

Fiscal Year (FY) 2020 President's Budget

Operation and Maintenance, Defense-Wide Defense Contract Management Agency



March 2019

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**Defense Contract Management Agency
Operation and Maintenance, Defense-Wide
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**Operation and Maintenance, Defense-Wide Summary (\$ in thousands)
Budget Activity (BA) 4: Administration and Services**

	FY 2018 <u>Actuals</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2019 <u>Enacted</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2020 <u>Estimate</u>
DCMA	1,367,932	9,517	63,770	1,441,219	2,020	19,220	1,462,459

* The FY 2018 Actual column includes \$21,317.0 thousand of FY 2018 Overseas Contingency Operations (OCO) Appropriations Funding (PL 115-141).

* The FY 2019 Enacted column excludes \$21,723.0 thousand of FY 2019 OCO Appropriations Funding (PL 115-245).

* The FY 2020 Estimate column excludes \$21,723.0 thousand of FY 2020 OCO Appropriations Funding.

I. Description of Operations Financed: The Defense Contract Management Agency (DCMA) is a Joint Chiefs of Staff designated Combat Support Agency comprised of approximately 11,500 civilian and military personnel, located in over 1,000 locations, managing approximately 350,000 active contracts with a total face value of \$5.1 trillion of which \$2 trillion has been obligated. Of the obligated amount, \$262.7 billion remains unliquidated. The DCMA's responsibilities include managing Acquisition Category I and II programs, \$152.8 billion of Government property in-plant, \$18.6 billion in in-progress payments, and \$12.6 billion in performance-based payments, ensuring each complies with Federal acquisition and auditability standards. As established by DoD 5105.64 and FAR Part 42.302, DCMA's mission is to perform Contract Administration Services (CAS) and Contingency Contract Administration Services (CCAS) for the Department of Defense (DoD), other authorized Federal Agencies, foreign governments, international organizations, and others as authorized.

Essentially, DCMA directly manages Industry's performance of all DoD Weapon Systems and Combat Platform production and depot maintenance work. Only shipbuilding, services, facilities management, consumables (fuel, etc.), and low risk parts production and delivery are not serviced by DCMA. As a defense agency and member of the Fourth Estate acquisition community, DCMA reports to the Under Secretary of Defense for Acquisition and

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I. Description of Operations Financed (cont.)

Sustainment. In FY 2018, actions such as litigation, cost and pricing actions, earned value streamlining efforts, cost rate settlements, worker's compensation claims, and Equal Employment Opportunity (EEO) settlements resulted in DCMA returning approximately three and a half times its operating budget to the Services in refunds, recovered costs, forward (future) pricing rates, and negotiated price reductions. These actions allow the Services to procure more necessary warfighting equipment at reduced cost, expanding Force Structure and delivering more lethality to the Warfighter.

In executing its mission, DCMA directly supports the National Defense Strategy (NDS) and the Secretary of Defense's definitive guidance on three lines of effort to enable the Department to remain the world's preeminent fighting force. The DCMA's mission and responsibilities clearly align with these lines of effort: building a more lethal force, strengthening our allies and partners, and seeking efficiencies through business process re-engineering and fiscal stewardship. Specifically DCMA aligns to the NDS and the National Defense Business Operations Plan Performance Goals (PG) in the following areas:

Build a More Lethal Force

PG 1.1.1 Improve Department's Ability to Measure, Assess, & Understand Readiness

PG 1.1.5 Improve Understanding of Root Causes of Class A Mishaps & Implications to Readiness Recovery

PG 1.2.1 Significantly Improve F-35 Joint Strike Fighter Program Execution

PG 1.2.2 Ensure Nuclear Enterprise Enabled

PG 1.5.2 Improve Recruitment and Retention of Civilian Workforce

Strengthen Allies and Attract More Partners

PG 2.1.3 Develop and Implement Responsive, Innovative Process & Authorities

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I. Description of Operations Financed (cont.)

PG 2.1.4 Provide Full-spectrum Capability Including Defense Systems, Enablers, Personnel, Strategy/Doctrine/Plans, & Institutional Support to Our Partners

Reform Business Practices for Greater Performance and Affordability

PG 3.1.1 Fundamentally Transform Delivery of Secure, Stable, Resilient Information Technology (IT) Infrastructure in Support of Warfighter Lethality

PG 3.1.7 Reform Real Property Management

PG 3.1.14 Implement Acquisition Reform- Simplify & Deliver Faster; Reduce Product & Service Procurement Costs

PG 3.2.1 Implement Restructure of the Under Secretary of Defense for Acquisition, Technology, and Logistics USD (A&S)

PG 3.2.3 Complete Major Headquarters Reductions Consistent with Statutory Requirements

PG 3.3.1 Begin Audit and Use Findings to Achieve Positive Opinion for DoD

Additionally, DCMA is at the forefront of executing the Department's Security Cooperation (SC) mission to collaboratively build and sustain our Allies security interests and industrial capabilities. Within the SC community the DCMA provides support to Foreign Military Sales (FMS) delegated by Service buying commands, Foreign Direct Commercial Sales (DCS) contracts, and international agreements, placing our personnel in direct support of our Allies in critical locations in the United States and overseas.

To deliver on our mission and vision and to align ourselves with the NDS, DCMA is focused on five primary strategic goals: 1) enhance Lethality through on-time delivery of quality products; 2) enhance Lethality through affordability; 3) ensure Agency funds are used in alignment with Department guidance and executed in a transparent, accountable manner; 4) reform the agency business practices by working smarter not harder; and 5) enhance and

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I. Description of Operations Financed (cont.)

strengthen the skills, readiness, and effectiveness of the total workforce. DCMA will assess each of these primary strategic goals identifying measurable capability improvements leading to enhanced Warfighter lethality through timely delivery of quality products, and acquisition insight supporting affordability and readiness.

Eighty four percent of DCMA's employees are part of the acquisition workforce and perform activities that include: controlling contractor indirect costs by establishing both forward and final rates, resolving claims and disputes, and making final determinations on cost accounting standard audits; providing negotiation intelligence by ensuring business system compliance for contract accounting, property management, material management, earned value and purchasing systems, and providing commercial item determinations and insight into contract cost and pricing; and administering the Department's awarded contracts by providing contract modifications, cost monitoring, managing ground and flight operations, managing delivery schedules, government property management, providing transportation authorizations for in-plant material, accepting and authorizing payments for contracted goods and services, recovering expiring and cancelling funds, and closing contracts.

FY 2020 Budget

The DCMA priorities for this budget focus on implementing DoD directives to reprioritize its existing workforce to focus on high risk/high priority programs, execute IT business process reform initiatives, and separate cybersecurity spending from mission. In addition, DCMA continues to receive increases in core mission acquisition program production and new program starts that stress its ability to properly support priority core mission requirements, including higher production levels for the F-35 Joint Strike Fighter, which is a DoD priority program. To assist with these efforts, DCMA intends to increase hiring to fill existing authorizations for this and other priority programs.

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I. Description of Operations Financed (cont.)

This budget also executes the transfer of commodity IT management and services to the Defense Information Systems Agency (DISA), and includes a reduction of -250 full time equivalents (FTEs) and a realignment of funding from labor and non-labor object classes to the appropriate DISA OP-32 line from which this bill will now be paid. In accordance with congressional direction, DCMA has separated the cybersecurity budget from mission lines. Approximately 81 percent of the FY 2020 budget is personnel compensation and benefits for the direct funded employees. The remaining budget includes the cost of supporting the workforce, such as IT sustainment, facility sustainment and leases, travel, cyber, supplies and equipment.

Personnel Compensation

Production, quality assurance, manufacturing, contracting, and engineering personnel comprise the largest portion of DCMA's acquisition workforce performing the DCMA's mission in a global environment. The FY 2020 personnel compensation budget was affected by multiple adjustments and marks a decrease from FY 2019 for the shift in IT commodity management (-250 FTEs, -\$31.7 million) and additional major DoD headquarters reductions (-12 FTEs, -\$1.8 million). These decreases are partially offset by the cost of one additional compensable day in FY 2020 (+\$4.5 million) and +49 FTEs for mission critical acquisition vacancies (49 FTEs, \$5.7 million) to be filled in FY 2020.

Information Technology

Information technology is the primary enabling capability DCMA's acquisition workforce relies upon to communicate with its contractors, the DoD acquisition community, and its customers. DCMA is currently engaged in several major initiatives to improve its information technology environment. These initiatives are driven by the NDS business reform line of effort. On December 21, 2017, the Reform Management Group directed the IT

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I. Description of Operations Financed (cont.)

and Business Systems Reform Lead to review Fourth Estate IT networks, policies, business processes, functions, costs, and Chief Information Officer (CIO) organizational structures and manpower requirements across the Fourth Estate. The first major result of this review occurs in this budget with the direction to transfer commodity IT management services to DISA. The DISA will provide this managed service from the Defense Working Capital Fund (DWCF); therefore, FTEs will transfer to DISA but DCMA will retain budget authority in order to reimburse DISA for services rendered. Since DISA will procure equipment and "lease" it back to DCMA as a service, DCMA no longer needs to procure its own equipment. Procurement budget authority was transferred to Operation & Maintenance (O&M). The adjustment of commodity execution has been completed and these resources are now on line 677, DISA Telecom Services.

The DCMA's IT investment strategy is being driven by the Director's initiatives to: 1) Develop Mission Business Systems; 2) Leverage Commodity IT Buying Power Through DISA; and 3) Focus on The Last Tactical Mile. These initiatives directly align with and support the DoD CIO's Optimization and Modernization efforts, which include: 1) Network Optimization; 2) Data Center Optimization; 3) Mission Partner Engagement; 4) Defense Travel Modernization ; 5) Enterprise Collaboration; 6) Consolidation of Cyber and IT Responsibilities; 7) Rationalize Business Systems; and 8) Streamline IT Commodity Purchasing. Several of these efforts are supported by ongoing reviews and/or are already being executed. Since DISA does not cover DCMA's mission systems, DCMA must still manage, oversee, and maintain critical systems such as the Mechanization of Contract Administration Services (MOCAS) system.

The DCMA's initiatives coupled with the DoD CIO's Optimization and Modernization efforts will empower mobile and fixed user's ability to effectively utilize DoD enterprise capabilities with the same level of efficiency and effectiveness and improve network

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I. Description of Operations Financed (cont.)

availability and reliability upon full operational compliance in FY 2021. In addition, pursuit of these initiatives will create an IT infrastructure that enables shared services and improves timely access to data via cloud capability in a secure and protected integrated environment.

Facilities

Execution of DCMA's facility initiative to reduce overall physical footprint continues where efforts are financially supportable. The reduction will be achieved by a combination of optimizing current locations, partnering with the military Services where on-base locations make sense, leveraging IT and communications technology to extend telework options, and using appropriate and consistent facility standards. The DCMA's initial moves are already taking place. For example, the Eastern Region's office relocation from Boston to Hanscom Air Force Base (AFB) was initiated in late FY 2017 and will be completed in 2nd quarter FY 2019. The move, which includes a DCMA data center, will require DCMA to invest in the planned Data Center re-host at the DISA Enterprise Computing Center (DECC) Columbus location, thus meeting DoD CIO's mandated Federal Data Center Consolidation Initiative. The DCMA is currently working on these other large moves: Naval Base Point Loma, Luke AFB, Joint Base Lewis-McCord, Naval Station Everett, and Selfridge Air National Guard base. Initial costs invested in these moves will result in efficiencies that will be redistributed to high return on investment opportunities.

Cybersecurity Program

The DCMA Cybersecurity Program's goal is to protect the information and IT systems under its purview using key security principles that allow mission owners and operators to have confidence in the confidentiality, integrity, and availability of the DCMA information.

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I. Description of Operations Financed (cont.)

The DCMA FY 2020 budget request includes 18 civilian FTEs and a cybersecurity support contract that allows DCMA to meet the cybersecurity demands placed on the DCMA and to protect all information systems, enclaves, and computing environments (including applications and databases) from external and internal threats. Of note, DCMA's networks and systems contain contractual information, proprietary Defense Industrial Base (DIB) Intellectual Property, DoD sensitive Controlled Unclassified Information (CUI), and sensitive unclassified Navy Nuclear information used by the entire Department of Defense and its federal partners. These DCMA cybersecurity programs are created through the System Development Lifecycle and include the continuous monitoring of systems from cradle to grave. The Cybersecurity Program supports DCMA's Cybersecurity Service Provider (CSSP) duties and maintains continuous surveillance over all of DCMA's networks, 24 hours a day, 7 days a week, 365 days a year, and protects its users against vulnerabilities. The DCMA is in a unique position within DoD as nearly 1/3 of its workforce operates in contractor plants and remote locations where they review, approve, and verify product delivery and contract execution in support of the Warfighter. This remote user challenge causes increased costs to lower the risk of exposure as opposed to the conventional cybersecurity measures required for brick and mortar locations on a protected post camp.

Summary

The DCMA is uniquely positioned and committed to providing independent actionable acquisition insight to provide Warfighter lethality, support acquisition reform, and support achievement of the NDS. The DCMA will continue to explore strategic efficiency initiatives to provide quality contract administration services, facilitate the delivery of critical DoD emerging needs, execute its cybersecurity mission, and support/implement current and future leadership strategic areas of focus.

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II. Force Structure Summary:

N/A

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III. Financial Summary (\$ in thousands)

	FY 2019						
	FY 2018	Budget	Congressional Action			Current	FY 2020
			<u>Actuals</u>	<u>Request</u>	<u>Amount</u>		
A. BA Subactivities							
4. Administration and Servicewide Activities	1,367,932	1,465,354	-24,135	-1.7	1,441,219	1,441,219	1,438,068
Contract Management	1,367,932	1,465,354	-24,135	-1.7	1,441,219	1,441,219	1,438,068
Cybersecurity	0	0	0	n/a	0	0	24,391
Total	1,367,932	1,465,354	-24,135	-1.7	1,441,219	1,441,219	1,462,459

* The FY 2018 Actual column includes \$21,317.0 thousand of FY 2018 Overseas Contingency Operations (OCO) Appropriations Funding (PL 115-141).

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III. Financial Summary (\$ in thousands)

<u>B. Reconciliation Summary</u>	<u>Change</u> <u>FY 2019/FY 2019</u>	<u>Change</u> <u>FY 2019/FY 2020</u>
Baseline Funding	1,465,354	1,441,219
Congressional Adjustments (Distributed)	-20,373	
Congressional Adjustments (Undistributed)	-3,762	
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Subtotal Appropriated Amount	1,441,219	
Fact-of-Life Changes (2019 to 2019 Only)		
Subtotal Baseline Funding	1,441,219	
Supplemental	21,723	
Reprogrammings		
Price Changes		2,020
Functional Transfers		
Program Changes		19,220
Current Estimate	1,462,942	1,462,459
Less: Wartime Supplemental	-21,723	
Normalized Current Estimate	1,441,219	

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2019 President's Budget Request (Amended, if applicable)		1,465,354
1. Congressional Adjustments		-24,135
a. Distributed Adjustments		
1) Unjustified Growth	-16,000	
2) Personnel Excess Growth	-3,441	
3) PCS excess growth	-932	
b. Undistributed Adjustments		
1) Across the board Reduction: Historical Underexecution	-3,762	
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
FY 2019 Appropriated Amount		1,441,219
2. War-Related and Disaster Supplemental Appropriations		21,723
a. OCO Supplemental Funding		
1) Personnel Compensation	21,723	
3. Fact-of-Life Changes		
FY 2019 Baseline Funding		1,462,942
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2019 Estimate		1,462,942
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		-21,723
FY 2019 Normalized Current Estimate		1,441,219
6. Price Change		2,020
7. Functional Transfers		
8. Program Increases		26,985
a. Annualization of New FY 2019 Program		
b. One-Time FY 2020 Increases		
1) Compensation and Benefits - one additional compensable day	4,518	
Adjustment to account for one additional compensable		

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
day in FY 2020 (FY 2019 Baseline: \$1,209,556 thousand; +0 FTEs)		
c. Program Growth in FY 2020		
1) DISA Telecomm Svcs - PD,W to O&M	14,268	
As a result of the 4th Estate IT Optimization Reform, DCMA realigned \$14,268 Thousands from Procurement funding to DCMA O&M funds for the purchase of commodity IT services from DISA. DCMA planned procurement items will be captured within the Capital Investment Program in the DISA WCF. (FY 2019 Baseline: \$0 thousand)		
2) Personnel Compensation	5,744	
The increase in personnel compensation is due to an increase of 49 FTEs to fill mission critical acquisition vacancies(\$5.7M). (FY 2019 Baseline: \$1,186,745 thousand; +49 FTEs)		
3) DISA Enterprise Computing Centers	2,005	
DCMA pays proportional costs to DISA for DISN Subscription Services. The increase is required to support service provider estimates and fully fund the FY 2020 bill for these services. (FY 2019 Baseline: \$20,050 thousand)		
4) Disability Compensation	450	
Funding is increased based on the current projection provided by DCMA's Human Capital Directorate in conjunction with the service provider. (FY 2019 Baseline: \$2,950 thousand)		
9. Program Decreases		-7,765
a. Annualization of FY 2019 Program Decreases		

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
b. One-Time FY 2019 Increases		
c. Program Decreases in FY 2020		
1) IT Contract Support	-4,894	
Funding was reduced due to decreased contract support requirements, resulting from the transfer of IT commodity services to DISA. (FY 2019 Baseline: \$35,332 thousand)		
2) Personnel Compensation	-1,800	
The decrease in personnel compensation is due to a 12 FTE reduction as a result of a civilian direct hiring efficiency (-\$1,800 Thousand). (FY 2019 Baseline: \$1,209,556 thousand; -12 FTEs)		
3) Travel of Persons	-1,071	
Efficiencies gained in Travel are projected to be achieved by leveraging technology as well as limiting training when possible to only mission essential requirements. (FY 2019 Baseline: \$27,530 thousand; +0 FTEs)		
FY 2020 Budget Request		1,462,459

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IV. Performance Criteria and Evaluation Summary:

Performance Review

The Agency helps our partners spend their finite dollars wisely, ultimately ensuring the front-line Warfighters get the equipment and services for maximum lethality when needed; in FY 2018 DCMA delivered 583 million items worth \$74.8B to the Warfighter. Agency focus will not solely rest on qualitative contract administration functions, but will also focus on quantitative factors as well - those factors that will clearly emphasize the Agency's return on investment (ROI) to the Department and to our other customers and the taxpayers at large.

The Agency recognizes the obligation to be effective stewards of the funds we receive. In FY 2018, DCMA's ROI to the Department and our other customers is estimated to be \$3.5 for each \$1 invested by DoD. Additional ROI for the Department is the expanded and expanding DCMA commercial pricing expertise that will continue to improve DoD buying power, the Services' lethality, operational availability, and sustainment posture.

As an example, the independent in-plant insight into contractor processes DCMA offers provides a unique acquisition insight service to the DoD customers to ensure contractor compliance in program development. Software development continues to be one of the main cost drivers for cost overruns. Specifically, the in-plant presence allows us to perform oversight and analysis of existing software development to include emerging critical focus areas of agile software and technology processes, cybersecurity and information assurance concerns.

The Department has repeatedly looked to DCMA to take on greater mission responsibilities and play an expanded role in the evolutionary improvement of Government business in

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IV. Performance Criteria and Evaluation Summary:

support of the National Defense Strategy. DCMA has undertaken many business related reforms including Commercial Items Determinations and Recommendations (PG 3.1.14), Contracts Closeout reduction oriented activities (3.1.14) (internal reforms and recommendations for external-to-DCMA reforms, such as recommendations for policy and legislative changes), emphasis on consolidation or moving offices and organizations onto military installations or other US Government properties (PG 3.1.7), and information technology (IT) divestiture of functions to DISA (PG 3.1.1), Financial Improvement and Audit Remediation (FIAR) (PG 3.3.1) among others.

DCMA plays a critical role in the Department's financial improvement and audit remediation effort due to our role in contract oversight and program management of the Mechanization of Contract Administration Services (MOCAS) system. The Agency received our second-in-a-row unmodified audit opinion on 14 August 2018 for Contract Pay in 2018 with seven findings, down from 24 from last years' unmodified audit opinion. All seven findings were IT or cybersecurity-related. DCMA is engaged in efforts to evaluate and improve network security and the legacy systems holding critical DoD acquisition information.

While the Agency continues to pursue better risk management, expanded critical capabilities, and increased ROI to the DoD and its partners, it also recognizes that current core and new mission requirements are at great risk, directly impacting the products delivered to the Warfighter, the Department's buying power, and the return of taxpayer dollars. These areas of risk fall into the categories associated with readiness, sustainment, business reforms, and support for new (additional and expanded) acquisition programs. Many of these will directly impact DCMA's ability to support the imperative to build a more lethal force.

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<u>V. Personnel Summary</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>Change FY 2018/ FY 2019</u>	<u>Change FY 2019/ FY 2020</u>
<u>Active Military End Strength (E/S) (Total)</u>	389	475	480	86	5
Officer	317	401	401	84	0
Enlisted	72	74	79	2	5
<u>Reserve Drill Strength (E/S) (Total)</u>	205	225	225	20	0
Officer	164	178	178	14	0
Enlisted	41	47	47	6	0
<u>Civilian End Strength (Total)</u>	11,275	11,447	11,250	172	-197
U.S. Direct Hire	10,265	10,437	10,240	172	-197
Foreign National Direct Hire	54	54	54	0	0
Total Direct Hire	10,319	10,491	10,294	172	-197
Foreign National Indirect Hire	6	6	6	0	0
Reimbursable Civilians	950	950	950	0	0
<u>Active Military Average Strength (A/S) (Total)</u>	491	475	496	-16	21
Officer	417	401	404	-16	3
Enlisted	74	74	92	0	18
<u>Reserve Drill Strength (A/S) (Total)</u>	205	225	225	20	0
Officer	164	178	178	14	0
Enlisted	41	47	47	6	0
<u>Civilian FTEs (Total)</u>	10,993	11,250	11,037	257	-213
U.S. Direct Hire	9,983	10,240	10,027	257	-213
Foreign National Direct Hire	54	54	54	0	0
Total Direct Hire	10,037	10,294	10,081	257	-213
Foreign National Indirect Hire	6	6	6	0	0
Reimbursable Civilians	950	950	950	0	0

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V. <u>Personnel Summary</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>Change FY 2018/ FY 2019</u>	<u>Change FY 2019/ FY 2020</u>
Average Annual Civilian Salary (\$ in thousands)	118.1	117.5	117.7	-0.6	.2
<u>Contractor FTEs (Total)</u>	<u>449</u>	<u>385</u>	<u>175</u>	<u>-64</u>	<u>-210</u>
 DAWDF and OCO Personnel Summary					
	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>Change FY 2018/ FY 2019</u>	<u>Change FY 2019/ FY 2020</u>
DAWDF End Strength (Total)	300	130	186	-170	+56
OCO End Strength (Total)	85	91	91	6	0
DAWDF and OCO End Strength Total	385	221	277	-164	+56
DAWDF FTEs (Total)	347	174	166	-173	-8
OCO FTEs (Total)	79	85	85	6	0

*Under the new Defense Information Systems Agency (DISA) Fourth Estate Information Technology (IT) Optimization initiative, DISA will take operational control of all commodity IT information systems and technology, personnel, functions and program elements associated with the support of those systems and

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technologies in the Fourth Estate agencies; DCMA will now purchase commodity IT services from the DISA Working Capital Fund (WCF). In accordance with this initiative, -250 FTEs were transferred to the DISA Working Capital Fund without the accompanying resources; civilian personnel funds did not transfer as those funds will now be used to pay for that reimbursable service from DISA.

*Contractor FTEs have reduced as a result of the Fourth Estate Information Technology (IT) Optimization initiative. DCMA's change in IT strategy and the transfer to DISA has resulted in the need for less contractor support.

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VI. OP 32 Line Items as Applicable (Dollars in thousands):

<u>OP 32 Line</u>	<u>FY 2018</u> <u>Actuals</u>	<u>Change</u> <u>FY 2018/FY 2019</u>		<u>FY 2019</u> <u>Enacted</u>	<u>Change</u> <u>FY 2019/FY 2020</u>		<u>FY 2020</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	1,175,528	5,995	17,601	1,199,124	0	-23,267	1,175,857
103 Wage Board	83	0	0	83	0	1	84
104 FN Direct Hire (FNDH)	3,750	19	471	4,240	0	5	4,245
107 Voluntary Sep Incentives	131	0	28	159	0	0	159
111 Disability Compensation	3,271	0	-321	2,950	0	450	3,400
121 PCS Benefits	2,890	0	110	3,000	0	0	3,000
199 Total Civ Compensation	1,185,653	6,014	17,889	1,209,556	0	-22,811	1,186,745
308 Travel of Persons	23,013	414	3,603	27,030	541	-1,071	26,500
399 Total Travel	23,013	414	3,603	27,030	541	-1,071	26,500
647 DISA Enterprise Computing Centers	0	0	20,050	20,050	-2,005	2,005	20,050
671 DISA DISN Subscription Services (DSS)	0	0	580	580	-50	-530	0
677 DISA Telecomm Svcs - Reimbursable	6,400	122	3,778	10,300	206	93,436	103,942
696 DFAS Financial Operation (Other Defense Agencies)	6,602	341	734	7,677	16	0	7,693
699 Total DWCF Purchases	13,002	463	25,142	38,607	-1,833	94,911	131,685
771 Commercial Transport	4,769	86	1,645	6,500	130	0	6,630
799 Total Transportation	4,769	86	1,645	6,500	130	0	6,630
901 Foreign National Indirect Hire (FNIH)	371	2	32	405	0	0	405
912 Rental Payments to GSA (SLUC)	21,631	389	-709	21,311	426	0	21,737
913 Purchased Utilities (Non-Fund)	504	9	745	1,258	25	0	1,283
914 Purchased Communications (Non-Fund)	8,782	158	0	8,940	179	0	9,119
915 Rents (Non-GSA)	3,774	68	308	4,150	83	0	4,233
917 Postal Services (U.S.P.S)	168	3	-33	138	3	0	141
920 Supplies & Materials (Non-Fund)	2,416	43	494	2,953	59	0	3,012
921 Printing & Reproduction	829	15	173	1,017	20	0	1,037
922 Equipment Maintenance By	405	7	5,006	5,418	108	-5,341	185

**Defense Contract Management Agency
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2020 President's Budget**

<u>OP 32 Line</u>	<u>FY 2018</u> <u>Actuals</u>	<u>Change</u> <u>FY 2018/FY 2019</u>		<u>FY 2019</u> <u>Enacted</u>	<u>Change</u> <u>FY 2019/FY 2020</u>		<u>FY 2020</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
Contract							
923 Facilities Sust, Rest, & Mod by Contract	7,716	139	181	8,036	161	0	8,197
925 Equipment Purchases (Non-Fund)	21,106	380	-6,839	14,647	293	-8,967	5,973
932 Mgt Prof Support Svcs	5,961	107	-68	6,000	120	0	6,120
960 Other Costs (Interest and Dividends)	70	1	-11	60	1	0	61
987 Other Intra-Govt Purch	18,281	329	6,608	25,218	504	-13,523	12,199
989 Other Services	15,679	282	8,682	24,643	493	-6,000	19,136
990 IT Contract Support Services	33,802	608	922	35,332	707	-17,978	18,061
999 Total Other Purchases	141,495	2,540	15,491	159,526	3,182	-51,809	110,899
Total	1,367,932	9,517	63,770	1,441,219	2,020	19,220	1,462,459

* The FY 2018 Actual column includes \$21,317.0 thousand of FY 2018 Overseas Contingency Operations (OCO) Appropriations Funding (PL 115-141).

* The FY 2019 Enacted column excludes \$21,723.0 thousand of FY 2019 OCO Appropriations Funding (PL 115-245).

* The FY 2020 Estimate column excludes \$21,723.0 thousand of FY 2020 OCO Appropriations Funding.

In accordance with the DISA Fourth Estate IT Network Optimization initiative, the funding from the following OP-32 lines were realigned into OP-32 line 677 DISA Telecomm Services to reflect how DCMA will now pay DISA for these services. Under this now reimbursable cost from DISA, funds were realigned from the following OP-32 lines:

- Line 671 DISA Subscription Svcs (-\$530 Thousand)
- Line 922 Equipment Maintenance (-\$5,341Thousand)
- Line 925 Equipment Purchases (-\$8,967 Thousand)
- Line 987 Other Intra-Govt Purch (-\$13,523 Thousand)
- Line 989 Other Services (-\$6,000 Thousand)
- Line 990 IT Contract Support (-\$13,084 Thousand)
- Line 101 Personnel Compensation (-\$31,723 Thousand; and -250FTEs)