

1964. The planning group formed the nucleus of the headquarters element of the DCAS organization. During the development of the NIP, a memorandum of understanding was developed with the National Aeronautics and Space Administration concerning CAS performance on NASA contracts.

The NIP provided for gradual permanent staffing of the DCAS headquarters element and for a time-phased schedule for consolidating and merging the contract administration services components of the military services and DSA into 11 defense contract administration services regions (DCASR's), responsible for administering contracts under the centralized management concept. The headquarters element was established on a permanent basis on February 1, 1965, and is now staffed with the 329 military and civilian personnel authorized. The current organizational structures of the headquarters element of DCAS is shown in figure 3. Provision was made for required augmentation of the DSA common staff in areas where support services are furnished to DCAS. Conversion and organization of the DCAS field structure was completed on December 1, 1965, with the activation of the last two of the DCASR's at Los Angeles and San Francisco. The geographical alignment of the Defense Contract Administration Services regions is depicted in figure 10, which also shows the districts and service offices within each region. The directors of the regions are identified in figure 5.

Consolidation of contract administration services functions within DSA involved the merging of 165 military service and DSA contract management offices into approximately one hundred offices. Despite the many problems associated with a conversion effort of such magnitude the transition was made with full consideration of the functional transfer rights and interests of the approximately 20,000 employees identified by the military services and DSA as performing contract administration services functions. During this period, contract administration functions and operations were continued without interruption or impairment of the Government's interest.

DCAS is responsible for providing a wide variety of support services to the purchasing offices of the military services, NASA, and other Federal agencies and certain foreign governments. These services include preaward surveys, review of contractor purchasing systems, quality assurance and inspection, property administration, production surveillance and reporting, transportation, payments to contractors, industrial security and other functions required in connection with industry performance on defense contracts. Responsibility for initial award of contracts and for all decisions with respect to the nature and quantity of items and services to be purchased remains with the military service, DSA and NASA buying offices; DCAS performs those contract administration functions that can best be handled at or in close proximity to the contractor's plant. In addition to retaining responsibility for contract awards, the military services are responsible for the administration of those categories of contracts not included in the mission assignment to DCAS; for example, contracts involving perishable subsistence items, basic research studies, military and civilian construction, repair and overhaul of naval vessels. Military services are also responsible for administration of those contracts in specific plants assigned by DOD under the plant cognizance program.