

CONTRACT ADMINISTRATION SERVICES

The Defense Contract Administration Services (DCAS) mission was assigned to DSA after extensive study and represents one of the most significant efforts of the Defense Department to improve logistics management. The consolidation does not embrace, or affect, the procurement function itself, but rather the administration of contracts in the field after they have been executed by the contracting offices of the military departments and DSA. A prime objective of the merger was to provide a "single face to industry."

During 1962 and part of 1963, a study known as Project 60 was conducted under the policy guidance of high level Department of Defense military and civilian personnel. The study indicated the existence of considerable overlap and duplication in contract administration services functions among the military services under the Army Materiel Command, the Office of Naval Material, and the Air Force Systems Command; and further indicated the feasibility of consolidating the functions for centralized management. A pilot test region established at Philadelphia, Pennsylvania, in April 1964, demonstrated the feasibility and potential advantages of consolidating contract administration services functions on a nationwide basis. On the basis of the success of the pilot test, the Secretary of Defense, on June 4, 1964, assigned responsibility for these functions to DSA.

A national planning group, composed of temporary duty personnel from the military services and DSA, developed a national implementation plan (NIP) which was approved by the Secretary on December 28, 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 structure 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.