



DEPARTMENT OF DEFENSE
Defense Contract Management Agency

INSTRUCTION

Planning and Programming Process

Financial and Business Operations
OPR: DCMA-FBP

DCMA-INST 714
January 6, 2014
Validated Current, December 5, 2014

1. PURPOSE. This Instruction:

a. Implements the Planning and Programming (P&P) elements of the department's Planning, Programming, Budgeting, and Execution (PPBE) process in accordance with (IAW) the DoD Directive (DoDD) 7045.14, "The Planning, Programming, Budgeting, and Execution (PPBE) System" (Reference (a)).

b. When combined with DCMA Instruction (DCMA-INST) 971, "Strategic Planning" (Reference (b)) and the DCMA-INST 701, "Budget Formulation and Execution" (Reference (c)), fully implements the department's PPBE process.

c. Establishes policy, assigns roles and responsibilities, and provides guidance for the following:

- Internal development, review, and approval of program changes
- Development of the Agency Program Objective Memorandum (POM)
- Reporting and synchronization of the Agency POM with various Office of the Secretary of Defense (OSD) activities
- Coordination of Agency Select and Native Programming (SNaP) reporting
- Coordination of Agency participation in the Director, Cost Assessment and Program Evaluation (DCAPE) Program Issue Teams

d. Is established in accordance with DoDD 5105.64, "Defense Contract Management Agency (DCMA)" (Reference (d)).

2. APPLICABILITY. This Instruction applies to all Agency Components.

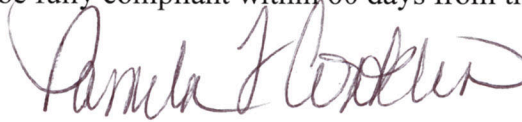
3. MANAGERS' INTERNAL CONTROL PROGRAM. IAW DCMA-INST 710, "Managers' Internal Control Program" (Reference (e)), this Instruction is subject to evaluation and testing. Process flowcharts are located at Appendix A.

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

5. PLAS CODE(S).

- a. Process: 221 – Resourcing and Budgeting.
- b. Programs: ACAT/Other Customers (when applicable).
- c. Other National; Training and Travel; Local Programs (when applicable): POM – Planning and Programming.

6. EFFECTIVE DATE. By order of the Director, DCMA, this Instruction is effective January 6, 2014, and all applicable activities shall be fully compliant within 60 days from this date.



Pamela F. Conklin
Executive Director
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REFERENCES

- (a) DoDD 7045.14, “The Planning, Programming, Budgeting, and Execution (PPBE) System,” January 25, 2013
- (b) DCMA-INST 971, “Strategic Planning,” November 19, 2012
- (c) DCMA-INST 701, “Budget Formulation and Execution,” (under development)
- (d) DoD Directive (DoDD) 5105.64. “Defense Contract Management Agency (DCMA),” January 10, 2013
- (e) DCMA-INST 710, “Managers’ Internal Control Program,” September 12, 2011
- (f) Public Law 111-352, “Government Performance and Results Modernization Act of 2010,” January 4, 2011

CHAPTER 1

POLICY

1.1. POLICY.

1.1.1. The Agency Director, assisted by senior review groups, provides strategic guidance throughout the PPBE process, exercises centralized control of policy direction by concentrating on major policy decisions, defines planning goals, issues programming guidance and allocates resources. The Director provides the Components, through periodic council reviews, an additional opportunity for input and comment in all phases of the PPBE process.

1.1.2. The Executive Director, Financial and Business Operations (FB) shall be responsible for management and operation of the PPBE process. The FB, supported by the Resource Management Panel (RMP) and the Program Review Working Group (PRWG), provides leadership and oversight, assisting the Agency Director in leadership of the overall PPBE process.

1.1.3. The PPBE process is an annual resource allocation process within a quadrennial planning cycle. The Quadrennial Defense Review (QDR), force development guidance, program guidance, fiscal and budget guidance are the principle guides used in this process. Programs and budgets shall be formulated annually. The budget shall cover 1-year, and the program shall encompass an additional 4 years.

1.1.4. The PPBE process shall facilitate execution reviews of past decisions and actions. The reviews shall assess actual execution performance based upon Agency goals and strategic objectives. Recommendations from these reviews shall be linked to decisions on future resource allocations.

1.1.5. The P&P processes shall support the objective to provide the most effective combination of forces, equipment, and support attainable within fiscal constraints to conduct contract administrative services (CAS), contingency contract administrative services (CCAS), and mission support IAW DoDD 5105.64 (Reference (d)).

1.1.6. The P&P processes facilitate the alignment of resources to prioritized capabilities based on an overarching strategy and balancing necessary CAS, CCAS, and mission support capabilities with risk, affordability, and effectiveness.

1.1.7. The P&P processes shall provide mechanisms for making and implementing fiscally-sound decisions in support of the National Security Strategy, National Military Strategy, the Defense Planning Guidance (DPG), and other Department strategies, guidance, and plans.

CHAPTER 2

ROLES AND RESPONSIBILITIES

2.1. DIRECTOR OR DEPUTY DIRECTOR. The Director or Deputy Director shall implement the P&P process by:

2.1.1. Representing the Agency with Department leadership, receiving guidance, and providing strategic P&P direction for the Agency's CAS, CCAS, and mission support missions.

2.1.2. Defining the strategy and policy framework, including priorities, affordability, balanced risk, feasibility, and cost effectiveness needed to guide, manage, and allocate resources across the Agency's mission areas.

2.1.3. Leading periodic senior review groups.

2.1.4. Providing decisions as required.

2.2. EXECUTIVE DIRECTOR. FINANCIAL AND BUSINESS OPERATIONS (FB). The FB Executive Director implements the PPBE process within the Agency; advises Agency leadership on all PPBE matters related to business, financial and program management; chairs the RMP; and executes the PPBE through the various FB divisions. Those FB divisions and the varying areas of responsibility are detailed immediately below.

2.2.1. Budget Division (FBB) serves as the Agency lead for the budgeting and execution review process elements of PPBE, chairs the Budget Execution Review (BER), and maintains cognizance over all related Agency policy, data, tools, and training.

2.2.1.1. FBB receives, reviews, and analyzes the first 3 years in the Future Year Defense Plan (FYDP) construct (Prior Year, Current Year (CY), and Budget Year (BY)), and FBB ensures that Agency resource requirements are reflected as requested and approved by OSD.

2.2.1.2. FBB interacts with the Office of the Under Secretary of Defense (Comptroller) (USD(C)), to include, but not limited to, budgetary Resource Management Decisions (RMD) issued at the end of the PPBE cycle.

2.2.1.3. FBB gathers information and prepares reporting requirements for the Agency Budget Estimate Submission (BES) exhibits, budgetary issue justification paper,s and the Select and Native Programming for Information Technology (SNaP-IT) exhibits in close coordination with the Information Technology (IT) Directorate.

2.2.1.4. FBB leads the Agency review and decision process for budget resource changes across the CY and BY.

2.2.2. Manpower and Organization Management Division (FBO) serves as the Agency lead for the manpower program, chairs the Organization Management Configuration Control Board and maintains cognizance over all related Agency policy, data, tools, and training.

2.2.2.1. FBO conducts analysis for the determination, verification, validation, and documentation of the Agency's manpower requirements across the FYDP plus 3 years, BYs +5 through +7.

2.2.2.2. FBO maintains the Agency's official records of manpower requirements and allocation of authorizations for each component and all subcomponents across the FYDP, utilizing the OSD Fourth Estate Manpower Tracking System (FMTS).

2.2.3. Business Planning, Programs and Analysis Division (FBP) serves as the Agency lead for the P&P elements of PPBE, chairs the PRWG, and maintains cognizance over all related Agency policy, data, tools, and training.

2.2.3.1. FBP receives, reviews, and analyzes the middle 4 years of the FYDP construct, BYs +1 through +4 ensuring Agency resource requirements are reflected as requested and approved by OSD.

2.2.3.2. FBP interacts with the DCAPE, to include programmatic RMD issues at the end of the PPBE cycle.

2.2.3.3. FBP satisfies reporting requirements for the POM, reviews programmatic issue justification papers, prepares and provides briefings for Agency leadership and presentation to OSD leadership, and reviews and prepares various SNaP exhibits in coordination with the responsible component within the Agency.

2.2.3.4. FBP supports Component development and submission of programmatic resource changes across BYs +1 through +4.

2.2.3.5. FBP leads the Agency review and decision process for programmatic resource changes across BYs +1 through +4.

2.3. AGENCY COMPONENT HEADS. Component Heads shall participate in the annual PPBE process; provide qualified representatives to the RMP and PRWG with authority to make decisions for the Component head; continuously review all allocated resources across the FYDP to determine excess and deficiencies based on the mission requirements; and provide periodic updates to FB during the annual PPBE process and at meetings of the RMP and PRWG.

2.4. AGENCY COUNCIL. The Council is the senior forum for the final intra-Agency coordination and deliberation on Agency-level issues, including agency budget and finance decisions, strategic planning, resource allocation, policy and program development, and performance management. It is the Council's responsibility to provide advice on the resource requests and determine the appropriate response for the Agency. While the Council provides the final senior-level review and deliberation, the Director holds final decision-making authority.

2.5. RESOURCE MANAGEMENT PANEL (RMP). The RMP is responsible for providing advice and recommendations to the Agency Director or Council for financing of resource

initiatives. The FB Executive Director shall communicate to the Council the status and results of panel reviews and initiatives for information or decision.

2.6. PROGRAM REVIEW WORKING GROUP (PRWG). The PRWG is responsible for supporting the RMP by providing accurate and timely information to facilitate decisions, and assist in supporting the corporate development and execution of the program review process. The PRWG is responsible for reviewing program guidance and strategic plans to develop the Agency's Integrated Priority List (IPL). Additionally, the PRWG shall review resource requests for increases, decreases, and reprogramming actions for BYs +1 through +4. The FBP Director shall communicate to the PRWG the projects and/or tasking results from data reviews.

CHAPTER 3

PROCEDURES

3.1. PLANNING AND PROGRAMMING (P&P). P&P allows for sound management practices and plays an important role in achieving business and mission objectives. The planning phase provides the Agency with both strategic and operational direction. The primary output of the programming process is the accurate development of the POM, BES, and supporting analysis, briefings, data, and exhibits, which comprise the primary document used by the Assistant Secretary of Defense for Acquisition (ASD(A)), to review and submit the Agency's programming proposals to the Office of Under Secretary of Defense for Acquisition, Technology and, Logistics (AT&L). The Agency submission shall include an analysis of missions, objectives, alternative methods to accomplish objectives, and allocation of resources for the PPBE. Collaboration at all levels of the Agency is required throughout the PPBE process.

3.2. PREPARATION FOR THE ANNUAL POM SUBMISSION. In preparation for the annual POM submission and subsequent defense, internal P&P activities are conducted. OSD guidance details the requirements and milestones leading to the completion of the Program Budget Review (PBR) (Figure 1). The standard review shall consist of a data call for changes in resources due to mission updates. The Director and his designee have the authority to request an ad hoc data call with varying parameters (change-based, zero-based, or specialized program review, etc.). The Agency's P&P process is outlined in four phases:

- Phase 1 – Guidance and Interpretation
- Phase 2 – Review
- Phase 3 – External Issue Review
- Phase 4 – Ad Hoc Actions and Reporting

Figure 1. Sample OSD Program Review Guidance

FY 2014 – FY 2018 Integrated Program/Budget Review Guidance

CHAPTER 1.0 GENERAL INSTRUCTIONS

1.1 FY 2014 Process Overview.

The integrated Program/Budget Review (PBR) process will be conducted in five phases: (1) Electronic Program Objectives Memorandum (POM) submissions, Electronic Budget Estimates Submissions (BES) for FY 2014 – FY 2018, Electronic Overseas Contingency Operation (OCO) Submissions for FY 2014; (2) Formal POM presentations; (3) Issue nomination submissions and disposition; (4) Issue development; review and decisions; and (5) Budget submission (includes OCO), review, decisions, and final budget lock. The current timeline is:

• FY 2014 Strategic Portfolio Review	Feb-Mar
• Defense Planning Guidance Issued	March
• Fiscal Guidance issued	April 3
• Manpower Management System Memorandum of Agreement Open	April 23
• FY 2014-2018 Integrated Program and Budget Guidance Issued	June
• Strategic Portfolio Review Results	May-Aug
• OSD data systems available for POM/BES submissions	July 2
• Issue Nomination System Opened for Preparation (PB13 data)	July 2
• OMB Circular A-11 issued	July
• Non-Compliance for DoD-Wide Performance Goals (Attachment 4.9-2) Due	Aug 1
• Component Program/Budget Submissions Due (databases lock)	Aug 3
• Component Executive Summaries Due	Aug 3
• Component POM Briefs to 3-Star/DMAG	30 Jul-10 Aug
• Draft FYDP data available	Aug 20
• Select and Native Programming (SNaP) Exhibits Due	Aug 20
• Issue Nomination System Opened for Submission (POM14 data)	Aug 21
• Issue Nominations Due	Aug 31
• Budget justification material due to OSD/OMB	Sep 4
• Budgetary SNaP Exhibits Due	Aug 17
• USD/COCOM Issue Briefs to Deputy Secretary	Sep 4-14
• Issue Nomination Disposition	Sep 14
• Strategic Portfolio Re-engagement	Sep-Oct
• Program/Budget Review and Issue Team Analysis	Sep - Nov
• Manpower System Memoranda of Agreement cut off date	Oct 19
• Budget Lock	Dec 21
• President's Budget released	Feb 4

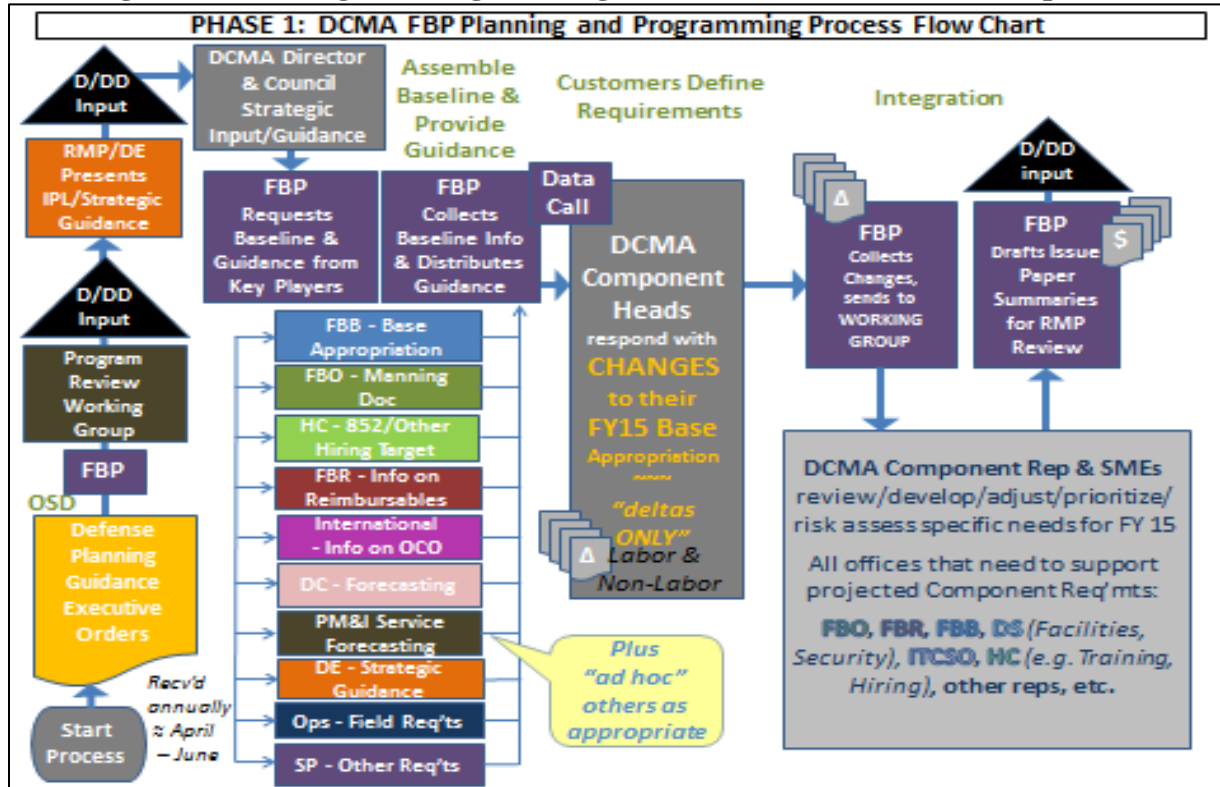
The above schedule establishes milestones for completion of the PBR by December 2012. Components should be mindful that this schedule is subject to adjustments as events unfold.

1.2 Concept of Operations.

Services and Agencies will use the process described above to develop an integrated Program/Budget proposal for FY 2014 to FY2018. Services and Agencies proposals must conform to their Fiscal Guidance, meet the requirements from the Defense Planning Guidance and the intent of decision memoranda from previous Program/Budget Review cycles, and address fact-of-life changes. These proposals are not constrained by the exact allocation of funds to program elements or budget line items reflected in the FY 2013 President's Budget but,

3.3. PHASE 1 – GUIDANCE AND INTERPRETATION. (Refer to Figure 2.)

Figure 2. Planning and Programming: Phase 1 – Guidance and Interpretation



3.3.1. Phase 1 begins with the receipt of higher-level guidance, e.g., the QDR, DPG, and other Defense guidance. Agency internal guidance includes, but is not limited to, the Director’s IPL, the Agency Strategic Plan, and other strategic guidance. Guidance can be from various sources in various formats.

3.3.2. FBP, in collaboration with the PRWG, initiates interpretation and translation of guidance. Standard guidance should normally be received around the June timeframe, but is acknowledged whenever information becomes available. The select group of components who preview the guidance and provide specific DCMA strategic insight are Operations (DCMAO), Portfolio Management and Integration Directorate (PI), Special Programs (DCMAS), International (DCMAI), and Strategic Effects (DE). This group, along with oversight by the Director, shall define DCMA forecasting for input in the Strategic Planning Guidance and development of the Agency’s IPL for the FYDP years.

3.3.3. In preparation for the official internal P&P data call, FBP shall collect component-level baseline data that shall provide insight to specific Agency-level programmatic views. At a minimum, the following components shall provide baseline guidance as defined below:

3.3.3.1. Office of Strategic Effects (DE). DE is responsible for identifying the Agency Strategic and Performance Priorities, and communicating these priorities to the Agency Components to ensure the required resources are identified to accomplish these priorities. DE

shall publish a new Agency Strategic Plan following the year in which the term of the President commences IAW the Government Performance and Results Modernization Act (Reference (f)). Annually, DE will produce a 2-year Strategic Management Plan to ensure Agency efforts are aligned to strategies established by the Department.

3.3.3.2. Chief of Staff (DC). DC, through the Combat Support Center, has the responsibility to provide baseline information on the support required for contingency missions as identified when DCMA is assigned the contract delegation authority, or when any other emerging requirements are levied on DCMA which may impact our level of support.

3.3.3.3. Financial and Business Operations (FB).

3.3.3.3.1. Budget (FBB). FBB supports the DCMA Program Review process via the Business Plan (BP) process. The BP process provides baseline labor and non-labor funding allocations through the FYDP cycle. FBB is responsible for working with all activities to ensure all requirements are funded to the extent possible outside of the FYDP years. The activities shall identify requirements exceeding the funded baseline levels. FBB shall present to the RMP the results of the BP process for the BY plus one (i.e.; FY 2013 and FY 2014). Requirements outside the 2-year scope shall be addressed through the Program Review process. FBB is responsible for the distribution of funding allocations based on the DCMA Director and/or Council direction.

3.3.3.3.2. Manpower and Organizational Management Division (FBO). FBO's role in the P&P process is to document all Agency validated and approved requirements and authorizations in the OSD's FMTS. Requirements shall be verified and validated through the utilization of various FBO manpower requirement determination methods; i.e., workload assessments, resource workload modeling, manpower staffing standards, and workload measurements. Approved requirements shall be documented throughout the year, provided by the operational directorates' (DCMAO/I/S) Workload and Resourcing (WAR) Room process. Headquarters, centers, and IT requirements shall follow the manpower change request form process, in addition to approved General Orders that define organizational structure changes. Approved FYDP authorizations shall be documented during the resourcing phase of the P&P cycle. The following components shall provide FBO with authorizations for their areas of operation: FBP shall provide civilian Operations and Maintenance (O&M) (Direct and Reimbursable) and with coordination from the Acquisition Talent Management Office, the Defense Acquisition Workforce Development Fund (DAWDF) authorizations at the component-level. DCMA Planning and Budgeting Center (DCMAN-A) shall provide O&M and DAWDF authorizations below the Operations Directorate-level. FBO shall provide each component with their respective Unit Manning Documents (UMD) for the FYDP.

3.3.3.3.3. Business Planning, Programs, and Analysis (FBP). FBP is responsible for translating manpower authorizations from multiple Agency funding streams (O&M appropriation, DAWDF, Overseas Contingency Operations supplemental funding), and any other funding stream issued by OSD, in order to support Department priorities; Agency strategic imperatives; and general direct, indirect, and overhead missions. Total manpower authorizations are computed factoring in elements such as Agency hiring lag, annual acquisition workforce

hiring targets, and reimbursable projections with other Department, non-department, and foreign customers. Total manpower authorizations are reflected in the Agency UMDs maintained by FBO.

3.3.3.3.4. International and Federal Business (FBR). FBR is the central control point responsible for coordinating, validating, and consolidating DCMA's reimbursable workload requirements. FBR facilitates the administrative, financial management, and oversight (e.g. establishing agreements, accounting, execution-monitoring, billing, close-out) of the Agency's reimbursable efforts on behalf of the DCMAO (to include Regions, Contract Management Organizations (CMO) and NASA Product Operations), DCMAI and DCMAS directorates. FBR acts, in part alongside PI, as the agency liaison between DCMA's functional/operational activities and our major non-DoD customer base, foreign international country customers, and the Defense Security Cooperation Agency. During the P&P process, FBR shall assist by ensuring that the forecasting of reimbursable earnings, allocations of funds, and execution of the funds by programs is accurately tracked through the FBR database tools. This shall assist FBP in the documentation of the FYDP requirements pertaining to the P&P process.

3.3.3.4. International (DCMAI). DCMAI shall develop and submit validated resource requirements, based on strategic guidance provided by the Agency headquarters' components and CMO commanders. In addition to the guidance, input may be required from FBB and FBO. HC shall be relied on to execute the most effective hiring strategies. IT Directorate shall be relied upon to provide technology products to the workforce.

3.3.3.5. Special Programs (DCMAS). Cleared DCMAS employees, utilizing an approved customer engagement strategy, engage with customer officials at the program, Service, and OSD levels. Through these engagements, DCMAS develops workload trends and gains specific business intelligence regarding new work coming to the DCMAS organization. This knowledge, combined with information regarding on-going programs at DCMAS CMOs, is the foundation for the Directorate's validated resource requirements.

3.3.3.6. Operations (DCMAO). DCMAO shall develop and submit validated resource requirements, based on strategic guidance provided by the Agency headquarters' components. In addition to the guidance, input may be required from FBB and FBO. Resource requirement adjustments shall be made for out-year changes based on updates to fiscal guidance.

3.3.3.7. Human Capital (HC). HC will ensure that the Agency equities of recruit, hire, develop, and retain are adequately addressed throughout the P&P process. HC will support Component P&P actions with recruitment, staffing, training and retention strategy advice supporting Component efforts to justify the allocation of Agency resources in response to known or projected changes in programs, mission, supporting technologies, industrial manufacturing, and production technological advances. This effort will span the acquisition, non-acquisition, and financial management workforces.

3.3.3.8. Corporate Support (DS). DS shall be relied upon to provide corporate support service products to the workforce. DS shall develop and submit validated resource requirements, based on strategic guidance provided by the Agency headquarters' components, DCMAO, and

combatant commanders. In addition to the guidance, input may be required from FBB and FBO. Changes in resource requirements can be driven by security and anti-terrorism directives, energy conservation and management requirements, and facilities requirements and regulations.

3.3.3.9. Information Technology (IT). IT shall be relied upon to provide technology products to the workforce. IT shall develop and submit validated resource requirements, based on strategic guidance provided by the Agency headquarters' components, DCMAO, and combatant commanders. In addition to the guidance, input may be required from FBB and FBO. Changes in resource requirements can be driven by the changing technological environment, DoD Directives, and the DoD Chief Information Officer initiatives.

3.3.3.10. Portfolio Management and Integration (PI). In support of the Agency's P&P Process, PI shall provide the DCMA Enterprise with strategic intelligence on customer requirements through the FYDP. This information shall allow the Agency to better plan its resource requirements in the out years. As the Agency focal point for integrated strategic acquisition insight and analysis, PI draws data from various sources to perform its assessment. Sources include:

- The President's Budget, Service budgets, and Defense Planning Guidance
- House and Senate Armed Service Committee mark-ups
- Service funding profiles
- Customer Strategic Plans
- New program starts, shutdowns, workload shifts
- State of Industry reviews (concentrated on strategic lead industries)
- OSD Policy changes and resulting impacts
- Standard and Poors
- CAP IQ (S&P Capital IQ Database)
- Department of Commerce

3.3.3.10.1. PI uses the above data sources in their annual update to their 10-year industrial base analysis. This analysis describes industry trends and identifies future technology changes. It assesses risk in the major industrial sectors (Aircraft, Missiles, Ships, Vehicles, and Space) and predicts the effects of funding changes on Major Defense Acquisition Programs (MDAP). In addition to the industrial base assessment, PI analyzes major customer's strategic plans and identifies issues that may impact future year budgets. PI assesses customer budget plans to identify major systems that will undergo significant changes or recapitalizations that would be expected to affect DCMA resource requirements. Similarly, PI provides data on future major sustainment programs and their sourcing as it affects DCMA. PI also considers other intelligence from Customer Liaison Representatives (CLR) and Service Portfolio Directors to understand priorities, requirements, issues, and trends from our Service customers, OSD, and industry.

3.3.3.10.2. The final piece of this strategic intelligence assessment comes from PI's attendance at the Defense Acquisition Executive Summary (DAES) reviews. Service strategies to accommodate the proposed budget changes are also discussed at this meeting. The results of these analyses are intended to assist DCMAO and FB in assessing external impacts on future

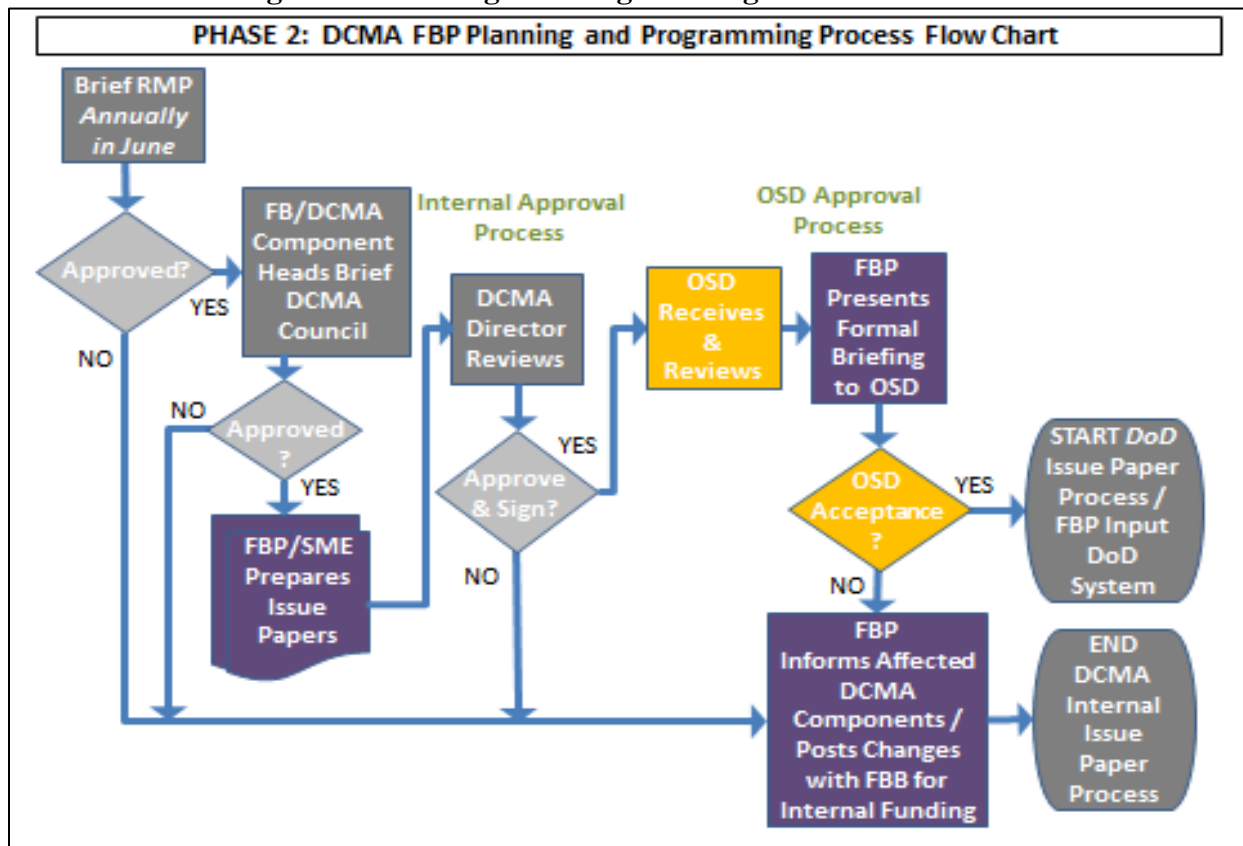
DCMA resources. Changes or anticipated changes in OSD (AT&L) policies may temper this analysis if they result in significant changes to contract administration oversight or emphasis.

3.3.4. The baseline data and guidance collected from the key stakeholders above will be used by FBP to formally task all DCMA Components for submission of programmatic resource changes, using the Program Change Request (PCR) (Figure 5) for the FYDP years. The PCRs shall address the change in resources, either an increase or a decrease, and shall include information on background, strategic linkage, impact, and cost estimates.

3.3.5. FBP collects the programmatic resource changes and distributes to the PRWG for review and prioritization.

3.4. PHASE 2 – REVIEW. (Refer to Figure 3.) DCMA has three formal opportunities for reviewing program changes. In each case, the components will have the opportunity to review the change requests and submit a response prior to meeting in a group forum.

Figure 3. Planning and Programming: Phase 2 – Review



3.4.1. First, the PRWG conducts reviews that shall develop, adjust, risk assess and prioritize the change requests. The PRWG shall prioritize the PCRs using the Prioritization Model form (Figure 4) established by FBP.

3.4.2. The second formal review shall be conducted when the PRWG presents their recommendation to the RMP for disposition of the change requests. The RMP has this opportunity to question and provide disposition of the program change. Possible disposition actions are: approve, disapprove, and approved to resource internally.

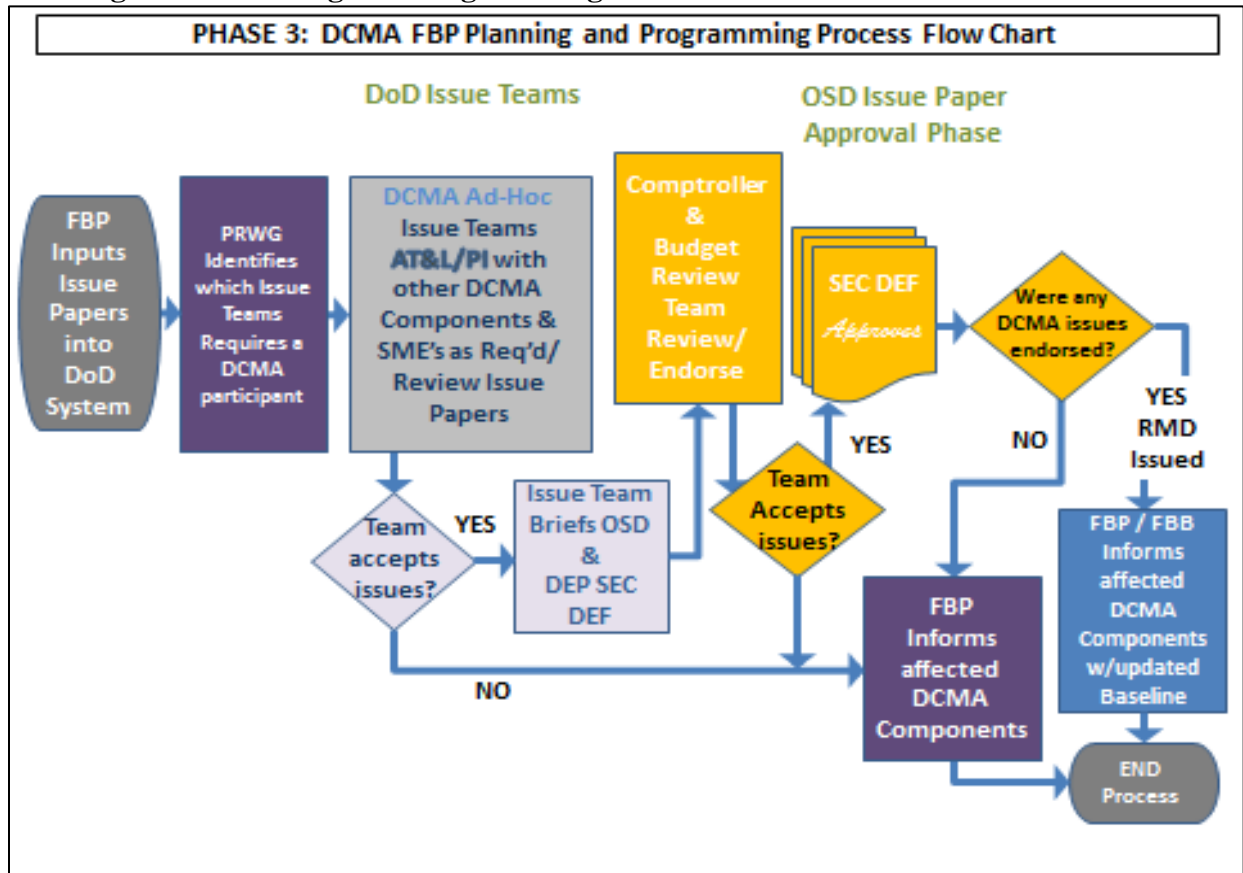
3.4.3. The third and final internal review opportunity shall be at the DCMA Council. Each component shall present their PCRs for disposition providing all significant and substantive data. Approvals shall go forward for submission to OSD for resourcing; disapprovals shall be documented for potential reconsideration in future reviews, disapproval and resource internally shall be turned over to FB for immediate funding allocation to and/or from the appropriate component. The Council shall be informed if immediate resources are not available. In this event, internal PCRs shall remain active until resources are available and can be funded without further approval.

Figure 4. Prioritization Model Data Elements

Directorate		Control #		Program Title	
Requested Authorizations (FY15)	Requested Authorizations (FY16)	Requested Authorizations (FY17)	Requested Authorizations (FY18)		
Requested Amount (FY15) (\$000)	Requested Amount (FY16) (\$000)	Requested Amount (FY17) (\$000)	Requested Amount (FY18) (\$000)	Total Program Request (\$000)	Fund Type
Required for Mission	Health, Safety, Security	Regulatory/ Compliance	Return on Investment (Intrinsic/ Extrinsic)	People/Quality of Work/ Environment	Risk/Materiality
					Priority Ranking

3.5. PHASE 3 – EXTERNAL ISSUE REVIEW. (Refer to Figure 5.)

Figure 5. Planning and Programming Process: Phase 3 – External issue Review



3.5.1. DCMA’s Principal Staff Assistant is the AT&L ASD(A) for P&P submissions. FBP has the lead for determining the appropriate course of action to acquire resources from the USD(C) and DCAPE. At this point, external resource requests are identified by the name of Issue Papers (IP). DCMA’s IPs are prepared by FBP in conjunction with the sponsoring component. The timeframe for submission of IPs are designated by formal instructions received from OSD. DCMA must go through the extensive review process in order to receive resource approval from the Secretary of Defense.

3.5.2. DCMA briefs ASD and DCAPE on the Agency’s changing mission and correlating resource requirements. If ASD and DCAPE cannot internally resource DCMA’s requirements, approval is granted to submit the IPs via the Issue Nomination system for consideration by the Secretary of Defense along with other Service and DoD Agencies.

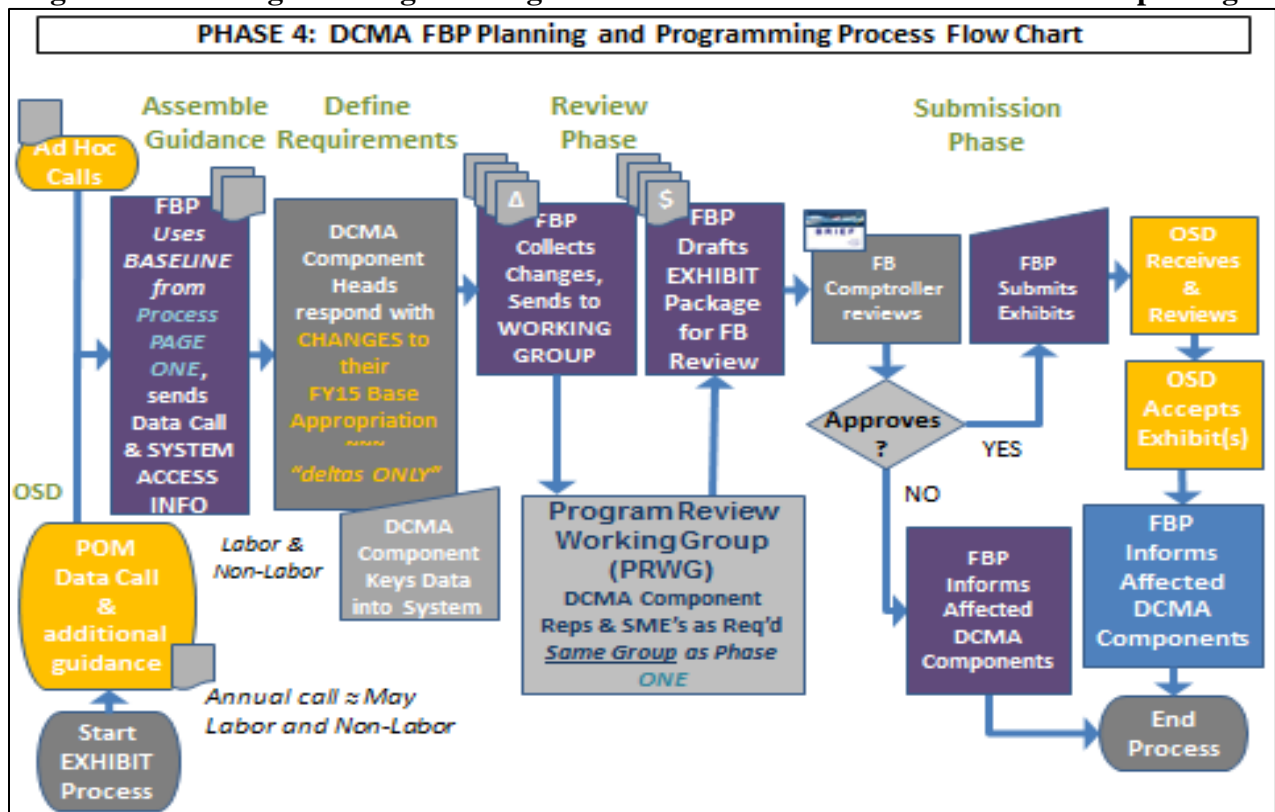
3.5.3. FBP has the responsibility of entering the IPs and ensuring DCMA is aware of opportunities in the OSD review process to validate their requirements. The OSD review process is formally administered by the Issue Review Team (IRT). The IRTs are normally conducted within the National Capitol Region (NCR) with classified security parameters. When notifications are received about the establishment of IRTs, FBP shall notify the PRWG who shall make the determination if a DCMA representative is required to attend. Based on PI’s mission

and location in the NCR, PI has been identified as the primary attendee and shall provide routine status updates to FB.

3.5.4. IPs that are approved by the IRT are presented to the Deputy Secretary of Defense. If approved, it is USD(C)'s responsibility to distribute the resources via budget and program RMDs. RMDs are posted on the Program Review Web site. FB shall monitor the system for RMDs that affect DCMA and distribute to the appropriate Comonents as they become available.

3.6. PHASE 4 – AD HOC ACTIONS AND REPORTING. (Refer to Figure 6.) Throughout the fiscal year, FBP shall receive scheduled and unscheduled internal and external reporting requests. These requests shall be coordinated through the P&P process as much as possible. A standard external request is the SNaP justification material (exhibits) during the Program Review and President's budget submission. The appropriate Comonents shall be notified of specific exhibit requirements. FBP is responsible for ensuring point of contacts receive SNaP access, training, and suspense notification. Agency exhibits are validated via the internal review process which consists of approval by the PRWG and the Executive Director, Financial Business and Operations. As necessary, programs with far-reaching implications may require approval by the Agency Director.

Figure 6. Planning and Programming Process: Phase 4 – Ad Hoc Actions and Reporting



3.7. OUT-OF-CYCLE PROGRAM CHANGE REQUESTS (PCR). (Refer to Figure 7.)

3.7.1. Out-of-cycle PCRs will be extremely limited in quantity and focused on narrow, well defined issues that cannot wait until the initiation of the next POM cycle.

3.7.2. Out-of-cycle PCRs will be initiated by Components sending a complete PCR form to the Planning & Programming Inbox. FBP will coordinate the PCRs with FBB and FBO to ensure data sufficiency. Requests for additional manpower authorizations must be supported by a valid requirement on the Components UMD at the time of PCR submission, or it will be returned without action.

3.7.3. FBP will schedule the requesting Component to present the PCR at the PRWG for Agency-wide coordination to ensure all impacts of the request have been identified and coordinated across the Agency. Upon completion of review, the PRWG will forward the action to the RMP with a recommendation.

3.7.4. Upon completion of RMP review, FB will schedule the requesting Component for a decision briefing to the Agency Director.

3.7.5. Following the Agency Director's decision, FB will coordinate across the effected Components to ensure all appropriate baselines are updated to reflect the positive decision; and will hold negative decisions for reconsideration during the next regular cycle.

Figure 7. Program Change Request (PCR)

DCMA UFR & Program Change Request Form										
Activity:	Must Select			Organization:	Must Select			Date:		
Issue POC:				POC Phone #:				Funds Control Officer:		
Unit Priority #:	Must Select		Risk Designator:	Must Select		Directive:			Fund Type:	Must Select
Title:								IBPR Control #:	IPBR-14-XX-001	
DESCRIPTION										
NARRATIVE JUSTIFICATION										
IMPACT IF NOT FUNDED										
RISK ACCEPTED										
Linkage to IPL:	Must Select							Recurring?	Must Select	
Latest Date to Process Funding Doc:				Fiscal Quarter:	Must Select			Self-Finance:	Must Select	
								Self-Finance From OC:	Must Select	
Manpower	EXECUTION AND BUDGET YEARS			INTEGRATED PROGRAMMING AND BUDGET REVIEW (IPBR) YEARS						
	FY13	FY14		FY15	FY16	FY17	FY18		TOTAL	
UMD Authorizations										
Funding Requirements (\$K)	FY13	FY14		FY15	FY16	FY17	FY18		TOTAL	
Must Select Object Class (OC)	0.00	0.00		0.00	0.00	0.00	0.00		0.00	
Must Select Object Class (OC)	0.00	0.00		0.00	0.00	0.00	0.00		0.00	
Must Select Object Class (OC)	0.00	0.00		0.00	0.00	0.00	0.00		0.00	
Must Select Object Class (OC)	0.00	0.00		0.00	0.00	0.00	0.00		0.00	
TOTAL COST BY FY	0.00	0.00		0.00	0.00	0.00	0.00		0.00	
Baseline	0.00	0.00		0.00	0.00	0.00	0.00		0.00	
Shortfall	0.00	0.00		0.00	0.00	0.00	0.00		0.00	
Analyst:								Director:		
FBP Use Only										
Program Review Working Group:	Disapproved:						Approved:		Ranking:	
Resource Management Panel:	Disapproved:						Approved:		Ranking:	
DCMA Council:	Disapproved:						Approved:		Ranking:	

DCMA UFR & Program Change Request Form							
Activity:	Must Select			Organization:	Must Select		Date:
Issue POC:				POC Phone #:	Funds Control Officer:		
Unit Priority #:	Must Select		Risk Designator:	Must Select		Directive:	Fund Type: Must Select
Title:						IBPR Control #:	IPBR-14-XX-001
DESCRIPTION							
NARRATIVE JUSTIFICATION							
IMPACT IF NOT FUNDED							
RISK ACCEPTED							
Linkage to IPL:	Must Select					Recurring?	Must Select
Latest Date to Process Funding Doc:	Fiscal Quarter:			Must Select		Self-Finance:	Must Select
						Self-Finance From OC:	Must Select
	EXECUTION AND BUDGET YEARS			INTEGRATED PROGRAMMING AND BUDGET REVIEW (IPBR) YEARS			
Manpower	FY13	FY14	FY15	FY16	FY17	FY18	TOTAL
UMD Authorizations							
Funding Requirements (\$K)	FY13	FY14	FY15	FY16	FY17	FY18	TOTAL
Must Select Object Class (OC)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Must Select Object Class (OC)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Must Select Object Class (OC)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Must Select Object Class (OC)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Must Select Object Class (OC)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL COST BY FY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Baseline	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shortfall	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Analyst:				Director:			
FBP Use Only							
Program Review Working Group:	Disapproved:			Approved:			Ranking:
Resource Management Panel:	Disapproved:			Approved:			Ranking:
DCMA Council:	Disapproved:			Approved:			Ranking:

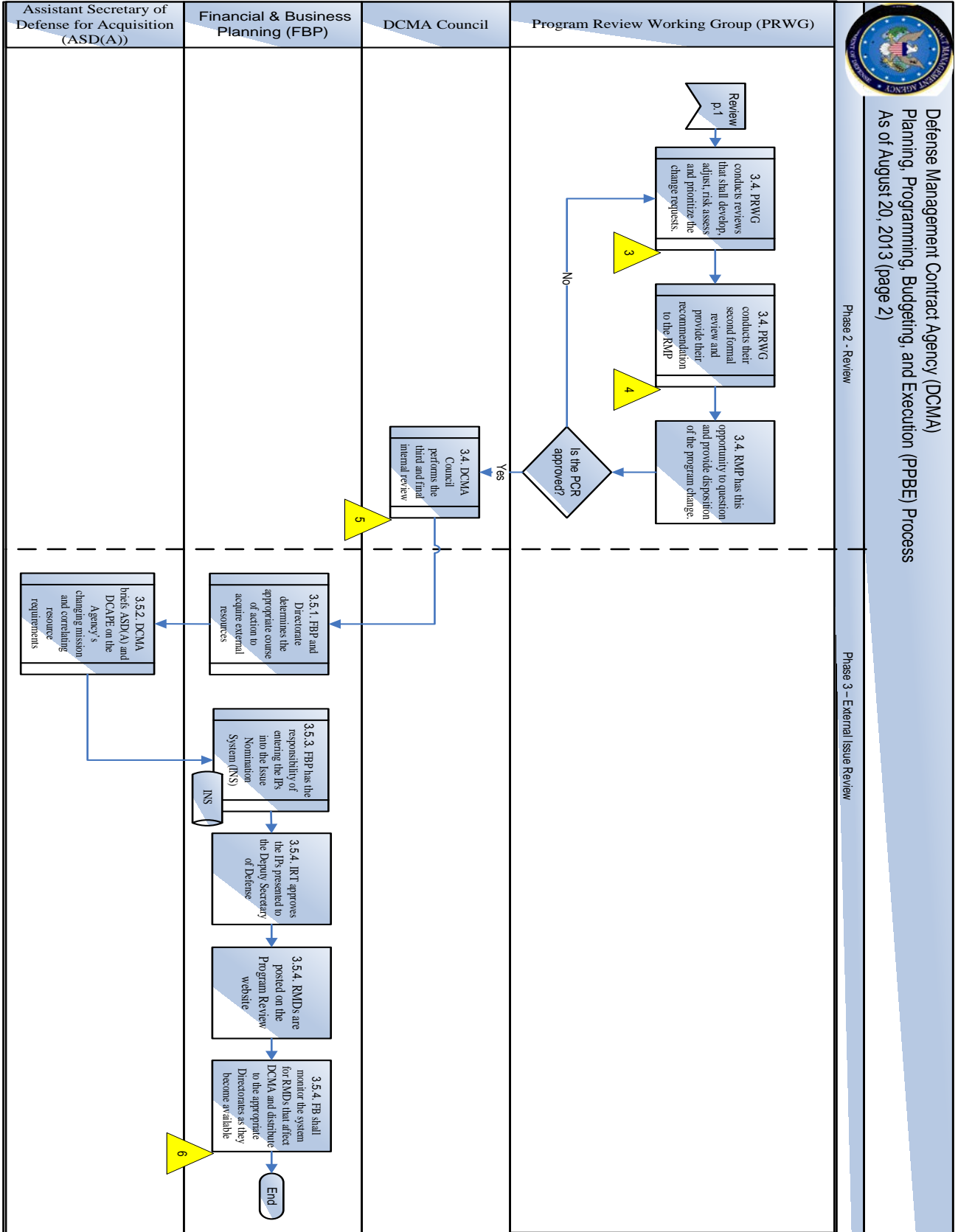
CHAPTER 4

RELEASE OF PPBE DATA

4.1. GENERAL. All PPBE documents and associated data sets produced during the PPBE process contain, at a minimum, sensitive and confidential matters and such materials should be properly protected from unauthorized disclosure and should be marked, “FOR OFFICIAL USE ONLY.” Access to materials by those not directly involved in the PPBE process undermines the confidentiality necessary for the Secretary of Defense to obtain candid advice on the defense program. In addition, access to PPBE information by private firms seeking DoD contracts may jeopardize the integrity of the procurement process. Therefore, to the extent permitted by law, and in collaboration with Agency legal counsel, PPBE documents and associated data shall not be disclosed outside DoD and other Government agencies directly involved in the defense planning and resource allocation process.

4.2. CONTRACTOR ACCESS. Contracts that require the contractor to have access to PPBE data in the performance of the contract will contain a nondisclosure clause, prohibiting the release of PPBE material and requiring employees to sign a nondisclosure agreement.

4.3. DISCLOSURE AUTHORITY. See DoDD 7045.14, enclosure 4 (Reference (a)), for detailed guidance.



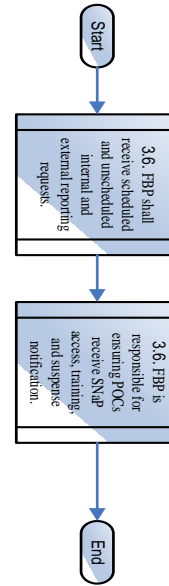
Defense Management Contract Agency (DCMA)
Planning, Programming, Budgeting, and Execution (PPBE) Process
As of August 20, 2013 (page 2)



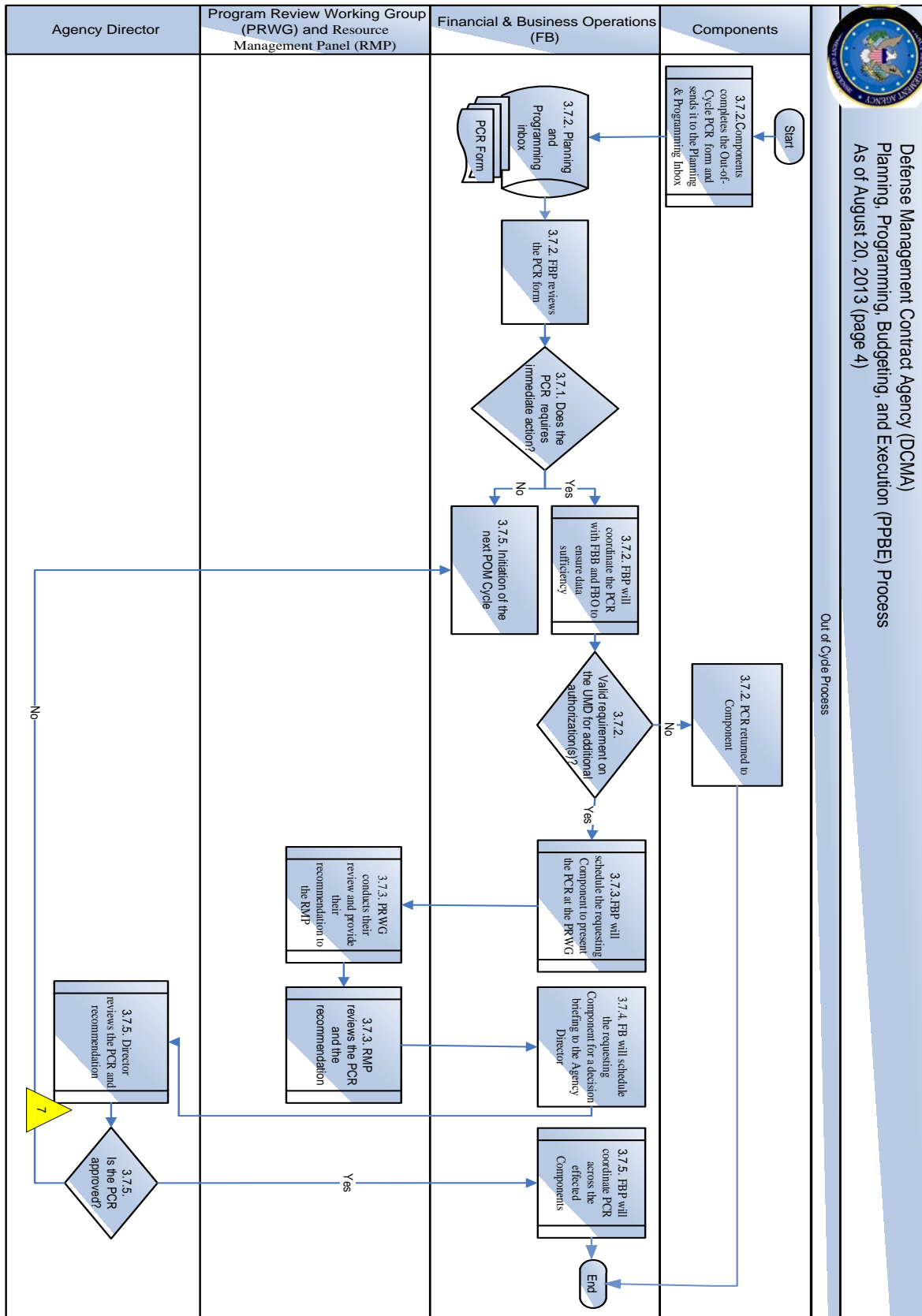
Defense Management Contract Agency (DCMA)
Planning, Programming, Budgeting, and Execution (PPBE) Process
As of July 11, 2013 (page 3)

Phase 4 - Ad Hoc

Financial & Business Planning (FBP)



APPENDIX B – OUT-OF-CYCLE PROCESS FLOWCHART



**APPENDIX C
KEY CONTROL TABLE**

Control	Functional Area	Risk	Possible Controls
1	Management Review and Approval	Failure to provide an enterprise level review leaves the potential for incomplete/inaccurate forecasting input from the components for the Strategic Planning Guidance and development of the Agency's Integrated Priority List (IPL) for the FYDP years.	The Director approves DCMA forecasting for input in the Strategic Planning Guidance and Agency's Integrated Priority List (IPL).
2	Segregation of Duties	Failure to receive information from all key stakeholders will negatively impact the accuracy and completeness of data distributed to the components, compromising their programmatic resource changes across the FYDP.	FBP collects the baseline data and guidance from the key stakeholders to formally task all DCMA Components for submission of programmatic resource changes.
3	Management Review	Failure to provide a review by subject matter experts, representing all facets of the Agency, leaves the potential for an incomplete assessment of risk and a lack of prioritization. The result would be the incorrect program change requests (PCR) being moved forward.	The Program Review Working Group (PRWG) conducts reviews that shall develop, adjust, risk assess and prioritize the PCRs.
4	Management Review	Failure to provide a review by subject matter experts, representing all facets of the Agency, leaves the potential for an incomplete assessment of risk and a lack of prioritization. The result would be the incorrect program change requests (PCR) being moved forward.	The Resource Management Panel (RMP) evaluates and provides disposition of the PCRs before review by the DCMA Council.
5	Management Review	Failure to provide a review by subject matter experts, representing all facets of the Agency, leaves the potential for an incomplete assessment of risk and a lack of prioritization. The result would be the incorrect program change requests (PCR) being presented to the Agency director.	The Resource Management Panel (RMP) evaluates and provides disposition of the PCRs before review by the Agency director.
6	Monitoring	Changes/decisions affecting the funding for DCMA are communicated in the Resource Management Documents. Failure to monitor this information would result in DCMA not making appropriate updates due to an increase or decrease in funding.	FB monitors the CAPE and Comptroller systems for Resource Management Documents that affect DCMA.
7	Management Review	Failure to provide an enterprise level review leaves the potential for resources to be distributed in a way that does not promote the successful completion of the Agency's mission.	The Agency Director conducts the final formal review and provides recommendation during briefing.

GLOSSARY

DEFINITIONS

These terms and their definitions are for the purpose of this Instruction.

FYDP. Program and financial plan for the DoD as approved by the Secretary of Defense. The FYDP arrays cost data, manpower, and force structure over a five year period (force structure for an additional three years), portraying this data by major force program for DoD internal review for the program and budget review submission. It is also provided to the Congress annually in conjunction with the President's budget. (Reference (a))

Planning. The first phase of the Department's PPBE process. (Reference (a))

POM. The final product of the programming process within DoD that displays the resource allocation decisions in response to and in accordance with P&P guidance. (Reference (a))

Resourcing. The second phase of the Department's PPBE process; consisting of programming, budgeting and execution review.

GLOSSARY

ACRONYMS

ASD(A) AT&L	Assistant Secretary of Defense for Acquisition Acquisition, Technology, and Logistics
BER	Budget Execution Reviews
BES	Budget Estimate Submission
BP	Business Plan
BY	Budget Year
CAS	Contract Administrative Services
CCAS	Contingency Contract Administrative Services
CLR	Customer Liaison Representative
CMO	Contract Management Organization
CY	Current Year
DAES	Defense Acquisition Executive Summary
DAWDF	Defense Acquisition Workforce Development Fund
DC	Chief of Staff
DCAPE	Director Cost Assessment and Program Evaluation
DCMA-INST	DCMA Instruction
DCMAO	DCMA Operations Directorate
DCMAS	DCMA Special Programs Directorate
DCMAI	DCMA International Directorate
DE	Office of Strategic Effects
DoDD	DoD Directive
DPG	Defense Planning Guidance
DS	Corporate Support Directorate
FB	Financial and Business Operations Directorate
FBB	Financial Business and Operations – Budget Division
FBO	Financial Business and Operations – Manpower and Organizational Management Division
FBP	Financial and Business Operations – Business Planning, Programs, and Analysis Division
FBR	Financial Business and Operations – International and Federal Business Division
FTMS	Fourth Estate Manpower Tracking System
FYDP	Future Years Defense Program
HC	Human Capital
IAW	in accordance with
IP	Issue Paper

IPL	Integrated Priority List
IRT	Issue Review Team
IT	Information Technology
MDAP	Major Defense Acquisition Program
NCR	National Capital Region
O&M	Operations and Maintenance
PCR	Program Change Request
PI	Portfolio Management and Integration Directorate
POM	Program Objective Memorandum
PPBE	Planning, Programming, Budgeting, and Execution
PRWG	Program Review Working Group
P&P	Planning & Programming
QDR	Quadrennial Defense Review
RMD	Resource Management Decision
RMP	Resource Management Panel
SNaP	Select and Native Programming Data Input System
SNaP-IT	Select and Native Programming Data Input System – Information Technology
UMD	Unit Manning Document
USD(C)	Under Secretary of Defense (Comptroller)
WAR	Workload and Resourcing