# DCMA Manual 5102-01
# Inspector General: Internal Inspections and Evaluation and Agency Corrective Action Process

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| **Office of Primary Responsibility:** | **Office of Internal Audit and Inspector General** |
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| **Reissues and Cancels:** | DCMA Manual 933-01, "Corrective Action Plan Process for External and Internal Assessments, Evaluations and Audits," May 11, 2017, as amended |
| **Internal Control Plan:** | Linked on the resource page for this issuance |
| **Labor Codes:** | Located on the resource page for this issuance |
| **Resource Page Link:** | https://dod365.sharepoint-mil.us/sites/DCMA-Projects-PH-DM/SitePages/933-&-933-01.aspx |
| **Approved by:** | David G. Bassett, LTG, USA, Director |

**Purpose:** This issuance, in accordance with DoD Directive 5105.64 and DCMA Instruction 5102, "Inspector General: Inspections and Evaluation":

- Implements policy and defines root cause analysis and corrective action plan milestones for noncompliances identified by the DCMA Inspector General, inspections and evaluation reviews
- Assigns responsibility for ensuring effective development, implementation, and validation of proposed corrective action plans created to address noncompliances, also known as findings
- Documents the root cause analysis and corrective action plan milestone timelines, including required activities and response times for both Level II and Level III findings.

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# SECTION 1: GENERAL ISSUANCE INFORMATION

## 1.1. APPLICABILITY.

This manual:

a. Applies to all DCMA activities, including those in receipt of findings identified by the DCMA Inspector General (IG), Inspections and Evaluation Team (IET), unless higher-level regulations, policy, guidance, or support agreements pursuant to DCMA Manual (DCMA-MAN) 4501-05, "Enterprise Agreements," take precedence.

b. Does not apply to noncompliances identified as a result of Financial Improvement and Audit Readiness related audits conducted by an independent public accounting firm and corrective actions reported under Risk Management and Internal Control Program in accordance with DoD Instruction (DoDI) 5010.40. Audit actions related to the Financial Improvement and Audit Readiness Initiative will be conducted pursuant to the Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer's "Financial Improvement and Audit Readiness (FIAR) Guidance."

## 1.2. POLICY.

It is DCMA policy that:

a. The DCMA IG will perform inspections and evaluation, assistance, teaching, and training functions to support the agency's ability to enhance warfighter readiness and mission capability. Internal inspections and evaluations, herein referred to as "reviews," may result in Level I, Level II, Level III findings, observations, notables, commendables, and policy gaps.

b. DCMA will perform root cause analysis (RCA) and develop a corrective action plan (CAP) when the IET identifies Level II or Level III findings.

c. DCMA will execute this manual in a safe, efficient, effective, and ethical manner.

## 1.3. RECORDS MANAGEMENT.

a. DCMA employees will maintain all records created as a result of this issuance pursuant to DoDI 5015.02, the National Archives and Record Administration General Records Schedules (GRS), Volume 1 of DCMA-MAN 4501-04, "Records and Information Management Program," and Volume 2 of DCMA-MAN 4501-04, "Records Retention Schedule."

b. Appendix 1A outlines records created as a result of this issuance, identifies the office of primary responsibility (OPR) records custodian, and details correlating storage requirements. Records responsibilities are pursuant to Volume 1 of DCMA-MAN 4501-04. The approved DCMA Form (DCMAF) 4501-04, "Records File Plan," is linked on the resource page for this manual.

**1.4.  SUMMARY OF CHANGES.**

This manual has been administratively changed.  Agency users and stakeholders should read this manual in its entirety.  The most notable change are:

- Removed any reference to regions and CMOs.
- Removed and updated older structure terminology.

# APPENDIX 1A.  DCMA 5102-01 RECORDS

| Step, Function, Activity, or Section | Record(s) Created - Key Documentation | Record Series | Storage Location Include direction for OPR records custodian | OPR Records Custodian |
|---|---|---|---|---|
| Issuance Development | Issuance drafts, DCMAF 4501-01-2, e-mails | Series 400.00 | DoD365 | Issuance AO |
| Issuance Coordination | Issuance draft, DCMAF 4501-01-1, DCMAF 4501-01-2, coordination action memorandum, internal control plan (ICP), e-mails | Series 400.00 | DoD365 | Issuance Program Manager |
| Issuance Signature Package | Issuance draft, signature package action memorandum, policy notice memorandum, adjudicated DCMAF 4501-01-2, communication plan, training plan, director's brief, e-mails | Series 400.00 | DoD 365 | Issuance Program Manager |
| Issuance Approval and Publication | Published issuance, approved action memorandum, published policy notice memorandum, e-mails | Series 400.00 | DoD 365 | Issuance Program Manager |
| Issuance Union Review | Union release, issuance draft, e-mails | Series 400.00 | DoD 365 | Issuance Program Manager |
| Issuance Deviations and Waivers | Action memorandums, waiver memorandums, deviation memorandums, e-mails | Series 400.00 | DoD 365 | Issuance Program Manager |
| IET Review Documentation | Annual review schedule, Review Notification e-mail, notification letter, data call, kick-off/data call brief, review schedule, logistics request, in-brief, IET results, higher-level organization brief, final | 400.06a1 | DoD 365 | Review Leads and ACAP Lead/Co-Lead |

| | findings roll-up, tasking e-mail, summary report, report/tasking memorandum | | | |
|---|---|---|---|---|
| IET Agency Corrective Action Process Documents | Letter of assurance (LOA) for Level I completion and Level II RCA, LOA for Level II CAP, Level III Finding Tasking, LOA for Level III RCA and CAP, LOA for Level III CAP, extension requests | 400.06a1 | DoD 365 | Review Leads and ACAP Lead/Co-Lead |

## SECTION 2: RESPONSIBILITIES

**2.1. DIRECTOR, DCMA.**

The DCMA Director must:

a. Ensure the agency conducts IG activities in accordance with DoD Directive 5106.04.

b. Ensure all corrective actions of agency systematic issues have been resolved and implemented.

c. Provide input to Agency Inspector General's Inspections and Evaluation plans.

**2.2. EXECUTIVE DIRECTOR AND IG, OFFICE OF INTERNAL AUDIT AND INSPECTOR GENERAL (OIA-IG).**

The Executive Director, OIA-IG must:

a. Adhere to IG quality standards of integrity, objectivity, independence, professional judgement, and confidentiality.

b. Approve the IET annual schedule and plans.

c. Direct and manage IET members as necessary for carrying out the functions, powers, and duties of the IET.

d. Provide IET notification letters to the selected organization for review and their higher-level organization commander, director, or executive director, deputy, and designated support point of contact (POC).

e. Ensure DCMA IG records are maintained in accordance with record retention policies.

f. Identify Agency Corrective Action Process (ACAP) team lead and co-lead.

**2.3. MANAGER, CAPABILITY BOARD.**

The capability board manager or designated POC must:

a. Receive and process Level III findings entered by the IET through the Headquarters (HQ) Tasking System (HTS) and:

   (1) Coordinate with the applicable HQ component and subject matter expert(s) to ensure each Level III finding tasked through the HTS has an identified RCA and CAP and all corrective actions for Level III findings are implemented and validated.

   (2) Provide an LOA to the ACAP team lead and co-lead ensuring RCAs and CAPs are developed and endorsed by the applicable HQ component head.

(3)  Notify and coordinate milestone progress with the IET review leads or designee identified in the HTS task (See Table 2).

(4)  Provide an LOA to the ACAP team lead and co-lead ensuring CAPs are implemented, validated, and endorsed by the applicable HQ component head.

b.  Address policy gaps identified at IET reviews and entered into Issuance Feedback System, or equivalent.

c.  Determine if there is a wider applicability throughout the agency of commendables and notables identified at IET reviews.

**2.4.  HQ COMPONENT HEAD.**

The HQ component head must:

a.  Review and endorse RCAs and CAPs developed for Level III findings tasked through the HTS and coordinate with the applicable capability board manager or designated POC to provide an LOA documenting the endorsement.

b.  Endorse that CAPs are implemented and validated for Level III findings tasked through the HTS and coordinate with the applicable capability board manager or designated POC to provide an LOA documenting the endorsement.

**2.5.  HIGHER-LEVEL ORGANIZATION COMMANDERS, DIRECTORS, OR EXECUTIVE DIRECTORS.**

Higher-level organization commanders, directors, or executive directors will identify a designated support POC for Level I and Level II findings.

**2.6.  HIGHER-LEVEL ORGANIZATION SUPPORT POC.**

The higher-level organization support POC must:

a.  Ensure assistance and coordination with the reviewed organization occurs to ensure RCA and CAP activities are completed for reviews conducted.

b.  Provide an LOA to the OIA-IG Executive Director, review leads, and ACAP team lead and co-lead  ensuring all Level I findings have been corrected and RCAs have been approved for Level II findings.

c.  Ensure timely corrective action progression (See Table 1.)

d.  Participate in monthly ACAP Team meetings.

e.  Ensure follow-up and validation of CAPs is completed to verify CAPs are implemented and actions taken will help prevent future findings.

f.  Provide an LOA to the OIA-IG Executive Director, review leads, and ACAP team lead and co-lead ensuring all CAPs have been implemented, validated, and closed.

g.  Ensure milestone timeline events are documented in the Agency Results Tracking Tool (ARTT).

h.  Review and approve extension requests and communicate them to the ACAP Team.

i.  Collaborate with higher-level organization subject matter experts to review Level II findings, evaluate root causes, and develop proactive solutions to mitigate future noncompliances, at least annually.

## 2.7.  IET REVIEW LEADS OR DESIGNEE.

The IET review leads or designee must:

a.  Post and update planned reviews to the internal annual review schedule.

b.  Prepare the IET notification letter and data call for the OIA-IG Executive Director.

c.  Interface and coordinate briefings and logistics (i.e., kick-off and data call brief, in-brief, visit requests, with the reviewed organization senior leadership).

d.  Share information regarding collateral duty support as an IET augmentee to reviewed organizations.

e.  Ensure review results are recorded accurately in the ARTT.  Facilitate briefing to the reviewed organization communicating review results as identified in the review schedule.

f.  Prepare the IET summary report and report and tasking memorandum, which establishes the requirements for RCA and CAP documentation.

g.  Deliver the IET summary report and report and tasking memorandum to the reviewed organization, their chain of command, the OIA-IG Executive Director, and the ACAP team lead and co-lead.

h.  Obtain the reviewed organization's POC name(s) and ensure permissions are granted to the ARTT.

i.  Participate in monthly ACAP Team meetings.

j.  Review and acknowledge extension request and communicate them to the ACAP Team.

k.  Submit Level III findings through the HTS and post the approved RCA and CAP to the ARTT after it is implemented and closed in the HTS.

l.  Collaborate with reviewed organization commander, director, or executive director and deputy when conducting a review at an organization other than a contract management office (CMO), (i.e., command, center, HQ, or other organization), to determine and identify the appropriate designated support POC.  In the absence of a designated support POC from the reviewed organization, identify a designated support POC from the IET.  The designated support POCs will perform tasks in accordance with Paragraph 2.6.

## 2.8.  REVIEWED ORGANIZATION COMMANDER, DIRECTOR, EXECUTIVE DIRECTOR, OR DEPUTY.

The reviewed organization executive director, director, or commander or deputy must:

a.  Ensure the availability of personnel during reviews.

b.  Provide a primary review POC upon receipt of the IET notification letter and data call.

c.  Ensure that requests for data, entrance clearance, and other logistics matters are processed in support of a review at their organization.

d.  Collaborate with the IET review lead when a review is conducted at an organization other than a CMO, (i.e., command, center, HQ, or other organization), to determine and identify the appropriate designated support POC.

e.  Ensure that all CAP documentation is maintained in the ARTT and that proper permission levels are granted to the applicable POCs.  Support data may be attached in the ARTT.  Maintain all RCA and CAP data to facilitate follow-up, validation, and closure efforts.

f.  Initiate and provide an LOA to the designated support POCs ensuring all Level I findings have been corrected and RCA has been approved for Level II findings.

g.  Ensure that each Level II finding has a validated RCA and CAP.  Review and approve all RCA and CAPs and document approval in the ARTT.

h.  Ensure timely corrective action progression.  Justify and coordinate milestone timeline extension requests with the designated support POCs when milestone times cannot be met (See Table 1.)

i.  Assign primary and alternate CAP POCs and provide names to the IET review leads.

## 2.9.  CAP POCS.

CAP POCs must:

a.  Document and maintain the RCA and CAP milestone timeline data in the ARTT.

b.  Communicate RCA and CAP status with the appropriate designated support POCs.

**2.9.  ACAP TEAM.**

The ACAP Team must:

a.  Consist of the ACAP team lead and co-lead, DCMA IET review leads, and designated support POCs.

b.  Meet monthly to discuss RCA and CAP status and potential problem areas to ensure timely completion of milestone timeline events (See Section 4.)

c.  Maintain open lines of communication with the IET review leads, the reviewed organization POC, higher-level organization or designated support POCs, and capability boards managers or designated POC.

**2.10.  ACAP TEAM LEAD AND CO-LEAD.**

The ACAP team lead or co-lead must:

a.  Facilitate the monthly ACAP Team meeting.

b.  Develop, publish, and maintain analytical tools necessary to track RCA and CAP status.

c.  Monitor and communicate corrective action progress in accordance with the milestone timelines (See Section 4.)

d.  Develop and maintain the ACAP briefing to be presented during reviews.

e.  Enter the date the report and tasking memorandum was issued in the ARTT.

f.  Review the LOA indicating the validation and closure of all reviewed organization Level II CAPs and ensure all milestone timeline events are accurately documented in the ARTT, enter the final approval and closure date.

g.  Review the LOA indicating the validation and closure of all Level III CAPs and close Level III findings in the ARTT.

# SECTION 3: PREPARE, CONDUCT, AND COMPLETE REVIEWS

## 3.1. OVERVIEW.

The DCMA IG is focused on independent reviews of DCMA implementation of statutory and regulatory policies and processes across all capabilities, along with providing functional expertise through teaching and training. The purpose of reviews is to assess, assist, and enhance the ability of DCMA to prepare for and perform its assigned mission. These reviews ensure organizational alignment with the DCMA strategic plan, lines of effort, objectives, vision, and mission.

## 3.2. PREPARE FOR REVIEWS.

a. The IET will collaborate with component heads and capability board managers to understand and refine assessment criteria, high risk processes, procedures, and key controls.

b. The IET will maintain active engagement with component heads and capability board managers throughout the review process, as applicable.

c. The IET review leads, or designee, will develop and update the internal annual review schedule.

d. The IET members will solicit and coordinate augmentee support, as needed, prior to each review.

e. For each planned review the IET review leads, or designees, will:

(1) Determine the scope of each planned review.

(2) Prepare the IET notification letter and data call for the OIA-IG Executive Director, who will send it to all required personnel (See Paragraph 2.2.d.).

(3) Create a temporary Review in Progress site that provides a collaborative environment for the IET, which includes a data call library for the reviewed organization to upload data call artifacts. The IET will maintain the site until the final IET Summary Report has been delivered to the reviewed organization by the IET review leads.

(4) Coordinate with the primary review POC to determine reviewed organization data call POCs that will be granted access to the data call library. The IET will provide a data call brief and instructions to the identified reviewed organization data call POCs.

(5) Coordinate and deliver a kick-off briefing to the reviewed organization that includes an overview of the process, review timeline, and final product delivery.

(6) Coordinate and deliver augmentee training to augmentees, as applicable.

(7)  Provide the detailed review schedule to the reviewed organization.

(8)  Coordinate additional logistics (i.e., visit request, travel, and meeting locations), as necessary.

f.  The reviewed organization will upload the data call artifacts requested into the data call library by the due dates identified in the IET notification letter and data call.

g.  The IET members will review the data call artifacts for completeness and determine if additional information is needed.  The IET members will analyze the data for compliance to statutory and regulatory policies and processes based on developed assessment criteria.

## 3.3.  CONDUCT REVIEWS.

a.  The IET review leads will coordinate and deliver the IET in-brief as identified in the detailed review schedule.  The reviewed organization will also provide an overview brief of their organization as identified in the schedule.

b.  The IET members will coordinate and conduct interviews in accordance with the detailed review schedule.  During the course of these interviews, the IET members will:

(1)  Discuss data analysis performed.

(2)  Discuss any noncompliances identified.

(3)  Provide teaching and training as needed.

c.  The IET will enter all review results, to include all findings, observations, notables, commendables, and policy gaps into the ARTT.  The IET review lead or designee will provide review results to the reviewed organization.  The IET will brief the results to the reviewed organization as identified in the review schedule to ensure all findings are understood by the reviewed organization.

d.  The ACAP Team Lead or designee will coordinate and deliver the ACAP brief to the reviewed organization prior to concluding the review.  The location of the reviewed organization's results will be included in the briefing.  In addition, the IET will provide a demonstration of the ARTT to include the process for adding RCA and CAP information to existing findings.

e.  The IET review lead or designee will coordinate and deliver a brief to the cognizant higher level organization of the reviewed organization to include a summary of review results and recommendations to help improve the reviewed organization's ability to prepare for and perform its assigned mission.

**3.4. COMPLETE REVIEWS.**

a.  Upon completion of the review, the IET review lead or designee will finalize all the results from the review and provide a final roll-up to the reviewed organization via an Excel spreadsheet from the ARTT.

b.  The IET review lead, or designee, will submit identified commendables and policy gaps to the Issuance Feedback System or equivalent, and will be addressed by the applicable capability board manager or designated POC.  The IET review lead, or designee, will submit Level III findings to the HTS (See Paragraph 4.3.)

c.  The reviewed organization will provide a consolidated list of POCs to the IET review leads and the ACAP team lead and co-lead within 14 business days from the last day of the review.  Upon receipt, the ACAP team lead or co-lead will grant the reviewed organization POCs proper permissions to the ARTT.

d.  The IET will draft the Summary Report and the IET review lead will provide a copy to the reviewed organization for review, comment, and feedback.

e.  The IET review leads will finalize and deliver the IET summary report and report and tasking memorandum to the reviewed organization, their chain of command, OIA-IG Executive Director, and the ACAP team lead and co-lead .

f.  The ACAP team lead or co-lead will enter the date of the report and tasking memorandum into the ARTT.  This initiates the corrective action process (See Section 4.).

# SECTION 4:  LEVEL I, II, III FINDING CORRECTIVE ACTION PROCESS

## 4.1.  OVERVIEW.

This section identifies the process for documenting Level I, II, and III findings, RCA, corrective actions, and validation efforts.  Findings, RCA, corrective action analysis, and validation efforts will be documented in the ARTT and monitored by the ACAP Team.

### a.  Designated Support POC(s) and Level of Review.

The designated support POC(s), as referenced throughout this manual, depends on the level of review performed.  If the review is performed at a CMO, the designated support POC(s) will be identified by the higher-level cognizant command commander or director.  For any reviews performed at an organization other than a CMO (i.e., command, center, HQ), the designated support POC(s) will be identified in accordance with Paragraph 2.7.l.

### b.  Timelines.

The timelines identified in Table 1 for Level II findings and Table 2 for Level III findings outline the process for documenting RCA, CAP development, and subsequent CAP validation and closure efforts.  Level I findings do not require RCA or CAPs.  The RCA and CAP timelines will be measured in calendar days.  The timeline for Level II findings begins when a report and tasking memorandum has been issued by the IET and ends when all CAPs have been validated and findings have been closed.  The timeline for Level III findings begins when the finding has been input into the HTS and ends when the CAP has been validated and closed.  Completion of the milestones will follow the established timelines unless extensions are granted (See Tables 1 and 2.).  Extensions to the Level II milestone timelines must be supported by a documented rationale approved by the designated support POC.  Extensions to the Level III milestone timelines must be supported by a documented rationale approved by the capability board manager or designated POC.

**Table 1.  Level II Timeline**

|  | DAYS | REWORK DAYS |
|---|---|---|
| **RCA** | | |
| • Reviewed Organization Time | 30 | |
| • Higher Level Organization Finding POC Review Time | 14 | |
| • Reviewed Organization Rework Time | | 7 |
| • Higher Level Organization Finding POC 2<sup>nd</sup> Review Time - support will be provided to ensure the second pass is approved | | 7 |
| **CAP Development** | | |
| • Reviewed Organization Time | 30 | |
| • Higher Level Organization Finding POC Review Time | 21 | |

**Table 1. Level II Timeline, Continued**

|  | DAYS | REWORK DAYS |
|---|---|---|
| • Reviewed Organization Rework Time |  | 7 |
| • Higher Level Organization Finding POC 2nd Review Time - support will be provided to ensure the second pass is approved |  | 7 |
| **CAP Execution/Validation** |  |  |
| • Reviewed Organization Time | 150 |  |
| • Higher Level Organization Finding POC Review Time | 30 |  |
| • Reviewed Organization Rework Time |  | 30 |
| • Higher Level Organization Finding POC 2nd Review Time - support will be provided to ensure the second pass is approved |  | 14 |
| **TOTAL Time - No Rework** | **275** |  |
| **MAX Time - Max Rework at Each Process** |  | **347** |

**Table 2. Level III Timeline**

|  | DAYS |
|---|---|
| **RCA and CAP Development** |  |
| • Capability Board RCA/CAP Development Time | 60 |
| • HQ Component Head Endorsement Time | 10 |
| **CAP Execution/Validation** |  |
| • Capability Board CAP Execution/Validation Time | 365 |
| • HQ Component Head CAP Endorsement Time | 10 |
| **TOTAL Time** | **445** |

**4.2. LEVEL I AND II RCA AND CAP PROCESS.**

**a. Identifying Finding POCs.**

(1) Once the report and tasking memorandum has been issued by the IET, the reviewed organization will identify and document a finding POC for each Level II finding in the ARTT.

(2) Once the report and tasking memorandum has been issued by the IET, the applicable designated support POC will ensure higher level organization finding POCs have been identified and documented for each Level II finding in the ARTT. The designated support POC will ensure higher level organization finding POCs have permission to contribute to the ARTT.

**b. Level I Finding Actions and Level II RCA Development.**

(1) The reviewed organization will address each Level I finding to ensure the finding has been resolved and the resolution prevents reoccurrence.

(2) For each Level II finding documented in the ARTT, the reviewed organization will perform RCA using any method, for example fishbone, five why's, cause effect matrix, or

continuous process improvement methodology. An effective RCA will identify the basic cause or causes that when corrected will prevent future findings.

(3) The reviewed organization will coordinate RCA development with the higher level organization finding POCs. The reviewed organization will present the RCA to the higher level organization finding POCs no later than 30 calendar days after receipt of the report and tasking memorandum. An effective RCA will identify the basic cause that when corrected will prevent reoccurrence of the finding.

(4) The reviewed organization will annotate a brief summary of the RCA in the ARTT, or attach the RCA document(s) to the list item, enter the RCA completion date, and inform higher level organization finding POCs that the RCA has been submitted.

(5) The reviewed organization commander, director, or executive director will submit an LOA to the designated support POCs within 30 days of receiving the report and tasking memorandum that documents:

(a) All Level I findings have been either addressed or closed.

(b) RCAs have been completed for each Level II finding.

(6) The designated support POCs will review the LOA for completeness and provide it to ACAP team lead and co-lead , who will post it to the RCA and Level I LOA library.

(7) The higher-level organization finding POCs will perform root cause validation, determine status, and notify the reviewed organization within 14 calendar days from receiving the LOA. Validation will be performed to ensure sound RCA has been performed, and that the identified root cause, when corrected, will prevent finding reoccurrence. The higher-level organization finding POCs will document the RCA status, status date, root cause validation summary, and root cause group in the ARTT. If the root cause indicates a systemic weakness, the higher level organization finding POC may coordinate with the managers' internal control program coordinator in accordance with Volume 1 of DCMA-MAN 4301-11,"Management Controls: Manager's Internal Control Program." In addition, the higher-level organization finding POCs will document the reviewed organization CAP due date signifying when the CAP is due to the higher-level organization finding POCs for review upon acceptance of the reviewed organization's RCA.

(8) If the RCA has not been accepted and rework will be needed, the higher-level organization finding POCs will immediately notify the reviewed organization. The reviewed organization and higher-level organization finding POCs will follow the rework process and timeframes (See Table 1.)

**c. CAP Development, Validation, and Review Close-Out.**

(1) Each Level II finding documented in the ARTT requires the development and implementation of a CAP. The CAP is due 30 calendar days after the RCA acceptance date.

The CAP will be developed by the reviewed organization in coordination with the designated support POCs and will contain the detailed plans to correct and prevent reoccurrence of the finding based on the RCA accepted by the higher-level organization finding POCs.

(2)  The CAP will identify the management controls, elements, or processes that when implemented will prevent the root cause from reoccurring.  The reviewed organization will annotate the CAP in the ARTT or attach the CAP document(s) to the list item.

(3)  All CAPs require approval of the reviewed organization commander, director, or executive director prior to submission to the higher-level organization finding POCs.  The reviewed organization will enter the CAP submission date in the ARTT, document commander, director, or executive director CAP approval, and inform the higher-level organization finding POCs that the CAP has been submitted.

(4)  The higher-level organization finding POCs will review the reviewed organization's developed CAP within 21 days from receiving the completed CAP to ensure it contains adequate management controls, elements, or processes that will prevent the root cause from reoccurring.  The higher-level organization finding POCs will document the CAP status and status date in the ARTT.

(5)  If the CAP is not accepted and rework is needed, the higher-level organization finding POCs will immediately notify the reviewed organization.  The reviewed organization and higher-level organization finding POCs will follow the rework process and timeframes identified in Table 1.

(6)  All CAP management controls, elements, or processes must be fully implemented by the reviewed organization no later than 150 calendar days after the higher-level organization finding POCs accept the CAP unless an extension is granted.  If required, the reviewed organization will submit a documented extension request to the designated support POC stating the reason for extension.  The designated support POC will approve extensions to the milestone timeline when warranted and update milestone timeline information in the ARTT.  The designated support POC will provide the extension information to the ACAP Team.

(7)  The reviewed organization will enter the date when all CAP tasks have been completely implemented.  The reviewed organization will notify the higher-level organization finding POCs upon CAP completion.

(8)  The higher-level organization finding POCs will perform a follow-up and validation within 30 calendar days of receiving the notification that the reviewed organization's CAP is complete.  Follow-up and validation are conducted to ensure all CAP corrective actions, management controls, and actions deemed necessary to prevent the finding from reoccurring have been implemented and are effective.

(9)  The higher-level organization finding POCs will document the follow-up and validation due date, a summary of the review, and the date the review was completed in the ARTT.

(10)  The designated support POC will notify the reviewed organization, IET review leads and ACAP team lead and co-lead upon completion of CAP validation.  The designated support POC will provide the OIA-IG Executive Director an LOA indicating the validation and closure of all reviewed organization CAPs.

(11)  Upon notification from the designated support POC, the ACAP team lead or co-lead will:

(a)  Ensure all milestone timeline events are accurately documented in the ARTT.

(b)  Enter the date the tasking was closed in the ARTT.

(c)  Post the LOA to the close out LOA document library.

(d)  Remove the reviewed organization ARTT view.

(e)  Remove reviewed organization permissions to the ARTT.

### 4.3.  LEVEL III FINDINGS.

When a Level III finding has been identified:

a.  The IET review leads or designee will enter the Level III finding into the HTS identifying the applicable capability board as the office of primary responsibility and the applicable HQ component as the office of coordinating responsibility.

b.  The applicable capability board manager or designated POC of the capability board will receive and process Level III findings entered by the IET through the HTS and will ensure timely Level III corrective action progression (See Table 2).

c.  The capability board manager or designated POC of the capability board identified for each Level III finding in HTS will collaborate with the IET and applicable HQ component or subject matter expert(s) to ensure:

(1)  Data to support the issuance of the Level III finding is made available to the capability board by the IET.

(2)  RCA is performed and a CAP is developed.

(3)  Endorsement is gained and documented for the RCA and CAP from the applicable HQ component head in an LOA.

(4)  Execution and validation of the CAP is performed.

(5)  Endorsement is gained and documented for the completed and validated CAP from the applicable HQ component head in an LOA.

d.  The capability board manager or designated POC of the capability board will provide the documented RCA, CAP, and endorsement documentation to the IET in accordance with the HTS task in order to close the task.

e.  Upon receipt of endorsement documentation, the IET will close the Level III finding in the ARTT.

## 4.4.  ACAP TEAM

a.  The ACAP Team will meet monthly to discuss RCA and CAP status and potential problem areas to ensure timely completion of milestone timeline events for Level I, Level II, and Level III findings.  The ACAP Team consists of the ACAP team lead and co-lead , IET review leads, and designated support POCs.  ACAP information will be maintained by the ACAP team lead or co-lead  and will be made available to all team members to include the OIA-IG Executive Director.

b.  The ACAP team lead or co-lead will schedule and facilitate monthly ACAP Team meetings to monitor corrective action progress in the ARTT and inform the reviewed organization commander, director, executive director, or deputy, the IET review lead, and the designated support POC of any detected inaccuracies and schedule delays not addressed.  Additionally, Level II finding CAPs will be sampled through the ACAP team meetings.

c.  The ACAP team lead or co-lead will develop and maintain the analytical tools required to monitor milestone timeline events in the ARTT.

d.  The ACAP Team will provide RCA and CAP assistance as necessary to the reviewed organization.

# GLOSSARY

## G.1. ABBREVIATIONS AND ACRONYMS.

| ACRONYM | MEANING |
|---|---|
| ACAP | Agency Corrective Action Process |
| ARTT | Agency Results Tracking Tool |
| | |
| CAP | corrective action plan |
| CMO | contract management office |
| | |
| DCMA-MAN | DCMA manual |
| DCMAF | DCMA form |
| DCMAF 4501-04 | Records File Plan |
| DFARS | Defense Federal Acquisition Regulation Supplement |
| DoDI | DoD Instruction |
| | |
| FAR | Federal Acquisition Regulation |
| HQ | Headquarters |
| HTS | Headquarters Tasking System |
| | |
| IET | Inspections and Evaluation Team |
| IG | Inspector General |
| | |
| LOA | Letter of Assurance |
| | |
| OIA-IG | Office of Internal Audit and Inspector General |
| | |
| POC | point of contact |
| | |
| RCA | root cause analysis |

# GLOSSARY

## G.2.  DEFINITIONS.

| TERM | MEANING |
|---|---|
| **Agency IG's Inspections and Evaluation Plan** | Defined in DCMA-INST 5102, "Inspector General: Inspections and Evaluation." |
| **assessment criteria** | Defined in DCMA-INST 5102. |
| **augmentee** | A subject matter expert temporarily detailed to support the IET. |
| **CAP** | Defined in DCMA-INST 5102. |
| **capability board** | Defined in DCMA-MAN 4501-02, "Correspondence Program." |
| **commendable** | Defined in DCMA-INST 5102. |
| **designated support POC** | Identified POC who assists and coordinates with the reviewed organization (i.e., CMO, HQ, center, command, or other organization), to ensure RCA/CAP activities are progressing toward completion. |
| **finding** | Defined in DCMA-INST 5102. |
| **higher-level organization** | Defined in DCMA-INST 5102. |
| **higher-level organization finding POC** | Identified POC who reviews and approves RCA and CAP and validates CAP execution for each assigned finding at a reviewed organization (i.e., CMO, HQ, center, command, or other organization). |
| **Level I finding** | Defined in DCMA-INST 5102. |
| **Level II finding** | Defined in DCMA-INST 5102. |
| **Level III finding** | Defined in DCMA-INST 5102. |
| **LOA** | A signed document assuring that actions contained within have been completed. |

| | |
|---|---|
| **notable** | Defined in DCMA-INST 5102. |
| **observation** | Defined in DCMA-INST 5102. |
| **policy** | Defined in DCMA-INST 5102. |
| **policy gap** | Defined in DCMA-INST 5102. |
| **procedures** | Defined in DCMA-INST 5102. |
| **RCA** | Defined in DCMA-INST 5102. |
| **result** | Defined in DCMA-INST 5102. |
| **reviews** | Defined in DCMA-INST 5102. |
| **systemic weakness** | Specific instance of a failure in a system of control or lack of control that is pervasive within the agency and materially affects internal controls across organizational and program lines, usually affecting more than one Assessable Unit. |

# REFERENCES

DCMA Manual 4301-11, "Volume 1:  Management Controls: Risk Management and Internal Control Program, September 9. 2025

DCMA Manual 4501-04, Volume 1, "Records and Information Management Program," April 16, 2021

DCMA Manual 4501-04, Volume 2, "Records Retention Schedule," April 14, 2021

DCMA Manual 4501-02, "Correspondence Program," May 26, 2019

DCMA Manual 4501-05, "Enterprise Agreements," March 7, 2022

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DoD Directive 5105.64, "Defense Contract Management Agency (DCMA)," January 10, 2013 as amended

DoD Directive 5106.04, "Defense Inspectors General," May 22, 2014

DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013, as amended

DoD Instruction 5015.02, "DoD Records Management Program," February 24, 2015, as amended

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Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, "Financial Improvement and Audit Readiness (FIAR) Guidance," April 3, 2017