

NASA Earned Value Management (EVM) Contract Requirements Checklist

July 2021

BASIC REQUIREMENTS (See [Table 1](#) Summary)*

- ☐ Earned Value Management System (EVMS) in compliance with guidelines in EIA-748** is required for development or production contracts that are equal to or greater than \$20M.
- ☐ A formally validated and accepted EVMS is required for development and production work for contracts equal to or greater than \$100M.
- ☐ Contracts valued at less than \$150M that support SMD Mission Risk Class D space flight projects implement performance measurement best practices as outlined in the NASA Associate Administrator memo dated September 26, 2014 found at https://soma.larc.nasa.gov/standardao/pdf_files/CAT3-ClassD-Letter.pdf.***
- ☐ EVM is discouraged for Firm-Fixed Price (FFP) contracts. The Contracting Officer (CO) will collaborate with the Project Manager (PM) to ensure the appropriate data can be obtained to fulfill program management needs and comply with NPR 7120.5 (latest version).
- ☐ EVM may be imposed on contracts less than \$20M as a risk-based decision of the PM.
- ☐ Prime contractors will flow down the same EVM requirements to applicable subcontractors.

*NASA Procurement Class Deviation (PCD) 15-05, Class Deviation to NFS 1834.2, 1834.203-70, 1852.234-1 and 1852.234-2-EARNED VALUE MANAGEMENT SYSTEM THRESHOLD at <https://www.nasa.gov/evm/regulations>

** Electronic Industries Alliance Standard (EIA) 748, *Earned Value Management Systems*

***NASA Assistant Administrator for Procurement memo, dated 28 June 2018, SUBJECT: *Approval of Request to Deviate – Earned Value Management Systems from SMD Class-D Tailored/Streamlined Missions*, <https://www.nasa.gov/evm/regulations>

STATEMENT OF WORK (SOW)

- ☐ The SOW shall not contain guidance or direction that conflicts with, removes, or adds work scope to the supplier's validated EVMS.
- ☐ The SOW should include additional instructions to contractors when EVM is required, including guidance on monthly management reviews, Integrated Baseline Reviews (IBRs), and other EVM topics, as applicable. Refer to Appendix B of the *NASA EVM Implementation Handbook* for sample SOW language located at the NASA EVM Website, <https://www.nasa.gov/evm/handbooks>.

NASA FAR SUPPLEMENT (NFS) FOR CONTRACTS (PCD 15-05) ***

- ☐ Insert NFS 1852.234-1, Notice of Earned Value Management System, in contract solicitations for:
 - Development or production, including flight and ground support projects and institutional projects (facility IT, investment, etc.) with a value exceeding \$20M.
 - Acquisitions of any value designated as major by the project manager in accordance with OMB Circular A-11.
- ☐ Insert NFS 1852.234-2, Earned Value Management System, in solicitations and contracts with a value equal to or exceeding \$100M that include the provision at 1852.234-1. The clause with its Alternate I will be used when the contract value is less than \$100M.

Note: *Contracts of \$150M or less that support Science Mission Directorate (SMD) Mission Risk Class D space flight projects are exempt from the FAR and NFS 1834.201(see above note).*

DATA REQUIREMENTS

- ☐ The Integrated Program Management Report (IPMR) is a consolidation of the Contract Performance Report and the Integrated Master Schedule (IMS) and is required whenever EVM is required (see NASA Procurement Information Circular (PIC) 15-06, GUIDANCE ON THE INTEGRATED PROGRAM MANAGEMENT REPORT FOR EARNED VALUE MANAGEMENT located at <https://www.nasa.gov/evm/regulations>). The *NASA IPMR Data Requirements Description (DRD) Guide* contains sample IPMR DRDs and tailoring instructions, and can be found on the NASA EVM website at. <https://www.nasa.gov/evm/guidance>

- The IPMR DRD for contracts of \$100M or greater will require Formats 1, 3, 5, and 6 (IMS). IPMR Formats 2, 4, and 7 are recommended.
- The IPMR DRD for contracts \$20M but less than \$100M will require Formats 1, 3, 5, and 6 (IMS). IPMR Formats 2, 4, and 7 are optional.
- The IPMR DRD for contracts less than \$20M and contracts for major acquisitions will require Format 6 (IMS). IPMR Format 5 is recommended (IMS analysis only).
- The IPMR DRD, Format 6 IMS is required for FFP contracts greater than \$20M. IPMR Format 5 is recommended (IMS analysis only).
- The Contract Work Breakdown Structure (WBS) DRD will be included in all contracts requiring EVM. A product oriented WBS in accordance with *NASA WBS Handbook* is mandatory when EVM is required. A sample WBS DRD can be found in Appendix D of the *NASA WBS Handbook*. The *NASA WBS Handbook* can be found on the NASA EVM website at <https://www.nasa.gov/evm/handbooks>.
- Contractor Financial Management Reports, Monthly and Quarterly, NASA Forms (NF) 533M and 533Q respectively, are required on contracts (see NPD 9501.1 and NPR 9501.2) and, when EVMS is required, will reflect information consistent with the IPMR and generated from the same management information systems.
- Cost Reporting for non-EVM contracts is required monthly from contractors that are performing work in support of a NASA project that is using EVM. Examples of these contracts are steady state or level of effort and do not meet the EVM requirements or below the threshold for applying EVM. See the NASA EVM website for additional guidance and sample DRDs at <https://www.nasa.gov/evm/guidance>.

INTEGRATED BASELINE REVIEWS (IBRs)

- IBRs are required whenever EVM is required.
- For contracts, IBRs will be conducted within 180 calendar days after contract award (if a pre-award IBR has not been conducted), or exercise of significant options, or within 60 calendar days after incorporation of major modifications.
- Project Managers will lead their Prime Contractor IBRs (with support of EVM and schedule subject matter experts).
- See the *NASA IBR Handbook* for instructions, tips, and tools on how to conduct an IBR. The *NASA IBR Handbook* can be found on the NASA EVM website at <https://www.nasa.gov/evm/handbooks>.

AWARD FEE CRITERIA

- The application of EVM and IBRs in the award fee criteria is a valuable tool to promote good project management. However, the use of a single EVM indicator, such as the Cost Performance Index (CPI), or the IBR event, is not recommended.
- See the [NASA EVM Implementation Handbook](#) for examples of effectively incorporating EVM and IBRs into the award fee evaluation.

ADDITIONAL INFORMATION

- NASA EVM: <https://www.nasa.gov/evm>
- NASA Procedural Requirements (NPR) 7120.5, NASA Space Flight and Project Management Requirements"; NPR.7120.7, "NASA Information Technology Program and Project Management Requirements", NPR 7120.8, "NASA Research and Technology Program and Project Management Requirements." https://nodis3.gsfc.nasa.gov/main_lib.cfm
- DCMA EVMS Center: <https://www.dcma.mil/HQ/EVMS/>
- National Defense Industrial Association (NDIA) Integrated Program Management Division (IPMD): <https://www.ndia.org/divisions/ipmd>

Table 1. NASA Earned Value Management System (EVMS) and Reporting Requirements for Contracts

Contract Total Estimated Value ¹⁻³	EIA-748 EVMS Standard (PCD 15-05)	NASA EVMS Solicitation and Contract Clause (PCD 15-05)	IPMR DRD (PIC 15-06)	WBS DRD	Project Cost Report DRD (Non-EVM) ⁵
Cost or FPI \$100M or greater	Validation required	Required: NFS 1852.234-1 and NFS 1852.234-2	Required: IPMR Formats 1, 3, 5, and 6 (IMS); Recommended: IPMR Formats 2, 4, and 7	Required	Not Required
Cost or FPI \$20M but less than \$100M	Compliance with guidelines; Validation not required	Required: NFS 1852.234-1 and NFS 1852.234-2 with Alternate 1	Required: IPMR Formats 1, 3, 5, and 6 (IMS); Optional: IPMR Formats 2, 4, and 7	Required	Not Required
Cost or FPI Less than \$20M; Major Acquisition Non-developmental contracts	Not required (optional at discretion of PM)	Not required. (If PM elects to require EVM then NFS 1852.234-1 and NFS 1852.234-2 with Alternate 1 is required)	Required: IPMR Format 6 (IMS) Recommended: IPMR Format 5 (Formats 1, 3 and 7 not required unless PM elects to require EVM)	Required	Required if EVMS and IPMR <u>not</u> required
FFP greater than \$20M	Not required	Not required	Required: IPMR Format 6 (IMS); Recommended: IPMR Format 5 (IMS analysis only)	Required	Not required
SMD Mission Risk Class-D space flight projects and contracts with a LCC of up to \$150M excluding launch costs	Not required	Not required	Required: IPMR Format 6 (IMS); Recommended: IPMR Format 5 (IMS analysis only)	Required	Required if EVMS and IPMR <u>not</u> required

Notes:

1. Prime contractor responsible for EVMS requirements on subcontractors using same rules as applied to prime contract. Total estimated value includes options.
2. EVM is applied on development or production contracts and subcontracts, including flight and ground support projects and institutional projects (facility IT, investment, etc.) and major acquisitions as designated by the Project Manager (see NPR 7120.5, 7120.7 and 7120.8).
3. The application of EVM is discouraged on Firm Fixed Price (FFP) contracts, contracts < 12 months in duration (inclusive of options), non-developmental engineering support services, steady state operations, basic and applied research, and routine services such as janitorial or grounds maintenance services.
4. Integrated Baseline Reviews (IBRs) are required whenever EVM is required. For contracts, IBRs will be conducted within 180 calendar days after contract award (if a pre-award IBR has not been conducted), or exercise of significant options, or within 60 calendar days after incorporation of major modifications.
5. Cost reporting for non-EVM contracts that are performing work in support of a NASA project that is using EVM. See NASA document "Reporting for Contracts with No Earned Value Management EVM Requirements" at <https://www.nasa.gov/evm/guidance> for information/sample DRDs.

Legend:

DRD	Data Requirements Description
EIA-748	Electronic Industries Alliance Standard 748, <i>Earned Value Management System</i>
FFP or FPI	Firm Fixed Price or Fixed Price Incentive
IMS	Integrated Master Schedule
IPMR	Integrated Program Management Report (IPMR)
NFS	NASA Federal Acquisition Regulation Supplement
PCD	Procurement Class Deviation
PIC	Procurement Information Circular
WBS	Work Breakdown Structure