U.S. DOT Federal Transit Administration
TPM-20 Office of Capital Project Management
Project Management Oversight

Oversight Procedure 02 – PMOC Implementation / Transition Plans and Monthly Task Order Cost Status Report

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1.0 PURPOSE

The purpose of this Oversight Procedure (OP) is to describe the review, analysis and recommended procedures and reporting 9 that the Federal Transit Administration (FTA) expects from the Project Management Oversight Contractor (PMOC) with regard to two types of administrative tasks: Implementation / Transition Plans and Monthly Task Order Cost Status Reports.

2.0 BACKGROUND

2.1 PMOC Implementation and Transition Plans

FTA requires PMOCs to develop implementation plans to ensure adequate and comprehensive oversight work by PMOCs. FTA requires PMOCs to develop transition plans to ensure continuity in the performance of oversight.

2.2 Monthly Task Order Cost Status Reports

FTA requires PMOCs to manage the activities and related costs and hours spent in the course of oversight, and to report on projected and actual time and cost expenditures. Such reporting allows FTA to monitor oversight efforts by Task Order for a specific PMOC. When PMOC reports are aggregated, FTA is able to monitor its entire oversight program.

The Contractor shall not be compensated directly by the Government for the preparation and delivery of the requisite Task Order Cost Status Report and shall not include the Level of Effort to generate this report in their Cost Proposal for any Task Order or Work Order.

3.0 OBJECTIVES

3.1 Implementation and Transition Plans

An Implementation Plan should demonstrate the PMOC's comprehensive, organized and well considered proposal to accomplish the assigned scope of work in a manner, quality and quantity that meets FTA's requirements. A Transition Plan should relay to an incoming PMOC from an outgoing PMOC the essential project facts needed to effectively assume oversight activities with minimum disruption to the project sponsor.

3.2 Monthly Task Order Cost Status Reports

PMOC Monthly Reports serve to update FTA on the PMOC's oversight activities associated with one Task Order.

4.0   REFERENCES
- OP 01 – Administrative Conditions and Requirements
- OP 25 – Recurring Oversight and Related Reports

5.0   PROJECT SPONSOR'S SUBMITTALS – N/A

6.0   SCOPE OF WORK

6.1   PMOC Implementation Plan / Transition Plan

6.1.1   Implementation Plan

After FTA awards a Task Order, the PMOC responds to the assigned scope of work and schedule and develops an Implementation Plan. This plan, the PMOC's recommended course of oversight action, is submitted for FTA review, comment and approval. An Implementation Plan may be required for a Work Order as well if the work is to be performed over several months, the work is particularly complex, or if FTA is concerned about the PMOC's technical approach, staffing, schedule, etc.

An Implementation Plan should demonstrate the PMOC understands FTA's mission with respect to oversight, as well as the scope and nature of the oversight work to be performed. It should define the manner, quantity and quality of the PMOC's intended services, products, deliverables, etc.
It should also demonstrate the PMOC's readiness to perform such oversight activities in a manner that meets FTA's requirements. The Implementation Plan shall be provided upon request of the Contracting Officer's Representative (COR) or Alternate Contracting Officer's Representative (ACOR), previously referred to as the "FTA Task Order Manager". It should include an integrated schedule for the work (services and deliverables) and a plan to report progress against the schedule. After approval by FTA, unless otherwise directed by the ACOR, PMOC services, products and outcomes should be performed in conformance with the Implementation Plan.

In the case of a transition, FTA, in its sole discretion, may require the outgoing PMOC to update and revise its existing Implementation Plan to better coordinate with and orient the incoming PMOC and minimize the loss of knowledge when the incoming PMOC assumes oversight duties.

The elements of the plans are described in Section 7 and Appendix B. Examples of charts and graphs are shown in Appendix B as well.

6.1.2   Transition Plan

When changes occur in PMOC assignments at the Task Order level, FTA shall require the outgoing PMOC to develop a transition "report" and the incoming PMOC to develop a transition "plan." Changes in assignments may be due to the development of a conflict of interest or FTA's determination that it is in its best interest to replace or supplement a PMOC. Transition reports and plans may be required for Work Order assignments if the work is particularly complex or for other reasons indicated by FTA.

Upon notice from the ACOR of an incoming PMOC to replace or supplement an existing PMOC, the ACOR or Work Order Manager will notify the project sponsor in a timely fashion, address the project sponsor's concerns, and set up a transition schedule that fits well with previously arranged meetings to

the extent possible.

The ACOR shall also establish a transition dialogue between the incoming and outgoing PMOC and set forth the priorities for both PMOCs. The ACOR's overall objectives are to minimize disruption to the project sponsor, facilitate teamwork between the PMOCs, and ensure transition steps are accomplished; for example, arranging for the incoming PMOC to be introduced to FTA, the outgoing PMOC, and the project sponsor's staff and consultant team; giving the incoming PMOC a project tour and familiarizing the PMOC with project documents and FTA administrative matters such as invoicing and performance evaluations; arranging for the outgoing PMOC to orient the incoming PMOC to the project, its characteristics, major project issues, baseline project information, and FTA's expectations.

FTA's Office of Program Management will seek to achieve transition periods of at least two months in length. During the transition, the outgoing and incoming PMOCs will be expected to collaborate and effectuate a smooth transition.

The incoming PMOC shall perform services as follows:

1) Develop a transition "plan." Coordinate and integrate incoming PMOC services and work products with the current PMOC to identify transition elements, develop schedule and milestones.

2) Establish key contacts among the personnel of the incoming and outgoing PMOCs, FTA Region and Headquarters, and the project sponsor.

3) Develop a list of documents needed for the transition period as applicable, including but not limited to the following:

    a) The latest baseline documents (Project Development, Engineering, or FFGA) and all amendments, application materials, Letters of No Prejudice, etc.

    b) Relevant project sponsor management plans such as Project Management Plan, QA/QC Plan, Fleet Management Plan(s), etc.

    c) Lessons Learned Reports, Monitoring Reports, Quarterly Progress Review Meeting Reports, Final Closeout Monitoring Report

    d) Project related design and construction documents, construction contract agreement, general and special provisions, technical specifications, baseline and updates of project cost and schedule

    e) Other documents recommended by FTA and outgoing PMOC

    f) List of project contact information for contractor, consultants, and project sponsor's representatives associated with the project

4) Be adequately prepared for the initial monthly or quarterly meeting, interviews, site tours, conference calls, follow-up meetings, etc. by:

    a) Conducting sufficient pre-meetings between FTA and outgoing PMOC.

    b) Providing sufficient and appropriate personnel at meetings, interviews or tours.

   c) Being prepared and knowledgeable of the content in materials prepared by the project sponsor, PMOC, and FTA on major issues. Be aware of sensitive issues.

   d) Listening carefully, particularly to key issues/potential impacts to project progress.

   e) Promoting a "partnership" relationship and minimizing project sponsor impacts.

   f) Making every effort to understand the project conditions including taking project photos during tour.

5) Act in a manner consistent with FTA's direction on priorities and expectations.

   a) Conduct an adequate number of site visits, meetings, or project sponsor personnel interviews to be cost effective.

   b) Do not discuss the outgoing PMOC's products or services with the project sponsor.

   c) Provide an adequate amount of useful inputs to the outgoing PMOC on the incoming PMOC transition activities during that period of performance when the outgoing PMOC has responsibility for project monitoring.

   d) Achieve a sufficient level of knowledge about the outgoing PMOC's oversight activities. Maintain traceability of information or assessments developed by the outgoing PMOC until and unless otherwise directed by the ACOR.

6) Complete familiarization with the project sponsor's project, reports and information and achieve readiness to assume oversight responsibilities.

The outgoing PMOC's responsibilities include but are not limited to:

1) Develop a transition "report" to relay to the incoming PMOC the essential project facts needed to effectively assume oversight activities with minimum disruption to the project sponsor.

2) Subject to FTA's Contracting Officer's request, prepare a "close-out" Task Order proposal according to FTA's instructions that includes "close-out" schedules and deliverables including a final report and lessons learned, as well as transfer documents and information to the incoming PMOC and other transition elements identified above. If necessary or requested by FTA, update the Task Order Level Implementation Plan to reflect "close-out" activities.

3) Orient the incoming PMOC; facilitate introductions to the project sponsor. Provide requested documents and, if necessary, assist the incoming PMOC in locating and securing the information. Additionally, provide the incoming PMOC with any other documents that might be pertinent to understanding the condition and status of the project sponsor and the project. Conduct project site tours with the project sponsor and incoming PMOC.

4) Coordinate and integrate the services and work products of the incoming PMOC with your own.

   a) Identify transition elements, develop a schedule and milestones.

   b) Incorporate the incoming PMOC's input into the monitoring reports.

   c) Maintain traceability until otherwise directed by the ACOR of information or assessments developed by the incoming PMOC.

d) Evaluate input and work products of the incoming PMOC giving consideration to its lack of familiarity with the project.

e) Provide sufficient and appropriate personnel to participate in conference calls and meetings during the transition.

5) Assess the incoming PMOC's readiness to assume oversight responsibilities

6.1.3 Schedule for Implementation and Transition Plans

Unless otherwise indicated by Work Order instructions, Implementation and Transition plans and reports shall be delivered in accordance with the following timeline.

	Calendar Days after Request by FTA
1) Implementation Plans and Transition Plans (incoming PMOC)	
a) Draft plan or revision of previous plan	15-21
b) Finalize plan	30
c) Readiness for meetings	30
d) Readiness to assume oversight responsibilities (transitions)	60
e) Annual resubmittal of Implementation Plan*	Jan. 30 of each year
2) Transition Reports by Outgoing PMOC	
a) Production of requested project information/documentation	15
b) Draft of "Close-out" task order implementation plan	21
c) Finalize "Close-out" task order implementation plan	30
d) Evaluation of Incoming PMOC work	15 after 1st product
e) Final participation in meetings, conference calls	60

*When requested by the ACOR, annual resubmittals will be required for any plan that has been in effect for more than 90 days.

6.2 Monthly Task Order Cost Status Reports

The PMOC shall submit Monthly Task Order Cost Status Reports which set forth monthly and cumulative: (1) direct labor hours by categories as set forth in the task order, including subcontract hours; and (2) elements of cost by direct loaded dollars, subcontracts, and other direct costs, etc. that have been incurred and/or committed. The Monthly Task Order Cost Status Reports shall be provided by the 15th of each month. Proprietary rate information should not be discussed in the status reports. The costs that have been committed, but are unpaid to date, will be noted in the status reports. Where the burn rate and cumulative amounts on the monthly reports differ from those anticipated at task order award the Contractor shall provide a reconciliation of the difference, and a plan for future expenditure rates, as part of the monthly report.

The Monthly Task Order Cost Status Reports will assist in FTA's efforts to improve the accountability and effectiveness of its oversight program on major capital transit projects. PMOCs are required to use management procedures in the performance of contracts, task orders, and work orders

that provide for the following:

- Planning and control of costs and schedules
- Measurement of performance (value for completed tasks and major subtasks)
- Generation of timely and reliable information to be reported

Upon receipt of the Monthly Task Order Cost Status Reports, FTA can monitor the status of the oversight, verify the reasonableness of the PMOCs' invoices considering performance, verify reported costs and expenses accrued during reporting periods, and estimate costs to be accrued during subsequent reporting periods.

Management accountability is the expectation that managers are responsible for the quality and timeliness of program performance, increasing productivity, controlling costs and mitigating adverse aspects of agency operations, and assuring that programs are managed with integrity and in compliance with applicable law.

Management controls are the organization, policies, and procedures used to reasonably ensure that (1) programs achieve their intended results; (2) resources are used consistent with agency mission; (3) programs and resources are protected from waste, fraud, and mismanagement; (4) laws and regulations are followed; and (5) reliable and timely information is obtained, maintained, reported and used for decision making.

The Monthly Task Order Cost Status Reports typically incorporate task order level information; however, on occasion FTA may require a Monthly Task Order Cost Status Report containing contract or work order level information.

Monthly Task Order Cost Status Reports are for FTA staff use only. This only includes the Contracting Officer, Contract Specialist, COR, ACOR, Work Order Manager, and Headquarters Project Engineer.

7.0   REPORTS, PRESENTATION, RECONCILIATION

The PMOC shall provide reports to FTA as required by Work Order, following this OP for content and OP 01, Administrative Conditions and Requirements, for the report format and OP 25, Recurring Oversight and Related Reports, for the submittal timeframes. When necessary, the PMOC shall perform data analysis and develop data models that meet FTA requirements using Microsoft Office products such as Excel, Project, and Word and use FTA-templates when provided. The PMOC may add other software as required but documentation and report data shall be made available to FTA upon request.

7.1   Implementation Plan - Body of Report

1) Description of the PMOC scope of work and period of performance (one page)

2) Table of proposed work program elements including tasks, schedule, staffing, labor hours for staff and subcontractors, hourly rates, expenses, and total cost. The total cost should be consistent with the Task Order (or Work Order) and reflect the requirements of the OPs.

Using Microsoft Project, show this information in a schedule of project phases, years, months, milestones, etc.

3) Description of Approaches and Procedures

a) PMOC organization and approach to communications with FTA on project progress, events, etc.
    i) Include organizational charts for FTA, project sponsor, and PMOC personnel to illustrate lines of communication
    ii) Identify staff and subcontractors. Include resumes, describe capabilities
    iii) Describe the approach to provide proactive oversight, technical assistance and professional opinions
    iv) Indicate the frequency of communications with FTA and project sponsor and how this work will be coordinated and reported, both formally and informally. An example of a statement follows: "The PMOC's written communication documents will be submitted to FTA's assigned COR/ACOR who will distribute the documents within FTA as appropriate, collect FTA comments, request the PMOC to make modifications to the documents, and authorize distribution of the documents to the project sponsor. Informal verbal communication will occur directly between the PMOC and the project sponsor staff, at various levels; however, the FTA COR/ACOR will be made aware of the general nature of and any material specifics developed during these communications."

b) Cost Tracking, Invoicing, Financial Administration and Cost Control

    i) Identify the contract type and terms for all the tasks in the task order and identify relevant compensation sub-limits or fixed price work;
    ii) Describe employees' record daily project time charges and how the charges are accumulated into the corporate accounting system, and the periodicity (e.g., weekly);
    iii) State how the PMOC intends to comply with FTA's billing instructions;
    iv) Provide a description how invoices are generated and the periodicity (e.g., monthly);
    v) Identify when the PMOC accounting period closes (e.g., on the last Friday of the month);
    vi) Describe the recordation process of Subcontractor invoices (e.g., monthly in the corporate accounting system).

c) Correspondence and Document Control

    i)   The PMOC shall describe its approach to controlling correspondence to and from FTA; meeting FTA's task order requirements for information delivery when deliverables have been accepted by FTA; the location of PMOC project files; file maintenance and control.

7.2   Monthly Task Order Cost Status Report at Task Order Level - Body of Report

Unless otherwise directed by the COR/ACOR, Monthly Task Order Cost Status Reports should cover only one Task Order and include the following:

1) Introduction

    a) Period covered (one month)
    b) Percent expended of authorized/obligated amount (dollars and hours) on Task Order

c) 75% expenditure level occurred on X date or is anticipated on X date

  d) Time remaining until end date of Task Order

2) List

    a) Major completed PMOC tasks

    b) Significant issues encountered in project or by PMOC

    c) Significant events in the next 90 days

3) Brief narrative

    a) Describing reasons for variances between planned and actuals for PMOC hours and costs

    b) Describing the benefits the assigned PMOC team has brought to the major capital project. Approach this description of benefits from a "lessons learned" or lessons to be shared point of view.

4) Costs and Labor Hours – See Appendix B for sample tables and graphs. Cost and hours utilization information is to be consistent with the monthly invoices.

    a) In a table, record task order planned per month, planned to date, actual per month, and actual to date for cost and hours.

    b) In one graph show task order cost utilization for planned and actuals to date for the PMOC/sub-consultants, as well as for Small Business Enterprise (SBE) and Disadvantage Business Enterprise (DBE)/ Women Business Enterprise (WBE). In another graph similarly show task order hours utilization.

7.3 Monthly Task Order Cost Status Reporting at Contract Level – Body of Report

This report is to be provided at the direction of the COR. Provide a contract level progress, status, and management report that consolidates information for all task orders issued under the contract. This report shall include the following information:

1) Listing of all active task orders

2) Listing of all inactive task orders and date of closure and final total cost

3) Percentage of contract expenditures for SBE, DBE and WBE

4) Cost summaries for each task orders including:

    a) Planned costs for full period of performance

    b) Actual costs to date

    c) Ratio of expenditures for prime contractor to subcontractors

    d) Estimate of cost to complete

    e) Notation of task orders with overruns over 10% with explanation

    f) Notation of task orders with significant issues and/or problems.