



DCMA Instruction 4502

Corporate Governance

Office of Primary Responsibility

Corporate Governance Capability

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Approved by:

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Purpose: This issuance, in accordance with the authority in DoD Directive 5105.64, "Defense Contract Management Agency (DCMA)," establishes policy, assigns responsibility, and prescribes general principles associated with corporate governance management, corporate improvement, and strategic communication within DCMA.

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SECTION 1: GENERAL ISSUANCE INFORMATION

1.1. APPLICABILITY. This issuance applies to all DCMA activities unless higher-level regulations, policy, guidance, or agreements take precedence.

1.2. POLICY. DCMA is committed to the principles of good governance to ensure that its resources and activities are aligned to accomplish the Agency's strategic goals and priorities. Good governance is characterized by fact-based and transparent decision-making, proactive continuous process improvement, and strategic communication, in order to achieve expected outcomes for our stakeholders, customers, and workforce. It is DCMA policy to:

a. Establish, deliver, and maintain a robust corporate governance capability to fulfill the Agency's mission and fully comply with laws, regulations, and DoD issuances.

b. Perform corporate decision-making, continuous process improvement, and strategic communication in a multi-functional, integrated, flexible, and coordinated manner.

c. Apply these governing principles for decision-making:

(1) Utilize the DCMA governance structure (to include the Business Capabilities Framework, and associated processes, as detailed in the manuals subordinate to this Instruction), as the principal method to prioritize and make decisions on resource allocations, and oversee the appropriate development of policy, tools, and training in support of the Agency's mission.

(2) Align decisions with the Agency's Strategic Plan, priorities, and associated metrics to ensure progress and results, in accordance with DCMA Instruction (DCMA-INST) 4503, "Planning and Resourcing."

(3) Ensure that activities, studies and decision-making processes are fact-based, consistent, timely, responsible, transparent, collaborative, and communicated to promote appropriate action and unity of effort to achieve results.

(4) Input proposed requirements into the governance and decision-making process using the authorized system of record for agency requirements intake, collection, and review. This system will serve as the entry point for collection, processing, and prioritization of all new and recurring agency requirements.

(5) Establish (and disestablish) governance bodies as required to ensure necessity, economy, efficiency of operation, and execution within resource constraints.

(6) Develop and consider options using the lenses of doctrine, organization, training, materiel, leadership and education, personnel, facilities, and policy (DOTMLPF-P).

(7) Use the validated capability requirements and other outputs of the decision-making process to:

(a) Inform the Agency Planning, Programming, Budgeting, and Execution (PPBE) processes as detailed in DCMA-INST 4503 and the DCMA-INST 4301, “Stewardship” series.

(b) Drive agency acquisition decisions as detailed in the DCMA-INST 4301 series and the DCMA-INST 4401, “Information Technology Management” series.

(c) Execute Agency manpower strategies as detailed in the DCMA-INST 4201, “Civilian Personnel” series and the DCMA-INST 4301 series.

(8) Establish and maintain an enterprise architecture (EA) program, in accordance with DoD issuances and other appropriate guidance.

d. Apply these governing principles for corporate improvement:

(1) Develop and deploy a broad-based, structured continuous process improvement (CPI) program to help meet organizational objectives to identify and support operational improvement efforts that are aligned with the Agency Strategic Plan.

(2) Manage and integrate CPI projects as an integral part of the Agency’s Business Capability Framework and data-driven decision-making process so as to achieve improvements with demonstrated return on investment (ROI) across the Agency’s core business value streams.

(3) Develop and maintain CPI competency across the enterprise by training and supporting a cadre of Belt practitioners at all levels of expertise. To this end, CPI expertise will be developed and sustained in-house to mature CPI knowledge-base for continued benefit of the Agency.

(4) Use CPI concepts and tools appropriate to the task at hand, to include Lean Six Sigma (LSS), Constraints Theory, Business Process Reengineering (BPR) and other industry standard practices and methodologies.

(5) Employ the principles of change management to appropriately prepare and support individuals, teams, and organizations in making efficient and effective organizational change.

e. Apply these governing principles for strategic communication:

(1) Make available timely and accurate information and records under established authorities, procedures and practices so the public, Congress, and the media may assess and understand the facts about DCMA and its mission, programs, and operations.

(2) Protect from release information that is protected by federal laws, regulations, and policies.

(3) Protect individuals’ privacy and civil liberties rights, consistent with federal laws, regulations, and policies.

(4) Minimize collection, use, maintenance, and dissemination of information about individuals for purposes of accomplishing DCMA's mission, when possible and practicable.

(5) Minimize collection of personally identifiable information (PII) within systems of records, and maintain only PII that is required to accomplish DCMA's mission.

(6) Promote transparency and accountability by adopting a presumption in favor of disclosure in all decisions involving requests for information via the Freedom of Information Act (FOIA) and Congressional, media, and public inquiries, responding promptly to requests in a spirit of cooperation, and by taking affirmative steps to make the maximum amount of information available to the public, consistent with the responsibility to protect national security and other sensitive DoD information.

(7) Observe the appropriate honors, customs, ceremonies, and traditions befitting the DCMA organization, its people, and its guests.

f. Execute this Instruction in a safe, efficient, effective, and ethical manner.

g. Implement and execute the above elements in paragraphs 1.2.a. through 1.2.f., by following the processes and procedures set forth in the manuals subordinate to this instruction.

SECTION 2: RESPONSIBILITIES

2.1. DIRECTOR, DCMA. The DCMA Director will:

- a. Implement DCMA Governance Structure to ensure that its resources and activities are aligned to accomplish the Agency's mission, strategic goals, and priorities.
- b. Assign membership to agency governance bodies who will serve as the principals to implement methods to prioritize and make decisions on resource allocations within the Agency.
- c. Implement performance improvement program in accordance with DoD issuances and other appropriate guidance.
- d. Ensure the Agency FOIA program and the Privacy and Civil Liberties program are administered in accordance with DoD issuances.
- e. Designate an appellate authority, public liaison, and one or more initial denial authorities for the FOIA program.
- f. Appoint a Senior Component Official for Privacy.
- g. Implement the DoD Principles of Information in accordance with DoD issuances and other appropriate guidance.
- h. Implement the programs described herein by staffing and equipping the proper organizational components to manage them.
- i. Appoint, in writing, the appropriate personnel in order to assign authorities for their respective programs.

2.2. DEPUTY DIRECTOR, DCMA. The DCMA Deputy Director will:

- a. Request studies and supporting documentation, initiate project charters, and approve expenditures to ensure proper requirements review and resource allocation decisions for the Agency.
- b. Serve as the DCMA FOIA appellate authority.

2.3. CAPABILITY MANAGER, CORPORATE GOVERNANCE (CG) CAPABILITY BOARD (CAP BD). The Manager of the CG CAP BD will:

- a. In accordance with the guidance and decisions of the DCMA Director and Deputy Director, develop, establish, and implement agency-wide policy for governance management.
- b. Provide guidance for the efficient management of DCMA governance and revise agency instructions and related documents as appropriate.

c. Annually review DCMA governance bodies to ensure effective and efficient use of governing bodies, and recommend changes to senior leadership, as appropriate. This process addresses the establishment, continuation, or termination of all internal governance bodies within DCMA.

d. Perform administrative oversight functions for select governance bodies as directed by the DCMA Director and Deputy Director.

e. Post signed charters for approved governance bodies in DCMA's central repository for official publications.

f. Establish and oversee agency-level implementation of CPI/LSS programs and initiatives to include providing necessary support.

(1) Provide necessary resources and guidance to effect full integration and coordination of CPI/LSS information and capabilities across organization and functional boundaries.

(2) Establish CPI Program Director under the authority direction and control of the Executive Director to develop, implement, and manage the CPI program.

g. Oversee the establishment and maintenance of the EA program and ensure that this program is properly staffed and resourced.

h. Ensure the programs are properly staffed and resourced.

i. Annually complete a Management Controls Checklist for the processes associated with corporate governance, corporate improvement, and strategic communication.

j. Conduct periodic reviews to evaluate the efficiency and effectiveness of the programs.

2.4. COMPONENT HEADS. Component Heads will ensure all assigned employees and contractors abide by the provisions of this instruction and its subordinate manuals.

GLOSSARY

G.1. DEFINITIONS.

Business Enterprise Architecture (BEA). This is the enterprise architecture for the DoD Business Mission Area. The BEA guides and constrains implementation of interoperable Defense Business System (DBS) solutions as required by the National Defense Authorization Act (NDAA) by guiding system alignment to end-to-end processes. It also guides information technology (IT) investment management to align with strategic business capabilities as required by the Clinger-Cohen Act, and supporting the Office of Management and Budget (OMB) and the Government Accountability Office (GAO) policies.

DOTMLPF-P. As defined in the Joint Capabilities Integration Development System (JCIDS), the DOTMLPF-P process considers solutions involving any combination of doctrine, organization, training, materiel, leadership and education, personnel, facilities and policy. In defining mission requirements, a requirements owner must methodically consider the individual elements of DOTMLPF-P to identify gaps and influence the direction of fulfilling requirements towards the most cost-effective and efficient solutions. Note that the “M” for “materiel” is sometimes shown in lower case (e.g., “DOTmLPP-P”) to indicate that the acquisition of equipment, supplies, and software (materiel) should not be the primary consideration when trying to create a solution set, since it is typically the most expensive answer.

tool. This term refers to any physical or electronic, work-related job aid. This includes a vast array of items, to include databases, spreadsheets, websites, desktop guides, and check sheets.

EA. An EA is a conceptual blueprint that defines the structure and operation of an organization. The intent of an enterprise architecture is to determine how an organization can most effectively achieve its current and future objectives.

Department of Defense Architecture Framework (DoDAF). This is the industry-standard Enterprise Architecture Framework for defense and aerospace applications defined by the DoD. DoDAF defines how to organize the specification of enterprise architectures for U.S. Department of Defense (DoD) applications. All major DoD weapons and information technology system procurements are required to document their enterprise architectures using the view products prescribed by the DoDAF. DoDAF is well-suited to large systems and systems-of-systems (SoSs) with complex integration and interoperability issues. Although DoDAF is primarily focused on defense applications, it can also be applied to commercial systems.

GLOSSARY

G.2. ACRONYMS.

BEA	business enterprise architecture
CAP BD	Capability Board
CG	Corporate Governance
CPI	continuous process improvement
DCMA-INST	DCMA instruction
DoDAF	Department of Defense Architecture Framework
DOTMLPF-P	doctrine, organization, training, materiel, leadership and education, personnel, facilities and policy
EA	enterprise architecture
FOIA	Freedom of Information Act
LSS	Lean Six Sigma
PII	personally identifiable information

REFERENCES

- DCMA Instruction 4201, "Civilian Personnel," July 20, 2018
- DCMA Instruction 4301, "Stewardship," July 18, 2018
- DCMA Instruction 4401, "Information Technology Management," TBD
- DCMA Instruction 4503, "Planning and Resourcing," TBD
- DoD Directive 5105.64, "Defense Contract Management Agency (DCMA)," January 10, 2013