



DEPARTMENT OF DEFENSE
Defense Contract Management Agency

INSTRUCTION

Major Program Support

Engineering and Analysis Directorate
OPR: DCMA-EA

DCMA-INST 205
December 4, 2013

**Validated current, December 10, 2014*

1. PURPOSE. This Instruction:

a. Reissues DCMA Instruction (DCMA-INST) 205, “Major Program Support” (Reference (a)) to update policy, assign roles and responsibilities, and outline procedures on how the agency will support major defense acquisition programs (MDAP), product and project offices, and Office of the Secretary of Defense (OSD) regarding program reviews, program status, and program performance in accordance with Federal Acquisition Regulation (FAR) 42.302(a)67 (Reference (b)).

b. Complies with DoD Directive (DoDD) 5105.64, “Defense Contract Management Agency (DCMA)” (Reference (c)).

2. APPLICABILITY. This Instruction applies to all DCMA Headquarters (HQ), DCMA components, and DCMA contract management offices (CMO) involved with MDAPs (unless it conflicts with higher-level regulations, policy, guidance, waiver, or agreements, in which case those take precedence). MDAPs include all acquisition category (ACAT) I and II programs and other programs considered high priority by DCMA management.

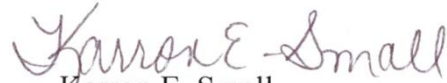
3. MANAGERS’ INTERNAL CONTROL PROGRAM. In accordance with DCMA-INST 710, “Managers’ Internal Control Program” (Reference (d)), this Instruction is subject to evaluation and testing. The process flow is located at Appendix A.

4. RELEASABILITY – UNLIMITED. This Instruction is approved for public release.

5. PLAS CODE. 038 - Program Integration.

6. POLICY RESOURCE WEB PAGE. <https://home.dcmamil/policy/205r>

7. EFFECTIVE DATE. By order of the Director, DCMA, this Instruction is effective December 4, 2013, and all applicable activities shall be fully compliant within 60 days from this date.


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*Validated current by Joseph E. Sweeney, Executive Director, Portfolio Management & Integrated, December 10, 2014. Policy was transferred from EA to PI, February 20, 2014.

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REFERENCES

- (a) DCMA-INST 205, "Major Program Support," November 2010 (hereby canceled)
- (b) FAR 42.302(a), "Contract Administration Functions"
- (c) DoDD 5105.64, "Defense Contract Management Agency (DCMA)," January 10, 2013
- (d) DCMA-INST 710, "Managers' Internal Control Program," September 12, 2011
- (e) DCMA-INST 406, "Defense Acquisition Executive Summary," November 2010
- (f) DCMA-HBK 205-01, "Lead Platform Command," December 4, 2012
- (g) DCMA-INST 313, "International Agreements/International Memoranda of Understanding/Host Nation Contract Management Services," June 2010
- (h) DCMA-INST 709, "International and Federal Business (Reimbursable and Non-Reimbursable)," September 2011
- (i) DCMA-INST 118, "Contracts – Initial Receipt and Review," October 2010
- (j) DCMA-ANX 205-02, "Developing a Program Support Plan (PSP)," TBD
- (k) DFARS, Subpart, 252.234-7001, "Notice of Earned Value Management System,"
- (l) DFARS, Subpart, 252.234-7002, "Earned Value Management System"
- (m) FAR, Subpart 52.246-3, "Inspection of Supplies – Cost-Reimbursement"
- (n) FAR, Subpart 52.215-2, "Audit and Records – Negotiation"
- (o) DCMA-INST 1201, "Corrective Action Process," December 2012
- (p) DCMA-INST 501, "Policy Program," September 20, 2012
- (q) DCMA-INST 522, "Public Affairs," August 2, 2012
- (r) DCMA-INST 407, "Customer Engagement," February 2013
- (s) DCMA-INST 1002, "Situation Report (SITREP)," January 12, 2012
- (t) DCMA-INST 404, "Customer Satisfaction," September 4, 2012
- (u) DCMA-INST 219, "Supplier Risk Management Through Contract Surveillance," May 22, 2013
- (v) DFARS, Subpart 242-74, Technical Representation at Contractor Facilities
- (w) DCMA-INST 934, "External Audit," January 15, 2013

CHAPTER 1

POLICY

1.1. OVERVIEW.

1.1.1. Major Program Support (MPS) has been approved as an Agency line of service. The intent/purpose of MPS is to:

- Provide DCMA's customers timely, value-added predictive analysis, acquisition insight, and information
- Identify and address program issues as early as possible
- Augment existing acquisition decision making events, such as the Defense Acquisition Board milestone and in-process reviews
- Support quarterly staff assessments on program performance in support of the OSD Undersecretary of Defense Acquisition Technology and Logistics, Defense Acquisition Executive Summary (DAES) assessment guidance
- Comply with statutory provisions of the Weapon System Acquisition Reform Act of 2009 (**NOTE:** Link is located on the resource page for this Instruction.)

1.1.2. The DCMA provides objective and actionable contract, technical, cost, schedule, and performance data to our customers through a program support team (PST) consisting of multifunctional specialists positively influencing program success by “supporting the program, product, and project offices regarding program reviews, program status, program performance, technical reviews and actual or anticipated program and product problems” (FAR 42.302(a)(67)) (Reference (b)).

1.1.3. For the purpose of this Instruction, Major Programs include all ACAT I and II (to include but not limited to MDAP, major automated information systems (MAIS), programs where an overarching memorandum of agreement (MOA) between DCMA and a Department of Defense (DoD) customer exists (e.g. Ballistic Missile Defense System), and other programs considered high priority as determined by the contract management office (CMO) commander/director in collaboration with the applicable DCMA Operations Directorate's (Operations) sector director).

1.1.4. MPS provides predictive acquisition insight to allow senior acquisition leaders to make informed decisions. MPS is an Agency line of service with four primary functions:

1.1.4.1 Provide DAES programmatic reporting for contract performance, management and production for the Agency. Program assessments shall be developed in accordance with the DCMA-INST 406, “Defense Acquisition Executive Summary” (Reference (e)) and the documents cited within (e.g., DAES Assessment Guidance Memorandum, Defense Acquisition Executive Summary Assessment Guidance, and DAES Assessment Deskbook). (**NOTE:** Links for the DAES Assessment Guidance Memorandum, Defense Acquisition Executive Summary Assessment Guidance, and the DAES Assessment Deskbook are located on the resource page for this Instruction.)

1.1.4.2. Perform risk based multifunctional program surveillance to maximize the predictive insights of the operational surveillance efforts.

1.1.4.3. Perform analysis and assemble metrics, data, and reports that use contract cost, schedule, and technical performance to identify and make recommendations on root causes of anomalies in the contractors' processes.

1.1.5. The PI provides a monthly Program Assessment Report (PAR) containing a Contract Performance Assessment (CPA), Management Assessment (MA), and Production Assessment (PA) that is compliant with the OSD and DCMA DAES guidelines. These assessments provide OSD, the program management office (PMO) and DCMA senior leadership with awareness of contract execution status and emerging execution issues that warrant senior leadership attention.

1.1.6. DCMA's contribution through the MPS policy in support of the DAES process is fundamental to fulfilling the agency's responsibilities pursuant to FAR 42.302(a) (Reference (b)). Specifically, the DCMA workforce provides predictive insight on contract performance. MPS fulfills the following FAR Part 42.302(a) functions (Reference (b)):

- (16) Ensure timely notification by the contractor of any anticipated overrun or under run of the estimated cost under cost-reimbursement contracts
- (31) Perform production support, surveillance, and status reporting, including timely reporting of potential and actual slippages in contract delivery schedules
- (40) Perform engineering surveillance to assess compliance with contractual terms for schedule, cost, and technical performance in the areas of design, development, and production
- (67) Support the program, product, and project offices regarding program reviews, program status, program performance and actual or anticipated program problems

1.1.7. Upon the receipt of a contract for a major acquisition program, DCMA shall perform contract receipt and review (CRR) and complete the following:

- Determine if the program meets the requirements for MPS
- Designate lead platform command (LPC) (as applicable) per DCMA-HBK 205-01, "Lead Platform Command" (Reference (f)) in order to integrate DCMA support
- Appoint PI
- Establish PST
- Perform program surveillance
- Develop PAR

The DCMA provides customers with objective and actionable contract, technical, cost, schedule, and performance data to positively influence program success.

1.2. APPLICABILITY. This Instruction applies to all DCMA activities unless it conflicts with higher-level regulations, policy, guidance, waiver, or agreements, in which case those take

precedence (e.g., DCMA International Directorate (International) and Special Programs Directorate (Special Programs) activities). Exceptions to this Instruction apply to special programs and sensitive compartmented information (SCI) contracts due to security requirements, and shall be processed in accordance with supplemental instructions maintained by Special Programs.

CHAPTER 2

ROLES AND RESPONSIBILITIES

2.1. DIRECTOR, ENGINEERING AND ANALYSIS DIRECTORATE, MAJOR PROGRAM SUPPORT DIVISION (DCMA-EAP). The director of DCMA-EAP must:

2.1.1. Develop, institutionalize, and continuously improve DCMA program integration, program analysis policies, and related standard processes, training, and tools.

2.1.2. Integrate functional policies, training, and tools in order to maximize the predictive insight of major program surveillance outputs and the efficiency of operational surveillance efforts.

2.1.3. Manage and assess the competency and structure of DCMA program integration workforce.

2.1.4. Ensure enterprise-wide integrated communications and infrastructure are in place to effectively manage DCMA's program integration mission.

2.1.5. Develop/promulgate MPS policy, tools, and training.

2.1.6. Define and develop PI career field and training programs.

2.1.7. Responsible for ensuring that the PI workforce is equipped with the tools and training for execution of MPS common processes.

2.1.8. Assess efficacy of MPS policy, compliance, and associated workload.

2.2. DIRECTOR, FINANCIAL AND BUSINESS OPERATIONS DIRECTORATE (DCMA-FB). The director of DCMA-FB must:

2.2.1. Assign program PLAS code for all major programs.

2.2.2. Support the CMO with the development of foreign military sales (FMS) cases for direct commercial sales contracts in accordance to DCMA-INST 313, "International Agreements/ International Memoranda of Understanding/Host Nation Contract Management Services" (Reference (g)) and DCMA-INST 709, "International and Federal Business (Reimbursable and Non-Reimbursable)" (Reference (h)).

2.3. CHIEF OPERATIONS OFFICER (COO). The COO must:

2.3.1. Designate the LPC as applicable per DCMA-HBK 205-01 (Reference (f)).

2.3.2. Ensure consistent, efficient, and effective mission execution of the MPS policy in accordance with DCMA goals and objectives.

2.3.3. Provide MPS policy operational direction and assistance.

2.4. OPERATIONS REGIONAL COMMANDERS. Operations regional commanders must:

2.4.1. Facilitate consistent, efficient, and effective mission execution in accordance with DCMA policy at the CMO for all Major Programs.

2.4.2. Monitor and manage MPS related performance, workload and resource prioritization, training status, and budget at the region and CMO.

2.4.3. Monitor CMO performance to assess MPS related processes in meeting customer requirements and escalate issues as required.

2.4.4. Assist CMOs in MPS related problem/issue resolution and continuous improvement in support of customer requirements.

2.5. OPERATIONS SECTOR DIVISION DIRECTORS. Operations Sector Division Directors (sector directors) must:

2.5.1. Collect and analyze DCMA intelligence products and information (e.g., PAR and other eTools such as enterprise integrated tool set, customer priority workload summary (CPWS), industrial analysis center reports, long range customer workload projection (LRCWP), customer engagement recordings (CER), or customer satisfaction to identify and communicate program issues and risk that may require surveillance adjustments across the enterprise.

2.5.2. Communicate with HQ, regions, and CMO commanders when opportunities for improvement exist for MPS policy and MPS products, respectively.

2.5.3. Collect and analyze external platform, program, and supply chain information (e.g., President's budget, Government Accountability Office/Inspector General audits, new technologies, and customer priorities) that may impact DCMA MPS surveillance and staffing. Communicate analysis results and provide recommendations to the COO, Operations functional staff, regions, and CMO commanders.

2.5.4. Evaluate contractor place of performance transitions on programs that result in a change to CMO administration responsibilities. Communicate any concerns or issues to Executive Director, Portfolio Management and Integration via CER.

2.5.5. Review all MDAP PARs requiring DAES assessment submission to OSD, based on the DAES ABC Group listing as per DCMA-INST 406 (Reference (e)). At a minimum, the sector directors shall review those PARs for adequacy in the month preceding the required DAES assessment submission to OSD. The review shall ensure that section 1 of the PAR adheres with applicable DAES assessment guidelines referenced in DCMA-INST 406 (Reference (e)). The review should also consider the quality of additional information in sections 2 through 5 of the PAR, and provide feedback and recommendations to the CMO, region, and appropriate functional component when concerns or opportunities for improvement exist.

2.5.6. Establish an internal process to review all PARs at some defined interval to ensure PAR adequacy and notify the CMO, region, and appropriate functional component when concerns or opportunities for improvement have been identified.

2.5.7. Advise and engage with regional, LPC, and CMO commanders on resource requirements through the program objective memorandum and workload and resources (WAR) room processes.

2.5.8. Approve issuance of Major Program PLAS codes.

2.5.9. Approve PI eTool entry for new programs and authorize removal of program from PI eTools.

2.5.10. Recommend CMO relief from MPS requirements.

2.5.11. Execute LPC assignment responsibilities as defined in the DCMA-HBK 205-01 (Reference (f)) for LPC designation.

2.6. EXECUTIVE DIRECTOR, PORTFOLIO MANAGEMENT AND INTEGRATION (DCMA-PI). The executive director of DCMA-PI must:

2.6.1. Serve as primary directorate for providing Major Program information to OSD through the PARs and DCMA DAES assessments.

2.6.2. Establish and maintain program executive officer (PEO) project program folder on the DCMA-PI homepage.

2.6.3. Analyze and communicate program issues to OSD.

2.6.4. Coordinate external requests for program information.

2.6.5. Concur with the authorization to relieve a CMO from MPS requirements.

2.7. DIRECTORS, DCMA INTERNATIONAL DIRECTORATE. International directors must:

2.7.1. Ensure consistent, efficient, and effective mission execution of the MPS policy in accordance with DCMA goals.

2.7.2. Provide HQ Engineering and Analysis Directorate (DCMA-EA) recurring feedback on policy implementation, training adequacy, tool utility and recommend improvements, and new operational needs.

2.8. CONTRACT MANAGEMENT OFFICE (CMO) COMMANDER/DIRECTOR. The CMO commander/director or designee must:

2.8.1. Ensure the CMO meets the requirements of this Instruction by:

2.8.1.1. Establishing a contract management team (CMT) or PST as appropriate to provide contract administration in accordance with FAR 42.302(a) (Reference (b)) in order to execute and comply with the MPS policy.

2.8.1.2. Ensuring appropriate resources are in place to execute the MPS policy.

2.8.1.3. Capturing resource shortfall justification and submitting to the region or International or Special Programs commander/director.

2.8.2. Appoint the PST members with appropriate expertise to execute PSP for major programs.

2.8.3. Maintain written PI and PST appointments for all Major Programs.

2.8.4. Request establishment of the Major Program PLAS code.

2.8.5. Approve the PARs and DCMA DAES assessments prior to release.

2.8.6. Sign and Approve PSPs.

2.8.7. Evaluate security requirements (e.g., DD Form 254, Department of Defense Contract Security Classification Specification, personnel security clearances, secure communications, and critical information list).

2.9. CONTRACT MANAGEMENT TEAM (CMT) MEMBERS. If a PST is not yet established, the CMT members must:

2.9.1. Perform initial CRR to understand the scope of the contract.

2.9.2. Determine the need for a post award orientation conference (PAOC).

2.9.3. Develop the initial PSP.

2.9.4. Determine the initial PST skill set requirements and recommend PST skill set to CMO leadership.

2.9.5. Determine information and personnel security requirements.

2.10. CMO FUNCTIONAL DIRECTORS. The CMO functional directors must support the PI/PST with identifying the number of personnel and specific skill sets needed to perform contract surveillance requirements, identify resource shortfalls, and elevate as necessary to CMO leadership.

2.11. FUNCTIONAL SUPERVISOR. The functional supervisor must:

2.11.1. Ensure CRR is accomplished in accordance DCMA functional policies for all Major Programs.

2.11.2. Review and document the approval of the functional specialist(s) portion of the PSP.

2.11.3. Assist the PI in development of the program level event based surveillance table (EBST).

2.11.4. Ensure the functional portion of the PSP is being implemented in accordance with the approved PSP.

2.11.5. Determine the PST skill set requirements jointly with the respective PI/support program integrator (SPI) and recommend PST skill sets to CMO leadership for resourcing.

2.11.6. Assign the functional specialists to the PST and establish workload priorities.

2.11.7. Ensure functional representation in PST and program meetings.

2.11.8. Review functional specialist(s) input to program assessment products such as the PAR to ensure the input is accurate and reflects predictive analysis and independent insight.

2.11.9. Ensure personnel have the applicable security classification guidance and security clearances when a DD Form 254 is present.

2.12. PROGRAM INTEGRATOR (PI). The PI must:

2.12.1. Lead the PST in the MPS policy's development, maintenance, execution, and compliance.

2.12.2. Verify the PST has completed CRR in accordance with DCMA-INST-118, "Contracts - Initial Receipt and Review" (Reference (i)).

2.12.3. Define PST/support program support team (SPST) roles.

2.12.4. Establish goals and priorities jointly with the respective functional supervisor(s) ensuring the PSP skill sets complement the functional surveillance plans as specified by the individual technical instructions.

2.12.5. Develop, maintain, and execute the PSP with the functional members of the PST. (NOTE: The PI/SPI should ensure that each functional supervisor is aware of PST documents such as the PSP, MOA, and LOD requirements.)

2.12.6. Recommend PST skill sets to CMO leadership.

2.12.7. Review accomplishment of functional surveillance plans, activities, events, and actions as scheduled.

2.12.8. Identify gaps or shortfalls and make recommendations or adjustments as necessary to the functional specialist.

2.12.9. When applicable, coordinate and draft the MOA with the PST and the program manager (PM) and staff, verifying the MOA does not conflict with functional policy described by the appropriate functional instructions.

2.12.10. Identify major and critical program suppliers in conjunction with the PST.

2.12.11. Ensure multi-functional LODs are issued and maintained.

2.12.12. Create and provide monthly PARs and DAES assessments as applicable.

2.12.13. Establish and update PI eTool program records in accordance with MPS policy.

2.12.14. Establish and use a communication network including PST meetings with SPI and PST members.

2.12.15. Become knowledgeable of the personnel and information security requirements associated with the procurement.

2.13. PROGRAM SUPPORT TEAM (PST) MEMBERS. PST members must:

2.13.1. Perform CRR on contracts and modifications as specified in DCMA CRR and functional policies.

2.13.2. Support and participate in a PAOC in accordance with DCMA CRR policy as determined by the administrative contracting officer (ACO).

2.13.3. Develop/draft the functional portions of the PSP, recommend additional skill-sets if needed, and participate in all requirement surveillance events as determined in the PSP.

2.13.4. Attend and actively participate in the scheduled PST meetings, all program meetings, technical reviews, etc. as required in the PSP and provide feedback to PI/SPI.

2.13.5. Execute functional surveillance plans as detailed in the PSP.

2.13.6. Provide monthly analysis, recommendations, potential program impacts, and evaluations to the PI or SPI via electronic functional input templates (eFIT).

2.13.7. Analyze earned value management (EVM) program data as applicable to each functional area.

2.13.8. Provide DCMA required support for the program integrated baseline review (IBR).

2.13.9. Provide EVM program analysis in support of monthly PAR submissions, as required.

2.13.10. Determine information security requirements.

2.14. SUPPORT CMO COMMANDER/DIRECTOR. The support CMO commander/director or designee must:

2.14.1. Negotiate support with prime CMO.

2.14.2. Determine support resources required.

2.14.3. Capture resource shortfall justification and provide to region or International or Special Programs commander/director.

2.14.4. Finalize and accept Major Program LODs.

2.14.5. Issue signed SPI/SPST appointment letters.

2.15. SUPPORT PROGRAM INTEGRATOR (SPI). The SPI must:

2.15.1. Lead the SPST in the MPS policy's development, maintenance, execution, and compliance.

2.15.2. Verify the SPST has completed CRR in accordance with DCMA-INST-118 (Reference (i)) and escalate flow-down issues to the delegating CMO.

2.15.3. Negotiate estimated required support with prime CMO based on resources required.

2.15.4. Develop, maintain, and execute the SPST portion of the PSP.

2.15.5. Provide resource shortfall justification to the region or component.

2.15.6. Provide input for the applicable portion of the monthly PARs and DAES assessments as delegated.

2.16. SUPPORT PROGRAM SUPPORT TEAM (SPST) MEMBERS. SPST members must:

2.16.1. Comply with the roles and responsibilities identified in the PSP as delegated.

2.16.2. Become knowledgeable of the personnel and information security requirements associated with the procurement.

CHAPTER 3

PROCEDURES

3.1. DETERMINE CONTRACT REQUIREMENTS.

3.1.1. When a new program contract for an ACAT I, II, or other program considered high priority by DCMA management is sent to a CMO for administration, the CMO performs the following actions in accordance with DCMA-INST-118 (Reference (i)):

- Establishes a multi-functional CMT to review the contract
- Performs an initial contract review
- Determines PI/ SPI and PST requirements
- Determines if the procurement involves classified (DD Form 254)
- Provides a post award orientation conference (PAOC) determination

3.1.1.1. The PST (or CMT for new programs) shall review the contract and its attachments to identify the required FAR/Defense Federal Acquisition Regulation Supplement (DFARS) clauses, special requirements, statement of work (SOW)/statement of objectives (SOO), data rights, data markings, and contract data requirements list (CDRL)/supplier data requirements list (SDRL) requirements.

3.1.1.2. The PST (or CMT for new programs) shall identify any information security or International Traffic in Arms Regulations (ITAR) requirements associated with the contract, ensure functional specialists with the proper security clearances are assigned, and request the appropriate training for personnel involved with the program.

3.1.1.3. CRR shall be accomplished pursuant to this policy and other DCMA functional topics such as CRR, contract technical review, manufacturing and production, systems engineering, earned value management systems (EVMS), software acquisition management, and quality assurance.

3.1.1.3.1. If any contract deficiencies are noted, refer to DCMA-INST-118 (Reference (i)).

3.1.1.3.2. If special access program or SCI areas are encountered (cite DD Form 254 blocks 10.e (1) and 10.f.)), the functional specialist shall make management aware of the requirement. The CMO shall then contact Special Programs for further guidance. Top secret or SCI work should be brought to the attention of Special Programs customer liaison representative.

3.1.1.3.3. The results of CRR shall be used in the development of the PSP in accordance with DCMA Annex (DCMA-ANX) 205-02, "Developing a Program Support Plan (PSP)" (Reference (j)).

3.1.1.4. When a contract for a program modification is sent to a CMO for administration, the existing PST shall perform this CRR review.

3.1.2. Evaluate FAR/DFARS clauses.

3.1.2.1. The PST (or CMT for new programs) shall review the contract to assure the appropriate FAR and DFARS clauses are referenced. (**NOTE:** If the contract is still being developed, the CMT or PST should proactively seek the inclusion of FAR and DFARS references. For example, the earned value (EV) specialist identifies that DFARS 252.234-7001 (Reference (k)) or DFARS 252.234-7002 (Reference (l)) are on contract. Therefore, this would indicate that EV personnel will be required.)

3.1.2.2. The PST (or CMT for new programs) shall review the contract to ensure access to contractor data for performing surveillance duties is provided by the appropriate FAR clauses and ensure access will flow-down to subcontractors (e.g., FAR 52.246-3 (Reference (m)), FAR 52.215-2 (Reference (n)), DFARS 252.234-7002 (Reference (l))).

3.1.2.3. Evaluate the contract for special requirements. Special requirements include critical safety items, safety of flight, industrial security, etc. They require increased specific surveillance duties in order to assure program success. Refer to the appropriate DCMA contract topics on special requirements (e.g., critical safety Items, safety of flight, Navy special emphasis programs).

3.1.3. The PST (or CMT for new programs) shall review these documents to understand the technical scope of the contract in order to determine the relevant contractor processes, contract deliverables, major milestones, and required delivery dates. Evaluate documents such as:

- SOW/SOO
- Systems engineering plan (SEP)
- Systems engineering management plan (SEMP)
- Quality assurance surveillance plan (QASP)
- Test and evaluation master management plan (TEMP)
- Software development plan (SDP)
- Configuration management plan (CMP)
- Production planning and control documents
- Integrated master plan/integrated master schedule (IMP/IMS)
- DD Form 254
- Item performance specification, where applicable

3.1.4. Evaluate the CDRL/SDRL.

3.1.4.1. Data Item Description (DID) Review. Review the CDRL/SDRL to ensure the appropriate DID is referenced.

3.1.4.2. Government Approval Authority Review. The CMO shall review the CDRL/SDRL to ensure appropriate Government approval authority in Reference Block 8 of DD

Form 1423, Contract Data Requirements List. (**NOTE:** Link is located on the resource page for this Instruction.) This should be addressed to the procuring contracting officer (PCO).

3.1.4.3. DCMA Distribution Copy Review. The PST (or CMT for new programs) shall review the CDRL/SDRL to identify any deliverables that impact DCMA program surveillance to ensure DCMA is included in the distribution. (**NOTE:** Not all CDRL deliverables require DCMA distribution.) The ACO shall contact the PCO to resolve any conflicts between the CDRL distribution and DCMA needs.

3.1.5. Subcontractor Requirements Flow-Down. The PST (or CMT for new programs) shall review the purchase orders/subcontracts of the prime contractor to be issued to major or critical program subcontractors and suppliers. If discrepancies are found, then the CMO shall issue a corrective action request (CAR) in accordance with DCMA-INST 1201, "Corrective Action Process" (Reference (o)) to address requirements traceability deficiencies.

3.2. DETERMINE AND ESTABLISH PROGRAM SUPPORT TEAM (PST) REQUIREMENTS.

3.2.1. Designate Lead CMO. Designate LPC (as applicable) per DCMA-HBK 205-01 (Reference (f)).

3.2.1.1. When a program-managed contract has been awarded to multiple prime contractors, such as in a joint venture or teaming agreement, or is of such a scale that many CMOs have to support it, a LPC must be identified. Determination of the LPC must consider the contractual arrangement, as well as the PM's priorities.

3.2.1.2. The COO shall formally assign the LPC per DCMA-HBK 205-01 (Reference (f)).

3.2.2. Appoint PI and SPI.

3.2.2.1. Appoint PI. The CMO shall appoint a PI for all Major Programs (or programs with a potential designation of ACAT I or ACAT II if prior to milestone B). Additionally, each major program element of the Ballistic Missile Defense System meeting ACAT I or II thresholds shall have a PI assigned.

3.2.2.1.1. In cases where the place of performance is other than the prime contractor location, the CMO at the prime contractor location shall delegate the applicable MPS responsibilities to the place of performance.

3.2.2.1.2. PIs are not routinely assigned to ACAT III and other programs. If the intent is to establish an ACAT III or other program PI, the CMO management (or designee) shall develop a justification that documents their rationale. The CMO commander/director shall approve/disapprove the justification presented.

3.2.2.2. Foreign Military Sales (FMS) Program Integration Requirement. If the FMS program is the FMS component of an ACAT program, then the existing PI and PST for the ACAT program shall service the FMS program. If the FMS program is FMS unique and is not a component of an ACAT program, then the program shall be supported by a PI and PST if the program meets ACAT I or ACAT II thresholds. ACAT III equivalent and other FMS programs shall be supported by a PI and PST as determined by the CMO commander/director in collaboration with the applicable sector director.

3.2.2.3. Determine SPI Requirements. In order to support program integration requirements, the PI with the PST shall determine major and critical program suppliers. Major or critical supplies may be identified by the contract or PMO.

3.2.2.3.1. Major program suppliers are subcontractors or other prime corporate business units that have contractual EV requirements or represent a significant percentage of the contract acquisition cost (e.g., at least 20 percent of contract acquisition cost).

3.2.2.3.2. Critical program suppliers are subcontractors whose failure to perform can significantly diminish program success and is independent of contract value or EV requirement. Examples of risk factors that may indicate a critical supplier include medium or high-risk work packages (low technical readiness level, unresolved past performance issues, etc.) on or near the critical path. A contractor purchasing make-or-buy plan or similar document may be used as a source of the critical subcontractors.

3.2.2.4. Appoint SPI. SPIs shall be appointed at major and critical program supplier locations to support multi-functional delegations for programs that are ACAT I and ACAT II and other programs considered high priority by the CMO commander/director in collaboration with the applicable sector director.

3.2.2.5. PI/SPI Appointment Documentation.

3.2.2.5.1. PI/SPI appointments shall be documented and signed by the CMO/supporting CMO commander/director.

3.2.2.5.2. The SPI shall forward a copy of the appointment documentation to the prime PI. The prime PI must update PI eTool and assign the SPI once the SPI is appointed by the supporting CMO commander/director.

3.2.3. PI/SPI Resources.

3.2.3.1. In the event that a PI or SPI is not appointed to an ACAT I or ACAT II program, the CMO commander/director shall obtain a waiver per DCMA-INST 501, "Policy Program" (Reference (p)).

3.2.3.2. PI/SPI Workload. The CMO must optimize the number of programs assigned to a PI/SPI. When a PI/SPI is assigned multiple programs, the PI/SPI generally cannot provide sufficient oversight to address problems early enough for timely/useful influence to the program.

3.2.4. PI Authority and Responsibility. The PI is the leader of the PST and is responsible for coordinating with the PST and the functional supervisor(s) to ensure that the PST functions as a cohesive, integrated multi-functional team in order to provide timely insight and recommendations to OSD, PMO, DCMA CMO management, and sector staff.

3.2.5. Establish Program Support Team (PST).

3.2.5.1. PST Requirement. PST appointments shall be documented and signed by the CMO commander/director or designee.

3.2.5.1.1. Prime CMOs shall establish a PST for all programs identified by DCMA as Major Programs.

3.2.5.1.2. SPI/SPSTs shall be established as needed to support multi-functional delegations received for Major Programs.

3.2.5.2. PST Resources.

3.2.5.2.1. Identifying PST Resource Requirements. The CMO functional directors and functional supervisor(s), with support from the PI/SPI, are responsible for identifying the number of personnel and specific skill sets needed to perform contract surveillance requirements and recommending resource requirements to CMO leadership for resourcing determination. The CMO commander must strive to optimize the number of programs assigned to a PST member. The functional supervisor(s) is responsible for assigning functional specialist(s) to the PST and establishing workload priorities.

3.2.5.2.2. PST Composition Determining Factors. CMOs must prioritize programs based on risk ratings for resource assignments and request additional resources as needed. Consideration for PST members should include but are not limited to: ACO, contract administrator, cost/price analyst, property administrator, engineer, software specialist, industrial specialist, EVMS specialist, and quality assurance specialist. Some factors to consider are:

- Contract requirements
- Priority of PST effort
- Program acquisition phase
- MOA requirements
- LOD requirements

3.2.5.2.3. For all DoD ACAT I programs (or programs with a potential designation of ACAT I) that have contractual EV requirements, the CMO shall appoint a PST member to serve as the EVM specialist for the program. For non-ACAT I programs that have contractual EV requirements, the CMO should appoint a PST member to serve as the program's matrixed EVM specialist.

3.2.5.2.4. Obtain PST Resources. If the CMO requires additional resources to address the resource shortfall, CMO management shall provide a resource justification to the region or component (Special Programs and International) commander/director. The region or component commander/director shall work with the appropriate sector director to assess requirements in context of the Agency's overall strategy for achieving results. If the resource request reaches the Agency level, coordination with DCMA-FB is required. The region and CMO shall validate and verify resource requirements in accordance with the WAR room.

3.2.5.2.5. Modify/Update PST Requirements. The CMO functional directors and functional supervisor(s), with support from the PI/SPI, shall perform periodic evaluation and documentation of PST resource needs. When resource shortfalls occur, this information shall be captured as a justification for obtaining additional resources. As program risk ratings change over time, the CMO shall re-evaluate their PST resource allocation. If a contract modification/ amendment is issued, the PI/PST shall review to ensure adequate resources are available for any new surveillance requirements.

3.2.6. Establish Program Performance Labor Accounting System (PLAS) Code.

3.2.6.1. The prime CMO shall initiate a request to establish a Major Program PLAS code for every program which is supported by a PI and PST. The process for establishing a PLAS ACAT program code does not apply to National Aeronautics and Space Administration (NASA) programs. Any request for a new NASA, reimbursable, or foreign national customer program code must be staffed through DCMA International and DCMA-FB Federal Business Division (DCMA-FBR). DCMA-FBR must coordinate with the customer to ensure that it meets their requirements for reimbursable reporting.

3.2.6.1.1. Requests for establishment of new Major Program PLAS codes must be approved by the prime CMO commander/director.

3.2.6.1.2. To initiate a new Major Program PLAS code, the prime CMO shall complete a copy of the PI eTool New Program Record and PLAS Program Code Request Form and email it to the applicable sector director for approval. (**NOTE:** Procedures for this process are located on the resource page for this Instruction.)

3.2.6.1.3. The sector directors shall approve/disapprove requests to establish new Major Program PLAS codes and shall forward approved requests to DCMA-EAP. Sector directors shall coordinate with all Operations stakeholders.

3.2.6.1.4. DCMA-EAP shall coordinate with DCMA-FB to establish a Major Program PLAS code.

3.2.6.1.5. Upon Major Program PLAS establishment, DCMA-EAP shall then notify the CMO, the regional commander/director, the applicable sector director, and the cognizant service portfolio division directors located within DCMA-PI, accordingly.

3.2.7. Enter, Maintain, and Validate PI eTool Program Record.

3.2.7.1. Establishing PI eTool Records.

3.2.7.1.1. Prime CMOs shall initiate action to establish a PI eTool record for all Major Programs and all major NASA reimbursable customer delegations involving multi-functional support.

3.2.7.1.2. Requests for establishment of new PI eTool records must be approved by the prime CMO commander/director.

3.2.7.1.3. To initiate a new PI eTool program record, the CMT or PI shall complete a copy of the PI eTool New Program Record and PLAS Program Code Request Form and email it to the applicable sector director for approval. Sector directors shall coordinate with all Operations stakeholders. (**NOTE:** Procedures for this process are located on the resource page for this Instruction.)

3.2.7.1.4. The sector director shall forward approved requests to DCMA-EAP. DCMA-EAP shall establish the new program record in PI eTool.

3.2.7.1.5. Upon program record establishment, DCMA-EAP shall then notify the CMO, the regional commander/director, the applicable sector director, and the cognizant service portfolio division directors located within DCMA-PI, accordingly.

3.2.7.1.6. The CMO shall then populate the program integration record fields (see the Program Integration (PI) eTool Training Module for guidance).

3.2.7.2. PI eTool Data Integrity. CMOs shall:

3.2.7.2.1. Maintain the data integrity of their PI eTool records.

3.2.7.2.2. Notify DCMA-EAP of the need to revise mandatory update fields (e.g., PM information.) for which the CMO does not have input/edit capability.

3.2.7.3. PI eTool Exceptions.

3.2.7.3.1. PI eTool records shall not be established for DCMA Special Programs.

3.2.7.3.2. When a program or a contract is undergoing source selection and there is concern that a PAR might be released which could contain source selection data, then the PI shall contact the DCMA-EAP PI eTool administrator to enter the PAR blackout period into the PI eTool. This prevents anyone outside of the CMO from viewing the PAR during this blackout period. The PI must follow source selection data protection procedures. The PI shall distribute the PAR via secure means.

3.3. COMMUNICATION.

3.3.1. The prime CMO should communicate with the supporting CMO to discuss program requirements in order to facilitate establishment of an SPI at the supporting CMO. Communications should be handled based upon the classification/sensitivity of the information as identified in the security classification guidance provided in the contract. Consult DCMA-INST 522, "Public Affairs" (Reference (q)) for procedures concerning communicating controlled unclassified information and classified. Once the determination is made to establish an SPI and SPST at the supporting CMO, communication channels should be established between the prime and supporting CMOs.

3.3.2. The prime CMO commander/director shall notify the PM of all DAES assessment ratings being provided to OSD.

3.3.3. The PI is the primary DCMA point of contact (POC) for communication with the PMO assigned PM or designee, support CMO, and sector staff.

3.3.3.1. The PI shall establish a communication process using the CMO's customer engagement strategy.

3.3.3.2. The PST members shall communicate as needed with their respective functional counterparts at the PMO and the PI in regards to program status and document any notable issues or concerns in a timely manner per DCMA-INST 407, "Customer Engagement" (Reference (r)). Additionally, coordinate with the appropriate customer liaison representative on any lower level issues.

3.3.3.3. Similarly, the SPI/SPST members shall routinely communicate with their respective functional counterparts at the prime CMO. The SPST functional specialists may communicate with their PMO functional counterparts in coordination with the prime PI and PST functional specialist.

3.3.3.4. PIs/SPIs shall have direct access to and support from CMO management for urgent issues or issues that cannot be resolved at a lower level. PIs/SPIs must utilize the chain of command and keep their supervisors informed regarding program issues.

3.3.3.5. If classified computing or communications is identified, contact the DCMA Information Technology Security office (DCMA-ITK) for assistance.

3.3.4. The CMO commander shall use DCMA-INST 1002, "Situation Report (SITREP)" (Reference (s)) in accordance with the appropriate policy requirements.

3.3.5. Evaluate Quality of Program Support Products. The CMO shall solicit feedback via the Web-based Customer Satisfaction Survey in accordance with DCMA-INST 404, "Customer Satisfaction" (Reference (t)) on all program support products delivered to customers which will be used to modify/update the PAR as needed.

3.4. ESTABLISH AND MAINTAIN PROGRAM RISK RATING.

3.4.1. The PI/PST shall determine an initial program risk rating based on technical, cost, and schedule risk for cognizant contracts. An initial program risk rating methodology is not prescribed here because a variety of methods may be used for this purpose. For new programs (not on contract), the program risk can be determined by the contractor's past performance, which can be accessed via past non-conformances (e.g., CAR/Corrective Action Plan (CAP) records), contractor performance assessment reporting system (CPARS) evaluation via the PMO, or other pertinent contractor site information that is available to the DCMA PI or SPI. **(NOTE:** Further risk rating methods are contained in DCMA-INST 219, "Supplier Risk Management Through Contract Surveillance" (Reference (u)).

3.4.2. The PI/PST shall maintain the program risk rating. The PI/SPI, in conjunction with the PST, shall routinely update the program's risk rating(s). The program risk rating can be determined by the risk rating methodology used by the PI or SPI. PSTs should consider functional process risk assessment results (e.g., software risk assessment results) in their determination of program risk rating(s). PST members shall adjust their surveillance approaches based on significant changes to program risk.

3.5. DEVELOP PROGRAM SUPPORT PLAN (PSP).

3.5.1. Develop PSP. Each CMO shall develop a PSP as per DCMA-ANX 205-02 (Reference (j)) for each major program. When portions of a major program are delegated to another CMO, the supporting CMO must also develop a PSP for each program supported. This may include all portions of the PSP or only specific portions as identified by the PI in the LOD.

3.5.1.1. All PSPs shall include the planned program surveillance events at the CMO and next lower level supporting CMO(s). The PI/SPI, with coordinated input from the PST/SPST functional specialists, shall develop the PSP for the program using the contract and other requirements identified. Each PST/SPST functional specialist shall assist with the development of a portion of the PSP based on program requirements and area of expertise according to their functional policy.

3.5.1.2. The SPI shall develop the portion of the next higher level PSP to describe program surveillance activities at the subcontract level. These PSP portions must be negotiated between the PI/SPI and next lower level SPI.

3.5.2. The CMO commander/director shall approve the PSP annually or more frequently if PSP revisions reflect significant changes in PST resource requirements. If SPI required PSP portions are not specified in the LOD, the SPI will negotiate with the PI on the portions required. Otherwise, the SPI will complete all portions of the PSP.

3.5.3. PSP Requirements.

3.5.3.1. PSP Content. The minimum content of a PSP shall be:

- The Major Program ACAT rating
- Any special program considerations (e.g., Congressional visibility, overseas contingency operations)
- Operations security considerations
- Classified activities
- MOAs
- Surveillance activities
- Surveillance frequency
- Relevant contractor processes
- Major/critical program suppliers (when known)
- Type of functional specialist(s) required
- Program level EBST

3.5.3.2. DCMA-ANX 205-02 (Reference (j)) provides mandatory PSP requirements and detailed procedures for development of the PSP. A program level EBST shall capture at a minimum a summary level of all surveillance activities performed by PST functional specialist(s), PI, and other CMO resources. The PSP surveillance activities shall be time-phased in conjunction with program plans and schedules (e.g., IMS, IMP, Master Production Schedule) as applicable. The PSP shall include program support activities such as PST meetings, demand tasks, development of PARs, LODs, MOAs, Technical Support to Negotiations, etc. If other functional surveillance plans are generated (e.g., Quality, Software, Engineering, Production, EVM program analysis) the PSP shall either attach these plans to the overall PSP or incorporate the plans into the PSP by providing a link to the shared electronic storage location for the functional plan.

3.5.3.3. PST Resource Planning. Document in the PSP the resource requirements and types of functional specialists needed to accomplish PSP activities. Resource requirements shall be contained in the program EBST along with funded level of functional specialist resource requirements. When the program EBST identifies resource shortfalls, the functional supervisor, in coordination with the PI, shall elevate the resource requirements to the CMO functional directors and/or CMO commander/director or designee for disposition.

3.5.4. Monitor and Update PSP. The PSP is a living document and is meant for the PI/SPI to plan and adjust surveillance activities throughout the life of the program. The PSP shall be reviewed and updated when there are:

- Significant changes to functional surveillance plans
- Misalignment between the PSP and contractor's schedule
- Changes to customer expectations (i.e., MOA revision)
- Evolving contract technical requirements
- Significant changes to risk level of contractor processes
- Changes to PST functional composition
- Acquisition phase changes
- Major work/priority shift identified in the CPWS/LRCWP

3.5.4.1. The PSP must be reviewed and updated as applicable by the PI/SPI, with support from the PST/SPST, on a routine basis but at least every six months to ensure the plan is comprehensive and addresses for any surveillance gaps. Identified surveillance gaps may be:

- Surveillance activities identified during CRR that are not covered by a functional surveillance plan
- Changes in surveillance requirements
- Surveillance shortfalls due to CMO resource limitations

3.5.4.2. The PI/SPI, with support from the PST/SPST, shall periodically:

- Distribute the draft PSP to the PST for review and comment
- Review the PSP to ensure it does not contradict the functional specialist(s) surveillance plans as specified by the individual functional instructions
- Resolve any

3.5.5. Upload PSP in Electronic Document Workflow (EDW). The PSP, which includes the integrated functional surveillance plans, shall be loaded into the EDW under the appropriate contract number as determined by the ACO.

3.6. MEMORANDUM OF AGREEMENT (MOA).

3.6.1. DCMA CMOs shall document support agreements with PMOs (program, product, or project offices) through MOAs as required. MOAs shall be required under the conditions that follow:

- Buying activity technical representative on site, DFARS 242-74, “Technical Representation at Contractor Facilities” (Reference (v))
- PMO requires DCMA to perform duties beyond the traditional FAR/DFARS duties
- PMO requires an MOA

If these conditions do not exist, a MOA is not required. However, the LPC or CMO commander/director has the authority to decide if a MOA is appropriate.

3.6.2. Develop MOA. The intent of the MOA is not to restate FAR 42.302(a) (Reference (b)) duties. The minimum contents of a MOA shall be:

- The customer goals
- DCMA and PMO contact information
- PMO required surveillance duties (key performance parameters/knowledge skills assessments, if applicable)
- Any contract administration functions withheld by the PMO
- Any discretionary contract administration functions delegated by the PMO
- PMO supplied data elements required to conduct DCMA surveillance
- Contract number(s)

- Commercial and Government entity (CAGE) code(s)
- PMO specified reports and frequency
- Quality assurance letter of instruction, where applicable
- Any local supplier metrics, if applicable
- Contracting officer's representative responsibilities
- Visit request procedures
- Compliance with DFARS 242-74 (Reference (v))
- PMO-requested DCMA travel
- PM (or designee) signature
- CMO commander/director (or designee) signature

3.6.3. If a PMO technical representative is placed in the contractor's facility, DFARS 242-74 (Reference (v)) requires the PM to notify the cognizant DCMA CMO. The MOA must comply with DFARS 242-74 relative to contract administration services responsibilities for both DCMA and the technical representative.

3.6.4. The signed MOA shall be loaded into EDW under the appropriate contract number as determined by the ACO.

3.6.5. Evaluate and Update MOA. To ensure MOA requirements are consistent with relevant program activities, the PI and PST shall review the MOA on at least a yearly basis and update as needed in coordination with the PMO.

3.7. ESTABLISH MULTI-FUNCTIONAL LETTERS OF DELEGATION (LOD).

3.7.1. For major/critical program suppliers, the prime CMO shall determine their requirements concerning supporting CMO surveillance activities. These requirements should form the basis of negotiation with the supporting CMO(s). Once the required surveillance activities are determined, the prime PI shall initiate discussions with supporting CMO functional directors. The LOD must identify all requirements that will be delegated to the supporting CMOs.

3.7.1.1. The CMO commander/director at delegated location determines resource availability.

3.7.1.1.1. If adequate resources are not available to perform the full scope of delegation, then the SPI (or delegate) shall capture the resource shortfall using the EBST as a justification for obtaining additional resources. The CMO must conduct workforce prioritization to support high risk surveillance activities. This resource justification shall be elevated to CMO commander/director for disposition.

3.7.1.1.2. If the resource issue is not adequately resolved after escalating to the WAR room, the supporting CMO commander/director shall inform the commander/director at the delegating CMO of the continuing resource shortfall.

3.7.2. Once agreement has been reached, the prime CMO shall submit LODs to supporting CMOs responsible for major and critical program suppliers through the Delegation eTool application. The minimum LOD content shall include:

- DCMA and PMO contact information
- Required surveillance activities and support duties
- Personnel security clearance requirements
- DCMA responsibility for issuing delegations (as necessary) such as PMO directed activities outside of DCMA normal FAR responsibilities
- Contract number(s)
- CAGE code(s)
- Reporting requirements to be included in SPI PAR submissions
- Due dates
- Major Program PLAS code(s)
- EBST and applicable portions of the PSP
- Supporting documents such as MOA
- Any desired local supplier metrics (such as first pass yield)
- Issuing DCMA PI/SPI (or designee)
- Receiving CMO commander/director (or designee)

3.7.3. The final acceptance of a multi-functional delegation affirms that the receiving CMO commander/director or designee has internally approved/accepted the LOD.

3.7.4. Review and Update LOD(s). The PI and PST, in coordination with the supporting CMO, shall review the LOD(s) on at least an annual basis or whenever the prime contractor changes a subcontractor's purchase order. Update the LOD as necessary to reflect any changes in surveillance requirements.

3.7.5. Alternate Place of Performance.

3.7.5.1. In cases where a CMO has been awarded the contract administration functions but the place of performance has been designated to an alternate CMO, the prime CMO who has cognizance over the contract shall delegate the multi-functional program support to the alternate CMO with the exception of those functions retained by the prime CMO. When the contract is performed in multiple locations and falls under the cognizance of multiple CMOs, the alternate CMO designation is based on where the majority of the work is performed and where the PI must be physically located.

3.7.5.2. The prime administrative CMO, in coordination with the place of performance or alternate CMO, shall initiate a new PI eTool program record. The request form should identify the prime administrative CMO and the place of performance CMO and identify POCs at each CMO. DCMA-EAP shall establish the new program record in PI eTools and shall list the place of performance CMO (i.e., alternate CMO) as the lead CMO. In this situation, the responsibility for the PSP or PAR shall reside with the alternate CMO with the required inputs from the prime CMO.

3.8. EXECUTE PROGRAM SURVEILLANCE AND ANALYSIS.

3.8.1. Program Surveillance. The PI/SPI and PST shall engage with the contractor when performing PSP surveillance activities. Each PST member shall perform their assigned surveillance activities in the PSP, following appropriate functional surveillance policy. The PI/SPI and PST/SPST shall document records of surveillance results that support the PSP. Surveillance activities addressed in functional surveillance plans are documented in accordance with the requirements of the applicable functional specialist instruction. The results of program-specific surveillance activities contained within the PSP shall be documented to include (at a minimum):

- Date the surveillance activity was performed
- Name of the individual performing the surveillance activity
- Description of surveillance activity performed
- Supplier name
- Number and nature of observations made
- Number and nature of any non-compliances/weaknesses found
- Documentation and Identification of contractual non-compliance shall follow DCMA CAR process

3.8.2. Program Analysis.

3.8.2.1. This program analysis encompasses cost, schedule, and technical performance of the overall program and its critical elements at both the prime and lower levels.

3.8.2.1.1. Cost Analysis. For programs requiring EVM, the PST cost analysis shall include items such as:

- Monthly independent estimate at completion (IEAC)
- Analysis of contractor's cost variances
- Investigate cost variances to determine the validity of contractors stated root cause

3.8.2.1.1.1. DCMA IEAC shall assess the reasonableness of the contractor's estimate at completion. The IEAC shall be based on current cost, schedule, performance and predictive analysis which considers factors such as risk/issues/observations identified by the PST. Additionally, the potential cost drivers listed below are examples that shall be incorporated into the DCMA IEAC.

- Program requirements growth
- Technical issues as evidenced by adverse technical performance measure trends
- Manufacturing and production issues at the prime or subcontractor, etc.

3.8.2.1.1.2. The cost analysis should include interviews with the contractor control account manager or appropriate contractor representative to determine root cause.

3.8.2.1.2. Schedule Analysis. For programs requiring EVM, the PST schedule analysis shall include the items below and other schedule related Predictive Analysis Supplement (PAS) requirements:

- Schedule assessment per the “EVMS Program Analysis Pamphlet (PAP)” (NOTE: Procedures for this process are located on the resource page for this Instruction.)
- Confidence in the date for delivery/milestones
- Investigate schedule variances to determine the validity of contractors stated root cause(s) for programs requiring EVM

3.8.2.1.3. Technical Analysis. The PI shall ensure that a technical assessment, based on functional PST/SPST surveillance activities/events/actions contained in the PSP, is performed and documented. The PST technical analysis shall include:

- A description of technical issues with significant program impacts
- A description of technical risks with significant program impacts
- Recommended independent assessment of predictive impacts to program
- DCMA independent assessment of recommended corrective actions to include comments on any contractor’s corrective actions

3.8.2.1.4. Support of Integrated Baseline Review (IBR). When requested by the PMO, the DCMA PST shall provide the required support for the program IBR. The PI shall notify the PMO in writing if the IBR will be delinquent. The IBR should be conducted no later than 180 calendar days (6 months) after:

- Contract award
- Exercise of significant contract options
- Incorporation of major modifications. IBRs are also performed at the discretion of the PM or within a reasonable time after the occurrence of major events in the life of a program

3.9. PROGRAM ASSESSMENT REPORTING.

3.9.1. Develop and Submit Program PAR Reports. The PAR is an independent DCMA assessment of contractor performance to include predictive analysis. Only unclassified information shall be included in these documents. Functional specialists developing PAR reports are responsible to have an understanding of security classification guidance as cited in the contractual documents (e.g., DD Form 254, H-clause of the contract).

- The PAR is intended for all acquisition customers (i.e. OSD, PMO, DCMA leadership)

3.9.1.1. PST Functional Input to the PAR.

3.9.1.1.1. Each PST member should submit monthly inputs to the PI to support development of the PAR. These inputs should include significant surveillance results that potentially impact the contract performance.

3.9.1.1.2. The functional supervisor shall review and approve the functional input prior to submission to the PI.

3.9.1.1.3. The PST member shall use the eFIT and include all requirements such as:

- Risk
- Issue
- CAR
- Root cause analysis
- Contractor CAP or mitigation plan
- Completion date
- predictive analysis
- DCMA actions
- DCMA recommendations

3.9.1.1.4. Attaching the eFIT to the PAR is optional and is determined by the PI.

3.9.1.1.5. The PI shall evaluate the eFITs provided by the PST/SPST, along with any other assessment products, for potential inclusion in the PAR.

3.9.1.1.6. The PAR shall include a summary of each functional input that contributes to the rating assessment conclusions. This summary shall be written by the PI using the PST members' eFIT.

3.9.1.1.7. Functional inputs that do not have an impact on the assessment rating shall not be included in the PAR.

3.9.1.1.8. Surveillance activities, which do not lead to identifiable impacts, should be maintained in PST/SPST working papers, audit reports, eFIT, SPI assessments, etc.

3.9.1.1.9. Status of contractor business systems shall be obtained from the Contract Business Analysis Repository (CBAR) eTool. For any business systems that are or may potentially be disapproved, the cognizant DCMA contracting officer shall complete an eFIT that identifies any impact to the program.

3.9.1.2. Develop Monthly PAR. The PI, supported by the PST and SPI/SPST, shall prepare the monthly PAR in accordance with the mandatory PAR template. The PI shall summarize the significant input into the PAR. SPIs shall report their monthly surveillance results for their delegated functions to the PI or next higher tier SPI by either using the applicable

portions of the PAR template or via some other agreed-to reporting method as specified in the LOD. (**NOTE:** Procedures for this process are located on the resource page for this Instruction.)

3.9.1.3. Submit Monthly PAR.

3.9.1.3.1. The PI shall be required to submit a PAR to the PMO every month.

3.9.1.3.2. PST members shall provide their monthly PAR input to their functional supervisor for review prior to forwarding to the PI. All PST members except the EVM specialist must use the mandatory eFIT to provide their functional input to the PI. The EVM specialist shall provide input via the PAS template (i.e., Appendix A to the PAR).

3.9.1.3.3. The PI should submit a draft monthly PAR to the PST and their first-level supervisor prior to the formal submission to the PMO. The PI should allow adequate time for this draft to be reviewed prior to formal submission. The PI shall wait at least 3 days from PMO submission to allow for PMO feedback before submitting the PAR in the PAR eTool. The PMO has the opportunity to comment prior to the PI making the assessments available to DCMA management and possible dissemination outside the agency. The PI shall inform the PMO that information contained within the documents will be made available for DCMA senior management review and may be required to input into Defense Acquisition Management Information Retrieval (DAMIR) if subjected to DAES reporting MDAP and MAIS programs. The PAR may be subject to audit requests from OSD or other government entities.

3.9.1.3.4. The PAR template has been designed to comply with DCMA-INST 406 (Reference (e)). In most cases, the DAES assessments uploaded into DAMIR will be derived entirely from section 1 of the PAR. At a minimum, the sector directors shall review those PARs for adequacy in the month preceding the required DAES assessment submission to OSD, which is based on DAES ABC group listing as per DCMA-INST 406 (Reference (e)). In support of this requirement, the PI shall include the appropriate sector directors in their internal PAR review cycle. The PI, based on the CMO internal review process, shall provide a draft PAR to the sector directors not later than 3 working days before CMO commander's approval date. The PI is encouraged to leverage sector input earlier, when possible, to prevent any significant rework requests. The sector directors shall review the entire PAR with an emphasis on section 1 and provide feedback and recommendations where necessary prior to commander/director approval. The sector directors may forward the results and feedback from the review to Operations and regional functional specialists, as deemed necessary, to request a functional evaluation or address opportunities for improvement. (**NOTE:** Procedures for this process are located on the resource page for this Instruction.)

3.9.1.3.5. When a program involves multiple prime contracts administered by different CMOs, then the LPC shall develop aggregate DAES assessments. The LPC shall roll-up significant inputs from each prime contract CMO (i.e., PAR section 1 or other reports required by the LPC) in order to determine an aggregate DAES assessment rating.

3.9.1.3.5.1. The LPC shall deliver the aggregate DAES Assessments in accordance with DCMA-INST 406 (Reference (e)) to the sector directors not later than the last working day of the month.

3.9.1.3.5.2. The sector directors shall determine adequacy of the roll-up DAES assessments, request revisions when necessary, and comply with DCMA-INST 406 (Reference (e)) for OSD/DAMIR submission.

3.9.1.3.6. The SPI shall be required to submit the applicable portions of the PAR to the delegating CMO specified by the LOD, at least monthly. The SPI is not required to submit a complete PAR but only the portions that have been delegated in the LOD. Whenever the applicable portions of the PAR have not been specified in the LOD, the SPI shall complete the entire PAR. The SPI should submit the report to the SPST and supporting first level supervisor prior to the formal submission to their higher tier delegator (other SPI or PI).

3.9.1.4. Final PAR Submission. The PAR shall be submitted to the CMO commander/director for review and approval as a single record using the PAR eTool. PARs shall be submitted to their CMO commander/director or designee for review and approval as a single record using the PAR eTool (approval authority may be delegated in writing by exception only, in cases where the CMO commander/director or designee cannot physically complete the review in the prescribed timeframe). The date of submission via the PAR eTool for the PI shall be determined by the CMO commander/director. The date of PAR approval shall be no later than the last day of the month. The PI shall provide a copy of the PAR to the PMO. All functional inputs (i.e., eFITs) and supporting analysis must be compiled and attached to the PAR eTool record. This attachment is intended to be maintained in the PAR eTool as back-up information (i.e., working papers) and is not intended for delivery to the customer unless specifically requested.

3.9.1.5. When determining the most opportune time to finalize and submit a PAR, the CMO should strive to use the latest available data. It is recognized that the CMO needs time to analyze a contract performance report (CPR)/integrated performance management report (IPMR). Currency of data used should always be indicated (e.g., end of accounting month May 2013). If a DAES program is selected for review, the CMO must use the latest available CPR/IPMR data.

3.9.1.6. DCMA-PI is the primary conduit of programmatic information to OSD/service acquisition executive/PEO/senior sustainment customers. DCMA-PI acquires customer requirements, priorities and concerns, and communicates information and analysis in response to those needs. Any external requests for program information (other than from PM) shall be coordinated through DCMA-PI service portfolio division director(s) (SPDD) prior to release.

3.9.1.7. DCMA response to an external request for PAR information from an external audit agency shall follow DCMA-INST 934, "External Audit" (Reference (w)).

3.10. TRANSITION OF MPS REQUIREMENTS BETWEEN CMOs.

3.10.1. When the primary support responsibilities associated with a program that falls under the requirements of this Instruction transition between CMOs, whether through a change in contractor place of performance or through DCMA realignment, the losing CMO shall schedule and conduct a Major Program Support transition meeting (MPSTM) with the gaining CMO. On notification of the work relocation, the gaining CMO shall appoint an interim PI to work transition issues. Attendance at the MPSTM should include the losing CMO PI and PST representatives, leadership from the losing and gaining CMOs; and the interim PI assigned by the gaining CMO. The PMO shall also be invited to attend the meeting. The purpose of the meeting is to ensure the seamless transition of required program surveillance and support functions in accordance with the FAR, DFARS, and DCMA Instructions.

3.10.1.1. Where applicable and as permissible by the program security , the losing CMO must provide the gaining CMO with the following at the MPSTM:

- Weapon system description
- Weapon system schedule, including milestone review results
- Top level risks, risk assessment, watch items
- Recent re-baselines/IBR and impacts
- Program performance (cost, schedule, technical)
- Subcontractor performance (cost, schedule, technical)
- Major/critical subcontractor locations with DCMA POCs/PMO POCs
- Subcontractor requirements
- List of critical government-furnished equipment items
- Impact of future contract enhancements
- PST organization of losing CMO
- CMO resource impact assessment
- Identification of program security classification guide and sensitive information
- LODs – provide both hard and soft copies (eTools listing each by supplier prime/subcontract number and delegator name)
- List of open Bellringers and situation reports
- Summary of all CARs for the past year (date, level, function issuing, reason for issuing, CAPs and current status)
- Acronym list
- List of all contracts associated with the program
- All MPS-related documentation to include the MOA, the PSP and any associated program specific functional surveillance plans

3.10.2. The losing CMO shall notify their regional commander and the assigned sector director of the planned transition of program work. The sector director shall notify DCMA-PI SPDD of the change in program responsibilities and any concerns the sector director has based on the transition. DCMA-PI will determine if any senior customer notification is required. The sector director, or delegate, shall attend the MPSTM to establish the communication channels and convey any programmatic issues or concerns from a platform perspective. The losing Special Programs or International CMO must make appropriate notification through their chain of command.

3.10.3. If the gaining CMO does not have the functional skills or resources to accommodate the work transfer, the gaining CMO will notify their regional commander and present resourcing justification through the WAR room process. The losing Special Programs or International CMO will make appropriate notification through their chain of command.

3.10.4. The losing CMO shall notify all SPIs of the planned program workload transition and shall provide the SPIs with contact information at the gaining CMO.

3.10.5. The gaining CMO shall request or make the appropriate changes in PI eTool.

3.10.6. The gaining CMO will address any amendments (e.g., POCs) to the existing MOA as required. This should include, when applicable, recommendations for revision to the MOA, based on the gaining CMOs evaluation of requirements and impacts resulting from the change in place of performance.

3.10.7. After the formal transition of the contracts, the gaining CMO shall provide support in accordance with the requirements of this Instruction.

3.11. SUSPENSION OR COMPLETION OF MPS REQUIREMENTS.

3.11.1. When all or a subset of the requirements of this Instruction are no longer applicable to a Major Program (e.g., the program has progressed to the sustainment phase, is temporarily in a stop work phase, or will be reaching contract completion), the CMO must notify the appropriate sector director. The sector director shall notify DCMA-PI and, with the DCMA-PI Integration Director's written concurrence, the sector director is authorized to relieve the CMO of any further responsibility for the requirements of this Instruction for the program. International and Special Programs shall make the appropriate notifications within their command.

3.11.2. To request a temporary suspension of the MPS requirements if the requirements are still applicable, the CMO shall follow DCMA-INST 501 (Reference (p)).

3.11.3. When a program no longer requires DCMA MPS, the CMO shall coordinate with the region and applicable sector division for approval to remove the program from PI eTools. If approved, the sector director shall notify DCMA-EAP and request the program be removed from PI eTools. This relieves the CMO from this Instruction's requirements.

CHAPTER 4

TRAINING

4.1. DEFENSE ACQUISITION WORKFORCE IMPROVEMENT ACT (DAWIA) TRAINING REQUIREMENTS. To qualify as a PI/SPI, the individual shall be Level II DAWIA certified in their respective acquisition career field. PIs/SPIs shall be Level II DAWIA certified in Program Management within 24 months of assignment. Prime PIs for ACAT I programs should be Level III DAWIA certified in Program Management within 24 months of initial assignment as a PI. Prime PIs for MDAP programs shall be Level III DAWIA certified in Program Management within 24 months of initial assignment as a PI.

4.2. DCMA TRAINING REQUIREMENTS.

4.2.1. PI/SPI Training Requirement. In addition to DAWIA requirements, PIs/SPIs should complete EVMS Predictive Analysis (EVMS 104) with the required prerequisites and shall complete Fundamentals of Earned Value Management EVM 101 within 4 months of assignment and Intermediate Earned Value Management EVM 201 within 12 months of assignment. PIs/SPIs shall also complete Program Integrator course titled “Major Program Support (MPS) Workshop,” ENGR102 within 12 months of assignment provided the class is being offered within the fiscal year. For programs with EVM reporting, the PI/SPI is encouraged to complete EVM continuous learning modules. For programs with EVM requirements where the PST does not include an EVM specialist, then the PI/SPI must comply with EVMS Specialist Certification Program (ESCP). (**NOTE:** Procedures for this process are located on the resource page for this Instruction.)

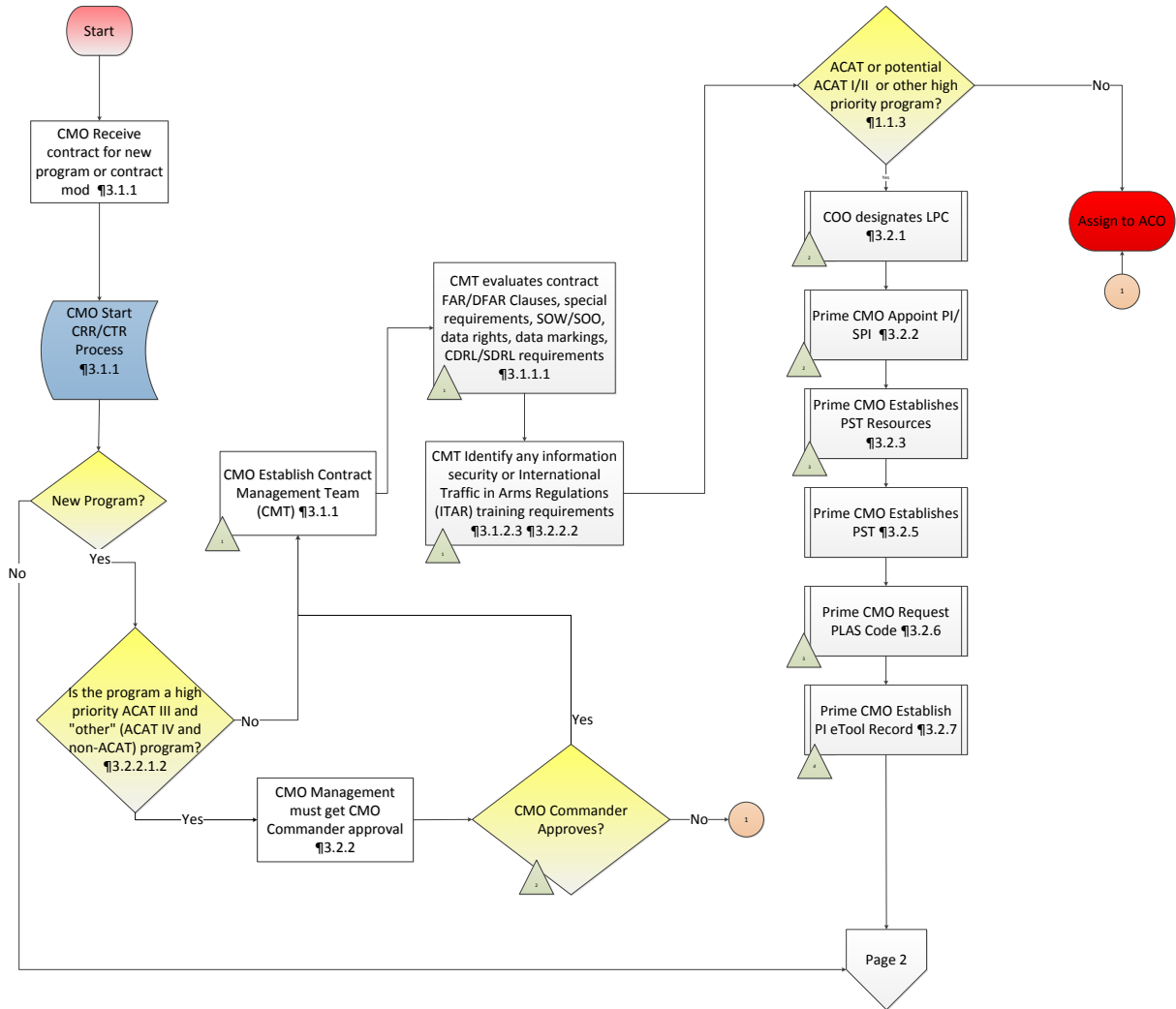
4.2.2. EVM Specialist Certification and Training Requirement. PST members performing EVM analysis shall comply with ESCP requirements.

4.2.3. PST Training Requirement. Functional supervisor(s) shall be responsible for ensuring personnel assigned to PSTs meet all their mandatory functional training requirements. The functional supervisor shall ensure that the PST member’s individual development plan is implemented to provide adequate knowledge for surveillance. For programs with EVM reporting, all PST members are encouraged to complete fundamental EVM training. (**NOTE:** Procedures for this process are located on the resource page for this Instruction.)

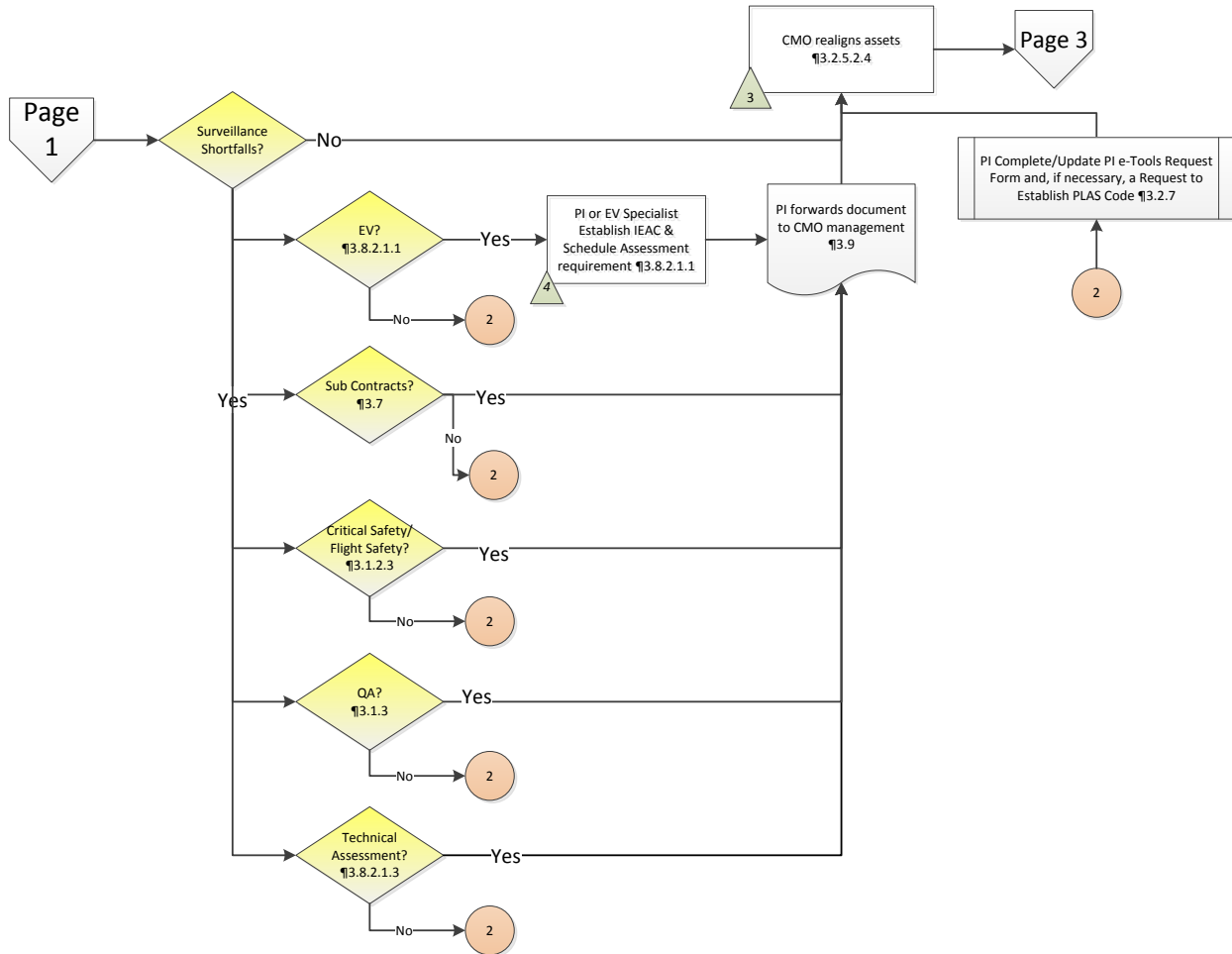
APPENDIX A

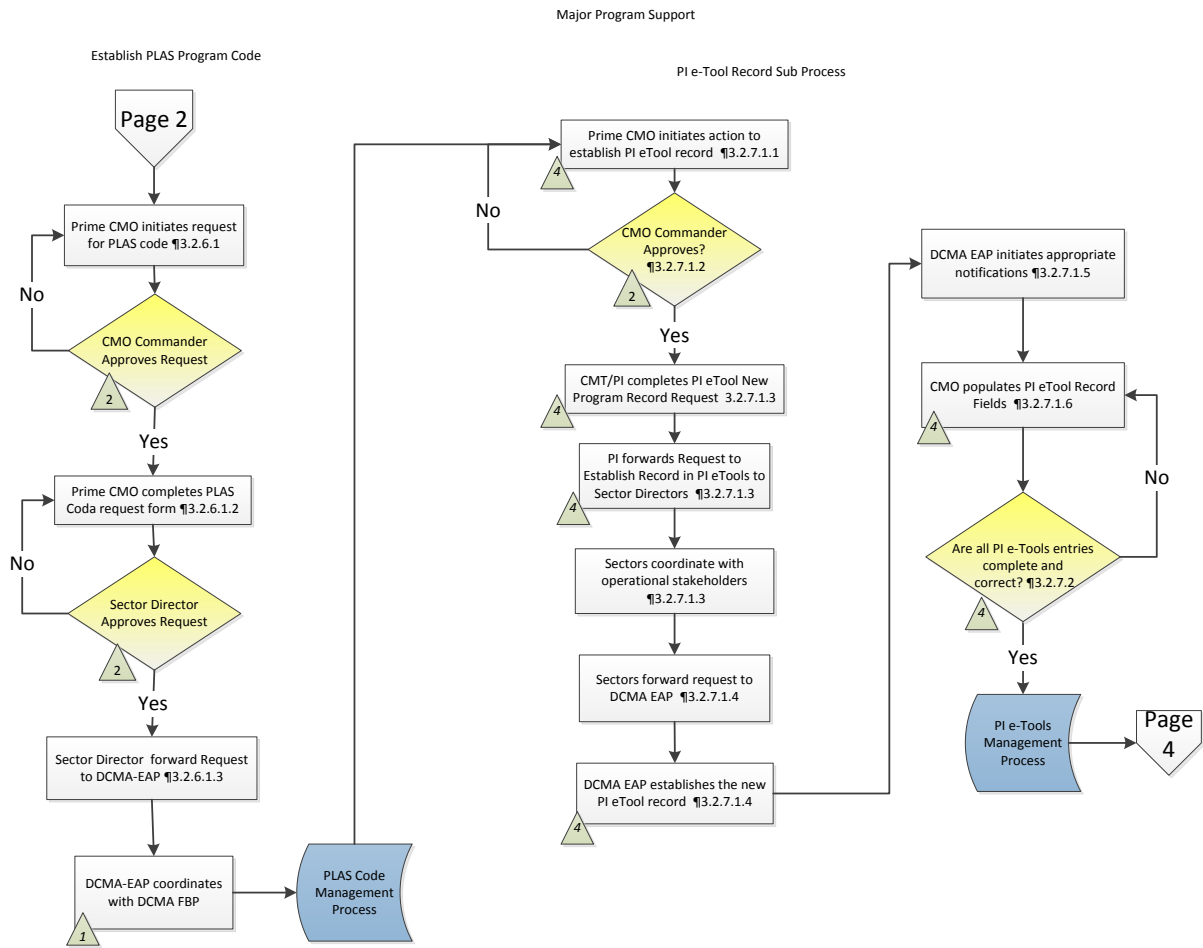
Flow Process

Major Program Support

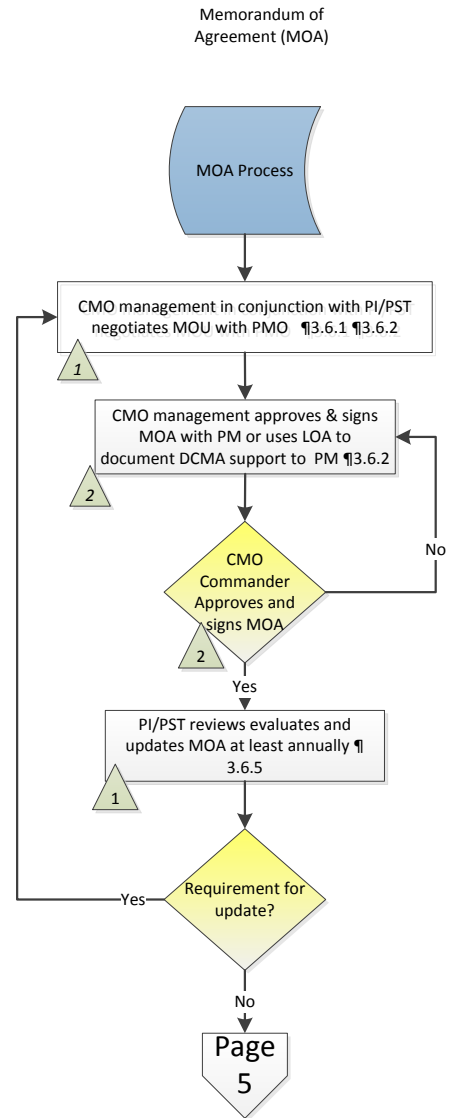
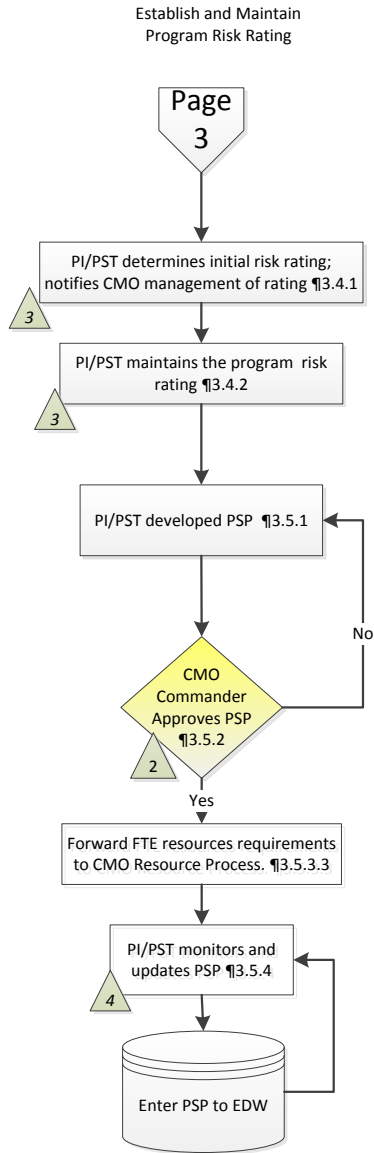


Major Program Support

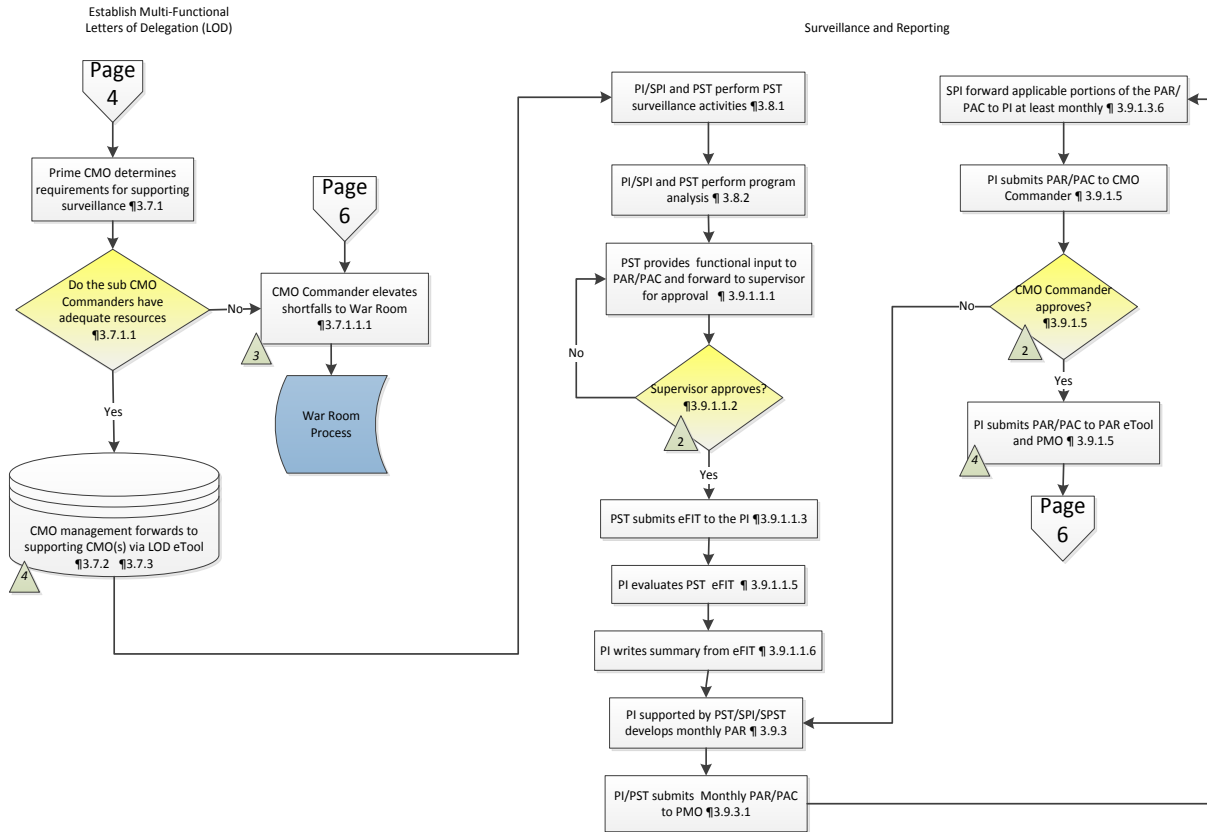




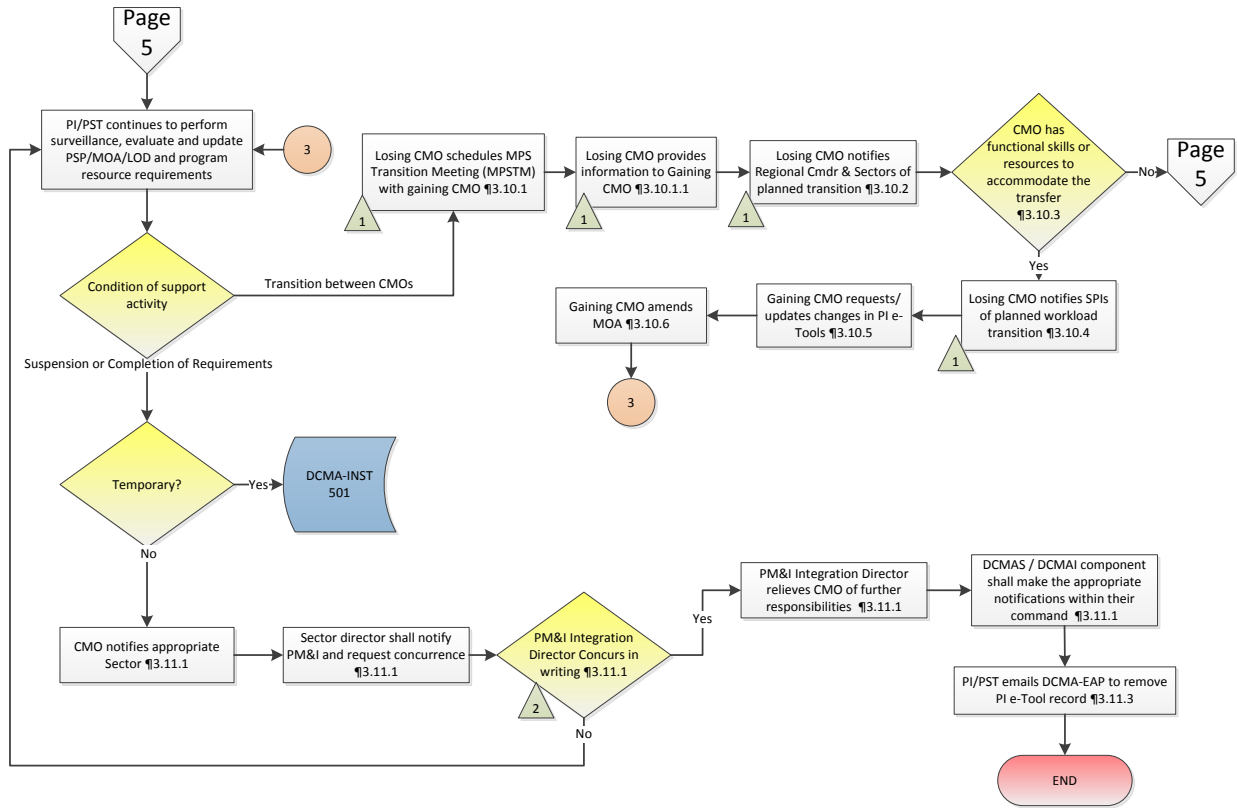
Major Program Support



Major Program Support



Major Program Support



Key Control Table			
Control	Functional Area	Risk	Possible Controls
1	Communication	<ul style="list-style-type: none"> - PST support and surveillance needs will not be met - Miscommunication 	<ul style="list-style-type: none"> - CMO establishes the contract management team - CMT evaluates contract FAR/DFAR clauses, etc. - CMT identifies ITAR requirements - DCMA-EAP coordination with DCMA-FBP - MOU negotiations - MPS Transition Meeting
2	Approvals and Accuracy Review	<ul style="list-style-type: none"> - Ensure proper level of attention and/or accuracy 	<ul style="list-style-type: none"> - CMO Commander Approval - Supervisory Approval - Sector Approval - Designation – LPC / PI / SPI - CMO management Approval - PI/PST MOA Review - Transfer of Information between Losing and Gaining CMO - DCMA-PI Integration Director Concurrence IN WRITING
3	Resources	<ul style="list-style-type: none"> - Inability to support surveillance activities - Inability to track use of man-hours 	<ul style="list-style-type: none"> - Designation of Resources - Establish PST - Realign assets - Risk Rating determinations - WAR Room - Establish PLAS Code
4	Documentation	<ul style="list-style-type: none"> - Inconsistent and inadequate data - Proper allocation and use of time in regard to eTool ease of use 	<ul style="list-style-type: none"> - Establish IEAC and schedule assessment requirements - Review of PI eTool records - PST maintains program risk - PSP monitoring - eTool Records – PI / PAR / LOD

GLOSSARY

DEFINITIONS

contract management team (CMT). The CMT reviews new contracts; performs an initial contract review; determines skill-set and PST organizational requirements to support new major programs; and as deemed necessary by the ACO, conducts a Post Award Orientation Conference (PAOC) with all CMT members assigned to that contract.

critical program suppliers. Subcontractors whose failure to perform can significantly diminish program success and is independent of contract value or EV requirement.

major programs. Includes all ACAT I and II (to include but not limited to MDAP and MAIS) and other programs considered high priority as determined by the CMO commander/director in collaboration with the applicable sector director.

major program suppliers. Subcontractors or other prime corporate business units that have contractual EV requirements or represent a significant percentage of the contract acquisition cost (e.g., at least 20 percent of contract acquisition cost).

post award orientation conference (PAOC). A PAOC may be held to perform a detailed review of the contract, specifically highlighting and discussing complex terms and conditions. The conference will ensure that all parties understand contractual requirements.

program memorandum of agreement (MOA). The program MOA is a bi-lateral/multi-lateral document endorsed by the CMO commander/director and PMO Manager, which identifies the goals of DCMA support.

program support team (PST). The PST is a matrixed multifunctional team lead by a program integrator which supports a major acquisition program. The PI and team members are assigned by the CMO commander through an appointment letter. The PST may include functional specialists from contract administration, earned value management, quality assurance, engineering, software, manufacturing and production, supply change management, as well as other functions.

GLOSSARY

ACRONYMS

ACAT	acquisition category
ACO	administrative contracting officer
CAGE	commercial and Government entity
CAP	corrective action plan
CAR	corrective action request
CBAR	contract business analysis repository
CDRL	contract data requirements list
CER	customer engagement recordings
CMO	contract management office
CMT	contract management team
COO	chief operations officer
CPA	contract performance assessment
CPR	contract performance report
CPWS	customer priority workload summary
CRR	contract receipt and review
DAES	defense acquisition executive summary
DAMIR	defense acquisition management information retrieval
DAWIA	Defense Acquisition Workforce Improvement Act
DCMA-ANX	DCMA annex
DCMA-INST	DCMA instruction
DCMA-EA	Engineering and Analysis Directorate
DCMA-EAP	Engineering and Analysis Directorate, Major Program Support Division
DCMA-FB	Financial and Business Operations Directorate
DCMA-FBR	Financial and Business Operations Directorate, Federal Business Division
DCMA-PI	Portfolio Management and Integration Directorate
DFARS	Department of Defense Federal Acquisition Regulation Supplement
DID	data item description
DoDD	Department of Defense directive
EBST	event based surveillance table
EDW	electronic document workflow
eFIT	electronic functional input template
ESCP	EVMS specialist certification program
EV	earned value
EVM	earned value management
EVMS	earned value management systems
FAR	Federal Acquisition Regulation
FMS	foreign military sales
HQ	headquarters

IBR	integrated baseline review
IEAC	independent estimate at completion
IMP	integrated master plan
IMS	integrated master schedule
IPMR	integrated performance management Report
ITAR	international traffic in arms regulations
LOD	letter of delegation
LPC	lead platform command
LRCWP	long range customer workload projection
MA	management assessment
MAIS	major automated information systems
MDAP	major defense acquisition programs
MOA	memorandum of agreement
MPS	major program support
MPSTM	major program support transition meeting
NASA	National Aeronautics and Space Administration
OPRO	office of primary responsibility
OSD	Office of the Secretary of Defense
PA	production assessment
PAOC	post award orientation conference
PAR	program assessment report
PAS	predictive analysis supplement
PCO	procuring contracting officer
PEO	program executive officer
PI	program integrator
PLAS	performance labor accounting system
PM	program manager
PMO	program management office
POC	point of contact
PSP	program support plan
PST	program support team
SCI	sensitive compartmented information
SDRL	supplier data requirements list
SOO	statement of objectives
SOW	statement of work
SPDD	service portfolio division director(s)
SPI	support program integrator
SPST	support program support team
WAR	workload and resources