the review. It may also include CMO leadership as appropriate. This meeting addresses

the scope of the review and discusses potential timing issues that could influence the review.

14. Contractor Entrance Briefing. The Review Chief shall request the contractor provide a presentation at the commencement of the CR activities. The contractor should provide an overview of the system's design and operation that describes system process flows/traces and applicable reports. If applicable, the overview identifies EVMS changes, open CAR or Corrective Action Plan (CAP) actions, and potential deficient area(s).
15. CR Activities. After the opening meeting(s), the team conducts the review by performing the following activities:
  - a. Interview contractor personnel and record responses to questions.
  - b. Review the implementation of procedures, manuals and processes.
  - c. Assess the adequacy of internal management controls.
  - d. Identify any additional documentation needed to complete any review work or to provide answers to questions presented during the interview. A formal document request form (Attachment G) is created and provided to the contractor for traceability. Review Chief ensures a thorough review of documents already provided has been conducted before requesting additional documentation.
  - e. Conduct periodic government team meetings/interview debriefings to provide a short summary of the interview (Attachment I), review any findings and focus the emphasis of remaining interviews.
  - f. Document deficiencies in Deficiency Reports (DRs) as required (Attachment H).
  - g. Provide the contractor (typically at end of each day) a daily informal status of review activities, preliminary findings, and all draft DRs as they are approved for release by the Review Chief.
16. Exit Brief. Before the conclusion of the CR, the Review Chief briefs the Director on the preliminary findings. After the Director concurs with the briefing content, the Review Chief briefs the contractor on the preliminary findings and next steps (Attachment J). This brief should highlight that preliminary and final findings/CARs may differ. Any contractor work to address preliminary findings will be at-risk if the preliminary and final findings differ.

## **REPORT:**

17. Draft CR Report Package. The Review Chief shall provide the Director a draft CR Report Package within 25 calendar days after completion of the CR phase. The CR Report Package consists of all DRs, the draft Level I/II CARs, the EVMS Report, Business System Analysis Summary (BSAS) and a draft CO CR Report Package Transmission Memorandum (Attachments H, K, K1 and L). The Report Package is the Review Chief's assessment of the EVMS; it provides the detailed findings as well as emphasizes the material issues affecting programmatic decision-making. The intent of the report is to provide a summary of what identified deficiencies mean in terms of mitigating issues in the data delivered from the EVMS, as well as areas that need to be



addressed by the contractor to improve the operation of their EVMS. The Review Chief shall notify the Director immediately if more time is required to prepare and submit the Draft CR report package.

- a. Deficiency Reports (DRs). Form (Attachment H) used to document EVMS deficiencies.
- b. Draft Level I/II CAR(s). DRs are incorporated into appropriate DCMA CAR(s). CAR levels are defined in DCMA Manual 2303-01: Surveillance. The Review Chief ensures a single draft CAR per guideline is produced for all identified deficiencies. Each draft CAR includes all the deficiencies identified for that particular guideline. The CAR(s) will formally be issued upon EVMSC Director approval of the entire CR report package. The CO must be copied on level II CAR(s), when they are issued.
- c. Draft Level III/IV CAR(s): In accordance with DCMA Manual 2301-01: Contractor Business Systems, “the review team functional specialists<sup>3</sup> draft and submit level III or IV CARs for potential significant deficiencies to the ACO”. The draft Level III or IV CAR(s) include the deficiencies described in the BSAS as material findings. Per DCMA Manual 2303-01, only COs are authorized to issue Level III/IV CARs. Therefore, the Review Chief works with the CO to determine the number of draft Level III/IV CARs and how the draft CAR(s) are reflected in the system of record.
- d. EVMS Report. The Review Chief provides an EVMS CR Report (Attachment K) as well as a BSAS (Attachment K1). In accordance with DCMA Manual 2301-01: Contractor Business Systems, the BSAS report must not declare findings as significant or not significant, recommend approval or disapproval of a business system, or replace or supplement the CO’s initial determination letter. The BSAS assesses each finding in terms of how it materially impacts the performance measurement data and the ability to utilize the data to make programmatic decisions.
- e. BSAS template. The BSAS template is a CO document which is maintained by the Contracting organization. The Review Chief populates the BSAS template using the most recently updated template format. A BSAS template is not required for a subcontractor CR as a business system determination is not applicable.
- f. CO CR Report Package Transmission Memo. The Review Chief summarizes the findings to the CO (Attachment L).
- g. Subcontractor Assessment Letter: The Review Chief drafts this letter (Attachment O) for review, approval, and signature for the Director.

NOTE – In compliance with DCMA manual 3101-04, communications containing reports or other deliverables to be sent outside the agency must contain a statement and link to the DCMA Customer Satisfaction Survey (i.e. “We greatly appreciate your feedback to help us better support your needs, please complete

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<sup>3</sup> “functional specialists” in this context refers to all team members who supported the review and any team members as part of the document draft, review, and finalization process.

a brief survey at: <https://www.dcmamilitary.com/Customers/Customers-Satisfaction-Survey/>")

18. Director Review. The Director has 5 calendar days to review the draft CR report and provide feedback and required edits.
19. Report Finalization. Within 10 calendar days following the Director's review, the Review Chief must incorporate feedback from the Director and submit to document control a final version incorporating the Director's feedback. This time period includes any follow-up conversations on incorporated changes from the Director, as needed.
20. Report Package processing. After Director approval, the EVMS Center assigns a control number to the EVMS CR Report and the draft CO letter within 2 working days. The Review Chief emails the CR report package to the CO within 2 working days of Director approval and will concurrently issue the Level I/II CAR(s) to the contractor. For a prime contractor, the complete CR report package (EVMS CR Report, BSAS and draft Level III/IV CAR(s)) are to be provided to the CO in accordance with DCMA Manual 2301-01: Contractor Business Systems and DCMA Manual 2303-01: Surveillance. For a subcontractor, the Subcontractor Assessment letter and Level II CAR(s) are provided to the CO in accordance with DCMA Manual 2301-01: Contractor Business Systems and DCMA Manual 2303-01: Surveillance. The Subcontractor Assessment letter is transmitted directly to the subcontractor.
21. EVMS Determination Process. Refer to DCMA Manual 2301-01: Contractor Business Systems for EVMS center required steps to support the CO's responsibility to complete the initial and final determinations of acceptability of the contractor's business system and approving or disapproving the system.
22. CAR. When one or more deficiencies associated with the contractor's EVMS are identified by DCMA as part of the CR, a separate Level I/II CAR are issued to the contractor, and copied to the CO, for each deficient guideline, concurrent with the issuance of the CR report package to the CO. If subsequent to issuance of the Level I/II CAR(s), the cognizant CO issues a Final Determination of non-compliance with significant deficiencies, the draft Level III/IV CAR(s) may be finalized by the cognizant CO. If Level III CARs are warranted, then the issuance, CAP acceptance/rejection, and CAR closure authority resides solely with the cognizant CO in accordance with DCMA Manual 2303-01: Surveillance. If the cognizant CO issues the Level III/IV CAR(s), the functional specialist closes the related Level I/II CAR(s). The EVMSC should support the CO throughout the aforementioned business system determination process.
23. Subcontractor CAR. The EVMS Specialist may issues CARs directly to subcontractors with EVMS requirements.
  - a. Subcontractor CAR(s) (Prime contractor flow down): When EVMS applies at the subcontractor via mandatory flow down through the Prime contract, the CFA reviews the subcontractor EVMS at the subcontractor site. In this case, the application of EVMS to subcontractors uses the same rules

as applied to the prime contractor. There is no privity of contract necessary when EVMS is required at the subcontractor level. In cases of EVMS non-compliant deficiencies at the subcontractor and a prime contract exists, the CARs are issued directly to the subcontractor. For Level III CAR(s), the EVMS Specialist notifies the cognizant CO of any potential Level III CAR(s)<sup>4</sup>. At a subcontractor EVMS, the 252.242-7005 Contractor Business System does not apply thus, does not result in an Approval or Disapproval for the subcontract. Attachment N contains a subcontractor CAR flow chart for reference.

- b. Subcontractor CAR(s) (when no Prime contract exists): The application of EVMS to subcontractors uses the same rules as applied to a prime contractor. In cases of EVMS non-compliant deficiencies at a subcontractor that does not have a prime contract with appropriate EVMS clauses, the CARs are still issued directly to the subcontractor. When a United States Government prime contract does not exist and there is no cognizant CO assigned, the CMO Commander/Director may release the Level III CAR to the subcontractor. However, the Review Chief or Review Deputy notifies the corporate CO of any potential Level III CAR(s). Attachment N contains a subcontractor CAR flow chart for reference.

24. CAP Review and Acceptance. With the issuance of a CAR, a CAP is required. The Review Chief must ensure the CAP contains the following in accordance with DCMA Manual 2303-01: Surveillance:

- a. Root cause of the deficiency.
- b. Actions taken to correct the current specific deficiency.
- c. Corrective action taken or planned to eliminate deficiency.
- d. Action taken to prevent recurrence of the deficiency.
- e. Determination of whether other processes are affected by the identified root cause.
- f. Determination of whether other financial costs/products/services are affected by the identified root cause, including product already delivered to the customer.
- g. Target date(s) for implementation of planned actions:
  - Corrective Action Approved Date
  - Corrective Action implementation Date
  - Verification Date
  - Validation Date

25. CAP Monitoring and Closure. The Review Chief monitors and tracks CAP activities to closure. The Review Deputy or EVMS specialist updates the Surveillance Plan to include CAP Monitoring/Assessment Events as prescribed in Business Practice 4 (BP4).

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<sup>4</sup> It is possible in rare circumstances, if the subcontractor is also a Prime on other contracts requiring EVMS where the CBS clause does exist on a US Government to Prime contract, the CO may make a CBS determination at his/her discretion.

- a. Level I/II CAR(s): The Review Chief determines if the contractor is effectively implementing the CAP. The Review Chief shall monitor the contractor's progress in correcting deficiencies as outlined in the contractor's CAP. Accordingly, when the contractor notifies the Review Chief in writing all system deficiencies have been corrected, the Review Chief shall review the corrections to determine if the deficiencies have been resolved. The verification may include staff interviews, performance of tests, or reviewing new procedures. If the CAP review indicates the deficiencies have been corrected, the Review Chief closes the CAR(s). The Review Chief should follow-up with an email to all stakeholders informing them of the CAR closure.
- b. Level III and higher CAR(s): In consultation with the Review Chief, the CO determines if the contractor is effectively implementing the CAP. The CO and the Review Chief shall monitor the contractor's progress in correcting deficiencies as outlined in the contractor's CAP. Accordingly, when the contractor notifies the CO in writing that all system deficiencies have been corrected, the CO may request the Review Chief review the corrections to determine if the deficiencies have been resolved. The verification may include staff interviews, performance of tests, or reviewing new procedures. If the CAP review indicates the deficiencies have been corrected, the Review Chief drafts and the Director approves a memorandum for record to the CO (Attachment M) indicating satisfactory correction for all documented issues and/or whether further actions are necessary along with requisite documentation. If the CAP review conducted for a subcontractor CAR indicates the deficiencies have been corrected, the Review Chief drafts and the Director signs a compliance assessment letter to the subcontractor (Attachment O) indicating successful correction of deficiencies and contractor compliance with the EVMS standard<sup>5</sup>.

- 26. Document Naming Convention – All documents requiring archival shall use the naming convention CAGEDocTypeDAYMONYYYY.
- 27. Classification Markings – The author of any document(s)/attachments(s) related to this BP shall ensure appropriate classification IAW applicable laws, regulations, and Government-wide policies, and the safeguarding and protection requirements for each.
- 28. Documentation Archival - Any formal documentation that is distributed outside the DCMA EVMS Center needs to be archived within the Agency system of record.
- 29. Stakeholder Reporting  
EVMS specialist shall report results of compliance review(s), CAR(s) issued, CAP surveillance activities in applicable DCMA systems.

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<sup>5</sup> Electronic Industries Alliance (EIA) 748

For EVMS surveillance at sites with reportable programs, the EVMS specialist shall ensure the Business System Status section on the applicable Program Support Team (PST) collaboration site is updated monthly IAW DCMA Manual 3101-01. This can include but not limited to surveillance event results/status, compliance reviews, new CAR/CAPs issued and/or CAR/CAP status updates.

NOTE – In compliance with DCMA manual 3101-04, communications containing reports or other deliverables that are sent outside of the agency must contain a statement and link to the DCMA Customer Satisfaction Survey (i.e. “We greatly appreciate your feedback to help us better support your needs, please complete a brief survey at: <https://www.dcmamil.com/Customers/Customer-Satisfaction-Survey/>”)

This business practice remains in effect until further notice.

**Attachments:**

- A. EVMS Review Request Information Sheet (RRIS)
- B. CO CR Notification Memorandum
- C. EVMS CR Data Item List
- D. Interview Findings Form (IFF)
- E. Pre-Event Brief
- F. Entrance Brief
- G. Document Request Form
- H. Deficiency Report Form (DR)
- I. Interview Debrief Form
- J. Exit Brief
- K. EVMS Review Report Template
- K1. BSAS Template
- L. CO CR Report Package Transmission Memorandum
- M. CO CAP Closure Memorandum
- N. Subcontractor CAR Flow Chart
- O. Subcontractor Assessment Letter
- P. CO IV Notification Memorandum
- Q. IV Event Brief
- R. IV Report Template

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