

NTTA Projects	Original Issue Date: 06/05/2008	PC-03
Resource: Program Controls	Revision 2 Issue Date: 8/23/2010	Page 1 of 4
Title: Exception Reporting		

**1.0 PURPOSE:**

The purpose of this procedure is to establish the process for generating, reviewing and accepting or closing exception reports for NTTA projects and corridors to capture potential schedule delays and budget overruns as compared to the corridor or CIP project Scope,.

**2.0 RESPONSIBILITIES:**

- 2.1 Deputy Program Manager (DPM) – The DPM shall be responsible for reviewing and accepting or closing the proposed “actions taken” in exception reports.
- 2.2 Program Controls Manager – The Program Controls Manager shall be responsible for assisting the CM or Project Manager in identifying and resolving budget or schedule issues that result in an exception report. They shall also be responsible for ensuring the accuracy of the exception report and for tracking the exception report resolutions.
- 2.3 PMO Program Controls Group – The estimating staff shall be responsible for reviewing design level estimates, noting any cost overruns of 5% or more of the current budget, and creating and submitting an exception report. The budget analysts shall be responsible for reviewing the summary of actual and pending contracts and noting any cost overruns of 5% or more of the current budget, and creating and submitting an exception report. The scheduling staff shall be responsible for reviewing schedules, noting any adverse schedule impacts of 30 calendar days or more of the current schedule, and creating and submitting an exception report.
- 2.4 Corridor Manager (CM)/Project Manager – The CM or Project Manager shall be responsible for working with the design section engineer, construction manager, and ROW & utility coordinators to identify and assist in documenting and resolving budget and schedule issues.

**3.0 SCOPE/APPLICABILITY:**

This procedure shall apply to all NTTA CIP projects and corridors.

**4.0 REFERENCES:**

- [PC-01](#) Corridor and CIP Project Scope

**5.0 DEFINITIONS & ACRONYMS**

NTTA Projects	Original Issue Date: 06/05/2008	PC-03
Resource: Program Controls	Revision 2 Issue Date: 8/23/2010	Page 2 of 4
Title: Exception Reporting		

**6.0 PROCEDURES:**

- 6.1 When the PMO estimators, budget analysts, or schedulers become aware of budget overruns or schedule delays that trigger exception reports, they shall notify the Program Controls Manager by generating and submitting an exception report utilizing *PC-03-F1, Exception Reporting Form*.
    - 6.1.1 An exception report shall be generated for any "actual/forecast" delay of more than 30 calendar days from the original or current approved completion date for any phase or major milestone, as approved in the current Scope,
    - 6.1.2 Or an estimated cost overrun at or above 5% of the current budget for any phase, as compared to the current approved Scope.
  
  - 6.2 The Program Controls Manager shall review the form for accuracy and completeness and send the exception report to the CM or Project Manager.
  
  - 6.3 The CM or Project Manager shall respond by providing the following information:
    - The reason for the delay or overrun,
    - Action currently being taken to address the delay or overrun,
    - An analysis of alternatives with a recommended course of action, or
    - A statement that the increased cost or schedule change creating the delay is rescinded.
    - 6.3.1 The CM or Project Manager will return the completed report to the Program Controls Manager for review.
  
  - 6.4 The Program Controls Manager shall review the completed exception report. If it has been completed accurately and does not contain a rescinding statement he / she will submit the exception report to the DPM, noting his / her comments. He / she shall return the exception report if additional information is needed. If the completed exception report contains a rescinding statement the Program Controls Manager will notify the PMO Program Controls group that the budget thresholds or schedule dates have not been exceeded along with the appropriate changes to the forecasts, estimates or schedule.
  
  - 6.5 The DPM shall review the exception report and either accepts the resolution provided or returns it to the CM or Project Manager with comments for resolution/revision. The exception report shall be accepted when the issue responsible for the schedule delay or potential budget overrun and the recommended course of action have been accepted by the DPM. The DPM might chose to close the exception report, thereby rejecting the budget overrun or schedule delay, requiring the CM or Project Manager to address the issue in a different manner.
    - 6.5.1 The DPM shall note whether resolution is achieved using contractual or management means in the "resolution/closure" section of the exception report form. Impact(s) on the project schedule or budget parameters due to the resolution shall be noted.
    - 6.5.2 Notification of returned, returned or accepted exception reports shall be issued to the CM or Project Manager and Program Controls Manager.
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NTTA Projects	Original Issue Date: 06/05/2008	PC-03
Resource: Program Controls	Revision 2 Issue Date: 8/23/2010	Page 3 of 4
<b>Title: Exception Reporting</b>		

- 6.6 The Program Controls Manager shall file the accepted or closed Exception Reports in content management.
- 6.7 The CM or Project Manager shall submit an updated Scope, per PC-01, within one week after notification of an accepted Exception Report.

**7.0 REGULATORY REQUIREMENTS:**

N/A

**8.0 RELATED BOARD POLICY:**

N/A

**9.0 COMPONENT DOCUMENTS:**

- [PC-03-F1](#) Exception Report Form

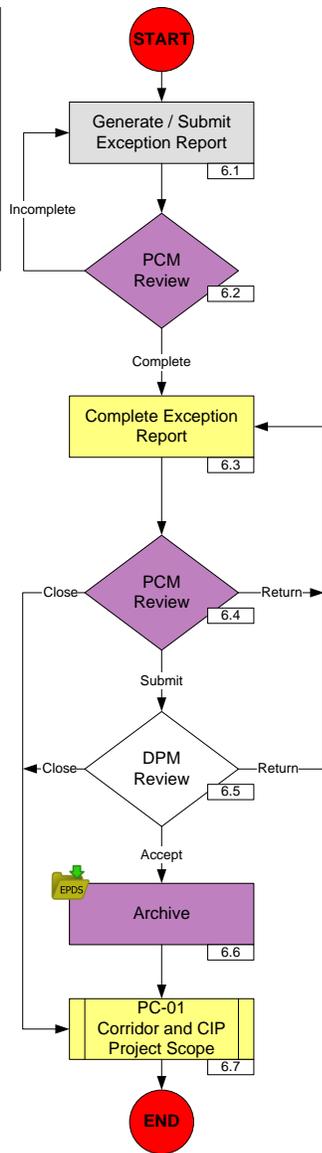
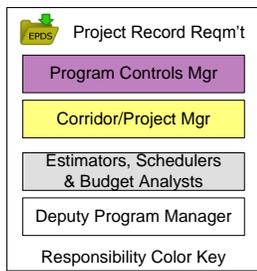
**10.0 REVISION HISTORY:**

Revision	Revised by:	Date Issued	DRN	Reason for Revision
0	Lisa Thomas	06/05/2008		Original Issue
1	Lisa Thomas	09/16/2008		Complete Rewrite
2	Lisa Thomas	08/23/2010	<a href="#">10229</a>	To align with revised PC-01

NTTA Projects	Original Issue Date: 06/05/2008	PC-03
Resource: Program Controls	Revision 2 Issue Date: 8/23/2010	Page 4 of 4
Title: Exception Reporting		

11.0 FLOWCHART:

Exception Reporting PC-03



PMO Program Controls staff submit an Exception Report with budget overruns or schedule delay to Program Controls Manager (PCM).

Program Controls Manager (PCM) reviews for accuracy and completeness.

The CM or Project Manager (CM/PM) shall provide the following information:

- The reason for the delay or overrun
- Action currently being taken to address the delay or overrun
- An analysis of alternatives with a recommended course of action
- Statement that the increased cost or schedule change creating the delay is rescinded

The CM/PM shall forward the report to the PCM

The PCM shall review the completed exception report and either:

- Submit to the DPM
- Return for additional information or
- Close exception report and notify PMO Program Controls staff

The Deputy Program Manager (DPM) reviews the exception report and either:

- Accepts the exception report with the recommended course of action
- Returns the exception report and requires additional information, different recommended action, or
- Close the exception report and rejects budget overrun/schedule delay

The DPM shall notify the CM/PM and the PCM of their decision

The PCM shall file the accepted or closed exception reports in content management.

The CM or Project Manager will submit an updated Scope within one week of notification of an accepted exception report.