DEPARTMENT OF THE NAVY

NAVAL SEA SYSTEMS COMMAND
WASHINGTON, DC 20362-5101

IN REPLY REFER TO

NAVSEAINST 4330.5A
07131E/RSM
Ser 3-271
30 Sep 1991

NAVSEA INSTRUCTION 4330.5A

From: Commander, Naval Sea Systems Command

Subj: ADMINISTRATIVE PROJECT OFFICERS AT NAVAL SHIPYARDS

Encl: (1) Sample Charter

1. Purpose. To define charter and functional statement requirements for Administrative Project Officers (APO) appointed to administer ship availabilities assigned to Naval Shipyards as a result of the public/private competition program authorized by Congress.

2. Cancellation. NAVSEAINST 4330.5 of 20 May 1986 is hereby canceled and superseded.

3. Discussion

a. In practice, administration of ship availability contracts at privately owned shipyards is based on the dual need to manage technical requirements, as stated in contract specifications and work statements, and to conduct the Navy's business affairs with the contractor in accordance with the contract terms and conditions. These broad functional missions are carried out by Supervisors of Shipbuilding, Conversion and Repair (SUPSHIP), who are responsible for representing the Navy's interests with ship repair contractors. With the institution of competitive procedures between naval and privately owned shipyards for Navy ship repairs and overhauls, it is necessary to establish a means of administering project orders for ship availabilities assigned to Naval Shipyards as a result of this competitive process.

b. Naval Shipyards have an organic capability to manage the technical aspects of project orders. This organic capability is under continuing surveillance by responsible headquarters organizations. Therefore, a new and additional functional organization devoted to the technical management of project orders is not required. However, assignment of ship availabilities to Naval Shipyards as a result of competitive procedures incorporates business terms and conditions that require administration independent of that performed by the Naval Shipyards.

S-067

Accordingly, Administrative Project Officers (APOs), who are independent of the Commanders of Naval Shipyards are appointed and made responsible for administering the accomplishment of competitively assigned availabilities. They are required to assess fair and reasonable compensation for changes to project orders and to represent specified interests of the parties funding the availabilities.

c. Charters for Administrative Project Officers shall be brief and concise and shall clearly state the Administrative Project Officer's organizational chain of command, authorities, and functional responsibilities relative to a specified availability, support requirements and supporting activities, and reporting requirements.

4. Procedures

a. Administrative Project Officer's charters, in the format of enclosure (1), shall be prepared by the Deputy Commander for Industrial and Facility Management and signed by the Commander or Vice Commander, Naval Sea Systems Command.

b. Administrative Project Officer's duties shall be limited to negotiating and authorizing compensable changes to project orders, based on the authorities granted him by the parties funding the availability and contingent on the availability funds.

c. Administrative project officers shall not be assigned responsibilities for technical management or funds administration for a project order, but will be responsible for assuring funds administrators and technical managers are notified of his actions in a timely manner.

d. The Administrative Project Officer's parent command shall provide necessary professional and technical staff support personnel; the host Naval Shipyard shall provide space, office equipment and clerical support.

e. The Administrative Project officer shall be available at the host Naval Shipyard on a regular basis during the availability.

f. The Administrative Project Officer shall be the single authority for authorizing, contingent on the availability of funds, any compensable change to a project order. In the event of a dispute with the Naval Shipyard the Administrative Project Officer shall have the authority to direct the Naval Shipyard to proceed under the project order.

g. Disputes between the Administrative Project Officer and the Naval Shipyard shall be referred to the Naval Sea Systems Command Public/Private Competition Steering Committee for resolution with final approval by NAVSEA 09.

h. Administrative Project Officers in carrying out their duties shall have access at reasonable times to Naval Shipyard facilities, personnel, records and accounts, and shall, to the extent consistent with his duties, honor the reasonable request of the Commander of the Naval Shipyard to respect the confidentiality of information derived from such access.

i. Administrative Project Officers shall have the authority and responsibility to establish operating procedures and relationships with the Naval Shipyards, pertaining to the negotiation of project order modifications, within the authority granted by the several parties funding a specified availability and the terms and conditions of the project order.

5. Action. Charters for all Administrative Project Officers shall incorporate by reference, the authorities and responsibilities stated in paragraph 4 above. The Administrative Project Officer shall obtain prompt agreement with the several parties funding the availability on the scope and limits of this authority. Charters shall define the Administrative Project Officer's chain of command and shall state the terms of the charter. No charter shall extend beyond 120 days after the completion of the specified availability.

KENNETH C. MALLEY

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(See next page)

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DEPARTMENT OF THE NAVY

NAVAL SEA SYSTEMS COMMAND
WASHINGTON, D.C. 20362-5101

Canc frp: Dec. 86

IN REPLY REFER TO

NAVSEANOTE 4330
OPR 07131E/

SAMPLE CHARTER

NAVSEA NOTICE 4330 CH-1 of December 1986

From: Commander, Naval Sea Systems Command

Subj: ADMINISTRATIVE PROJECT OFFICER USS _____

Ref: (a) COMNAVSEA DTG _____ (i.e., assignment notice)
(b) NAVSEAINST 4330.5A

1. Purpose. To charter the Administrative Project Officer for the (type of availability) of the USS _____.

2. Discussion

a. As a result of the competition program between qualified private and Naval Shipyards, the (type of availability) of the USS _____ has been assigned to the _____ Naval Shipyard pursuant to reference (a).

b. In accordance with reference (b) an Administrative Project Officer is required to represent the interests of the parties funding the availability in adjudicating future modifications to applicable project orders. The Administrative Project Officer will be appointed in accordance with the requirements of reference (b) and will report directly to the (Parent Command).

3. Action

a. _____ is appointed the Administrative Project Officer for the (type of availability) of the USS _____. General authorities and responsibilities are those established by reference (b), and the terms and conditions of the applicable project orders.

b. The Administrative Project Officer shall have the authority and responsibility to communicate directly and regularly with the Type Commander and the Commander Naval Sea Systems Command who will as a minimum formally grant the following authorities, consistent with the provisions of the project order, to the Administrative Project Officer:

SAMPLE CHARTER

CH-1 of 30 June 1991
NAVSEA NOTICE 4330

(1) As agreed to, authorize contingent on the availability of funds, project order modifications for compensable changes.

(2) As agreed to, authorize, contingent on the availability of funds, project order modifications for waivers and deviations.

(3) As agreed to, authorize, contingent on the availability of funds, repairs of Government furnished property, equipment or materials.

(4) As agreed to, establish general operating procedures for the routine pricing of project order modifications, to include forward pricing rate agreements, statistical pricing of modifications, and auditing of modification pricing.

c. This appointment shall commence (date) and terminate (number of days) after completion of the USS _____ (type of availability).

4. Cancellation Contingency. This charter is canceled 120 days after completion of the specified availability.

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..... Show appointed APO by name
..... Show APO parent command

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