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DEPARTMENT OF THE NAVY

OFFICE OF THE SECRETARY 1000 NAVY PENTAGON WASHINGTON DC 20350-1000

> SECNAVINST 5000.38 DUSN Intel 30 January 2009

SECNAV INSTRUCTION 5000.38

From: Secretary of the Navy

Subj: OVERSIGHT OF THE DEPARTMENT OF THE NAVY MILITARY

INTELLIGENCE PROGRAM (MIP)

Ref: (a) SECNAVINST 5430.7P

(b) DoD Directive 5205.12 of 14 Nov 08

Encl: (1) Navy MIP Project Realignment Request Template

(2) USMC MIP Project Realignment Request Template

1. Purpose

a. To establish policy and procedures implementing Deputy Under Secretary of the Navy (DUSN) oversight of the Department of the Navy (DON) Military Intelligence Program (MIP) as directed by reference (a).

- b. To establish responsibilities and procedures for the service programmers and comptrollers, MIP component managers, and Navy Budget Office in support of DUSN in this role.
- 2. Scope and Applicability. This instruction governs all MIP within the U.S. Navy and U.S. Marine Corps (USMC), all components of Planning, Programming, Budgeting and Execution (PPBE) for the MIP, methods for facilitating changes to an MIP project or its budget, and external reporting of MIP-related information and execution data to the Office of the Secretary of Defense (OSD) and Under Secretary of Defense for Intelligence (USDI). It applies to all MIP activities and personnel, supporting contractors, and consultants. No MIP activity shall be exempt from the requirements of the instruction, regardless of sensitivity, classification or degree of restriction on access.

3. Background

a. The Secretary of the Navy (SECNAV) directed DUSN to perform oversight functions for MIP activities within DON via reference (a). This instruction will establish policy and

procedures within DON that will enable DUSN and DUSN staff to perform these functions. Service MIP activities and the Navy Budget Office are assigned responsibilities that will support the overall DON MIP oversight effort.

- b. Additionally, via the National Defense Authorization Act of 2007, Congress directed quarterly reporting of MIP project execution status. The periodic reporting of MIP project execution over the past 9 months has highlighted the importance of SECNAV oversight of DON MIP resources. The procedures provided in this instruction will bolster this oversight and support SECNAV intentions to strengthen Naval intelligence.
- c. The oversight of the MIP by DUSN, Navy Budget Office, and other participants is mutually cooperative. DUSN exerts authority over the MIP ensuring that projects are properly resourced and adhere to the overall intelligence strategy established by DON. The Navy Budget Office ensures the MIP projects are properly priced, budgeted and executed through Departmental PPBE processes, and, when necessary, proposes, coordinates, and processes execution realignments. Inclusive in this effort, the Navy Budget Office coordinates with the Budget Submitting Offices (BSOs) and Service intelligence and programming staffs to ensure the MIP is properly displayed in Departmental data, budgets, and submissions to higher authority. This instruction further defines the interaction between the MIP participants.

4. Policy

- a. All MIP-related activities shall be carried out in strict conformity with the U.S. Constitution, applicable laws, Executive Order 12333, and reference (b). Within DON, projects identified as part of the MIP will be subject to additional internal oversight ensuring compliance with various guidance and direction.
- b. In accordance with section 5013 (c) (7) of title 10, United States Code (U.S.C.), SECNAV is responsible for the effective supervision and control of DON intelligence activities. As directed by SECNAV via reference (a), authority and responsibility for all activities within the purview of this instruction lies with the DUSN, subject at all times to the direction and control of the UNSECNAV.

c. This instruction does not constitute authority for any DON component or person to initiate, conduct, or support MIP activities or MIP-related activities without prior approval by an appropriate official.

5. Definitions

- a. <u>Program</u>. A large MIP effort comprised of several entities, projects, or organizations. A program might be comprised of several related MIP projects, a mix of MIP and non-MIP projects, or a single MIP project.
- b. <u>Project</u>. A singular MIP effort which involves one technology, sensor, development effort or focus. MIP projects are listed in the Congressional Justification Book (CJB) published by USDI per reference (b).

6. Responsibilities

- a. Per reference (a), SECNAV has assigned responsibility to DUSN for the overseeing the development of the MIP portion of the DON budget by the Navy and Marine Corps and for approving any changes to MIP-designated resources during the year of execution.
- (1) DUSN will oversee the development of the DON MIP budget by the Navy and Marine Corps through:
- (a) Approving proposed MIP programming changes during Service program reports (or briefings as required) to DON leadership upon completion of the Program Objectives Memorandum (POM)/Program Review (PR), which will specifically address changes to each MIP project.
- (b) Approving proposed budget review changes to MIP during Navy leadership updates that occur during the course of the DON budget review, which will specifically address changes to each MIP project.
- (c) Communicating DON concerns about MIP projects with OSD/USDI during the course of the PPBE cycle. Ensuring the Service resource sponsor and MIP component manager are aware of DoD and DON decisions concerning the MIP.

- (2) DUSN will exercise approval authority over changes to MIP resources during the year of execution as follows:
- (a) DUSN will coordinate on any Above Threshold Reprogramming (ATR) actions (as defined by OSD and DoD Financial Management Regulations) that involve MIP resources.
- (b) DUSN will coordinate all proposed changes that do not meet ATR criteria, but will result in a change in excess of 20 percent or \$10 million for a MIP project, in accordance with reference (b).
- (c) DUSN will approve any execution-year change in MIP resources that results in a cumulative change of \$4 million or more per MIP project in any fiscal year. The DUSN or his/her designee will approve requests within 3 working days of receiving the request, otherwise recommendations by the Service intelligence staffs are considered approved.
- (d) DUSN will review annually an execution plan for each MIP-designated project, identifying the execution benchmark for each month of the fiscal year. Each month, the DUSN staff will review execution status compared to this plan. DUSN will review projects that fall significantly below their planned execution benchmarks, as well as selected other projects of interest. The intent of these reviews is to ensure that DON obligation authority is managed and maintained within DON.
- (e) DUSN will provide a working level representative to attend USDI quarterly MIP execution reviews. The DUSN staff representative will convey DUSN direction for various programs to be briefed during the quarterly reviews, and will provide feedback to the DUSN on the outcome of the DoD review. The DUSN representative will also review MIP quarterly execution data and advise the Navy Budget Office of any DUSN concerns.
- b. The Chief of Naval Operations, Director of Naval Intelligence (CNO (N2)), and Director of Intelligence,

Headquarters Marine Corps (DIRINT) will serve as Service MIP component manager for the Navy and Marine Corps, respectively, and will:

- (1) Prepare, review and submit the MIP CJB and other MIP-related exhibits to the OSD Selective Native and Programming (SNaP) database as directed in budget guidance.
- (2) Provide support to DUSN, Navy Budget Office, Office of Legislative Affairs (OLA), OSD and USDI, as necessary, to provide testimony, attend hearings, and respond to Congressional Questions for the Record (QFRs) concerning the MIP. QFRs should be coordinated through DUSN. If OLA determines that time does not permit coordination with DUSN, a copy of the response shall be provided to DUSN.
- (3) Review any reprogramming of MIP funds requiring submission to DUSN.
- (4) In the case of Navy MIP projects, CNO (N2) will collect, review and forward to DUSN resource changes that meet or exceed the \$4 million approval threshold using the format in enclosure (1).
- (5) Review monthly the status of projects that require reprogramming action, and arrange MIP project briefings for the DUSN. For MIP project resource changes that do not meet the approval thresholds provided above, such changes will be consolidated and reported (or briefed as required) during the next monthly update to the DUSN.
- (6) Communicate intelligence community concerns about MIP projects to DUSN enabling appropriate action with OSD/USDI to be completed during the course of the PPBE cycle. Ensure the chain of command is aware of DoD and DON decisions concerning the MIP.
- (7) Prepare quarterly MIP project execution information for review by the Navy Budget Office prior to uploading to OSD data systems. In quarters where briefings are required, provide briefing materials to the Navy Budget Office for review, approval and pre-briefing prior to delivery to OSD and USDI.

Any direction provided by DUSN during monthly reviews will be highlighted to the Navy Budget Office during the quarterly review.

- c. The Office of the Chief of Naval Operations, Director, Programming Division (OPNAV (N80)), and the Deputy Commandant, Programs and Resources (USMC P&R), are assigned responsibility for:
- (1) Oversight of DON MIP, including program/project status, project strategies and associated program and budget funding profiles, and coordination with the acquisition community to ensure strategies and milestones are appropriate.
- (2) Support to the MIP component manager and Navy Budget Office to ensure MIP projects are properly displayed in programming products.
- (3) In the case of USMC MIP programs, USMC (P&R) will collect, review and forward to DUSN resource changes that meet or exceed the \$4 million approval threshold using the format in enclosure (2).
- (4) Collecting, reviewing, and forwarding to DUSN programming changes to the MIP at the conclusion of POM or PR program cycles. This will be accomplished through inputs to standard program briefings to DON leadership upon completion of the POM/PR and will specifically address changes to MIP projects.
 - d. The Navy Budget Office is assigned responsibility for:
- (1) Collecting, reviewing and processing, after receiving DUSN approval, changes to MIP projects being executed.
- (2) Providing an appropriate representative to attend monthly reviews with the DUSN for MIP projects.
- (3) Communicating Navy Budget Office concerns about MIP projects to DUSN enabling appropriate action with OSD/USDI to be completed during the course of the PPBE cycle.
- (4) Coordinating and reviewing quarterly MIP project execution information provided by the Service resource sponsor.

In quarters where briefings are required, coordinate and review briefing materials provided by the Service resource sponsor and conduct pre-briefs with the Service resource sponsors, MIP component managers, and DUSN prior to delivery of quarterly execution information to OSD and USDI.

- (5) During the DON budget process, ensure that MIP program changes implemented during the review are provided to DUSN for review and approval and briefed if necessary.
- (6) Drafting and publishing budget guidance for the conduct of MIP quarterly execution data reviews.
- (7) During the PPBE cycle, providing guidance on the collection and submission of the MIP CJB and other MIP-related exhibits to the OSD SNaP database.
 - e. BSOs are assigned responsibility for:
- (1) Execution of DON MIP including program/project status, project strategies and associated program and budget funding profiles, and coordination with the acquisition community to ensure strategies and milestones are appropriate.
- (2) Formulation of justification material to support budget estimates.
- (3) Requesting clearance/approval from the MIP component manager for reprogramming actions in excess of established thresholds.
- (4) Preparing quarterly MIP project execution information for review.
- 7. <u>Action</u>. All DON directives at variance with this instruction shall be revised within approximately 120 days of the date of this instruction.
- 8. <u>Records Management</u>. Records created as a result of this instruction, regardless of media and format, shall be managed in accordance with SECNAV Manual 5210.1.

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9. Report. The reporting requirement contained in this instruction is exempt from reports control by SECNAV Manual 5214.1.

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Navy MIP Project Realignment Request Template

SSIC Code/Ser # Date From: Office of the Deputy Under Secretary of Navy To: Office of Budget/Fiscal Management (FMB) Via: Director, Naval Intelligence, MIP Component Manager MILITARY INTELLIGENCE PROGRAM (MIP) FUNDS TRANSFER REQUEST Subj: Encl: (1) Below Threshold Reprogramming Request/Above Threshold Reprogramming Request The following MIP funds transfer is requested: Transfer From (Losing): Program Project | Proj # Appn FY LI PE RS BSO Decrease Amount (\$K) Transfer To (Receiving): Program Project Proj # FY PΕ RS BSO Increase Amount (\$K) Appn LIJustification / Description of Requested Transfer of Funds: Losing Resource Sponsor (or BSO): Approve / Disapprove (Circle One) Name & Title Date Receiving Resource Sponsor (or BSO): Approve / Disapprove (Circle One) Name & Title Date Service MIP Component Manager: Approve / Disapprove (Circle One) Name & Title Date

Approve / Disapprove

Deputy Under Secretary of Navy:

Name & Title

(Circle One)

Date

USMC MIP Project Realignment Request Template

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From: To: Via:	De Of	Office of the Deputy Under Secretary of Navy Deputy Commandant, Programs and Resources Office of Budget/Fiscal Management (FMB) Director of Intelligence, HQMC, MIP Component Manager													
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Name & Title

Date