



## OFFICE OF THE SECRETARY OF DEFENSE

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COST ASSESSMENT AND  
PROGRAM EVALUATION

ACQUISITION  
TECHNOLOGY  
AND LOGISTICS

MAR 18 2016

MEMORANDUM FOR: SEE DISTRIBUTION

REFERENCE: Contractor Cost and Software Data Reporting (CSDR) and Earned Value Management (EVM) Co-Plan

As required by Tables 7 and 8 of DoD Instruction 5000.02, "Operation of the Defense Acquisition System," CSDR and EVM reports must be submitted for a variety of contracts issued by the Department. In order to increase efficiency, improve data quality, and foster efficient and consistent cost reporting, the Office of the Secretary of Defense, Cost Assessment and Program Evaluation (CAPE), and Office of the Secretary of Defense Acquisition, Technology and Logistics (AT&L) Performance Assessments and Root Cause Analyses (PARCA) organizations are proposing a CSDR/EVM Co-Plan process for CSDR and EVM reporting. All contracts requiring CSDR and EVM reporting have the option to pilot a CSDR/EVM Co-Plan (using Directives Division (DD) Form 2794) developed through the co-planning process.

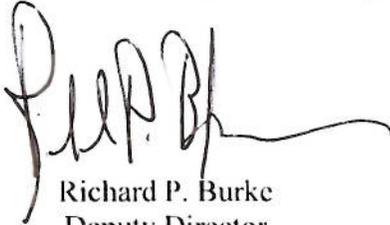
The CSDR/EVM Co-Plan will ensure that a Work Breakdown Structure (WBS) and Contractor Reporting Structure (CRS) are defined respectively for both program execution and cost reporting. Based on CAPE and PARCA work with industry, this joint process is expected to reduce the contractor's administrative reporting burden, including associated costs, and to improve data quality by reducing post-collection allocation errors within the data.

The Co-Plan is an agreement between the Government PMO and OSD that defines the CSDR and EVM reporting structures. To the maximum extent possible, the reporting structures should be consistent with MIL-STD-881C, and with each other where applicable. The Program Management Office (PMO) must contact CAPE and PARCA to begin drafting the Co-Plan as soon as the PMO begins planning to award a contract that exceeds the CSDR or EVM reporting thresholds. If EVM reporting is not required, the Co-Plan will only reflect the CSDR reporting requirements. To facilitate preparation and submission of the CSDR/EVM Co-Plan, the following procedures must be followed:

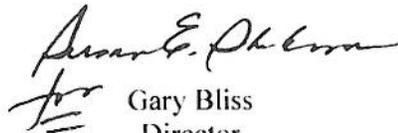
- The CSDR/EVM Co-Plan must be developed by representatives from the CAPE, PARCA, Service Cost Centers, Service EV Directors and PMO, and will be reviewed during the Pre- and/or Post-Contract Award Meetings.
- Within the Acquisition Strategy the PMO must indicate the status of the program manager's development of the CSDR/ EVM Co-Plan that will be included in the Request for Proposal (RFP).
- Both the CSDR and EVM reporting requirements will be flowed into the appropriate RFP documents (for CSDR: DD Form 2794; and for EVM: SF 1423).

- If the program identifies an alternate WBS structure for program management and EVM reporting that is not consistent with MIL-STD-881C and the CSDR reporting structure, the Program Office must submit an attachment that outlines the EVM reporting structure as part of the CSDR/EVM Co-Plan package.
- As outlined in DFARS 252.234-7003, as part of its proposal, the contractor must demonstrate how Contractor Cost and Data Reporting (CCDR) will be based, to the maximum extent possible, upon actual cost transactions and not cost allocations.

The pilot Co-Plan must be approved by the CAPE Defense Cost and Resource Center Director and the PARCA Deputy Director for EVM before being sent to the Deputy Director, Cost Assessment and Director of PARCA for final approval. The DD Form 2794, approved by the Deputy Director, Cost Assessment and Director of PARCA, must be included as part of the official RFP. Any questions relating to the subject of the CSDR/EVM Co-Plan may be directed to Mr. Daron Fullwood, 571-372-4267, for CSDR reporting requirements and Mr. John McGregor, 703-697-7727, for EVM reporting requirements.



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Enclosure (1) – Pilot CSDR/EVM Co-Plan\_DD 2794