Andersen Consulting

SFA Modernization Partner Project
CONTRACT MANAGEMENT PLAN

Version 1.1
11/30/99

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1.0 INTRODUCTION

1.1 Contract Management Plan Overview

This Contract Management Plan applies to the project entitled SFA Modernization Partner Project. The Contract Management Plan serves as a guideline for defining, measuring, and monitoring commitment by all team members to the success of the SFA Modernization Partner Project. The work will be done in a partnership relationship with all stakeholders to develop a shared commitment to the mutual success of the project.

The Office of Student Financial Aid (OSFA) "Modernization Blueprint" describes the business requirements, business and technical architecture, and sequencing plan that OSFA will use to transform the Student Financial Assistance (SFA) using leading edge technology. Andersen Consulting will be SFA's "prime contractor" for implementing the Modernization Blueprint. SFA expects this prime contractor to partner with 'best-in-business' vendors and be responsible and accountable for modernizing SFA systems in accordance with the Modernization Blueprint

SFA will manage the Modernization Partner, who in turn will be responsible and accountable for the on time, quality delivery of projects, outlined in the figure below and in the Modernization Blueprint, and other modernization projects that SFA may require in the future. SFA expects that the management and implementation of modernization projects will be accomplished through subcontracts awarded, as needed, by the Modernization Partner with SFA approval. SFA will task the Modernization Partner for individual development projects.

SFA expects the Modernization Partner to achieve the SFA Modernization goals within three years. The overall outcome will be the reduction and retirement of redundant data and systems, through a planned and systematic process of transitioning to the modernized system and the elimination of waste and inefficiencies, in manageable steps.

1.2 Responsibility for the Contract Management Plan

The Contract Management Plan was prepared by the Engagement Control Office (ECO) which is also responsible for updating it for any significant changes in:

- Office-to-Office arrangements
- Project scope
- Project methods, standards, and approach

The initial issue of this Contract Management Plan, and all major version changes to the document (not including the appendices), should be reviewed and approved by the Engagement Partner and a US Department of Education Student Financial Assistance (SFA) representative. The most up-to-date version is available in electronic format in the SFA Modernization database in Lotus Notes and is accessible to all SFA Modernization Partner Project members, project management, and the Quality Assurance Group.

2.0 DELIVERABLES

Please see Attachments:

- Deliverable Schedule - Appendix A

3.0 PROJECT TIMETABLE AND SCHEDULE MONITORING

3.1 Project Workplan

The format for the Project Workplan created in ABT Project Workbench is included at Appendix B. The Project Workplan budgets hours by WBS Task and will be updated bi-weekly. The Project Workplan is tied to the Staff Schedule and the Pro-Forma Financials reports. Each performance task order will complete a Project Plan using the template included at Appendix D.

3.1 Project Schedule

The format for the Project Schedule created in Microsoft Project is included at Appendix C. This Schedule, which shows the completion status of each WBS Task and its Deliverables, will be updated monthly for inclusion in the Monthly Contract Status Report.

3.2 Project Timetable

The SFA Modernization Partner Project work started on September 16, 1999 and is expected to be completed as agreed to in the contract.

3.3 Tools

ABT Project Workbench will be used by AC to internally monitor project progress by using the tool's indices to indicate whether the project is meeting its target budget. Microsoft Project will be used by AC to internally monitor project progress by using the tool's indices to indicate whether the project is meeting its target schedule.

3.4 Inputs

Turnaround documents (T-docs) are prepared by all project team members on a daily basis and reported at the end of each bi-monthly time period. The turnaround document records the actual hours spent by project team members on their assigned Work Breakdown Structure (WBS) tasks.

3.5 Schedule Monitoring Processes

Turnaround documents are submitted to the immediate supervisor for review and approval. Project budget and schedule is tightly managed using the ABT Project Workbench's cost performance index and schedule performance index. Project teams each have a portion of the workplan to manage and control.

3.6 Reports

The following table shows the project management reports that will be generated. Reports are generally posted onto the SFA Modernization database. The individuals listed in the SFA distribution list are informed of the availability of the reports through e-mail. Each performance task order will complete monthly reports internally using the template include in the Project Plan template which is attached at Appendix D.

Description/Contents	Frequency/ Schedule	Distribution
Monthly Contract Status Report	Monthly	SFA
Weekly Program Summary Report	Weekly	SFA
Weekly Status Report	Weekly	AC
Project Schedule (Microsoft Project)	Monthly	AC
Project Calendar	Weekly	AC
Project Workplan (ABT Workbench)	Bi-Weekly	AC
Deliverables Schedule	Weekly	AC
Staff Schedule	Bi-Weekly	AC
CMAP Schedule	Weekly	AC
Team Roster	Weekly	AC
Client List	Weekly	AC
Client Interface Matrix	Weekly	AC
Project Org Charts	Weekly	AC
Client Org Charts	Weekly	AC
Sub-contractor Status	Weekly	AC
Pro-Forma Financials	Bi-Weekly	AC
Billing Status	Weekly	AC
Expense Schedule	Bi-Weekly	AC

4.0 PROJECT METRICS

The following table summarizes the metrics by which the project will be managed and controlled. These measurements will be used to determine and identify problem areas, and will be the basis for further investigation and analysis. Project management meetings, team meetings, and quality sessions will be conducted to identify problems and issues and develop the appropriate action plans. Below is a description for each column:

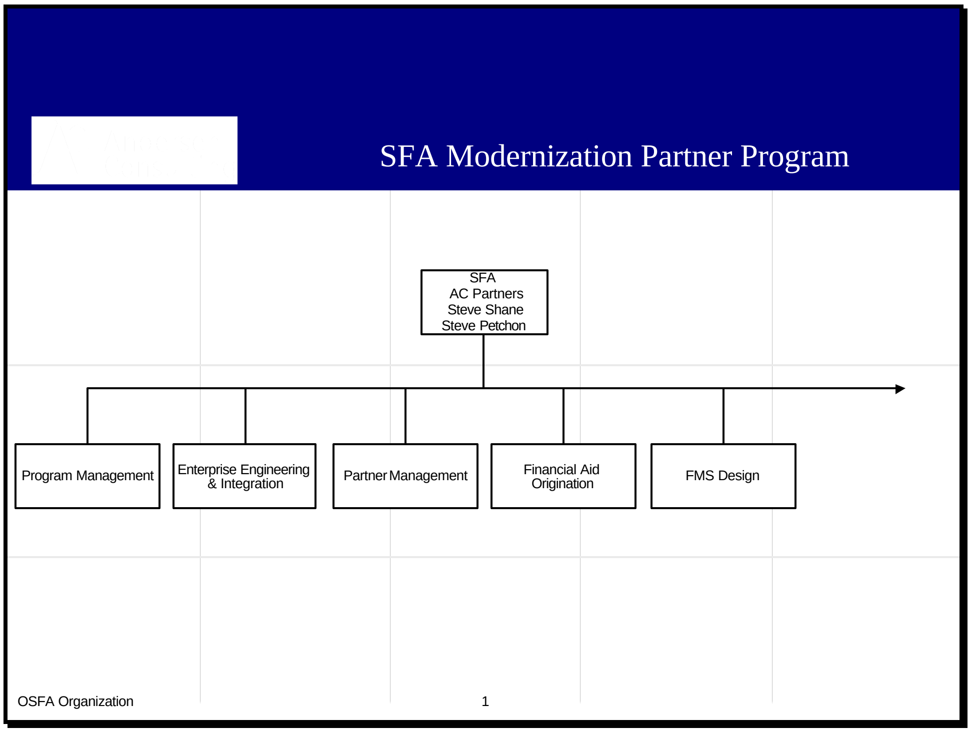
Goal	Measurable objective
Question	What needs to be answered
Metric	Name of the metric as well as the formula
Responsible	Individual responsible for providing the information
Source	Document on which data about the metric will be recorded
Report	Means and frequency of reporting on progress. The measurement identified should be contained in the specified regular report.
Other users	Users of the metric, other than the project

GOAL	QUESTION	METRIC	RESP	SOURCE	REPORT	OTHER USERS
Cost/Budget						
CV >= #	Are we within budget?	Cost Variance (CV) = BCWP – ACWP	Project Manager	ABT	Weekly Status report	DE TEAM
Schedule						
SV >= #		Schedule Variance (SV) = BCWP – BCWS	Project Manager	ABT	Weekly Status report	DE TEAM
#% of issues are resolved on time	How fast are the issues being resolved? What is the percentage of issue resolved on time?	# of issues resolved on time / Total number of issues	Project Managers	Issues Log	Weekly Status report, Cluster Completion Report	
People						
Client Satisfaction Rating of 5	How satisfied are our clients?	Client Satisfaction Survey	Project Manager	Client Satisfaction Survey Form	Every 6 months	DE TEAM
Team Satisfaction Rating of 5	How satisfied are our project teams?	Team Satisfaction Survey	DE TEAM Coord. / Project Manager	Staff Satisfaction Survey	Every 6 months or as needed	DE TEAM
OV <= #%	Are we within the tolerable level of overtime rate?	Overtime Rate = (OTHours/ReqHours)*100	Project Manager	ARTES	Monthly at project level	DE TEAM

#% of CMAPs are completed on time	Are CMAPs completed on time?	% of completed CMAPs = # of CMAPs completed on time / total # of CMAPs due	Project Manager	CMAP schedule	Every four months	

5.0 ORGANIZATION

Shown below is the organization chart for the overall SFA Modernization Partner Project team. The arrow on the right-hand side depicts ongoing tasks to be added to the SFA Modernization Project in the future.



6.0 COMMUNICATION STRATEGY

6.1 Internal

6.1.1 Meetings

The project team will hold weekly status meetings to discuss progress, and address issues, risks, and concerns related to project deliverables, schedule, and other project activities. The meetings will also be used to conduct project information interchange activities where team members give a short talk on the tasks they are working on and share technical and functional knowledge with the rest of the team. Meetings will also be held between affected parties, as necessary, whenever issues concerning various individuals and/or groups need to be resolved. Minutes of meetings will include the names of the attendees, and bullet points summarizing key items discussed, action points and responsibilities, and the items' corresponding status, disposition, and/or target due dates.

6.1.2 Reporting

Task Managers are required to submit a weekly status report to the Engagement Manager. The report should contain details of accomplishments for the period such as the name(s) and/or number of work units started, still in process, and/or completed; the plans for the following period; and issues raised and/or resolutions agreed upon. It should highlight existing or potential problems as well as outstanding issues that require management attention or action.

6.1.3 Day-to-Day Communication

Electronic mail is the primary means of communication among the project team members.

6. 2 Communication with SFA

6.2.1 Reporting

The Engagement Manager prepares and submits a Monthly Status Report to the client and the Engagement Partner. This report summarizes the accomplishments for the month, tasks planned for the following month, and issues requiring management attention. The report will contain the following:

- Activity Summary
- Plans
- Deliverables
- Risks Summary
- Issues Summary
- Schedule

6.2.2 Day-to-day Communication

The SFA Modernization Partner Project will communicate with SFA at the client site by means of:

- Meetings / Discussions
- Electronic Mail
- Conference calls
- Fax. This method is used when timeliness is important and when the material can not be electronically transferred via e-mail.

7.0 TRAINING PROGRAM

The training program of SFA Modernization Partner Project will provide project team members with the knowledge and skills they need to perform their tasks within the project. The Engagement Manager is responsible for ensuring that the training program is implemented as designed.

SFA Modernization Partner Project task managers will spend part of their time as training coordinators for their respective teams. They will ensure that new members undergo and complete the necessary training, and submit all training-related documentation. They will also assume the following responsibilities:

– compile and evaluate assessment/evaluation forms submitted by trainees
– coordinate any modifications to training materials (feedback forms will be one source of input)
– keep and maintain project training records of project personnel
– facilitate continuous improvement initiatives in the project's training program

All Andersen project team members must undergo the following required training:

- Federal Contracts Self-Study
- Additional training as necessary

8.0 QUALITY AND CONTINUOUS IMPROVEMENT INITIATIVES

8.1 Team Input Procedures

The following procedures will be implemented to obtain project team member inputs on quality and continuous improvement:

- The weekly status meetings will be used to solicit feedback and suggestions from team members regarding the quality of work and the effectiveness and efficiency of project processes. Sources and causes of errors will be discussed, common issues and problems will be determined, and best practices (or things that are going well) will be shared.
- The Risks & Issues Log within the SFA Modernization database in Lotus Notes will be used to document questions and issues pertaining to how things can be done better, and what pitfalls are encountered in doing the day-to-day tasks.
- Quality Sessions will be conducted to incorporate best practices and improve the processes within the project team. These sessions will be scheduled by the quality coordinator, either as brown bag sessions or a special team meetings.
- Lessons learned from each task order will be communicated across all projects to ensure that these lessons learned will lead to continuous improvement.

8.2 Recognition Program

The SFA Modernization Partner Project team knows the importance of recognizing work well done. Recognition of individuals and teams that show exemplary contribution to the project's quality objectives provides incentive to improve and creates a more productive work environment. The criteria and type of awards to be used are as follows:

- Best Improvement Idea. This recognition goes to the individual who has raised a suggestion for quality and process improvement that the team has implemented and has proven to be useful. The winner will receive a prize and will be recognized in project meetings.
- "Job Well Done" Award. The recognition is given to the individual who has supported quality categories that the team values like adhering to standards, meeting contribution to knowledge capital, etc. The winner will receive a prize and will be recognized in project meetings.
- Team-building Activities. Whenever a team's number of milestones attained becomes 20% ahead of plan, every member of that team will receive a prize such as cinema tickets or restaurant gift certificates to recognize their exemplary effort.

9.0 PRODUCTION PROCESSES

This section highlights the major processes that will be undertaken by the project team and the corresponding key considerations with respect to the Modernization Program requirements.

9.1 Procedures

The SFA Modernization Partner Project follows processes which are based on Andersen Consulting's Business Integration Methodology (BIM). The standards to be followed and the steps to be performed in the development of the work product(s) and components are defined and documented in the SFA Modernization Database. The SFA Modernization Database contains the following views.

- Standards and Procedures - defines the project standards, project roles and responsibilities, and development procedures
- Job aids and Forms - contains the forms, templates, and guidelines to be used in the development procedures
- Team directory - contains the individual information such as training records, CMAP schedules, and vacation plans
- Quality records and Controlled documents - contains the project records, and the view represents the master list of controlled documents and quality records

9.2 Process Matrix

The table below summarizes the major processes or phases of the project, and for each process or phase the corresponding:

- Objectives
- Tools used and reference to the documentation containing the detailed procedures,
- quality verification processes
- Key documentation generated to address the quality objective(s), and persons involved in the process

Objectives	Process Reference and Tools	Quality Verification/ QA Processes	Supporting Documentation	Person(s) Responsible
ORGANIZE PROJECT				
• Clear understanding of client requirements • Agreement on expectations • Risks and corresponding management steps identified • Clear understanding of SFA participation, commitment, and responsibilities • Well defined acceptance criteria for each deliverable	• Program Plan (contains the Quality Plan, Risks and Issues Management, Acceptance Criteria)	• CQMA review • Risk assessment • Project start-up sessions with QMT	• Arrangement Letter • Project Plan • Entry/exit criteria • Risk Assessment Memo • CQMA forms • Project Plan • Work plans and budget • Project Process Evaluation Matrix	• Engagement Partner • Engagement Manager • Client Mgt. Representative

• Project management understanding of SFA processes and quality system requirements • Project team understanding of the SFA quality system • Project team understanding of the project	• Program Plan (contains the Quality Plan, Risks and Issues Management, Acceptance Criteria)	• Project start-up sessions with QMT • Project training and orientation sessions • Project brown bag sessions	• Training plan • Training records • Training materials	• Engagement Partner • Engagement Manager • Team Leads • QMT
MANAGE AND CONTROL PROJECT				
• Feasible workplan and realistic milestone dates • Effective use of project resources and people • Estimating model that assigns budget to work units based on module complexity • Effective reuse and continuous improvement of software process assets	• Estimating Guidelines • ABT Project Workbench	• Status reporting • Project metrics reporting • CQMA • Risk assessment • IQA	• Work Plan • Turnaround Documents • Variance Reports • Work Segment Status Charts • Project Status Charts • Project Process Evaluation Matrix	• Engagement Manager • Project Controller • Team Lead • DE TEAM • DE TEAM Coordinator

10.0 QUALITY ASSURANCE PROCESSES

10.1 Quality Verification Process Matrix

The following table summarizes the processes that will be implemented by the SFA Modernization Partner Project to ensure quality in deliverables and in the processes. Below is the description of each of the columns in the table:

Process	Activities involved in the verification process
Timing	Frequency or schedule followed in performing a specific verification process.
Doc. Requirements	Documentation produced from the verification process.
Resp.	Individual or team responsible for performing the process.
Objectives	End-goal or purpose of performing the process, i.e. After performing process, which quality program has been verified?

Process	Timing	Doc. Requirements	Resp	Objectives
Project Status Review	Weekly	• Status report • Work program • Milestone bar chart	Eng. Mgr	Monitor and control project's progress
Internal Quality Audits (IQAs)	Per *Schedule of Project IQAs*	• Audit Summary Report; • Nonconformity Form	Internal Quality Auditor	Project adheres to Quality System requirements
Client Quality Management Assessment (CQMA)	per CQMA schedule	• CQMA form • Engagement risk assessment	CQMA partner	Assess the effectiveness of SFA Modernization Partner Project team service quality mgt efforts
Project Team Satisfaction Survey	For multi-year projects, every six (6) months Otherwise, at the end of each phase.	Team Survey forms	All project team members	Measure project team satisfaction and identify potential areas for improvement
Client Satisfaction Survey (CSS) or Management Survey	Once a year.	CSS form	Project Mgmt	Measure SFA and project management satisfaction

10.2 Preventive and Corrective Action Procedures

Lessons learned from each of the Modernization Partner teams will be communicated to all of the other teams to ensure that a level of quality is maintained throughout the Modernization Project as a whole and also avoid potentially making a mistake more than once. This knowledge-sharing is important between both AC Modernization teams, as well as between AC and SFA.

The various status meetings and brown bag sessions are aimed at preventing the occurrence of major problems during the life of the project. The various inspection and review processes, on the other hand, are aimed at detecting errors in the product as they occur and addressing these to ensure that they do not get passed on to the next phase of the development life cycle. Another procedure that aims to prevent problems and correct errors is the issue tracking system.

- During the weekly status meetings, functional and technical issues and problems will be discussed to promptly address and resolve them before they impact schedule and budget. In addition, critical issues or problems requiring urgent attention will be raised by the team leads and/or the project manager and meetings and/or conference calls will be scheduled as necessary.
- Causes of errors found during the inspection and review processes will be determined, classified according to the project's pre-defined major classifications, and documented using the error/defect tracking worksheet. Individual observations (e.g. during the inspection and testing processes) will be discussed during the team and/or project meetings to ensure that the causes of problems or errors are eliminated by the project as a whole.
- Any error detected during product tests that necessitate changes will be documented as a Systems Investigation Request (SIR) which should be approved by the team leader and/or engagement manager depending on the impact of the change. Refer to the SIR procedures in the SFA Modernization database in Lotus Notes.
- Issues will be documented, tracked, and managed through the Issues Log database on Lotus Notes. The policies governing issues, the standards to be followed, and the procedures to be performed are defined in the *Issue Resolution* section of the SFA Modernization database in Lotus Notes.
- If a flaw lies in the existing project standards and procedures, the related documentation will be modified to reflect the corrections and the team will be notified for immediate implementation.

10.3 Risk Management

The following section is intended to inform management and team members about project risk areas and their potential consequences. Risks are evaluated in terms of their potential impact on meeting the target completion date (**schedule**), increasing project costs (**cost**), and/or decreasing quality of deliverables (**quality**).

Task Order level status reports should contain risks. The following table is prepared at the beginning of the project as part of the Contract Management Plan, but it is maintained weekly in the task order Status Reports for use on the Monthly Status Report.

RISK	RESPONSES	Severity of Impact	Probability of Occurrence	Ability to Control	DATE Reduced by 50%	DATE Complete	Responsibility
Baseline set of Risk Watch Lists for the project can be added.	Reponses to risk	HIGH, MED, LOW	HIGH, MED, LOW	HIGH, MED, LOW			

10.4 Issue Management

The following section is intended to inform management and team members about outstanding project issues, recommended solutions, and progress towards issue resolution.

The following table is prepared at the beginning of the project as part of the Contract Management Plan, but it is maintained weekly in the task order Status Reports for use on the Monthly Status Report.

Issue	Recommended Solution	Responsibility	Creation Date	Resolve Date	Status

10.5 Other Quality Verification and Assurance Processes

- CQMAs will be conducted to ensure that the project is conducted in line with the firm's QVS objectives.
- Internal quality audits (IQA) will be conducted to ensure that the project adheres to the quality system requirements, as well as to point out areas for improvement. During IQAs causes of nonconformities will be identified, corrective actions determined, and preventive action procedures determined as well. Implementation of these action points will be verified by the auditor during the follow-up audits for this purpose.
- Staff satisfaction surveys will be conducted semiannually to measure project team satisfaction, and identify potential areas for improvement. Problem areas and causes will be determined, and the corresponding preventive and corrective action procedures defined.
- Client satisfaction surveys will be conducted to measure client satisfaction, determine the strengths and weaknesses of the SFA Modernization Partner Project team, identify problems and areas for improvement, and identify corrective and preventive action procedures.

11.0 CONFIGURATION MANAGEMENT

All task orders that will lead to the development of a system, or components of a system, will define a Configuration Management approach within the specific Task Order Project Plan in accordance with Business Integration Methodology (BIM). Configuration Management will also be within SFA's internal configuration management procedures.

12.0 CLIENT-SUPPLIED ITEMS

12.1 Client Supplied Items

Client supplied items will be tracked in an Inventory List by the Engagement Control Office (ECO). All client supplied items will be tracked, unless otherwise specified by SFA.

12.2 Receipt and Acceptance

ECO will verify the integrity, completeness, and authenticity of each item. After this verification is complete, a receipt is provided to the client supplier.

12.3 Maintenance and Reporting

A complete inventory of client supplied materials will be tracked by ECO. Every three months, these materials will be inspected by the project controller for their condition. The updated inventory form is submitted to the engagement manager within three days after the inspection. It is the engagement manager's responsibility to ensure that the client supplied materials are in good condition and to report promptly to the client any material discrepancies, losses, damages or problems.

The procedures relating to the maintenance of client supplied materials, as well as reporting the condition of these to the client can be found in the *Client-Supplied Materials section of the* SFA Modernization database in Lotus Notes.

13.0 PURCHASING

13.1 Supplier Selection Criteria

The SFA Modernization Partner Project team will use internal AC purchasing channels unless required or instructed otherwise.

13.2 Purchasing Procedure

The engagement manager is responsible for developing the specifications of the items to be ordered, and for having the specifications reviewed and approved by the engagement partner, as well as obtaining client approval of the specifications. The approved specifications are then given to an administrative assistant for implementation. Local purchases are implemented by the AC purchasing unit and the procedures discussed in detail in the Purchasing Section of the AC Office Services Operations Manual (Notes-based). Items that could not be purchased locally are handled by administrative assistant, who coordinates with Firmwide Purchasing.

Items purchased by the SFA Modernization Partner Project team will be tracked when deemed sensitive and/or valued over $500 per unit cost.

13.3 Purchased Items Inspection and Testing

The Engagement Manager is responsible for receiving the goods/services; and for ascertaining that the goods/services match the specifications of the order. The handling of the invoices and the initiation of their payment is handled by the Project Controller.

APPENDICES

Appendix	Contents
Appendix A	Deliverable Schedule
Appendix B	Project Workplan
Appendix C	Project Schedule
Appendix D	Project Plan Template (including the Monthly Status Report Template) for each Task Order
Appendix E	Weekly Team Status Report

APPROVALS AND AMENDMENT HISTORY

DATE	DESCRIPTION	REFERENCE	APPROVALS/DATE
10/06/99	Contract Management Plan (Outline), v. 1.0	N/A	Mike Swain, 10/07/99
10/14/99	Contract Management Plan (Draft), v. 1.0	N/A	Mahesh Gidwani, 10/14/99
11/2/99	Contract Management Plan (Draft), v. 1.1	N/A	Mike Swain, 11/2/99

APPENDIX A
Deliverable Schedule

APPENDIX B
Project Workplan

APPENDIX C
Project Schedule

APPENDIX D
Project Plan Template
(including Monthly Status Report Template)

APPENDIX E
Weekly Team Status Report