



Key Requirements

- Performance Baseline
 - Is equal to total project costs, and will be the basis for evaluating project cost and schedule performance (i.e., Earned value).
 - $TPC = \text{total estimated cost (with contingency)} + \text{other project costs (with contingency)}$
 - Contingency is risk based
- Watch List
 - At the DS level, for major system projects with “expected unfavorable cost and schedule Level 0 changes”
 - Projects “could face funding consequences” and “require corrective action plans”
 - EM-6 will establish an EM-1 Watch List. The goal is for no EM projects to be on the secretarial Watch List.