

# 534.201 Policy.

(a) *Policy.* This Subpart provides policies and procedures for incorporating an Earned Value Management System (EVMS) (see FAR 2.101) in GSA contracts, for the exclusive use of GSA, pursuant to OMB Circular A-11, 7. It is a results-based tool that can also provide for the preclusion of possible problems or concerns during the project.

(b) *Definition of major acquisition.* OMB Circular A-11, 7, Capital Planning Guide Supplement, refers to the definition of “major acquisition” as a capital project that requires special management attention because of its: (1) importance to an agency’s mission; (2) high development, operating, or maintenance costs; (3) high risk; (4) high return; or (5) significant role in the administration of an agency’s programs, finances, property, or other resources.

(c) *Applicability.* It is GSA policy to define major acquisition for the purposes of EVMS as follows:

(1) *GSA acquisitions valued at \$20 million or more.* Cost-reimbursement or incentive contracts and orders (see FAR subparts 16.3 and 16.4) shall require a formally validated EVMS (in accordance with ANSI/EIA-748-A Earned Value Management System Acceptance Guide (see [534.201\(d\)](#) below)). EVMS requirements shall be included in commercial and non-commercial contracts, MAS orders, and GWAC orders when the requirements entail developmental or modernization work, as defined by OMB’s definition of Developmental/Modernization/Enhancement in A-11, 7. Firm-fixed price, time-and-materials, and labor hour contracts and orders that are solely for commercial items or services, as defined at FAR 2.101, should not normally include EVMS.

(2) *GSA acquisitions valued at less than \$20 million.* EVMS requirements apply for contracts and orders of any type valued at less than \$20 million if the program manager and contracting officer determine that EVMS is needed in that instance. This rationale shall be documented in the acquisition plan for the procurement.

(d) *Resources and Guides.* EVMS is based upon the application of an international standard, ANSI/EIA-748-A (June 2007). EVMS resource and guides are available at <http://www.ndia.org/divisions/ipmd/division-guides-and-resources>. These resources and guides include:

- (1) EVMS Application Guide.
- (2) EVMS Surveillance Guide.
- (3) EVMS Intent Guide.
- (4) EVMS System Acceptance Guide.
- (5) Program Managers’ Guide to the Integrated Baseline Review Process.
- (6) Integrating Risk Management with Earned Value Management.

## **[534.201-70 Procedures.](#)**

**Parent topic:** [Subpart 534.2 - Earned Value Management Systems.](#)