

EIA748 Rev E

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- **27 Guidelines**
- **Current Status**
- **Next Steps – Approval Process**

- 2.1 Organization
 - a. (1) Decompose scope using a Work Breakdown Structure (WBS)
 - b. (2) Identify organizational responsibilities for the work (OBS)
 - c. (3) Integrate WBS and organizational structure to create control accounts
 - d. (4) Integrate management processes using the WBS and organizational structure

- 2.2 Planning, Scheduling, and Budgeting
 - a. (5) Schedule the authorized work
 - b. (6) Identify indicators to measure progress
 - c. (7) Establish a time-phased budget baseline
 - d. (8) Authorize scope, schedule and budget by cost elements

- 2.2 Planning, Scheduling, and Budgeting
 - e. (9) Plan the authorized scope, schedule and budget into work packages and planning packages.
 - f. (10) Establish work package performance measurement criteria
 - g. (11) Apply indirect rates
 - h. (12) Identify any undistributed budget and management reserve
 - i. (13) Reconcile to target cost goal

- 2.3 Progress Assessment and Data Collection
 - a. (14) Measure progress and determine earned value
 - b. (15) Collect actual costs for work performed
 - c. (16) Account for purchased material

27 Guidelines Section 2

- 2.4 Analysis and Management Reports
 - a. (17) Generate cost and schedule variances
 - b. (18) Identify and evaluate significant variances
 - c. (19) Evaluate indirect cost variances
 - d. (20) Update control account estimates at completion
 - e. (21) Summarize, review and evaluate performance and variances
 - f. (22) Implement managerial actions
 - g. (23) Develop a revised program estimate at completion

- 2.5 Revisions and Data Maintenance
 - a. (24) Incorporate customer directed changes
 - b. (25) Document and reconcile internal replanning changes
 - c. (26) Control retroactive changes
 - d. (27) Over Target Budget and/or Over Target Schedule

EIA748D to EIA748E Guideline Mapping

NDIA

Area	Description	EIA 748-D GL		
		748D	748D	748E
Organization	Define the Authorized Work Elements for the Program	D01	2.1a	E01
	Define the Program Organizational Structure	D02	2.1b	E02
	Integrate Subsidiary Management Processes	D03	2.1c	E04
	Identify Overhead Management	D04	2.1d	X
	Integrate WBS/OBS to Create Control Accounts	D05	2.1e	E03
Planning, Scheduling, and Budgeting	Scheduling Work	D06	2.2a	E06
	Identify Products and Milestones for Progress Assessment	D07	2.2b	E05
	Establish the Performance Measurement Baseline	D08	2.2c	E07
	Authorize and Budget by Cost Elements	D09	2.2d	E08
	Determine Discrete Work and Objective Measures	D10	2.2e	E10
	Sum WP/PP Budgets to Control Account Budgets	D11	2.2f	E09
	Level of Effort Planning and Control	D12	2.2g	E10
	Establish Overhead Budgets	D13	2.2h	E11
	Identify MR and UB	D14	2.2i	E12
	Reconcile to Target Cost	D15	2.2j	E13
Accounting Considerations	Record Direct Costs	D16	2.3a	E15
	Summarize Direct Cost by WBS Elements	D17	2.3b	X
	Summarize Direct Cost by Organizational Structure Elements	D18	2.3c	X
	Record/Allocate Indirect Costs	D19	2.3d	E15
	Identify Unit and Lot Costs	D20	2.3e	X
	Track and Report Material Cost/Quantities	D21	2.3f	E16
Analysis and Management Reporting	Calculate Schedule Variance and Cost Variance	D22	2.4a	E17
	Analyze Significant Variances	D23	2.4b	E18
	Analyze Indirect Cost Variances	D24	2.4c	E19
	Summarize Performance Data and Variances	D25	2.4d	E21
	Implement Corrective Actions	D26	2.4e	E22
	Maintain Estimates at Completion	D27	2.4f	E23
Revisions and Data Maintenance	Incorporate Changes in a Timely Manner	D28	2.5a	E24
	Maintain Baseline and Reconcile Budgets	D29	2.5b	E25
	Control Retroactive Changes	D30	2.5c	E26
	Prevent Unauthorized Revisions	D31	2.5d	E27
	Document PMB Changes	D32	2.5e	E25

EIA 748-E GL			Description	Area
748D	748E	748E		
D01	E01	2.1a	Decompose Scope Using a Work Breakdown Structure	Organization
D02	E02	2.1b	Identify Organizational Responsibilities for the Work	
D05	E03	2.1c	Integrate WBS/OBS to Create Control Accounts	
D03	E04	2.1d	Integrate Management Processes Using the WBS and OBS	
D06	E05	2.2a	Schedule the Authorized Work	Planning, Scheduling, and Budgeting
D07	E06	2.2b	Identify Indicators to Measure Progress	
D08	E07	2.2c	Establish a Time Phased Budget Baseline	
D09	E08	2.2d	Authorize Scope, Schedule and Budget by Cost Elements	
D10	E09	2.2e	Plan Authorized Scope, Schedule and Budget into WP/PPs	
D10, 12	E10	2.2f	Establish Work Package Performance Measurement Criteria	
D13	E11	2.2g	Apply Indirect Rates	
D14	E12	2.2h	Identify any Undistributed Budget and Management Reserve	
D11, 15	E13	2.2i	Reconcile to Target Cost Goals	
ADD	E14	2.3a	Measure Progress and Determine Earned Value	Progress Assessment and Data Collection
D16, 19	E15	2.3b	Collect Actual Costs for Work Performed	
D21	E16	2.3c	Account for Purchased Material	
D22	E17	2.4a	Generate Schedule and Cost Variances	Analysis and Management Reporting
D23	E18	2.4b	Identify and Evaluate Significant Variances	
D24	E19	2.4c	Evaluate Indirect Cost Variances	
ADD	E20	2.4d	Update Control Account Estimates at Completion	
D25	E21	2.4e	Summarize, Review and Evaluate Performance Data and Variance	
D26	E22	2.4f	Implement Management Actions	
D27	E23	2.4g	Develop Revised Program Estimate at Complete	
D28	E24	2.5a	Incorporate Customer Directed Changes	Revisions and Data Maintenance
D29, 32	E25	2.5b	Document and Reconcile Internal Replanning Changes	
D30	E26	2.5c	Control Retroactive Changes	
D31	E27	2.5d	Over Target Budget or Over Target Schedule	

New
 Deleted
 Minimal / No Impact

Merged
 Modified

Option selected for releasing EIA748-E

1) Publish EIA748 Rev E with Section 2 & 3 changes as drafted

- a) The goal of including intent was to try to get the government to accept the whole standard, but no clear path at OSD or OMB for this to occur.
- b) With the intent published in the SAE standard, NDIA would lose Intellectual Property rights to publish the Intent Guide

2) Publish EIA748 Rev E with Section 2 changes, maintain Section 3 consistent with Rev D except for minor updates

- a) Since the GLs were already agreed to, this is an easier path
- b) Allows NDIA to retain use of the guidelines and publish the Intent Guide to the revised GLs
- c) Requires the Gov't to develop an EVMSIG update

3) Do Nothing and Publish EIA748 Rev E with no changes

- a) Maintains status quo on everything.....

- **Section 2 (Guidelines) completed and adjudicated with the joint Government and Industry Team**
 - 27 Guidelines in total
- **Agreement reached between NDIA and SAE**
 - Industry & Government able to use the GLs as defined in Section 2 for use in the NDIA Intent Guide & EVMSIG
- **Document submitted to SAE for comment and adjudication**

- 1) EIA748 Rev E draft published to SAE Standard Works for comment**
 - a) G47 Systems Engineering Committee posted document to Standard Works for review
 - b) Both Industry and government can register for access to Standard Works to provide comments in the system

- 2) Comment period to remain open until April 30**
 - a) Both Industry and government can comment on document in Standard Works
 - b) Comments to be adjudicated and document finalized through SAE G47 committee in coordination with NDIA by May 31.

- 3) EIA748E adjudicated by May 31 and finalized for publication**
 - a) EIA748E finalized and posted to SAE in June

- 4) NDIA Intent Guide to be updated in concert with EIA finalization**
 - a) Monitor and incorporate changes required due to EIA748 updates during adjudication
 - b) Distribute NDIA Intent Guide for comments once the EIA adjudication complete
 - c) Adjudicate comments and finalize Intent Guide for vote at Spring NDIA meeting

Back-up

NDIA

- 2.1 Organization
 - a. (1) Define the authorized work elements for the program. A product-oriented work breakdown structure, tailored for effective internal management control, is commonly used in this process.
 - b. (2) Identify the program organizational structure, including the major subcontractors, responsible for accomplishing the authorized work, and define the organizational elements where work will be planned and controlled.
 - c. (3) Integrate the program work breakdown structure and organizational structure to identify management control points where responsibility is assigned to specific work scope.
 - d. (4) Provide for the integration of the scheduling, budgeting, work authorization, and cost accumulation processes with each other, and, as appropriate, the program work breakdown structure and organizational structure to enable cost and performance measurement by elements of either or both structures.

- 2.2 Planning, Scheduling, and Budgeting
 - a. (5) Schedule the authorized work in a manner that describes the sequence of work and identifies task interdependencies required to meet the requirements of the program.
 - b. (6) Identify in the schedule the physical products, milestones, technical performance goals, or other objective indicators that will be used to measure progress.
 - c. (7) Establish and maintain a time-phased budget baseline comprised of scope, schedule and budget at the control account level. Budget for far-term efforts may be held in higher-level accounts until an appropriate time for allocation at the control account level. Initial budgets established for performance measurement are based on either internal management goals or the external customer negotiated target cost including estimates for authorized but undefinitized work.
 - d. (8) Authorize control account scope, schedule and budget comprised of elements of cost (labor, material, subcontractors, etc.) required to complete the effort.

- 2.2 Planning, Scheduling, and Budgeting
 - e. (9) Plan the authorized scope, schedule and budget into work packages and/or planning packages. Determine budgets in terms of dollars, hours, or other measurable units such that the sum of all work package and planning package budgets equal the control account budget.
 - f. (10) Establish objective performance measurement criteria for each work package consistent with the way work is expected to be accomplished. Only that effort which is not measurable is identified as level of effort.
 - g. (11) Apply indirect rates, developed by the responsible organizations, to the program's direct resource budgets, at the applicable level, to determine the indirect budgets that support the establishment of the performance measurement baseline.
 - h. (12) Identify any undistributed budget or management reserve.
 - i. (13) Provide that the program target cost is reconciled with the sum of all internal program budgets and management reserve.

- 2.3 Progress Assessment and Data Collection
 - a. (14) Using predefined performance measurement criteria, status the schedule and assess physical progress to determine budget earned. Earned value for material items may not be credited earlier than the actual receipt of the material nor later than the consumption of the item.
 - b. (15) Collect actual costs (direct and indirect), by elements of cost, from a formal system controlled by the general books of account for comparison to corresponding budgets in the EVMS. Where actual costs are not available for comparison, estimated costs will be entered into the EVMS.
 - c. (16) Account for all purchased material, for which earned value has been calculated, including material residual to the program.

- 2.4 Analysis and Management Reports
 - a. (17) At least on a monthly basis, generate the following information for the control account and higher levels, as necessary for management control, using actual cost data from or reconcilable with the accounting system:
 1. Comparison of the amount of planned budget and the amount of budget earned for work accomplished. This comparison provides the schedule variance.
 2. Comparison of the amount of the budget earned and the actual (applied where appropriate) direct costs for the same work. This comparison provides the cost variance.
 - b. (18) Identify and evaluate, at least monthly for each control account, the significant differences between both planned and actual schedule performance and planned and actual cost performance, analyze and provide the reasons for the variances in the detail needed by program management.
 - c. (19) Evaluate indirect cost variances and the impact of indirect cost performance on individual program performance.

- 2.4 Analysis and Management Reports
 - d. (20) Using the results of control account variance analysis and indirect performance evaluations, update the control account estimates at completion to reflect future resource requirements to complete the remaining authorized work and, by comparing to budgets, calculate the variance at completion.
 - e. (21) Summarize, review and evaluate the data elements and associated variances through the program work breakdown structure and/or organizational structure to support management needs and any customer reporting specified in the contract.
 - f. (22) Implement managerial actions taken as the result of earned value information.
 - g. (23) Develop a revised estimate of cost at completion for all authorized work based on performance to date, estimates of future resource requirements, and an evaluation of program risks and opportunities. Compare this estimate with the contract budget base to identify variances at completion to support internal management needs, applicable customer reporting, and funding requirements.

- 2.5 Revisions and Data Maintenance
 - a. (24) Incorporate customer directed changes in a timely manner, documenting and reconciling the effects of such changes in scope, schedule and budget. When incorporating a customer directed change prior to negotiation, plan the work based on the estimated value of the scope.
 - b. (25) Document and reconcile changes to current scope, schedule and budgets as a result of internal replanning.
 - c. (26) Control retroactive changes to records pertaining to work performed that would change previously reported amounts for actual costs, earned value, or budgets. Adjustments are made only for correction of errors, routine accounting adjustments, effects of customer or management directed changes, including implementation of a single point adjustment.
 - d. (27) When necessary, propose, document, and establish a total program budget greater than the contract budget base (over target budget) and/or a total program schedule exceeding the contractual period of performance (over target schedule), to support management of the remaining authorized work. Advance notification must be provided to the customer prior to implementation.