

Elements in Determining Earned Value and Where your Project Stands

BAC = Budget at completion, planned cost for entire project (or element)

PV = Planned Value, planned cost for work to date

EV = Earned Value, the value of the work completed to date compared to budget amounts

AC = Actual cost, the total cost expended to date

SV = Schedule Variance, calculated using $EV - PV = SV$. Depending on whether the variance is positive or negative, you are ahead or behind schedule.

CV = Cost Variance, calculated using $EV - AC = CV$. Depending on whether the variance is positive or negative, your project value is ahead or behind the planned value.

To use these numbers well, do these for each main element of work, and have the aggregate of the elements (based on percent each element represents of the total project) show the whole project. This will indicate where you are with respect to schedule and budget, and will let you know if you need to work with the consultant to bring the project back in line.