ePM

Connection



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New KPI for ePM

PBS will soon expand the use of ePM for reporting at a national level. A new Key Performance Indicator (KPI) will be used to measure ePM adoption. Some examples of the type of information in this report include budget, contract, schedules, RFIs, and submittals. This report will be filtered to include projects that are in FY12 or future project years for the capital The KPI projects measures. report will show the last date updated for required fields and the number of documents in each section in order to gauge usage.

Project teams should review the ePM minimum requirements in order to ensure the required information is being captured in ePM. We realize your project may not have new contract or allowance information, but we want the project teams to verify that this information is correct and up to date on a regular basis. The KPI report will be shared with Senior Leadership regularly.



essage from Bill Guerin...On January 13, 2012 Assistant Commissioner Bill Guerin sent out a message to the regions in order to prepare for ePM v3.0, which includes Earned Value tracking. PBS project managers and their supporting team members are required to input and monitor their budgets, funding, cost accounts, contracts (including all modifications), and invoices in ePM. There is an Earned Value Preparation Guide to assist users with where the information needs to be entered into ePM. If you work on a Capital design or construction project, be sure that your GSA teams' data is up to date and ready to use Earned Value.

What is *Earned Value Management?*

Earned Value Management (EVM) is a project management technique used to aggregate project data in order to determine project performance. By taking past performance outcomes and combining them with present indicators, projects can be evaluated on the basis of cost, schedule, and scope. Earned value uses the past performance on a project to better predict future project performance and helps to avoid schedule and cost overruns.

To better understand how earned value works, you must realize how it is calculated. The three basic elements of earned value are: planned value, current projection (actual costs), and earned value. Planned value is the total cost of the work scheduled or planned, current projection is the current total cost to complete the work, and earned value is the total cost of the work completed to date. These three basic principles are derived from the Work Breakdown Structure by associating costs to each task performed. For large construction projects, like those GSA manages, calculating these tasks manually would be tedious.

Two other very important parts of earned value are the cost variance and the cost performance indicator. The cost variance calculates the variance of the planned work versus the current projection and the cost performance indicator is used to show the efficiency of the spending on the project. The earned value tool within ePM will calculate all of these values for project managers, provided that the data is accurately being updated by project teams. Because earned value uses the actual costs on projects in the calculation, the invoices for the work completed also need to be entered into ePM.



ePM Invoices are used to record actual expenses incurred by the project. The invoice will inherit the schedule of values from the contract and all approved contract modifications. ePM will provide the approved schedule of values (SOV) based on executed contracts and modifications and the contractor will enter the amount or percent complete per line item. Through automated workflow, the contractor and project manager will pass a "pencil copy" of the invoice back and forth until the project manager accepts and approves the invoice. There are future plans to log the invoice into the GSA system and release payment automatically upon approval. Therefore the entire invoice process would be completed using ePM. Guidance was recently provided to the regional ePM teams to assist with ensuring that the proper information is updated in ePM to track Earned Value.



Correctly entering cost periods on Contracts

and Invoices is vital for EVM functionality. Cost Periods are defined in the Project Properties area and should span the contract award and invoicing time frame. Cost be edited periods and future periods added or removed at anytime during the life of the project. However, past cost periods cannot be created without considerable rework o n approved invoices. Once created, these cost periods will be available for selection in the required documents, contracts invoices respectively.

ePM Resources:

ePM Support

epmsupport@gsa.gov 1 (866) 367-7878

ePM Login Site

https://epm.pbs.gsa.gov/ proliance

GSA User Resources

http://insite.pbs.gsa.gov/epm

Training Videos and Quick Reference Guides

http:// www.meridiansystems.com/ epminfo

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Get READY

How the Earned Value Prep Guide can help You



Even if your team already has all of their information in ePM, review the Earned Value Prep Guide and validate the data. There are specific ways funding and contract line items must be set up to work with the Earned Value tracking tool. There are also naming conventions described that will aid in future data mining and reporting. Spending time conducting data clean-up on the front end will help avoid complications when Earned Value is deployed in March.

The Earned Value Prep Guide was developed and distributed to the regions to assist with reviewing and validating the Budget and Cost Management (BCM) documents in ePM. This guide takes users through each document type that is connected to earned value tracking, including funding, cost accounts, contracts, modifications, and invoices and describes the key data elements and settings for these documents.

The BCM modules in ePM are interdependent. Invoices cannot be entered unless contracts have been created with the appropriate SOV line items. Contracts cannot be created without approved funding. Funding documents need Cost Accounts to pour money into, from which the contract SOV items can draw. Therefore, it is critical that the dollar values associated with each document are correct and that teams are conscious of how contractors will invoice to align the electronic documents with business practices.

The following supporting documentation will provide the data needed to create and verify the data entered into ePM and should be scanned and attached to the corresponding document in ePM:

•Funding Documents: Form 3285, PR/49 •Construction Contract: Form 1442, 300

•Contract Modifications: Form 30 (300 potentially if they are older) •Adjudications: Email noting approved additional funding or time

•Invoices: Forms 184, 184a, 184b, or Receiving Report 3025

Each Project Manager with a project included in the earned value measure is asked to schedule a 2-4 hour working session with the ePM Regional System Administrator (RSA) or Trainer in the month of February. An additional guide on reconciling ePM data with FMIS is also available to the project teams. Both guides can be found on InSite at http:// insite.pbs.gsa.gov/epm under Training and Support > Training Materials. All data validation must be complete by March 1, 2012. If you need additional help or guidance contact your Regional ePM team.

ER Users Group



Last September, we asked the regions for GSA staff members to be a part of our national power users group. Every region provided volunteers and the group consists of over 50 users. The vision of

this group is to establish a community of users, within the regions, who will be able to collaborate and share knowledge with each other. The first meeting will be in February and if you would like to be a part of this group and have not expressed interest yet, send an email to epminfo@gsa.gov.