

# COMMUNICATOR



## Building Sustainable **Relationships**



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On the cover: Through their professional interactions, DCMA employees build sustainable relationships all over the world. (Photo illustration by Cheryl Jamieson, DCMA Public Affairs)

# COMMUNICATOR



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# Sustainable relationships add value

**Within the Department of Defense**, subordinate organizations support the strategic objectives set forth by higher headquarters. The Defense Contract Management Agency supports the strategic goals and initiatives of DOD and the office of the Under Secretary of Defense for Acquisition, Technology and Logistics. At the core of these goals is the intent to strengthen acquisition processes and create agile business operations.

In response, AT&L has established goals, particularly under Better Buying Power 2.0, that direct DCMA to contribute to achieving affordable programs, controlling costs, incentivizing productivity and innovation, and eliminating unproductive processes and bureaucracy.

Creating sustainable relationships is essential to accomplishing these goals. Their enduring nature leads to increased productivity over time. The cornerstone of our agency's work is built with high quality relationships with our customers, DOD and the Armed Forces. These relationships provide both tangible and intangible value.

This issue of the *Communicator* focuses on these relationships and highlights their importance. From our work with contractors as small as one-person firms to our interactions with combatant commands in contingency contracting environments, our managers, specialists, and representatives provide valuable contract administration services. Additionally, you will read about DCMA's in-plant surveillance and worldwide network of contract management offices as they gear up to do even more by increasing efforts in supply chain predictability. Along these lines, the story on the Portfolio Management and Integration executive directorate focuses on increased efforts to provide quality actionable insight to the Defense Acquisition Executive.

As we move forward, we also take time to reflect on the past. This year, for the first time ever, the agency published a State of the Agency Report. This document, which follows the framework of our Strategic Plan and balanced scorecard, summarizes our accomplishments over the course of fiscal year 2012, evaluates our progress, and points the way ahead through key initiatives. I encourage you to read it at [www.dcmamail.com/News\\_Room/\\_files/soar.pdf](http://www.dcmamail.com/News_Room/_files/soar.pdf) and learn more about our past successes, future challenges and the path forward.

Best regards,



Charlie E. Williams, Jr.  
Director



# DCMA International leadership changes

Jo Adail Stephenson | DCMA Public Affairs



Navy Rear Adm. Robert Gilbeau, DCMA International outgoing commander, shakes the hand of Charlie E. Williams, Jr., DCMA director, after receiving the Defense Superior Service Medal, the Afghanistan Campaign Medal and the NATO Medal during a recent ceremony at the agency's headquarters. (Photos by Jo Adail Stephenson, DCMA Public Affairs)

## Defense Contract Management Agency International's leadership transitioned from outgoing

**commander,** Navy Rear Adm. Robert Gilbeau, to incoming acting commander, Frederick Kuhm, DCMAI deputy, during a recent ceremony officiated by DCMA Director Charlie E. Williams, Jr.

During Gilbeau's 27-month tenure, he commanded an organization of civilian and military personnel responsible for administering more than 43,000 contracts valued in excess of \$130 billion.

Williams presented Gilbeau with the Defense Superior Service Medal, the Afghanistan Campaign Medal and the NATO Medal during the ceremony at DCMA headquarters.

"He was able to sort through the myriad of challenges, deliver on the mission and successfully lead DCMAI forward the last two years," Williams said about the course Gilbeau steered while at the DCMAI helm. "He has been a phenomenal leader."

Gilbeau's leadership sustained direct support to Operation Iraqi Freedom, Operation Enduring Freedom, Operation New Dawn and a wide range of major defense and federal acquisition programs including DCMA's contingency contracting administrative services mission in theater operations throughout Iraq and

Afghanistan. His strategic engagement sustained contract services support in the successful Department of Defense transition to Department of State in Iraq.


"You're delivering safe, high-quality products our armed forces — our soldiers, sailors, Marines and airmen — are going to be able to use," Gilbeau said. "Our team has a passion to do things right, to do them by the book and to do them within contractual guidelines."

Prior to serving as the DCMAI deputy, Kuhm was the agency's Office of Independent Assessment executive

director. OIA is responsible for assessing agency-wide operations, performance, administrative processes and internal controls. He also served as the agency's Special Programs Division deputy director. This division is responsible for providing acquisition life cycle contract management support for classified Department of Defense contracts.

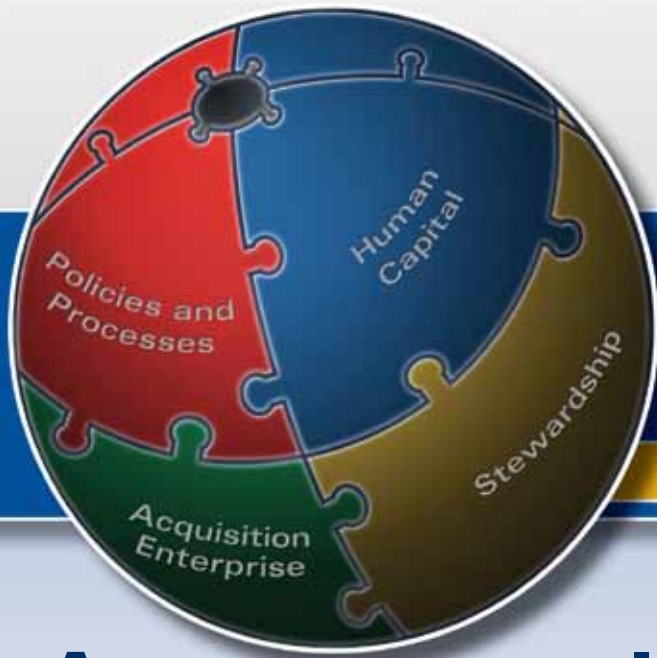
"I have seen Fred in action over the last few years," said Williams as he welcomed Kuhm. "I am very confident he has what it takes to continue to lead the DCMAI team forward to accomplish the mission and ensure the needs of our customers are met."

Kuhm is a member of the Defense Acquisition Corps with Level III certifications in both contracting, and budgeting and financial management. He received a Bachelor of Science from the University of Arizona and was awarded a Master of Business Administration from San Diego State University. He also has attended advanced education programs at the Kellogg School of Management, Northwestern University and the Federal Executive Institute.

"Admiral Gilbeau, it has been an honor to work on the DCMAI team as your deputy this past year," Kuhm said. "I truly appreciate all the first-hand knowledge, experiences and insight you gave me on the Middle East and Southwest Asia theaters. This will be invaluable as I fill in as acting commander for the immediate future." 



DCMA Director Charlie E. Williams, Jr. (left) passes the guidon and leadership of DCMA International to Frederick Kuhm, acting commander, during a recent ceremony at the agency's headquarters.



# STATE OF THE AGENCY

## FISCAL YEAR 2012

# Agency releases first State of the Agency Report

Mark Woodbury | DCMA Public Affairs

**“H**aving a single document that captures these important agency achievements

and provides information on possible correction areas is immensely valuable to the agency, and its decision makers,” said Charlie E. Williams, Jr., Defense Contract Management Agency director. That single document is the agency’s State of the Agency Report.

The 2012 report is the first SOAR DCMA has published since releasing the current Strategic Plan.

An annual top level overview of agency performance report produced by the DCMA Strategic Effects office, the SOAR describes agency progress and opportunities for improvement as it progresses along its journey of good to great over the coming years.

“This report serves four basic purposes: 1) to highlight agency accomplishments, 2) to document agency progress towards its goals and priorities set forth in the Strategic Plan, 3) to provide focus on areas of emphasis in the coming years and

4) to provide our customers a top level view into what we do in support of their missions,” said Williams.

Publishing an annual performance report is a requirement under the Government Performance and Results Modernization Act of 2010. Although the agency’s report isn’t required to be submitted to Congress, Williams said he wants it to be a regular part of the Strategic Management program.

Since the SOAR covers the fiscal year period, reports are written, reviewed and edited through the autumn months and published at the beginning of the following calendar year.


The SOAR is intended for a wide audience, internal and external to the agency. Employees can read the entire report online to find out what’s happening throughout the agency. The SOAR can be read at [www.dcmamail.com/News\\_Room/\\_files/soar.pdf](http://www.dcmamail.com/News_Room/_files/soar.pdf).

In addition to highlighting the agency’s accomplishments and progress in achieving its goals, the SOAR identifies where course changes are to be made.

Under the direction of Williams and the DCMA Council, Strategic Effects is revamping and reenergizing the agency’s strategic planning program.

“The Strategic Effects office will be producing an Annual Strategic Management Plan which describes the agency’s strategic priorities for the upcoming two fiscal years,” said Scott Blank, Strategic Effects executive director. “By September 2013, we will publish the Strategic Management Plan for FY14-15.”

As the agency continues to align with the Department of Defense’s planning cycle, the next Agency Strategic Plan covering FY15-18 is scheduled to be published in February 2014. Helping to accomplish these efforts are members of the newly formed Strategic Planning Team.

“This team will contribute environmental scans; work on strengths, weaknesses, opportunities, and threat analyses; and draft strategic initiatives to move the agency forward,” said Blank. “This is an exciting and challenging time to help chart the course for DCMA’s future.” 



**DCMA**  
DEFENSE CONTRACT MANAGEMENT AGENCY

# Representing the workforce

Patrick Tremblay | DCMA Public Affairs



**A**fter 37 years of federal service, Patcy Wesley knows a few things — and a few people. She is now using her experience, insight and expertise as an advocate for Defense Contract Management Agency employees as the newly elected president of the American Federation of Government Employees Council 170.

AFGE Council 170 represents the interests of employees protected by the Collective Bargaining Agreement, and comprises 33 elected groups, or “locals,” across the agency. In addition to meeting with the locals, Wesley and other AFGE Council 170 leaders also have quarterly meetings with agency General Counsel and Human Capital.

Her new position also puts her on the DCMA Council, which consists of 22 senior agency leaders and Director Charlie E. Williams, Jr. Here, Wesley will be a voice of the workforce.

Wesley has been helping people since she can remember. “I’ve always been an advocate for people, even in my personal life,” she said. “Anytime I could help someone, I would.”

Her first brush with collective bargaining came early in her federal career, at her first assignment with the Department of Veterans Affairs (then the Veterans Administration) in Miami. “I was in need of assistance, and (the local union) was there to help. I’ve been in the union ever since.”

In addition to the VA, Wesley’s resume includes work as an Air Force civilian before she joined DCMA as an acquisition professional. Through it all she has been an active champion for employee concerns, serving in several elected union positions.


**“I’ve always been an advocate for people, even in my personal life. Anytime I could help someone, I would.”**

— Patcy Wesley, American Federation of Government Employees Council 170 president

“I was a steward and later president of AFGE Local 3953 in Florida,” said Wesley, “and later was elected as the east vice president representing what was then the Defense Contract Management Command when it fell under the Defense Logistics Agency.” That position introduced her to many of the senior leaders who are still with DCMA.

Success in her role is about relationships. Though quiet in demeanor, Wesley is an effective voice for others, amplifying their concerns. She knows, however, that her broad experience in collective bargaining and knowledge of the DCMA workforce is only part of the equation.

Wesley said her personal and professional definition of leadership is based upon the principles of trust, truth, respect and continuous communication in a positive environment with management, employees and the union.

“Many of the people who I’ve helped early on in my career are still good friends,” Wesley said, “and I most definitely have a good working relationship with other senior leaders.” 



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# Service provider – the other side of audit readiness

Matthew Montgomery | DCMA Public Affairs



## Financial Improvement and Audit Readiness (FIAR) Guidance

**T**he Defense Contract Management Agency has a unique role within the Department of Defense

as it relates to compliance of the Chief Financial Officers Act. In addition to obtaining an internal Clean Audit Opinion of financial statements, DCMA must also work with the Army, Navy, Air Force and Defense Logistics Agency to ensure their financial statements are audit-ready.

To assist agencies with completing this task, the Office of the Under Secretary

of Defense, Comptroller, published the Financial Improvement and Audit Readiness plan. The plan provides an overarching roadmap for addressing areas subject to audit.

“The other aspect of our responsibility focuses on our controls that contribute to the integrity of the financial transactions Defense Finance and Accounting Service and our customers enact,” said John Heston, FIAR service provider point of contact. “Our controls cover such areas as contract receipt and review to assure data

integrity, DCMA-issued modifications and orders, acceptance or approval actions that support DFAS payments, demand letters to contractors and contract closeout actions.”

The DCMA service provider controls do not directly interact with the general ledger — the term used to collectively describe DOD’s official accounting data. However, the controls do underpin the integrity of customers’ general ledger transactions.

“We must demonstrate that both our information technology controls and our manual business process controls

are documented and effective, and that our systems assure data integrity,” said Heston. “This adds a challenge to our job of demonstrating our controls in a way an independent financial auditor can objectively verify.”

“There are no cut-and-dried rules outlining the kinds of documentation required to demonstrate our controls, so there is always some doubt as to what is needed to adequately demonstrate control to the satisfaction of an independent auditor,” added Heston.

Some of the documentation needed for audit readiness is available from centralized sources, such as the Electronic Document Access site or Wide Area Workflow, but much of what is needed is only available from field activities. For this reason, Heston is working on how to prepare the workforce for documentation requests on short notice.

“As an example, it is likely an independent financial auditor would want to verify that area contracting officer approvals of contract (performance based payment) requests are consistent with the amounts, and lines of accounting, specified in the contractual PBP schedule in effect at the time of approval,” said Heston. “This is a problem because many contracts with PBP provisions are long term and the PBP


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— John Heston, Financial Improvement and Audit Readiness service provider point of contact

schedules are sometimes modified several times during the life of a contract.”

Being able to produce the specific modifications of PBP provisions that were in effect on the date of the payment approval can be challenging, according to Heston. “This is because there could be hundreds of modifications, and without this information, an auditor may well conclude the amounts approved were incorrect.”

To ensure this doesn’t happen, DCMA is testing service provider controls and building corrective action plans for deficiencies found. Essential parts of the corrective actions are training and developing a communication plan to prepare employees in the field to respond quickly and effectively to documented requests from financial auditors.

For more information on FIAR, and to learn how DCMA is preparing for internal audits, read “Working Toward Audit Readiness” in the fall issue of the *Communicator* and on DCMA Express. 



## The latest news is in **DCMA Express** on the internal homepage

In the *DCMA Express* section on the internal homepage, <https://home.dcma.mil>, you will find a wealth of information about news around the agency. The best part about *DCMA Express* is it's an additional avenue for telling good news stories about your office. Submit news ideas and leads to the DCMA Public Affairs inbox at [DCMAPublicAffairs@DCMA.mil](mailto:DCMAPublicAffairs@DCMA.mil).

# Mock audit prepares agency for compliance

Matthew Montgomery | DCMA Public Affairs

**T**he Financial and Business Operations Executive Directorate, Chief Financial Officer Compliance Division,

known as FBL, is preparing the Defense Contract Management Agency to be ready for an extensive financial audit. Preparing for this audit will move DCMA toward compliance with the Chief Financial Officers Act, which requires federal agencies to obtain a clean audit opinion of financial statements from an independent public accountant.

In the first quarter of fiscal year 2013, DCMA underwent a mock audit conducted by a contractor to test how well the agency could perform under conditions similar to the upcoming 2014 IPA audit.

“Unlike traditional compliance audits,” said Keith Gudgel, FBL director, “DCMA was not merely providing documents, we were also demonstrating that we had internal controls that were effectively designed and that the controls were taking place.”

According to Gudgel the results were encouraging. “Out of 142 total controls tested, we were able to demonstrate 65 percent were effective both in design and performance,” he said. “Of the 49 controls deemed ineffective, none were considered a material weakness.”

A material weakness means there is likelihood financial statements will have an error or misstatement significant enough to make it unreliable for use by decision makers. Gudgel said correcting the 49

deficiencies is going to take work and discipline, but he is confident they can be fixed by the end of the third quarter.

As an example, Gudgel used monthly reconciliations, performed by staff in the FBO directorate, as a control. These are then stored on the shared drive.

“While DCMA knows the control activity took place, it is not possible to demonstrate that to an outside auditor’s satisfaction based on a file on a share drive,” said Gudgel. “We need to show this control takes place at the appropriate time, who did it and what the results were. This can be accomplished by simply adding a note that the reconciliation showed no differences, printing it, having the accountant sign and date it, and having it on file for the auditors.”

Other deficiencies identified in the mock audit were related to difficulties in providing a database of transactions to


the auditors. Examples would be the total number of new hires and retirements over a year, or the total number of transportation incentive program payments.

“This doesn’t mean the transactions were invalid or unsupported, as each is verified independently,” said Gudgel, “but the auditors require the universe of transactions so they can determine a valid sample of transactions to test.”

FBL staff members are working with various subject matter experts on the corrective action plans. They anticipate being able to submit six more assertion packages, which cover 99 percent or more of the agency’s business processes, to the Office of the Secretary of Defense, Comptroller over the upcoming third and fourth quarters.

The assertion package is a large document providing narrative, process flows, descriptions of controls, points of contact, and internal testing results for auditors. The first package, for appropriations received, was submitted in March 2012.

“The second package, for reimbursable funding, was submitted in April with other packages being submitted through August,” said Gudgel. “After all the packages have been reviewed and validated, DCMA can engage an auditor for our FY14 financial business.”

For more information about audit readiness, watch the director’s FIAR message at <https://home.dcma.mil/CBT/Media/video/FIAR/FIAR.html>. 

**“Unlike traditional compliance audits, DCMA was not merely providing documents, we were also demonstrating that we had internal controls that were effectively designed and that the controls were taking place.”**

— Keith Gudgel, DCMA Chief Financial Officer Compliance Division director

Bob Conforto (left), Program Integration branch chief, and Al Hoppe, Program Integration and Analysis, discuss recent changes to the Major Program Support policy. (Photo by Jo Adail Stephenson, DCMA Public Affairs)



# Up-close look at MPS policy changes

Jo Adail Stephenson | DCMA Public Affairs

**T**he Defense Contract Management Agency Engineering and Analysis Executive Directorate provided the agency's workforce with an up-close view of the recent Major Program Support policy changes during a one-hour webcast at headquarters Feb. 13.

The policy changes, approved in early January by DCMA Director Charlie E. Williams, Jr., synchronize the Defense Acquisition Executive Summary contract performance, management and production assessments for the program assessment report.


"The PAR is now tailored to identify and address program issues as early as

possible and report strategic-level program and contract information to DCMA's external customers," said Karron Small, E&A executive director. "This will allow for consistency and standardization across the enterprise with the goals of surveillance planning and improving predictive analysis."

A team effort from E&A's functional and operational directorates resulted in developing the changes, tools and subsequent training for the MPS policy, a multi-functional instruction applicable to all program support team functional members and to all MPS programs and contracts the agency administers.

The webcast focused on the primary MPS policy changes: the PAR format,

content and input; the Earned Value Management System analysis standard slides replacing the PAR Annex A; and the new electronic functional input template for program support team input to the PAR.

Three pre-recorded sessions supplemented the webcast and provided in-depth training on each of the primary changes. Bob Conforto, Program Integration branch chief, provided an overview of the specific policy changes followed by individual sessions by Program Integration and Analysis personnel Al Hoppe on PAR; John Simeoni on eFIT; and Joe "Mickey" Carter and Carissa Carter on Earned Value Management. 



# Aircraft Operations takes training to new level

By Misha King, DCMA Public Affairs

**F**or some, the first thing that comes to mind when they think of annual training conferences might be an off-site trip somewhere. Others might envision receiving blocks of instruction in a classroom full of people. But, if you ask someone in the Defense Contract Management Agency's Aircraft Operations directorate, you'll get a completely different answer.

Before March 2010, AO personnel involved with aircraft operations would travel to a common location for a week-long mandatory annual training

conference where they would get the latest and greatest information on policy, operations, safety and training issues. However, this training took a technological turn in 2011.

"For cost-saving purposes, the conference was changed to a Web-based interface and became the Virtual Aircraft Operations Training Seminar," said Navy Capt. Drew Swenson, AO executive director. "The change has led to an estimated annual savings of \$450,000 to \$500,000 in temporary duty and conference expenses since we've cancelled the brick-and-mortar conference."

AO held its first V-AOTS session in spring 2011. So far, there have been four virtual sessions —the last one held in November 2012. Although the training is an annual requirement, Swenson said his office is implementing a policy change to make it semiannual to reflect how they've been doing it.

"AOTS is essential to fostering a positive safety culture and for training and mentoring our AO Enterprise," said DCMA Director Charlie E. Williams, Jr. "A safety culture is the bedrock foundation that supports three essential pillars of safe and effective aircraft operations. Without



DCMA Director Charlie E. Williams, Jr. delivers a message to Aircraft Operations employees during the fall 2012 Virtual Aircraft Operations Training Seminar. AO's transitional to a "virtual" annual conference has saved an estimated \$450,000 to \$500,000. (Photo by Misha King, DCMA Public Affairs)

**“Aviation safety is important because it saves lives, prevents injuries and ultimately protects the government’s assets from loss (mishap).”**

— Navy Capt. Drew Swenson, DCMA Aircraft Operations executive director

an underlying safety culture, the pillars of policy and training, operations and risk assessment, and safety programs cannot stand alone.”

The fall 2012 seminar’s theme was Safety



Navy Capt. Drew Swenson (right), Defense Contract Management Agency Aircraft Operations executive director, and Air Force Maj. Lee Hunt, chief of standardization and evaluation, host the fall 2012 Virtual Aircraft Operations Training Seminar from DCMA headquarters on Fort Lee, Va. (Photo by Misha King, DCMA Public Affairs)




Members of the DCMA Aircraft Operations staff deliver the fall 2012 Virtual Aircraft Operations Training Seminar from DCMA headquarters. From left to right: Air Force Maj. Matthew Mierek, chief of aviation safety; Air Force Maj. Lee Hunt, chief of standardization and evaluation; Navy Capt. Drew Swenson, AO executive director; and Mike Cumbie, Aviation Safety Program manager. (Photo by Misha King, DCMA Public Affairs)

Culture — The Foundation of Aircraft Operations. Over 300 people worldwide at contract management offices with aircraft operations joined in V-AOTS through Defense Connect Online over a three-day period. They participated in a legal/policy forum, followed by a discussion on the aircraft rescue and firefighting waiver process. The remainder of the seminar touched on topics including: quality policy, U.S. Navy maintenance risk management, the Federal Aviation Administration’s

Richmond Flight Standards District Office, and F-35 issues.

“Our topics change with each seminar based on trends we see,” said Mike Cumbie, Aviation Safety Program Manager. “But, it seems the legal/policy forum has become a staple topic since it generates so much discussion and interaction.”

Both training and safety are paramount in any field of work, but they’re especially crucial in aircraft operations. “Aviation

safety is important because it saves lives, prevents injuries and ultimately protects the government’s assets from loss (mishap),” said Swenson. “This, in turn, allows AO to accept and deliver aircraft and unmanned systems that are critical to our military’s warfighting mission.” 

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# Ensuring the customer comes first

Matthew Montgomery | DCMA Public Affairs

**I** magine being on the flight deck of a ship at night — the wind is blowing, visibility is limited and you're desperately trying to replace an aircraft component. You're starting to make progress, only to find out your last six hours were pointless because the replacement part doesn't work or fit right. Being frustrated is an understatement.

Experiences like these are what have shaped the work ethic of Don Carter, Defense Contract Management Agency San Diego quality assurance specialist. He spent 20 years in the Navy as an aircraft mechanic and retired in 1995 as a chief. He has a Federal Aviation Administration mechanics airframe and power plant license and now provides quality assurance oversight to more than 24 contractors in the San Diego area.

"I've been on the receiving end of components that did not work and it used to infuriate me," said Carter, who experienced the above example on more occasions than he wants to remember. "Now I'm on the process side of making sure those situations do not happen to someone else."

To accomplish this, Carter and his colleagues from the DCMA San Diego contract management office build relationships by working with contractors to ensure quality parts are delivered as outlined by the customer. Whether it's reviewing processes, easing the communication between contractor and customer, or inspecting parts for



Don Carter (left), DCMA San Diego quality assurance specialist, discusses the inspection of aviation components with Jerry Jackson, DCMA San Diego administrative contracting officer, during a site visit. The team works collectively to foster strong relationships throughout the contracting process — something vital to program success. (Photo by Matthew Montgomery, DCMA Public Affairs)

compliance, the motivation for Carter is the same.

“We are the watchdogs. We make sure the parts work like they’re supposed to the first time, every time,” said Carter. “We have guys in uniform overseas that rely on the equipment they use to function properly. I would hate to be the one responsible when a product fails to work and their life is on the line.”

Taking care of service members is one of the driving forces for Carter. He feels a personal responsibility to ensure every product he inspects is ready to go. Jerry Jackson, DCMA San Diego administrative contracting officer, works with Carter on a number of contracts and is just as serious about his job.

Jackson works very closely with the quality assurance representatives and contractors to ensure contracts stay on track and meet deadlines. For him, maintaining strong relationships throughout the contracting process is vital to program success.

“We expect contractors to be quality focused and willing to stand behind their products,” said Jackson. “They shouldn’t cut corners to appease anyone – the end user should be their focus.”

Jackson and Carter agree, although they have a vested interest in success, quality has to start with the contractor because they are ultimately the ones responsible for their products.

Carter said a great example is the

**“The small contractors are every bit as important as our large contractors because the large contractors often use the smaller contractors to build and manufacture the parts they need for larger systems.”**

— Jerry Jackson, DCMA San Diego administrative contracting officer

‘contractor of one’ he inspects. The owner is also the only employee – thus the smallest contractor possible. The company manufactures and repairs aircraft engine components and tooling.

“I make everything from engine components to ground support equipment and assemblies,” said Eddie H., who founded the company about five years ago. “I take everything from scratch raw material all the way to the finished product. Quality is the number one issue for me because it starts and ends with me.”

Eddie has a unique background. He has worked for a number of large defense contractors and has both engineering and manufacturing degrees and experience. Because he is a one man company, he uses the full scope of his experience to pick up on subtle nuances and possible problems

with production data.

“When I see there is a problem with the data, I point it out to DCMA because I know the end user, our armed forces in the field, need a proper quality product,” said Eddie. “I know when they get the end item, they use it without thinking about it being right.”

Jackson said healthy relationships and expertise throughout the contracting process enable these types of issues to be resolved quickly. The process can be cumbersome, but the payoff makes it worth the effort.

“You never want to ignore a contractor’s issues, especially when they are right,” said Jackson. “When concerns are expressed by the contractor and validated by the QAR, they come to me and we call the buying command to get them addressed. Sometimes the drawings need to be modified, other times the contract needs to be adjusted. Regardless, being able to make these slight adjustments quickly can save the buying command, and ultimately the taxpayer, money.”

Carter said a good example of this relationship is a recent issue he worked involving the machining of a part for a tow-bar application. According to Carter, one of the parts called for interference fit tolerance of nine-one thousandths of an inch. The extremely close fit was because one part was being made to slide snugly into the other. The problem was the dimensions of the drawings didn’t factor

*Machined parts await final touches before being ready for shipment. DCMA quality assurance specialists randomly select parts from the group for inspection and to test tolerances. (Photos by Matthew Montgomery, DCMA Public Affairs)*





*Don Carter, DCMA San Diego quality assurance specialist, inspects a machined part against the contract specifications to ensure it is within the specified tolerances. (Photos by Matthew Montgomery, DCMA Public Affairs)*

in the plating, priming and painting of the part. The contractor realized once those three processes were complete, the part would no longer fit. They immediately called Carter to seek assistance.

“To resolve the issue we got in contact with the buying command’s engineering services and relayed the issue to them,” said Carter. “In cases like this we’ll get the contract, or blueprints, modified so the contractor can continue with the building process.”

Maintaining effective lines of communication with contractors, regardless of the size, is an important aspect of DCMA’s role, said Jackson.

“The small contractors are every bit as important as our large contractors because the large contractors often use the smaller contractors to build and manufacture the parts they need for larger systems,” said Jackson. This means solving problems at

the smaller facilities can have a positive ripple effect on the overall product.

Being able to resolve issues quickly, and working with contractors to catch problems early in the process, is an aspect of the job Carter finds rewarding. “I love what I do,” said Carter. “Especially when I get to get out from behind a desk and go visit my contractors. I get to get down, get dirty and see the manufacturing process.”

This flexibility, however, doesn’t mean he cuts them any slack when it comes to inspections. “Because of my military background, I have very high work and quality standards,” said Carter. “It’s black and white with me – either it’s wrong and we need to see why and fix it, or it’s right and we need to get it out to the field so they can use it.”




 A group of six people, three women and three men, are standing in a line in what appears to be a trade show or exhibition hall. They are dressed in business casual attire. In the background, a white sign with blue lettering reads "GOVERNMENT STAGING". The setting includes industrial-style lighting and a blue wall.
 

GOVERNMENT  
STAGING

# Safe landings start in North Carolina

Patrick Tremblay | DCMA Public Affairs

*Mae Versey, Connie Rafati, Michael Forsgren, Jonathan Stanton, Chris Camela and Jack Morris of the DCMA Greensboro office are part of the team providing contract administration services at a central North Carolina company that makes components for military aviation landing gear. (Photo by Patrick Tremblay, DCMA Public Affairs)*

**T**hroughout the country, small Defense Contract Management Agency offices perform work to keep the agency humming.

Their geographic location and personal service allow them to develop essential relationships with customers and contractors.

Many, like the office in Greensboro, N.C., report to larger contract management offices. In Greensboro's case, the office reports to DCMA Hampton Roads, Va., which in turn reports to DCMA Manassas, Va.

Though the reporting structure doesn't sound intuitive at first, it makes sense to those who operate within it.

"We cover everything in the state of North Carolina," said Jonathan Stanton, Greensboro's contracting team lead. "Our

location makes sense for workflow and tracking."

The office is relatively small, with personnel from all functional areas mostly split between Greensboro and Raleigh, about an hour apart. Joining them are quality assurance specialists out of Asheville and Monroe. The QAs from these four locations are responsible for traveling the state, visiting many of the 230 contractors the office covers.

Having the office located in a central part of the state allows for enhanced relationship building between agency representatives and contractors. "The world of government contractors can be daunting for some," said Stanton, who has nearly 30 years of contracting experience from both the buying and post-award sides. "I think the contractors appreciate having us in the state."

One of these contractors is a metal machining and finishing company. Located in nearby Whitsett, the 45-year-old company specializes in components used on aircraft landing gear.

"We couldn't get it done without DCMA as a resource to lean on," said the company's government sales manager, calling the agency a "voice of reason" in the company/customer relationship.

Stanton added, "We're the contractors' liaison with the buying command."

The company has grown considerably in the past decade, due largely to military contracts, which now account for 18 percent of their prime contracts. The company also functions as a contract manufacturer, or job shop, meaning a large portion of remaining work is performed as a subcontractor on other defense-related contracts.

The contractor representative said the company moved to a new facility in 2008, due in large part to government business. These contracts have allowed the company to invest in advanced machines, which make it possible to work on larger parts for both military and commercial customers.

Though growing, the contractor is still a small business, and DCMA quality assurance work is done through regular visits rather than having permanent personnel onsite. Jack Morris and Chris Camela are two members of the quality team covers the contractor.

Morris is a military retiree who brings to the job almost 30 years of Air Force

**“We couldn’t get it done without DCMA as a resource to lean on. They’re a voice of reason in the company/customer relationship.”**

— North Carolina contractor’s government sales manager

maintenance experience. Camela is finishing the DCMA Keystone program, coming to the agency after earning a degree in mathematics from Southern Polytechnic State University in Marietta, Ga. There’s diversity in how the two came to the agency, but a shared appreciation for the quality assurance process.

The quality team works closely with the Greensboro office’s small contracting staff. Led by Stanton, the team includes Connie Rafati, a contract administrator who came to DCMA five years ago through the Keystone program.

“There are a lot of transferable skills in contracting,” said Rafati, a former commercial property manager and realtor. “In real estate, most of what I did was based on a contract for leasing or buying property. I understand the contract is the basis for everything – if it’s not in the contract it’s not part of the agreement.”

Mae Versey is another contract administrator. Her 30-year federal career includes more than two decades of military base-level contracting. She, Rafati and Stanton recently joined the quality team on a visit to the metal machining and finishing company.

Though it is not a typical part of her day, Versey appreciated the opportunity for some face-to-face time with the contractor. “These visits give me a better appreciation for the work being done on the contract, and the work DCMA does on behalf of the customer,” she said. It also gives the contracts team a chance to reinforce relationships typically fostered by phone or e-mail.

The newest member of the Greensboro team, Michael Forsgren, met with the others at the contractor. Forsgren is an administrative contracting officer who came to the agency in mid-2012. For the three years prior to that, he was on the buying side of contracts with the Air Force, which made the site visit more meaningful for him. “Seeing these things being built really is enjoyable,” he said, “it’s kind of like home to me.”

Stanton said the team is happy to have Forsgren on board. “Christine Mitchell is our ACO who works out of Tennessee,” said Stanton.



Chris Camela and Jack Morris, both DCMA Greensboro quality assurance specialists, demonstrate part of the QA process for contract administrators Connie Rafati and Mae Versey, at a central North Carolina manufacturer. Interactions like these help the different functional areas at the office appreciate each other’s role. (Photo by Patrick Tremblay, DCMA Public Affairs)

*(Right) DCMA Greensboro contract administrators Mae Versey and Connie Rafati perform a pre-payment review of submitted progress payments with Nate Washington, an industrial specialist, at Washington's office in Raleigh. (Photos by Patrick Tremblay, DCMA Public Affairs)*



*(Left) DCMA Greensboro quality assurance specialists Jack Morris and Chris Camela perform a final check on military aviation part documents prior to shipping to the customer. The central North Carolina metal machining and finishing company is one of many contractors for which the Greensboro team has contract oversight of.*

“With the sudden retirement of two of our senior ACOs in early 2012 she took on the full responsibility of almost every contract in North Carolina. With his addition, Michael will be able to increase overall efficiency by taking on much of that work.”

The next day Rafati and Versey traveled to Greensboro’s satellite office in Raleigh. There they met with Nate Washington, an industrial specialist whose portfolio includes the machining company, to discuss the progress payment system.

As an IS, Washington says his primary concern is with the “on time” part of DCMA’s mission statement, making sure the warfighter gets what he needs on schedule as specified in the contract.

“I make sure production continues to flow,” he said, “and if not, I try to find out why.”

He spent 30 years in uniform on

the receiving end of defense contracts, retiring as an Army chief warrant officer responsible for helicopter maintenance and logistics.

“That definitely gave me a greater appreciation for getting parts when needed,” said Washington.


In addition to his military service, Washington spent time as a logistics analyst with a defense contractor, giving him a broad understanding of the players in a typical contract. “Now I’m an in-between person, between the customer and the contractor,” he said.

Washington enjoys working on the machining company contract, as well as other aviation-related contracts in North Carolina. He remembers the familiar names, parts and components from his active-duty time, and this helps keep him motivated to do a good job for the

end user.

Washington said both the agency and contractor are very responsive to one another, and have built a solid working relationship.

The Greensboro team uses relationships to get the job done. Relationships to the larger CMOs in Hampton Roads and Manassas provide the office connection to agency resources, while internal relationships between functional areas allow each to appreciate his or her role in the success of the work.

And finally, relationships between DCMA people and those at the contractor ensure delivery of quality products and services to the warfighter, on time and on cost. 

# Supply Chain Predictability – making the vision a reality

Jo Adail Stephenson | DCMA Public Affairs

**A** Defense Contract Management Agency team of cross-functional and Lean Six Sigma experts took the agency's vision of striving to be the Department of Defense's leading expert in supply chain predictability and made it a reality.

"The team's work moves the agency to the next level in providing our customers with consistent, reliable and timely supply chain intelligence across all agency functions so they can make smart decisions at the right time to improve their program outcomes," said Charlie E.

Williams, Jr., DCMA director.

During the six-month LSS enterprise-wide project, the team standardized how the agency identifies and predicts supply chain risks, and captures that information consistently across the agency.

The team's efforts culminated in three draft instructions addressing supply chain predictability at the strategic, operational and tactical levels; a data dictionary; and a tool requirements list for upgrades of existing eTools.

DCMA's senior-level leadership endorsed all three instructions for Policy Advisory Board review, a process used to

approve all agency policy.

Senior-level leaders also authorized the team's tool requirements list, which identified upgrades to the agency's existing eTools to secure the capabilities set forth in the instructions. The upgrades will take place during the next several years.

The team, launched in June 2012, used a modified LSS process called DMEDI — define, measure, explore, develop and implement — for the project. DMEDI helped in identifying the problems and focusing the agency to meet the project's objectives, according to Chris Knaggs, DCMA Continuous Process



*These DCMA employees are part of a team of cross-functional experts from across the agency working on the enterprise-wide supply chain predictability Lean Six Sigma project. They are (front row, left to right) Sean Higgins, Diane Warren, Jim Childers, Rosemarie Burnett, George Ellis, (second row, left to right) Don Jacobs, Dennis Hunt, Rob Dowell, Mary Grace Dondiego, Kevin Carney and Bill Aikens. Team members not pictured are Richard McCaffery, Roland Quitoriano, Brian Reilly, Tony Fowler, Katherine Beal, Reshma Dhanani and James Callihan. (Photo by Jo Adail Stephenson, DCMA Public Affairs)*

Improvement director.

“One of the best things about ‘Lean’ is it can lead you to find answers to your questions and solutions to your problems,” said Karron Small, DCMA Engineering and Analysis executive director and the project champion. “Lean Six Sigma’s disciplined and structured approach provides a standardized, consistent roadmap with checkpoints and tollgates throughout the process. The process creates accountability and furnishes clear direction and guidance.”

**DEFINE**

During the define phase, the team identified the problem. DCMA lacked an integrated assessment architecture (instruction, training and tools) and operating concept to assemble timely, accurate and predictive supply chain information.

**MEASURE**

The measure phase focused on understanding and documenting the “as-is” process and the needs of the agency’s customers.

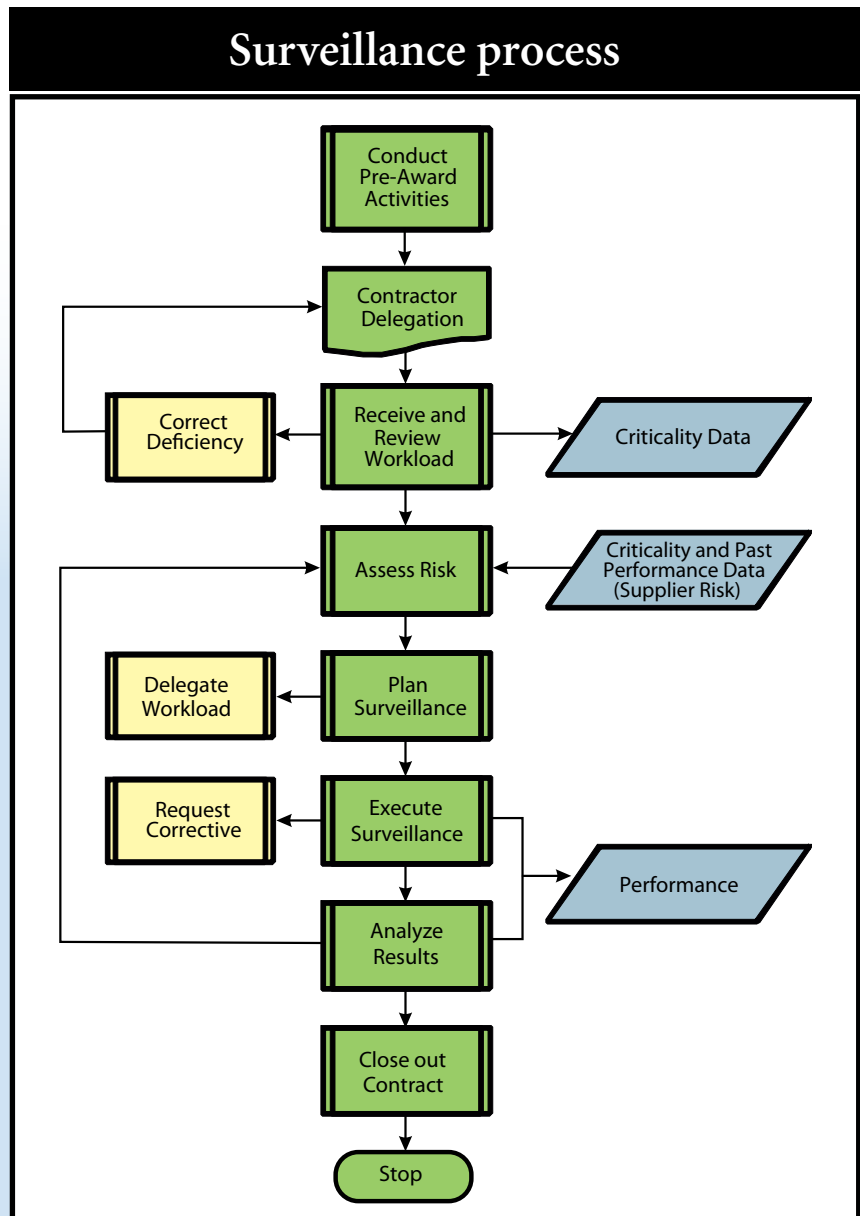
“The glaring disconnect was the lack of consistent information gathering across functions and the flow of information to allow for visibility across the supply chain,” said Mary Grace Dondiego, DCMA Industrial Analysis Center director and project co-lead.

The measure phase surveyed the agency customer base and assessed their needs for supply chain predictability. “Of the dozens of requirements identified, the top five indicators, ranked in order of priority, were supplier risk identification; cost; schedule; quality performance; and capacity,” said Dennis Hunt, DCMA Dallas deputy and project co-lead.

As a result, the team identified three aspects of data requiring consistent definition and collection mechanisms to allow for visibility across the supply chain — identification of a contractor facility and its associated capacity; mechanism to assess the facility’s risk; and collection and identification of supplier to



*In an agency webcast, Charlie E. Williams, Jr., DCMA director, and Karron Small, DCMA Engineering and Analysis executive director, kick off the agency’s enterprise-wide Lean Six Sigma supply chain predictability project. Led by Small, the project champion, a team of agency cross-functional and Lean Six Sigma experts worked to standardize how DCMA identifies and predicts supply chain risks, and captures that information consistently across the agency. (Courtesy photo)*



sub-supplier relationships.

**EXPLORE**

The explore phase examined possible solutions. The most significant decision was to adopt a common surveillance process and a common definition of supplier risk, which would enable the calculation of a supplier risk rating.

**DEVELOP**

During the develop phase, the team completed the three draft instructions for supply chain predictability at the strategic, operational and tactical levels, a data dictionary and data requirements to modify existing eTools to include supply chain elements.

**IMPLEMENT**

The DCMA Engineering has Analysis Executive Directorate has primary responsibility to champion and lead implementation on all three instructions over the next few years.

“EA is poised to lead the agency’s efforts as we continue to implement the tools and training to support the new instructions and refine the supply chain predictability process oversight,” Small said.

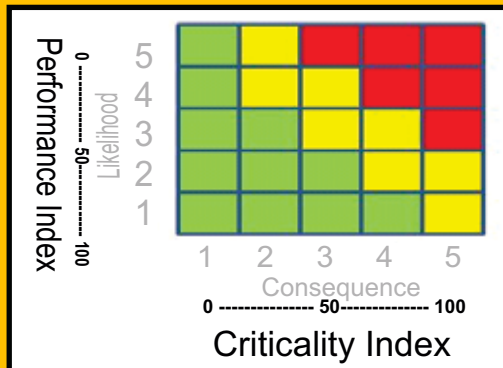
The team’s results provide the agency with the framework to collectively capture and make visible supply chain intelligence, and then provide the insight to its customers at a point which allows them to make smart decisions to improve their program outcomes.

“Our customers want us to be more proactive in identifying risks that can cause supply chain disruptions. They want us to focus on proactive communications, take preemptive action on those high-risk suppliers and mitigate future disruptions,” Williams said. “At the end of the day, our job is not merely to react faster to interruptions in the supply chain but to use credible measures to help us predict interruptions before these happen.”

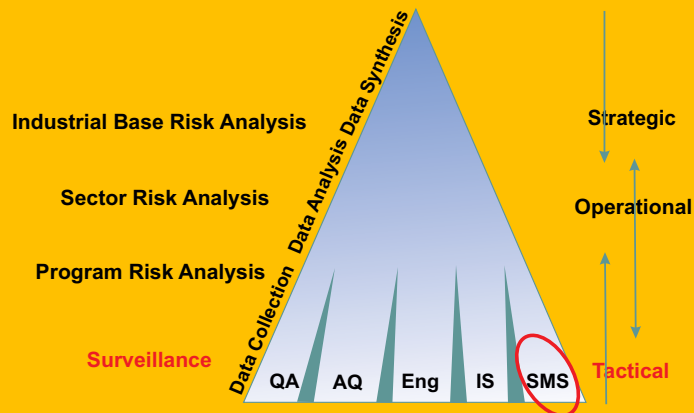
**Draft instructions**

The team generated three draft instructions, which address supply chain predictability at the strategic, operational and tactical levels:

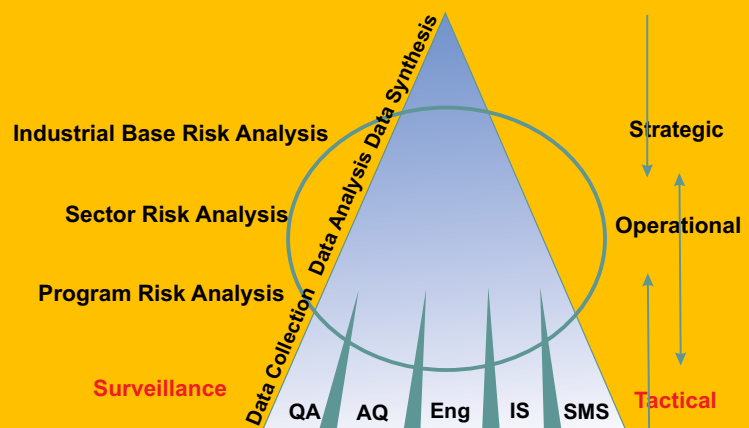
Supplier Risk Management through Standard Contract Surveillance standardizes risk management and surveillance processes throughout the agency. It defines a DCMA supplier risk rating methodology, consisting of both a criticality risk index and a performance risk index. This instruction facilitates the consistent collection of data, which will not only help the operational and strategic elements of the agency perform further analysis but also help prioritize future information technology projects to automate data collection.



*Enterprise Supply Chain Analysis and Reporting provides a basis for DCMA operational/strategic analysis which will enhance the agency’s visibility into the Department of Defense supply chain. It defines an authoritative structure at the operational and strategic levels within the agency and establishes a process for enterprise-wide assessments of selected suppliers, which have the greatest impact on the department.*



*The Surveillance of Supply Chain Management Processes defines activities at the contract management office level for performing surveillance of prime contractors’ supply chain management processes. It prescribes criteria when supply chain management surveillance should be conducted. It also provides a structure to develop supply chain maps to identify first and sub-tier supplier risks, which may impact criticality and/or performance. This effort will also assist in enhancing DCMA’s delegation responsibilities.*



# Empowering relationships, powering equipment

Patrick Tremblay | DCMA Public Affairs



*DCMA Orlando quality assurance specialist, Marcos Otero, performs a final label and packaging check on batteries ready to leave a central Florida manufacturer. Batteries that leave the facility will soon find their way to the warfighter, powering a variety of items from radios to navigation buoys.*

**M**ilitary units in the field have to be self-sufficient, to be “off the grid.” In

many cases generators are available to provide power, but batteries are still required to run many of the most basic and important items, particularly when on the move. When it comes to portable power, Defense Contract Management Agency Orlando provides a level of support at home that helps allow the warfighter self-sufficiency while away.

DCMA Orlando works on behalf of many government customers at a central Florida company that generates much of this portable power. The family owned small business isn’t easy to find. There’s no big sign in front of the facility, located in a gritty industrial part of town, but inside approximately 180 employees turn out thousands of batteries weekly.

These aren’t typical AAs or nine-volt batteries. Many include micro-processors – tiny computers required to deliver consistent, reliable power to high-tech equipment. Most have specific requirements to allow for operating in select environments, including but not limited to brutal heat, high altitudes or deep underwater.

“There are a lot of special processes,” said Marcos Otero, DCMA Orlando quality assurance specialist, “including sonic welding, soldering, special gluing, crimping and electrical testing.”

DCMA Orlando personnel oversee contracts for batteries that can provide power to everything from simple radios to complex air and sea systems. Lots of equipment – optics, emergency beacons, chemical detection, Coast Guard buoys – depend on batteries, many manufactured in central Florida.

Otero recently completed the agency’s Keystone program, and Ray Galford, his



*Marcos Otero, DCMA Orlando quality assurance specialist, checks a military battery during production at a central Florida manufacturer. (Photos by Patrick Tremblay, DCMA Public Affairs)*

*DCMA Orlando quality assurance specialist, Marcos Otero, examines manufacturer data as part of his in process inspections at a central Florida battery manufacturer. He relies on data to track the large number of items produced at the facility each week.*



first line supervisor, said Otero shows the power of the comprehensive training offered by the program.

“He’s the perfect example of someone coming in without any manufacturing background,” said Galford, “and now, three years later he’s accepting critical items on behalf of the government.”

Otero is at the battery manufacturer twice a week. It is one of 15 contractors he regularly visits to perform quality assurance work. Because the contractor has such a high volume, Otero has to implement careful process reviews and judiciously perform in-process inspections. He also has to perform product examinations in accordance

with his risk-based surveillance plan to determine if products have met contractual requirements before he accepts them on behalf of the government.

These efforts rely heavily on Otero’s ability to read and understand the manufacturer’s data. The manufacturer maintains comprehensive data showing everything that’s been done to each battery, and Otero is able to observe and validate at all points in the process.

He also has to maintain a strong professional relationship with the contractor. Otero knows because he’s in the facility so often, he’s representing everyone at DCMA who works on the contract.

DCMA Orlando personnel form part of a circle of expertise that guides how the battery manufacturer designs, produces and ships products. This circle includes the customer; Defense Department engineers for technical specifications; the agency; the contractor; and the Defense Supply Center Columbus, Ohio, for logistics.

At the manufacturer’s facility, however, it falls on Otero to accept the product. “I really enjoy my work,” he said. “I see a lot of items. It keeps me busy and it’s challenging.”

Even after the final government source inspections are done, and the batteries are accepted and shipped, Otero’s job isn’t quite finished. He’ll go back to the DCMA

Orlando office to scan every stamped and signed document, and make a digital record of his work.

From all the planning before production

to the careful data analysis before acceptance, Otero always relies on the contract for guidance, and the warfighter for inspiration.

“Most of all I know these things are going to the field – I want to do my best to make sure that every item is ready to go per the requirements. ☑



The Half-Sized BA-5590 is an alternate solution to the standard BA-5590. This new half-sized primary battery provides similar performance and runtime in half the weight and volume as the BA-5590. (U.S. Army photo)



Rows of new batteries wait final packaging at a central Florida manufacturer before shipment to military customers. The Army is pursuing advanced technology that will double the capacity of existing batteries, dramatically reducing the weight carried by soldiers in the field. (U.S. Army photo)

*Editor's note: The Florida manufacturer produces thousands of batteries each week, many of them BA-5590s, a lithium sulfur dioxide battery, or in the same family, with matching dimensions and uses, but with different compositions and recharging capabilities. The BA-5590 is a workhorse for the military, powering many items on the battlefield.*

## Improved batteries, SWIPES to lighten soldiers' load

By Dan Lafontaine  
U.S. Army Research, Development and Engineering Command Public Affairs

ABERDEEN PROVING GROUND, Md. – The U.S. Army Research, Development and Engineering Command is lightening the soldier's load by developing smaller and lighter batteries. Scientists and engineers are unburdening the soldier, increasing maneuverability, reducing fatigue, and cutting time needed for battery re-charging.

Christopher Hurley, an electronics engineer with RDECOM's Communications — Electronics Research, Development and Engineering Center for six years, leads the battery development projects team.

"One of the major projects on the battery team is trying to reduce the logistics burden," Hurley said. "We investigate state-of-the-art battery chemistries that will help us to decrease the soldier load."

### Half-Size BA-5590 battery

Hurley and his colleagues have reduced the size and weight of the standard BA-5590 battery by half, but the performance and run time has remained the same. The Half-size BA-5590 plugs into the same equipment, about 80 types of radios and robots, as the full-size version.

"The soldier can still perform the same [mission] with half the weight and volume in batteries," Hurley said. "It will lighten their load and increase their maneuverability so they have more freedom to get around on the battlefield."

The research team accomplished the size and weight savings through improvements in the battery's materials, he said. One of the battery chemistries under development is lithium-carbon monofluoride.

"A lot of the research is done on the materials. Once we identified a chemistry that has potential to lighten the Soldier load, a lot goes into it in terms of the raw materials — the cathode, anode, and energy-storage components that afford us a high-energy density battery," Hurley said.

The Army has been working on the battery for five years, and it should be fielded to soldiers in about a year, Hurley said.

Read more about the RDECOM's battery work at [http://www.army.mil/article/79388/Improved\\_batteries\\_\\_SWIPES\\_to\\_lighten\\_Soldiers\\_\\_load/](http://www.army.mil/article/79388/Improved_batteries__SWIPES_to_lighten_Soldiers__load/)

Army Spc. Shane Marks, 1st Battalion, 17th Infantry Regiment, 2nd Infantry Division, provides security in an overwatch position during Operation Southern Strike II in Afghanistan, June 6, 2012. (Photo by Army Sgt. Brendan Mackie)

# Targeting down range support to combatant commands

Jo Adail Stephenson | DCMA Public Affairs

**A**s a combat support agency, the Defense Contract Management Agency supports combatant commanders in a contingency

operations contracting environment through the agency's liaison officers.

LNOs are the agency's "strategic resources" with these combatant commands, known as COCOMs, and are the primary communication links between the COCOMs, DCMA headquarters and impacted contract management offices.

"An LNO is the face of DCMA and the voice of the agency director to the COCOM," said Air Force Col. Steven Buetow, DCMA Chief of Staff. "LNOs build and sustain relationships with their COCOMs. They represent what the agency can provide in terms of contracting administration expertise, lessons learned and best practices during contingency

operations planning."

As the director's representatives, LNOs assist COCOMs and the Joint Staff in understanding DCMA's role and mission across the Department of Defense enterprise.

"This is an important time for our LNOs as the Joint Staff and COCOMs are assessing lessons learned from the wars in Iraq and Afghanistan and developing

planning for future contingencies," said Air Force Col. Marty Baugh, who is currently assigned to DCMA and has more than 20 years of acquisition and contracting experience with the Air Force.

He added, "It is critical having DCMA fully engaged in the Joint Staff and in the COCOMs, especially at this time period in which the joint team with Joint Staff, COCOMs and OSD (the Office of the

**"An LNO is the face of DCMA and the voice of the agency director to the (combatant commands). LNOs build and sustain relationships with their COCOMs. They represent what the agency can provide in terms of contracting administration expertise, lessons learned and best practices during contingency operations planning."**

— Air Force Col. Steven Buetow, Defense Contract Management Agency Chief of Staff

# Liaison Officer Role



Secretary of Defense) are working together to plan operational contracting support for future contingencies.”

Currently, the Joint Staff is working with COCOMs in revising Joint Publication 4-10, Operational Contracting Support, and developing OCS Joint Concept 2020, with which the agency’s LNOs are fully engaged, according to Baugh.

“CCAS (Contingency Contracting Administration Services) is a major piece of the JP 4-10 rewrite and the future OCS joint concept,” Baugh said. “As the Department’s experts in CCAS and

contract management, DCMA LNOs are shaping the future of how our nation will conduct contingency contracting operations.”

Sitting either literally or virtually at the COCOM and Joint Staff tables, LNOs interface with key staff during contingency operations planning. They help integrate the contract management support piece early in the planning so DCMA’s appropriate level of support is included in operational plans and concept of operations planning annexes.

“The majority of what we do is plan

for potentially bad things to happen in the world. In that planning, we have to focus on the initial entry, sustaining and exiting,” said one LNO who has worked three years for the agency. “DCMA plays a role in all three of these areas but especially in the sustaining and exiting. What we do here, in these planning sessions, ensures warfighters have what they need when they need it.”

He continued, “The expertise DCMA brings to the table ensures issues that may not be initially considered or addressed during the initial planning. This assures

the right resources or requested and allocated in the appropriate time.”

The LNO’s role is vital as each COCOM targets the type and level of down-range support it will need for its contingency operations. Leveraging LNO expertise has helped resolve issues directly impacting warfighters.

“Some of the issues relate directly to safety or health and can prevent injuries, sickness, or even death of warfighters,” said an LNO who has been with DCMA 15 years, served 26 years in the Air Force and still serves as a medical plans officer in the Air Force Reserve.

He explained, “Working on teams to report and increase the readiness rates of key systems through parts expedites and design changes can save warfighter lives.”

LNOs also are members on exercise planning teams responsible for coordinating DCMA participation in exercises and assisting in the development of contracting inputs to the COCOM exercises.

Participation in exercises demonstrates DCMA core competencies to the COCOM and also indicates areas where

the COCOM should not rely on DCMA to provide oversight such as construction and non-complex services contracts. Participation in exercises also indicates if changes to the operations plans and concept of operations plans are required.


“It doesn’t mean that in our work with COCOMs, we aren’t working tactical planning and tactical exercises,” said another LNO who has worked 22 years with DCMA. “But it is important we do so with a strategic view of the agency’s mission, vision and capabilities so we can make the best strategic decisions in response to the requirements of the COCOMs.”

LNO roles depend on the COCOMs they support. One LNO is a Level III DAWIA-certified contracting professional with 26 years of Navy service. He brings a depth of understanding and experience in procurement policy, practices and operational contracting to the COCOM as well as a global perspective on emerging acquisition programs, supplies, services and policy.

“This global perspective is essential to maintaining a realistic strategic planning

process, ultimately affecting multiple DOD components, as well as many of the combat support agencies – especially DCMA,” said the LNO who has been with the agency about a year.

LNOs are vital resources the agency is employing to deliver better value to the taxpayer and warfighter by improving the way the DOD does business in a contingency operational contracting environment.

One LNO said, “If planning and collaboration are done up front between DCMA and the combatant commands, it will allow the commander on the ground to focus on executing the mission. At the end of the day, this is about ensuring warfighters have everything they need to accomplish their mission.” 

# COMMUNICATOR

[www.dcma.mil/communicator/index.cfm](http://www.dcma.mil/communicator/index.cfm)

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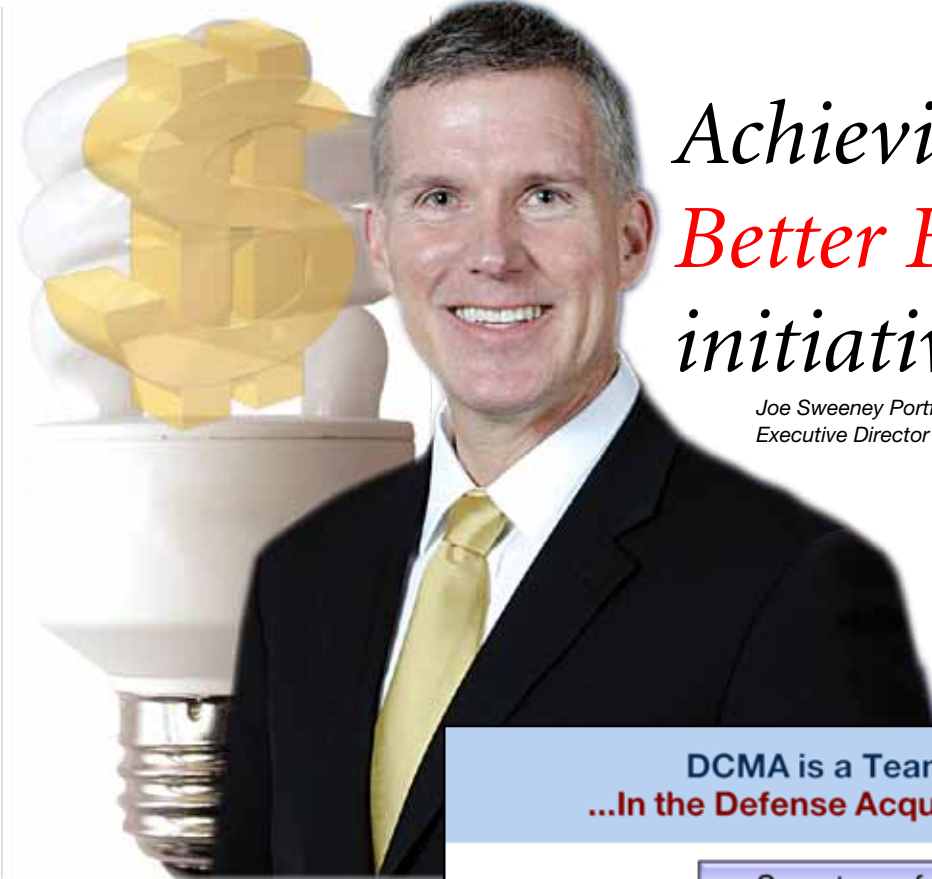
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# Speaking with one voice

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## Achieving Better Buying Power initiative

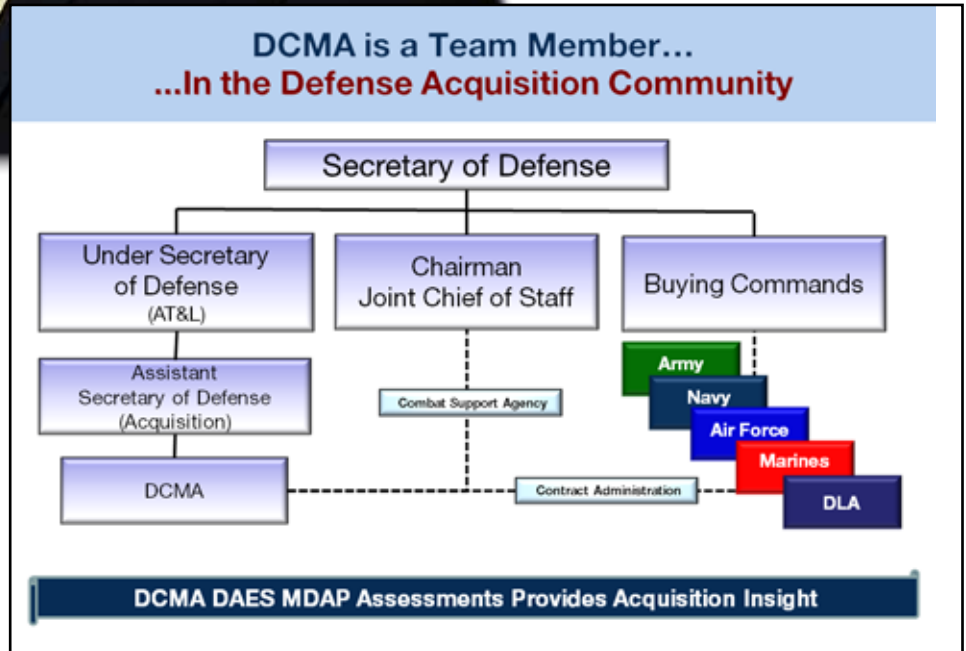
Joe Sweeney Portfolio Management and Integration Executive Director

“**D**eliver better value to the taxpayer and warfighter by improving the way the Department of Defense does business,”

Frank Kendall, Undersecretary of Defense for Acquisition, Technology and Logistics, stated in his Nov. 13, 2012, memorandum to the defense acquisition workforce on Better Buying Power 2.0.

The Defense Contract Management Agency, along with other defense acquisition community principals, delivers value by providing thorough insight into all the department’s Major Defense Acquisition Programs and generating the best possible information about the status of the portfolio to defense acquisition executives.

DCMA’s role in providing that insight



expanded recently when the Office of the Secretary of Defense made changes to its MDAP tracking mechanism, the Defense Acquisition Executive Summary.

As a result of the OSD changes, DCMA now assesses all the DOD MDAP in three of the 11 DAES categories. The

three categories – contract performance, management and production – are areas in which DCMA is uniquely positioned to provide the in-plant, on-the-manufacturing-floor perspective on the major acquisition programs for DOD.

“The DCMA in-plant perspective – it’s

## DCMA DAES Assessment Areas

### DCMA Assesses Programs in 3 Areas:

#### 1. CPA- Contract Performance Assessment Factors

- Cost
- Schedule
- Technical Performance

Assess cost and schedule performance of program's individual contracts. Key metrics of contract health include Cost Performance Index (CPI), Schedule Performance Index (SPI), variances, Baseline Execution Index (BEI) and Critical Path Length Index (CPLI).

#### 2. MA- Management Assessment (6 Business Systems)

- Accounting
- Estimating
- Earned Value Management System
- Material Management and Accounting Systems
- Property
- Purchasing

Assess impact of any deficiencies that might have ability of contractor to execute the contract or the Government to monitor progress. Examples: Business systems approved / disapproved and / or significant deficiencies resulting in Level III / IV CARs leading to programmatic impact.

#### 3. PA- Production Assessment Factors

- Contractor Supplier Relationships
- Engineering design / Configuration
- Process, Technical Review and Milestone Progress
- Product Status
- Supply Chain / Industrial base risk
- Production resource risks
- CARs
- PQDRs
- Delinquencies

Assess contractor's efforts to meet the production goals of the program. Taking into account demonstrated performance, emerging issues, health of the industrial base, and supplier relationships.

what sets us apart from everyone else in the defense acquisition enterprise,” Joe Sweeney, DCMA Portfolio Management and Integration executive director, said. “We’re either going to succeed or fail at the contract management office level. None of this happens unless the CMO is following the criteria to do the assessments, delivering the facts and data, and doing the analysis on everything that goes into the Defense Acquisition Management Information Retrieval system.”

Once DCMA assessments are uploaded into DAMIR, these assessments are seen by defense acquisition principals. The quality of the assessments determines the quality of insight going up through the OSD chain to Kendall, DOD’s acquisition executive.

“It’s important for CMOs to realize that the assessments written and submitted each month will have a direct impact on the decisions AT&L is going to make

about the department’s major acquisition programs,” Sweeney said.

Communication and transparency of information are essential not only within DCMA but also across the defense acquisition community, he noted.

“It’s extremely important PM&I has good collaboration and solid customer relations with the DCMA Operations, Contracts, Engineering and Analysis and Quality Assurance directorates,” Sweeney said. “The success of our external customer relations depends on our internal working relationships.”

He continued, “It’s also important we communicate the same message. We jeopardize successful customer relationships if the information from one customer to another is inconsistent,” Sweeney said. “Speaking with one voice and being transparent – PM&I is that one voice of the agency (with DAES). However,

the information gathering is a team effort from the CMO level on up.”

The recent expansion of DCMA’s role within the defense acquisition community positions the agency as a vital component in conducting independent assessments and providing unique acquisition insight to assist DOD with continuous improvement of its acquisition practices.

“By getting decision-quality information up through the chain to OSD early, action can be taken so we can achieve affordable programs,” Sweeney said. “This is the ultimate goal. Achieving this is the Better Buying Power initiative. We do that by having acquisition insight early from the folks who know the contracts the best – the folks in the CMOs.”

# Getting the POINT

Jo Adail Stephenson | DCMA Public Affairs

**L**inda Dunn earns medals for jabbing people with a metal stick.

Her metal stick of choice?

The saber, a light fencing sword with a tapering, flexible blade and a guard covering the hand.

The Defense Contract Management Agency Indianapolis information technology specialist is a world-class fencer.

In Dunn's hands, the saber becomes an extension of her psyche. "It's a great stress reliever but it's also a sport that requires a high degree of mental involvement, so I'm exercising my mind as well as my body," she said.

Saber fencers wear masks and jackets made of conductive material. Any touch of the blade on the fencer's jacket or mask registers a valid touch. The goal is to hit the opponent and not get hit. The fencer who outscores the opponent in touches wins that bout.

Behind her mask, Dunn exercises an iron will as she thrusts, parries and slashes her way through competition bouts in this fast-moving sport, which is sometimes difficult for spectators to follow.

Even though she has fenced all three weapons (foil, épée and saber) used in fencing competitions, she considers the saber her primary weapon, and the only one in which she considers herself proficient.

Dunn, a first-time Veteran World Team member, recently claimed the silver medal in the women's age 60-69 competition at her first international competition in Krems, Austria. And, during the last several years, Dunn has earned a medal at every national competition in which she has competed in the women's age 50-59 Saber Veteran category.

Her opponents get the point as she skillfully executes footwork and blade work sharply honed through a rigorous training regimen. Dunn trains at a local saber fencing club three to four times a week after work and on Saturdays. In addition, she has one to two lessons per week with a saber coach and does Pilates, strength training and aerobic exercise at the local gym.

Dunn began fencing about seven years ago.

"I'd always wanted to learn to fence," she said. "My son pointed out a webpage for a local club where I could learn."

Dunn chose the saber because the coach teaching the class was a saber fencer. "I started with that and, when I tried the other weapons, I felt I was better suited to saber."

Her original intent was to learn the sport and fence about once a month. Then she began competing about six months after she started fencing when the local club had a competition.

"I was terrible and finished badly,"



*Linda Dunn, DCMA Indianapolis information technology specialist, is a world-class fencer. She recently claimed the silver medal in the women's age 60-69 competition at her first international competition in Krems, Austria. During the last several years, Dunn has earned a medal at every national competition in which she has competed in the women's age 50-59 Saber Veteran category. (Courtesy photo)*

Dunn admitted. After that first competition, however, she was hooked and continued competing in local and national competitions.

In 2012, Dunn moved to the international level after being selected as a Team USA member to compete in the women's age 60-69 saber fencing competition at the Veteran World Championships.

"Most of the countries have only one



Linda Dunn (far left), DCMA Indianapolis information technology specialist, stands on the winner's podium after receiving the silver medal in the women's age 60-69 category in Krems, Austria. The event was her first international competition. (Courtesy photo)

qualifying event but the U.S. has three, with the best two out of three results determining the composition of the team," she said. Dunn finished 3rd in the December 2011 North American Cup, 2nd in the March 2012 NAC and 2nd in the 2012 Summer National Championships.

Dunn says fencing helps her to be more focused and also feel less stressed whether


she's at her DCMA job providing desktop computer support or at a competition using her saber to draw her opponent into an attack.

"I am better able to tune out distractions and focus on the task at hand," she said. "It's great for stress elimination."

This skill comes in handy as Dunn stays busy solving desktop computer issues for

DCMA employees.

"Linda is a great IT (information technology) person," said Army Lt. Col. Todd Spencer, DCMA Indianapolis commander. "Even though she's very busy, she is always very responsive in fixing our IT problems. Linda is a tireless and devoted employee who supports multiple DCMA CMOs (contract management offices) and office locations."

Dunn keeps on fencing because it continues to be a challenging sport. "I started an exercise program in 2000. Once I met my weight goals, I found it incredibly boring. Fencing gives me goals and motivations toward keeping myself healthy and active." 

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# Witnessing tests safeguards success

Matthew Montgomery | DCMA Public Affairs



*Enrique Rodriguez (right), DCMA quality assurance specialist, watches as a metal part is stretched by a contractor to the breaking point during a destructive test. (Photos by Matthew Montgomery, DCMA Public Affairs)*

**A small crack in a critical piece of a larger system can cause failure,** sometimes resulting in the government spending excess money in repairs and replacement parts. Maintaining positive relationships with customers and testing facilities to ensure this doesn't happen is the role of Enrique Rodriguez.

Rodriguez works for Defense Contract Management Agency San Diego as a quality assurance specialist. His job is to inspect and witness processes for a small contractor specializing in testing.

"This contractor performs nondestructive and destructive testing," said Rodriguez. "My job is to witness fluorescent penetrant, magnetic particle and ultrasonic inspections, along with bend, break, hardness and other destructive tests performed on metal parts and welds."

Rodriguez said each process is important for analyzing the overall integrity of parts coming through the facility. Because of the specialized nature of the work performed, the contractor and members of the DCMA team must be certified in the various areas of testing.

"For final acceptance, you have to be certified in the area you'll be inspecting," said Rodriguez, "but for me it also means I periodically have to conduct process reviews where I'll inspect training records on the technicians, witness the



*Enrique Rodriguez, DCMA quality assurance specialist, verifies a liquid penetrant inspection is performed as required per contractual guidelines.*



*A developer is applied to a part during a liquid penetrant inspection.*



performance of processes and look for calibration of the equipment.”

All of these checks are necessary to ensure the facility is performing as required per the contract, and employees are certified in appropriate areas. Rodriguez said while this is extremely important it is only part of the overall DCMA role, another aspect being communication.

“DCMA serves as a communication link between us and the customer,” said Michael May, testing facility president. “This is a definite benefit when dealing with multiple contracts. It eases the communication and builds credibility with customers when our word is backed up by DCMA’s own verified process.”

By maintaining positive relationships at the facility, Rodriguez has established an

effective procedure with the contractor to ensure success. This process starts when parts are received at the facility.

“When a part comes in, we look at the purchase order and drawing to make sure we have the right material. They will tell you what standard you are working in accordance with and the type of test that will be conducted,” said Rodriguez. “Next we reference the tolerances and




*A part is tested for hardness during a destructive test.*



*A gauge is used to ensure parts are magnetized prior to a magnetic particle inspection.*

requirements so the appropriate action can be performed. From there, it's just a matter of conducting the test to determine if the part passes or fails."

Rodriguez said ensuring these parts are tested and verified is very important to the overall integrity of larger systems.

"The majority of what we witness is for component parts of larger systems – not preassembled parts," said Rodriguez. "These are normally critical components of larger systems requiring third-party testing to ensure safety." 

## Destructive and Nondestructive Tests

There are a number of different types of tests performed, both destructive and nondestructive, which must be witnessed and verified by the Defense Contract Management Agency. The main nondestructive tests at the contractor facility are liquid penetrant, magnetic particle and ultrasonic inspection.

"Liquid penetrant inspection looks for surface cracks in parts that are too small to see just by looking at them," said Rodriguez.

To perform this test, a liquid with florescent coloring is applied to the part being tested. After a couple of minutes of dwell time, the part is washed of the excess penetrant, dried and then a developer is applied. If the part has cracks, they will show up under an ultraviolet light.

"The developer basically brings out the fluorescent coloring of the liquid that seeped into cracks during the first part of the process," said Rodriguez. "This particular test is used primarily on non-ferrous materials like aluminum."

To test ferrous materials, Rodriguez said the magnetic particle inspection is primarily used. As the name implies, the first part of this test requires the part be magnetized.

"Once magnetized, a florescent liquid containing very fine ferrous materials is applied to the part," said Rodriguez. "If there is a crack, either surface or subsurface, it will create a magnetic field which will attract the liquid and show up under the UV light."

There is also a test for imperfections in materials, which are often internal or impossible to see. Rodriguez said for this sophisticated testing a computer-based approach, the ultrasonic test, is used.

"During this test, an ultrasonic sound wave is sent into the part," said Rodriguez. "The sound waves will reflect through the part and the results will be displayed on a screen. Abnormalities will indicate problem areas."

The company performs other types of nondestructive tests such as X-rays, but Rodriguez said current contracts only require observation for the main three mentioned. Additionally, there are three types of destructive tests required under current contracts; hardness, bend and break.

"Hardness testing is pretty straight forward," said Rodriguez. "The company is provided a sample of the product and they puncture a little hole to determine the hardness of the material. This is considered destructive because they actually indent the part to determine strength."

Rodriguez said the bend and break tests are more destructive because the testing facility must push the product to the limit in order to make sure the stated tolerances and strength of materials are accurate.

"In the end it's all about the customer and making sure the materials are in accordance with the requirements in the contract," said Rodriguez. "A major system shouldn't fail because the proper steps weren't followed to ensure components were manufactured accordingly."

# It's all about the warfighter

Nick D'Amario | DCMA Public Affairs

**D**iana Graff might be new to Defense Contract Management Agency,

however, she brings nearly three decades of professional savvy and practical knowledge to the Office of Independent Assessment as its new executive director.

And, in the truest spirit of serving those who serve, she touts a keen mantra exemplifying why we should always operate at the highest levels of professional commitment and integrity: It's all about the warfighter.

Previously, Graff served as the Director of Strategic Planning for the Defense Commissary Agency. She has 25 years of auditing experience and 28 years of total government service. Prior to DeCA, she also worked with the U.S. Army Audit Agency for 19 years in a variety of positions, where she served as the program director for Policy and Audit Support Division with responsibility for audit policy, follow-up and quality assurance Army-wide.

Her overarching principle in government auditing is that “the strength in the process is tying it back to the warfighter, no matter what the activity. We can't afford to get it wrong, and everyone has a piece of that responsibility in looking out for our warfighter's best interests.”

As DCMA's OIA chief, Graff is responsible for assessing agency-wide operations, performance, administrative processes and internal controls. This includes conducting compliance and performance-focused mission reviews of operational processes throughout the agency, control-focused internal review

audits directed by the agency director, and investigations of suspected fraud and other criminal activities.

“I am excited and honored for the opportunity to lead the Office of Independent Assessment in its continued journey in making a difference in DCMA,” said Graff. “I would be remiss if I didn't thank Fred Kuhm, not only for making my transition easy, but for building the foundation that has made OIA such a valued member of DCMA.”

Kuhm formerly spearheaded OIA operations as its executive director, and is currently the DCMA International acting commander.

Graff's OIA staff of 29 makes up what she refers to as the “three pillars” of OIA: the internal review team, mission review technical and contract teams, and




**Diana Graff**

**Office of Independent Assessment  
executive director**

investigative staff.

Her employees are located in 13 of the 50 U.S. states, and are technical and business specialists acting as Mission Review Team examiners, auditors conducting internal reviews and criminal investigators.

“I thoroughly enjoy working with the dedicated staff of OIA,” said Graff. “I have met the entire staff, either virtually or in person, and I can't say enough about the well-trained, professional group of folks who are dedicated to not only their respective missions, but also to DCMA's mission and vision.” 



*Diana Graff (seated left), DCMA Office of Individual Assessment executive director, is briefed by Dorotherine Eaddy (seated right), OIA Internal Review supervisory auditor, as the rest of the auditor team looks on; from left: Loretta McCray, Kenneth Stejskal, Sharon Slaughter, Steve Vuong, and Raymond Sloss.*



# Building on Better Buying Power

DCMA Public Affairs

**ASHTON B. CARTER**  
DEPUTY SECRETARY OF DEFENSE

**FRANK KENDALL**  
UNDER SECRETARY OF DEFENSE FOR  
ACQUISITION, TECHNOLOGY AND LOGISTICS

*Photo illustration by Cheryl Jamieson, DCMA Public Affairs*

**I**n September 2010, then-Under Secretary of Defense for Acquisition, Technology and Logistics Ashton B. Carter premiered “Better Buying Power: Guidance for Obtaining Greater Efficiency and Productivity in Defense Spending.” The guidance was a central part of a wide-ranging Department of Defense efficiencies initiative, and affected more than half of the department’s budget. Carter estimated that it would redirect about \$100 billion in funds into more productive purposes, what then-Secretary of Defense Robert Gates called converting “from tail to tooth.”

In 2012, Frank Kendall became the department’s under secretary for AT&L, and by the end of the year had previewed the next phase of Better Buying Power, BBP 2.0. In January of this year Kendall wrote an article, “Moving Forward,” which appeared in the Defense Acquisition University’s magazine, Defense AT&L. In it he talks about the future of BBP.

## EXCERPTS FROM “MOVING FORWARD”

“We must do everything we can to execute effectively — to extract full value from the money with which we are entrusted. Over the next several years, I will do everything I can to help you

perform that challenging duty.”

“BBP 2.0 is consistent with my goals and priorities, and it is designed in large part to drive critical thought in the daily execution of our work. BBP 2.0 will help improve our effectiveness in the tradecraft of acquisition.”

“For the first time in my experience, we will begin to measure the trends in our own performance and to understand, through data and analysis, the root causes of superior performance.”

This winter Kendall issued the coordination draft of the new DoDI 5000.02 (Operation of the Defense Acquisition System). “This draft will update 5000.02 to be consistent with current law. It also will provide a range of models for structuring programs, and it will emphasize the need to tailor our acquisition approaches to the natural work flow and decision points for the product being developed and fielded.”

“Finally, you can expect my continued support and dedication to giving you all of the tools you need to be effective. You, the total acquisition workforce, are the key to our success.”

To read “Moving Forward” in its entirety, visit [http://www.dau.mil/pubscats/ATL%20Docs/Jan\\_Feb\\_2013/Kendall.pdf](http://www.dau.mil/pubscats/ATL%20Docs/Jan_Feb_2013/Kendall.pdf).

To view the DOD website detailing Better Buying Power, visit <http://bbp.dau.mil>. 

# Better Buying Power Program Successes



## Stryker

The Army generated considerable savings in the Stryker program by combining fiscal year 2012 buys of 292 Double V-Hulls and 100 Nuclear BioChemical Reconnaissance vehicles into a single contract, gaining economies of scale, and is estimating up to 5 percent savings in its production of Joint Tactical Radio System handheld radios through incentives to incorporate commercial components and technologies.



## F-22

The F-22 System Program Office realized a 15 percent efficiency during Increment 3.2A negotiations using Should Cost analysis. The Air Force successfully identified and implemented specific cost saving initiatives to address areas in the software development process that were above industry benchmarks. This effort resulted in a 15 percent reduction and \$32 million savings in cost for Increment 3.2A.

*(Information courtesy of <http://bbp.dau.mil>)*



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