



DCMA Instruction 4503

Planning and Resourcing

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 responsibilities, and provides direction to the Agency pursuant to DoDD 7045.14, "The Planning, Programming, Budgeting, and Execution (PPBE) Process." It establishes the availability of procedural manuals that address planning and resourcing processes. This instruction provides the structure for the Director and leadership at all levels to develop and execute the programs and budgets necessary to achieve national objectives and provide day-to-day management of resources.

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SECTION 1: GENERAL ISSUANCE INFORMATION

1.1. APPLICABILITY. This instruction and associated manual series applies to all DCMA organizational elements unless higher-level regulations, policy, guidance, or agreements take precedence.

1.2. POLICY. It is DCMA policy to:

- a. Establish and implement a process for Planning and Resourcing consistent with the guidance set forth in DoDD 7045.14 and annual implementing guidance provided by various elements of the Office of the Secretary of Defense.
- b. Execute these policy elements following the processes and procedures set forth in this Instruction and associated manual series.
- c. Handle data and restrict release of sensitive pre-decisional information, in accordance with DoDD 7045.14 and annual guidance, and require utilization of the Secret Internet Protocol Router Network to secure Department originated data and decisions prior to their public release.
- d. Execute this Instruction in a safe, effective, and ethical manner.

SECTION 2: RESPONSIBILITIES

2.1. DIRECTOR, DCMA. The Director, assisted by the senior leadership team and capability boards, provides centralized direction by defining planning goals, issuing programming and budgeting guidance, and periodically reviewing execution performance.

2.2. DEPUTY DIRECTOR. The Deputy Director manages the day-to-day activities supported by the Corporate Governance and Stewardship Capability Boards and headquarters elements assigned planning and resourcing responsibilities.

2.3. CAPABILITY MANAGERS (CM). CMs will:

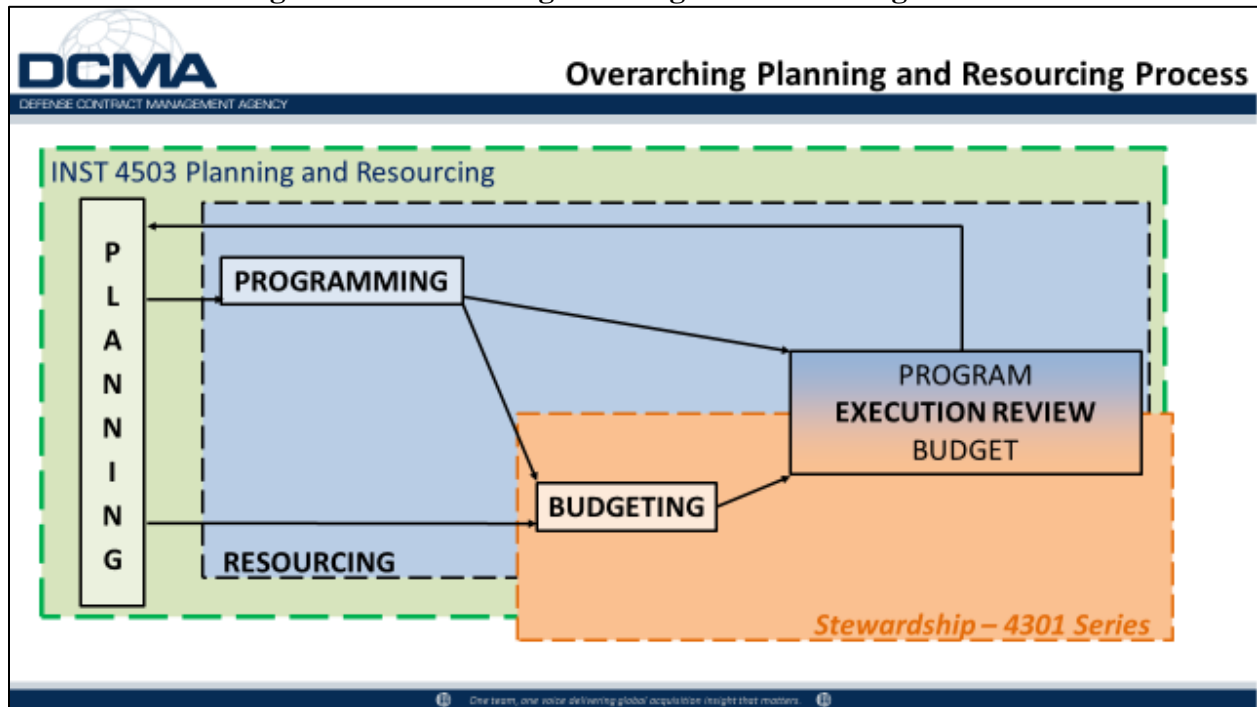
a. Plan, program, and conduct performance reviews consistent with this Instruction, procedural manuals prepared in support of this Instruction, tasking memorandums, and other guidance as received.

b. Conduct capability gap analysis and propose Doctrine, Organization, Training, Materiel, Leadership, Personnel, Facilities and Policy (DOTMLPF-P) solutions for input into the Agency intake system of record and requirements validation in accordance with DCMA Instruction (DCMA-INST) 4502, “Corporate Governance,” and associated manual series.

2.4. CORPORATE GOVERNANCE CAPABILITY MANAGER. In addition to the responsibilities in paragraph 2.3., the Corporate Governance CM must lead the Agency’s overarching planning and resourcing effort, as depicted in Figure 1.

2.5. STEWARDSHIP CAPABILITY MANAGER. In addition to the responsibilities in paragraph 2.3., the Stewardship CM must support the Corporate Governance CM by leading the Budgeting and Budget segment of Execution Review for the PPBE process, as depicted in Figure 1.

Figure 1. Overarching Planning and Resourcing Process



2.6. COMPONENT HEADS. All component heads will:

a. Plan, budget, and conduct performance reviews consistent with this Instruction and its associated manual series, as well as the Stewardship Capability Board's guidance for DCMA-INST 4301, "Stewardship," and its associated manual series, tasking memorandums, and other guidance as received.

b. Support the various CMs in conducting mission capability gap analysis, development of programs, and the defense of Agency resourcing as required.

c. Ensure subordinate leaders at all echelons execute their planning and resourcing responsibilities as described in the Agency Concept of Operations and the Agency capability board framework, as described in DCMA-INST 4502 and associated manual series.

2.7. EXECUTIVE DIRECTOR, INFORMATION TECHNOLOGY, AND DIRECTORS, FACILITIES AND SECURITY. In addition to the responsibilities in paragraph 2.6., the Directors will collaborate in the provision of a secure work and communications environment adequate to meet the information security requirements of DoDD 7045.14 and various annual guidance directives such that Agency personnel can access, communicate, discuss and process this information within effective and efficient cost and risk factors.

SECTION 3: GENERAL PROVISIONS

3.1. GUIDANCE.

a. Planning and resourcing activities serve as the annual planning, resource allocation and execution review process for DCMA within a quadrennial planning cycle. The DoD's National Defense Strategy, National Defense Business Operations Plan, mission, program, and budget guidance are the principal guides used in this process. Programs (by capability board) and budgets (by Component) must be formulated annually and address all resources provided to the Agency from the Under Secretary of Defense for Acquisition and Sustainment (USD(A&S)). The budget must cover 1 fiscal year, and programs must encompass an additional 4 years. The identification of the fiscal years impacted by the Planning, Programming, Budgeting and Execution Review portions of the PPBE process are located on the DCMA-INST 4503 Resource Page and updated annually to reflect the current cycle.

b. The Planning and Resourcing Process will:

(1) Support the objective to provide the DoD with the most effective mix of forces, equipment, manpower, and support attainable within fiscal constraints.

(2) Facilitate the alignment of resources to prioritized capabilities based on an overarching strategy that requires balancing necessary mission and support capabilities with risk, affordability, and effectiveness.

(3) Provide mechanisms for making and implementing fiscally sound decisions in support of the national security and defense strategies.

(4) Facilitate execution reviews of past decisions and actions. The reviews must assess actual execution performance based on goals and strategic objectives. Recommendations from these reviews must be linked to decisions on future resource allocations.

(5) Accept, as inputs, products of the acquisition and requirements processes outlined in Chairman of the Joint Chiefs of Staff Instruction 5123.01H, "Charter of the Joint Requirements Oversight Council (JROC) and Implementation of the Joint Capabilities Integration and Development System (JCIDS)," as well as DoDD 8000.01, "Management of DoD Information Enterprise (DoD IE)."

(6) Support and inform corporate risk-based decision making and strategic impacts determined through governance principles and actions, in accordance with DCMA-INST 4502 and associated manual series.

3.2. PLANNING.

a. In the planning phase, the mission of the military, the defense posture of the United States, and the role of the DoD and the Agency in the world environment must be examined. In

addition, consideration must be given to enduring national security objectives and the need for efficient management of defense resources. The focus must be on:

- (1) Defining the Agency strategy necessary to help maintain national security and support execution of the Agency's missions.
 - (2) Planning the integrated and balanced capabilities necessary to accomplish strategies that will be used to achieve the Agency's mission, goals and objectives.
 - (3) Defining the policy framework, needed to manage Agency resources, including:
 - Priorities
 - Affordability
 - Balanced risk
 - Suitability
 - Feasibility
 - Effectiveness
 - (4) Providing strategic decision options to the USD(A&S) to help in assessing the role, organization and resourcing of DCMA for the development and execution of the mission and related decisions. Those decision options must be:
 - (a) Informed by the relevant laws, policies, acquisition and industrial base strategies, and sustainment plans.
 - (b) Based on systematic analysis of current and programmed activities in relation to the demands of Agency missions defined by the USD(A&S).
- b. The planning process must evaluate the operational utility and cost effectiveness of major decision options.

3.3. RESOURCING.

- a. During the Programming Phase of the PPBE process:

(1) The CMs must develop proposed programs consistent with the planning guidance, programming guidance, and fiscal guidance. These programs must reflect systematic analysis of the missions and objectives to be achieved, alternative methods of accomplishing them, and the effective allocation of the resources across the Future Years Defense Program.

(2) The Component Heads must analyze the programs and provide a risk assessment based on the ability of the component to execute the strategy approved during the planning phase. Procedures for this activity will be defined in the manuals supporting this Instruction.

- b. During the Budgeting Phase of the PPBE process:

(1) The CMs must review Component budgets and provide a risk assessment based on the ability of the capability to execute the strategy approved during the planning phase.

(2) The Component Heads must develop and execute budget activities as defined in DCMA-INST 4301 and associated manual series.

c. During the Execution Review Phase of the PPBE process:

(1) The CMs and Component Heads must conduct periodic reviews to determine how well programs and budgeting have met planning and mission needs.

(2) The CMs and Component Heads must assess:

(a) Compliance with priorities expressed in Department and Agency guidance.

(b) Compliance with the Director's decisions and guidance.

(c) Program and budget results, as measured by established performance metrics. Components must incorporate these performance metrics in their program and budget submissions.

(d) Other results critical to successful program and budget execution.

(3) The CMs and Component Heads must direct subordinate leadership to conduct element execution reviews, tailored to the elements specific mission, materiality and risk to ensure that all critical performance attributes are examined in sufficient detail to inform the planning and resourcing process.

GLOSSARY

G.1. DEFINITIONS.

Concept of Operations. A verbal or graphic statement, in broad outline, of a commander's assumptions or intent in regard to an operation or series of operations.

DOTMLPF-P. Pertains to the eight possible non-materiel elements involved in solving warfighting capability gaps, which includes doctrine, organization, training, materiel, leadership and education, personnel, facilities and policy. These solutions may result from a Capabilities Gap Assessment or any study that investigates DoD warfighting capabilities and identifies capability gaps.

Future Years Defense Program. Program and financial plan for the DoD as approved by the Secretary of Defense. It arrays cost data, manpower, and force structure over a 5-year period (force structure for an additional 3 years), portraying this data by major force program for DoD internal review for the program and budget review submission. It is also provided to the Congress annually in conjunction with the President's budget.

GLOSSARY

G.2. ACRONYMS.

CM	Capability Manager
DCMA-INST DOTMLPF-P	DCMA Instruction Doctrine, Organization, Training, Materiel, Leadership, Personnel, Facilities and Policy
PPBE	Planning, Programming Budgeting and Execution
USD(A&S)	Under Secretary of Defense for Acquisition and Sustainment

REFERENCES

Chairman of the Joint Chiefs of Staff Instruction 5123.01H, “Charter of the Joint Requirements Oversight Council (JROC) and Implementation of the Joint Capabilities Integration and Development System (JCIDS),” August 31, 2018

DCMA “Concept of Operations,” April 27, 2017 (as amended)

DCMA Instruction 4301, “Stewardship,” July 18, 2018

DCMA Instruction 4502, “Corporate Governance Structure and Procedures,” January 14, 2019

DoD Directive 5105.64, “Defense Contract Management Agency (DCMA),” January 10, 2013

DoD Directive 7045.14, “The Planning, Programming, Budgeting, and Execution (PPBE) Process,” January 25, 2013

DoD Directive 8000.01, “Management of DoD Information Resources and Technology,” February 10, 2009

National Defense Business Operations Plan, current edition

National Defense Strategy, current edition