Notes and comments

Overall comments:

- The procedures really don't fill in the gaps created by the SD. They lack specificity of process. The swim-lane flows are a good idea but they, too, are too general. The procedures would be significantly enhanced by add the type of flow diagram that appears in Monthly Status and Reporting [the flow itself has flaws, but the type of flow]. Also, To save space, why don't you put the definitions in one procedure and then reference them in the other procedures? It seems unnecessary to replicate all of the definitions in each procedure.

Document: **Procedure 12.PM-001** dated December 2, 2008

- 4.3. – "The OBS identifies all organizational entities and individuals responsible and accountable for every element of the WBS." Is a person really assigned to each element on the WBS?
- Appendix C - In this example it is not possible to identify the Control Accounts. It is recommended that the Control Accounts be specifically identified with some sort of code or reference if the Control Account numbers are not identifiable in their form. Why not include the Project/Task number as described in procedure -002?
- Appendix D – This example WBS Dictionary doesn't make it clear which elements are Control Accounts. There should be some sort of identification to make it easy to identify the Control Accounts. Also, my experience suggests that if this data is maintained in some sort of digital media that would allow sorting and filtering it would be most helpful to be able to filter to include only the Control Accounts, sorted by CAM.

Document: **Procedure 12.PM-002** dated December 2, 2008

- Section 1.0 includes the PMT "apportioned". This PMT isn't included in the EVMS Description.
- Section 3.2 says that the CAM is responsible for "proposing" the PMT, but there is no responsibility for approving the proposal.
- Section 4.3 – Should describe how Planning Packages are identified. The method should make it clear which packages are Planning Packages and which are Work Packages.
- 4.3 – "Conversion of planning packages to work packages should occur no later than six months before work is scheduled to begin." But you've already said that you don't employ planning packages. This is one of many examples where using another organizations procedures creates inconsistencies.
- 4.4 – "When the control account plans are acceptable, the CAM prepares and signs the control account plan/work authorization form." Signifying what? Acceptable to whom?
- In the flow chart there is a reference to developing a "CAP." What is a CAP? What form does it take? What information is included? We did not see any evidence of CAPs, per se. Not one CAM could produce a "CAP."

Document: **Procedure 12.PM-003** dated December 2, 2008

- Section 1.0 – This introduction paragraph says that the procedure establishes a procedure for terminating work authority if funding might be exceeded. This isn't mentioned again in the procedure.
- Also, I'm not sure that the practice is proper. Seems like the termination of authorization should be a response to a changed schedule, etc.
- Section 4.2 – Again planning packages are discussed but you say that PPs are not used. Inconsistent. Also, the Control Account Plan is discussed, but there is no evidence of a CAP, other than the WA Form. That's not what OECM will expect to see when they ask for a CAP.
- Section 4.3 – Is an annual update to the Work Authorization an acceptable practice? OECM won't think so. The scope is the scope and is independent of fiscal year boundaries.

Document: **Procedure 12.PM-004** dated December 2, 2008

-
- Section 3.2 – "Intermediate Milestones" is a new term, and the implication one gets is that they are used for something in particular. What are they used for?
- Section 4.1 – Includes a description of a process that requires change control of all changes to the PMB schedule. Does this include changes that result from conversion of Planning Packages to Work Packages? Seems like an onerous constraint.
- Section 4.2 Step 10 – This section describes use of schedule contingency. If this is really "contingency" then doesn't the customer own it? If so, how is its use approved? If it is really schedule reserve that is owned by the Project Manager then it should be described as such.

Document: **Procedure 12.PM-005** dated December 2, 2008

- No comments.

Document: **Procedure 12.PM-006** dated December 2, 2008

- Section 4.2 – These thresholds do not include any absolute amounts. With Control Accounts that are so large the indices could allow some very large dollar variances that aren't red. How does the CAM, in a "yellow" situation, communicate the analysis to the PM? Verbally or written? If written, how does this differ from the formal VAR process? The thresholds appear to be more lenient than what OECM is used to seeing. A 10% threshold (with a dollar component as well), which if exceed, prompts written VARs is more typical. Finally, and this was discussed during the review, it's recommended that the thresholds be applied against current period and cumulative data, not on a three month moving average.

- Section 4.4 – "Although the project does not control indirect costs, they should still be analyzed, reported, and monitored so that corrective actions may be taken and the impact to the Total Project Cost tracked on an ongoing basis." By whom?

- Section 4.5 – "…the CAM develops a new estimate and submits it to the Project Manager. What format? What process?
- Section 4.5 – "On at least an annual basis, the project manager will request that all CAMs review their ETC, and perform and submit a detailed, bottoms-up estimate for the remaining work to establish the EAC. What format? What process?
- Appendix C – The flow doesn't make sense. "Start with the PMB?" What does that mean? How can the CAM review the draft report, when the analysis hasn't been done yet? Perhaps what's needed with each flow is a narrative that amplifies on the few words in each box.

Document: **Procedure 12.PM-007** dated December 2, 2008

- Section 4.1 last list of restrictions, third bullet from bottom – The transfer should be accomplished by returning budget to *Management Reserve*, not *contingency*. Unless there is no MR. The whole MR versus Contingency discussion implies that some projects may have both. Is that correct? If so, what has been documented appears, on the whole, accurate. If FNAL will NEVER have MR, then why even mention MR at all?
- Appendix E – This form doesn't deal with the differences between Management Reserve and contingency in a meaningful way. Changes that effect Management Reserve should have a net zero affect on the PMB. Changes that use contingency change the PMB. This needs to be indicated on this form so that the managers using the form for information can easily see what has happened.
- Logs – We are of the opinion that some form of baseline log needs to be established that tracks the value of each component of the baseline. That way when changes occur, there is always a current running total of the distributed budget, MR/Contingency, PMB and TPC.

Document: **Procedure 12.PM-008** dated October 17, 2008

- No comments.

Document: **Indirect Burden Allocation Policy** dated November 18, 2008

- This doesn't really address the issues: how are indirect costs planned and controlled.

Document: **October 2008 Monthly Report** dated December 23, 2008

- Variance explanations on page 23 – In general, it seems to me that a change in funding approval should have caused a change in the schedule and PMB. If the plan had been adjusted to match the authorization then the early starts and early expenditures would not have caused variances.
- Why is the analysis done to a three month rolling average of EV data? This is most unusual.