



DEFENSE CONTRACT MANAGEMENT AGENCY

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MEMORANDUM FOR COMPONENT HEADS

August 25, 2026

SUBJECT: Policy-type Memorandum #26-007, "Change to Volume 1 of DCMA Manual 2303-01, 'Surveillance'"

References: DCMA Instruction 2303, "Surveillance," October 16, 2025
DCMA Manual (DCMA-MAN) 2303-01, Volume 1, "Surveillance," June 9, 2025
DCMA-MAN 4501-01, "Agency Issuance Program," March 18, 2024, as amended

Purpose.

This DCMA policy-type memorandum (DCMA-PTM) amends Volume 1 of DCMA-MAN 2303-01, "Surveillance," by adding the requirement to include contract and program information in all surveillance plans.

Applicability.

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

Policy.

It is DCMA policy to:

- Identify key contract requirements (KCRs) associated with a contract and perform risk rating of the processes associated with these KCRs.
- Identify the type of surveillance approach which is needed to best enable effective surveillance: contract, program or facility.
- Document within the PDREP surveillance plans.

Responsibilities.

DCMA Supervisors.

DCMA supervisors must ensure PDREP surveillance plans contain the required information pursuant to Volume 1 of DCMA-MAN 2303-01.

DCMA Employees.

DCMA employees must enter required information into surveillance plans pursuant to Volume 1 of DCMA-MAN 2303-01.

Procedures.

1. Amend Paragraph 5.3.a (2), “Program Surveillance.”

The FS [functional specialist] will utilize Program Surveillance to evaluate a contractor when performance of contracts is associated with a single program or a number of programs within a weapon system which can be covered under one plan. This approach can also be used when a contractor’s processes differ between multiple programs at one commercial and government entity (CAGE) code due to unique program or contract requirements. The FS must document the program name(s) in the surveillance plan if doing Program Surveillance. In addition, the FS must document the applicable contracts in the surveillance plan to the extent necessary to enable both traceability of requirements and contract basis for KCRs under surveillance (See Paragraph 4 in this PTM, changes to para. 5.4.c (1)).

2. Amend Paragraph 5.3.a (3), “Facility Surveillance.”

The FS will utilize Facility Surveillance to evaluate a contractor when performance of multiple contracts and/or programs are applicable in a facility and utilizing common contractor systems and processes. Facility Surveillance is the preferred approach if applicable, as it allows surveillance over the most inclusive range of contractor systems and processes of the three approaches. The FS must document all applicable program names in the facility surveillance plan, in accordance with Paragraph 5.4.c (2). In addition, the FS must document the applicable contracts in the surveillance plan to the extent necessary to enable both traceability of requirements and contract basis for KCRs under surveillance (See Paragraph 4 of this PTM, changes to 5.4.c (1)).

3. Amend Paragraph 5.4.b., “Schedule Surveillance.”

The FS must document the following elements in PDREP:

- Program names and applicable contracts if planning Program Surveillance
- Program names and applicable contracts if planning Facility Surveillance
- Contract number or unique item identifier if planning Contract Surveillance
- CAGE code, unique entity identifier, or DCMA identifier of where surveillance will be performed; ensure appropriate CAGE, unique entity identifier, or DCMA identifier is identified
- Delegator CAGE, CAGE code, unique entity identifier or DCMA identifier location where surveillance was delegated from; delegated from location
- Delegatee CAGE, unique entity identifier, or DCMA identifier; delegated to location
- Functional area of FS scheduling and executing surveillance

- Place of performance (PoP) location CAGE, unique entity identifier, or DCMA identifier of where work is being performed, if delegated (Prime FS only)
- Surveillance category such as S/PE [system or process evaluation], DPE [deliverable product evaluation], DSE [deliverable service evaluation], or progress evaluation
- KCR
- Systems, processes, or sub-processes associated with requirements
- Risk rating
- Frequency, such as annual, quarterly, monthly, etc.
- Intensity
- Surveillance start date
- Surveillance end date is optional and is usually the final delivery date for recurring surveillance
- Allocated hours of total hours per surveillance occurrence, to include preparation and follow up in hours. Travel time is not included in allocated hours.
- Unallocated hours, if applicable
- FS(s) assigned to execute the active KCR surveillance

4. Add Paragraph 5.4.c., “Inclusion of Program and Contract information in PDREP Surveillance Plans.”

FS, in consultation with their leadership and other functions as necessary, must input the appropriate program and contract information into the surveillance plans for both Program Surveillance and Facility Surveillance.

(1) Contracts.

It is not required that all contracts at a given CAGE be included in all plans. As a minimum, plans must have applicable contracts entered which show clear traceability of a KCR to an active contract requirement and represent all programs under surveillance. Basic Ordering Agreements (BOA) and Indefinite Delivery/Indefinite Quantity (IDIQ) instruments must as a minimum have the Basic Contract number entered, but delivery orders should only be included if such orders contain a new KCR. In the case of programs with multiple applicable contracts, the same logic applies – contract information in the surveillance plan must include sufficient current contracts such that all KCRs under surveillance have clear traceability to contract requirements. This requires the FS and CMO [contract management office] leadership to exercise critical thinking and risk basis to identify those contracts which should be included in the plan, in order to accurately capture all KCRs and programs.

(2) Programs.

All applicable programs must be entered into the plan. Currently there are three separate program lists in use in PDREP planning and evaluation:

(a) The list maintained by EA&M [Enterprise Analytics and Modernization] and captured in the Collaboration Site, Programs with a Program ID (PID) assigned.

(b) The program list in DAI [Defense Agencies Initiative] which in addition to the above-listed programs with PID also includes notional program names associated with the individual Military Services or contracting organizations.

(c) The Navy Special Emphasis Operations (NSEO) list, applicable only to NSEO surveillance – FS performing NSEO surveillance will use the NSEO list exclusively.

For determining program information to include in plans, FS must use the Collaboration Site list if such programs apply. If there is not a program from the Collaboration Site list with a PID applicable for use, the DAI list is acceptable for use. It is permissible to use both lists if this is necessary to capture all program information in the plan. CMOs and commands are expected to coordinate any newly-identified programs, which are not listed in the Collaboration Site but should be listed, with the EA&M custodians of the list.

5. Add the following definitions to the Glossary.

- Contract Surveillance.

A surveillance approach that builds surveillance on a single contract due to unique requirements contained in that contract.

- Program Surveillance.

A surveillance approach that builds surveillance on a single program or a number of programs in a weapon system – will likely have multiple contracts.

- Facility Surveillance.

A surveillance approach that builds surveillance to include all required systems and processes within a facility identified by KCR to the greatest practical extent and may encompass surveillance on multiple programs and multiple contracts.

Labor Codes.

IDS04 - All policy activities, mission and non-mission efforts.

Resource Page.

https://dod365.sharepoint-mil.us/sites/DCMA-BCF-Contractor_Effectiveness/SitePages/DCMA-MAN-2303-01--Surveillance-.aspx?

Releasability.

Cleared for public release.

Effective.

This DCMA-PTM will go into effect after the necessary automation changes in PDREP are published, enabling automatic population of Contract and Program fields within the tool – as of date of issuance this is scheduled for October 2026 PDREP publish. The requirements of this DCMA-PTM will be incorporated into the next change of DCMA-MAN 2303-01. This DCMA-PTM will expire effective 12 months from the date of issuance.

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