

I. ORGANIZATION	YES	NO	EVMS
1. Define the authorized work elements for program. A work breakdown structure (WBS), tailored for effective internal management control, is commonly used in this process.			
a. Is only one CWBS used for the contract			
b. Is all contract work included in the CWBS?			
c. Are the following items included in the CWBS:			
(1) Contract line items and end items (if in consonance with MIL-STD-881 latest edition)?			
(2) All CWBS elements specified for external reporting?			
(3) CWBS elements to be subcontracted, with identification of subcontractors?			
(4) Cost account levels?			
2. Identify the program organizational structure including the major subcontractors responsible for accomplishing the authorized work, and define the organizational elements in which work will be planned and controlled.			
a. Are all authorized tasks assigned to the identified organizational elements? (This must occur at the cost account level as a minimum. Prepare exhibit showing relationships.)			
b. Is subcontracted work defined and identified to the appropriate subcontractor within the proper WBS element? (Provide representative example.)			
3. Provide for the integration of the company's planning, budgeting, work authorization and cost accumulation processed with each other, and as appropriate, the program work breakdown structure and the program organizational structure.			
a. Are the contractor's management control systems listed above integrated with each other, the CWBS, and the organizational structure at the following levels: (Use matrix to illustrate the relationships.)			
(1) Total contract?			
(2) Cost account?			
4. Identify the company organization or function responsible for controlling overhead (indirect costs).			
a. Are the following organizational elements and managers clearly identified:			
(1) Those responsible for the establishment of budgets and assignment of resources for overhead performance?			
(2) Those responsible for overhead performance control of related costs?			
b. Are the responsibilities and authorities of each of the above organizational elements or managers clearly defined?			
5. Provide for integration of the program work breakdown structure and the program organizational structure in a manner that permits cost and schedule performance measurement by elements of either or both structures as needed.			
a. Is each cost account assigned to a single organizational element directly responsible for the work and identifiable to a single element of the CWBS?			
b. Are the following elements for measuring performance available at the levels selected for control and analysis:			
(1) Budgeted cost for work scheduled?			
(2) Budgeted cost for work performed?			
(3) Actual cost of work performed?			

II. PLANNING AND BUDGETING	YES	NO	EVMS
6. Schedule the authorized work in a manner which describes the sequence of work and identifies significant task interdependencies required to meet the requirements of the program.			
a. Does the scheduling system contain (Prepare exhibit showing traceability from contract task level to work package schedules.)--			
(1) A master program schedule?			
(2) Intermediate schedules, as required, which provide a logical sequence from the master schedule to the cost account level?			
(3) Detailed schedules which support cost account and work package start and completion dates/events?			
b. Are significant decision points, constraints, and interfaces identified as key milestones?			
c. Does the scheduling system provide for the identification of work progress against technical and other milestones, and also provide for forecasts of completion dates of scheduled work?			
d. Are work packages formally scheduled in terms of physical accomplishment by month, week, or day as appropriate?			
7. Identify physical products, milestones, technical performance goals, or other indicators that will be used to measure progress.			
a. Are meaningful indicators identified for use in measuring the status of cost and schedule performance? (Provide representative examples.)			
b. Does the contractor's system identify work accomplishment against the schedule plan? (Provide representative examples.)			
c. Are current work performance indicators and goals relatable to original goals as modified by contractual changes, replanning, and reprogramming actions? (Provide exhibit showing incorporation of changes to original indicators and goals.)			
8. Establish and maintain a time-phased budget baseline, at the control account level, against which program performance can be measured. Budget for far-term efforts may be held in higher level accounts until an appropriate time for allocation at the control account level. Initial budgets established for performance measurement will be based on either internal management goals or the external customer negotiated target cost including estimates for authorized but uninitiated work. On government contracts, if an over target baseline is used for performance measurement reporting purposes, prior notification must be provided to the customer.			
a. Does the performance measurement baseline consist of the following:			
(1) Time-phased cost account budgets?			
(2) Higher level CWBS element budgets (where budgets are not yet broken down into cost account budgets)?			
(3) Undistributed budgets, if any?			
(4) Indirect budgets, if not included in the above?			
b. Is the entire contract planned in time-phased cost accounts to the extent practicable?			
c. In the event that future contract effort cannot be defined in sufficient detail to allow the establishment of cost accounts, is the remaining budget assigned to the lowest practicable CWBS level elements for subsequent distribution to cost accounts?			
d. Does the contractor require sufficient detailed planning of cost accounts to constrain the application of budget initially allocated for future effort to current effort? (Explain constraints.)			
e. Are cost accounts opened and closed based on the start and completion of work contained therein?			
9. Establish budgets for authorized work with identification of significant cost elements (labor, material, etc.) as needed for internal management and for control of subcontractors.			
a. Does the budgeting system contain-- (Provide exhibit.)			
(1) The total budget for the contract (including estimates for authorized but unpriced work)?			
(2) Budgets assigned to major functional organizations? (See checklist Item 11, 9ab.)			
(3) Budgets assigned to cost accounts?			

b. Are the budgets assigned to cost accounts planned and identified in terms of the following cost elements: (Reference Formats 3 and 4.)			
(1) Direct labor dollars and/or hours?			
(2) Material and/or subcontract dollars?			
(3) Other direct dollars?			
c. Does the work authorization system contain(Prepare sample exhibit.)			
(1) Authorization to proceed with all authorized work?			
(2) Appropriate work authorization documents which subdivide the contractual effort and responsibilities, within functional organizations?			
10. To the extent it is practical to identify the authorized work in discrete work packages, establish budgets for this work in terms of dollars, hours, or other measurable units. Where the entire control account is not subdivided into work packages, identify the far term effort in larger planning packages for budget and scheduling purposes.			
a. Do work packages reflect the actual way in which the work will be done and are they meaningful products or management-oriented subdivisions of a higher level element of work? (Provide representative sample.)			
b. Are detailed work packages planned as far in advance as practicable?			
c. Is work progressively subdivided into detailed work packages as requirements are defined?			
d. Is future work which cannot be planned in detail subdivided to the extent practicable for budgeting and scheduling purposes? (Provide sample.)			
e. Are work packages reasonably short in time duration or do they have adequate objective indicators/milestones to minimize subjectivity of the in process work evaluation?			
f. Do work packages consist of discrete tasks which are adequately described? (Provide representative sample.)			
g. Can the contractor substantiate work package and planning package budgets?			
h. Are budgets or values assigned to work packages and planning packages in terms of dollars, hours, or other measurable units?			
i. Are work packages assigned to performing organizations?			
j. Where engineering standards or other internal work measurement systems are used, is there a formal relationship between these values and work package budgets? (Provide samples showing relationships.)			
k. Where "learning" is used in developing underlying budgets is there a direct relationship between anticipated learning and time phased budgets?			
11. Provide that the sum of all work package budgets plus planning package budgets within a control account equals the control account budget.			
a. Does the sum of all work package budgets plus planning packages within cost accounts equal the budgets assigned to those cost accounts?			
12. Identify and control level of effort activity by time-phased budgets established for this purpose. Only that effort which is unmeasurable or for which measurement is impractical may be classified as level of effort.			
a. Are time-phased budgets established for planning and control of level of effort activity by category of resource; for example, type of manpower and/or material? (Explain method of control and analysis.)			
b. Is work properly classified as measured effort, LOE, or apportioned effort and appropriately separated?			
13. Establish overhead budgets for each significant organizational component of the company for expenses which will become indirect costs. Reflect in the program budgets, at the appropriate level, the amounts in overhead pools that are planned as indirect costs.			
a. Are overhead cost budgets (or projections) established on a facility-wide basis at least annually for the life of the contract?			
b. Are overhead cost budgets established for each organization which has authority to incur overhead costs?			
c. Are all elements of indirect expense identified to overhead cost budgets of projections?			

d. Are overhead budgets and costs being handled according to the disclosure statement when applicable, or otherwise properly classified (for example, engineering overhead, IR&D)?			
e. Is the anticipated (firm and potential) business base projected in a rational, consistent manner? (Explain.)			
f. Are overhead costs budgets established on a basis consistent with anticipated direct business base?			
g. Are the requirements for all items of overhead established by rational, traceable processes?			
h. Are the overhead pools formally and adequately identified? (Provide a list of the pools.)			
i. Are the organizations and items of cost assigned to each pool identified?			
j. Are projected overhead costs in each pool and the associated direct costs used as the basis for establishing interim rates for allocating overhead to contracts?			
k. Are projected overhead rates applied to the contract beyond the current year based on-			
(1) Contractor financial periods; for example, annual?			
(2) The projected business base for each period?			
(3) Contemplated overhead expenditure for each period based on the best information currently available?			
l. Are overhead projections adjusted in a timely manner to reflect-			
(1) Changes in the current direct and projected base?			
(2) Changes in the nature of the overhead requirements?			
(3) Changes in the overhead pool and/or organization structures?			
m. Are the WBS and organizational levels for application of the projected overhead costs identified?			
<b>14. Identify management reserves and undistributed budget.</b>			
a. Is all budget available as management reserve identified and excluded from the performance measurement baseline?			
b. Are records maintained to show how management reserves are used? (Provide exhibit.)			
c. Is undistributed budget limited to contract effort which cannot yet be planned to CWBS elements at or below the level specified for reporting to the Government?			
d. Are records maintained to show how undistributed budgets are controlled? (Provide exhibit.)			
<b>15. Provide that the program target cost goal is reconciled with the sum of all internal program budgets and management reserves.</b>			
a. Does the contractor's system description or procedures require that the performance measurement baseline plus management reserve equal the contract budget base?			
b. Do the sum of the cost account budgets for higher level CWBS elements, undistributed budget, and management reserves reconcile with the contract target cost plus the estimated cost for authorized unpriced work? (Provide exhibit.)			

<b>III. ACCOUNTING CONSIDERATIONS</b>	<b>YES</b>	<b>NO</b>	<b>EVMS</b>
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16. Record direct costs in a manner consistent with the budgets in a formal system controlled by the general books of account.			
a. Does the accounting system provide a basis for auditing records of direct costs chargeable to the contract?			
b. Are elements of direct cost (labor, material, and so forth) accumulated within cost accounts in a manner consistent with budgets using recognized acceptable costing techniques and controlled by the general books of account?			
17. When a work breakdown structure is used, summarize direct costs from control accounts into the work breakdown structure without allocation of a single control account to two or more work breakdown structure elements.			
a. Is it possible to summarize direct costs from the cost account level through the CWBS to the total contract level without allocation of a lower level CWBS element to two or more higher level CWBS elements? (This does not preclude the allocation of costs from a cost account containing common items to appropriate using cost accounts.)			
18. Summarize direct costs from the control accounts into the contractor's organizational elements without allocation of a single control account to two or more organizational elements.			
a. Is it possible to summarize direct costs from the cost account level to the highest functional organizational level without allocation of a lower level organization's cost to two or more higher level organizations? (This does not preclude the allocation of costs from a cost account containing minor non-organizational work to the appropriate functional organizations.)			
19. Record all indirect costs which will be allocated to the contract.			
a. Does the cost accumulation system provide for summarization of indirect costs from the point of allocation to the contract total?			
b. Are indirect costs accumulated for comparison with the corresponding budgets?			
c. Do the lines of authority for incurring indirect costs correspond to the lines of responsibility for management control of the same components of costs? (Explain controls for fixed and variable indirect costs.)			
d. Are indirect costs charged to the appropriate indirect pools and incurring organization?			
e. Are the bases and rates for allocating costs from each indirect pool consistently applied?			
f. Are the bases and rates for allocating costs from each indirect pool to commercial work consistent with those used to allocate such costs to Government contracts?			
g. Are the rates for allocating costs from each indirect cost pool to contracts updated as necessary to ensure a realistic monthly allocation of indirect costs without significant year-end adjustments?			
h. Are the procedures for identifying indirect costs to incurring organizations, indirect cost pools, and allocating the costs from the pools to the contracts formally documented?			
20. Identify unit costs, equivalent units costs, or lot costs when needed.			
a. Does the contractor's system provide unit costs, equivalent unit or lot costs in terms of labor, material, other direct, and indirect costs? (Describe procedure.)			
b. Does the contractor have procedures which permit identification of recurring or non-recurring costs as necessary?			
21. For EVMS, the material accounting system will provide for: (1) Accurate cost accumulation and assignment of costs to control accounts in a manner consistent with the budgets using recognized, acceptable, costing techniques. (2) Cost performance measurement at the point in time most suitable for the category of material involved, but no earlier than the time of progress payments or actual receipt of material. (3) Full accountability of all material purchased for the program including the residual inventory.			
a. Does the contractor's system provide for accurate cost accumulation and assignment to cost accounts in a manner consistent with the budgets using recognized acceptable costing techniques?			
b. Are material costs reported within the same period as that in which BCWP is earned for that material?			
	YES	NO	EVMS

c. Does the contractor's system provide for determination of price variance by comparing planned Vs actual commitments?			
d. Is cost performance measurement at the point in time most suitable for the category of material involved, but no earlier than the time of actual receipt of material?			
e. Does the contractor's system provide for the determination of cost variances attributable to the excess usage of material?			
f. Does the contractor's system provide unit or lot costs when applicable?			
g. Are records maintained to show full accountability for all material purchased for the contract, including the residual inventory?			

IV. ANALYSIS AND MANAGEMENT REPORTS	YES	NO	EVMS
22. At least on a monthly basis, generate the following information at the control account and other levels as necessary for management control using actual cost data from, or reconcilable with, the accounting system: (1) Comparison of the amount of planned budget and the amount of budget earned for work accomplished. This comparison provides the schedule variance. (2) Comparison of the amount of the work budget earned the actual (applied where appropriate) direct costs for the same work. This comparison provides the cost variance.			
a. Does the contractor's system include procedures for measuring performance of the lowest level organization responsible for the cost account? (Provide typical example.)			
b. Does the contractor's system include procedures for measuring the performance of critical subcontractors?			
c. Is cost and schedule performance measurement done in a consistent, systematic manner?			
d. Are the actual costs used for variance analysis reconcilable with data from the accounting system?			
e. Is budgeted cost for work performed calculated in a manner consistent with the way work is planned? (For example, if work is planned on a measured basis, is budgeted cost for work performed calculated on a measured basis using the same rates and values?)			
f. Does the contractor have variance analysis procedures and a demonstrated capability for identifying (at the cost account and other appropriate levels) cost and schedule variances resulting from the system (provide examples) which-			
(1) Identify and isolate causes of favorable and unfavorable cost and schedule variances?			
(2) Evaluate the impact of schedule changes, work around, etc.?			
(3) Evaluate the performance of operating organizations?			
(4) Identify potential or actual overruns and underruns?			
23. Identify, at least monthly, the significant differences between both planned and actual schedule performance and planned and actual cost performance, and provide the reasons for the variances in the detail needed by program management.			
a. Does the scheduling system identify in a timely manner the status of work? (Provide representative examples.)			
b. Does the contractor use objective results, design reviews and tests to trace schedule performance? (Provide examples.)			
24. Identify budgeted and applied (or actual) indirect costs at the level and frequency needed by management for effective control, along with the reasons for any significant variances.			
a. Are the variances between budgeted and actual indirect costs identified and analyzed at the level of assigned responsibility for their control (indirect pool, department, etc.)?			
b. Does the contractor's cost control system provide for capability to identify the existence and causes of cost variances resulting from--			
(1) Incurrence of actual indirect costs in excess of budgets, by element of expense?			
(2) Changes in the direct base to which overhead costs are allocated?			
c. Are management actions taken to reduce indirect costs when there are significant adverse variances?			
25. Summarize the data elements and associated variances through the program organization and/or work breakdown structure to support management needs and any customer reporting specified in the contract.			
a. Are data elements (BCWS, BCWP, and ACWP) progressively summarized from the detail level to the contract level through the CWBS? (Provide exhibit.)			
b. Are data elements summarized through the functional organizational structure for progressively higher levels of management? (Provide exhibit.)			
c. Are data elements reconcilable between internal summary reports and reports forwarded to the Government?			
d. Are procedures for variance analysis documented and consistently applied at the cost account level and selected WBS and organizational levels at least monthly as a routine task? (Provide examples.)			
26. Implement managerial actions taken as the result of earned value information.			

a. Are accurate cost and schedule performance measurement and analysis provided to the contractor's managers in a timely, and usable manner? (Provide examples.)			
b. Is the information in "a" above being used by the contractor's managers to identify reasons for significant variance, and to initiate appropriate corrective action? (Provide examples.)			
c. Are there procedures for monitoring action items and corrective actions to the point of resolution and are these procedures being followed?			
27. Develop revised estimates of cost at completion based on performance to date, commitment values for material, and estimates of future conditions. Compare this information with the performance measurement baseline to identify variances at completion important to company management and any applicable customer reporting requirements including statements of funding requirements.			
a. Are estimates of costs at completion based on-			
(1) Performance to date and material commitment?			
(2) Actual costs to date?			
(3) Knowledgeable projections of future performance?			
(4) Estimates of the cost for contract work remaining to be accomplished considering economic escalation?			
b. Are the overhead rates used to develop the contract cost estimate to complete based on-			
(1) Historical experience?			
(2) Contemplated management improvements?			
(3) Projected economic escalation?			
(4) The anticipated business volume?			
c. Are estimates of cost at completion generated with sufficient frequency to provide identification of future cost problems in time for possible corrective or preventive actions by both the contractor and the Government program manager?			
d. Are estimates developed by program personnel coordinated with those responsible for overall plant management to determine whether required resources will be available according to revised planning?			
e. Are estimates of cost at completion generated by knowledgeable personnel for the following levels:			
(1) Cost accounts?			
(2) Major functional areas of contract effort?			
(3) Major subcontracts?			
(4) WBS elements contractually specified for reporting of status to the Government (lowest level only)?			
(5) Total contract (all authorized work)?			
f. Are the latest revised estimates of costs at completion compared with the established budgets at appropriate levels and causes of variances identified?			
g. Are estimates of costs at completion generated in a rational, consistent manner? Are procedures established for appropriate aspects of generating estimates of costs at completion?			
h. Are estimates of costs at completion utilized in determining contract funding requirements and reporting them to the Government?			
i. Are the contractor's estimates of costs at completion reconcilable with cost data reported to the Government?			

	YES	NO	EVMS
<b>V. REVISIONS AND DATA MAINTENANCE</b>			
<b>28. Incorporate authorized changes in a timely manner, recording the effects of such changes in budgets and schedules. In the directed effort prior to negotiation of a change, base such revisions on the amount estimated and budgeted to the program organizations.</b>			
a. Are authorized changes being incorporated in a timely manner?			
b. Are all affected work authorizations, budgeting, and scheduling documents amended to properly reflect the effects of authorized changes? (Provide examples.)			
c. Are internal budgets for authorized, but not priced changes based on the contractor's resource plan for accomplishing the work?			
d. If current budgets for authorized changes do not sum to the negotiated cost for the changes, does the contractor compensate for the differences by revising the undistributed budgets, management reserves, budgets established for work not yet started, or by a combination of these?			
<b>29. Reconcile current budgets to prior budgets in terms of changes to the authorized work and internal replanning in the detail needed by management for effective control.</b>			
a. Are current budgets resulting from changes to the authorized work and/or internal replanning, reconcilable to original budgets for specified reporting items?			
<b>30. Control retroactive changes to records pertaining to work performed that would change previously reported amounts for actual costs, earned value, or budgets. Adjustments should be made only for correction of errors, routine accounting adjustments, effects of customer or management directed changes, or to improve the baseline integrity and accuracy of performance measurement data.</b>			
a. Are retroactive changes to direct costs and indirect costs prohibited except for the correction of errors and routine accounting adjustments?			
b. Are direct or indirect cost adjustments being accomplished according to accounting procedures acceptable to DCAA?			
c. Are retroactive changes to BCWS and BCWP prohibited except for correction of errors or for normal accounting adjustments?			
<b>31. Prevent revisions to the program budget except for authorized changes.</b>			
a. Are procedures established to prevent changes to the contract budget base (see definition) other than those authorized by contractual action?			
b. Is authorization of budgets in excess of the contract budget base controlled formally and done with the full knowledge and recognition of the procuring activity? Are the procedures adequate?			
<b>32. Document changes to the performance measurement baseline.</b>			
a. Are changes to the performance measurement baseline made as a result of contractual redirection, formal reprogramming, internal replanning, application of undistributed budget, or the use of management reserve, properly documented and reflected in the Cost Performance Report?			
b. Do procedures specify under what circumstances replanning of open work packages may occur, and the methods to be followed? Are these procedures adhered to?			
c. Are retroactive changes to budgets for completed work specifically prohibited in an established procedure, and is this procedure adhered to?			
d. Are procedures in existence that control replanning of unopened work packages, and are these procedures adhered to?			

## **SAMPLE INTERVIEW QUESTIONS**

*Please note that this list **is not exhaustive** and should be tailored for every review. The following discussion topics are for guidance only. The interview team should not be limited to these questions. The CAM's responses may lead to another area. If the area is not sufficiently covered, be sure to return to that particular area. The purpose of the discussion is to draw the CAM out and have them explain how they manage their work ensuring that all appropriate areas (authorizations, technical, schedule & budgets) are covered. An acceptance review will require extensive questions in all areas whilst a review for cause will target specific areas of the system. The Accounting and Indirect Management Process Areas are not covered, as these will generally be undertaken by DCAA.*

### **Organization Process**

Discuss the CAM's responsibilities:

Would you please tell me about your area of responsibility on the program?

How long have you been in this position?

Is your time totally dedicated to this program, or do you also work on other programs?

Please show me how you fit into the organization and to whom you report?

To whom do you report and what are your responsibilities to this person?

How many people work for you and what do they do? How do they report to you? How do you know the performance status of their work?

For how many control accounts are you responsible?

What is the total dollar value of your control accounts?

### **Scheduling Process**

Please explain your scheduling responsibilities?

Please explain how you schedule your work?

Did you develop your schedule? If so, how did you establish the timeframes or durations for your effort?

Do you directly support any major milestones on the master or intermediate schedules?

How do you receive schedule information? How do you provide schedule information?

Do you have detailed schedules below the work package?

How do detailed schedules below the work package support the work package schedules?

What process do you use to ensure that your schedules are aligned with the schedules of other CAMs and with the program schedule?

How are you informed by other organizations of changes in their activities that may affect your control accounts schedules?

How do you inform others of any changes in your scheduled activities?

### **Work/ Budget Authorization Process**

What role did you have in formulating the proposal estimate/ budget for this effort?

How did you arrive at your proposal estimates? Do you have the backup or worksheets from which you derived your estimate(s)?

Was there a negotiation process for your budgets after contract award? Is your budget adequate?

Discuss any risks to achieving the work within budget.

How are you advised of budget? Of tasks? Of schedule? Of changes?

How are you authorized to begin work? (Ask to see the work authorization documentation.)

How do you know that the task description in the authorization is correct?

May we see your control account plan?

Are your budgets time phased? How is this shown on your control account plan?

Do you have any planning packages? Are these time phased?

When must planning packages be detailed planned?

How do you status your control accounts? How does the performance status of your accounts get into the system?

What options does your system provide for taking earned value?

Where on your control account plans is it indicated how you are taking earned value?

How do you define a work package? What is the difference between a work package and a planning package?

For how many work packages are you responsible?

What portion of your work is measurable or discrete effort? What portion is Level of Effort (LOE)?

Do you have any control accounts which contain a mixture of LOE and discrete effort? What is the highest percentage of LOE within a control account that also contains discrete effort?

Do you have any LOE control accounts? Please describe the work associated with these control accounts?

How do you open a control account? How do you close a control account?

What do your computer runs show when a control account is opened or closed?

How do you know when a work package is opened or closed?

Have you ever opened work packages earlier than the scheduled start date? If so, how is this accomplished?

Demonstrate how earned value is taken in the same way that budgets are planned.

How do you determine earned value for work-in-process?

Do you use interim milestones on any of your work packages to measure performance?

## **Managerial Analysis Process**

What reports do you receive that identifies control and schedule status of your control accounts?

Which reports do you use most frequently? Why?

Are budgets, earned value, and actual controls reported in terms of labor, material, and other direct controls?

What are the variance thresholds of your control accounts?

Do you have any variance thresholds at the work package level?

How do you know when you have exceeded a threshold?

How do rate changes affect your control accounts?

Who is responsible for rate variance analysis?

How do you know when you must prepare a variance analysis report?

Do you have samples of any variance analysis reports? (Determine that these show a statement of problem, the variance, its cause and impact, and proposed corrective action.)

Who receives your variance reports? What action is taken on the reports?

Do you develop corrective action plans for variances? Who approves these plans?

How do you follow through corrective action plans to ensure they are carried out?

Do you ever have mischarges to your control accounts? How are these corrected?

Who reviews labor hours on time cards charged to your control accounts?

When/ how do you incorporate your variances into an EAC?

What does Estimate at Completion (EAC) mean to you? How do you arrive at an EAC?

How often is your EAC revised?

## **Change Incorporation Process**

Have you had any changes to your control accounts? (Ask to see samples of how these are handled.)

What is the process for making changes to your budgets? Can you rephrase or replan work? In what circumstances?

Have you had budget transfers between your control accounts and Management Reserve and Undistributed Budget? How? Are they traceable?

## **Material Management Process**

Material-specific questions should be in addition to other process area questions but only asked of relevant managers

How are material budgets planned?

What earned value technique is used for material? When is earned value taken for material?

How much BCWP is earned when material is received or withdrawn from inventory?

How do you track material prior to delivery?

How do you track material when deliveries are late?

How are EACs calculated for material?

Do you calculate price and usage variances? Are these included in your EAC?

## **Subcontract Management Process**

Subcontract-specific questions should be in addition to other process area questions but only asked of relevant managers

Are you responsible for any subcontracts? How many subcontractors are you responsible for? What is the dollar value of these subcontracts?

How was the budget determined and planned for the subcontracted effort?

How do you monitor performance on these?

How do you take earned value for subcontracts?

How is subcontracted effort incorporated into your performance measurement system and reports?

Does the subcontracted effort support key milestones? Is it integrated into the schedule?

Is there a variance analysis process for the subcontractors?

How often are subcontractors required to update their EAC?