

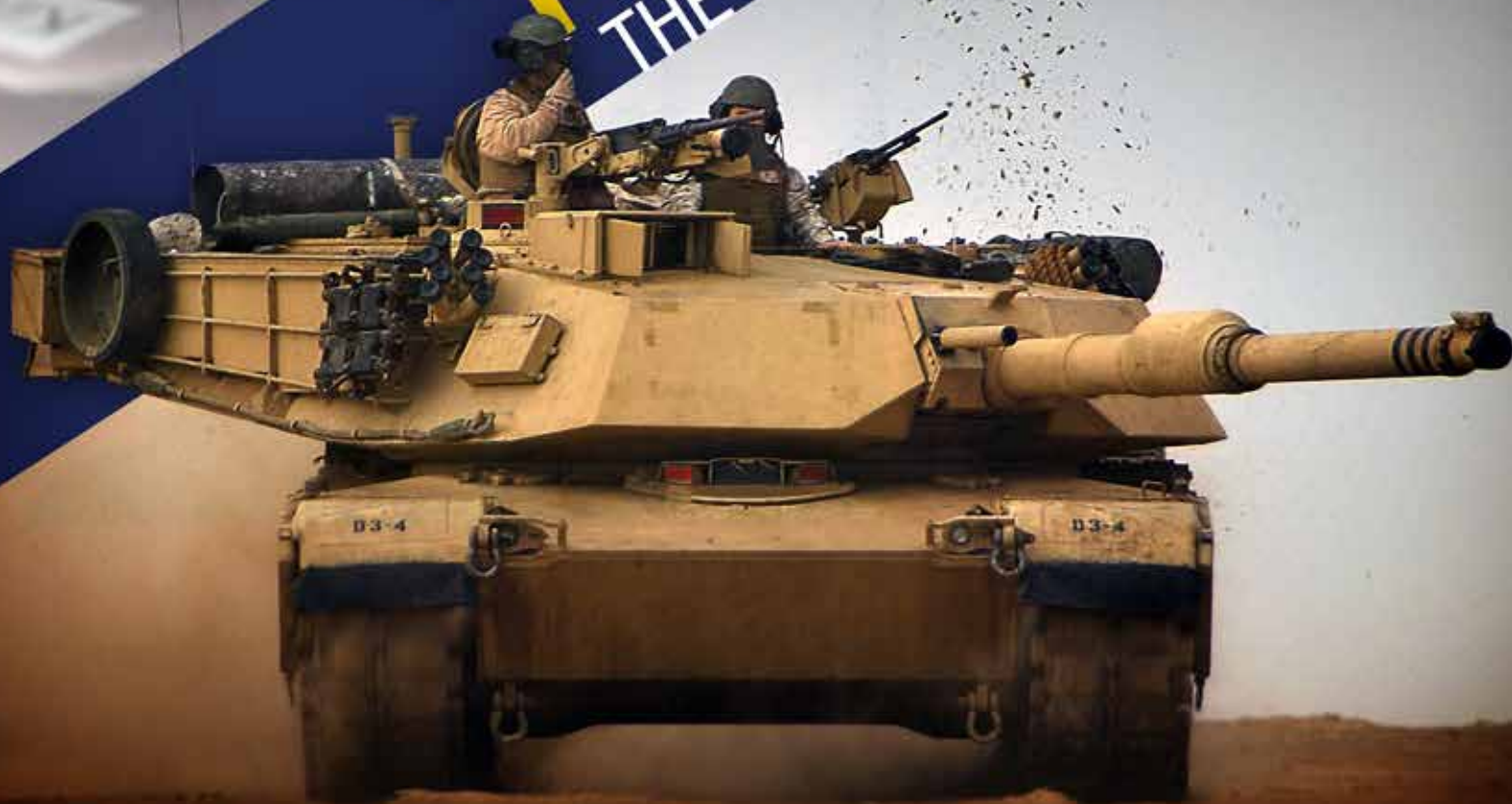
DEFENSE CONTRACT MANAGEMENT AGENCY



COMMUNICATOR

SPRING 2014

FROM PAPER TO PRODUCT
THE CONTRACT LIFECYCLE



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ON THE COVER

From paper to product, DCMA professionals provide contract administration services to the DOD acquisition enterprise and its partners to ensure delivery of quality products and services to the warfighter; on time and on cost. (Graphic by Stephen Hickok)

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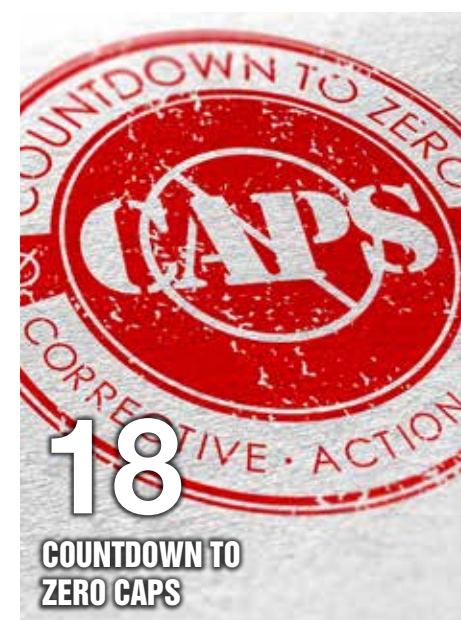
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COMING HOME TO WORK

Back to basics



“It is vital to keep our core mission at the forefront every day and focus on ways we can continue to improve our overall performance.”

With spring comes new beginnings and the nomination and confirmation of a new agency director. As Air Force Lt. Gen. Wendy Masiello takes the reins of leadership, I remain supremely confident in the Defense Contract Management Agency workforce and couldn't be prouder of the accomplishments you have made over the last year.

As evidenced in our State of the Agency Report for fiscal year 2013, DCMA made major contributions to the Acquisition Enterprise and accomplished many good things both for the Department of Defense and our ultimate customer, the warfighter. This report showcases our greatest asset – DCMA's workforce, the work you do and your commitment to our critical missions.

Although we have made many important changes, there are more we will make as time progresses to ensure we remain as efficient and as effective as we can possibly be. As stewards of taxpayer dollars, during these times of change, it is vital to keep our core mission at the forefront every day and focus on ways we can continue to improve our overall performance.

When you think about it, it's pretty simple – we provide contract administration services to the DOD Acquisition Enterprise and its partners to ensure delivery of quality products and services to the warfighter; on time and on cost. This is not a one-time action; it is what we do throughout the contract life cycle, from pre-award to contract closeout and each step in between. Everything we do supports every soldier, sailor, Marine and airman around the world in every theater and in every engagement.

With this clearly in mind, I want to take a moment to refresh our focus. Let's get back to basics. I challenge you to step back from your workstation and reflect on how and where you fit in this larger acquisition enterprise. Across the globe, our people perform critical oversight of contracts, identify corrective actions, perform quality control and safety services, manage property and resources, ensure costs are controlled, and assure necessary materials are available during the life cycle of a contract. Day in and day out, the work is accomplished with competence and professionalism.

When it comes to change, it isn't easy. However, changes to processes and business upgrades are necessary for us to improve how we provide contract administration services. Over the next few months you will begin to see changes in some of our support processes. Modifications to Performance Labor Accounting System codes will be implemented to help simplify our ability to track the cost of a particular Line of Service. New or modified performance indicators, established in IBM Cognos Metrics Studio, are to assist us in more accurately assessing agency performance in all Lines of Service. I am confident that you will continue to embrace these changes with the same level of competence and professionalism that I've come to expect.

Thank you for your continued dedication as we do our best for the warfighter, DOD and the nation.

Jim Russell
Jim Russell
DCMA Acting Director



Dean offers CCM update

Kurt Stonerock | College of Contract Management dean

I know there's interest within the Defense Contract Management Agency about the College of Contract Management's progress in fielding courses in support of DCMA's mission. I have promised you in the past I would keep you informed on the progress of the college. Here's an update.

The CCM's first seven courses completed Defense Acquisition University instructor and student piloting, and are now fielded in support of front-line DCMA professionals in quality assurance, industrial manufacturing and aircraft operations. Student feedback on these courses indicate the students like the courses and see them as providing training highly relevant to their DCMA jobs. That's great news, and important.

Thirteen additional courses have been in development since September 2013, and by May, 14 more courses will be put in formal development. Those courses will support DCMA professionals working in contract administration, pricing, earned value management, quality assurance, industrial manufacturing, software engineering and engineering technical pricing support. Additional courses in the above functional areas or others are expected to be put into formal development later this year and throughout fiscal year 2015.

These courses will go into formal DAU piloting at various times over the coming months, with some starting in April 2014. DCMA subject matter experts will continue to have a day-to-day role in working with CCM personnel and DAU's curricula development contractors to ensure content aligns to DCMA's needs. Those SMEs will also be centrally involved in the piloting of each course. This approach validates each course is “ready



DEAN KURT STONEROCK

As the dean of CCM, Kurt Stonerock is responsible for maintaining all aspects of the college's curriculum development and delivery to DAU standards.

Prior to this position, he served in a variety of acquisition positions in the Air Force and Defense Department, including: chief of staff of DCMA, commander of DCMA Middle East and DCMA Santa Ana, commander of DCMO Singapore, and chief of contracts of the Air Education and Training Command. He has also served as a warranted administrative contracting officer and a faculty member at the Air Command and Staff College.

Stonerock has a doctorate degree from Auburn University and is a graduate of the Industrial College of the Armed Forces and the U.S. Air Force Academy.

for fielding” from DCMA's perspective.

The competencies and level of learning trained in each of these courses will continue to be defined by DCMA. The CCM's role will still be to design excellent courses, to DAU-accredited quality standards, that effectively train those competencies. Some of these courses will be offered entirely online, others entirely in the classroom. Some will be a combination of both.

Each of the classroom courses will have some amount of instructor lecture. But – to the greatest extent possible – exercises, video case studies and other features will allow students to collaboratively think through how they would address realistic work scenarios. Every course is also being designed for each student to use a laptop

during the course. In some cases, they will practice effective use of eTools using demo versions of the “live” tool.

In addition, most courses are being designed to use Student Response System technology, allowing students to use hand-held clickers to anonymously provide the instructor feedback on whether or not they understand certain concepts before the instructor moves on.

While developing, fielding and instructing these courses will remain the CCM faculty's main focus this year, they will also be collaborating with their DCMA functional counterparts in the fielding of concise, online/on-demand training assets focused on helping address DCMA-identified front-line job performance topics (e.g., focused training assets targeted on helping job performance at the point of need). DCMA and the CCM share a goal of piloting at least one such “Workplace Learning Asset” in support of each DCMA functional area in fiscal year 2014.

As you can tell, these are exciting times for the CCM. Making sure the college is offering courses that really mean something to the frontline DCMA professional requires a lot of work and close collaboration with agency functional experts. The courses already fielded are hitting this important mark. I'm confident additional courses fielded later this year will do so as well.

I hope this update has been helpful. In the coming months, I will team with DCMA Public Affairs and DCMA functional offices to provide further updates on the CCM. These products will focus on providing you more details about the specific courses being developed in various functional areas and time lines for when they will be fielded. ☺

The EVOLUTION of DCMA

Nick D'Amario | DCMA Public Affairs

Since the first Quartermaster General's appointment in 1775 by George Washington, and the first law regulating federal procurement passed by Congress in 1792, contracting has played an important, evolving role in our nation's history.

After 200 years of conflict and war

— from the Civil War to World Wars I and II — the need to consolidate and control the vast and growing facets of procurement to effectively deliver products and services became evident to the nation's leaders.

In the 1960's, amid the Cold War, sending man into orbit and significant

developments in technology, the management of Department of Defense contracts surged to record levels. With this surge came the realization that DOD's numerous procurement systems, housed within branches of the services, were ill-equipped to contend with a rapidly increasing, new generation

of contracts without the resulting duplication, excessive operating costs or lack of timely and accurate support and delivery of goods and services to the ultimate end user — the warfighter.

In response to these concerns, the Office of the Secretary of Defense established Project 60, a structured and systematic effort to define and improve DOD's contracting processes. After almost three decades of numerous studies, projects, reports and congressional testimony, the result was the eventual recommendation in 1989 to establish a standalone agency to administer contracts, and establishment of a task force by the Office of the Secretary of Defense to bring all contract administration services under the new agency.

DCMA began as the Defense Contract Management Command created within the Defense Logistics Agency in 1990, and after 10 years of demonstrating its agency-level capability, was established in fulfillment of Project 60's original vision by becoming an independent agency in 2000. According to DOD Directive



Project 60 defined the Department of Defense's contracting processes.

THE MISSION

DCMA is the DOD component that works shoulder-to-shoulder with defense suppliers to ensure military, federal agencies, and allied governments' supplies and services are delivered on time and at projected cost while meeting all performance requirements.

DCMA's professional civilian and military staff is strategically located in more than 740 locations around the globe to support purchasing activities from the initial stages of the acquisition cycle through to the conclusion of resulting contracts.

Before contracts are awarded, DCMA provides advice and information, such as cost and pricing support, to develop effective solicitations, identify potential risks, select the most capable contractors, and write contracts that meet the needs of customers.

After contract award, the agency monitors contractors' performance and management systems to ensure cost, product performance and delivery schedules adhere to contracted terms and conditions.

5105.64, DCMA will perform contract administration services and contingency contract administration services for DOD, other authorized federal agencies, foreign governments, international organizations and others as authorized.

1775

GEORGE WASHINGTON APPOINTS THE FIRST QUARTERMASTER GENERAL: MAJ. GEN. THOMAS MIFFLIN



1812

WAR OF 1812: QUARTERMASTER DEPARTMENT ESTABLISHED TO AID IN BUYING, INSPECTING AND DISTRIBUTING EQUIPMENT



1916

WORLD WAR I: WAR INDUSTRIES BOARD CREATED TO CONTROL WAR MATERIALS, FINISHED PRODUCTS, LABOR AND PRICES



1950

KOREAN WAR



1965

U.S. COMBAT TROOPS DEPLOYED TO VIETNAM



1940

WORLD WAR II BRINGS UNPRECEDENTED DEMAND FOR WEAPONS AND EQUIPMENT: 1942 - THE NEWLY CREATED WAR PRODUCTION BOARD GAINS WIDE POWERS OVER AMERICAN INDUSTRY AND REGULATES BOTH CIVILIAN AND MILITARY USE OF MATERIALS AND SUPPLIES



1962

COLD WAR'S MISSILE AND SPACE PROGRAMS CAUSE DEFENSE SPENDING TO RAPIDLY INCREASE



1775-1783

AMERICAN REVOLUTIONARY WAR



1861

CIVIL WAR



DCMA LINES OF SERVICE

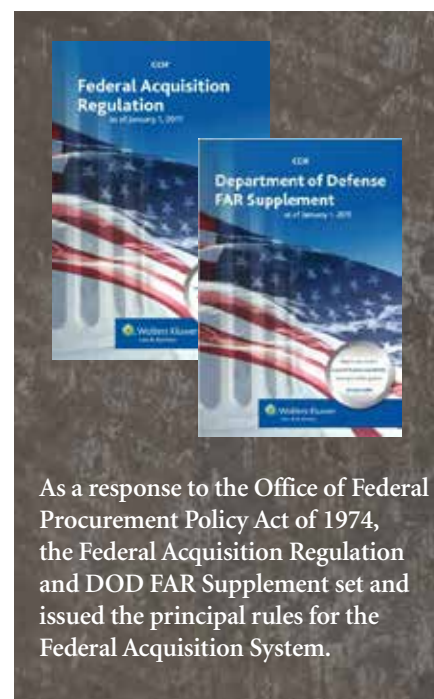
CONTRACT ADMINISTRATION
SUPPORT AND SERVICES
CONTRACTOR
PURCHASING SYSTEM REVIEWS
COST AND PRICING SERVICES
PROPERTY MANAGEMENT
AND PLANT CLEARANCE
SERVICES
SMALL BUSINESS SUPPORT
CONTRACT TERMINATION
SERVICES
QUALITY ASSURANCE SERVICES
CONTRACT SAFETY OVERSIGHT
TRANSPORTATION SERVICES
ENGINEERING AND
MANUFACTURING SERVICES
MAJOR PROGRAM SUPPORT
SUPPLY CHAIN SUPPORT
EARNED VALUE MANAGEMENT
INDUSTRIAL BASE ANALYSIS
SERVICES
AIRCRAFT OPERATIONS SERVICES

DCMA is a direct contributor to the nation and its allies' military readiness, with its agency information brokers and in-plant representatives dedicated to their roles in preserving freedoms and safeguarding the best interests of the warfighter.

TODAY AND TOMORROW

As of the end of 2013, DCMA has evolved into an agency that provides contract administration services for more than \$1.8 trillion in total contracts, involving 20,000 active contractors in 347,600 active contracts. DCMA has approximately 12,000 civilians and military professionals on staff in hundreds of locations around the world working to ensure the agency's core mission is executed.

Lessons learned since DCMA's establishment as a federal contracting agency in 2000 has led to new insight toward ensuring mission fulfillment and success. With



As a response to the Office of Federal Procurement Policy Act of 1974, the Federal Acquisition Regulation and DOD FAR Supplement set and issued the principal rules for the Federal Acquisition System.

consolidations, mission drawdowns and sequestration realities, DCMA has been focused on streamlining operations while increasing efficiencies.

In a Sept. 27, 2013 memo, the agency addressed initiating a plan of action and milestones with the DCMA Council

to undertake positive change while delivering valued services to the agency's customers at a time of continued budget pressures. These have become the agency's business priorities for fiscal 2014-15.

The Secretary of Defense directed a 20 percent dollar reduction that will be implemented through fiscal year 2019 (about \$150 million in reductions). The agency's Strategic Management Plan for Fiscal Years 14-15 cited this as an opportunity to consider ways to operate more efficiently and with fewer organizational seams.

Leadership also stressed the need to leverage resources and target them toward the core mission, and ensure the services the agency is delivering to customers are of high quality and adhere to DCMA's core value of excellence. Today, DCMA's accomplishes this mission with 15 Lines of Service which comprise the essential elements of the agency's daily business.

THE CCAS MISSION

To fulfill a key element of DCMA's

core mission of ensuring delivery of quality products and services to the warfighter, the agency provides contingency contract administration services for U.S. forces deployed Outside the Continental United States, known as OCONUS with specialized CCAS teams providing critical contract management support.

CCAS efforts have been administered by DCMA's forward deployed commanders, with civilian employees working closely with warfighters on the battlefield. Similar to the standards in CONUS, OCONUS agency CCAS teams help to direct contractors and monitors their quality control programs; are responsible for property administration accountability and disposal; reviews, monitors and negotiates costs; and conducts on-site testing.

As a joint combat support agency, DCMA's obligation is to help ensure the readiness of the Army, Navy, Air Force and Marine Corps as well as unified commands, NATO, Joint Task Forces and the United Nations.

As DCMA transitions to being a

DCMA BUSINESS PRIORITIES

AFFORDABILITY
PREDICTABILITY
RELIABILITY
BUSINESS PROCESS
REENGINEERING
RECRUIT
HIRE
DEVELOP
RETAIN INTERNAL
AUDIT READINESS
AUDIT READINESS-
SERVICE PROVIDER

force provider, rather than establishing a forward organizational presence, skilled and knowledgeable contracting professionals trained as force multipliers will be essential to the agency's future mission, both at home and abroad. 🌐

1969

LANDING THE SATURN
LAUNCH VEHICLE ON
THE MOON INVOLVED
THE COOPERATION
OF MORE THAN 500
CONTRACTORS AND
MILLIONS OF PARTS
AND COMPONENTS



1990-1991

OPERATION DESERT STORM:
76 U.S. CONTRACTORS DEPLOYED-AT
THE SAME TIME AS THE FIRST U.S.
TROOPS-PROVIDING MAINTENANCE,
TECHNICAL ASSISTANCE AND
EQUIPMENT SUPPORT



2000

THE DEFENSE
CONTRACT
MANAGEMENT
AGENCY IS CREATED

2001

SEPTEMBER 11
ATTACKS RESULT IN U.S.
GOVERNMENT DECLARING
"WAR ON TERROR"



2014

DCMA PARTICIPATES
IN OCSJX-14 JOINT
CONTRACTING
EXERCISE AND SHUTS
DOWN DCMA IRAQ
OPERATIONS



2003

INVASION OF IRAQ
DCMA IRAQ STOOD UP

FUTURE

DCMA CONTINUES
EQUIPPING AMERICA'S
WARFIGHTERS WITH
SUPPLIES AND SERVICES
ON TIME AND AT COST

TCO CONTRACT TERMINATIONS

Nick D'Amario | DCMA Public Affairs

When the government determines goods or services under a government contract are — through no fault of the contractor — no longer required, it's able to end the agreement under the “terminated for the convenience of the government” clause found in every contract. It is the Defense Contract Management Agency's Terminations Group that takes this action.

Created in 2005, the Terminations Group is as much governed by what Paul Slemons, Terminations Group director, refers to as “good business judgment,” as it is by Federal Acquisition Regulation and Defense Federal Acquisition Regulation Supplement requirements.

“I salute Paul Slemons and his Terminations Group,” said Tim Callahan, Contracts executive director.

“Despite the myriad of challenges, they have consistently risen to the occasion. Although their work is often unheralded, it is of vital importance to the Department of Defense and the taxpayer. The dollar value of their termination settlements reach into the billions of dollars, and they have a special trust to ensure that contractors are treated fairly and the government's interests are protected and well-served.”

Since its inception, the Terminations Group has been caught up in what Slemons refers to as the perfect storm — Middle East militarization and drawdowns, budget cuts and the turnover of experienced termination contract officers. Still, between 2005 and 2013, the Terminations team has maneuvered through circumstances to terminate and settle 3,300 contracts with a total value of \$20.8 billion.

The team has gathered the group's expertise into a “Termination for Convenience Guidebook” over the past eight years. The guidebook, comprised of years of how-to expertise and documentation, is being structured into a course for new TCOs, and will be the foundation for basic and advanced

course development at the Defense Acquisition University.

The guidebook serves as a quick reference guide that supplements policy established in the Termination for Convenience Instruction (DCMA-INST 101) and is in compliance with references, such as FAR and DFARS. The guide provides step-by-step procedures and offers suggestions and lessons learned on issues relating to the settlement of contracts terminated for convenience.

In 2011, the Termination Group saw a nearly 50 percent decline in its combined TCO professional work experience. This was primarily due to retirements. As a result, Slemons

“Although their work is often unheralded, it is of vital importance to the Department of Defense and the taxpayer.”

— Tim Callahan
DCMA Contracts executive director

said training and the “Termination for Convenience Guidebook” became more important than ever. Additionally, the team experienced a quadrupling in the value of terminated contract value in 2009, with another sizeable upward swing occurring in 2011.

In fiscal year 2005, DCMA's team of 17 TCOs settled 552 contracts, equaling \$1.46 billion in settlements

out of \$7.7 billion in total on-hand terminations.

Fiscal 2013 ended with the team, having increased to 23 TCOs, achieving a cumulative total of \$1.6 billion in terminated contracts being settled out of 600 terminated contracts on hand valued at \$33.7 billion.

While the TCO team experienced a gradual increase in the number of TCOs, the resulting drop of combined TCO experience, coupled with the sharp increase in terminated contract value starting in 2009, provided an unprecedented challenge which the group coined the perfect storm.

Recently, terminations have included major defense programs, such as the \$16

POST TERMINATION CONFERENCE

FAR 49.105 directs the TCO to conduct a post termination conference, which is an opportunity to remind the contractor of the FAR requirements and time frames for submission of information. Topics to be discussed include:

- General principles and obligations of the contractor
- Extent of termination
- Names of subcontractors
- Obligation of the contractor to settle subcontracts
- Preparation of complete inventory schedules
- Tentative time schedule to settle claim
- Contractor obligation to furnish current cost or pricing data

DCMA INSTRUCTION 101: TERMINATION FOR CONVENIENCE

1.1 Policy - It is DCMA policy to:

1.1.1. - Settle contract terminations for convenience as delegated by the procuring contracting officer in a timely manner and coordinate with the required functional specialist.

1.1.2. - Communicate with all parties for a successful settlement that ensures the contractor is fairly compensated on a timely basis while protecting the rights and interests of the government.

1.1.3. - Ensure post-termination conferences are conducted, if necessary.

THE OTHER SIDE OF THE TERMINATION COIN

Termination for default:

Government contracts can be terminated for either default or the convenience of the government. In a default scenario, the contract is terminated if the contractor failed to fulfill their contractual obligations.

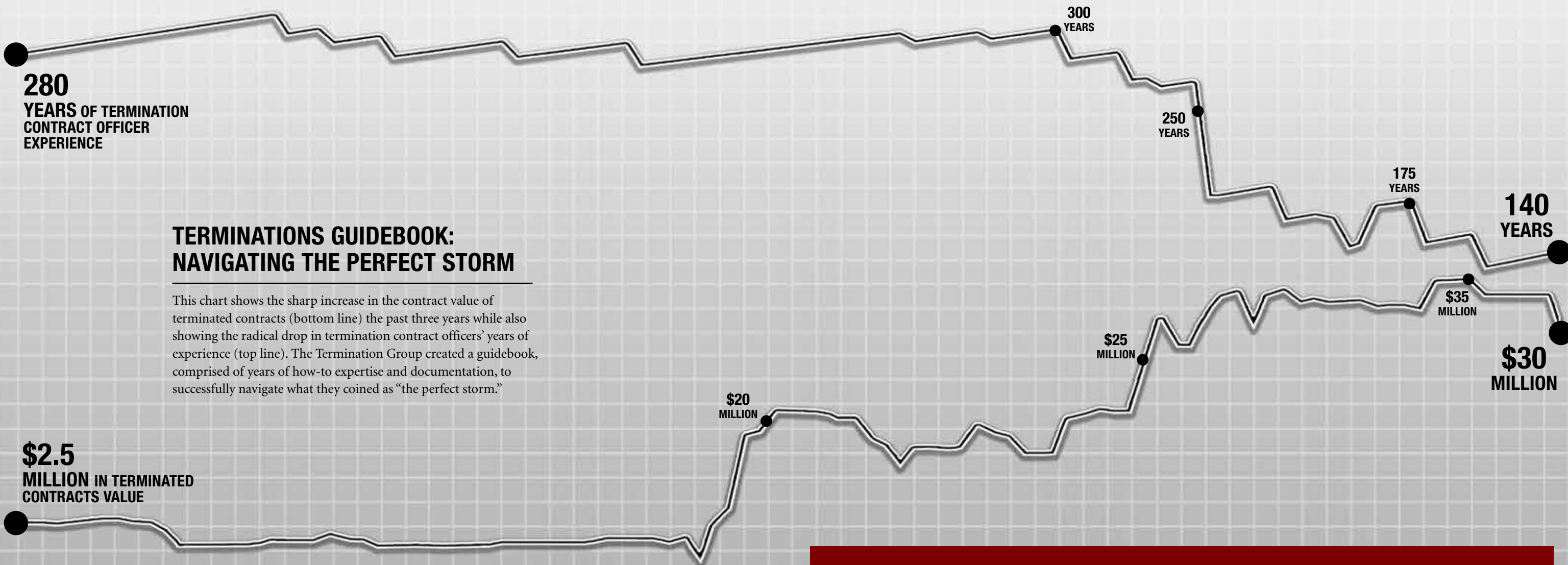
When so terminated, the government will acquire goods or services from another source and, if costs are higher, charge the difference to the defaulted contractor.

Note: DCMA does not terminate for default. It is the responsibility of the procuring organization to terminate a contract for default.



PROGRAM SUPPORT TEAM

(From left) Christina Stafford, Terminations Contracting Officer; Levi Butler, TCO; Paul Slemons, Termination Group director; and Gail Hicks, TCO, are members of the DCMA Atlanta's Terminations Group from 2005 to 2013 has terminated and settled 3,300 contracts with a total value of \$20.8 billion. (Photo by Cynthia Blue, DCMA Atlanta)



billion termination of the Army's Future Combat System, the largest in Army procurement history, and the second largest program in DOD history, behind the Joint Strike Fighter F-136 engine.

"In historical perspective, since our Terminations Group's establishment, we've gone from 552 contracts valued at \$7.7 billion on hand for settlement in 2005, to 612 contracts valued at \$29.1 billion in 2013," said Slemons.

According to Slemons, while the number of contract terminations have not risen or fallen significantly year-to-year, the group has seen the overall

value of contracts being terminated for convenience skyrocket since 2009 due to DOD budget cuts, sequestration, and the winding down of the Iraq and Afghanistan missions.

"Communication amongst all players is essential for a successful settlement that ensures the contractor has been fairly compensated on a timely basis while protecting the rights and interest of the government," said Slemons.

"I often refer to Paul and his group as a national treasure," said Drew Obermeyer, director of the DCMA Business Operations Center, which

includes the Terminations Group.

"They bring a unique expertise to bear in settling these terminations in a manner that protects the interest of the American taxpayer while also ensuring that the contractor receives a fair settlement," said Obermeyer. "Their timely actions help our service customers and the contractors settle the business at hand so everyone can move forward to the next mission."

He added, "I think if you really enjoy the contracting business, the Terminations Group offers some great opportunities to excel and truly make an impact." 🌐

TERMINATIONS AND HOW THEY WORK

It is the responsibility of the procuring contracting officer to terminate a contract for convenience. Once the decision is made, the PCO issues a written notice to the contractor which cites the termination clause, identifies the effective date and extent of termination, and provides details of any special instructions.

On receipt of the notice to terminate a contract for convenience, the prime contractor is expected to immediately cease all work and terminate

subcontracts related to the terminated portion of the prime contract.

Ultimately, the government compensates contractors for any costs they might have expended up to the point at which a contract is terminated. Negotiating this government settlement with the contractor becomes the principal function of the Defense Contract Management Agency Terminations Group.

The Terminations Group evaluates

the contract termination proposal, obtains audit assistance (if required), disposes of excess inventories, negotiates a fair and reasonable settlement, and issues the final settlement modification. If desired, they can also do the modification de-obligating the remaining excess funds or, if not delegated, will advise of this amount by letter. They provide status reports when the case is initially established, every six months thereafter, and upon final settlement.

A WELL-OILED MACHINE

Misha King | DCMA Public Affairs

(Photo illustration by PFC. J. Princeville Lawrence)

Defense Contract Management Agency Detroit runs like a well-oiled machine — each person working together to accomplish DCMA's mission and the contract management office's own duties of managing ground combat vehicle contracts.

"The agency has a reputation of being the Department of Defense expert in contract administration," said Army Col. William M. Robare, DCMA Detroit commander. "We have a strong team at DCMA Detroit, and we work hard to build on that through mission partnerships with key stakeholders in the buying activities and program management offices."

DCMA Detroit lives up to its vision statement of "enabling warfighter readiness through expert on-site insight." This expertise comes into play as the contract management office currently manages more than 3,000 active contracts in various life cycle stages supporting ground combat systems, including the Abrams Main Battle Tank, Bradley Fighting Vehicle, Ground Combat Vehicle, Paladin Self-Propelled Artillery System and the Joint Light Tactical Vehicle.

DCMA General Dynamics Land Systems Lima is responsible for a significant portion of DCMA Detroit's work. Also, this office is unique because it resides in and maintains the Joint Systems Manufacturing Center — a government-owned, contractor-operated

manufacturing facility, known as a GOCO.

"DCMA GDLS Lima currently manages 26 U.S. and foreign military sales contracts, valued at more than \$8 billion, for the production of the Abrams Main Battle Tank," said Bryce Atkinson, DCMA GLDS Lima contracts team lead. "We administer other ground combat system contracts as well. Plus, we administer five GOCO-related contracts valued at \$100 million."

Teamwork within DCMA Detroit is especially important when dealing with the different types of contracts it handles that range from firm fixed price and

cost-plus-fixed-fee to fixed price incentive. Army Maj. Nicholas C. Moses, DCMA Detroit deputy contracts director, said the major difference between each type of contract is the associated risk acceptance. Firm fixed price contracts place the majority of the risk with the contractor and less on government, whereas the other contracts have varying degrees of risk placed on both the contractor and the government organization.

"For instance, the Ground Combat Vehicle contract was awarded as a fixed price incentive contract," Moses explained. "There is a fair amount of risk placed on the government to pay for an unknown product as it is developed. The risk is mitigated by using an incentive fee to influence the contractor to deliver a better product or service sooner based on the criteria established within the contract."

Although the various contracts DCMA Detroit handles have similarities, "no contract is exactly like the other — even if the requirement looks and sounds like a previous requirement,"



LINE BY LINE

Dan Sipes, a contract specialist at DCMA General Dynamics Land Systems Lima, reviews a company work order with Michele Dickerson, a DCMA GDLS Lima administrative contracting officer. (Photo by Brian Hahn, DCMA GDLS Lima)



ON THE LINE

A line of Abrams Main Battle Tanks await pick-up by a commercial carrier after the end-item acceptance process by DCMA General Dynamics Land Systems Lima at the Joint Systems Manufacturing Center in Lima, Ohio. (Photo by Brian Hahn, DCMA GDLS Lima)

said Kenneth Cummings, DCMA Detroit administrative contracting officer. “That’s why the most important step in contract administration begins at contract receipt and review, where issues can be identified and resolved to prevent delay in delivery of service and/or payment. This step tends to be the most challenging.”

Besides the challenges with getting all the proper documentation up front, each contract also has its own nuance coming from different buying activities and contracting offices.

“The wording and language could mean something different when conveyed to the contractor, especially when administering actions from various government agencies or military branches,” Moses said. “It’s our office’s responsibility to sort through ambiguities, identify oversights and correct potential contract pitfalls that may increase the government’s risk associated with the cost, schedule and performance of said contract.”

To overcome various obstacles, Cummings said it’s critical to keep the lines of communication open with buying activities’ counterparts. “Sometimes email or phone conversations aren’t enough,” he said. “When we differ on contractual construct concerns, we have face-to-face meetings. Clear communication is essential when it comes to supporting the warfighter. We have to be very meticulous and work together to ensure we get it right.”

Having a buying activity nearby definitely helps the communication process and helps the contract management office better manage the highly visible Army ground combat systems programs.

“The Army’s

TACOM Life Cycle Management Command headquarters is only five miles away,” said Cummings.

“We work closely with TACOM’s procuring contracting officer and program management office personnel on a weekly

“Clear communication is essential when it comes to supporting the warfighter.”

— Kenneth Cummings
DCMA Detroit administrative contracting officer

basis, and having them this close definitely helps facilitate face-to-face meetings when we need them.”

Another way DCMA Detroit capitalizes on teamwork is through program support teams. PSTs are led by program integrators and can include other members such as an administrative

contracting officer, cost/price analyst, quality assurance specialist, engineer and industrial specialist. One of their major functions is to review contractor data to aid them in their surveillance activities.

The contract management office currently has four PSTs, one of which is assigned to the Abrams program at DCMA GDLS Lima. These teams provide the customers with “real-time insight, information, technical

reviews, and program performance and status from several multifunctional specialists,” Atkinson said. “Our personnel work closely together and are the eyes and ears for our customers in providing the best contract administration support possible. Using PSTs is one of the ways the agency distinguishes itself from other organizations engaged in federal government contract administration.”

Cummings said teamwork and communication with all DCMA Detroit’s stakeholders — internal and external — is vital to successful contract execution and administration.

“It’s about making sure the warfighters get their quality products on time and at cost, and we have a high stake in making that happen.”



ON THE OTHER LINE

Michelle Zucchetto, DCMA Detroit contract administrator; Army Maj. Nicholas C. Moses, DCMA Detroit deputy contracts director; and Ken Cummings, DCMA Detroit administrative contracting officer, hold a conference call with a defense contractor for the Ground Combat Vehicle. (Photo by Army Maj. Carlos Lago, DCMA Detroit)



FIRING LINE

A Paladin M109A6 self-propelled howitzer fires an 155mm artillery shell during a live fire training in the Middle East (Photo by Army Sgt. Marcus Fichti)

(Photo by Air Force Staff Sgt. Stephen D. Schester)

KEEPING THE WARFIGHTER SAFE

Patrick Tremblay | DCMA Public Affairs

With its widely-spaced tires and narrow, tractor-like body, the big Husky looks like it belongs on a road maintenance crew or even a farm. But its matte tan paint and thick windows hint at its real home — the deserts of Afghanistan.

The vehicle is designed to protect its driver and to carry an essential tool in modern warfare. Ground penetrating radar blades of the Husky Mounted Detection System reach from its front like a fat, dull plow. Floating inches above the earth, it detects explosive hazards including land mines and the scourge of today’s warrior: improvised explosive devices.

The HMDS is assembled in central Virginia under a contract administered by the Defense Contract Management Agency Manassas, one of the largest contract management offices in the agency. Navy Capt. Robert Brooks, the CMO commander, and his people oversee the work on behalf of the Army customer. The finished systems are ultimately used by combat engineers across all service branches.

All contracts are important; all come together for national defense. But some systems, like the HMDS, ensure the safety and very survival of service members.

It’s the human element, the

dedication to the readiness of the warfighter, that Brooks stresses when talking about his people and their work. “People are first,” said Brooks. “If you don’t have good people, you can’t do good work and you can’t support the warfighter.”

When the military first began buying the HMDS, it was as a Joint Urgent Operational Need, which means acquisition was fast-tracked to meet a specific combatant commander requirement. DCMA had a role then, which has increased since the system became a more typical acquisition. Now up to a dozen systems are produced each month under an indefinite delivery-



PROGRAM SUPPORT TEAM

Brian Gardner, quality assurance specialist, and Barbara Cassidy, industrial specialist, are part of the DCMA Manassas program support team working on the Husky Mounted Detection System. (Photos by Patrick Tremblay, DCMA Public Affairs)

indefinite quantity contract.

One of the first steps for DCMA when the current contract was awarded was to participate in a post-award orientation conference with the contractor and customer. There the contract was discussed on a larger level, with agency functional specialists meeting with their contractor counterparts to talk about specifics.

Brooks said it's the interactions on these levels that help empower the workforce. "They have to be experts in their functional areas, but also understand their role in the greater DCMA mission. They have to know they are relevant to making the warfighter whole."

Early on the agency assembled a program support team comprised of technical experts. Brian Mazanetz, DCMA Manassas Engineering and Manufacturing director, said this was a result of the contract growing to the Acquisition Category II level.

"ACAT II requires us, by instruction, to provide a PST," said Mazanetz. "Our team leaders each review the ACAT II contracts to see if their functional area has a prominent role. Those that do are included in the PST."

The HMDS team is comprised of a program integrator, administrative contracting officer, quality assurance specialist and industrial specialist.

Brian Gardner is part of the PST as the primary QAS on the contract. He joined DCMA about three years ago, bringing with him 30 years of automotive industry quality experience. His first contract was the HMDS program, which remains a majority of his work today. The load is significant enough that Gardner and fellow QAS, Carl Jenkins, maintain an office on site.

"They have to be experts in their functional areas, but also understand their role in the greater DCMA mission. They have to know they are relevant to making the warfighter whole."

— Navy Capt. Robert Brooks
DCMA Manassas commander

"We were familiar with the manufacturer before the current contract began," said Gardner, referring to the earlier Joint Urgent Operational Need work, "so we brought in our learning from the previous work."

When the work changed to ID-IQ, Gardner said it was approached like any contract. "I read the entire contract to learn specifics of the product and specific requirements of the contract."

This gave him the information needed to set up a surveillance plan. He was able to add value to DCMA's work almost immediately. "Through process reviews it became clear the contractor's procedures for final acceptance testing could be improved. Working with the contractor and customer, we made recommendations that brought that testing from a two-hour process to only about 45 minutes."

Barbara Cassidy is also on the PST. She's been an industrial specialist for the past year and a half, transitioning to DCMA from a career in the telecommunications industry. Like Gardner, she's assigned to DCMA Manassas but has an office in Charlottesville, though at a different location.

"I work with approximately 45 contractors across central and south-west Virginia," Cassidy said. She visits the HMDS site regularly but doesn't need to maintain a

presence like her QA counterparts. Her first step after reviewing the contract was to familiarize herself with the production site.

"When I first joined the PST for HMDS I walked the production floor," Cassidy continued. "I was looking for any areas that may cause a delay in the production cycle, with a focus on the critical path of the entire production process. In addition to monitoring the

production floor process, periodic reviews are performed of the receiving process, inventory management, purchasing, invoicing and labor systems." She also reviews the contract's Master Production Schedule and Master Resource Plan on a regular basis.

Cassidy monitors the HMDS program contracts by contract line item number, or CLIN, on a monthly basis. As an IS, she's most concerned with on-time delivery of each line item. Gardner, on the other hand, has to ensure quality requirements are being met on not only the final system but all the spares that are made available by contract.

"I have more than 300 separate spare parts or kits to track," said Gardner. "In some cases it's a simple bracket, or series of brackets, that the customer can buy to repair or maintain the system."

With hundreds of systems already fielded, this has become a significant part of the quality assurance work.

"It's been the biggest learning curve on this program," he added.

Rob Poynter is the QAS team supervisor at DCMA Manassas. He sat

with Gardner during the post-award orientation conference, and supervises the HMDS QA team from his office in Manassas.

In addition to regular surveillance, process reviews and data collection and analysis, Poynter said the contract meets a "higher level quality requirement" as defined by Federal Acquisition Regulation.

Poynter knows that both the complexities of the contract and the geographic isolation require the right type of person for the job. "It's a tough business," he said. "Brian (Gardner) and Carl (Jenkins) are both very spooled up on quality, have a lot of quality experience and have lived in that part of the state for a long time. I'm lucky to have them both."

Brooks understands Poynter's insight

applies not only to the quality team, but to the agency as a whole. "At the end of the day our job is to make sure the warfighter gets a quality product on time and on cost. We each have a role in helping the department effectively achieve and maintain combat readiness." 🌐



SPARE PARTS

Brian Gardner shows a bracket holding part of a Husky Mounted Detection System undergoing final acceptance testing at its central Virginia manufacturer. The bracket is also a spare, one of more than 300 replacement parts available to the end user.



MANUFACTURING PROCESS

Barbara Cassidy and Brian Gardner discuss the manufacturing process of the Husky Mounted Detection System at its central Virginia manufacturer.



Matthew Montgomery | DCMA Public Affairs

Closing out 170 corrective action plans resulting from various internal and external process reviews and audits scheduled in fiscal year 2013 is an impressive feat under ideal circumstances. Factor in sequestration, furloughs and budget cuts, and what Defense Contract Management Agency Phoenix accomplished last year is even more impressive.

“Closing the CAPs was vital to us so that we could improve processes, operations and functions in order to look over the horizon via our (contract management office) plan,” said Army Col. John Conway, DCMA Phoenix commander. “The CAP closure process allowed us to evaluate our systems, fix

them, institute a sustainment plan and now move forward into a proactive management process to positively affect organizational outcomes.”

Successfully executed Corrective Action Plans bring contractors in compliance with regulatory requirements and are developed in response to Corrective Action Requests — a formal notice to a contractor when a noncompliance is discovered. Making sure noncompliance issues are resolved efficiently ensures products are delivered to the customer in a timely manner in accordance with contract specifications.

The road to zero CAPs started in February 2011 when the CMO implemented a bimonthly CAP senior

leadership team meeting. The purpose of the meeting, which continues today, is to discuss in detail all CMO open CAP activity from internal and external reviews and assessments. Special emphasis is on minimizing, or eliminating, valid repeat findings. The CMO developed a spreadsheet for tracking all corrective actions from these reviews and it serves as the basis for review at the bimonthly meetings.

We embraced the CAPS as a singular mission and opportunity to improve,” said Conway. “The success of this endeavor has been apparent throughout the CMO and has resulted in collaboration and strengthened internal controls across functional groups. This is done through a

disciplined, structured, and repeatable review of CAPs and improvements in the effectiveness of the internal controls in the process.”

In November 2013, the CMO hit a milestone when the 170th CAP closed out. Employees celebrated with a “Countdown to zero CAP pizza party” in recognition of the efforts they made in developing and implementing CAPs from internal and external audit and assessment reviews over a two-year period.

“Success could not have been achieved without the proactive cooperation, expertise and concurrence from Western Regional Command and higher headquarters functional personnel,” said Dave Devlin, DCMA Phoenix deputy commander.

During the event, 30 employees throughout the CMO and tertiary commands (Boeing Mesa and Albuquerque) received the prestigious “CMO Champion CAPSLAYER” award. The internal award symbolizes the dedication and perseverance displayed in evaluating programs, and ultimately improving the effectiveness of internal controls. They accomplished this despite

competing priorities and difficult and transformative process challenges.

“DCMA Phoenix has some of the most dedicated and professional personnel I’ve ever had the pleasure to work with,” said Conway. “Despite the challenges this year, this workforce has maintained a positive and focused attitude towards our agency mission of supporting the warfighter. Their unyielding dedication and patriotism

“We embraced the CAPS as a singular mission and opportunity to improve.”

— Army Col. John Conway
DCMA Phoenix commander

makes me proud to lead them.”

The recently passed consolidated appropriations package means government organizations can start planning for the future with more clarity, something Conway is eager to do.

“The past year has been a challenging one for the (Department of Defense) and certainly the CMO,” said Conway. “As a result of sequestration

and furlough events, as well as resource and budget cuts we have spent so much energy reacting to the chaos associated with these challenges, it has become difficult to get past the volatility of all the transactional requests we seem to receive and answer on a daily basis. My goal is to break this cycle and move the CMO back to a proactive role so we can manage more efficiently.”

To make this a reality, the CMO leadership team held an off-site in November to develop an integrated business plan and master schedule that would allow a more holistic overview of CMO operations.

“This will allow us to actually plan and execute a road map toward our goals,” said Conway.

“As a result of our efforts, we

now have a cohesive plan targeting our key goals and initiatives to keep us moving forward. It will allow our functional leads to identify and maintain up-to-date information on planning and execution of the goals using a simple scorecard approach. This will be a living document as we see our goals through to completion this year.”



CAP SLAYERS

The DCMA Phoenix team celebrates the closing out of 170 corrective action plans. (Courtesy photo)

HOW DO YOU EAT AN



Implementing changes agency wide

Patrick Tremblay | DCMA Public Affairs

How do you eat an elephant? “One bite at a time,” said Rhonda Daniel, a Defense Contract Management Agency Philadelphia price analyst.

Daniel was describing the approach to shaping agency policy and procedures surrounding two areas:

non-conforming material and missing contract attachments. A Lean Six Sigma black belt, she’s been part of a team immersed in the process for two years, working across functional areas and with colleagues around the country.

“A lot of people have put in a great deal of work on this, and we’re looking forward to sharing the

findings with the rest of the agency,” said Daniel. The team is now doing this through workshops at contract management offices.

It all began with the Model Contract Management Office study in 2011. Senior leaders looked at best practices from around the agency, resulting in the recommendation to pursue



CLASSROOM INSTRUCTION

Guy Mercurio and Isaiah Waindi conduct a workshop at DCMA Philadelphia to introduce process improvements in non-conforming material and missing contract attachments. Mercurio is the program manager for the roll-out, and Waindi is a quality assurance specialist who instructed this workshop. (Courtesy photo)

five areas for process improvement. Among these was to “operationalize existing Lean Six Sigma assets.”

This has led to new policy on non-conforming material and additional training on the importance of identifying and securing missing attachments at the start of a contract.

Guy Mercurio is in charge of making sure the information and changes make it to the workforce in the field. Working out of Boston, he supervises the Operations Directorate’s Quality Assurance Systems and Support Group, but is attached full-time as the program manager for the duration of the roll-out process.

“It’s important that this is deployed smartly and wisely,” said Mercurio. “We want to make sure it doesn’t fizzle out.”

To do this, he’s fielding a team of 10 instructors and 10 black belts who will hold two-day workshops at CMOs over the course of this year.

Mercurio said two instructors and one black belt will facilitate each workshop. “The instructors were chosen as people who have been involved in non-conforming material. They know the process and are top-knowledge individuals in the agency for the information.”

“It’s important that this is deployed smartly and wisely. We want to make sure it doesn’t fizzle out.”

— Guy Mercurio
DCMA Operations

Mercurio said careful planning and communication is important for getting buy-in from CMOs. He sends a letter to the director or commander a month in advance, then meets with office leadership and functional managers to discuss primary objectives, go over research results and answer questions.

“You don’t just go to a CMO to do a workshop,” he explained. “You talk with the leadership to explain what you’re going to be doing, what the benefit is and what the outcome should be.”

Linda Pillar works alongside Mercurio as a continuous process improvement specialist in Operations and the agency’s Lean Six Sigma master black belt on the project. Her LSS training has helped shape the entire process from research to roll-out.

Pillar said the earliest steps were designed to understand the issues and develop flexible solutions that apply across varying environments. “Before we can improve, we need to first establish where we are. We need to baseline. Once we know where we are, we can then improve using the newly developed process and tools.”

Agency personnel and contractors worked with 10 CMOs to gather



CLASSROOM INSTRUCTION

DCMA Philadelphia employees listen during a workshop rolling out findings and procedures for how the agency deals with non-conforming materials and missing contract attachments. (Courtesy photo)



NON-CONFORMING MATERIALS POLICY

Joe Levenduski, a quality assurance engineer with the QA Directorate, has spent the past 18 months writing new policy on non-conforming materials. (Photo by Patrick Tremblay, DCMA Public Affairs)

information and understand the driving causes behind both non-conforming material and missing attachments. The CMOs were carefully chosen to represent a cross section of resident and geographical offices, and also diverse types of contractors including aviation, missiles, ground systems and smaller manufacturers. The results allowed the team to make recommendations based on best practices and some common problems.

The team determined that existing processes for dealing with missing contract attachments are adequate, but also could be better implemented across the agency. The workshop covers the existing procedures and highlights the need for 100 percent compliance.

“Some people might say ‘what’s the big deal?’” said Mercurio, noting that contracts often proceed without all attachments present. “The contractor who did the early analysis determined that 6.5 hours are spent on each missing attachment, and some CMOs might have up to 90 of these. That’s a lot of money spent chasing these documents.”

Pillar added, “We need to operate more efficiently. We waste a lot of time chasing down missing attachments. We need to identify and quantify the number of missing attachments and assure that the customer is aware of the extent of the problem.”

For non-conforming material, new policy has been shaped by the study. It’s in final coordination now, but the core changes are already being rolled-out through the workshops.

Joe Levenduski, a quality assurance engineer with the QA Directorate, has spent the past 18 months writing the policy. “It outlines how DCMA will be working with the contractor using surveillance activities and data collection analysis to reduce or eliminate non-conforming materials,” he said.

There are several ways a contractor can dispose of non-conforming material. Two of these – using the material ‘as is’ or repairing the material – require a Material Review Board request for variance. The new policy covers the agency’s role in this process from the technical specialist level and up. Levenduski said it’s written in a way that will work uniformly across

CMOs, regardless of the amount or type of non-conforming material each encounters.

“We don’t want to be in the agency to just work on non-conforming material,” explained Levenduski. “We want to reduce it through oversight and surveillance. But when the contractor does have NCM, we want to know ‘what is the trend ... what is the data telling us that can help reduce it?’”

Pillar said identifying non-conforming material is a process that needs to be done well. “The consequences could be serious. This is an area that will be a good use of our time, and yield a good return on investment.”

Mercurio said the initiative has given the agency an opportunity to be more effective and efficient on two important areas. The workshops, he said, provide the instruction necessary for successfully getting the dispersed agency workforce uniformly up-to-speed on the results and changes.

“Workshops are the start,” he said. “Staff will follow-up and assist with CMOs to ensure they are able to implement these process improvements.”



BLACK BELT SKILLS

Rhonda Daniel, left, participates in a workshop at DCMA Philadelphia. The Lean Six Sigma black belt has worked on non-conforming material and missing attachment process improvements as part of the DCMA team over the past 18 months. (Courtesy photo)

(Photo by Petty Officer 1st Class Michael Sandberg)



CLOSING D STARTING E

DCMA Boeing Mesa starts new Apache contract

Matthew Montgomery | DCMA Public Affairs

On October 30, 2013, Defense Contract Management Agency Boeing Mesa Commander, Army Lt. Col. Robert Rugg and Chief Warrant Officer 4 Dwayne Childers, government flight representative, flew the last AH-64D Apache Longbow Block II attack helicopter to its new home. While this flight symbolized the last model D Apache being produced, the contract close-out process is far from over.

On firm-fixed price contracts, DCMA personnel have six months from the end of the contract to ensure all work is completed and deliverables received. This is usually ample time with small contracts, but when personnel are administering contracts like the \$2.5 billion AH-64D Apache, with hundreds of line items, the process can be lengthy.

Contracting

“On a large contract like this, we have to start a year or two in advance and make sure the money is right, products

have been shipped and everything is in order,” said Paul Griffin, DCMA Boeing Mesa contracts group chief. “This is the only way we can meet the six-month time frame. It requires a lot of planning and forecasting to make it happen.”

Griffin is responsible for two administrative contracting officers, 10 contract administrators and one procurement technician. On a regular

“A strong relationship with the contractor is vital in making the close-out process go smoothly.”

— Paul Griffin
Boeing Mesa contracts group chief

basis, they administer the contracts issued to the Boeing Mesa contractor site — approximately \$15.8 billion spread over more than 1,000 contracts. This changes when contracts come to a close and the team must start overseeing additional contract details.

“One of the big things we do, is oversee the disposition of government

property,” said Griffin. “On a large production contract like this, there is always leftover property, tooling and test equipment that either has to be transferred to another contract or properly disposed of if it is no longer needed.”

“There are also patent clauses, which means we have to ensure a final patent report has been received and accepted by the respective service’s patent office,” continued Griffin. “We also ensure that the contractor has properly dispositioned any classified material and make sure everything has been delivered per contract requirements. Toward the end, we perform a data integrity

review and make sure the contractor has been paid properly and any left over money is returned to the customer.”

Completing this can be a daunting task, but Griffin said the process is much easier when an importance is placed on day-to-day operations. For this reason, he stresses the daily detail aspect of the job to his team.

“It is very important on large contracts to ensure everything is right as you move forward; like the right payment amount being submitted and (Defense Finance and Accounting Services) sending the right payment,” said Griffin. “Mistakes happen, but it’s much easier to catch a \$100 mistake a month after it happened, than trying to find \$100 in a \$2.5 billion contract at the end.”

This constant attention to detail means maintaining a strong working relationship with the contractor through the entire contract life cycle is a big part of program and close-out success.

“A strong relationship with the contractor is vital in making the close-out process go smoothly,” said Griffin. “Their priorities are different, but everyone takes pride in the work they do and wants a quality product to be delivered to the customer.”

Quality

Some aspects of the contract close-out process are easier when the next model of a particular product stays in the facility. It can save the government time and money when it comes to dealing with parts, tooling and inventory. It can also add complexity and lead to new problems. The DCMA Boeing Mesa quality team is experiencing both aspects as the contractor switches from the AH-64D Apache to the new model E.

The office has two quality teams at the contractor production facility. James Van Houten, DCMA Boeing Mesa Quality Assurance team chief, oversees a team of 10 quality assurance specialists responsible for all the quality assurance



PRE-FLIGHT INSPECTION

(From left) James Van Houten, DCMA Boeing Mesa Quality Assurance team chief, Phil Robles, quality assurance specialist, and Don Rosa, QAS, perform a pre-flight aircraft inspection of the AH-64D Apache Longbow Block II attack helicopter. (Courtesy photo)

surveillance activities for AH-64 Apache helicopter production and flight test activities.

Tom Leeper oversees the eight quality assurance specialists responsible for all the higher level and supplier quality surveillance activities of the Apache production.

“Continuing to work with the contractor on the new E model has many advantages to DCMA, our customer and the contractor,” said Van Houten. “We are very familiar with the contractor’s quality, production, supplier base and flight test processes and procedures. We have years of data and trending that give us the insight as to where risk mitigation is best applied.”

The established working relationship is also a benefit to staying in the same place. Relationships built over the course of a contract can continue to be cultivated as the new contract goes into place.

“These types of working relationships

take many years to develop and are essential when seemingly insurmountable problems arise because they are more likely to be resolved with no effect on quality, cost or schedule,” said Van Houten.

This doesn’t mean the transition is completely smooth. Van Houten said sometimes staying in the same location leads to strange nuances. This is when the relationship between contractors and the entire DCMA team can aid in quickly resolving problems.

“The introduction of a new model assembly line at a supplier requires that the DCMA quality team work closely with DCMA engineering, supplier quality, contracting and program integrator teams,” said Van Houten. “The teaming, constant communication and coordination between all the teams at DCMA Boeing Mesa was essential for the quality team to effectively have a positive influence on the quality of the new AH-64E Apache.”



APACHE TEAM

The DCMA Boeing Mesa team honors the delivery of the last AH-64D Apache Longbow Block II helicopter with a picture of the last AH-64D (right) and the new AH-64E (left). (Courtesy photo)

The PROCESS

Before the PROCESS

What happens before the contract?

Misha King | DCMA Public Affairs

Before any contract is written and the life cycle begins, a lot happens.

DCMA provides a valuable service between Department of Defense customers and prospective commercial contractors. These prospects are given pre-award surveys, or PAS, and DCMA evaluates the various reports to determine their capabilities to perform a service or provide items under contract for the government. Additionally, Federal Acquisition Regulation Part 9 requires a PAS be conducted on contractors whose performance history with DCMA, including commercial sources, is inadequate to make a judgment; have new product lines; or are poor performers historically.

"It boils down to this question: will the PAS reports and the contractor's capabilities convince the customer that the potential contractor has the necessary resources to meet the requirements in the solicitation request?" explained Douglas Yee, DCMA

Chicago's PAS manager for almost three years. "If yes, the customer can decide to award a contract to the potential contractor. If no, the customer must look at other bids and start the process over."

A PAS is either informal or formal. For the informal, the functional specialist assigned the workload researches all DCMA system resources available, as well as surveillance monitoring documents and history, to determine the contractor's capability for the potential contract. DOD customers usually request this survey when they're unsure if DCMA has information on the contractor.

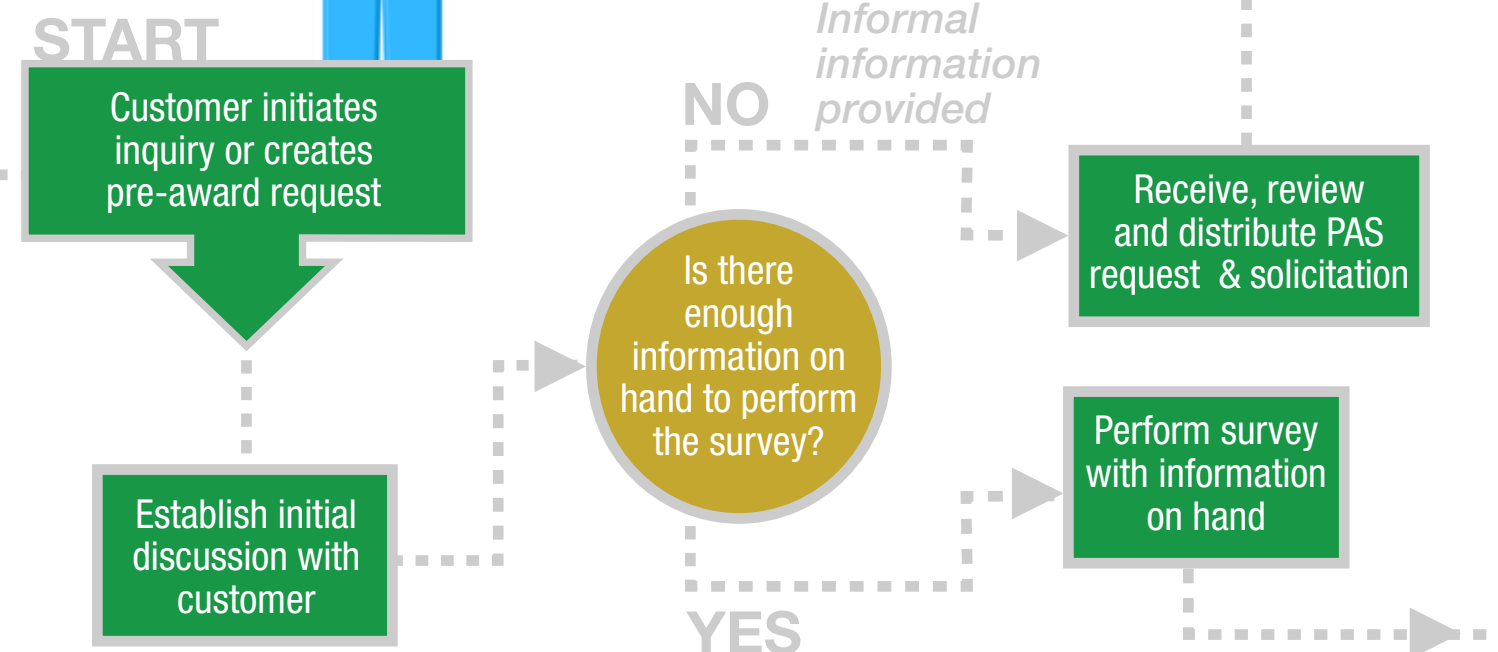
A formal PAS is more complex and requires more resources. It has five basic elements: a customer — the buyer such as a contracting officer or contract specialist; the eTools Pre-Award Survey System 2.0; a PAS manager or monitor; the assigned PAS team members and the contractor.

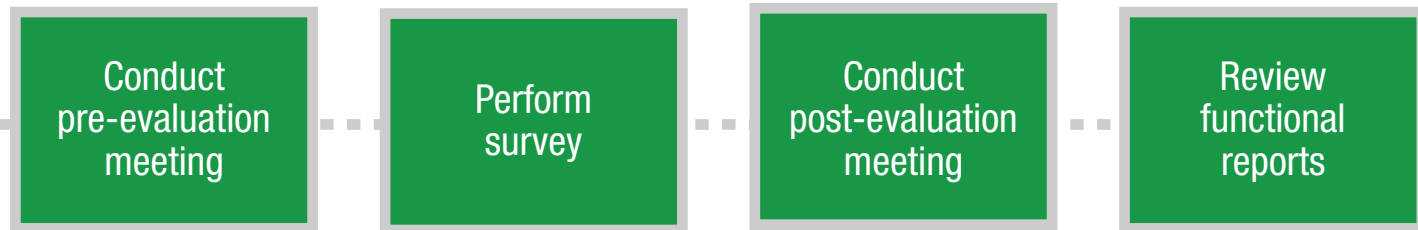
"When a customer initiates a request, it becomes a pre-award survey package and the PASM assigns it to the appropriate team or agency," said Peggy Goodwyn-Vidal, DCMA Dallas industrial specialist. Currently the CMO's alternate PASM, she brings with

her nearly 10 years of experience as a primary PASM.

The PASM reviews the PAS request for requirements and identifies what the end item or service, national stock number and solicitation are. The PASM also determines which factors and team members should be assigned to the survey, and contacts the appropriate CMO team leaders and members to assign the required reports and factors.

"For example, a Milwaukee PASM will contact a team leader in St. Louis to learn which industrial specialist is available to work on the technical report — form SF1404 — on a St. Louis company," said Yee, an IS, which is the typical job specialty of the agency's PASM. "Or, the PASM will contact the non-CMO DCMA safety team leader to learn which safety specialist is available to work on a safety survey on a Chicago company."





After the team members are identified, the PASM assigns them specific reports in PASS 2.0, which generates an email notifying the team members of the PAS to be performed. The IS usually becomes the on-site team leader and coordinates with the contractor to set up the group's site visit. They then tour the plant and the area where the proposed end item will be manufactured. The members will have specific questions and forms related to their job specialties, which they will use to make a satisfactory or unsatisfactory recommendation in their reports.

"In order for a team member to recommend satisfactory, the contractor must demonstrate the required capabilities and have the resources to perform successfully on the proposed contract," said Yee.

"If the contractor doesn't demonstrate capability, the member will recommend an unsatisfactory rating."

After a site visit, team members complete their reports and usually have their supervisors review them prior to submitting them to the PASM, who then reviews everything for completeness. If all the reports result in satisfactory ratings, the PASM will recommend a "complete award" to the customer on the proposed contract. However, if one or more factor reports result in unsatisfactory findings, the PASM will recommend a "no award."

"The PASM often contacts the

customer to announce the completed survey report is coming," said Yee. "Then he or she sends the survey to the customer through PASS 2.0, which also records the completed survey and information like whether it met the customer's due date. The great thing about PASS is future specialists can access the completed report through an archive system."

The number of PASs any particular CMO handles varies. Goodwyn-Vidal said the numbers fluctuate due to DOD funding for contracts. The number of

"The great thing about PAS is future specialists can access the completed report through an archive system."

— Douglas Yee
DCMA Chicago industrial specialist and Pre-Award Survey manager

PASS handled by DCMA Dallas ranges between 10 and 30 per month.

Yee said the summer months are busiest for DCMA Chicago because many customers need to make contract award decisions before the end of the fiscal year. Between May and September, he usually gets 25–30 requests.

The length of time it takes to complete a survey also varies. An informal PAS can take anywhere from 24 hours to a few days and is compiled from historical data or what is referred to as "on-hand" information. Goodwyn-Vidal said this type of survey

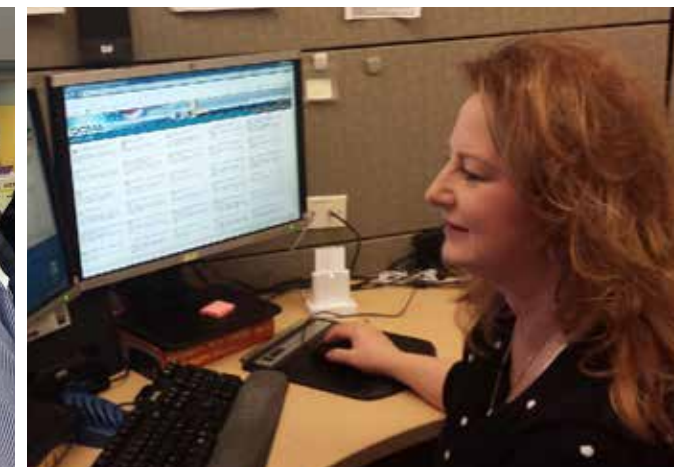
can be turned around rather quickly if the on-hand data is current and if DCMA staff is available for possible updates.

Surveys can take anywhere from two weeks to around 45 days. "The time period of completion is largely dependent on the scope or depth of the survey factors or requirements," explained Goodwyn-Vidal. "For example, financial, accounting and security factors can introduce longer time frames, as well as those requiring secondary surveys, temporary duty or availability of personnel."

Goodwyn-Vidal said the factors above affect the time line. Until 2011, the Defense Contract Accounting Agency handled the survey's financial factors, but now DCMA provides for financial survey support to the customer.

"That 2011 change in policy has drastically increased the volume of financial PASs our agency conducts, which is handled by our Financial Capability Group," she said. DCAA does, however, support DCMA with accounting surveys.

DCMA also uses the Defense Security Service for security surveys, which in most cases, requires a contractor facility visit. Secondary surveys come into play when another contractor or vendor performs a significant portion or critical process of the prime contractor's work. These can also increase the time period, especially when subcontractors are outside the prime contractor's region.



PRE-AWARD SURVEY SYSTEM TEAM

Douglas Yee, DCMA Chicago industrial specialist and Pre-Award Survey manager, and Peggy Goodwyn-Vidal, DCMA Dallas industrial specialist and the CMO's alternate PAS manager, work on the PAS System. Yee has been the CMO's PASM for almost three years. Goodwyn-Vidal went back to performing IS duties in October after being the primary PASM for nearly 10 years. (Courtesy photos)

Besides trying to meet the customer's requested deadline, PASMs face other challenges that can make serving the customer difficult. Two such hurdles are employee turnover and training.

"Buying commands have become decentralized in their organizations and there's a lot of contracting officer turnover, so I spend time educating the new customers on using PASS," Yee said. "There is also a lot of personnel turnover at the CMOs and other agencies, so I spend time training them on how to fill out a report or using PASS as well. Then

there's the challenge of working with organizations that aren't connected to PASS at all."

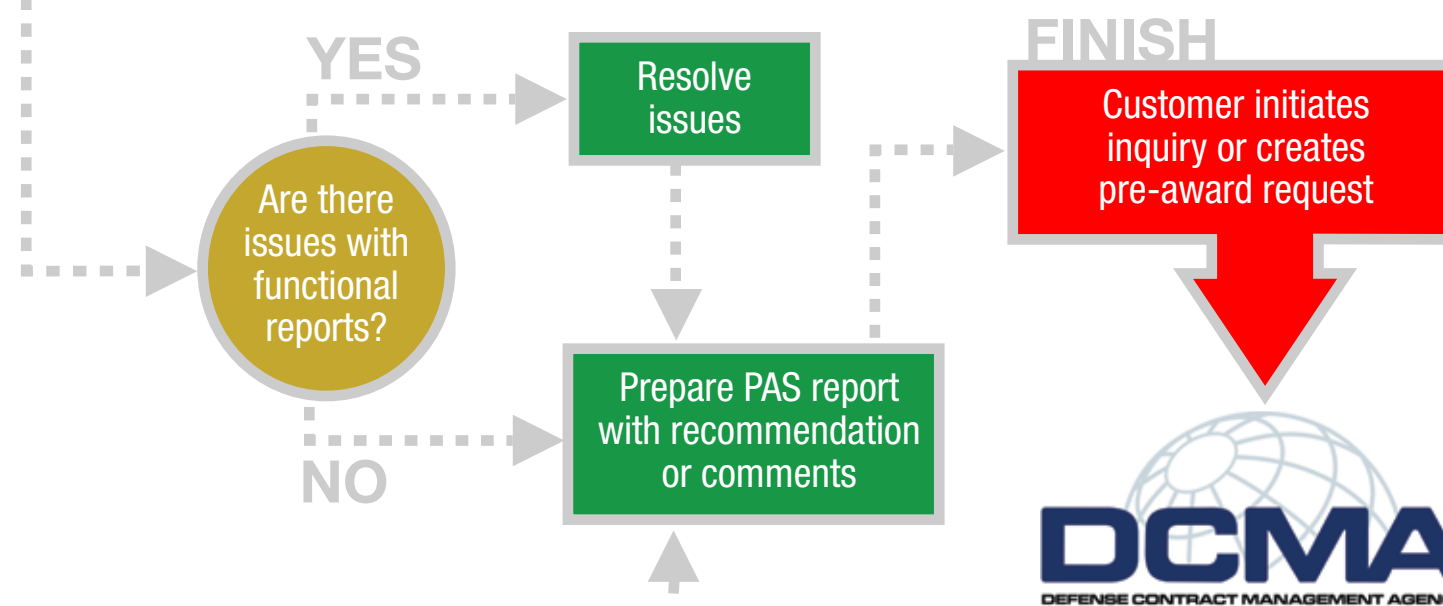
Although depending on external organizations to complete components of the pre-award surveys can be frustrating, Goodwyn-Vidal said fortunately PASMs can rely on their alternates, team members, leadership and PASMs in other regions for assistance and mentorship.

"I'm so appreciative of the great support I've received from my management, the specialists and coworkers," she said. "But, there's one person who's been a lifeline to me

— whom I consider my mentor and friend, and that's the DCMA Dayton PASM: Christine Esterbrook. She's been doing this for more than 20 years and is the veteran of all PASMs."

Through thick and thin, Goodwyn-Vidal said what's most important is the sense of pride she gets when she remembers why she does her job.

"I realize it isn't all about me," she said. "It takes a team to have a successful program, and I play a part in the bigger picture in making sure a correct, quality item or service gets to our warfighters on time and on budget." 🌐



Informal survey, create PAS request



COMING Home TO WORK

Matthew Montgomery | DCMA Public Affairs

The road to full-time employment can be difficult for veterans separating from military service. Factors like medical discharge and a tough economy add complexity, and the path becomes even more challenging. For two quality assurance specialists working at Defense Contract Management Agency Palmdale, the transition from military to government service was not easy, but a Department of Veterans Affairs program and good mentors made the transition successful.

Jaclyn Sanders and Martin Jimenez both participated in the VA “Fulfilling the Commitment – Coming Home to Work” program, known as CHTW. The program started in 2005 and Sanders and Jimenez were two of the early participants.

Under CHTW, military personnel going through the final phase of military separation have the ability to work for organizations and learn job skills while still being paid by their respective military service. This can help make the transition smoother, but does not

guarantee participants a job.

“The program gave us an opportunity, but securing a job was up to us,” said Jimenez. “I was very fortunate that multiple openings for QAs were available as my separation paperwork was finalized. I was able to start with DCMA two weeks after retirement.”

According to the VA, the program is a comprehensive intergovernmental and public-private alliance that helps separating Operation Iraqi Freedom and Operation Enduring Freedom veterans

have employment opportunities when they return home. Participating organizations must have a mentor in place and a plan for how veterans will succeed in the office.

John Levanduski, DCMA Palmdale QA director, was the liaison for Sanders and Jimenez and provided them with the guidance and resources for success.

“He’s an agency rock star and a great leader who expects the best from the entire team,” Sanders said of Levanduski. “He got to know me before bringing me on board for a year, and I

feel truly grateful for the mentorship he has provided.”

Jimenez, a Navy veteran, said, “without Levanduski’s help, I would not have been able to transition to DCMA like I did. He, along with his senior leaders, really cared about the program and had a vested interest in our success.”

Five years later, Levanduski said the decision to participate in the program was one of the best he could have made. “The program is great because it provides veterans an opportunity to see firsthand the type of work we do,” said

Levanduski. “It also benefits the agency because we get an opportunity to bring in someone who is highly motivated.”

Levanduski said if the contract management office identifies a veteran with 30 percent or more disability, and they meet all necessary qualifications, the hiring time shortens if positions are vacant. The CMO can direct-hire veterans if leadership believes the person is a good fit for the organization.

“Of the participants we’ve had in the program so far, three have come to work for DCMA and two obtained

(Photo illustration by Stephen Hickok)

jobs with government contractors,” said Levanduski. “The participants of this program end up being some of the highest quality people on our team.”

Approximately one year after being hired, Jimenez and Sanders had a meeting with Levanduski. “They came in to my office, shut the door and proceeded to tell me how grateful they were for the opportunity,” said Levanduski. “They said when they were separating, they had no idea what they were going to do, but DCMA gave them purpose and they’ve loved every minute of it. It was one of the most powerful experiences I’ve had with the agency.”

Jimenez and Sanders didn’t know each other when they started working at DCMA Palmdale, but their stories are similar. Both are Navy veterans who planned to stay in service longer. Both had to retire early due to medical reasons at a time when job opportunities were scarce. Now, both are successful QAs with an organization they have grown to love.

Jaclyn Sanders

Sanders enlisted in the Navy in May of 2000 and was looking forward to an extensive career in the military. She was an aviation ordnance petty officer first class, air and surface warfare qualified, responsible for a team of 15 personnel for two weapons magazines. She was also a quality assurance safety observer and responsible for the quality and safety during the assembly of guided bombs, 20 mm ammunition loaders and missiles. The weapons assembled by her team were used in support of OEF.

All of that changed for Jaclyn Sanders in 2009 during her last assignment aboard the USS *Ronald Reagan* (CVN 76).

“I planned a career in the Navy and had just reenlisted before sustaining an injury that made me unfit for duty,” said Sanders. “I had also just passed

the chief’s exam and was prepared to submit my package for the Chief’s Board consideration.”

To complicate matters even more, Sanders and her husband had just signed mortgage paperwork for their first home. “This was the most stressful time in my life. I did not know what I would be qualified for that would pay an amount to cover the bills I had just signed up for with the purchase of a new home. We were worried.”

Luckily, Sanders was able to work through the VA and get involved with the CHTW program. Instead of reporting to Navy medical hold, Sanders found herself at DCMA.

“The biggest challenge and hurdle to get over was facing the realization my career had been cut short by 10 to 11 years.”

— Martin Jimenez
DCMA Palmdale
lead quality assurance specialist

“I did not receive a promise that I would be hired, but I received assistance in building a resume and job experience,” said Sanders. “I was able to start some (Defense Acquisition Workforce Improvement Act) courses, and the DCMA team mentored me and taught me the fundamentals of the mission. I was inspired by them and encouraged.”

She said DCMA gave her hope and provided a distraction from the anxiety of not knowing when she would be released from the Navy. The agency also helped her learn about the jobs she could apply for with her military experience.

Sanders considers herself fortunate DCMA had QA jobs available as she was leaving military service. She was able to obtain a job working at the same CMO where she started the CHTW program.

“I cannot describe how much DCMA has improved my quality of life,” said

Sanders. “The command climate and professionals in my office are great to work with, and I’m mentally stimulated and enjoy the challenges in the day.”

DCMA has also affected her personal life and opened the door to additional possibilities. “I was not planning to be a mommy before getting out of the Navy,” said Sanders. “I was unwilling to leave a baby for months at a time. After two-and-a-half years with DCMA, my husband and I decided to have a baby. My little girl is now 18 months old and I was able to work until the last week of my pregnancy. Afterward, the DCMA Work Life Program helped me find the best day care for us in our neighborhood.”

Today, Sanders is a member of an unmanned aerial vehicle program support team where she feels valued and her expertise is appreciated. She is also a mentor for a new Keystone and serves as a technical training resource for others on her team.

“The technology I get to see is incredible, and the UAV programs I work on save lives,” said Sanders. “I’m very proud of what we do, and I feel honored to continue to support the warfighter.”

Martin Jimenez

Jimenez is a decorated Navy veteran and spent almost 20 years as a naval air crewman and rescue swimmer. More than eight years of his enlisted time was spent in a deployed status, most in support of OEF and OIF. He planned to stay for 30 years, but had to retire as a chief aviation warfare systems operator before he hit 20 due to medical reasons.

“The biggest challenge and hurdle to get over was facing the realization my career had been cut short by 10 to 11 years, and now I had to find employment in the civilian sector,” said Jimenez. “Fortunately, I had a very solid command structure on the active duty



COMING HOME TO WORK PARTICIPANTS

Jaclyn Sanders, and Martin Jimenez both participated in the Department of Veteran's Affairs' "Fulfilling the Commitment – Coming Home to Work" program. (Courtesy photo)



side and a very supportive commanding officer.”

While Jimenez was dealing with the medical aspect of leaving the service, his leadership provided him access to many opportunities to help with the transition. It was still a stressful time since the loss of income was going to affect his wife and daughter.

“We had to figure out what we were going to do next,” said Jimenez. “We were living in San Diego and knew we weren’t going to stay there because the cost of living was so high. The bills were piling up, and the economy had us very worried.”

Jimenez worked with the VA to participate in the CHTW program. Initially, he was placed in an organization he didn’t connect with and was soon looking for other opportunities. Eventually, he connected with DCMA and hasn’t looked back since.

“I quickly learned that life in DCMA was going to be very beneficial and quite enjoyable,” said Jimenez. “The first two people I met with DCMA happened to be the QA group director and contracts supervisor. They took me under their wing and put me in touch with other QAs who really helped me. If I had a

question, they would walk me through the answer. They would also ask me on a regular basis how I was doing and made sure I had everything I needed.”

When the opportunity to work full time with DCMA presented itself, it was an easy decision for Jimenez.

“The number one reason I decided to join DCMA was I felt my active duty time was cut short and I still wanted to give back,” said Jimenez. “This was the perfect opportunity – working on systems the troops and the sailors are using out in the forefront.”

Today, Jimenez supports the F-35 fuselage program as a lead QA. 🌐

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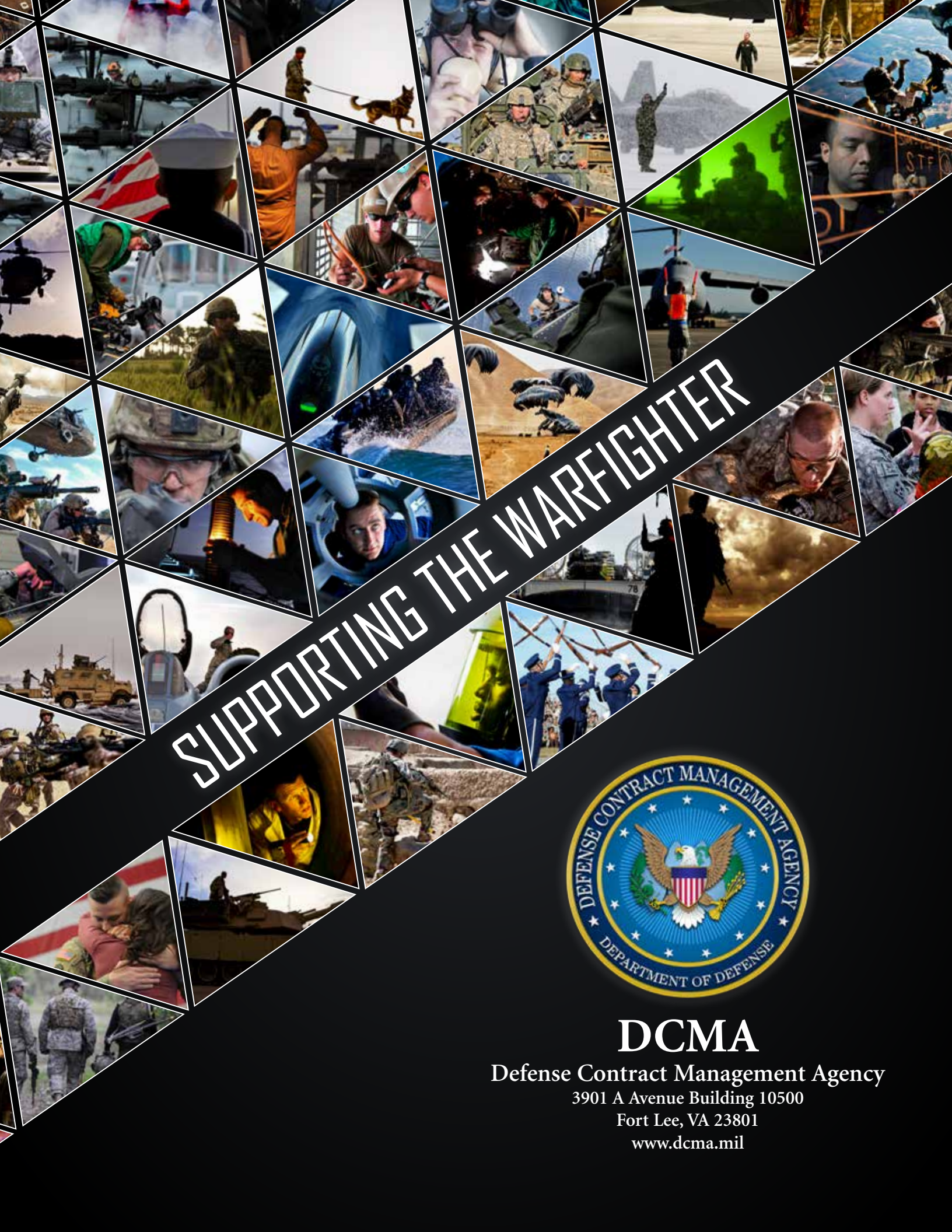
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