

## **Subchapter 3034.2 Earned Value Management System**

### **3034.200 General.**

#### *(a) Authority.*

(1) Title V of the Federal Acquisition Streamlining Act of 1994 (FASA) requires agency heads to approve or define the cost, performance, and schedule goals for major acquisitions and achieve, on average, 90% of the cost, performance and schedule goals established.

(2) The Clinger-Cohen Act of 1996 requires the Director of Office of Management and Budget (OMB) to develop, as part of the budget process, a process for analyzing, tracking, and evaluating the risks and results of all major capital investments for information systems for the life of the system.

(3) OMB Circular No. A-11, Preparation, Submission, and Execution of the Budget and its supplement, Capital Programming Guide, were written to meet the requirements of the FASA and the Clinger Cohen Act. In addition, OMB Circular No. A-11 requires the use of an Earned Value Management System (EVMS).

### **3034.201 Policy.**

A major system means that combination of elements that will function together to produce the capabilities required to fulfill a mission need. The elements may include hardware, equipment, software, or any combination thereof, but exclude construction or other improvements to real property. At DHS, a system is a major system if total expenditures for the system are estimated to exceed \$100 million. Regardless of contract type, an EVMS is required for major system acquisitions for each contract valued over \$100 million (including all options). An EVMS, or an alternative effective technique, is discretionary for each contract that is valued at less than or equal to \$100 million (including all options).

### **3034.202 Integrated Baseline Reviews.**

#### *(d)*

(1) Integrated Baseline Reviews (IBR) are normally conducted after award. Post-award IBRs shall be completed within ninety days of contract award by the program manager.

(2) If approved by the Head of Contracting Activity, IBRs may be conducted before award. Pre-award IBRs are appropriate only when the IBR results are essential for the source selection process and the program has adequate funding to conduct IBRs.

### **3034.204 Reserved.**

### **3034.205 Reserved.**