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July 21, 2025

The Honorable Mike Rogers
Chairman, HASC
2216 Rayburn House Office Building
Washington, D.C. 20515

Subject: 15 Years of Unfinished Business with Your Committee; Please Finish at Wednesday's Hearing

Dear Hon. HASC Chairman Rogers:

I have been dealing with your committee since March 2010. The traditional contractors and NDIA have, once again, obstructed progress. Please present probing questions to the witnesses at the hearing on Wednesday and ensure that they answer them candidly and unambiguously.

Excerpts from my letters before 2014 follow:

[Skelton letter, 3/28/10](#), Subject: Panel on Defense Acquisition Reform

- Neither the DFARS EVMS clause 252.234-7002 nor its cited EVMS guidelines in EIA-748 require that contractors report **progress toward achieving quality or technical goals** that are specific and measurable.
- In fact, ANSI/EIA-748 states that earned value is a **"measurement of only the quantity of work" and that "quality and technical content of work performed are controlled by other means"** (Section 3.8). Guideline 2.2.b describes the use of technical performance goals to

[McKeon letter, 9/13/11](#), Subject: Defense Acquisition Reform

- Contractors must submit monthly Contract Performance Reports (CPR) that show cost and schedule performance based on EVMS guidelines in the industry standard, EIA-748. This standard, maintained by the NDIA, has loopholes and deficiencies that enable contractors to submit flawed, inaccurate data to the military. **Even if a DCMA compliance review determines that a contractor is compliant with the guidelines, the loopholes enable a contractor to overstate progress and understate final costs. Consequently, a DCMA compliance review can provide false assurance to the Program Manager.** This is like relying on Standard & Poor's "no risk" ratings of mortgage-backed securities before the financial collapse.
 - A key deficiency is the **lack of a requirement** for contractors to **link earned value to technical performance or quality**. The FAR, DFARS, and EIA-748 enable contractors to report earned value that is based only on the quantity of work performed and to ignore technical performance or quality (Quality Gap). For example, earned value is often based on the quantity of drawings completed or software code written. Although technical performance measures (TPM) are used, such as weight, payload, or software functionality, contractors often ignore these TPMs when calculating earned value. As a result, the CPRs fail to provide early warnings of cost overruns and behind schedule conditions. More accountability and transparency is needed.
- Sen. Collins said the following about EVM in the WSARA conference report: **"GAO observed that contractor reporting on EVM often lacks**

consistency, leading to inaccurate data and faulty application of the EVM metric. In other words, garbage in, garbage out."

As required by WSARA and the 2009 NDAA, DoD submitted a report to Congress in September 2009. It concluded the "Utility of EVM has declined to a level where it does not serve its intended purpose." It stated that:

- Contractors may circumvent proper EVM practices to keep EVM metrics favorable and problems hidden.
- Engineering community should establish technical performance measures (TPM) that enable objective confirmation that tasks are complete.
- Systems Engineering and EVM should be integrated, not stove-piped.

[Thornberry letter, 11/17/13](#), Expanded NDAA Defense Acquisition Reform - Earned Value

Compliance with the EVMS guidelines that are required by DFARS is costly to the programs and the taxpayers. However, compliance does not ensure that Contract Performance Reports provide timely, reliable, or verifiable information, as required by DFARS 252.234-7002. Nor does compliance ensure that performance-based acquisition management meet the OMB objective to measure progress towards milestones, cost, capability to meet specified requirements, timeliness, and quality (OMB Circular No. A-11, Sec. 300-5).

Recommendations:

- Tailor 3 (now 4) EVMS guidelines to meet OMB objectives to measure progress towards capability to meet specified requirements and quality.
- Remove compliance with 12 guidelines to reduce costs for contractor labor, DCMA oversight, training, consultants, and software.

In my opinion, the cost savings by eliminating compliance with eight guidelines will offset any cost increases that may be incurred because of the tailored guidelines.

Also, I have been working on acquisition reform since 1993 and received the David Packard Excellence in Acquisition Award in 1998. An excerpt from a letter from the Office of the Undersecretary of Defense follows:

Joint Team for the 1998 David Packard Excellence in Acquisition Award. The Defense Department's highest acquisition award recognizes the efforts of Department of Defense teams who have made highly significant contributions which demonstrate exemplary innovation and best acquisition practices.

I am disappointed that my team's efforts have never demonstrated best acquisition practices. There was no exemplary innovation either as the Earned Value Management Standard we authored was essentially unchanged from the 1967 source. No one on your committee or the SASC has shown interest in this problem since John McCain died. Heidi Shyu and LTD Duke Richardson were the last DoD officials to act on my recommendations but their improvements to DoD or Air Force policy, instructions, and guides, especially those related to digital engineering, do little for your objectives and Sen. Wicker's without statutory change.

Yours truly,



Paul Solomon

CC:

John Wicker Chairman, SASC

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Hon. Joni Ernst, SASC

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Mona Sehgal, GAO

Anthony Capaccio, Bloomberg News