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The Honorable Senator Susan Collins
413 Dirksen Senate Office Building
Washington, DC 20510

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Subject: Flaw in S. 920 regarding Earned Value Management

Dear Senator Collins:

Yesterday, S. 920, "Information Technology (IT) Investment Oversight Enhancement and Waste Prevention Act of 2009," was placed on the calendar. I applaud its objective to improve the transparency of the status of IT investments. The bill is intended to increase Congress' knowledge of the actual cost, schedule, and performance of agency IT investments and to improve necessary oversight.

However, S. 920 has a significant flaw because of its reliance on the accuracy of quarterly reports of cost, schedule, and *performance* that use earned value management data based on the ANSI/EIA-748-B standard, "Earned Value Management System" (EVMS). Unfortunately, EVMS does not provide for measurement of performance. The EVMS standard discusses only the measurement of the *quantity* of work performed and excludes measurement of *quality* or *technical performance* (Quality Gap). Furthermore, a similar Quality Gap in the FAR enables federal contractors to submit monthly earned value Contract Performance Reports that may contain inaccurate, misleading information.

The House has addressed this flaw in the recently passed H.R. 5013, "IMPROVE Acquisition Act." As discussed in my letter to Sen. Levin dated April 28, H.R. 5013 includes a provision that requires DoD to consider "whether measures of quality and technical performance should be included in any EVMS."

Because H.R. 5013 is only applicable to defense acquisitions, please consider adding a provision to S. 920 that concludes that measures of quality and technical performance should be included in any EVMS and that the FAR be should be revised accordingly.

Additional information is available at my web site, www.pb-ev.com . The site has links to pertinent letters to Chairman Levin (SASC), Chairman Skelton (HASC), and Mr. Zients <http://pb-ev.com/DoDEVMIImplementationReport.aspx> . This letter is also posted at the site.

I am not your constituent but am a concerned taxpayer and retired EVM expert. I read your conference report (co-authored by Sen. McCaskill) that addressed the validity of EVM reports and included an assessment of "Garbage in, garbage out." Please consider this recommendation for acquisition reform.

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