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January 17, 2021

The Honorable Senator Kamala Harris 112 Hart Senate Office Building Washington, D.C. 20510

Subj: DoD Acquisition Reform, Final Request to You as my Senator

Dear Sen. Harris:

As today is your last full day as my Senator, I am writing to you as a constituent in California and as an American. In your email to me dated June 22, 2020, you stated "I will continue to fight for the strengthening and modernization of our military while *maintaining* the *strictest standards* of responsibility."

Please take corrective action to *strengthen* those standards, not maintain them.

Today, the acquisition standards are *ambiguous*, *not strict*, *and are favorable to the contractors*. The standards, regulations, policies, and DoD Instructions for acquisitions enable contractors to continue receiving funds and award fees despite executing contracts that are over cost and behind schedule, Furthermore, many systems being developed will never achieve their intended capabilities and functionalities.

You can fix this. I provided a roadmap in prior letters and emails. As asserted in my letter to SASC Chairman Smith, dated 12/20/20, "the status quo is a toxic triad of (the Earned Value Management Standard (EVMS) EIA-748, Agile Methods, and subjective award fees. In concert, they enable, not deter, fraud, waste, and abuse. Contractors "keep EVM metrics favorable and problems hidden." My recommendations are intended to improve transparency and accountability of Major Capability Acquisitions, including embedded software, and to reduce the cost of Engineering and Management Development programs that use EVM based on EIA-748."

Your first target should be to abandon EIA-748, the so-called Voluntary Consensus Standard that is owned by the NDIA. DCMA performs reviews to assess contractor compliance with EIA-748. However, a finding of compliance is not like a CPA's certification that a contractor's financial statements are in conformity with GAAP. In fact, reliance on EIA-748 helps to perpetuate the hoax that, if DCMA finds compliance, then Program Managers can trust the data. The *DoD EVMS Interpretation Guide* is wrong and misleading in asserting that:

"EVMS will provide internal controls and formal program management processes (that) will *ensure* both contractor and government program managers, as well as other government stakeholders, receive contract performance data that:

- Objectively measures work progress;
- Reflects achievement of program objectives within budget, on schedule, and within technical performance parameters;
- Allows for informed decisions and corrective action;
- Is timely, accurate, reliable, and auditable;

- Allows for estimation of future costs;
- Supplies managers at all levels with appropriate program status information"

Regarding the costs of implementing EVMS via EIA-748, I can provide documented and anecdotal evidence of contractors wasting time on "making the number" (NDIA, 2007), and exhibiting "poor behavior" in the establishment of program baselines and EVMS implementations (CODSIA, 2009). Contractor effort and related DoD resources are diverted from managing the program in order to manage the numbers, avoid Nunn-McCurdy violations, and maximize award fees.

Please forward this to the incoming DoD policy makers, OMB Director Tanden, and the new SASC Chair.

Yours truly,

Paul J. Solomon

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Copy:

HASC Chairman Adam Smith

Sen. Joni Ernst, SASC

Andrew Hunter, Biden-Harris Transition Team