1.0 purpose

This document defines the fundamental processes for monthly status reporting for projects managed under the PPPL Project Management System Description (PMSD) which includes the Earned Value Management System (EVMS).

2.0 SCOPE

This document describes the implementation of Earned Value Management as regards monthly status reporting and analysis. The Monthly Reporting process describes the project’s method of reporting variances in cost and schedule. The comparison of actual costs and the work accomplished, and the comparison of work accomplished with the planned value, with baseline plans generated during the planning and budgeting phase, will be included in internal and external reports. Forecasts of future costs and schedule dates will be made, and corrective actions initiated when problems are identified.

3.0 REFERENCES

**3.1** DOE Order 413.3B, “Program and Project Management for the Acquisition of Capital Assets”

**3.2** PPPL Project Management System Description (PMSD)

**3.3** PM Procedure 1.4, Control Accounts, Work Packages & Planning Packages

**3.4** PM Procedure 1.6, Project Schedule

**3.5** PM Procedure 1.7, Cost Estimating

4.0 PROCEDURE

The sequence of activities involved in this procedure is illustrated in Appendix A. The sequential action steps are described in this section.

**4.1 Monthly Status Report Development**

The Performance Measurement Baseline (PMB) shall be “statused” by the Control Account Managers (CAM) at least monthly, using objective measures. Once the PMB is statused, the information is used to calculate the Budgeted Cost of Work Performed (BCWP). Project Controls downloads the current month’s actual costs from the PPPL financial management system (i.e., Great Plains) and, along with schedule status and Estimate at Completion (EAC), creates a draft monthly report that is submitted to the Project Manager and CAMs for review and approval.

**4.2 Variance Review and Analysis**

The CAMs receive a report that reflects the status and shows variances of their assigned Control Accounts. Cost and schedule thresholds for reporting variances to the Department of Energy (DOE) are established in the project-specific Project Execution Plan (PEP). For tighter control, the Project Manager and Project Controls may establish current and cumulative cost and schedule thresholds for variance analysis that are more stringent than those imposed by DOE and use them for internal reporting of variances at the control account level. Variance analysis will occur at least one level lower than the reporting level.

**4.3 Variance Reporting and Corrective Action**

If variances exceed the defined thresholds, then the CAM evaluates the variances, ascertaining the cause and impact, and if required, proposes a corrective action to minimize any negative impact to the project. The CAM prepares a Variance Report (Appendix B) and submits the report to Project Controls and the Project Manager for review and acceptance. After acceptance of the analysis, the Project Manager will note any required Corrective Action on the Corrective Action Log (Appendix C). The corrective action status shall be monitored, at a minimum, on a monthly basis.

**4.4 Estimate to Complete**

On a monthly basis, the CAM shall review the Estimate to Complete (ETC) for the elements of their control account. If, in the judgment of the CAM, the current ETC does not accurately reflect the cost for the remaining work in the control account, the CAM develops a new estimate and submits it to the Project Manager. CAMs should include in the ETC any cost variances to date as well as estimates for known pending changes and mitigation of known risks. On at least an annual basis, the Project Manager will request all CAMs review their ETCs and submit a detailed estimate for the remaining work.

**4.5 Monthly Status Meetings**

The CAMs shall present status information at the project’s Monthly Status meetings. Participants at the meeting will consider the impact and risks of reported variances on other areas of the project.

**4.6 Monthly Report Level Format**

The specific EVMS reporting format will be determined on a project-by-project basis and incorporate customer specific requirements. As a minimum, it will contain the data referenced in the PPPL PMSD. Reporting will be at a level of the WBS approved by the customer. The Project Manager shall prepare and submit a Project Monthly Status Report to DOE and the PPPL project sponsor.

**4.6 Documents and Records**

Monthly Status Report documents and records generated as a result of implementing this procedure shall be maintained by the specific project. Project Controls has responsibility for maintaining the records of data compiled to create Monthly Status Reports.

5.0 APPENDIX

5.1 Appendix A: Monthly Status - Reporting Process

5.2 Appendix B: Control Account Variance Analysis Report - Sample

5.3 Appendix C: Correction Action Log - Sample

