

COMMUNICATOR



ACQUISITION ENTERPRISE



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On the cover: Defense Contract Management Agency employees perform their work responsibilities to ensure their acquisition customers receive excellent Contract Administration Services. DCMA provides Contract Administration Services to the Department of Defense Acquisition Enterprise and its partners to ensure delivery of quality products and services to the warfighter; on time and on cost.

COMMUNICATOR



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Agency insight makes difference in Acquisition Enterprise



This issue of the *Communicator* focuses on what DCMA does every day to deliver better buying power to America's taxpayers and improve the Acquisition Enterprise. It highlights new ways our employees are finding to manage workflow and leverage the depth of knowledge our unique position in the acquisition system provides.

Since our inception as an independent agency in 2000, DCMA has provided daily support to program executive officers, program managers and contracting officers, and offered real-time information to the Acquisition Enterprise. However, with the current fiscal challenges facing our nation, we are being called upon to do more, and we, as an agency, are answering that call.

Whether ensuring uniforms meet quality standards at a small business in West Texas or performing process reviews and system audits for large Aircraft Propulsion Operations in the industrial Northeast, DCMA ensures the integrity of the contract management process. We also evaluate risk assessments on products as diverse as combat fatigues and jet engines and offer recommendations to safeguard quality. Throughout the agency, our employees visit manufacturing facilities to monitor not only the physical product, but also to analyze contractor data used to ensure corporate system adequacy.

As valuable as this review process is, experience has taught us that observation alone does not drive results. Observation needs follow up action, and with that in mind we are opening new channels of communication with our customers. Revitalized contractor training symposia allow us to keep industry abreast of DCMA changes in business practices, while industry cross talks and an initiative called Connect Point for Industry Concerns encourage frank and open discussions with our customers.

To fully achieve our mission, we have a responsibility to the Department of Defense as well as to our industrial base. At the headquarters level, we have partnered with the Defense Contract Audit Agency to improve financial services within the department. We are also moving toward audit readiness as we monitor our time and attendance procedures and begin other sub-assessments to prepare for DOD's audit, which must be completed by 2014.

Across the agency, and throughout the government, these are a few of the many ways our Acquisition Enterprise insight is making a difference. Your continued dedication and service make it possible for us to control costs, deliver insight and ensure the safety of our warfighters. Thank you for all you do.

Warmly,

A handwritten signature in blue ink, appearing to read "Charlie E. Williams Jr.", written in a cursive style.

Charlie E. Williams Jr.
Director

Pendergrass assumes Eastern Regional Command

Patrick Tremblay | DCMA Public Affairs

Boston's historic Faneuil Hall was the backdrop for a ceremony May 11 as Navy Capt. Russell G. Pendergrass assumed command of the Defense Contract Management Agency Eastern Regional Command. Richard H. Fanney, DCMA deputy chief operations officer, presided over the ceremony.

"I am thrilled to be back with DCMA," said Pendergrass, who oversaw a four-state area while commanding DCMA Denver from 2003 to 2006.

Pendergrass brings to the command 37 years of Reserve and active duty Navy supply and acquisition experience, as well as 15 years of experience in private industry contracting. As head of Eastern Regional Command, he now oversees contract management offices dispersed from New England to Florida, employing more than 3,000 DCMA civilians and more than 150 active duty military personnel.

In his remarks, Pendergrass drew

together his past experience with DCMA and the resiliency of wounded warriors he met in his most recent assignment in Bethesda, Md. "My assignment as the commander of DCMA Denver helped me to appreciate the role that we play in helping these warfighters. I have seen first-hand the impact that we can have."

Fanney, himself a retired Navy captain, received the agency flag from outgoing commander Navy Capt. Sidney J. Kim before turning to present the flag to Pendergrass.


Kim led the Eastern Regional Command since the agency's 2010 realignment. He will rejoin the operational Navy fleet as the senior logistician for the U.S. Third Fleet in San Diego.

"I am grateful to have worked with 17 wonderful primary CMO commands that have demonstrated tremendous team spirit," said Kim, "and very dedicated commanders and deputies who have maintained maximum flexibility and



Navy Capt. Russell G. Pendergrass holds the Defense Contract Management Agency flag after assuming command of the DCMA Eastern Regional Command May 11 in Boston. Outgoing commander Navy Capt. Sidney J. Kim stands to Pendergrass' left. (Photo by Patrick Tremblay, DCMA Public Affairs)

patience as we navigate through arduous realignment phases."

"I am honored to follow Capt. Sidney J. Kim as the commander of Defense Contract Management Agency Eastern Regional Command," said Pendergrass. 

Western Region welcomes new commander, bids farewell to stoic leader

Matthew Montgomery | DCMA Public Affairs

The North Harbor Marina was the backdrop as Western Regional Command Director Michael A. Lowry relinquished responsibilities to Air Force Col. Tracey Kop, and bid farewell to coworkers and friends during a change of command and retirement ceremony held in Redondo Beach, Calif., July 19.

"It has been an honor to lead the Western Region and work for an agency full of so many highly professional people," said Lowry. During his remarks, Lowry expressed confidence in Kop's ability to continue leading the region in the right direction and ensuring quality products are delivered to the warfighter.

Marie A. Greening, DCMA chief operations officer, presided over the

ceremony. During her remarks, Greening said Lowry's contributions were instrumental in the overall success of the Western Region and he would be missed. She also said Kop was an excellent choice to continue leading the Western Regional command in the right direction.

Kop brings with her a wealth of knowledge about the agency, and contracting operations overall. From her first assignment as a systems contract manager for the Space and Missile Center in Los Angeles, to her most recent job as the deputy director for DCMA headquarters operations, Kop has filled a variety of acquisition, mission support, command, expeditionary, instructor and special duty positions at various levels



Air Force Col. Tracey Kop, Defense Contract Management Agency Western Regional Command commander, accepts the regional colors from Marie A. Greening, DCMA chief operations officer, during the Western Regional Command change of command and retirement ceremony July 19. (Photo by Matthew Montgomery, DCMA Public Affairs)

within the Department of Defense.

"My first duty station when I came on active duty was Los Angeles Air Force Base and it was a very unique experience

because I was part of the first group of lieutenants ever assigned there. We had great leadership that put us in with the interns and really allowed us to move around and learn our jobs,” said Kop. “After four years, they told me I would be coming back -- once you’ve been here, it’s inevitable you’ll be back. Now, 23 years later, I’m coming back to the area. It’s a full circle back to where I started my career.”

As the new commander, Kop oversees

contract management offices dispersed from Texas to Alaska and Hawaii, which comprise more than 2,200 DCMA civilians and approximately 160 active duty military personnel. The region is responsible for more than 68,000 active contracts with an obligated amount of more than \$450 billion.

Lowry, who has more than 30 years experience in defense acquisition management, was honored during an

emotional retirement ceremony following the change of command.

“There are countless mentors throughout my career who enabled me to be successful,” said Lowry. “Working for DCMA is a highlight of my life, and to all those that made it possible — thank you for the opportunity.”

In review: Ellis assesses Central's progress

Jo Adail Stephenson | DCMA Public Affairs

“I work for you ... not the other way around. My job is to support the tactical mission which is all about taking care of the interests of the taxpayer and the warfighter and that’s what you do,” said Army Col. John A. Ellis to Defense Contract Management Agency Central Regional Command employees when he assumed command in June 2011.

Fifteen months later, Ellis is still working for Central Regional Command employees and customers as well as warfighters as DCMA’s tenured regional commander after changes of command took place recently at the Eastern and Western Regional Commands. “I know my colleagues are very qualified and will quickly adapt to their new roles as region commanders,” he said.

Ellis quickly adapted to his new role by “establishing goals for myself and the region.”

Those goals included:

- Building on the progress achieved by his predecessor and continuing to mold the Central Region staff into a fully functioning integrated team.

- Establishing a focus on performance accountability and metrics throughout the region and achieving significant improvement in areas of deficiency.
- Emphasizing a visible commitment to stewardship by establishing ongoing processes for tracking and correcting findings related to various inspections and routinely visiting the contract management offices to conduct interactive operations briefings and reviews.
- Establishing and supporting various recognition programs to reward Central Regional Command employees for their achievements.
- Creating clear and consistent communication channels between the agency’s chief operations officer, the sectors, and the CMOs to address issues quickly and efficiently.

Assessing his first year in command, Ellis said, “We have made significant progress in all of these areas, and I plan to continue my focus on these initiatives.”

The biggest challenge is adjusting to changes in the leadership team, according to Ellis. “Through promotions and transfers we have lost many highly talented employees,” he said. “As a leadership team, we must find highly qualified replacements and ensure we provide the mentoring and support to accelerate the development of these new employees.”

In the coming year, Ellis said he will continue to focus on employee performance and development through increased emphasis on the individual performance



Army Col. John A. Ellis
DCMA Central Regional Command
commander

plan and electronic individual development plan processes; integrated initiatives with the agency and the chief operating officer to push more decision-making responsibilities to the region and CMO level; and resource planning during a period of significant uncertainty caused by changing mission requirements and fiscal concerns.

When asked what advice he would give to the new commanders of the Eastern and Western Regional Commands, Ellis said, “The best advice I can give them is based on my experiences: Build a region staff committed to customer service. Create and sustain open lines of communication with all of your stakeholders. Pay attention to your people. Recognize, reward, counsel and mentor. Be patient - DCMA is a highly matrixed organization with lots of functional overlaps. Listen to all inputs and work collectively for win/win outcomes.”

“As a leadership team, we must find highly qualified replacements and ensure we provide the mentoring and support to accelerate the development of these new employees.”

— Army Col. John A. Ellis
DCMA Central Regional Command
commander



Lisa Marie Clark is director of Defense Contract Management Agency BAE Systems in Nashua, N.H. The office is a streamlined contract management office under DCMA Boston, and performs contract services for eight major programs. Seven of these are Acquisition Category I, or ACAT I, the highest rating for a program based on location in the acquisition process, dollar value and complexity. (Photo by Patrick Tremblay, DCMA Public Affairs)

Nashua - agency pride in the Northeast

Patrick Tremblay | DCMA Public Affairs

“I see myself as the conductor,” said Lisa Marie Clark, director, Defense Contract Management Agency BAE Systems. “The people here are the orchestra.”

The orchestra performs in Nashua, N.H., at the state’s largest employer. As a streamlined contract management office, DCMA’s Nashua team provides full contract administration services while reporting through DCMA Boston.

The office’s approximately 50-person team is functionally diverse and includes everything from Keystone interns to service members – a cross section of the agency nestled in the second largest city in the 41st least populated state.

CLARK

Clark’s background makes her ideally suited to direct a CMO like Nashua. She began as an Air Force contracting officer,

then followed that with acquisition work as an Air Force civilian that included a year on staff at the Pentagon. Coursework at the Naval War College and other assignments prepared Clark for her current role, which she likened to a dream job.

Even with a solid acquisition background herself, Clark is still quick to focus on her employees. “We’re very proud of what we do here, but we couldn’t operate without the right people.”

She said she is continually learning, and



Nashua profile: Gene Saucier

Gene Saucier is an industrial specialist at the streamlined Defense Contract Management Agency office at BAE Systems in Nashua, N.H. Everyday he puts more than 33 years of federal civilian experience to work analyzing the effectiveness of production practices at the contractor.

Saucier started his federal career as an electrician at Hanscom Air Force Base, Mass., and later worked at an Air Force plant representative office, or AFPRO. He's been with DCMA for the past 15 years.

Before he was a federal civilian, Saucier was a Navy aviation electronics technician who served as a combat air crewman on P-2

pointed out she just recently completed PQM 101 (Production, Quality and Manufacturing Fundamentals) through the Defense Acquisition University. "I didn't grow up in quality, and this is giving me a better understanding and respect for what Q people do."

Clark attributes much of the CMO's success to the mutual respect she and her staff have built with the contractor. "While we don't always agree with them, we've worked hard to develop a straightforward relationship." It's this daily interpersonal interaction that leads her to call acquisition a contact sport.

'WE DO IT ALL HERE'

DCMA BAE Systems performs contract services for eight major programs on which the contractor serves as either the prime or major subcontractor. Seven of these are Acquisition Category I, or ACAT I, the highest rating for a program based on location in the acquisition process, dollar value and complexity.

The major programs are joined by more

than a half-dozen other programs. Much of the work is on countermeasure systems for aviation platforms – automated systems designed to identify and defeat threats to airplanes and helicopters while in flight.

The nature of the contractor's business requires DCMA personnel to have knowledge of diverse functions and contract requirements. At the Nashua headquarters and a half-dozen other locations in southern New Hampshire, the team follows contracts from low-rate, high-complexity circuit cards to advanced composite manufacturing and other processes.

Agency specialists support programs from all services. Program integrators, engineers, software and industrial specialists assess risk; examine data; and monitor, influence, document and communicate progress throughout each contract's period of performance. Quality personnel review processes and procedures on assembly lines as well as cleanroom environments requiring special clothing to limit dust and other

particles. Administrative contracting officers, contract administrators, and cost/price analysts are involved in every action ensuring the contractor meets performance requirements as specified by the contract – on time and within cost.

Having the full spectrum of contract management at one office has been beneficial for many, including Air Force Maj. R. Jason Bartholow, who credits DCMA with providing a diversified range of experiences not found elsewhere.

As a captain, the engineering officer served with DCMA as a program engineer, program integrator, engineering team lead and as an agency representative in Afghanistan.

"It was a great experience to see boots-on-the ground contracting, and how it affects individual people out there," said Bartholow of his time in Afghanistan. Half his deployment was spent travelling in the southern part of the country, performing audits at U.S. and coalition forward operating bases in Helmand Province, an experience he called eye opening.

Bartholow was recently promoted, and

Neptune and P-3 Orion aircraft. It's a role that continues to influence how he approaches his work at DCMA.

"Industrial specialists influence on-time delivery," said Saucier. To get to on-time delivery Saucier has to have an intimate knowledge of industrial planning, production practices, organization, capacity, contracting and scheduling.

Saucier likes it that way. "I like the variety. I don't just track deliveries. I do other things like audits and performance-based payment reviews."

Lisa Marie Clark, DCMA BAE Systems director, said Saucier is great at his job. "Gene is responsible for keeping this contractor meeting its on-time metric."

Last year he was named the New Hampshire Federal Executive Association Employee of the Year for Customer Service, largely for his effort in clearing a backlog of progress payments.

"Gene single-handedly did a review of 33 progress payments, normally a three-year job, in six months," said Clark. "This was on top of his regular daily assignments."

The contract management office has only two industrial specialists covering a half-dozen contractor locations in the state. This keeps Saucier busy, but the Vietnam veteran recalls his Navy days to stay focused. "I remember waiting on parts to come in. It made my job real tough, and can put you in harm's way."

left DCMA for an assignment at Joint Base Elmendorf-Richardson, Alaska. He takes with him a deeper understanding of contracting than he otherwise would have had. "It's been interesting to learn the other side of contracting, after spending most of my career as a user of these products."

Clark said Bartholow will be missed, but knows she'll continue to have talented service members working alongside dedicated, experienced civilian employees

representing all the agency's functions in the Granite State.

"We do it all here," said Clark. 



Air Force Maj. R. Jason Bartholow, then a captain, at his Defense Contract Management Agency office in New Hampshire. (Photo by Patrick Tremblay, DCMA Public Affairs)



Robin Russell holds an optical component similar to those found on U.S. military helicopters. A quality assurance specialist, Russell has been with the Defense Contract Management Agency for 25 years – all of it at the streamlined contract management office at BAE Systems in Nashua, N.H. (Photo courtesy of BAE Systems)

DCMA's newest CMO

By DCMA AIMO



The agency recently activated its newest contract management

office to handle the increased contract workload in Oklahoma City and to enhance customer responsiveness with the anticipated arrival of the new Air Force Sustainment Center at Tinker Air Force Base, Okla.

Defense Contract Management Agency Aircraft Integrated Maintenance Operations-Oklahoma City was stood up during an activation of command ceremony held June 21 at Tinker AFB with Marie Greening, DCMA Chief Operations Officer, presiding over the ceremony.

“Multiple benefits will result from establishing a separate CMO — alignment with the mission of AFSC and the numerous program offices at Tinker; localized control of personnel; face-to-face communication with program managers and contractors; and timely and efficient utilization of resources,” Navy Capt. Eric Holmberg, DCMA AIMO commander, said.

The newly established CMO currently provides contract administration and contractor logistics support services on multiple platforms managed by Tinker AFB — the B-52, B-1 and B-2 bombers;

Navy Capt. Eric Holmberg, Defense Contract Management Agency Aircraft Integrated Maintenance Operations commander, looks at the guidon for the agency's newest contract management office. DCMA AIMO Oklahoma City was stood up during an activation of command ceremony held June 21 at Tinker Air Force Base, Okla. (Photo by Margo Wright, Tinker Air Force Base Public Affairs)





These Defense Contract Management Agency Aircraft Integrated Maintenance Operations - Oklahoma City inaugural members are honored as "Plank Holders" during the activation of command ceremony. Their names are inscribed on the wooden plank to commemorate the first members of DCMA's newest office. Pictured from left to right are first row - Diana Snyder, Frata Little, Jessica Rountree, Julie Burress, Tamekia Peterson and Mara Chambers; second row - Stephen Swenson, Daniel Freire, Phillip Mitchell, Mark Cornelius, Kevin Brown, Dave Saffer, Gregg Griffith and Rafael Ramirez; third row - Navy Capt. Eric Holmberg, Air Force Maj. Jason Scarborough, Jimmy Stephens, Pellis Leonard, Chad Dibler, Don Jones, Jason Gallant, Scott Reygers and Marie Greening. (Photo by Margo Wright, Tinker Air Force Base Public Affairs)

“The new CMO poises DCMA to better serve the many Air Force aircraft sustainment and logistics contracts that DCMA administers.”

– Navy Capt. Eric Holmberg, DCMA AIMO commander

KC-135 and KC-10 transport and aerial refueling platforms; and C-20 airlift for military and government officials.


The CMO also provides support for other DOD entities such as the C-130 prime transport under Warner Robins AFB and the Navy E-6 electronic warfare aircraft modernization programs.

“The new CMO poises DCMA to better serve the many Air Force aircraft sustainment and logistics contracts that

DCMA administers,” Holmberg said.

Rafael Ramirez, who was appointed as the first acting director, said, “I’m honored, humbled, and enthusiastic for this extraordinary opportunity and the confidence and trust placed upon me by my senior leadership. We have two primary responsibilities: contribute our expertise and experience to ensure America's warfighters have the supplies and services they need and ensure the best value to

our taxpayers.”

During the ceremony, all inaugural members of AIMO Oklahoma City were honored as “Plank Holders” with their names inscribed on a wooden plank to commemorate the first members of DCMA's newest CMO. 



Navy Rear Adm. Robert J. Gilbeau (center), Defense Contract Management Agency International commander, participates at an international combating human trafficking round table held recently in Moscow. (Courtesy photo)

Gilbeau briefs CTIP at global round table

Jo Adail Stephenson | DCMA Public Affairs

Defense Contract Management Agency International Commander

Navy Rear Adm. Robert J.

Gilbeau stressed the Department of Defense’s zero tolerance policy for trafficking in persons, the department’s efforts to prevent trafficking and the

importance of international cooperation during his presentation at an international combating human trafficking round table held recently in Moscow.

During the two-day event, Gilbeau spoke about the agency’s initiatives to ensure all deploying military and DOD civilian personnel supporting DCMA’s

Contingency Contract Administration Services mission receive combating trafficking in persons, or CTIP, training prior to and during their deployment.

“CTIP training is critical,” he said. “Our military and civilian personnel stationed around the globe need to remain vigilant in their CTIP efforts.”

Gilbeau noted the importance of the round table in improving international cooperation to combat human trafficking, which involves men, women and children being exploited through labor trafficking, sex trafficking and child soldiering.

“International cooperation is essential in combating trafficking in persons because it crosses political, geographic, social, cultural and economic boundaries,” Gilbeau said. “The round table provided the opportunity to develop and foster that cooperation.”

The event, jointly organized by the secretariat of the Collective Security Treaty Organization and the International Organization for Migration, or IOM, Moscow, focused on the “enhancement of cooperation among competent bodies of global and regional


“International cooperation is essential in combating trafficking in persons because it crosses political, geographic, social, cultural and economic boundaries.”

— *Navy Rear Adm. Robert J. Gilbeau, Defense Contract Management Agency International commander*

international organizations in combating human trafficking.”

The round table was carried out by IOM Moscow as an activity of the “Preventing

and Counter-Acting Trafficking in Human Beings in the Russian Federation” project, funded by the U.S. Department of State, Bureau for International Narcotics and Law Enforcement Affairs.

Also participating in the round table were representatives from the Collective Security Treaty Organization member states and international global and regional organizations such as the United Nations, Commonwealth of Independent States, Eurasian Economic Community and Organization for Security and Co-operation in Europe. 



Support the
Global Initiative to fight
Human Trafficking

Report to your chain of command, provost marshal or inspector general the illegal trade of human beings for the purposes of reproductive slavery, commercial sexual exploitation, forced labor or slavery.

For more information, visit the Department of Defense’s website on combating human trafficking at <http://www.dodig.mil/Inspections/IPO/combatinghuman.htm>.

Virtual Desktop Infrastructure increased security, reduction

Jordan Holt | DCMA Information Technology Directorate



Jennifer Ving, Defense Contract Management Agency Santa Ana contract price/cost analyst, gets ready to log into her system set up with the Virtual Desktop Infrastructure. The VDI will provide agency employees with additional computing capabilities while simultaneously reducing the support costs of maintaining and deploying desktop computer systems. (Photo courtesy of DCMA Santa Ana)

The Information Technology Directorate recently embarked on an initiative

to provide the agency with additional computing capabilities while reducing the support costs of maintaining and deploying desktop computer systems.

The Virtual Desktop Infrastructure initiative will deliver enterprise-class desktop control and manageability while providing a high level of user familiarity and increasing mobility within the agency's workforce.

VDI is the practice of hosting a desktop operating system within a virtual

environment, running on centralized servers and storage.

"Once VDI is fully deployed, we will totally change how we think about data: AAA — access, anytime, anyplace," said DCMAIT Executive Director Jacob Haynes.

The benefits of VDI include users having greater options for mobility, increased data security and the reduction in risk of data loss. All employee files and software applications will be located on agency servers at the Data Centers, allowing end users access from almost anywhere. Desktops will be readily accessible 24 hours a day, giving the end

user the "anywhere accessibility" of a laptop with the added benefit of their data being contained securely within the DCMA network.

The agency as a whole will benefit in reduced support costs, improved security and greater flexibility while allowing DCMAIT to more readily adjust to the business needs of the agency.

The transition to a virtual desktop is similar to receiving a new computer at the office; the components themselves are new to you but the underlying operating system and tools are the same, familiar and intuitive.

offers greater mobility, of data loss

VDI HARDWARE EXPECTATIONS

A new user will first notice the central processing unit, or CPU, has been replaced by a small box called a Zero Client. The Zero Client is a piece of hardware that acts as an interface to the user's virtual desktop, which actually resides on a server in a DCMA Data Center. The Zero Client is essentially a scaled down version of a PC but contains no hard drive, no moving parts, minimal memory and uses less energy. It connects directly into the DCMA network.


The Zero Client does not run any software or operating system. It simply

relays the inputs and movements from the keyboard and mouse to the virtual desktop on the server, which then sends back the screen images to the monitors. VDI users will be able to access their same virtual desktop from any Zero Client in the agency.

Users can also access their virtual desktop from any internet connected Windows-based PC. The PC requires a common access card reader and the applicable software, called the VMware View Client.

The agency's current and primary focus is to deploy Zero Client hardware to employees in the "basic office" category, as

defined in the Position-Based Deployment initiative. These employees work primarily in one location and are not required to travel extensively, so they are not issued laptops or mobile devices.

As of June, there were 120 Zero Clients deployed and in use by basic office and DCMAIT customers as a part of the initial pilot. The pilot will be expanded to include DCMA headquarters through September. By the end of Fiscal Year 2013, the agency will have deployed 4,300 Zero Client machines. When the initiative is completed at the end of Fiscal Year 2014, the agency will have 6,100 Zero Clients deployed and in use. 

DOD Inspector General recognizes Contract Integrity Center director

Russell Geoffrey, Defense Contract Management Agency Contract Integrity Center director, was awarded the 2012 Joseph H. Sherick Award for his work at DCMA — and specifically as the chairman of the Department of Defense Procurement Fraud Working Group steering committee — during the 23rd Annual Inspector General Honorary Awards Ceremony in Alexandria, Va.

The Sherick Award is the highest honor bestowed on non-Department of Defense Inspector General employees. It is granted annually to an individual who distinguished him- or herself by exceptional service or contributions of the broadest scope to the DOD IG.


"Russ' work with the Procurement Fraud Working Group steering committee has truly been exceptional, netting a number of tangible benefits to DCMA and our customers," said Sharron Philo, DCMA general counsel. "His work has been crucial in resolving a myriad of issues from implementing the contractor disclosure program, coordinating effective remedies on fraud cases impacting our customers to wartime contracting and counterfeit parts issues."

In his nomination memorandum, Randolph R. Stone, deputy inspector general for Policy and Oversight, said Geoffrey's efforts helped ensure all stakeholder agencies and participants had an



Russell Geoffrey is presented with the Joseph H. Sherick Award by Acting Inspector General, Department of Defense, Lynne M. Halbrooks during the 23rd Annual Inspector General Honorary Awards Ceremony in Alexandria, Va., May 8. (Photo by Eboni Everson-Myart)

equal opportunity to bring forward fraud topics or issues for discussion and to obtain suggestions.

"Mr. Geoffrey demonstrates the significant impact one individual can have on improving the effectiveness of DOD procurement fraud related activities," Stone wrote. 

Small *inducted into* SES

Jo Adail Stephenson | DCMA Public Affairs



Karron E. Small, Defense Contract Management Agency Engineering and Analysis executive director, receives her Senior Executive Service lapel pin from her husband, Hoyt.

Charlie E. Williams, Jr., Defense Contract Management Agency director, administers the Senior Executive Service oath to Karron E. Small, DCMA Engineering and Analysis executive director, during a July 16 ceremony at the agency's headquarters on Fort Lee, Va. (Photos by Mark Woodbury, DCMA Public Affairs)



Karron E. Small, Defense Contract Management Agency Engineering and Analysis executive director, was

inducted into the Senior Executive Service in a July 16 ceremony at the agency's headquarters on Fort Lee, Va.

"We're calling on Karron to step out of her particular technical discipline and take on a higher strategic outlook to provide support across DCMA and the entire Department of Defense enterprise," Charlie E. Williams, Jr., DCMA director, said. "We're asking her to deal with challenges in a collaborative fashion and bring those to the forefront so we can make the decisions that are important to the nation and the department."

Following his remarks, Williams presented Small with an SES certificate signed by Defense Secretary Leon E. Panetta in recognition of her induction.

"The DCMA mission is great and I am honored to have been selected to lead this great Engineering and Analysis Directorate," said Small, who has more than 29 years of government service in the fields of engineering, quality assurance and policy — including 15 years in naval aviation maintenance engineering.

After receiving her SES flag and pin, Small's remarks centered on family, friends, colleagues and mentors.

To her former Defense Logistics Agency colleagues and mentors who attended the ceremony, Small said, "I have worked with many of you through the various stages of my career and your mentorship and support are appreciated. Thank you for sharing your insight into working with industry, HQ and the field in developing enterprise policy. I have learned much from you and your perspectives on leading teams and communicating sincere

appreciation and respect for others are valued. You have all been my role models."

Small concluded her remarks by sharing her family's service and commitment to the nation.

"Protecting the freedom we share in this great country is near and dear to my heart," Small said. "My father served in Korea, my husband in Vietnam, my brother in the Persian Gulf and my youngest sister in Iraq. My sister, Ellie, who is here today, works for the Department of the Navy. And to all who have served both past and present, I salute you."

As DCMA's newest SES, Small joins an elite corps of executives selected for their leadership qualifications and charged with guiding the continuing transformation of the federal government. **C**

Director talks training in St. Louis

Jo Adail Stephenson | DCMA Public Affairs



Charlie E. Williams, Jr., Defense Contract Management Agency director, speaks to agency employees during a recent all hands held at the DCMA St. Louis office. (Photo courtesy of DCMA St. Louis)

Employees heard first hand from Defense Contract Management Agency

Director Charlie E. Williams, Jr., about the agency's "Strengthening the Acquisition Workforce – The Next 12 Months" initiative and the value and role of training during a recent all hands here.

"At DCMA, I see our employees as an investment," Williams said. "I want to see our investment grow. I also know with shrinking budgets and fewer resources, it is absolutely critical for us to make smart choices about how we invest in educating and training our workforce."

He spoke about the agency's challenges with the attrition of the retirement-eligible workforce, the onboarding of many new employees, and the geographic dispersion of the workforce.

"We must strengthen and streamline programs and opportunities so DCMA will


continue to be a first-class organization trained and well-prepared for future challenges and successes," he said. "In the challenging world of contract administration services, it has become increasingly important to foster and encourage professional growth in the workforce."

Williams also spoke about how DCMA's requirements of specific training, more than what is currently being provided by the Defense Acquisition University, resulted in the creation of the College of Contract Management.

"The Memorandum of Agreement with the Defense Acquisition University to stand up the College of Contract Management signed last fall served as a catalyst for our senior leadership team to set its sights on a goal of improving the agency's efforts in areas of training and leadership development," Williams said.

He emphasized the most important job an individual could have was the job he or she was doing currently and to learn how to do it well before going on to the next level.

Jim Titus, DCMA St. Louis deputy director, noted one of their significant challenges exactly matched the training concerns Williams had presented at the all hands.

"In prior years, a key challenge for a streamlined command was lack of resources," Titus said. "Now the new challenge is transitioning and training new personnel. In a six-month period, DCMA St. Louis is experiencing a 30 percent turnover of new personnel which has a big impact on first-line supervisors to in-process these personnel and to provide OJT (on-the-job training)." 

Inspecting one *stitch* at a time

Matthew Montgomery | DCMA Public Affairs



Left: Jose Arrieta, Defense Contract Management Agency quality assurance specialist, reviews the processes used by ReadyOne employees by examining their records and asking them questions about their job.

Right: Maria Jimenez, ReadyOne Industries quality manager, and Jose Arrieta, Defense Contract Management Agency quality assurance specialist, review the process controls in place and inspect the work of one of ReadyOne's blind employees. (Photos by Matthew Montgomery, DCMA Public Affairs)

Ensuring uniform items meet quality standard requirements is a job with

an immediate impact on the warfighter, and a job Defense Contract Management Agency quality assurance specialists take very seriously.

Allowing defective uniforms to make it to the field is not something the DCMA team takes lightly, said Jose Arrieta, Defense Contract Management Agency quality assurance specialist. "If a particular defective garment is shipped I feel like I'm responsible, even though I don't see 100 percent of the product. It goes back to making sure the right processes are in place, effective and being followed."

Arrieta inspects military uniforms at ReadyOne Industries located in El Paso, Texas. The company supplies the Army, Navy, Air Force and Marine Corps with multiple items, ranging from everyday uniform pants to cold weather jackets.

The company is part of the AbilityOne program — a federal initiative to help people with disabilities find employment. According to their website, the vision is "to enable all people who are blind or living with significant disabilities to achieve their maximum employment potential." This is done by working within a national network of more than 600 nonprofit agencies that sell products and services to the government.

"I no longer see workers with disabilities, now I see them as workers with abilities," said Arrieta. "They inspire me to ensure the contractor is shipping compliant products to our uniformed personnel."

Although ReadyOne is a nonprofit organization under the federal initiative, Arrieta said they are held to the same Federal Acquisition Regulation (FAR 52.246-11) quality standards as commercial garment manufacturers.

"We have specific critical, mandatory inspections on the factory floor which are outlined for the products in a Quality Assurance Letter of Instruction."

— Jose Arrieta, Defense Contract Management Agency quality assurance specialist

"Requirements in the contracts outline our responsibilities, regardless of the company," said Arrieta.

The company is one of the larger producers under the AbilityOne program, which mandates 75 percent of direct labor must be performed by disabled individuals, said Tom Ahmann, ReadyOne Industries president and CEO. "We have more than 1,200 employees working in

our facility producing various military uniform items.”

A large portion of the workforce in the facility speaks Spanish and Arrieta knows communication is the key to ensuring the quality of the end product. This is where his ability to speak Spanish comes in handy. “Many times I communicate with them in Spanish to make sure they understand the technical side of their job,” said Arrieta. “It is beneficial because it is sometimes easier to communicate and understand issues of a technical nature in the language they are most comfortable with.”

The former employee of a major denim pant company has many years of garment experience he uses to ensure the warfighter receives a quality product, but it is not a job easily done alone. For this reason, Arrieta regularly imparts his knowledge of garment manufacturing with his coworker, Alex Luna, DCMA quality assurance specialist.

“Coming into the garment industry, I realized quickly how it is a very different commodity from what I’ve worked in the past,” said Luna, who’s worked in various programs ranging from tooling to



Alex Luna, Defense Contract Management Agency quality assurance specialist, perform a random inspection on a sampling of uniform items prior to shipment. If more than the allowable number of mistakes is found during this inspection, the entire shipment is sent back to the contractor to be fixed. (Photo by Matthew Montgomery, DCMA Public Affairs)

complex systems. “The garment industry is unique because of the nuances, but what remains common is breaking it

down to the processes.”

According to the QASs, quality management systems are the most important part of the program and the place where they begin their work. To ensure DCMA is fully integrated into the process, Arrieta and Luna attend the contractor’s regular Tuesday quality meetings where issues are discussed and problems are resolved.

“Several years ago when I took over, the DCMA El Paso team chief and I agreed it should be a partnership, and DCMA should see everything we see – the peaks, the valleys, the good and the bad,” said Ahmann. “I would much rather have team members than spend time fighting over issues.”

An important part of the process review for the quality team is making sure there

Left: Jose Arrieta, Defense Contract Management Agency quality assurance specialist, inspects stacks of cut material and the processes involved before they are sent to be sewn onto uniforms. The material pieces are future pockets for uniform pants and tops. (Photo by Matthew Montgomery, DCMA Public Affairs)



Right: Jose Arrieta, Defense Contract Management Agency quality assurance specialist, reviews the process as a ReadyOne employee inspects a large roll of uniform material. Uniform material arrives at ReadyOne Industries in rolls which must be cut down into smaller pieces before being turned into uniforms. During this stage of the process, defects are marked with a yellow piece of tape to insure they don't make it into the final product. (Photo by Matthew Montgomery, DCMA Public Affairs)




Jose Arrieta (left), Defense Contract Management Agency quality assurance specialist, and Maria Jimenez (right), ReadyOne Industries quality manager, review the process controls in place and inspect the work of one of ReadyOne's blind employees. ReadyOne is part of the Federal AbilityOne program which mandates 75 percent of direct labor must be performed by individuals with disabilities. (Photo by Matthew Montgomery, DCMA Public Affairs)

are outlined for the products in a Quality Assurance Letter of Instruction," continued Arrieta. "We go as thoroughly as possible and necessary, depending on the type of operation and how critical they are to the overall product."

Although physical inspections of the product are important, Arrieta said it isn't where the team has the most control. "Our process reviews are more important than anything else because it is where we have the most influence -- prevention versus reaction" said Arrieta. "We start from the quality management system and look at the processes they have in place."

"Once we review their system we ask for evidence of the process being done correctly," continued Arrieta. "From there, we go to the actual location where the data is coming out and review and validate to make sure it is being done correctly."

Before final shipment, based on requirements stated in the contract, the team performs a random inspection on a sampling of uniform items with a very strict eye. "If we find more than the allowable number of defects based on the requirements, the entire shipment is rejected and the contractor re-inspects all garments and then re-submits shipment to DCMA," said Arrieta. "To me, every single suit, every single stitch, means a lot because at the end of the day it is supporting the warfighter," said Arrieta. 

is a system in place for management to communicate issues with the workforce and ensure they are corrected. Being a part of the weekly meetings and integrated into the process makes this part of the DCMA job easier said Arrieta.

"Everything that happens on the production floor is communicated all the way up to the president – the way you would expect it to be handled," continued Arrieta.

Ahmann said it is not always the case with industry, but he looks at the DCMA team as an asset and not a hindrance. "DCMA is very much a part of our process," said Ahmann. "They are out there doing floor assessments and reviews. We are lucky DCMA has an expert here with experience in the apparel industry – something unusual and greatly appreciated

and respected."

"It doesn't mean we always agree, but we work to determine the best ways to proceed," continued Ahmann. "In the end, we look at them as partners in this process. Anytime we've called them for help, they've been right there to assist with getting resolution."

ReadyOne has a number of separate contracts, each with different requirements outlined by the customer. The DCMA team approaches each contract in a similar manner. A contract technical review is conducted and requirements and critical areas are highlighted to ensure the team knows where to place extra emphasis. Arrieta said physical in-process inspections are a big part of any contract.

"We have specific critical, mandatory inspections on the factory floor which

Agency builds rapport with contractor community

Matthew Sablan | Staff Writer

Government agencies form a core part of the acquisition enterprise; however, to maximize the benefits warfighters receive from the enterprise, the government must work in tandem with industry and non-government organizations. The Defense Contract Management Agency recently kicked off two initiatives to help build the agency's relationship with industry. The first is the revitalization of a previous practice, contractor training symposiums, which have started in the Dallas-Fort Worth area. The second initiative is the creation of an online Connect Point for Industry/Contractor Concerns.

BRINGING DCMA TO INDUSTRY

"We felt the need to reconnect with our local contractors," said La Tanya Kelley, DCMA Dallas industrial specialist. "We reached out to find what topics were of interest to them and structured the training symposium around those topics."

Taking that information, the contract management office began to pull together targeted training sessions that could be used to address contractors' concerns. "We can tailor different training symposiums for different contractors, based on their geography or their needs," said Ed Aranda, DCMA subject matter expert for the Defense Priorities and Allocations System and Engineering and Manufacturing, or DPAS, group.

"For example, we had a high volume of delinquencies within DPAS, so this training helped us get information to contractors' in-house teams and learn the problems they were having so we could better help them," Aranda said.

The April symposium focused on DPAS,



Defense Contract Management Agency Dallas personnel pose for a photo after the April contractor training symposium, from left: Manual Chavez, DCMA quality supervisor; Jim Treadwell, DCMA industrial specialist supervisor; Cheryl Pailin, DCMA Dallas contracts director; Dennis Hunt, DCMA Dallas deputy director; Ed Aranda, DCMA subject matter expert for the Defense Priorities and Allocations System and Engineering and Manufacturing group; Katherine Beal, DCMA Contracts SME; Bradley MacPherson, DCMA Transportation Officer. DCMA Dallas representatives and presenters gave contractors information on the changing world of contracting, evolving business rules and helped to repair the communication link with industry. (Photo courtesy of DCMA Dallas)

transportation, new business rules and quality assurance requirements.

Since each symposium is tailored for the specific contractors the CMO serves, they can also train contractors on changes to business systems, like Wide Area Work Flow and evolving regulations. Each symposium can feed into the next. For example, Kelley learned from the April symposium that contractors had more questions on quality assurance, so she and her team are looking to schedule a symposium focused solely on QA.

Symposiums also allow the agency to bring industry up to speed with changes to regulations and DCMA's business practices. They also serve as forums to share information that contractors may not have been receiving in the past. "Training needs to be ongoing for contractors," said Jim Treadwell, DCMA industrial specialist supervisor. "We also

had contractors saying they didn't know who their administrative contracting officer or quality assurance representative were. Once we knew about it, we were able to repair that communication link."

"The event was a great opportunity to not only provide valuable information on how to deal with the government, but also to reinforce our desire to assist our industrial base participants with the tools necessary for continued success and viability as a supplier," said Dennis Hunt, DCMA Dallas deputy director.

CONNECTING WITH INDUSTRY ENTERS TRIAL PERIOD

DCMA and industry also jointly recognized the need to connect with each other on cross-cutting policy matters during a February 2011 Council of Defense and Space Industries Association

crosstalk, or CODSIA. During that crosstalk, DCMA learned industry felt their issues were not always adequately addressed through DCMA's current infrastructure.

CODSIA consists of six industry trade associations representing thousands of federal government contractors nationwide, with a focus on federal acquisition policy issues. It is also part of DCMA's ongoing campaign for better communications with industry. Ultimately, the two organizations decided to add to the communications tools available for information exchanges and try a Web-based system that came to be known as the Connect Point for Industry/Contractor Concerns.

Following the crosstalks, CODSIA remains optimistic about their relationship with DCMA. "DCMA was very cooperative, and CODSIA had been discussing ways to further open up mechanisms for connecting with DCMA," said Alan Chvotkin, executive vice president of the Professional Services Council, which is a member of CODSIA. "We've been very pleased with the long-standing relationship between CODSIA and DCMA."

"Crosstalks include frank and open discussion in a round table setting," said Sharon Osborne, DCMA Contracts Directorate communicating with industry subject matter expert. "Mr. Williams truly looked to find a mutual understanding and a win-win scenario for all stakeholders."

"The crosstalks provided the information we needed to address industry's concerns," said Hycentha Hodge, DCMA West Region deputy director, who previously provided oversight to the Connecting with Industry program. Hodge said Williams is committed to addressing the concerns expressed by industry. "He wants industry to know we are listening and we want to know about any issues that cannot be resolved between the contractor and the CMO."

During one crosstalk, industry expressed frustration at being unaware when



Top: The image users see when accessing the Connect Point Web site. Connect Point provides a direct communication link to the agency and industry. (Image courtesy of DCMA Carson)

Middle: The Department of Veterans Affairs hosted the annual National Veteran Small Business Conference and Expo in Detroit, in June. The conference was an opportunity for veteran-owned small businesses to maximize opportunities in the federal marketplace. (Photo courtesy of the National Veteran Small Business Conference)

Bottom: Dennis Hunt, Defense Contract Management Agency Dallas deputy director, opens the training symposium by introducing the contractors to DCMA. Topics for the symposium were based on the requests from contractors and what the CMO noticed as deficiencies or delinquencies in the reporting programs, such as Wide Area Work Flow and the Defense Priorities and Allocations System. (Photo courtesy of DCMA Dallas)

“We want our working relationship with contractors to be productive. We want to acknowledge when they have unresolved concerns about the administration of their contracts by offering a venue in which to voice their unresolved concerns to the headquarters.”

—Hycentha Hodge, DCMA West Region deputy director and former Connecting with Industry program manager

changes were made in DCMA policy, mirroring issues the training symposiums also address. In response to this concern, Williams tasked the Contracts Directorate to devise an industry connect point to facilitate communication with industry. The Contracts Directorate has worked in collaboration with the Office of General Counsel, and Information Technology Directorate to develop a means by which it can communicate with industry and contractors to ensure industry receives responses back in a timely manner.

The pilot program for the Connect Point for Industry Concerns was briefed at the April CODSIA roundtable and is currently in a trial period. Hodge and Osborne both said the program’s capabilities will receive further enhancements, including a real simple syndicate, or RSS, feed to alert industry when the agency’s policy instructions are revised, rescinded or new policy is released. The RSS feed alert will provide registered industry users with more timely notification about changes to mission support policy instructions.

“Once the RSS feed is active, industry will have the opportunity to subscribe through the feed to get policy updates and information directly from DCMA,” Osborne said. “On the other hand, the connect point gives industry the opportunity to express their needs and concerns to DCMA.”

The feed will bring DCMA into the modern, digital world by simplifying how industry can get information about the agency. “This is really a great place to start,” said Anthony Dingman, DCMA Information Technology Directorate program manager. “Policy changes that directly impact industry can be loaded onto the RSS and give industry insight into

the changes in DCMA policy.”

The Web portal has been constructed and is active. Portfolio Management and Integration Directorate monitors incoming emails, allowing a central repository to receive communications from industry/contractor. PM&I has updated their concept of operations to include this function as a normal part of their operations. They will maintain a log of concerns and issues raised by industry/contractors and direct the message to appropriate Operations group (Chief Operations Officer, International or Special Programs) for immediate action and response. “PM&I collects info from the Ops Group and responds to the requestor,” Hodge said. “PM&I can use the data collected from the logs to perform trend analysis to share with the operations groups.”

“The Connect Point for Industry/Contractor Concerns is a gutsy move on DCMA’s part and DCMA is really putting itself out there,” Chvotkin said. “It is a good initiative and demonstrates that DCMA is willing to be open with industry.”


PM&I’s goal is to process the requests from start to response in 15 days. “We’re ready to support DCMA-AQ,” said Annie Ma, PM&I performance advocate, who will be one of the individuals monitoring the connect point. “The word is out, and we expect to see more emails from industry soon.”

INDUSTRY RESPONSES

Both the Connect Point for Industry/Contractor Concerns and the symposiums have received positive feedback from industry.

Some of the praise that the symposiums received expressed industry’s appreciation: “The training was very informative and thanks for reaching out to us.” Written responses to the symposium stressed that industry felt it was a “great idea” filled with “excellent topics.” Another response stated: “(The DCMA team was) very knowledgeable and energetic about the topics presented.”

These efforts are only some of the ways that the Contracts Directorate and the agency are working to build the Acquisition Enterprise by improving their relationship with industry. “These symposiums are going to help our relationship with the contractors. We want them to know that we are not their enemy; we need to work together,” Treadwell said.

Hodge agreed, saying, “We want our working relationship with contractors to be productive. We want to acknowledge when they have unresolved concerns about the administration of their contracts by offering a venue in which to voice their unresolved concerns to the headquarters.” 

Contractors provide the information below when using Connect Point:

- Contract number
- Contact information
 - Name
 - Company name
 - Telephone
 - Email address
- DCMA CMO information
 - CMO name
 - Name of CMO functional contact
- Detailed description of concern
- State whether the concern was elevated through the CMO chain of command

Working toward audit readiness

Matthew Montgomery | DCMA Public Affairs



UNITED STATES DEPARTMENT OF DEFENSE



Financial Improvement and Audit Readiness (FIAR) Guidance

The Financial and Business Operations Executive Directorate, Chief Financial Officer

Compliance Division, known as FBL, is currently working to prepare the Defense Contract Management Agency’s \$1.4 billion budget to be audit ready. This will bring the agency into compliance with the Chief Financial Officers Act, which requires all federal agencies to obtain a Clean Audit Opinion of financial statements from an independent auditor.

“One key to making a budget work in any fiscal environment, but especially now, will be streamlining overhead, eliminating waste, and improving our business practices – ensuring that we are operating in a common sense, accountable, and modern business environment,” stated Leon Panetta, secretary of defense, in his Improving Financial Information and Achieving Audit Readiness memorandum. “We must improve financial information and move toward auditable financial statements.”

The purpose is to ensure government agencies are held to higher standards than private industry, and provide the public with greater confidence when it comes to financial accountability of government organizations. “The internal emphasis is going to be on proper Time and Attendance procedures and document retention throughout the agency, as well as headquarters-specific processes, such as accepting reimbursable (Military Interdepartmental Purchase Requests) and using contracts,” said Keith Gudgel,

FBL director.

Panetta's intent is for the entire DOD to be audit ready by 2014. To assist agencies with completing this task, the Office of the Under Secretary of Defense, Comptroller, published the Financial Improvement and Audit Readiness, or FIAR, plan.

The plan provides an overarching roadmap for addressing areas which will be subject to audit. According to the FIAR website, the guidance "provides the strategy and standard methodology, as well as the step-by-step approach for discovery and evaluation; documenting, testing, and strengthening controls; and achieving an audit ready systems environment."

This guidance provides the framework, but it is up to the organizations to test current procedures and then implement corrective actions, when necessary, to ensure compliance. FBL is working to prepare for the audit since they are the functional component for the agency, and tasked with submitting well documented assertion packages to the Office of the Secretary of Defense for approval and certification.

"These packages contain the flows, narratives, risk control matrices, test plans and results to demonstrate positive assurance that our financial statements

accurately represent the financial transactions," said Gudgel.

To prepare the packages, FBL divided the agency into eight sub-assessable units to enable them to better understand and conquer the tasks more efficiently. "We have different leads for each unit within our office assigned to make sure requirements are met and information is submitted as required," said Martha Brown, DCMA CFO Compliance Division staff accountant. "Some of these requirements overlap and we have people working on multiple units as needed."

The sub-assessable units are appropriations received, civilian pay, contract pay, vendor pay, reimbursable authority, fund balance with treasury, other budgetary activity and financial reporting. The first two major areas of concern were appropriations received and civilian pay.


Gudgel said these were identified as being extremely important to the agency since knowing how much money the agency receives, and accounting for money spent, is key to making sound business decisions. "Civilian pay is vital because it represents 84 percent of the entire DCMA budget," said Brown.

"The FIAR plan provides guidance on

each step an agency must go through to meet the standards for achieving audit readiness," continued Brown. "It outlines the six-step methodology, which includes discovery, corrective action, evaluation, assertion, validation and audit, which must be completed for all of our assessable units."

Once the methodology is completed for each of the units, an assertion package is submitted. This provides OSD with the necessary information to determine when areas are ready for audit. So far, FBL has submitted information ahead of the deadlines. They have recently received correspondence from the Office of the Under Secretary of Defense, Deputy Chief Financial Officer, that the DCMA Appropriations Received and Funds Distribution process is likely ready for audit.

The letter served as a reinforcement of the hard work conducted so far. "I think we are well on the way to being audit ready by 2014," said Gudgel. "It's not going to be easy, but working together, DCMA can achieve this."

Look for subsequent articles which will highlight the sub-assessable units and provide updates as the agency works toward the 2014 deadline. 

Defense Contract Management Agency Director Charlie E. Williams, Jr., recently released a video detailing the agency's responsibility for the Defense Financial and Audit Readiness Plan. In the video he details the roles and expectations of agency personnel. Pamela Conklin, Financial and Business Operations/Comptroller executive director, also appears in the video and provides specific guidance on audit readiness and how it applies to everyday functions such as Time and Attendance procedures.

"This is about improving the agency's processes and controls in order to protect taxpayer's dollars," said Williams. "As we request documentation, it is a part of our overall control mechanism. We're doing so to access those processes and controls, which then allows us to know if they support the DOD financial statement."

The video can be viewed here:

<https://home.dcma.mil/CBT/Media/video/FIAR/FIAR.html>



Data equals quality in New England

Patrick Tremblay | DCMA Public Affairs

Parallel yellow lines run the floors of an aircraft engine plant in East Hartford, Conn., creating sidewalks for workers. Familiar red stop signs at intersections add to the illusion of a near spotless indoor city, rather than a modern defense contractor shop floor.

Defense Contract Management Agency quality assurance specialists travel these sidewalks along with contractor employees, observing both the physical product creation and, increasingly, the data used to ensure the final product meets customer needs.

Quality assurance and other contract

administration services for the East Hartford plant and other suppliers that build engines and engine components for military aviation assets fall under DCMA Aircraft Propulsion Operations. Unlike other contract management offices, rather than covering a geographical area or specific contractor, APO is focused on a type of product – aircraft engines and associated systems.

APO has offices in five states and a further presence in nine more. In New England alone, APO personnel oversee final production at plants run by Pratt & Whitney, General Electric and Hamilton Sundstrand. These three manufacturers



Rick Moskal, a quality assurance specialist with the Defense Contract Management Agency, points to a panel on a NASA space suit. (Photo by Patrick Tremblay, DCMA Public Affairs)

supply power plants used in advanced fighter and attack aircraft and numerous helicopters used by the U.S. and its allies.

These are advanced systems with critical safety threshold specification and very technical contract requirements. They are also integral subsystems which will be used in aviation systems critical to the warfighter, meaning customer delivery and overhaul schedules must be carefully coordinated and met. DCMA dedication to quality is shown in the final product, and in the pride quality assurance personnel display as they perform process reviews and system audits in their work.

SURVEILLANCE PLANNING

Using the agency's QA Instruction as a guideline, DCMA in-plant teams look to contract requirements and supplier

data to tailor a unique surveillance plan that meets specific customer technical compliance and cost oversight needs. These plans are created and implemented to manage and reduce faulty product risk and establish a basis of confidence that products meet contract requirements in accordance with the DCMA mission.

"We perform reviews based on risk impact," said Bonnie Pilch, a DCMA QA specialist in Lynn, Mass., adding the likelihood of risk drives the frequency and intensity of quality surveillance.

Pilch spent 16 years as a contracting specialist before changing to quality assurance 12 years ago. She said her contracting background has helped her in quality assurance, which she calls "the eyes, ears and feet for the customer in evaluating the supplier's ability to meet contract requirements.

Michael Corrente, Pilch's QA group leader, said being a physical presence on behalf of the customer is the true value the agency brings. "On a day-to-day basis we are on the shop floor verifying and validating the quality of the contractor's products and processes."

This is no small task for the team, which is primarily split between two large manufacturing facilities in Massachusetts and Ohio, but with other personnel stationed at facilities in Vermont, New Hampshire, and Kentucky.

"Before we do any process reviews or product evaluations, we look at the contract for quality requirements, then conduct a supplier risk assessment. This helps build our surveillance plan," said Pilch. "We review data monthly, analyzing important manufacturing processes to mitigate risk of a process not

meeting the customer's contract technical requirements.”

Steven Nogas, lead QA specialist in Windsor Locks, Conn., said reading the contract is the first step his team uses when developing its plan. “We’re looking to find the ‘shalls,’ or specific requirements the customer expects of the supplier.” Nogas added that planning is crucial to limiting problems and unanticipated outcomes at the end of the production line. “We get more return on process reviews than final inspection.”

PROCESS REVIEWS

Process reviews are used to determine the suitability, adequacy, effectiveness and consistency of the supplier’s processes to meet contractual requirements. For APO, they also provide a cumulative basis of confidence for final engine acceptance.

A process may be reviewed as a single event, or incrementally if the process has multiple elements.

Derick Yu is a QA specialist who specializes in these reviews. Yu said during process reviews his team “looks at five elements of a process, or what the (QA) Instruction calls the four m’s and an e or 4M+E.” These are methods, manpower, material, machinery and environment.

For some complex items, such as those that affect safety of flight or life support, analytical tools such as flowcharts may be used to track supplier performance and observe how the contractor plans controls for each of the 4M+E throughout the manufacturing process.

“The supplier gives us full access so that we can do our job,” said Rick Moskal, a QA specialist. “This includes walk up computers where we can review contractor processes, then walk out on the floor to validate that they are being followed.”

SYSTEM AUDITS

All of a supplier’s processes and controls add up to something larger – the Quality Management System. DCMA personnel review all supplier QMS processes identified in their surveillance plan within a three year period for longer duration



Mark Spencer and Ron Chevalier, Defense Contract Management Agency quality assurance specialists, review data associated with the production of a military jet engine. (Courtesy photo)

contracts, more frequently if data trends identify additional process variation or risk. Additional process reviews can also be directed by the customer.

A full system audit is done on behalf of the customer, and due to DCMA’s greater familiarity with supplier processes, these tend to be more thorough than third party audits that may be conducted. A formal audit team of functional specialists is established by the contract management office, and the supplier is notified of the audit and its scope. In many cases, customers will be notified as well.

Regular process reviews can meet some audit requirements, but Mike Klem, QA group leader in East Hartford, said QMS audits are a global look at the larger production capability. “We’re making sure that the supplier is validating to requirements agreed to between the customer and contractor in the contract.”

Chet Jambora, a QA specialist on Klem’s team, said a variety of information is examined for each part of a system audit. “We look at things outside of the current process, like past non-conforming material, customer complaints, escape data, and input from our own quality assurance representatives.”

At the close of an audit, nonconformities

supporting evidence are presented in a formal meeting with the supplier. The meeting may also generate a timeframe for the supplier to address nonconformities. The final step for DCMA personnel is an audit report, a complete record of the audit including an appropriate corrective action request if necessary.

DATA DRIVEN

Finished aircraft engines, parts and other components receive final testing and acceptance daily at DCMA APO offices. Before they are signed for by DCMA on behalf of the customer, a detailed package of information has been compiled and carefully reviewed.

Ron Jackson is one member of a small group which performs final testing and acceptance of engines for a major program. The last line of review before shipping to the customer, Jackson spends about four hours on each engine making sure it passed all inspections specified by contract. Less than half of that is on inspecting the engine itself – the bulk is in reviewing data, logbooks and documentation to ensure everything from manuals to the shipping container meet


contract requirements.

“The contractor inspects to determine if the engine is good or bad,” said Jackson, an Air Force veteran with more than 25 years at DCMA. “We observe their inspections, and do inspections of our own to validate their quality system.”

At the end of the day, it’s not a scanner or machine that assesses a supplier’s adherence to contract requirements. It is a person, a quality assurance specialist, who is witnessing, reviewing, validating and interpreting processes and systems.

“Ultimately we are the last line of defense before the product is delivered to the end user,” said Corrente.

“These are passionate, data driven, requirements driven, proactive people,” said Klem of the agency’s quality team, adding they take pride in a good product being provided to the customer.

“We’re focused on the end user, so we want the supplier to be efficient and effective with their resources. Our first responsibility is to take care of the customer.” 



Above: Steven Nogas, a Defense Contract Management Agency quality assurance lead in Windsor Locks, Conn., points to a heated blade on a NP2000 propeller. (Photo by Patrick Tremblay, DCMA Public Affairs)

Left: Mark Spencer and Chet Jambora, Defense Contract Management Agency quality assurance specialists, discuss a spreadsheet at the Aircraft Propulsion Operations office. (Photo by Patrick Tremblay, DCMA Public Affairs)

Improving the Acquisition Enterprise relies on government partnerships

Matthew Sablan | Staff Writer

Graphic by Cheryl Jamieson, DCMA Public Affairs

The partnership between the Defense Contract Audit Agency and the Defense Contract Management Agency has evolved over time. It allows the agencies to maintain and improve the nation's acquisition enterprise to maximize the benefits to warfighters while most efficiently apportioning resources.

Agency directors Charlie E. Williams, Jr., DCMA, and Patrick Fitzgerald, DCAA, discussed the importance of continued and increased communication between the agencies. They stated that the communication has helped synchronize work to support each other and protect the Department of Defense's interest.

DCAA performs all necessary contract audits for DOD and provides accounting

and financial advisory services regarding contracts and subcontracts to all DOD components responsible for procurement and contract administration. DCMA is the DOD component that works directly with defense suppliers to ensure that DOD, federal and allied government supplies and services are delivered on time, at projected cost and meet all performance requirements. The agencies rely on each other to meet their mission goals.

DCAA and DCMA share a close partnership which was reinforced in a May 2010 joint memorandum reiterating their commitment to fair and reasonable contract prices for warfighters, the DOD and taxpayers.

In December 2010, the two agencies presented changes to the Forward Pricing

Rate process that better aligned the two agencies and provided customers with more consistency. These more frequent communications between DCMA and DCAA have ultimately developed into quarterly, senior-level meetings.

QUARTERLY MEETINGS LEAD TO VALUABLE INITIATIVES

Williams and Fitzgerald chair these quarterly meetings to synch their agencies' policies. The meetings build on the ongoing commitment to closer collaboration and are designed to help the professionals within the agencies share information and accomplish DOD's business more efficiently. "We share information and topics of concern and



The Defense Contract Management Agency's headquarters on Fort Lee, Va., was the meeting place in June between DCMA representatives and Defense Contract Audit Agency representatives to discuss an incurred cost audit status. DCMA is the Department of Defense component that works directly with defense suppliers to ensure that DOD, federal and allied government supplies and services are delivered on time, at projected cost and meet all performance requirements. (Photo by Patrick Tremblay, DCMA Public Affairs)

let each other know of initiatives that we are rolling out," said Joan Sherwood, DCMA Cost and Pricing Division director. "We use the meetings to give the other our undivided attention."

"The meetings are part of the ongoing partnership that has blossomed over the last few years," Sherwood said. "Normally, we hear things about what DCAA is doing from the grassroots level. This meeting lets us clarify what is going on with each other."

"We've always had a good relationship with DCMA, but our joint communication efforts are really helping make that relationship even better," said John C. Shire, DCAA deputy assistant director of policy. These meetings are in addition to other efforts and partnerships between the two agencies. For example, on June 27, DCMA and DCAA employees met in person to discuss incurred cost audit status at DCMA headquarters on Fort Lee, Va. Meetings also occur via video teleconference.

"Even though our HQs are a little further apart now geographically, we continue to work very closely to support the warfighter and protect the taxpayer," Shire said. "These meetings allow senior leaders in both organizations to stay on top of numerous ongoing initiatives."

"Our organizations share critical information, provide visibility to each of our active initiatives and encourage collaboration in executing our critical missions," Shire said. "They set a tone at the top that we hope has a positive effect throughout each organization."

These meetings have yielded steady results. "In a recent VTC, DCMA helped us realize that we weren't putting a high enough priority on the audit of terminated contracts," Shire said. "As a result, we are

"We share information and topics of concern and let each other know of initiatives that we are rolling out. We use the meetings to give the other our undivided attention."

— Joan Sherwood, Defense Contract Management Agency Cost and Pricing Division director

creating new agreed-to dates and milestone plans for these audits. Another good example is that we've been able to keep DCMA apprised of how DCAA is working through the incurred cost backlog, which gives them better visibility to their upcoming workload."

Future meetings will continue to expand on the partnership between DCAA and DCMA. Together, these agencies' work will continue to improve significant initiatives such as cost recovery initiatives, incurred costs and refocus on terminations. "The better our level of communication, the better both organizations can complete their respective missions and increase our value to the warfighter and taxpayer," said Shire.



Despite being geographically distant, the Defense Contract Audit Agency and the Defense Contract Management Agency remain in close communication. DCAA headquarters, pictured here, is located on Fort Belvoir, Va. DCAA performs all necessary contract audits for DOD and provides accounting and financial advisory services. (Photo courtesy of DCAA)



Representatives from the Defense Contract Management Agency and the Defense Contract Audit Agency discuss incurred cost audit status at DCMA headquarters on Fort Lee, Va. The two agencies use working groups like this one to share important information. (Photo by Mark Woodbury, DCMA Public Affairs)

IMPROVING THE COST RECOVERY INITIATIVE

In October 2010, DCAA and DCMA jointly established the CRI, which prioritized the organizations’ collective efforts to proactively recover costs and close audit issues. The continued quarterly meetings have provided the agencies a platform to make advancements in their approach to the CRI. The CRI is one of the many combined efforts between the two agencies enhanced by increased communication.

In March 2012, a memorandum, signed by Fitzgerald and Williams, was released, stating in part that “We are pleased to report that the initiative has been very successful due to outstanding efforts by our dedicated employees. ... DCMA and DCAA headquarters joint working group members will continue to monitor progress on a weekly basis and will continue to brief us throughout the year.”

“The CRI is an umbrella and covers a lot of programs,” Sherwood said. “With DCAA’s help, we are using the initiative to aggressively go after pockets of money,

such as settlement of account issues.”

“This initiative was a joint effort to focus on dispositioning Cost Accounting Standard non-compliances,” Shire said. “Largely because of our increased coordination with DCMA, over 400 of the approximately 700 outstanding non-compliances have been resolved as of the end of May 2012. As a result, we are able to return millions of dollars to the department that can be redirected to support the warfighter and benefit the taxpayer.”

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A look beneath the surface of *naval optics*

Patrick Tremblay | DCMA Public Affairs

In a picturesque small town in central Massachusetts, more than two hour's drive from any deep water, Vin Mineo takes a close look at a marvel of modern optics – a Navy submarine periscope.


Mineo is a quality assurance lead from Defense Contract Management Agency East Hartford, Conn. For the past seven years he has been working on-site in Massachusetts at the birthplace of all Navy submarine periscopes and photonic masts. These high-tech devices allow sailors beneath the water to see, sense and know what is going on above them, and are critical to the success of submarine warfare.

Behind a non-descript door in the contractor's facility, Mineo and the rest of the DCMA team perform a full range of contract administration functions. From negotiating changes in contracts, to ensuring quality, to tracking on-time deliveries, the group provides an on-site presence for the customer. Like a periscope into the plant, the DCMA team lets the Navy customer see, sense and know what is happening with these contracts.

The DCMA quality team includes a specialist for each of the main products produced on-site. This includes traditional periscopes, evolved from those designed a century ago, and photonic masts, which join periscopes on some boats.

Ed Massa, DCMA Hartford quality assurance supervisor, said Mineo's team integrates well with the other agency functions at the supplier. "They all work well together as a team. Quality works with the industrial specialists and engineers for planning, and assists the contracts specialist with their work."

While the quality team is employing surveillance plans to monitor contractor



The crew of the Virginia-class attack submarine USS Missouri mans the rails and brings the boat to life as the periscopes and antennas are raised following its July 31, 2010 commissioning at Naval Submarine Base New London. (Photo by Navy Mass Communication Specialist 1st Class Steven Myers)



Above: A small Defense Contract Management Agency team provides contract administration services on-site at a central Massachusetts facility that manufactures periscopes and sensors for Navy submarines. From left: Kevin Pietrowski, Rob Chauvin, Dave Pise, Ed Massa, Dave Dutton, Vin Mineo, Wendy Whalen, Jim Quill, Mike Barrick (Photo by Patrick Tremblay, DCMA Public Affairs)



Left: Wendy Whalen, a contract administrator at Defense Contract Management Agency Hartford, Conn., works on-site at a contractor facility that manufactures periscopes and electronic sensors for the Navy. (Photo by Patrick Tremblay, DCMA Public Affairs)

processes and controls, other DCMA employees are at work on the contract.

Wendy Whalen is a contract administrator who works with the customer, Naval Sea Systems

Command, on negotiations, an integral part of even minor changes to the contract. “Relationships built over the years with the customer, and contractor, are helpful,” she said.

Whalen came to DCMA from a corporate retail background through the Keystone intern program – a change she said she’s happy she made. “The contract management office empowers me to do my job, and respects me and my ability to do my job,” she said. “Every supervisor I’ve had has been supportive.”

Whalen is proud to be using her talents to support the warfighter. “The end product here makes a difference,” she said.

Jim Quill is an engineer who’s been with DCMA for about three years. Like Whalen, he came to the agency through the Keystone intern program following a

successful career in private industry.

After spending 30 years with a major firearms manufacturer, Quill looked to DCMA for a career change. Having industry experience has been important to his success. "It has allowed me to have meaningful exchanges with the contractor's engineers. I know where they're coming from, and they have respect for my experience," he said.

Quill said while engineering principles are the same whether the product is a handgun or periscope, he had to change his approach with his current role. "My job isn't solving problems directly, but observing problem solvers to make sure they're doing it right."

Dave Dutton, an industrial specialist, has been with DCMA for more than a decade. He started at DCMA Boston, then traveled as an itinerant IS to locations across New England, before joining the team on-site at the periscope facility.

Like many who work as an IS, Dutton's work is focused on on-time delivery. He understands the importance first-hand –

he deployed to Kuwait for a contingency contract administration services mission in 2009, and was activated for several years as an Air Force reservist following the Sept. 11 terrorist attacks.

Mineo, Whalen, Quill, Dutton and others on the team come together daily in a small office in the contractor facility. There they execute the DCMA mission, ensuring the quality, cost and on-time delivery of items essential to the customer.

Like a periscope providing critical information necessary for success, the DCMA team gives the Navy an eye inside the supplier's facility, helping to navigate the contract process. **C**

Periscope Fact

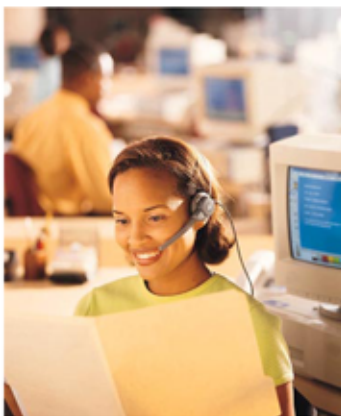
Around 1900, technology and a shrinking world led the Navy to get serious about sub-surface warfare. A major hurdle was obvious – underwater boats can't be seen, but can't see either, and when they surface their advantage is lost.

By World War I this problem was largely solved with the first workable periscope. Designed in Brooklyn, N.Y., by Frederick O. Kollmorgen, the scope was a tube with a series of lenses and mirrors that could, with the boat just under the surface, be raised to look around as inconspicuously as possible. The company that Kollmorgen started continues to make optics and sensors, with the Navy work being done largely in central Massachusetts.

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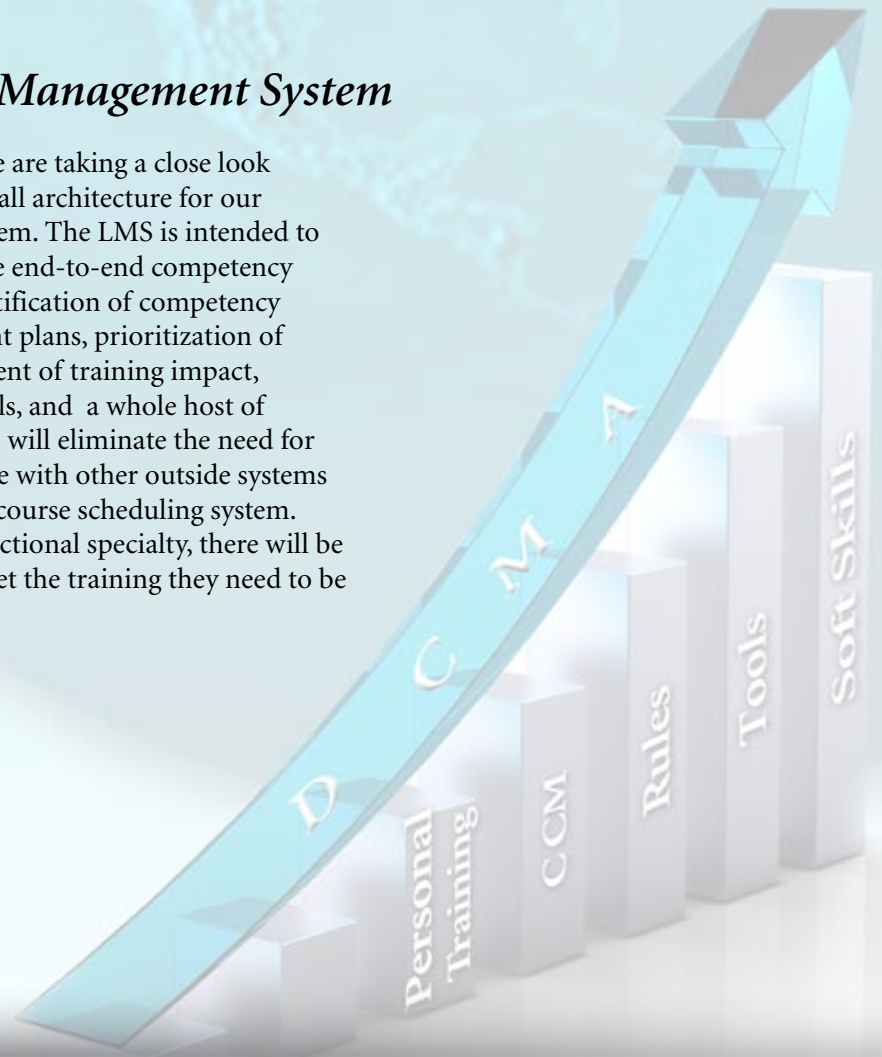
JIM RUSSELL
Deputy Director, DCMA

Standing up the College of Contract Management

The agency has entered into a long term partnership with the Defense Acquisition University to revitalize our functional training programs. Training course development and delivery are not core competencies for the agency. DAU has tremendous internal capability and a network of established relationships with colleges, universities, and training development firms to develop and deliver accredited course curriculum focused on measurable improvements in workforce skills. We will work closely with DAU to identify needed competencies, provide subject matter experts to ensure course content has technical relevance to the agency and determine the right mix of courses and delivery techniques to meet our needs.

Strengthening the Learning Management System

As a key part of our year of training, we are taking a close look at our development strategy and overall architecture for our proposed Learning Management System. The LMS is intended to be a common architecture to facilitate end-to-end competency and training management. This includes identification of competency needs, development of individual development plans, prioritization of requirements, scheduling of training, assessment of training impact, monitoring certification and competency levels, and a whole host of workforce competency related tools. The LMS will eliminate the need for separate stand-alone systems and will interface with other outside systems like the Defense Acquisition University's new course scheduling system. Most importantly, regardless of a person's functional specialty, there will be a single approach and system to ensure they get the training they need to be most effective.



champions -



MARIE GREENING
Chief Operations Officer
Operations Directorate

Identifying, validating and prioritizing agency training requirements

I am champion of the focus area designed to establish an Agency framework to facilitate identification, validation, and prioritization of training requirements, so we don't lose sight of our immediate ongoing training obligations. The thrust of this process will be to harness information gleaned from our annual employee review and individual development plan processes to be able to anticipate near-year and out-year training requirements. We will then tie in a training requirement factor based on new employees who will fill slots vacated by attrition. All of these requirements will then be incorporated into a near-year execution plan as well as a future-year training plan tied to our budget submission request. I am very excited about being a part of this process. It provides me with a wonderful opportunity to influence our ability to better prepare our employees to execute the DCMA mission.



PAMELA F. CONKLIN
Executive Director
Financial and Business Operations

Leadership

As the agency's comptroller, I am all about ensuring we are good stewards of the taxpayers' dollars — investing in our future through the agency's Leadership Development Initiative is a perfect illustration of that. In today's resource constrained environment it is more important than ever we get the most bang for our training buck. As the champion for leadership development, I am helping our agency develop formal strategies to strengthen current supervisors and managers, as well as ways to develop future leaders. For example, we are developing new leadership courses targeting leadership competencies at appropriate levels for entry, journeyman and advanced leaders. Our goal is to build a foundation and clear path forward for anyone with leadership aspirations. I define success in this initiative as a clear road map for our agency employees to fulfill their leadership potential.



Strengthening the acquisition workforce



TIMOTHY CALLAHAN
Executive Director
Contracts Directorate

Assessing the health and competency of the agency's workforce

Cross-functional cooperation and collaboration is being used to develop an overarching process to assess our functional competencies. The foundation of my approach is best visualized as a four-sided pyramid. Each side of the pyramid is devoted to a primary area: competencies, career paths, training, and assessment. Results of this effort will include functional development maps, clearly defined roles and responsibilities, and competency assessment tools and processes. Ultimately, my goal is to provide the DCMA workforce the necessary tools to assess their strengths and weaknesses and provide a roadmap for improving skill sets. We'll link our competencies to our positions descriptions and clearly define career paths. Each path will have tailored training and assessments to ensure our workforce has the skills and abilities necessary to execute the agency's mission.



KARRON E. SMALL
Executive Director
Engineering and Analysis Directorate

Mentoring

Our commitment is to re-invigorate an enterprise mentoring focus throughout the agency workforce. The mentoring process enriches both the mentor and mentee. Future steps will include soliciting volunteers for this very important focus within the agency. We have a very talented workforce and embracing the mentoring process will allow our agency to develop future leaders. I look forward to championing these efforts.

DCMA by the numbers

Current Agency Information

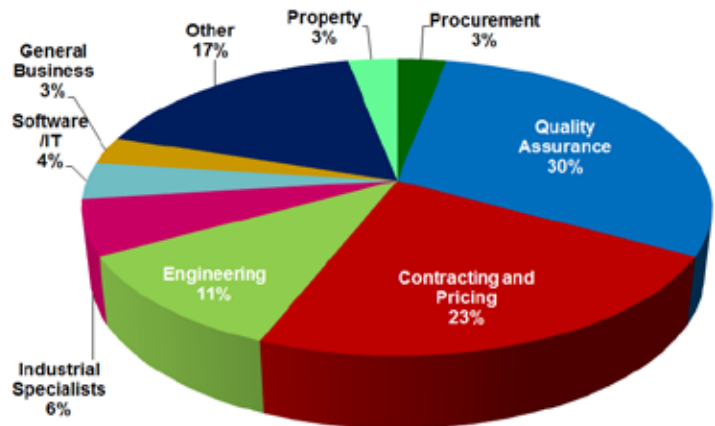
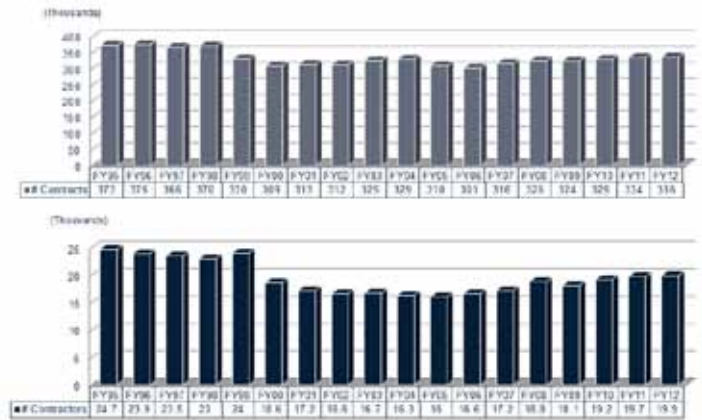
Number of civilians	10,254
Number of military (Active: 400/ Reserve: 162)	562
Number of operational directorates	3
Number of contract management offices	46
Number of global locations	740+
Number of contractors	19,825
Number of active contracts	337,000
Obligated amount of active contracts	\$1.7 trillion
Unliquidated obligated amount of active contracts	\$236 billion



Civilian Workforce Demographics

Key occupational series comprises 83 percent of our civilian workforce

Contracts/Contractors



Worldwide Acquisition Impact

Span of Control

- 10,254 civilian professionals
- 562 military (400 Active; 162 Reservists)
- 3 operational directorates
- 46 contract management offices
- 740+ locations world wide
- \$1.4 billion budget authority
- \$122 million reimbursable target

Scope of Work

- \$3.6 trillion total contract amount
- \$1.7 trillion obligated amount
- 19,825 active contractors
- 337,000 active contracts
- \$236 billion unliquidated obligations amount
- ACAT I (IAC, IC, ID) and II programs: 198
- Flight operations (average per CY)
- 2,083 aircraft/year
- 21,370 flying hours
- \$152 billion government property value
- \$13.6 billion progress payments
- \$28.2 billion performance based payments

Core Processes

- Aircraft Operations
- Contract Safety
- Contracting
- Contractor Business Systems
- Cost and Pricing
- Earned Value Management
- Engineering
- Manufacturing and Supply Chain Predictability
- Property and Plant Clearance
- Quality Assurance
- Small Business
- Software Engineering and Acquisition Management
- Terminations
- Transportation

Combat Support

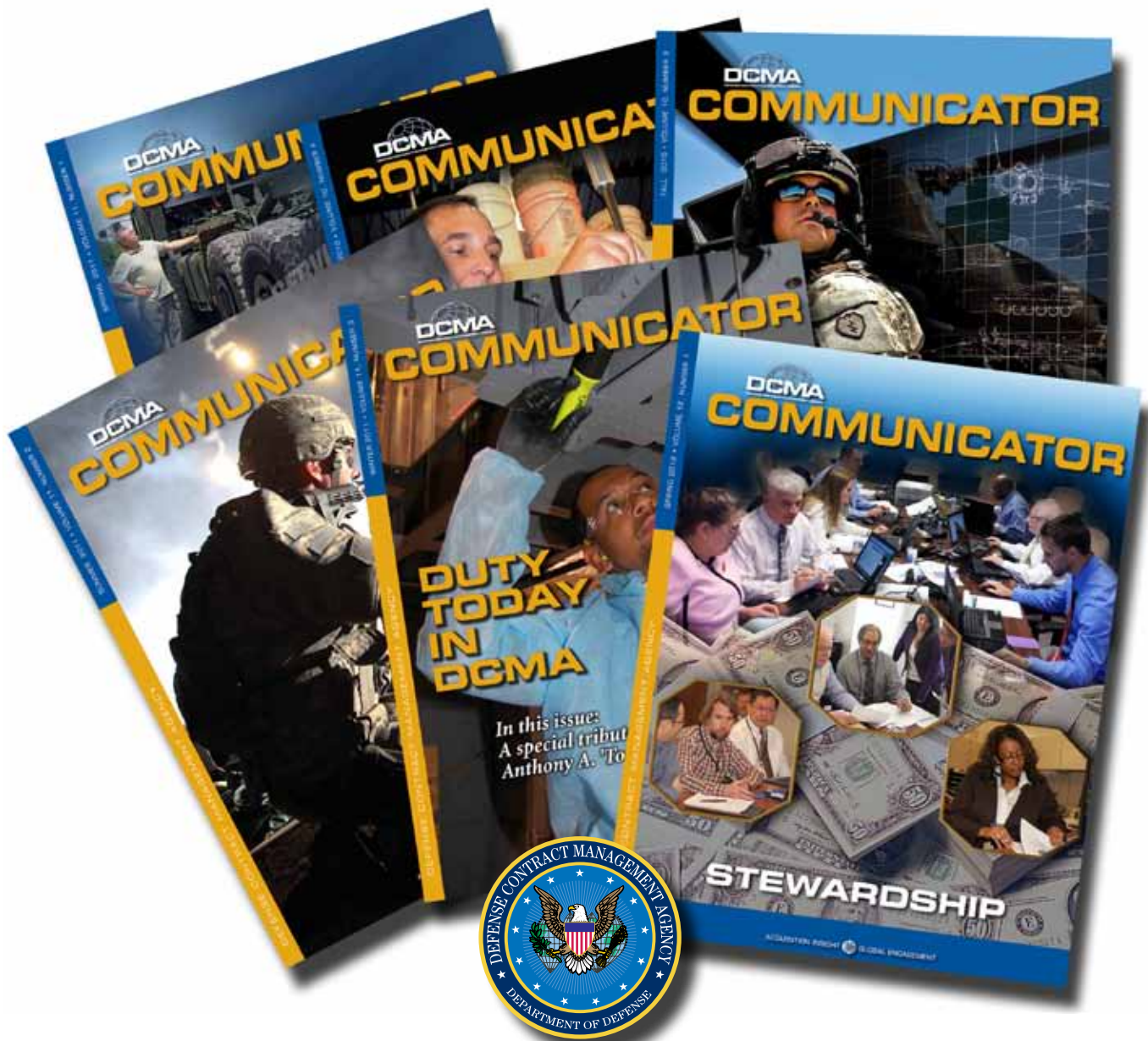
- military operations
- readiness of fielded systems
- modernization of military equipment
- industrial surge – during conflict

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The *Communicator* is calling for those who have news to share. Assembled by DCMA Public Affairs, the *Communicator* is published quarterly and provides information about long-term plans, future responsibilities for employees, interviews with and opinion pieces by senior leaders, and education and training opportunities. It is the *Communicator's* goal to represent the diverse staff equally in each publication and have stories of universal interest.

Submit your articles and ideas to DCMACommunicator@dcma.mil.



DCMA

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