PROGRAM MANAGEMENT REQUIREMENTS

1.0 Definition of terms:

1.0.1   The term "shall", "will" and "may" are used with specific intent thought-out these documents and will observe the following rules:

1.1 Requirements defined using "**shall**" in the text are mandatory requirements and are considered to be binding and require formal verification. Departure from such a requirement is not permissible without formal agreement between Subcontractor and CSPI.

1.2 Requirements defined using "**will**" in the text expresses a provision or service by CSPI or an intention by CSPI in connection with a requirement of this document. The subcontractor is implicitly authorized to rely on such service or intention.

1.3 The word "**may**" in the text expresses a permissible practice or action. It does not express a requirement of this document.

2.0 Program Management Operations

2.0.1 The Subcontractor shall ensure all activities are controlled, scheduled, monitored, reported, and managed consistent with and supportive of the requirements set forth in Statement of Work.

2.1 The Subcontractor shall assign a single program manager who has the responsibility within the Subcontractor's organization for accomplishment of all tasks specified herein. This includes maintaining a clear line of program authority among all organizational elements and sub-tier suppliers. Qualified personnel and resources to deliver services and products that are responsible for each functional area shall be assigned.

2.2 The Program Manager shall identify (by name) the individual who is the sole point of contact for contractual directions between the Subcontractor and Buyer.

3.0 Master Schedule

3.0.1 The Subcontractor shall develop and maintain a networked program schedule driven by the Buyer's key milestones and deliverables and provide it to the Buyer. The program schedule shall contain sufficient detail to the level required to manage and monitor the health of the program by the Subcontractor and the Buyer. The Subcontractor shall use the Buyer's milestones within the schedule while linking key tasks to efforts required by the Subcontractor. The Subcontractor will detail the required work, to include sub-tier efforts, in the master schedule.

This document is an integral part of the purchase order. The revision in effect at the time the purchase order was placed applies.

4.0 Risk Management

4.0.1 The Subcontractor shall manage and control program risks using its corporate risk management process tailored as needed for this effort.
Risk areas identified by the Subcontractor and/or by the Buyer during any review, manufacturing, assembly, or test shall be reported within 24 hours.

4.1 For the tracking and reporting of risks and their associated mitigation activities to the Buyer, the Subcontractor shall use their own internal tool. The risk data will be extracted from this tool shall be used monthly when reporting overall program status. Contract-funded risk mitigation activities shall be included in the master schedule. The Risk Assessment and Mitigation plan shall be supplied to the Buyer as specified. The plan shall be implemented and/or updated as risks are identified and as existing risks are mitigated. The Subcontractor's risk manager shall participate in the reviews of risks when risks submitted by the Subcontractor are reviewed or when risks that affect Subcontractor activities are reviewed.

5.0 Subcontractor Reporting and Reviews

Schedule

5.0.1 The Subcontractor shall provide a master schedule and a program plan. The following dates shall establish the criteria for the supplier to use for generating the supplier's master schedule and program plan.
5.0.1.a Contract Award   TBD
5.0.1.b Program Baseline   30 days after contract award
5.0.1.c Production Readiness Review   45 days after contract award
5.0.1.d Management Reviews   Monthly
5.0.1.e First Article Inspection   In-process Verification or FAI at sub-tier suppliers
5.0.1.f Source Inspection   Performed on each shipment, unless formally waived by Buyer

5.0.1.g Completion of Deliveries

5.1 Program Baseline Schedule

5.1.1 The Subcontractor shall provide a program baseline. The Subcontractor shall present the items as listed above and identified below to establish a program baseline that:
5.1.1.a Ensures the baseline includes the entire contractual scope of work consistent with contract schedule requirements
5.1.1.b Ensures the program is sufficiently staffed
5.1.1.c Provide an understanding of the areas of program schedule risk, and the underlying management process used for planning and controlling program risk

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5.2 Program Reviews

5.2.0 Weekly Status Reviews

5.2.1 The Subcontractor shall conduct weekly status reviews via teleconference. At a minimum, the weekly status review will include:

5.2.1.a Accomplishments and Plans

5.2.1.b Issues and Proposed Resolutions

5.2.1.c Action item status

6.0 Monthly Management Reviews

6.0.1 The Subcontractor shall conduct and host monthly management reviews. This review may be substituted for a weekly teleconference. The Subcontractor shall submit monthly Program Progress and Metrics Reports to the buyer no later than the 15th day of each calendar month. The reports shall include detailed information on technical and schedule performance against the baseline master schedule, critical path schedule, and events scheduled during the reporting period. Measurements and metrics shall be reported pursuant to the applicable sections (as mutually agreed) at the first month's program status review. At a minimum, the monthly reports shall include the following content:

6.0.1.a Program Overview

6.0.1.b Accomplishments and Plans for the next month

6.0.1.c Issues and Proposed Resolutions

6.0.1.d Action Item Status

6.0.1.e Schedule status against original baseline schedule

6.0.1.f Staffing

6.0.1.g Risk Assessment and Mitigation plan updates

6.0.1.h Sub-tier supplier status (if applicable)

6.0.1.i Supplier Data Requirement List (SDRL) assessment Plan/Outlook, 90-day window deliveries plan)

6.0.1.j Systems and Hardware Measurements (as applicable)

6.0.1.k Quality Metrics—same as initial production

6.0.1.l Component Receipt Status for Bill of Material in supplier format

7.0 Engineering Reviews

7.0.1 The Subcontractor shall support and host FAI Results Reviews as required. These may also be covered in the weekly telecons.

8.0 Sub-tier Requirements Management, Flow-Down, and Auditing

8.0.1 The Subcontractor shall use its own internal standards and practices while establishing requirements for sub-tier product requirements. CSP Inc. reserves the right to audit sub-tier purchase orders to verify adequate requirements flow down.

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8.0.2 CSP Inc. reserve the right to perform audits, in-process surveillance inspections, and final source inspection of the sub-tier supplier(s) to any or all contractual requirements at any time during the performance of this Subcontract as applicable. Sub-tier supplier audits and inspections by CSP Inc. will be approved and coordinated by the Subcontractor, and restricted to the sub-tier supplier facilities utilized in performance of the applicable subcontract requirement flow down. The Subcontractor will participate in any or all sub-tier supplier audits and inspections by CSP Inc. as needed to ensure Subcontractor responsibility and accountability for the contract oversight of the sub-tier supplier.