

# Earned Value Management System Validation



## Independent Validation and Surveillance of Project Controls

Earned Value Management (EVM) is a project management tool that enables project managers to accurately measure project performance. Federal Agencies are often required by the Office of Management and Budget (OMB Circular A11 Part 7) to implement a **performance-based acquisition management system** based on EVM for their major IT development projects. In addition, the Agency may contractually require that their contractors have a certified EVM System (EVMS) and provide cost performance reports (CPR).

**If you are a Federal Agency...** Certifying contractors compliance with the ANSI /EIA—748 EVM standard and conducting ongoing EVM surveillance can be challenging due the shortage of qualified personnel.

**If you are a Government Contractor...** Preparing for a Government EVM certification or conducting an independent EVMS validation both require an impartial assessment of people, processes, and systems.

*Government Contractors should also be aware that the Pentagon has recently implemented a new rule authorizing government Contracting Officers to withhold up to 10% of payments on a contract should a Contractor's EVMS be deemed deficient.*

### Solution

#### Federal Agency—Contractor EVMS Certification & Surveillance

KMSG works with Federal Agencies to perform EVMS certifications and corrective action plan (CAP) reviews. During the certification, we conduct a comprehensive review of the contractor's EVMS documentation and data traces, as well as executive and control account manager interviews to assess compliance with the EVMS Standard (ANSI-748). The end goal is a letter of acceptance from the Agency. During a CAP review, KMSG assesses the contractor's progress towards achieving the corrective actions issued in response to a certification which is assessed to be deficient.

KMSG is also often asked to support EVM surveillance to ensure ongoing EVM policy compliance with the 32 guidelines prescribed in the EVM Standard and data reliability for Federal Agency programs. KMSG performs routine surveillance to ensure EVM data is reported consistently across data sources and there are reasonable data relationships between reporting periods. In-depth surveillance is performed when data is deemed unreliable.

#### Government Contractor—Progress Assistance Visits & Independent Validation

KMSG provides EVMS Progress Assistance Visits (PAVs) and Independent Validation Reviews. Our PAV methodology includes mock DCMA executive and CAM "interviews" to prepare a company for the formal DCMA or Agency certification process. We also perform a comprehensive review of the contractor's EVMS documentation and data traces. Based on the interviews and data reviews, KMSG provides a report of findings and areas for improvement.

The validation review service is similar to the Agency certification above but is offered to Government Contractors who would like their EVMS to be independently certified. The end result of the validation would be a letter of approval or corrective action plan.

### Results

Our unique approach ensures that effective project controls are implemented which enables the successful completion of mission critical projects by Federal Agencies, the Department of Defense, and their Contractors.

KM Systems Group is a premier strategy and technology consulting firm that works with successful, transformative organizations across government and industry. We are analytical thinkers and skilled problem solvers who understand our clients' needs. We help them harness the power of Earned Value Management and program management in order to drive their organizations to even higher levels of performance.

#### KMSG Qualifications

- Leadership team with an average of 25 yrs experience in EVM who were instrumental in the development of the ANSI/EIA 748 EVM Standard
- Active members of PMI's EVM Community of Practice, PMI Integrated Program Management Education Chairs, and past chairman of NDIA's Program Management Systems Committee
- Implemented effective EVM Systems for Federal Agencies and Government Contractors
- Currently under contract with a major Federal Agency to perform contractor certifications, integrated baseline reviews, and contractor oversight

To learn more about our EVM services, send us an email at: [sales@kmsystemsgroup.com](mailto:sales@kmsystemsgroup.com)

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