



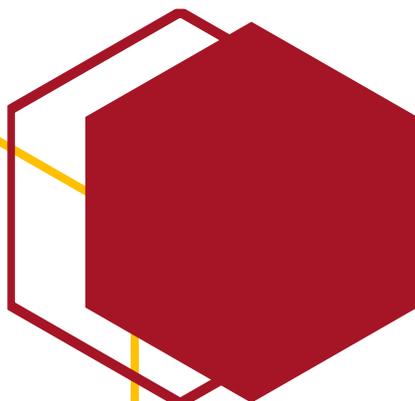
Glossary

Integrated Project/Program Management (IP2M)
Maturity and Environment Total Risk Rating (METRR)
using an Earned Value Management System (EVMS)

Report No. 6, Annex A

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GLOSSARY

**INTEGRATED PROJECT/PROGRAM MANAGEMENT (IP2M)
MATURITY AND ENVIRONMENT TOTAL RISK RATING (METRR)
USING AN EARNED VALUE MANAGEMENT SYSTEM (EVMS)**

Report No. 6, Annex A

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Executive Summary

This document provides a glossary of terms that was developed as part of the process for developing the Integrated Project/Program Management (IP2M) Maturity and Environment Total Risk Rating (METRR). The terms come from various sources as indicated next to each and as cited in the reference list at the end of this document. The consolidated terms here are not an exhaustive list of terms related to EVMS but are all relevant to IP2M METRR. The glossary list is provided in alphabetical order and related terms are in some cases identified in the write-up of each glossary item. This document is part of the deliverables for the research project sponsored by the DOE and has been approved by the research steering committee and Arizona State University (ASU) joint team.

The IP2M METRR is a novel assessment mechanism developed as part of a DOE-sponsored Joint Research Study led by ASU and representing 19 government, industry, and academic organizations. The research team members are 41 individuals who have a diverse background including owners, contractors, consultants, academia, and so forth. The list of the research team members is provided at the end of this document. The tool assesses a spectrum of EVMS maturity and environment issues centered around the EIA-748 EVMS Guidelines, while also referencing the Project Management Institute's American National Standards Institute (ANSI) standard for EVM (2019) and International Organization for Standardization (ISO) 21508:2018 guidance. By using the IP2M METRR (pronounced "IP2M meter") to assess both the maturity and environment of an EVMS, project leaders and personnel can understand the efficacy of that EVMS to support integrated project/program management. It also helps identify opportunities for improvement. The ultimate goal of performing this assessment is to assure project/program participants are working with accurate, timely, and reliable information to manage their work, leading to successful project/program performance.

Glossary terms

Term	Definition	Reference(s)
Accounting Period	The time period, typically a month in duration, during which actuals are collected for transfer into the Earned Value Management System (EVMS) for reporting purposes. The budget plan is time-phased in accordance with the accounting periods.	NDIA 2018a; DOD 2019
Activity	An element of work performed during the course of a project/program. A task/activity has an expected duration, expected cost and expected resource requirements. Some systems may define task/activity at a level below the work package while other systems do not differentiate between the two. One or more tasks/activities may relate to a work package. <i>Related term: task.</i>	DOD 2019; SAE 2019
Actual Costs (AC)	The costs actually incurred and recorded in the accounting system for accomplishing the work performed within a given accounting period. <i>Related term: Actual Cost of Work Performed (ACWP).</i>	NDIA 2018a; DOD 2019
Actual Cost of Work Performed (ACWP)	The costs actually incurred and recorded in the Earned Value Management System for accomplishing the work performed within a given accounting period, as distinguished from forecasted costs. ACWP reflects the applied costs that are expressed as a value for a specific period or cumulative to date. The amounts may include both allowable costs and unallowable costs even though the customer may not reimburse contracts for unallowable costs. <i>Related term: Actual Costs.</i>	DOD 2019; NDIA 2018a; SAE 2019
Actual Date	The date on which a milestone or scheduled work task/activity is completed.	SAE 2019
Actual Finish (AF)	The historic date that a specific scope of work (typically a task/activity) was completed.	NDIA 2018a
Actual Start (AS)	The historic date that a specific scope of work (typically a task/activity) began.	NDIA 2018a

Term	Definition	Reference(s)
Agile	<p>Agile has emerged as the leading industry software development methodology and has seen growing adoption across the private sector as well as DoD and other federal agencies. Agile implements the needed method by focusing on small, frequent capability releases, working software through demonstration of capabilities, responding rapidly to changes in operations, technology, and budgets, and actively involving users throughout development to ensure high operational value. While Agile concepts have been applied more often to software development efforts, these methodologies and the EVM implementation described herein is applicable to a wide range of development and production tasks/activities.</p>	NDIA 2019
Apportioned Effort (AE)	<p>Effort that by itself is not readily measured or divisible into discrete work packages but which is related in direct proportion to the planning and performance on other discrete, measured effort.</p>	SAE 2019; DOD 2019; NDIA 2018a
Authorized Unpriced Work (AUW)	<p>A contract scope change which has been directed by the customer's contracting officer but has not yet been fully negotiated/definitized. It includes a value, excluding fee or profit, typically associated with the authorized, unpriced change order. When the contracting officer formally authorizes the contractor to proceed with not yet negotiated work, a not-to-exceed (NTE) value is often established. The NTE is strictly a funding limit, and a contractor is required to observe the limit as the not yet negotiated work is underway. The full estimate associated with the authorized but not yet negotiated work is reflected as AUW. The budget for the work associated with the NTE may be distributed to control accounts, but the remainder must reside in undistributed budget (UB) until negotiations are complete and the contract modification is issued.</p>	DOD 2019; NDIA 2018a; SAE 2019; Research team

Term	Definition	Reference(s)
Authorized Work	Effort that has been definitized and work that is within the scope of the applicable statement of work or contract. Includes any effort for which definitized contract costs have not been agreed to but for which written authorization has been received. Can also mean effort or work scope assigned by management.	NDIA 2018a; DOD 2019; SAE 2019
Baseline	The total time-phased budget plan (Budget at Completion) against which project/program performance is measured. It is a quantitative definition of cost, schedule, and technical performance (scope) that serves as a base or standard for measurement and control during the performance of an effort; the established plan against which the status of resources and the effort of the overall program, field program(s), project(s), task/activity(s), or subtask(s) are measured, assessed and controlled. Once established, baselines are subject to change control discipline. <i>Related term: Performance Measurement Baseline (PMB).</i>	NDIA 2018a; DOD 2019; Research team
Baseline Change Documentation	A document that provides a complete description of a proposed change to an approved performance measurement baseline (PMB), including the resulting impacts on the project/program scope, schedule, design, methods, and cost baselines.	DOE 2018
Baseline Schedule	The original plan incorporated into the Integrated Master Schedule (IMS) against which schedule status is compared or measured. It establishes the PMB time phasing. The baseline schedule is typically subject to formal change control.	NDIA 2018a; DOD 2019
Bill of Materials (BOM)	A listing of material items required to complete the production of a single unit. When actual or expected prices are applied, it becomes the Priced Bill of Materials (PBOM).	DOD 2019; NDIA 2018a

Term	Definition	Reference(s)
Budget at Completion (BAC)	The total authorized budget for accomplishing work scope. At the project/program level, it is equal to the sum of allocated budgets plus any undistributed budget, the Performance Measurement Baseline (PMB). Can also apply to lower levels such as a given Work Breakdown Structure (WBS)/Organizational Breakdown Structure (OBS) element, control account, work package, or planning package. <i>Related term: Total Allocated Budget.</i>	NDIA 2018a; DOD 2019; SAE 2019
Budgeted Cost for Work Performed (BCWP)	The value of completed work expressed in terms of the budget assigned to complete the work effort, the earned value. It is the sum of the budgets for completed work packages and completed portions of open work packages, plus the applicable portion of the budgets for level of effort and apportioned effort. May be expressed as a value for a specific period or cumulative to date. BCWP is sometimes known as Budgeted Cost of Work Performed. <i>Related term: Earned Value (EV).</i>	NDIA 2018a; DOD 2019
Budgeted Cost for Work Remaining (BCWR)	The sum of the budgets for all work that has yet to be accomplished. BCWR is sometimes known as Budgeted Cost of Work Remaining.	NDIA 2018a
Budgeted Cost for Work Scheduled (BCWS)	The sum of the budgets for all work packages, planning packages, and summary level planning packages scheduled to be accomplished (including in-process work packages), plus the budget for level of effort and apportioned effort scheduled to be accomplished within a given time period. May be expressed as a value for a specific period or cumulative to date. BCWS is sometimes known as Budgeted Cost of Work Scheduled. <i>Related term: planned value (PV).</i>	NDIA 2018a; DOD 2019
Business Rhythm	An organization's normal management cycle often tied to their accounting calendar for conducting the routine operations required within an operating EVMS including but not necessarily limited to updating the IMS, collecting actual costs and measuring performance, validating cost and schedule data, preparing and assessing variances, developing corrective actions, updating cost and schedule estimates to complete, conducting CAM/PM reviews, and reporting performance.	NDIA 2018b; NASA 2019; Humphreys and Associates 2021

Term	Definition	Reference(s)
Closed Loop Corrective Action	<p>The output of a formal closed loop root cause analysis leads to effective and preventative corrective actions.</p> <p>Effective Root Cause Analysis (RCA) is identified as being formal and closed loop; that is the process and methodologies, to include support tools as identified above, are defined and utilized, and the process is monitored through time. It is the resampling or revisiting of the Root Cause/Corrective Action (RCCA) through time, generally at plus one (1), plus three (3), plus six (6) and plus twelve (12) months from implementation of the “root cause” fix.</p>	DOE 2015a
Compliance	The characteristics of an EVMS that ensures the intent of the EIA-748 EVMS guidelines is embodied in the integrated processes and sub processes of a contractor’s methods of operation that generate accurate and auditable project/program performance data.	NDIA 2018a
Compliance Evaluation Review (CER)	A formal process used to verify the EVMS implemented on contract(s) complies with the appropriate guidelines, the system has been properly implemented by the system user in accordance with the requirements of the contract and system owner’s policies, and the system produces reliable, timely, and actionable contract performance data.	NDIA 2018a
Comprehensive Estimate at Completion (CEAC)	Comprehensive Estimate at Completion (EAC), also known as a contract-level or bottom-up EAC. <i>Related term: Latest Revised Estimate (LRE).</i>	DOD 2019
Contract	An awarded agreement from a government or industry customer specifying the terms and conditions of performance, including defining all clauses, delivery schedules, data products, rights to data, work scope and performance boundaries, cost share criteria, and other contracting details.	NDIA 2018a

Term	Definition	Reference(s)
Contract Budget Base (CBB)	The sum of the negotiated contract cost plus the estimated cost of authorized unpriced work. The CBB represents the total amount of performance measurement budget that may be allocated to contract work inclusive of distributed, undistributed and management reserve budget. <i>Related term: Total Allocated Budget.</i>	DOD 2019; NDIA 2018a; Research team
Contract Data Requirements List (CDRL)	The standard format for identifying potential data requirements in a solicitation, and deliverable data requirements in a contract. The purpose of the CDRL is to provide a standardized method of clearly and unambiguously delineating the customer's minimum essential data needs.	DOD 2019; NDIA 2018a
Contractor	An entity in private industry which enters into contracts with public and private customers.	NDIA 2018a; DOD 2019
Control Account (CA)	A CA is a management point for planning and control. It is the intersection of one WBS element and one organizational structure element representing a specific portion of project/program scope assigned to an individual manager. The control account is the minimum level where technical, schedule, and cost responsibility exists for management control purposes.	DOD 2019; NDIA 2018a; SAE 2019
Control Account Manager (CAM)	A single manager within the project/program organizational structure that has the authority and responsibility to manage one or more control accounts.	NDIA 2018a; DOD 2019
Control Account Plan (CAP)	A detailed and documented plan, at the work package and planning package level, integrating all of the authorized control account work scope, schedule, and time-phased budget by element of cost.	NDIA 2018a; DOD 2019
Corrective Action Plan	A formal written document that describes the specific steps and milestones necessary for completion of corrective actions and associated dates for completion. The plan is submitted with management comments on the audit report or with the management decision, whichever is applicable.	DOE 2008

Term	Definition	Reference(s)
Corrective Action Request (CAR)	A CAR is a systemic or a limited occurrence of a non-compliance to the customer's requirements or guideline, which significantly impacts reporting and requires a corrective action plan.	DOE 2012
Cost Accounting Standards (CAS)	Requirements established by the CAS Board to ensure consistent and proper accounting for direct and indirect costs applied to government contracts.	DOD 2019; NDIA 2018a
Cost Accounting Standards Board (CASB)	An independently established statutory board. The Board has the exclusive authority to make, promulgate, and amend cost accounting standards and interpretations designed to achieve uniformity and consistency in the cost accounting practices governing the measurement, assignment, and allocation of costs to contracts with the United States (41 U.S.C. 1501 et seq., formerly, 41 U.S.C. 422).	DOD 2019; NDIA 2018a
Cost Accounting Standards Board (CASB) Disclosure Statement	A written description of a contractor's cost accounting practices and procedures.	DOD 2019; NDIA 2018a
Cost Element	The categories of cost (such as labor, material, subcontractor, and other direct costs) and indirect costs as defined by the organization's accounting practices.	NDIA 2018a; Research team
Cost Performance Index (CPI)	A measure of the cost efficiency relative to the performance of tasks/activities and completion of those tasks/activities. It is calculated by dividing the Budgeted Cost for Work Performed (BCWP) by the Actual Cost of Work Performed (ACWP). A value greater than 1 is favorable; a value less than 1 is unfavorable. It may be expressed as a value for a specific time period or cumulative to date.	NDIA 2018a; Research team

Term	Definition	Reference(s)
Cost Variance (CV)	A metric for cost performance on a project/program. It is the difference between Budgeted Cost for Work Performed (BCWP) and Actual Cost of Work Performed (ACWP) (CV = BCWP – ACWP). A positive value is favorable; a negative value is unfavorable. It may be expressed as a value for a specific time period or cumulative to date.	NDIA 2018a; DOD 2019; SAE 2019
Critical Task/Activity	A discrete work package, planning package, or lower level task/activity that resides on the Integrated Master Schedule (IMS) critical path.	DOD 2019; NDIA 2018a
Critical Decision (CD)	A formal determination made by the Chief Executive for Project Management (CE) or Project Management Executive (PME) at a specific point during the project/program that allows the project/program to proceed to the next phase or CD. <i>Related terms: phase gate or stage gate.</i>	DOE 2018
Critical Item (CI)	A critical item is a procurement/material that may or may not be a high dollar value item yet if not tracked, could impact the critical path. They are high risk items, based on such criteria as sole source/limited availability, safety, quality, or environmental impact, etc.	NDIA 2018c; CMI 2021
Critical Path	A sequence of discrete work packages, planning packages, or lower- level tasks/activities in the network that has the longest total duration with the least amount of total float/slack through an end point that is calculated by the schedule software application. A delay on any task/activity on the critical path will result in a corresponding delay to the end of the project/program.	DOD 2019; NDIA 2018a
Current Period	The open accounting period in which the contract is currently executing, i.e., time now.	DOD 2019
Current Rates	Current Rates are the contractors’ approved or proposed rates for the fiscal year. Current rates are those that are used to establish the Performance Measurement Baseline (PMB) or to incorporate new scope into the PMB. The Current rates represent the optimal available information known at the time for establishing a baseline for valid performance measurement.	DOD 2019

Term	Definition	Reference(s)
Customer	The government, commercial organization, or other entity for which one or more projects/programs are being executed.	NDIA 2018a
Customer's Contingency Reserve	In establishing the total project/program cost, the customer should account for technical and programmatic risks within the project/program scope but outside the scope of the contract(s). It is important to account for these technical and programmatic risks by establishing a customer contingency reserve which would be placed on the contract as those risks are realized. The customer's contingency reserve is a budget above the Contract Budget Base (CBB) and controlled by the customer as delineated in the Project/Program Execution Plan. The customer controls use of contingency reserve while the contractor controls use of management reserve.	DOE 2012; Usmani 2012; Research team
Detail Planning	The act of defining the scope, schedule and budget of a planning package into more detailed work packages with earned value techniques. Or the act of further defining the scope, schedule and budget of a SLPP into more detailed control accounts.	DOD 2019; NDIA 2018a
Direct Costs	Any costs that may be specifically identified with a single cost objective. The costs or resources expended in the accomplishment of work, which are directly charged to the affected program.	NDIA 2018a; DOD 2019; SAE 2019
Discrete Effort	Tasks/activities that are related to the completion of specific end products or services, which can be separately planned and measured. (Also, may be known as work packaged effort.)	NDIA 2018a; DOD 2019; SAE 2019
Driving Path	The longest continuous sequence of tasks/activities driving a selected interim contract or project/program event. Discrete tasks/activities on the driving path have the least amount of total float/slack to the interim contract milestone. A driving path may or may not be on the project/program's critical path. <i>Related terms: Critical Path, Near-Critical Path, and Near Driving Path(s).</i>	NDIA 2018a; DOD 2019
Due Date	The date a milestone or task/activity is scheduled to be completed.	SAE 2019

Term	Definition	Reference(s)
Early Start / Early Finish	The earliest possible start or finish date for an Integrated Master Schedule (IMS) task/activity calculated by the network.	NDIA 2018a; Research team
Earned Schedule (ES)	The amount of time originally planned, according to the spread of the Budgeted Cost for Work Scheduled (BCWS), to reach the current total of Budgeted Cost for Work Performed (BCWP). In a broad sense, earned schedule is also an analytical technique that uses the exact same data as Earned Value Management (EVM), except the resulting schedule indicators are time-based, not cost-based.	NDIA 2018a
Earned Value (EV)	The value of completed work expressed in terms of the budget assigned to that work, also referred to as Budgeted Cost for Work Performed (BCWP). It provides an objective measure of the value of completed work expressed in terms of the budget assigned to that work.	NDIA 2018a; SAE 2019
Earned Value Management (EVM)	The use of performance management information, produced from the EVMS, to plan, direct, control, and forecast the execution and accomplishment of contract/project cost, schedule, and technical performance objectives versus the plan.	NDIA 2018a; DOD 2019; Research team
Earned Value Management System (EVMS)	An organization's management system for project/program management that integrates a defined set of associated work scopes, schedules and budgets for effective planning, performance, and management control. It integrates these functions with other business systems such as accounting and human resources, among others.	NDIA 2018a; DOD 2019; Research team

Term	Definition	Reference(s)
EVMS Budgeting Tool	<p>An EVMS budgeting tool is a specialized EVMS tool that integrates cost and schedule data for projects. By collecting data on actual costs and work performed, it can produce performance forecasts for projects. Capabilities include:</p> <ul style="list-style-type: none"> · Financial Calendar / fiscal period support · Element of Cost (EOC) support · Direct rate table calculations with escalation rules · Indirect rate table calculations with escalation rules (Overhead, G&A, Cost of Money, Fee) · Earned Value Techniques (Level of Effort, Apportioned Effort, Multiple discrete rules) · Work Authorization and Change Control · Budget Logs with tracking and reconciliation of contract budget types (Distributed Budget, Undistributed Budget, Management Reserve, Total Allocated Budget, Control Budget Base) <p><i>Related terms: budgeting tool, EVMS cost tool, and EVMS cost engine.</i></p>	Breuker 2017; Eby 2017
EVMS Execution Phase	<p>The EVMS execution phase includes change control, accounting, material management, indirect budget and cost management, analysis and management reporting. Risk management and subcontract management occur in both phases.</p>	NDIA 2018d
EVMS Implementation Phase	<p>In the context of this tool, the EVMS implementation phase includes processes such as organizing, planning and scheduling, budgeting and work authorization, and establishing the performance measurement baseline.</p>	NDIA 2018d
EVMS Scheduling Tool	<p>An EVMS scheduling tool is a software tool that facilitates the creation and maintenance of a project schedule and uses schedule analysis techniques such as the critical path method. The project schedule is the basis for assigning resources to project work. In an EVMS, the scheduling engine holds the baseline and the current schedule for the project. It's imperative that the scheduling engine is closely integrated with the cost engine. <i>Related term: scheduling engine.</i></p>	Eby 2017

Term	Definition	Reference(s)
Earned Value Technique (EVT)	A specific technique (e.g., Milestone Method, Percent Complete, 50/50, 0/100, Units Complete, Apportioned Effort, Level of Effort (LOE), etc.) selected to represent the measurement of work scope progress and accomplishment in a work package.	DOD 2019; NDIA 2018a
Element of Cost (EOC)	Product costs are decomposed into the elements of cost. These elements are comprised of labor, materials, subcontracts, other direct costs and overhead. EOCs represent the cost of products that are typical across industry.	DOD 2019; NDIA 2018a; SAE 2019
End-to-End problem resolution	End-to-end problem-solving processes provides a framework for a group to approach problems of any size or scope. This means that problems are identified, worked, and closed out in a systematic manner. <i>Related term: closed-loop problem-solving.</i>	Research team
Enterprise Resource Planning (ERP)	A method for the effective planning of all resources of a manufacturing contractor. It integrates planning of all aspects (not just production) of a manufacturing firm. It includes functions such as business planning, production planning and scheduling, capacity requirement planning, job costing, financial management and forecasting, order processing, shop floor control, time and attendance, performance measurement, and sales and operations planning. <i>Related term: Manufacturing/Enterprise Resource Planning (M/ERP) System.</i>	DOD 2019
Estimate at Completion (EAC)	The current estimated total cost for authorized project/program work. It equals the cumulative to date Actual Cost of Work Performed (ACWP) plus the estimated costs to complete (Estimate to Complete or ETC) the authorized work remaining. EAC does not include profit or fee.	NDIA 2018a; DOD 2019; SAE 2019
Estimate to Complete (ETC)	Estimate of costs to complete all work from a point in time (Time now or status date) to the Estimated Completion Date (ECD) to the end of project/program.	NDIA 2018a; DOD 2019; SAE 2019

Term	Definition	Reference(s)
Estimated Actual(s)	Values entered into the Earned Value Management System to represent direct costs for material and subcontracted items for which earned value has been taken but invoices or billings have not entered the accounting system. The estimated values are replaced in the EVMS with the recorded actual costs from the accounting system when they become available. <i>Related terms: Estimated Actual Cost of Work Performed (ACWP) and estimated cost or cost estimate.</i>	DOD 2019; NDIA 2018a; SAE 2019
Estimated Completion Date (ECD)	Estimated date to complete all remaining work. <i>Related term: forecast completion date.</i>	NDIA 2018a
Expected Completion Date	The date a scheduled milestone or task/activity is currently expected to be completed.	SAE 2019
External stakeholders	External stakeholders are individuals or organizations who have influence on the project/program. They may include regulators, Indigenous peoples, local communities, state or provincial government, other government agencies and so forth.	Research team
Federal Acquisition Regulation (FAR)	FAR is codified in Parts 1 through 53 of Title 48, Chapter 1 of the Code of Federal Regulations. The FAR controls most aspects of executive agency acquisitions, e.g. socioeconomic policy, competition requirements, exceptions to specific policies, and mandatory clauses to include in government contracts.	Legal Information Institute 1992
Finish-to-Finish (FF)	A logical relationship used in the Integrated Master Schedule (IMS) network that establishes the following rule between two tasks/activities: the succeeding task/activity cannot finish until a preceding task/activity finishes.	NDIA 2018a
Finish-to-Start (FS)	A logical relationship used in the Integrated Master Schedule (IMS) network that establishes the following rule between two tasks/activities: the succeeding task/activity cannot start until a preceding task/activity finishes.	NDIA 2018a

Term	Definition	Reference(s)
Freeze Period	A time period when baseline changes are limited. The "Freeze Period" is a term used to indicate a restrictive period for baseline changes. It must be defined at a minimum as the current accounting period plus the next accounting period. The intent of the freeze period is to protect the accuracy and reliability of the PMB and preserve the integrity of EVMS data and information by limiting the contractor's ability to adjust the time-phased budget (or spending plan) once work is baselined to begin.	NDIA 2018a; DOD 2019; DOE 2017
General and Administrative (G and A)	G&A expense means any management, financial, and other expense which is incurred by or allocated to a business unit, and which is for the general management and administration of the business unit as a whole. G&A expense does not include those management expenses whose beneficial or causal relationship to cost objectives can be more directly measured by a base other than a cost input base representing the total task/activity of a business unit during a cost accounting period.	DOD 2019; NDIA 2018a
General Ledger	A complete record of financial transactions over the life of a company. The general ledger holds account information that is needed to prepare financial statements, and includes accounts for assets, liabilities, owners' equity, revenues, and expenses.	DOD 2019; NDIA 2018a
Hard Constraint	A hard constraint does not allow the logic to drive the schedule on the constrained task/activity.	NDIA 2018a
High Dollar Value (HDV) Materials	Major components, assemblies, or critical piece-part items, etc. that are identified based on an analysis of material categories a company needs to procure and consume in the integration and build of an end item on a project/program. <i>Related term: high-value material.</i>	DOE 2016; DOD 2019; NDIA 2018a
Horizontal Integration	The logical relationships and time-phasing between tasks/activities and milestones from program start to finish.	DOD 2019
Independent Estimate at Completion (IEAC)	An IEAC is an independent body's (i.e., customer, client, consultant) forecast of the final total cost of the project/program.	DOE 2020

Term	Definition	Reference(s)
Independent Review (IR)	A review performed by personnel from outside the project/program to determine the efficacy and adequacy of processes, practices, estimates, schedules, funding levels, and so forth. <i>Related terms: external independent review (EIR) and independent project/program review (IPR).</i>	Research team
Indirect Costs	Costs that cannot be identified specifically against a particular project/program or task/activity and is controlled and budgeted at a functional, organizational, or corporate level. <i>Related terms: Overhead or burden costs.</i>	NDIA 2018a; DOD 2019; SAE 2019
Integrated Baseline Review (IBR)	A risk-based review conducted to ensure mutual understanding between the customer and the contractor/supplier of the risks inherent in the supplier's Performance Measurement Baseline (PMB) and to ensure the PMB is realistic for accomplishing all the authorized work within the authorized schedule.	NDIA 2018a
Integrated Master Plan (IMP)	A top-level project/program plan or hierarchy that is decomposed into project/program events, event accomplishments, and accomplishment criteria. The IMP serves as the basis for the project/program Integrated Master Schedule (IMS).	NDIA 2018a; DOD 2019
Integrated Master Schedule (IMS)	An integrated, networked schedule containing all of the detailed tasks/activities necessary to accomplish project/program objectives. When coupled with the Integrated Master Plan, it provides the time spans needed to complete the accomplishments and criteria of the IMP events. The IMS is typically used to produce the various levels of schedules for the project/program, (summary master, intermediate, and detailed).	NDIA 2018a; DOD 2019
Integrated Program Management Data and Analysis Report (IPMDAR)	The IPMDAR contains data for measuring contract execution progress on Department of Defense (DOD) acquisition contracts. The IPMDAR's primary purpose to the government is to reflect current contract performance status and the forecast of future contract performance.	NDIA 2020

Term	Definition	Reference(s)
Integrated Program Management Report (IPMR)	A contractually required report, prepared by the contractor, containing performance measurement information derived from the internal EVMS. It provides status of contract cost and schedule performance.	NDIA 2018a; DOD 2019
Integrated Project/Program Team (IPT)	A multi-disciplinary team of acquisition professionals led by a project/program manager, which is responsible and accountable for planning, budgeting, procurement, and life-cycle management of an investment to achieve its cost, schedule, and performance goals. It is responsible for one or more elements of an acquisition program.	NDIA 2018a; DOD 2019
Key Stakeholders	Key stakeholders are individuals who can influence or are influenced by the project/program and have a key role in making decisions.	Research team
Labor Rate Variance	A variance relative to labor that is equal to the earned labor rate less actual labor rate multiplied by the actual labor hours used to execute the effort, (i.e., (Earned Rate – Actual rate) x Actual Hours). It reflects the difference between the earned labor rate and the actual labor rate. <i>Related term: labor rate analysis.</i>	NDIA 2018a
Lag	A scheduling option that inserts a delay in time between two logically linked Integrated Master Schedule (IMS) tasks/activities.	NDIA 2018a
Late Start / Late Finish	The latest possible start or finish date for an Integrated Master Schedule (IMS) task/activity.	NDIA 2018a
Level of Effort (LOE)	Support type tasks/activities that lack measurable output or product that cannot be discretely planned or objectively measured. LOE automatically earns performance with the passage of time, an earned value technique.	NDIA 2018a; DOD 2019; SAE 2019
Major Subcontractor	A major subcontractor is any subcontracting entity that has a legal or contractual responsibility to report Earned Value Management data to their prime contractor or is considered critical to the performance of the project/program.	Research team

Term	Definition	Reference(s)
Management Reserve (MR)	An amount of the total budget set aside for unplanned, in scope effort that may arise during the course of the project/program which cannot be identified in advance and is used to handle execution risks. Management reserve budget should be commensurate with the level of project/program risk. It is not part of the Performance Measurement Baseline (PMB).	NDIA 2018a; SAE 2019; DOD 2019
Manufacturing/Enterprise Resource Planning (M/ERP) System	A method for planning all resources of a manufacturing firm, integrating all business functions. Includes functions such as business planning, production planning and scheduling, capacity requirement planning, job costing, financial management and forecasting, order processing, shop floor control, time and attendance, performance measurement, and sales and operations planning. Simply put, MRP is a production planning and inventory control system used to manage manufacturing processes. <i>Related terms: Material Control System (M/ERP); Manufacturing Resource Planning (MRP); Material Requirements Planning or Manufacturing Resource Planning (MRP); Enterprise Resource Planning (ERP).</i>	NDIA 2018a; DOD 2019
Material Category	Classes of material defined in the contractor's EVM System Description and M/ERP System.	NDIA 2018a; DOD 2019
Material Control System	A method for the effective planning of all resources of a manufacturing contractor. It integrates planning of all aspects (not just production) of a manufacturing firm. It includes functions such as business planning, production planning and scheduling, capacity requirement planning, job costing, financial management and forecasting, order processing, shop floor control, time and attendance, performance measurement, and sales and operations planning. <i>Related terms: Material Management System and MRP.</i>	DOD 2019; NDIA 2018a
Material Cost Variance	A variance relative to material that is equal to the earned unit price less the actual unit price multiplied by the actual quantity of material used, (i.e. (Earned Unit Price – Actual Unit Price) x Actual Quantity). It reflects the difference between the earned unit price of material and the actual unit price. <i>Related term: material price variance.</i>	NDIA 2018a

Term	Definition	Reference(s)
Material Management System	A system used by a contractor for the planning, controlling, and accounting for the acquisition, disbursements, and disposition of material. Material management and accounting systems may be manual or automated. They may be stand-alone systems or they may be integrated with planning, engineering, estimating, purchasing, inventory, accounting, or other systems. <i>Related terms: Manufacturing/Enterprise Resource Planning System (M/ERPS), Material Management and Accounting System (MMAS), and Material Requirements Planning (MRP).</i>	NDIA 2018a; DOD 2019
Material Usage Variance	A variance relative to material that is equal to the earned quantity less the actual quantity multiplied by the earned unit price, (i.e., (Earned Quantity - Actual Quantity) x Earned Unit Price).	NDIA 2018a
Milestone	A schedule element that has zero duration and used as a point of reference in the Integrated Master Schedule (IMS). A milestone may mark the start of a task/activity, an interim step for measuring performance, the end of one or more tasks/activities, or to mark a due date for the accomplishment of specific work scope or an objective. Most scheduling tools consider a milestone to be a unique type of task/activity with zero duration.	NDIA 2018a; DOD 2019; SAE 2019
Near-Critical Path	The second, third, fourth, etc. longest sequence of tasks/activities driving the project/program end date. The lowest float or slack paths of discrete work packages and planning packages (or lower-level tasks/activities) in the network that has the next longest total duration nearest to the critical path. <i>Related terms: Critical Path, Driving Path, and Near Driving Path(s).</i>	NDIA 2018a; DOD 2019
Near Driving Path(s)	The second, third, fourth, etc. longest sequence of tasks/activities driving an interim project/program event. <i>Related terms: Critical Path, Driving Path, and Near-Critical Path.</i>	NDIA 2018a

Term	Definition	Reference(s)
Negotiated Contract Cost (NCC)	The cost negotiated in a cost plus fixed fee contract or the negotiated contract target cost in either a fixed price incentive contract or a cost plus incentive fee contract. It does not include profit or fee. It also does not include the estimated value of undefinitized change orders (Authorized Unpriced Work). <i>Related term: Contract Target Cost (CTC).</i>	NDIA 2018a; DOD 2019
Network Schedule	A schedule format in which the tasks/activities and milestones are represented along with the interdependencies between tasks/activities. It expresses the logic of how the program will be accomplished. Network schedules are the basis for critical path analysis, a method for identification and assessment of schedule priorities and impacts.	SAE 2019; DOD 2019; NDIA 2018a
Not to Exceed (NTE)	The portion of an estimated price for work scope the contractor is allowed to bill the client before reaching a final agreement on contract terms. Expenditures against this work scope are limited to this value, however baseline planning typically reflects an estimated value that is finalized during the negotiation process.	NDIA 2018a; DOD 2019
Organizational Breakdown Structure (OBS)	The hierarchical arrangement for the management organization for a project/program, graphically depicting the reporting relationships. The organizational structure will be by work team, function, or whatever other units are used. <i>Related terms: organization structure or organizational structure.</i>	SAE 2019; NDIA 2018a; DOD 2019
Other Direct Costs (ODC)	A cost that can be identified specifically with a final cost objective that is not otherwise treated as a direct labor, material, purchased services, or purchased equipment costs. Usually the remaining direct costs, such as travel and computer costs, other than labor and material.	NDIA 2018a; DOD 2019; SAE 2019

Term	Definition	Reference(s)
Over Target Baseline (OTB)	<p>A baseline resulting from formal reprogramming of an overrun. An OTB may be used only with the approval of the customer.</p> <p>A new baseline for management when the original objectives cannot be met and new goals are needed for management purposes. The overrun, in addition to remaining work, is incorporated to the Contract Budget Base (CBB) which is formally incorporated into the Performance Measurement Baseline for management purposes. Over Target Baseline is not synonymous with over target budget. This over target budget represents the existing overrun and estimated remaining work that becomes new performance measurement budget in the TAB. The difference between the Total Allocated Budget and Contract Budget Base is the amount of the overrun.</p>	NDIA 2018a; SAE 2019; DOD 2019; Research team
Over Target Schedule (OTS)	<p>A replanned schedule baseline that extends beyond contract milestone dates, delivery dates, or completion date. An OTS is usually accompanied by an increase in budgets resulting in a corresponding Over Target Baseline (OTB). It typically requires customer approval to implement.</p>	NDIA 2018a; SAE 2019; DOD 2019
Overhead	<p>Costs that cannot be identified specifically against a particular project/program or task/activity and is controlled and budgeted at a functional, organizational, or corporate level.</p> <p><i>Related terms: indirect cost and G and A.</i></p>	NDIA 2018a
Performance Budget	<p>A budget presentation that clearly links performance goals with costs for achieving a target level of performance. In general, a performance budget links strategic goals with related long-term and annual performance goals (outcomes) with the costs of specific activities to influence these outcomes about which budget decisions are made.</p>	NDIA 2018a

Term	Definition	Reference(s)
Performance Measurement	A method of determining progress and a means for evaluating efficiency, effectiveness, and results. Performance measurement should include project/program accomplishments in terms of outputs (quantity of products or services provided) and outcomes (results of providing outputs in terms of effectively meeting intended objectives), indicators, statistics, or metrics used to gauge project/program performance. <i>Related term: EV.</i>	NDIA 2018a
Performance Measurement Baseline (PMB)	The total time-phased budget plan (Budget at Completion) against which project/program performance is measured. It is the schedule for expenditure of the resources allocated to accomplish project/program scope and schedule objectives and is formed by the budgets assigned to control accounts and applicable indirect budgets. The PMB also includes budget for future effort assigned to higher level accounts, also referred to as summary level planning packages, plus any undistributed budget. Management reserve is not included in the PMB, as it is not designated for specific work scope. The PMB is traceable to the baseline dates in the Integrated Master Schedule (IMS).	NDIA 2018a; DOE 2018; DOD 2019; SAE 2019
Period of Performance (POP)	The number of working days or calendar days, from a specified commencement, start date, to a specified completion date, as provided for in a contract or to complete a specific scope of work.	NDIA 2018a; DOD 2019
Planning Package (PP)	A logical aggregation of future work (scope, schedule, and budget) within a control account that cannot yet be broken down into work package tasks/activities. Planning package tasks/activities are logically linked in the Integrated Master Schedule (IMS). Performance cannot be taken against a planning package.	NDIA 2018a; DOD 2019; SAE 2019
Priced Bill of Materials (PBOM)	A listing of material items required to complete the production of a single unit. When actual or expected prices are applied, it becomes the Priced Bill of Materials (PBOM). <i>Related term: bill of materials.</i>	DOD 2019

Term	Definition	Reference(s)
Price Variance	A variance relative to material that is equal to the budgeted unit price less the actual unit price multiplied by the actual quantity of material used, (i.e., (Budgeted Unit Price – Actual Unit Price) x Actual Quantity). It reflects a change between the originally budgeted price of material and the actual price.	DOD 2019
Program	A program is a means of executing a strategy to achieve organizational goals. It includes related projects managed in a coordinated way and can go on indefinitely. It is a major, independent part of a capital asset or system that involves a planned effort to achieve an outcome, the progress toward which is discretely measurable. A program may be comprised of multiple projects, delivery orders, task/activity orders, or other recognized terms indicating a bilateral agreement between contracting parties. <i>Related term: project.</i>	NDIA 2018a; GAO 2020
Program Budget (PB)	The total budget for the program including all allocated budget, management reserve, and undistributed budget. In this context, “program” includes all customer and contracted resources used to perform all contracts and projects/programs. It does not include program funding and schedule risk-adjusted contingencies. <i>Related term: Program Risk-Adjusted Budget.</i>	NDIA 2018a; DOD 2019; SAE 2019
Program Manager or Project Manager (PM)	The individual designated with responsibility for and authority to accomplish project/program objectives for planning, budgeting, acquisition, and management to meet the user’s operational needs. <i>Related term: Product Manager.</i>	NDIA 2018a

Term	Definition	Reference(s)
Project	A project is executed to improve efficient program implementation, is a temporary endeavor, and is intended to create a unique product, service, or result. It has defined technical scope, schedule, and budget to achieve a specific result. Generally, a project comprises all effort authorized by a contract or other authorization document received from a customer, (e.g., a subcontract or inter-organizational transfer (IOT)), but it may also be an internally-defined and authorized effort. There may be multiple projects within a program. The terms project and program are often used interchangeably. <i>Related term: program.</i>	NDIA 2018a; GAO 2020
Project Budget Base (PBB)	The sum of the negotiated contract cost plus the estimated cost of authorized unpriced work. This sum represents the cost of authorized contractor scope for a project. This differs from CBB as CBB represents a one-to-one relationship of contract to project. PBB represents where there may be a one to many, contract to projects relationship and reporting is required at the project level. <i>Related term: Contract Budget Base (CBB).</i>	DOE 2016; Research team
Project Execution Plan (PEP)	The project execution plan (PEP) establishes the policies and procedures to be followed in order to manage and control project/program planning, initiation, definition, execution, and transition/closeout, and uses the outcomes and outputs from all project/program planning processes, integrating them into a formally approved document. A PEP includes an accurate reflection of how the project/program is to be accomplished, resource requirements, technical considerations, risk management, configuration management, and roles and responsibilities.	DOE 2018
Quantity variance	A variance relative to material that is equal to the budgeted quantity less the actual quantity multiplied by the budgeted unit price, (i.e., (Budgeted Quantity - Actual Quantity) x Budgeted Unit Price.)). <i>Related term: Usage variance.</i>	DOD 2019

Term	Definition	Reference(s)
Reciprocity	A reciprocal arrangement or relationship which allows two or more groups to agree to the acceptance of another organization's EVMS, thereby reducing the burden of multiple reviews by individual groups.	NDIA 2018a
Remaining Duration (RD)	The number of workdays forecasted to complete an in-process or unstarted task/activity (or other scope of work). The remaining duration of a completed task/activity is zero.	NDIA 2018a
Residual Inventory	Items procured for a contract that becomes excess to the needs of the contract. <i>Related terms: residual material and residual equipment.</i>	NDIA 2018a; DOD 2019
Resource Plan	The schedule for the planned expenditure of project/program resources to accomplish project/program work scope. It is a time-phased budget, which is the schedule for the planned expenditure of program resources for accomplishment of program work scope.	NDIA 2018a; SAE 2019; DOD 2019
Resource-loaded IMS	A resource-loaded Integrated Master Schedule (IMS) must contain labor, material, and equipment costs to include unit prices and quantities. It includes resources of staff, facilities, cost, equipment, and materials which are needed to complete the tasks/activities required.	DOE 2018
Responsibility Assignment Matrix (RAM)	A chart showing the relationship between the Contract Work Breakdown Structure elements and the organizations assigned responsibility for ensuring their accomplishment. The RAM depicts the assignment of each control account to a single manager. When resource values are applied to these relationships, it may be referred to as a dollarized RAM.	DOD 2019; NDIA 2018a
Responsible Organization	The organizational unit responsible for the accomplishment of assigned work scope.	NDIA 2018a; DOD 2019; SAE 2019
Risk or Opportunity Assessment	The risk and opportunity management process that identifies and analyzes potential project/program risk events in terms of probability and their consequences/impacts.	NDIA 2018a

Term	Definition	Reference(s)
Risk or Opportunity Register	<p>A document detailing all identified risks, including description, cause, probability of occurrence, impact(s) on objectives, proposed responses, owners, and current status.</p> <p>It is a management tool used by the project/program manager and project/program personnel that provides a means to record and track identified risks/opportunities as well as quantify the probability and consequences. The project/program's risk register is a common repository to document risks and their relationship to the amount of schedule Margin (SM) in the project/program schedule.</p>	NDIA 2018a; DOD 2019; Research team
Risk or Risk and Opportunity (R and O)	<p>An uncertain future event or situation that could impact the ability to achieve overall project/program requirements within defined cost, schedule, and technical objectives. Risk has two components: 1) the probability (or likelihood) of a particular outcome and 2) the consequences (or impact) of that outcome. The consequences of risks are typically thought of as negative that may need to be mitigated to minimize the impact to the project/program. A risk event with positive consequences is referred to as an opportunity that may be captured as a benefit to the project/program.</p>	NDIA 2018a; SAE 2019
Risk Owner	<p>Risk owner is defined as the party, or parties, which own specific risk event(s) under the contract requirements.</p>	Research team
Rolling Wave	<p>The continuous process of converting Summary Level Planning Packages (SLPP) into control accounts and control account planning packages into work packages. May include the necessary replanning of future, already detail planned work packages. This is performed outside the freeze period.</p>	NDIA 2018a; DOD 2019
Schedule	<p>A plan that forecasts when specified work is likely to occur. It defines when specified work must be done to accomplish program objectives on time.</p>	NDIA 2018a; DOD 2019; SAE 2019
Schedule Contingency	<p>Schedule contingency is the time allowance used to adjust the schedule for realized risks. It is based on the schedule risk analysis.</p>	DOE 2015b

Term	Definition	Reference(s)
Schedule Margin (SM)	A management technique used for insight and management of schedule risks. Schedule margin is represented by a task/activity or tasks/activities within the Integrated Master Schedule (IMS) with no assigned resources and is established as part of the baseline. It is a method for accommodating schedule contingencies. It is usually a designated risk mitigation placeholder within the schedule.	NDIA 2018a; DOD 2019
Schedule Performance Index (SPI)	A measure how well a project/program (or a portion of a project/program) has actually performed in comparison with the baseline plan. SPI is an early warning tool used to determine if the schedule is at risk and indicates whether the program will need to increase efficiency to complete on time. SPI is calculated by dividing the Budgeted Cost for Work Performed (BCWP) by the Budgeted Cost for Work Scheduled (BCWS). A value greater than 1 is favorable; a value less than 1 is unfavorable. It may be expressed as a value for a specific time period or cumulative to date. The nature of the SPI formula is such that no matter how early or late a project/program completes, SPI calculations will eventually equal 1.00.	NDIA 2018a; NDIA 2017
Schedule Risk	The likelihood project/program work scope cannot be accomplished within the planned project/program timeframe. It may result from unrealistic schedule estimates or problems with project/program execution.	NDIA 2018a
Schedule Risk Assessment (SRA)	A process which uses statistical techniques to identify technical, programmatic, and schedule risks in a program and quantifies the impact of those risks on the program's schedule.	DOD 2019; NDIA 2018a
Schedule Traceability	Compatibility between schedule due dates, status, and work scope requirements at all levels of schedule detail (vertical traceability) and between schedules at the same level of detail (horizontal traceability).	SAE 2019

Term	Definition	Reference(s)
Schedule Variance (SV)	A metric for schedule performance on a project/program. It is the difference between Budgeted Cost for Work Performed (BCWP) and the Budgeted Cost for Work Scheduled (BCWS) ($SV = BCWP - BCWS$). A positive value is favorable; a negative value is unfavorable. It may be expressed as a value for a specific time period or cumulative to date.	NDIA 2018a; DOD 2019; SAE 2019
Self-governance	Self-governance refers to the capacity of a contractor to govern autonomously and, as such, is an important approach in overseeing the effective implementation of the EVMS. Self-governance is an approach by which the contractor of the EVMS oversees itself and controls its own affairs. When a contractor instills integrated project management principles and maintains system effectiveness, the benefit is that the output of the system guides management decisions, improves project performance, and requires less customer oversight of the EVMS.	Research team
Stakeholders	A stakeholder is an individual (or entity) who can influence the project/program or is influenced by the project/program. Appropriate internal stakeholders may include individuals representing the contractor, operations and maintenance, key design/technical leads, control account managers, project/program management, procurement, accounting, material management, quality management, sponsor, end-user and manufacturing. External stakeholders may include regulators, Indigenous peoples, local communities, state or provincial government, other government agencies and so forth. Stakeholders effectively communicate expectations and may assist with key decisions. <i>Related terms: External Stakeholders and Key Stakeholders.</i>	Research team
Start to Finish (SF)	A logical relationship used in the Integrated Master Schedule (IMS) network that establishes the following rule between two tasks/activities: the succeeding task/activity cannot finish until a preceding task/activity starts. Valid use of a start-to-finish relationship is extremely rare in most project/program schedules.	NDIA 2018a

Term	Definition	Reference(s)
Start to Start (SS)	A logical relationship used in the Integrated Master Schedule (IMS) network that establishes the following rule between two tasks/activities: the succeeding task/activity cannot start until a preceding task/activity starts.	NDIA 2018a
Statement of Work (SOW)	Contractual document that defines the work scope requirements for a project/program.	NDIA 2018a; DOD 2019; SAE 2019
Subcontractor	A commercial entity that enters into a contract with a prime contractor that has entered into a contract with the customer. <i>Related term: Supplier.</i>	NDIA 2018a; DOD 2019
Summary Level Planning Package (SLPP)	An aggregation of far-term work efforts (scope, schedule, and budget) that are not able to be identified at the control account level but can be distributed to reporting level WBS elements.	SAE 2019; DOD 2019; NDIA 2018a
Surveillance	Cross-project/program surveillance is used to assess an organization's capability to consistently implement and use its EVMS on all projects/programs in accordance with EVMS requirements. <i>Related term: system surveillance.</i>	NDIA 2018a
System Description (SD)	The set or series of integrated process descriptions and procedures that describe a contractor's Earned Value Management System.	NDIA 2018a; DOD 2019
Target Cost	The program cost objective based on the negotiated contract cost, or the management goal value of the authorized work, plus the estimated cost of authorized unpriced work. <i>Related terms: project target cost, program target cost, and contract target cost.</i>	DOD 2019; SAE 2019
Task	An element of work with an expected duration in the Integrated Master Schedule (IMS) that is performed during the course of a project/program. Tasks/activities generally have expected resource requirements used to determine the budget for the work effort. One or more tasks/activities may relate to work package. The terms task and activity are often used interchangeably. <i>Related term: activity.</i>	NDIA 2018a

Term	Definition	Reference(s)
Technical Risk	The likelihood that the project/program, as planned, will be unable to deliver a product to satisfy the technical or operational requirements.	NDIA 2018a
Time-Based Schedule Performance Index (SPIt)	The schedule efficiency at which the project/program has performed to date. Similar to SPI, but based on the time aspect of earned value, not the cost aspect. It is calculated by dividing the project/program's earned schedule by the actual duration of the project/program to date. A value greater than 1 is favorable; a value less than 1 is unfavorable. It may be expressed as a value for a specific time period or cumulative to date. Unlike traditional SPI that will trend toward 1.00 at project/program completion, SPIt will remain above or below 1.00 if the project/program completes early or late respectively.	NDIA 2018a
Time now	The date that the scheduling tool treats as "today" (also known as the data date or status date). All dates "to the left" of time now are considered by the scheduling tool to be "in the past". All dates "to the right" of time now are considered by the scheduling tool to be "in the future". <i>Related term: data date.</i>	NDIA 2018a
To Complete Performance Index (TCPI)	The To Complete Performance Index (TCPI) is a comparative Earn Value Management (EVM) metric used primarily to determine if an independent estimate at completion is reasonable. It computes the future required cost efficiency needed to achieve a target Estimate at Completion (EAC).	DOE 2012; Research team
Total Allocated Budget (TAB)	The sum of all budgets allocated to the contract. TAB consists of the Performance Measurement Baseline and all Management Reserve. In the event an Over Target Baseline is in place, the TAB must reconcile to the Contract Budget Base and any recognized over target budget.	DOD 2019; NDIA 2018a
Total Float	The number of work days a task/activity's finish date can slip before impacting the project/program's end date. It is calculated in the scheduling tool by taking the delta between a task/activity's late finish date and early finish date. It is also known as total slack. <i>Related term: Free Float (FF).</i>	NDIA 2018a

Term	Definition	Reference(s)
Total Project Cost (TPC)	All costs incurred to the project/program through the startup of a facility, but prior to the operation of the facility.	DOE 2018
Traceability	The ability to trace the network logic from project/program start to finish through the Integrated Master Schedule (IMS) precedence or successor relationships. Related term: Vertical integration.	NDIA 2018a
Undefinitized Work	Authorized work for which a firm contract value has not been negotiated or otherwise determined. These are generally contract scope changes which have been directed by the customer but have not yet been fully negotiated/definitized. <i>Related terms: authorized unpriced work and undefinitized changes.</i>	NDIA 2018a; DOD 2019; SAE 2019
Undistributed Budget	A temporary holding account for budget associated with specific work scope or contract changes that have not been distributed/assigned to a control account or Summary Level Planning Package (SLPP).	NDIA 2018a; DOD 2019; SAE 2019
Usage Variance	A variance relative to material that is equal to the budgeted quantity less the actual quantity multiplied by the budgeted unit price, (i.e., (Budgeted Quantity – Actual Quantity) x Budgeted Unit Price).	DOD 2019
Variance Analysis Report (VAR)	A Variance Analysis Report (VAR) includes specific information about cause, impact, and corrective action of variances, and provides management with early insight into the extent of problems allowing corrective actions to be implemented in time to affect the future course of the project/program.	NDIA 2018d
Variance at Completion (VAC)	The difference between the Budget at Completion (BAC) and the Estimate at Completion (EAC) (VAC = BAC – EAC). It may be calculated at any level from the detail level up to the total contract. It represents the amount of expected overrun (negative VAC) or underrun (positive VAC).	NDIA 2018a; DOD 2019

Term	Definition	Reference(s)
Vendor	Any entity from which goods or services are required to complete a project/program. The entity may be internal or external to an organization. Vendors can include prime contractors, subcontractors, sub-tier contractors, or other entities. <i>Related term: supplier.</i>	NDIA 2018a
Vertical Integration	Vertical integration demonstrates the consistency of data between the various levels of schedules and consistency of data between various Work Breakdown Structure elements and Integrated Master Plan/Integrated Master Schedule elements (if applicable) within the schedules. The detailed schedule should be vertically traceable to the various requirements and structural elements for the project/program such as the Integrated Master Plan (IMP), Statement of Work (SOW), Contract Line Item Number (CLIN), WBS, OBS, control account, and work package/planning package.	DOD 2019; NDIA 2018a
Work Authorization Documentation (WAD)	A contractor's internal process for authorizing the commencement of project/program work. All work within a program is described in terms of work scope, budget and schedule and authorized through the work authorization system. <i>Related term: work authorization.</i>	DOD 2019; NDIA 2018a
Work Breakdown Structure (WBS)	A hierarchical product-oriented division of program tasks/activities depicting the breakdown of work scope for work authorization, tracking, and reporting purposes. It depicts the subdivision of effort required to accomplish project/program objectives. It is an organized method to break down a product into sub-products and at the lowest level, the tasks/activities to be accomplished. It can be used for planning, budgeting, work authorization, performance measurement, tracking, and reporting purposes.	DOD 2019; NDIA 2018a; SAE 2019
Work Breakdown Structure (WBS) Dictionary	A listing of WBS elements with a description of the work scope content in each element. The work descriptions are normally at a summary level and provide for clear segregation of work for work authorization and accounting purposes.	DOD 2019; SAE 2019; NDIA 2018a

Term	Definition	Reference(s)
Work Package (WP)	A natural subdivision of control account (CA) work scope, schedule, and budget; a task/activity or grouping of work that is logically linked in the Integrated Master Schedule (IMS). They are segregated by the elements of cost (labor, material, other direct costs, or subcontract). Work packages are the point where work is planned, progress is measured, and earned value is calculated.	NDIA 2018a; DOD 2019; SAE 2019

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