



## DCMA Manual 4501-03

# Organization Structure, Mission and Functions

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<b>Office of Primary Responsibility</b>	<b>Corporate Governance Capability</b>
<b>Effective:</b>	April 3, 2019
<b>Releasability:</b>	Cleared for public release
<b>New Issuance</b>	
<b>Implements:</b>	DCMA-INST 4501, "Administration"
<b>Incorporates and Cancels:</b>	DCMA-INST 708, "Organization Structure," May 15, 2013 DCMA-INST 712, "Concept of Operations (CONOPS) Validation," April 21, 2014
<b>Internal Control:</b>	Process flow and key controls are located on the Resource Page
<b>Labor Codes:</b>	Located on the Resource Page
<b>Resource Page Link:</b>	<a href="https://360.dcma.mil/sites/policy/CG/SitePages/4501-03r.aspx">https://360.dcma.mil/sites/policy/CG/SitePages/4501-03r.aspx</a>
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**Purpose:** This issuance, in accordance with the authority in DoD Directive 5105.64, Defense Contract Management Agency (DCMA):

- Implements policy established in DCMA Instruction 4501.

- Provides and defines procedures for effective organization structure within DCMA.
- Provides and defines procedures for DCMA's organization structure.
- Provides and defines procedures for DCMA's Concept of Operations.

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## SECTION 1: GENERAL ISSUANCE INFORMATION

**1.1. APPLICABILITY.** This issuance applies to all DCMA organizational elements.

**1.2. POLICY.** It is DCMA policy to:

a. Establish an organization structure that will improve lines of communication, increase efficiency, effectiveness, and improve support both horizontally and vertically within the Agency.

b. Ensure functional specialists report to a functional lead and/or supervisor from the same functional series to the maximum extent practical. This allows functional alignment of employees with similar job functions and competencies into organizational groupings that promote efficient and effective mission execution, career development and supervision.

c. Provide a standard naming convention to improve our interface and facilitation with our customer community.

d. DCMA International and DCMA Special Programs are expected to meet the intent of this manual and will use guidelines unique to their own environment.

e. Maintain the currency and accuracy of the Concept of Operations (CONOPS) annexes.

f. Ensure the Corporate Governance Capability Board, as functional proponent of the CONOPS, sets forth configuration standards and promulgates guidance.

g. Have Components be responsible for evaluating the efficiency of their operations, analyzing structural and organizational effectiveness, and refining organizational mission statements within their functional areas of the CONOPS.

h. Execute this manual in a safe, efficient, effective, and ethical manner.

## SECTION 2: RESPONSIBILITIES

**2.1. DIRECTOR, DCMA.** The DCMA Director will review and approve all organization and mission changes. In the Director's absence, the Deputy Director is authorized to approve all organization and mission changes.

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

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

- a. Serve as the facilitator for the Organization Structure Program.
- b. Develop, administer, and implement current or revised guidance and procedures for the Organization Structure Program. Guidance covers the development, formatting, coordination, and distribution of General Orders (GO).
- c. Review and analyze all Organization Change Requests (OCRs) received from the Requesting Activity (RA) prior to formal coordination as established in this Manual.
- d. Oversee the coordination process for all reviews of the OCR package.
- e. Review and finalize the OCR package, ensuring all component coordination is complete before forwarding the package for approval and signature.
- f. Distribute and post signed GOs to the DCMA GO website located on the Resource Page of this manual.
- g. Assign and maintain a GO numbering system.
- h. 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.
- i. Serve as the CONOPS Program Manager (CPM) for the CONOPS Validation Program.
- j. Develop, administer, and implement new or revised guidance and procedures for the CONOPS Program.
- k. Post the signed CONOPS publication to the DCMA 360 page.

**2.4. COMPONENT HEADS AND OPERATIONAL UNIT COMMANDERS/DIRECTORS.** As the Director's Principal Advisors, the Executive Directors, Directors, and Operational Unit Commanders/Directors must review and coordinate on their respective OCRs.

Signature authority may be delegated in accordance with DCMA Manual (DCMA-MAN) 4501-02, "Correspondence Program."

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

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

b. Ensure OCR conforms to the requirements and standards as outlined within this Manual before submitting the OCR to FBO.

c. Be responsible for the level of detail, accuracy, and integrity of the content of the CONOPS Annex within their functional area.

d. Sign the CONOPS annex within their functional area.

## SECTION 3: ORGANIZATION STRUCTURE

### 3.1. DEFINE STRUCTURE

**a. DCMA Headquarters (HQ).** DCMA HQ serves at the strategic level with responsibility to train 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. All Executive Directorates and Directorates at DCMA HQ will be functionally aligned and must be in compliance with the naming convention and taxonomy. All Executive Directors and Directorate Directors at DCMA HQ report to the DCMA Director. The specific HQ missions and functions are defined in the CONOPS.

(1) Senior Executive Service (SES) are considered Executive Directors only.

(2) Organizations with 100 or more employees and or are SES are authorized a Deputy, NH-IV, General Schedule (GS)-15 equivalent.

(3) Organizations are authorized one Executive Assistant, GS-13, using the standardized position description.

(4) Organizations are required to use DCMA-FB, Center A for financial Mission Support Group requirements.

(5) Organizations must follow the Major Headquarters Activity and Delaying requirements in accordance with DoDI 5100.73.

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

**c. DCMA Operational Units.** DCMA Operational Units (International Command, Special Programs Command, Eastern Regional Command, Central Regional Command, Western Regional Command, Cost and Pricing Regional Command, Business Operations Center, Closeout Center, Earned Value Management System Center, Logistic Center, and Safety Center) serve at the operational level and are responsible for contract administration functions within their area of responsibility or as aligned by other means. In addition, the Operational Units are responsible for resource management and budget planning and execution for aligned subordinate organizations. Operational Units' also provide operational direction, guidance, mission assistance and staff support to the Contract Management Offices (CMOs). The Operational Units mission and functions are defined in the CONOPS.

**d. DCMA CMOs.** CMOs serve at the tactical level and are responsible for managing and administering assigned contracts from contract receipt to contract closeout in accordance with Federal Acquisition Regulation (FAR) Part 42, Defense Federal Acquisition Regulation Supplement (DFARS) Subpart 242, DoD Regulations and Agency Instructions. CMOs normally perform contract administration functions for an assigned geographic area or at resident contractor locations. These services are delivered through an integrated approach. Customer engagement is primarily at the Program Manager and/or Sustainment level. Primary CMOs report to their aligned Operational Command.

(1) Primary CMO. The Agency standard top-level organization structure for a Primary CMO is composed of the Office of the Commander/Director, a Mission Support Office (MSO), a Flight Operations Office, as appropriate, and a three-group functional structure comprised of the Contracts Group, Quality Assurance Group and Engineering/Manufacturing Group. A sample is located on the Resource Page of this Manual.

(a) The Engineering/Manufacturing Group Lead functional series in this structure will be the best qualified technical candidate.

(b) Dual-hatted functional Group Chiefs are not permissible at the Primary CMOs with streamlined CMOs.

(c) Dual-hatted functional Group Chiefs are permissible at CMOs with two or less subordinate teams.

(d) The specific CMO mission and functions are defined in the Agency CONOPS.

(e) If the three-group functional structure is not feasible or appropriate, a two-group functional structure may be requested. Primary CMO two-group functional structure is composed of a Contracts Group and Technical Group.

(2) 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 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 composed of a Contracts Group, a Quality Assurance Group, and an Engineering/Manufacturing Group. A sample is located on the Resource Page of this Manual.

(a) The Streamlined CMO obtains MSO support services from their aligned Primary CMO.

(b) The Engineering/Manufacturing Group Lead functional series in this structure will be the best qualified non-1910 technical candidate.

(c) If the three-group functional structure is not feasible or appropriate, a two-group functional structure may be requested. The Agency top-level organizational structure for a



streamlined CMO is composed of the Commander/Director and a two-group functional structure composed of a Contracts Group and Technical Group.

(d) The Technical Group Lead functional series in this structure will be the best qualified technical functional series candidate.

(e) CMO Functional Group leaders may be civilian or military. If military, Commanders must ensure best qualified criteria and group leaders have appropriate functional background.

(3) Mission Support Offices (MSO). MSOs are not authorized subordinate teams. The specific mission and functions are defined in the CONOPS. The MSO structure can be found in DCMA-MAN 4301-09, "Force Structure and Manning: Manpower and Mission Analysis."

(4) Office of General Counsel personnel 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.

(5) Government Flight Representatives assigned to a CMO will report to the Office of the Commander/Director. Technical command, control and oversight will be provided by Aircraft Operations.

(6) The Integrated Cost Analysis Teams (ICATs) assigned to a CMO residency office will report to the Contracts Director. ICAT Group lead will be from the best qualified contracting or engineering group. Each ICAT will have two team leads, contracting and technical. ICATs will be created based on the following criteria:

- (a) Greater than \$3B in contracts, General & Administrative (G&A) base.
- (b) DCMA residency office with a Division Administrative Contracting Officer.
- (c) Director, DCMA approval.

**3.2. TAXONOMY.** The Agency taxonomy (organizational hierarchy) specifying approved organizational naming convention is stated here and as denoted in the Taxonomy. A sample is located on the Resource Page of this Manual.

- a. Headquarters. Defense Contract Management Agency (DCMA).
- b. Operational Units. DCMA International, DCMA Special Programs, DCMA Eastern, DCMA Central, DCMA Western, Business Operations Center, Cost and Pricing Center, Closeout Center, Earned Value Management System Center, Logistic Center, and Safety Center.
- c. Contract Management Offices (CMO).

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

(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).

(3) DCMA International CMO. For Primary CMO, use DCMA followed by the geographic region (example: DCMA Europe). For Streamlined CMOs, use DCMA followed by the country (example: DCMA United Kingdom).

(4) DCMA Special Programs CMO. DCMA Special Programs East, DCMA Special Programs South, and DCMA Special Programs West.

### **3.3. SUPERVISORY RATIO.**

a. The optimum supervisory ratio within DCMA ranges from 9 to 13:1 for authorized positions, based on functional and geographical dispersion. Military positions, including those designated supervisory, are counted along with civilian positions to determine supervisory ratio for DCMA organization and position management. Contractors are not included in the supervisory ratio. This range will fluctuate based on factors such as geographic dispersion and the number of employees in the same series or functional group.

b. For organizations that are geographically dispersed, the supervisor would be in the lower range, typically non-resident CMOs. For resident CMOs or CMOs without a great geographical dispersion, the supervisory ratio would be in the higher range. The guiding principle is to stay within the supervisor ratio necessary to perform the mission.

### **3.4. CMO DEPUTIES.**

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

b. Dual-hatted Deputies are authorized at CMOs (Primary and Streamlined) with 50 and 75 positions.

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

**3.5. TITLES AND RANKS.** Components and Directorate heads may be 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.

a. The head of DCMA International will be a military officer, typically in the grade of O-6 and will hold the title “Commander, DCMA International.”

b. The head of DCMA Special Programs is titled “Director” and will be at the GS-15/NH-IV pay grade.

c. The head of a Region Command will be a military officer in the grade of O-6 and will hold the title “Region Commander.”

d. The head of a CMO will be either a “Commander” if a military officer or a “Director” if a civilian.

(1) The Commander/Director at a Primary CMO will be in the military pay grade O-6 or the civilian pay grade GS-15/NH-IV. A civilian deputy will be a GS-15/NH-IV.

(2) The Commander/Director at a Streamlined CMO will be in the military pay grade of O-5 or the civilian pay grade GS-14/NH-IV. A civilian deputy at a Streamlined CMO will be a GS-14/NH-IV.

e. The head of a DCMA Center will be titled “Director” and rank or pay grade will depend on the nature and scope of work performed by the Center.

**3.6 Waiver Request.** Organization policy waivers will be considered for exceptions to the standard three-group CMO organizational structure, the supervisory ratio, and other mission-driven organizational construct deviations.

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

(1) Naming conventions at any level of the Agency.

(2) CMO Functional Group naming conventions.

(3) Titles and series for Commanders, Directors, Deputies, group leaders, or supervisors.

b. Requests for waivers 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.

c. CMO requests for waivers must be routed through their respective Operational Command. Each level of command will provide their analysis and recommendation.

**3.7. COORDINATING MANPOWER REQUESTS WITH A GENERAL ORDER.** When organizations are to be disestablished, established, or renamed through a GO, any new unfunded requirements being sought should be vetted and tentatively approved via the Agency Workload and Resource (WAR) room prior to the official GO submission/coordination.

## SECTION 4: Organizational Change Request

**4.1 PURPOSE.** The OCR is the official organization form that documents the request for an organization change. The form is not to be used for obtaining manpower authorizations or altering billets to accommodate the organization change request.

**4.2 AUTHORITY.** Commanders/Executive Directors and their Deputies have authority to sign OCRs as the approving official.

### 4.3 CRITERIA.

a. Prior to requesting an organization structure change, the RA will conduct the following analysis, as applicable:

(1) Analyze the 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.

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

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

(4) 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.

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

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

(7) Ensure all additional requirements are documented. A GO applies to the structure of an organization, not to the positions assigned. If additional requirements are required as a result of the GO (i.e., establish new team, new team supervisor position required), a Manpower Request Form – Civilian (MRF-C) must be submitted via the WAR instructions.

(8) A facility impact analysis shall be performed. Where facility impacts are expected to occur, the RA shall provide the facility impact analysis into intake to be taken up by the Facility Management Board for review, approval, and prioritization.

b. Once the OCR is approved, the RA will send the following to the General Order Inbox:

- Complete and signed OCR
- Before/After Organization Charts
- Supporting documentation as necessary (briefing slides, etc.)

c. FBO will analyze the OCR. If organization structure does not conform to policy, RA will need to revise the structure to conform or submit a Waiver Request to FBO.

d. FBO will prepare the draft GO and Organizational Change Systems Crosswalk and coordinate with requestor, then vet through the formal coordination process, and obtain a signed and approved GO.

## **SECTION 5: CONCEPT OF OPERATIONS VALIDATION**

**5.1. ANNUAL REVIEWS.** Annual reviews play an important role in updating the CONOPS. As missions, organizations, and functions change throughout DCMA, the CONOPS must be updated to reflect any changes.

- a. FB will send an annual review tasking message to all Components.
- b. FBO will prepare and compile the annual review of the CONOPS main body.
- c. Components will prepare and compile the annual review of their respective CONOPS annex.

### **5.2. FORMAT REQUIREMENTS.**

a. **CONOPS Format.** Components will provide a breakdown of their organization to the lowest level (team), as applicable. Each level of the organization must be identified in Annexes and must contain three areas (Mission, Organizational Structure, and Functions).

b. **Mission.** The Mission section contains a mission statement. The mission statement provides the framework within which the Component's strategies are formulated. It guides the actions of the organization, spells out its overall goal, provides a path, and guides decision-making.

c. **Organization Structure.** The Organization Structure section contains an organizational chart showing the Component's organization hierarchy.

d. **Functions.** The Functions section of the annex will contain a list of specific tasks required to be performed by the activity.

## GLOSSARY

### G.1. ACRONYMS.

CMO	Contract Management Office
CONOPS	Concept of Operations
DFARS	Defense Federal Acquisition Regulation Supplement
FAR	Federal Acquisition Regulation
FB	Financial and Business Operations
FBO	Manpower and Organization Management
GO	General Orders
GS	General Schedule
HQ	Headquarters
ICAT	Integrated Cost Analysis Team
MSO	Mission Support Office
OCR	Organizational Change Request
RA	Requesting Activity
SES	Senior Executive Service
WAR	Workload and Resource

## **REFERENCES**

- DCMA Instruction 710, “Managers’ Internal Control Program,” April 21, 2014  
DCMA Manual 4301-09, “Force Structure and Manning: Manpower and Mission Analysis  
DCMA Manual 4501-02, “Correspondence Program,” TBD  
Defense Federal Acquisition Regulation Supplement (DFARS), Subpart 242 “Contract Administration,” July 1, 2014  
DoD Directive 5105.64, “Defense Contract Management Agency,” January 10, 2013  
DoD Instruction 5100.73, “Major DoD Headquarters Activities,” December 1, 2007  
Federal Acquisition Regulation (FAR), Part 42 “Contract Administration & Audit Services,” July 1, 2014