



**DEPARTMENT OF DEFENSE**  
**Defense Contract Management Agency**

# **INSTRUCTION**

## **Organization Structure**

**Financial and Business Operations Directorate**  
**DCMA-FBO**

**DCMA-INST 708**  
**May 15, 2013**

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**1. PURPOSE.** This Instruction:

- a. Establishes an Organization Structure Program in accordance with DoDD 5105.64 (Reference (a)).
- b. Reissues, updates, and renames DCMA Instruction (DCMA-INST) 708, “Structuring DCMA Organization” (Reference (b)).
- c. Establishes policy, assigns roles and responsibilities, and outlines procedures for developing and maintaining effective and efficient organization structure within DCMA.

**2. APPLICABILITY.** This Instruction applies to all DCMA activities. DCMA International and DCMA Special Programs are expected to meet the intent of this Instruction.

**3. MANAGERS’ INTERNAL CONTROL PROGRAM.** In accordance with the Managers’ Internal Control Program (Reference (c)), this Instruction is subject to evaluation and testing. The process flowchart is located at Appendix A.

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

**5. PLAS CODE.** 191 - Plans & Policy Deployment (Non-Process Specific)

**6. RESOURCE WEB PAGE.** <https://home.dcma.mil/policy/708r>

**7. EFFECTIVE DATE.** By order of the Director, DCMA, this Instruction is effective immediately.

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Executive Director  
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## REFERENCES

- (a) DoD Directive 5105.64, "Defense Contract Management Agency (DCMA)," January 10, 2013
- (b) DCMA-INST 708, "Structuring DCMA Organizations," March 2011 (hereby canceled)
- (c) DCMA-INST 710, "Managers' Internal Control Program," September 12, 2011
- (d) DCMA "Concept of Operations (CONOPS)," April 27, 2012
- (e) Federal Acquisition Regulation (FAR), Part 42 "Contract Administration & Audit Services," March 2, 2012
- (f) Defense Federal Acquisition Regulation Supplement (DFARS), Subpart 242 "Contract Administration," June 29, 2012
- (g) DCMA Organization Management Configuration Control Board (OMCCB) Charter, August 19, 2011
- (h) DCMA-INST 809, "Records Management," May 2009
- (i) DCMA "Correspondence Manual," February 7, 2011

## CHAPTER 1

### POLICY

#### 1.1. POLICY.

1.1.1. This Instruction implements the policy for structuring DCMA organizations to accomplish the Agency's mission. It is DCMA policy to establish organization structure that will improve lines of communication, increased efficiency and effectiveness, and improve support both horizontally and vertically within the Agency. All organizational changes shall be accomplished through the issuance of a General Order (GO). A GO documents the historical changes within the Agency reflecting the heraldry and succession of authority.

1.1.2. It is DCMA policy that functional specialists will report to a functional lead and/or supervisor from the same functional series to the maximum extent practical. This organizational construct allows functional alignment of employees with like job functions and competencies into organizational groupings that promote efficient and effective mission execution, career development, and supervision. Where appropriate, cross functional Integrated Product Teams provide opportunities to bring expertise together in teams to accomplish specific tasks. The functional alignment provides Contract Management Office (CMO) commanders/directors with trained employees in various disciplines. In addition, the defined structure provides standard naming conventions improving our interface and facilitation with our customer community. DCMA International and DCMA Special Programs are expected to meet the intent of this Instruction, and will use guidelines unique to their own environment subject to review by the Organizational Management Configuration Control Board (OMCCB) and approval by the Director, DCMA.

#### 1.2. DEFINE STRUCTURE.

1.2.1. DCMA Headquarters (HQ). DCMA HQs serves at the strategic level with responsibility to train, organize, and equip DCMA personnel; and to ensure effective and efficient performance of the agency's acquisition life-cycle support mission through development and deployment of agency strategic plans, programs, policies, processes, tools, and infrastructure. The specific HQ missions and functions are defined in the Agency Concept of Operations (CONOPS) (Reference (d)).

1.2.2. DCMA Centers. The role of DCMA Centers is to perform a specialized mission requirement and consolidate unique, scarce DCMA resources for the effective and efficient accomplishment of the DCMA mission. DCMA Centers serve at the operational level and are stand-alone functional organizations with command, control, and direct supervision provided by a designated HQs Executive Director. The specific Center mission and functions are defined in the Agency CONOPS (Reference (d)).

1.2.3. DCMA Operational Directorates. The Operational Directorates (DCMA Operations, DCMA International, and DCMA Special Programs) serve at the operational level with full command, control, and technical oversight of assigned tactical organizations. The Operational

Directorates' mission and functions are defined in the Agency CONOPS (Reference (d)). The Operational Directorates report to the DCMA Director.

1.2.4. DCMA Regional Commands. The Regional Commands (DCMA Eastern, DCMA Central, and DCMA Western) serve at the tactical level and are responsible for contract administration functions in accordance with FAR Part 42 (Reference (e)), DFARS Subpart 242 (Reference (f)), DoD Regulations, and Agency Instructions. In addition, the Regions are responsible for resource management, and budget planning and execution for aligned CMOs. Regional Commands also provide tactical direction, guidance, mission assistance and staff support to the CMOs. The Regional Command mission and functions are defined in the Agency CONOPS (Reference (d)). The Regional Commands report to the Operations Directorate, Chief Operations Officer.

1.2.5. DCMA CMOs. CMOs serve at the tactical level responsible for managing and administering assigned contracts from contract receipt to contract closeout in accordance with FAR Part 42 (Reference (e)), DFARS Subpart 242 (Reference (f)), DoD Regulations, and Agency Instructions. CMOs normally perform contract administration functions for an assigned geographic area or resident contractor locations. These services are delivered through an integrated approach. CMO commanders/directors have the authority to approve training, travel requirements, and personnel actions within allocated budget and established policy. Customer engagement is primarily at the program manager and/or sustainment level. Primary CMOs report to their aligned Regional Command. However, DCMA International and DCMA Special Programs' Primary CMOs report directly to their aligned DCMA International Commander or DCMA Special Programs Director.

1.2.5.1. CMOs are not authorized unless they have 50 or more positions. Retention of CMO status with less than 50 positions will require a waiver (see paragraph 1.7.) to retain CMO designation.

1.2.5.2. Primary CMO. The Agency standard top-level organizational structure for a Primary CMO is composed of the Office of the Commander/Director, a Mission Support Office, and a three-group functional structure comprised of the Contracts Group, Quality Assurance Group, and Engineering/Manufacturing Group (located on the resource Web page - CMO Structure).

- The Engineering/Manufacturing Group Lead functional series in this structure will be the best qualified technical candidate
- Dual-hat functional Group Chiefs are not permissible at Primary CMOs with streamlined CMOs
- Dual-hat functional Group Chiefs are permissible at CMOs with two or less subordinate teams
- Specific CMO mission and functions are defined in the Agency CONOPS (Reference (d))

1.2.5.2.1. If the three-group functional structure is not feasible, a two-group functional structure may be requested. The Agency non-standard top level organizational

structure for a Primary CMO is composed of the Office of the Commander/Director, missions support office (MSO), and a two-group functional structure comprised of the Contracts Group and Technical Group (Reference Resource Webpage - CMO Structure).

- The Technical Group Lead functional series in this structure will be the best qualified technical functional series candidate
- Requests for this structure will be reviewed by the OMCCB and approved by the DCMA Director

1.2.5.3. Streamlined CMO. Streamlined CMOs serve at the tactical level and report to their aligned Primary CMO. The mission and functions of Streamlined CMOs are the same as the Primary CMO except that Streamlined CMOs are not authorized an MSO. The Agency standard top-level organizational structure for a Streamlined CMO is composed of the Office of the Commander/Director and a three-group functional structure comprised Contracts Group, Quality Assurance Group, and Engineering/Manufacturing Group (Reference Resource Webpage - CMO Structure).

- The Streamlined CMO obtains administrative support services from their aligned Primary CMO
- The Engineering/Manufacturing Group Lead functional series in this structure will be the best qualified non-1910 technical candidate

1.2.5.3.1. If the three-group functional structure is not feasible, a two-group functional structure may be requested. The Agency non-standard top-level organizational structure for a Streamlined CMO is composed of the Office of the Commander/ Director and a two-group functional structure comprised of the Contracts Group and Technical Group (Reference Resource Web page - CMO Structure).

- The Technical Team Lead functional series in this structure will be the best qualified technical functional series candidate
- Requests for this structure will be reviewed by the OMCCB and approved by the DCMA Director

1.2.5.4. CMO Functional Group leaders can be civilian or military. If military, Commanders must ensure best qualified criteria and group leaders have appropriate functional background.

1.2.5.5. Mission Support Offices (MSO). MSOs are not authorized subordinate teams. The specific mission and functions are defined in the Agency CONOPS (Reference (d)).

1.2.5.5.1. The MSO servicing ratio is 23-27 to 1. For example, a Primary CMO with 200 authorizations (to include Streamlined CMO authorizations), would be authorized seven to nine authorizations in the MSO.

1.2.5.6. Office of General Counsel assigned to a CMO will report to the Office of the Commander/Director for administrative purposes. Technical command, control, and oversight will be provided by the HQ Office of General Counsel.

1.2.5.7. Government Flight Representatives assigned to a CMO will report to the Office of the Commander/Director.

**1.3. NAMING CONVENTION.** The Agency taxonomy (organizational hierarchy) specifying approved organizational naming convention is specified below as denoted in the Taxonomy (Reference Resource Web page - Taxonomy).

1.3.1. Headquarters. Defense Contract Management Agency (DCMA).

1.3.2. Operational Directorates. DCMA Operations, DCMA International, and DCMA Special Programs.

1.3.3. Regional Commands. DCMA Eastern Region, DCMA Central Region, and DCMA Western Region.

1.3.4. Contract Management Offices.

1.3.4.1. Geographic CMO. DCMA followed by the city name (example: DCMA Chicago).

1.3.4.2. Resident CMO. DCMA followed by the contractor name and then city name when the contractor has multiple sites (examples: DCMA Lockheed Martin Marietta; DCMA Raytheon Tucson).

1.3.4.3. DCMA International CMO. For Primary CMO, use DCMA followed by the region (example: DCMA Southern Europe). For Streamlined CMOs, use DCMA followed by the country (example: DCMA Italy).

1.3.4.4. DCMA Special Programs CMO. DCMA Special Programs East, DCMA Special Programs South, and DCMA Special Programs West.

## **1.4. SUPERVISORY RATIO.**

1.4.1. The supervisory ratio within DCMA ranges from 9 to 13 employees, based on functional and geographical dispersion. Supervisory ratio should not be used as a basis to create a new team or request a GO. Military positions, including those designated supervisory, are counted along with civilian positions to determine supervisory ratio for the purposes of internal DCMA organization and position management. This range will fluctuate based on factors such as geographical dispersion and the number of employees in the same series or functional group.

1.4.2. For organizations that do not have great geographical dispersion, the supervisor ratio would be at the higher end of this range versus those organizations with small numbers of like

functions and/or geographically dispersed employees. The guiding principle is to have the least number of supervisory positions necessary to perform the mission.

### **1.5. CONTRACT MANAGEMENT OFFICE (CMO) DEPUTIES.**

1.5.1. Full-time deputies are authorized at CMOs (Primary and Streamlined) with greater than 75 positions.

1.5.2. Dual-hatted deputies are authorized at CMOs (Primary and Streamlined) with between 50 and 75 positions.

1.5.3. Deputies are not authorized at CMOs with less than 50 positions.

**1.6. TITLES AND RANKS.** Operational Directorate head will be selected from either military or civilian based on the availability of the best qualified candidate. Changing status from military to civilian or civilian to military requires the DCMA Director approval.

1.6.1. The head of DCMA Operations Directorate is titled Chief Operations Officer and is a member of the Senior Executive Service.

1.6.2. The head of DCMA International will serve as Commander and is at the military O-7 level.

1.6.3. The head of DCMA Special Programs is titled Executive Director and is at the General Schedule (GS) -15 pay grade.

1.6.4. The head of a Regional Command will serve as Commander and is at the military O-6 level.

1.6.5. The head of a CMO will either serve as Commander or be titled Director.

- The Commander/Director's rank at a Primary CMO is typically a military O-6 or civilian GS-15 grade level; Civilian Deputy is at the GS-15 grade level
- The Commander/Director's rank at Streamlined CMO is typically a military O-5 or civilian GS-14 grade level; Civilian Deputy is at the GS-14 grade level

1.6.6. The head of a DCMA Center will be titled Director and rank will depend on the nature and scope of work performed by the Center.

**1.7. WAIVER REQUESTS.** Organizational policy waivers will be considered for exceptions to the standard three-group CMO organizational structure, exceptions to the supervisory ratio, and other mission-driven organizational construct deviations.

1.7.1. Waiver requests will not be considered for exceptions to:

1.7.1.1. Naming conventions at any level of the Agency.

1.7.1.2. CMO functional group naming conventions.

1.7.1.3. Titles and series for commanders, directors, deputies, group leaders, or supervisors.

1.7.2. Requests for waiver will address the nature of the waiver, mission impact, analysis of alternatives, current and projected workload expressed in dollar value, program significance, span of control/geographic dispersion, and any additional factors pertinent to the request.

1.7.3. CMO request for waivers shall be routed through their respective Regional Command and/or DCMA Operational Directorate. Each level of command will provide their analysis and recommendation. Only Operational Directorates approved waiver requests will be submitted to the OMCCB (Reference (g)).

## CHAPTER 2

### ROLES AND RESPONSIBILITIES

**2.1. DCMA DIRECTOR (DCMA-D).** The DCMA Director reviews and approves all organizational and mission changes. In the Director's absence, the Deputy Director is authorized to approve all organizational and mission changes.

**2.2. EXECUTIVE DIRECTOR, FINANCIAL AND BUSINESS OPERATIONS (DCMA-FB) .** The DCMA Executive Director, Financial and Business Operations administers this Instruction.

**2.3. DIRECTOR, MANPOWER AND ORGANIZATION MANAGEMENT (DCMA-FBO).** DCMA-FBO must:

2.3.1. Serve as the facilitator for the Organization Structure Program.

2.3.2. Develop, administer, and implement new or revised guidance and procedures for the Organization Structure Program. Guidance covers the development, formatting, coordination, and distribution of GOs.

2.3.3. Review and analyze all Organizational Change Requests (OCRs) received from the Requesting Activity prior to formal coordination as established in this Instruction.

2.3.4. Oversee the coordination process of all reviews of the OCR package.

2.3.5. Review and finalize the OCR package, ensuring all component coordination is complete, before forwarding the package for approval and signature.

2.3.6. Distribute and post signed GO to the DCMA GO Web site (Reference Resource Web page - DCMA GO Web site).

2.3.7. Assign and maintain a GO numbering system.

2.3.8. Serve as the official Organization Structure Program record keeper, performing the responsibilities in accordance with DCMA-INST 809, "Records Management" (Reference (h)).

2.3.9. Maintain historical files of GO publications to include copies of current and superseded GO publications, the original signed GO, signed Action Memo, and Coordination Summary Sheet (with a hard copy of the final declaration comments from each Component Head attached to the sheet).

**2.4. COMPONENT HEADS.** As the Director's Principal Advisors, Component Heads must review and coordinate on all GOs as requested by DCMA-FBO and provide consolidated written comments. Review is limited to the substantive area for which the Component has functional

responsibility. Component Heads may delegate signature authority to a subordinate, in accordance with the DCMA Correspondence Manual (Reference (i)).

**2.5. REQUESTING ACTIVITY (RA).** The RA must:

2.5.1. Review, evaluate, and be responsible for the level of detail, accuracy, currency, and integrity of the content of the OCR within their functional area.

2.5.2. Ensure OCR conforms to the requirements and standards as outlined within this Instruction before submitting the OCR to DCMA-FBO.

**2.6. ORGANIZATIONAL MANAGEMENT CONFIGURATION CONTROL BOARD (OMCCB).** OMCCB must:

2.6.1. Review and evaluate OCR for organizational structure policy deviations and associated waiver requests.

2.6.2. Provide recommendation for waivers and deviations to the DCMA Director.

2.6.3. The voting members include:

- Chairperson – Director, Manpower and Organization Management (DCMA-FBO)
- Operations Directorate (DCMAO)
- Contracts (DCMA-AQ)
- Quality Assurance (DCMA-QA)
- Engineering and Analysis (DCMA-EA)
- Human Capital (DCMA-HC)
- Portfolio Management and Integration (DCMA-PI)
- Other members on an ad-hoc basis, as necessary

2.6.4. The OMCCB member's responsibilities are to hold technical expertise of assigned board positions; be prepared for meetings; review and make recommendations on waiver/deviation requests that are in the best interest of the agency and mission requirements; and to ensure fair and consistent application of organization management policy.

## CHAPTER 3

### PROCEDURES

**3.1. OVERVIEW.** This Chapter provides step-by-step guidance on processing Organizational Change Requests and Waiver Requests. Appendix A (Organizational Change Request and Waiver Request Flowchart) illustrates a flow for the OCR and Waiver Request process.

**3.2. ORGANIZATIONAL CHANGE REQUEST (OCR).** OCRs play an important role in the structure of DCMA and must reflect sound management practices.

3.2.1. STEP 1. The RA will, prior to requesting an organization structure change, conduct the following analysis, if applicable:

3.2.1.1. Analyze mission change by evaluating the new requirement that is driving the need for a new or revised organizational structure. Define the new or increased mission that needs to be executed and develop associated organizational structure to support mission.

3.2.1.2. Analyze the nature of the mission change (e.g., new customer requirements, contractor consolidations, workload shift (increase/decrease)), or centralized alignments.

3.2.1.3. Determine total workforce skills (series/grade) required, analyze the current personnel skill-sets, and define gaps in organizational structure that would impede mission requirements.

3.2.1.4. When determining the number of people and associated skill-sets (i.e., contract administration, program integration, quality assurance, engineering, production), apply a performance management approach as outlined in the DCMA Performance Management Web site (Reference Resource Web page - DCMA Performance Management Web site).

3.2.1.5. Increases and decreases in workload must be considered when structuring the organizational element. Evaluate the current workforce to determine if the mission change will impact the current workforce skill-sets and associated grade structure.

3.2.1.6. Determine the impact on support staff (procurement technicians, contract management assistants, management assistants, management analysts, administrative assistants, etc.).

3.2.1.7. Workload resource review results must also be considered when structuring the organization. The results of the workload breakdown structure will ultimately impact how the organization is structured.

3.2.1.8. Compare the mission change analysis to the current organizational structure to determine the need for a new or revised organization or sub-organization. Consider whether the new mission and function fit within the current organization structure or whether it requires a revised organizational structure.

3.2.1.9. Develop a new or revised organizational structure chart to support the mission change. Define the change to civilian and military positions required in terms of current authorized positions, increases/decreased to authorized positions by title, series, grade, or rank (and service).

3.2.1.10. Identify any non-labor costs to execute mission change (increases/decreases in facility, equipment or support services).

3.2.2. STEP 2. The RA will pre-brief their chain of command to include the Executive Director on the concept of organizational structure change and request pre-approval to initiate OCR.

3.2.3. STEP 3. Once the organizational change is pre-approved, the RA will send DCMA-FBO an OCR package to include the following supporting documentation:

- Approved briefing slides
- Approval correspondence
- Before and after organization charts

3.2.4. STEP 4. DCMA-FBO will analyze OCR against this Instruction. If organization structure does not conform to policy, RA will need to revise the structure to conform or submit a Waiver Request to DCMA-FBO (see paragraph 3.3.).

3.2.5. STEP 5. DCMA-FBO will prepare the final GO and Organizational Change Systems Crosswalk, then vet through the formal coordination process, and obtain a signed and approved GO.

3.2.6. STEP 6. Once the GO is signed, DCMA-FBO will notify the affected DCMA component of the approved GOs via email and through management distribution. DCMA-FBO will post the GO on the DCMA GO Web Site (Reference Resource Web page - DCMA GO Web site).

**3.3. WAIVER REQUESTS.** Deviations from this policy will require a Waiver Request.

3.3.1. STEP 1. Request for waiver shall be routed through respective Regional Command and/or DCMA Operational Directorate. Each level of command will provide their analysis and recommendation. Only Executive Director approved waiver requests will be forwarded to DCMA-FBO.

3.3.2. STEP 2. RA submits Waiver Request to DCMA-FBO for processing through the OMCCB (See Reference (g)).

3.3.3. STEP 3. OMCCB convenes and provides recommendation to the DCMA Director for final approval.

3.3.4. STEP 4. DCMA-FBO notifies RA on DCMA Director's final decision and processes OCR accordingly.

## CHAPTER 4

### FORMAT REQUIREMENTS

#### 4.1. GENERAL ORDERS.

4.1.1. All GOs will be numbered. DCMA GOs will begin with the last two digits of the fiscal year followed by a dash and then a sequential GO number. The agency acronym shall be shown on the GO in the upper right hand corner on the same line as the GO number (example: upper left hand corner, FY13-01 and upper right hand corner, DCMA). Amendments to signed GOs will have the same GO number with a dash and then an amendment number (example: FY13-01-A1).

4.1.2. GOs will contain the following:

4.1.2.1. Paragraph I. This paragraph shall identify the Director, DCMA as the approving authority for all organization structure and mission changes within DCMA.

4.1.2.2. Paragraph II. This paragraph contains referenced policies and/or previous related GOs that impact the organization being changed in the current GO.

4.1.2.3. Paragraph III. The paragraph shall contain a statement indicating the nature of the action and the effective date of the organizational change.

4.1.2.3.1. In order to allow sufficient time for information systems to be updated, the proposed effective date needs to allow 90 days from signature date. This allows planning of the internal and external system change requirements. Exceptions to this 90-day rule will be on a case-by-case basis; i.e., change of address or Contract Administration Service Directory workload.

4.1.2.3.2. When establishing new organizations, the following information shall be documented in this paragraph of the GO:

- A brief mission statement for the new organization
- Identification of command and control reporting channels
- State new requirement for or identify changes to Contract Receipt Point (CRP)
- Department of Defense Activity Address Code (DoDAAC)
- Contract Administration Service (CAS) code

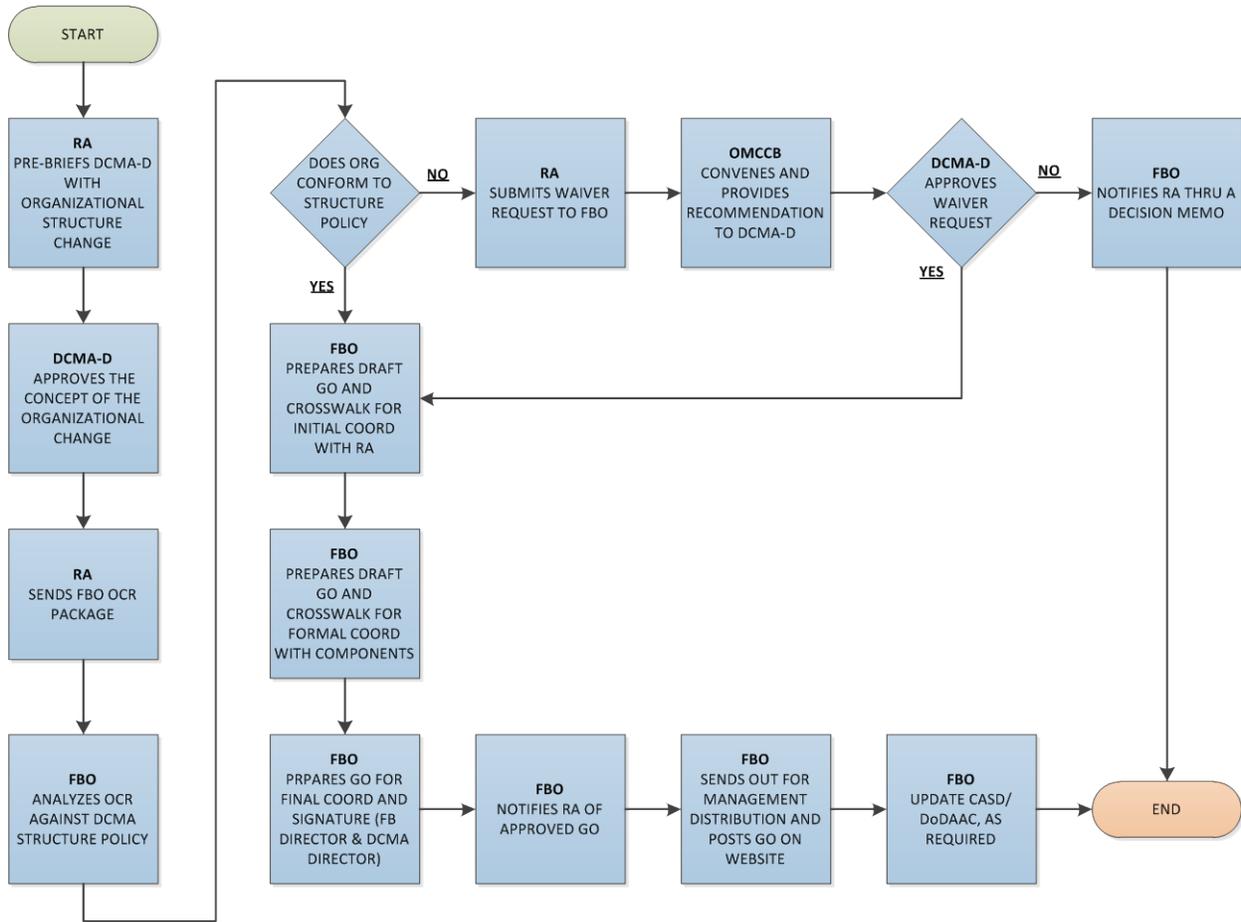
4.1.2.4. Paragraph IV. This paragraph shall identify the organization providing administrative support for personnel, budgeting, facilities, etc.

4.1.2.5. An Organizational Change Systems Crosswalk will be completed as an attachment to the GO. Full organizational titles shall be used, no acronyms.

4.1.3. Copies of all signed GOs can be found at the DCMA GO Web site (Reference Resource Web page - DCMA GO Web site).

### APPENDIX A

**Organizational Change Request & Waiver Request Flow Chart**



## **GLOSSARY**

### **ACRONYMS**

CMO	Contract Management Office
CONOPS	Concept of Operations
CRP	Contract Receipt Point
DCMA-FB	Financial and Business Operations
DCMA-FBO	Manpower and Organization Management
DCMA-INST	DCMA Instruction
DFARS	Defense Federal Acquisition Regulation Supplement
FAR	Federal Acquisition Regulation
GO	General Orders
GS	General Schedule
HQ	Headquarters
MSO	Missions Support Office
OMCCB	Organizational Management Configuration Control Board
OCR	Organizational Change Request
PLAS	Performance Labor Accounting System