



DEPARTMENT OF THE NAVY

NAVAL SEA SYSTEMS COMMAND
WASHINGTON, D.C. 20362

IN REPLY REFER TO
NAVSEAINST 5000.5
SEA 908 /JSM
Ser 3110-
19 June 1984

NAVSEA INSTRUCTION 5000.5

From: Commander, Naval Sea Systems Command
To: All Offices Reporting Directly to COMNAVSEA
Distribution List

Subj: Ship Project Directive Systems; implementation of

Ref: (a) NAVMATINST 5000.30 of 5 Apr 82; Subj: Management within the Naval Material Command for Ship Development Acquisition and Conversion Projects under all Appropriations
(b) NAVSEAINST 7000.9 of 14 Jul 80; Subj: NAVSEA Headquarters Financial Management Manual (NOTAL)
(c) NAVMAT Standard Accounting and Reporting System (STARS) User Manual FMSO P104, Volume 1, Appendix B of 18 Aug 80
(d) SECNAVINST 5000.1B of 8 Apr 83; Subj: System Acquisition

1. Purpose

a. To establish a Standard Ship Project Directive (SPD) System as required by reference (a), by which all Ship Acquisition Program Managers (SHAPMs), subsequently referred to as Requiring Managers (RMs) and other RMs, as identified in paragraphs 4 and 5 of reference (a), shall specify and control their project tasks within the Naval Material Command (NMC) and with those authorities outside the NMC who agree to participate in the SPD system.

b. This revision in the procedures for preparing SPDs has been made to comply with the provisions of reference (a) and to incorporate the procedures of references (b) and (c), and includes changes in both scope and format, which are found in Sections I, II, III and IV. The Part II NAVMAT Form 7132/7 (12-75) can now be used for all appropriated funds.

2. Cancellation. NAVSEAINST 7000.3 of 30 Jul 75 and NAVMAT Report control symbol 7000-7 are hereby cancelled.

3. Background

a. Reference (d) establishes authorities, limitation of authorities, responsibilities and relationships for Program Management. It provides the authority for a Program Manager to issue, under his own signature, such correspondence and directives as he may find necessary to assure that his program is properly managed.

b. Reference (a) provides additional authority and identifies relationships within the NMC, and specifies modified work control and financial procedures in order to strengthen the RM control of the entire Ship System. Reference (a) specifically directs NAVSEA, with participation of other Systems Commands and CNM designated projects affected, to revise the

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NAVSEA SPD System and associated NAVSEA directives to conform to policy contained in reference (a) and requires all CNM components to comply with the policy.

c. The SPD is the documented record of negotiated agreements between the RM and the Participating Authorities (PARM-Action officer or Action addressees) that track their mutual participation in the Ship Project from the initiation of the project by "Planning" SPDs through "Contractual" SPDs to the delivery of a total ship to the Active Fleet.

4. Scope

a. The SPD is the instrument used to task Participating Authorities for both chargeable and nonchargeable work to be performed. The SPD shall clearly delineate the full scope of response, negotiated and required.

b. SPDs are used for tasking organizations to perform work under all appropriations involved; i.e., RDT&EN, SCN, O&MN, OPN, and WPN. Appropriate directives and instructions applicable to funds transfer and control are to be applied. Separate SPDs will be negotiated and issued for each appropriation administered by the RM affecting each PARM.

c. SPDs may be used to establish agreements of responsibility between Ship Logistic Project Managers (SLMs) and PARMs in the execution of ship overhauls. SPDs should be used for new equipment, first-time alterations, high dollar value equipment, combat system integration and agreements of responsibility. A sample SPD for overhauls will be contained in Section V, which will be provided by change transmittal at a later date.

d. Application of the SPD System to authorities outside the NMC, i.e., NAVMEDCOM, NMPC, etc., is presently through joint agreement between those authorities and the RM. NAVSEA will negotiate the acceptance of this instruction or the establishment of standardized letters of joint agreement with those authorities.

5. Exception. For nuclear-powered ships, the RM, via the SPD System, assigns to the Deputy Commander for Nuclear Propulsion (SEA 08) management of SCN funds which are specifically included in the ship cost estimates for the design, development and procurement of government furnished nuclear propulsion plant equipment; and for such other work under his cognizance as may be mutually agreed upon between SEA 08 and the RM. This instruction does not modify in any way the RM-SEA 08 relationships or SEA 08 responsibilities for all matters pertaining to naval nuclear propulsion plants.

6. Concept

a. The SPD is an official instrument by which the direction and authority for accomplishment of the planned project effort is promulgated by the RM. It authorizes the Participating Authorities to initiate action to accomplish the tasks specified in the SPD at a total cost not to exceed the funds negotiated and cited therein. It is the means by which the what and when of specified tasks are conveyed to the Participating Authorities and by which the administrative funding authorities and limitations are transmitted and established by the RM.

b. Realization of this potential can, however, only be attained by early negotiation between the RM and all Participating Authorities and achievement of substantial agreements prior to SPD issuance. Negotiation shall encompass overall content, cost estimates and sufficient standardization in SPD format and methods used so that key elements and task assignments are universally understood.

c. CNM Designated Project Managers (PMs) may be assigned ship acquisition programs of the highest priority and complexity for overall coordination and control. In such cases, an RM is designated by COMNAVSEA to act under the direction of the PM and is so identified in the PM's charter. Nothing in this instruction diminishes the responsibility and authority of these PMs as specified in their charters.

d. The SPD utilizes a Project Directive (PD) Part II to quantify requirements in terms of units and dollars. The PD Part II is a financial document used to pass funds to a Participating Manager (PARM), and to provide planning, guidance, and direction for the use of those funds. Project Directives Part II can be classified into two broad categories, those which authorize the use of funds and those that do not authorize the use of funds.

(1) Those which authorize the use of funds, called funding SPDs, are issued both internally, and externally. SPDs issued internally are issued to NAVSEA Headquarters Organizations and allow the recipient to use the cited funds for issuing funding documents. Part II of an SPD may also be issued externally to certain NAVSEA field activities (such as SUPSHIPS) or other CNM Systems Commands with direct access to the STARS System. When issued, such SPDs transfer funds and Sec. 3679 R.S. responsibility to the receiving activity. Funding SPDs may be preceded by planning SPDs, issued prior to the availability of funds to the RFM. Planning SPDs provide guidance for amounts and quantities to be authorized when funds become available. Upon approval of funds the SPD is revised to include current directed dollars, which then provides the PARM an authorization to issue funding documents.

(2) SPDs that do not authorize funds are utilized to provide direction and guidance to activities not serviced by the NRFC, Washington, STARS authorized accounting activity (AAA) (UIC 68342). In these cases the SPD is accompanied by a funding document which actually provides the funding. While SPD (Part II) can be issued for all appropriations, they are issued for RDT&E on a limited basis only. SPD (Part II) will be utilized to provide transfer of funding of all appropriations within the CNM System Command.

e. The SPD multiple Parts II (Funding) and Parts III (Schedule) as negotiated and agreed to by the Participating Authorities are to be distinguished from the Schedule A and other schedules of the shipbuilding contract. The Schedules A and other schedules of the shipbuilding contract are the parts of the shipbuilding contract which list all Government Furnished Material (GFM) which the government is contractually obligated to provide to the contractor for his performance of the contract. The multiple Parts II and Parts III are listings of material and services to be provided by the Participating Authorities in support of the ship project. While both the Schedule A and the SPD reflect activity relative to the same items of GFM, the

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SPD must precede the Schedule A. It is the SPD, and not the Schedule A, which governs the actions of the PARM. It is the responsibility of the RM to prepare Schedule A, and to insure it is compatible with the GFM described in SPDs. Changes to be made to GFM listed in Schedule A must be negotiated initially in the SPD with the Participating Authorities using the process described on page II-2 of Section II. Under some circumstances, the delivery dates or other information listed in the SPD and the Schedule A may differ. In all such cases, the Participating Authorities are to follow the requirements of the SPD.

f. It is necessary to recognize two stages in SPD development; unfunded or planning SPDs and funded or contractual SPDs. Those SPDs developed during the several years prior to the fiscal year in which obligations can not be incurred are defined as "planning SPDs". Planning SPDs represent the ship equipment configuration and task estimates but contain no authorization for program execution. As funds are appropriated and apportioned and made available to the RM, revisions will be made to portions of the SPD to indicate that funds are directed for the program, thus converting the SPD from a planning document into a funded or contractual SPD. The provisions of this instruction cover both stages. Planned and funded SPD Part II's should identify the total amount of Contract Support Services (CSS) funding which has been budgeted for on budget exhibit PB-21. The amount provided on the SPD Part II is limited to the amount budgeted for on the PB-21 budget exhibit unless action has been taken to get additional unbudgeted CSS funding approved. The RM has the option to control these funds by use of a line item indicator on the PD Part II. (See paragraph 430201 of reference (b) for detailed guidance.)

g. It is further necessary to recognize and distinguish between "Planning" and "Contractual" SPDs and the use of multiple Parts II and Parts III in the process of implementation. While acquisition or conversion of a single class of ship is managed, for each participating authority involved, by a single SPD, each ship project within the class (Program Year worth of ships) will be covered by separate SPD (Multiple Parts II and Parts III) to each of the Participating Authorities involved. Thus, if the SPD for the class covers several program years, each Part II will pass through the "Unfunded" stage to "Funded" stage separately as funding occurs. Internal SPDs and SPD Revisions are "issued" when signed by the RM. External SPDs and SPD Revisions, for funding SPDs, are "issued" when signed by the Comptroller (SEA 01) or his authorized agent. Planning and contractual SPDs are directive in authority when issued. The provisions of reference (a) apply. When countersigned by the Participating Authorities, SPDs and SPD revisions are "accepted" subject to any exception of a minor nature set forth in a cover letter returning the accepted SPD to the RM or in an attachment to the accepted SPD.

h. In the event that an SPD conflicts with an approved acquisition strategy, the RM must take action to resolve such conflict(s) as enumerated in reference (a).

i. SPDs shall be so written that they need not be classified higher than Confidential. Matters of higher classification than Confidential will be covered in the SPD by invoking references.

7. General Description

a. The Ship Project Directive will consist of a transmittal page and three basic parts: a single Part I (Management Direction), multiple Parts II (Funding) and multiple Parts III (Schedule) for issuance to all involved PARMs. The Transmittal Page shall identify the Ship Project and SPD Serial No., list the current effective pages and their issue dates, provide a record of all modifications and record acceptance and authorizing signatures. Part I (Management Direction) shall specify objectives and requirements, assign responsibilities, establish current project content, configuration and schedules, authorize use of resources other than funds, and delineate special reporting requirements. Part II (Funding and Quantity Direction) shall provide task description and or identification of deliverables at the level funded, funding information and other applicable accounting data and quantities, as required, for proper control of tasks specified in Part I. Part III (Delivery Direction) shall provide configuration identification and calendar delivery dates for all goods and services listed.

b. It is intended that the acquisition or conversion of a single class of ships be managed as a unit. It is imperative that all Participating Authorities be provided with as complete an understanding of this total effort as possible, and thus allow maximum planning of resources, maximum opportunity to capitalize on multi-year options or multi-year contracts, meaningful reporting, and effective management on a project basis. To accomplish this goal, the SPD shall, to the maximum extent possible, cover all ships to be built or converted to one basic set of plans and specifications, including acquisitions planned in future program years.

c. To ensure that all significant management areas are addressed, minimum standard management areas are provided for guidance (see Exhibit IV-2, pages IV-3 through IV-11 of Section IV). However, it is recognized that not all task assignments lend themselves to the complete use of this format. In the early negotiation and development of the SPD, RMs will review Sections I, II, III and IV.

8. Action

a. RMs will implement the SPD System and issue SPDs in accordance with this instruction. Information addressee copies of all SPDs and revisions will be sent to the cognizant SEA 01 Budget division, SEA 908 and other interested parties as required.

b. This revision in the procedures for preparing SPDs involves changes in scope and format from SPDs previously signed. SPDs signed by the RM prior to the effective date of this instruction need not be modified to comply with this revision. If the existing SPD must be revised to be compatible with current standard requirements, it is the responsibility of the RM to revise the SPD accordingly.

c. All PARMs will provide to each RM a total list of goods and services for which they are responsible, and the PARM codes to be used in acquiring these goods and services. These lists will be updated at least semi-annually.

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d. SEA 908 shall be responsible for review of SPDs for conformance with the requirements of this instruction and maximum standardization between the Participating Authorities in development of SPDs.

e. Early negotiation between RM and Participating Authorities is required to allow timely issuance of SPDs.

f. Designated Program Managers typically formalize a tasking relationship with Participating Managers (PARMs) through the Ship Project Directives Systems. Typically located in functional organizations, PARMs provide support to Program Managers. The quality of their support, however, should be considered in appraisal of their performance. During the normal performance appraisal cycle, Program Managers will evaluate the effectiveness of support by NAVSEA PARMs, providing these evaluations to respective rating officials who will consider this information in their ratings and evaluations.

g. Rating officials will solicit evaluative information if Program Managers fail to provide it. There are many less formal "customers" or service relationships which exist. Rating officials are encouraged to solicit evaluative assessments from others for whom the service is performed.

9. Approval. This instruction has been approved by the Commanders, Naval Air Systems Command and Naval Electronic Systems Command and is in accordance with reference (a).

10. Forms and Reports

a. Forms NAVSEA 7000/1, 7000/1A, 7000/5A, 7000/5B, and NAVMAT 7132/7 are available in NAVSEA Supply Room for NAVSEA use only; other activities can obtain these forms from SEA-908.

b. Report Symbol 5000-1A is assigned to the quarterly Government Furnished Material Status Report and Report Symbol 5000-1B is assigned to the monthly Government Furnished Material Status Variance Report.

W. A. Tarbell

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Deputy Commander for
Acquisition and Logistics
(Acting)

Distribution:
(See page 7)

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19 June 1984

Distribution:

SNDL C4K Project Managers under CNM (5)
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Copy to: (2 copies each unless otherwise indicated)

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A3 CNO (5)
A4A CHNAVMAT and (NAVMAT Division Directors) (50)
C37E4 NPPSDO NDW
C37F3 NAVMATDATASYSGRU
E7A NAVAUDSVCHQ
FKM22 NAVPUBFORMCEN (600 and negatives)
FT88 EDOSCOL

NAVSEA Special List Y3 (less SHAPMs)

PDS 350 (5)
PMS 300 (5)
PMS 303 (5)
PMS 307 (5)
PMS 376 (5)
PMS 377 (5)
PMS 378 (5)
PMS 383 (5)
PMS 392 (5)
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Locator Cross-Reference Sheet

Subj: Ship Project Directive System; implementation of

See: _____
(Recipient enter information as to where this instruction is maintained)

SECTION V
SAMPLE SLM SPD FOR OVERHAULS

Will be provided at a later date by change revision.

SECTION IV
SPD FORMAT AND PREPARATION

1. Transmittal Page

a. The Transmittal Page(s) identifies the project and the SPD, lists the current effective pages and their issue dates, provides a record of all modifications and records acceptance and authorizing signature(s) and date of issuance by the RM. (See Exhibit IV-1 on page IV-2 for sample of Transmittal Page.) The PARM will date his signature of acceptance in the same block that his signature appears. Appropriate action addressees will initial as required.

b. A Revised Transmittal Page will be prepared whenever an SPD is revised. The revised Transmittal Page will identify each page of the SPD that has been revised and the effective date(s) of the revised pages as well as the effective date(s) of all other (non-revised) pages. In addition, the revised page will indicate the revision number, using 0 to indicate the basic and sequential numbers thereafter. For authorization and acceptance purposes, the revised Transmittal Page will be signed by the RM and PARM and initiated by the appropriate Action Addressees.

2. Part I (Management Direction)

a. Only one Part I will be issued to each PARM Code as identified in the participating manager segment of the STARS dictionary in reference (c) for all ships to be built or converted to one basic set of plans and specifications.

b. Exhibit IV-2, pages IV-3 through IV-11, includes the Format Guide for Part I of the SPD. The RM will consider each area in this Format Guide and include only those which he considers applicable to that SPD.

3. Part II (Funding and Quantity Direction)

a. Part II shall provide a description of task and/or item funded, funding information and other applicable accounting data and quantities as required, for proper control of tasks specified in Part I, and listed in Part I and or Part II. SPD Part II will be prepared in accordance with paragraph 430201 of reference (b). A sample SPD Part II is shown as Exhibit IV-3 on page IV-12.

b. SPD Part II changes can be prepared by using STARS Report 122 (see Exhibit IV-4 on page IV-13 for sample). The procedure to generate this report is described in Section 2.11 of reference (b). The "changes" column of Report 122 can be filled in to indicate changes to the current direction. When signed by the proper authority it can be forwarded, as revised, to SEA 01 for input into the STARS system.

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SHIP PROJECT DIRECTIVE

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FROM: Amphibious Ship Acquisition Project Manager (PMS 377)
TO: SEA 61

TRANSMITTAL PAGE

LIST OF EFFECTIVE PAGES

ISSUE
DATE REVISION
NUMBER

Part I	-	Management Direction Serial No. 377BJ001		
		Pages 1-10	10 Jan 81	0
		11, 11A, 11B	7 Feb 81	1
		12-16	10 Jan 81	0
Part II	-	Funding and Quantity Direction Ser. No. N00024-81-PD-77001		
		Pages 1-4	14 Feb 81	2
		5, 5A	28 Apr 81	3
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Part II	-	Funding and Quantity Direction Ser. No. N00024-81-PD-77002		
		Pages 1-20	15 May 81	4
		21, 21A, 21B	10 Jun 81	5
		22-29	15 Jul 81	6
Part III	-	Delivery Direction Serial No. 377BJ001		
		Section A-GFE		
		Pages 1-20	15 May 81	4
		20A, 20B	10 Jun 81	5

CHECKED		ACTION ADDRESSEE(S)		ACTION OFFICER	CODE 06F33
CODE	INITIALS	CODE	INITIALS	INFORMATION ADDRESSEE(S)	
377P		SEA 05			
		SEA 905			
		ELEX 834			
PARTICIPATING MANAGER			DATE	REQUIRING MANAGER	DATE
SUBJECT				DATE	SERIAL NO.: 377BJ001
					REV. NO.: 6

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BODY OF PART I - FORMAT GUIDE

Reference: (a) (As appropriate)
(b) (As appropriate)

I. Information

Background and basis for issue of Ship Project Directive, should include definition of total ship program.

II. Action

A. Management

1. GFM Requirements Determination

The Project's requirements for GFM determination and selection shall be expressed. The requirements for PARMS to conform to the general NAVSEA policy on GFM determination and selection for new construction and conversion projects as stated in NAVSEAINST 4341.2 shall be invoked as applicable. Any deviation to this criteria shall be stated.

2. Configuration Management

The Project's requirements for the control of changes to GFM should be expressed. In addition, the PARM's participation in controlling the configuration of contractor furnished equipment under his technical cognizance should be spelled out explicitly or by invoking some other document.

3. Data Management

Define the PARM's participation in the establishment of data requirements, and in the acquisition, collection, distribution, filing, retrieval, and updating of data for the ship class.

4. Security

Invoke the classification guide(s) applicable to the particular ship design. (Consult SEA-09B2 for assistance.)

Require the PARM to provide security classification of equipment and subsystems for which he is responsible.

5. Cost and Schedule Management

If any requirements beyond normal Ship Production Progress Conference (SPPC) routine progress reporting and standard controls are to be employed, these must be specifically identified.

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6. Software Appraisal

PARM review of AP's, PMPs, contract proposals, and other across-the-board software not tied to particular discipline or subsystems should be spelled out here.

7. Delegation of Authority to the PARM by the RM

It may be desirable to require the PARM to act for the RM. For example, it is possible to delegate to him approval authority for some technical documentation provided by the shipbuilder. The extent of the delegation and the means through which it is to be exercised should be spelled out here.

8. Required Membership on Committees, Boards, etc.

In addition to the SHAPM Project Change Control Board, the RM may establish other working groups and teams requiring PARM representation. Any such committee type actions should be listed here, although details on how they function may be handled in other portions of the SPD.

B. Ships System Engineering

1. Whole Ship Studies

The scope of support by the PARMS must be spelled out for each ship project.

2. Ship Systems Integration

The contribution of the PARM must be stated, and any constraints which he must comply with must be invoked. For example, if the integration of the combat system is to be done in accordance with some plan such as a combat system design data document which sets physical parameters, casualty philosophy, and so forth, that plan must be invoked.

3. Ship Systems Safety Engineering

PARM support required to review ship designs for safety aspects must be defined and applicable sections of MIL-STD-882 utilized as a guide.

4. Quality Assurance

The QA requirements should be placed here. The level of QA essentiality of the equipment should be invoked here, by reference, if desired.

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5. Reliability Engineering

Advise the PARM what his reliability engineering requirements are and under what conditions they are to be achieved. This may be done by invoking the appropriate reliability engineering military standard, instruction, etc.

6. Maintainability Engineering

Maintainability requirements to be met by the equipment must be called out here, including special considerations.

7. Test and Evaluation

a. Background-Provide brief overview of the RM Test and Evaluation (T&E) Program, identify RM T&E Manager, state level of compliance with NAVSEA 0900-LP-095-2010 and provide reference to detail RM T&E planning documents. Define relationship between test documentation to be developed for LBTS/Shipyard utilization.

b. Equipment Cognizance-Identify equipment and systems requiring PARM T&E responsibility.

c. Responsibilities

State PARM responsibility for:

(1) Maintaining a Test Development Manager, per NAVSEA 0900-LP-095-2010 to act as a single point of contact for the PARM T&E Program.

(2) Identifying to the RM T&E Manager the activity assigned to develop test documentation (Test Indices (TI), Test Outlines (TO), Test Sequence Networks (TSN), Test Procedures (TP)) required for shipboard installation, test and checkout of equipment under PARM cognizance.

(3) Ensuring the development, delivery and technical adequacy of all ship construction test documentation for equipment/systems under PARM cognizance. (State delivery dates for test documentation to RM T&E Manager.)

(4) Assigning test numbers for tests, following guide lines and schedules as promulgated by the RM T&E Manager.

(5) Reviewing T&E documentation to ensure compliance with appropriate instructions, for technical accuracy and compliance with contract requirements.

(6) Forwarding approved T&E documentation to the RM T&E Manager for final approval. Ensuring disapproved documentation is reworked to meet approval.

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- (7) Retaining TP source data submitted by developers until final disposition by the RM T&E Manager.
- (8) Acting as the certifying agent when Test Procedures are proofed at the Land Based Test Site (LBTS) on the lead ship.
- (9) Assisting the RM T&E Manager in the preparation of high level system TOs, and TSNs including Trials Test Documentation.
- (10) Participating in periodic Test program reviews.
- (11) Completion of Factor Acceptance Testing of all equipment under PARM cognizance prior to delivery of the equipment to the LBTS and the ship.
- (12) Ensuring that Approval for Full Production (AFP) is obtained for those equipment under PARMS cognizance. For each equipment under PARM cognizance, the PARM shall supply either:
- (a) A certification that AFP or approval for limited production (ALP) has been granted, including reference to the approving document.
 - (b) A copy of the T&E Master Plan for those equipment not yet approved.
- (13) Supporting the RM T&E Manager in providing solutions to test problems encountered during the conduct of testing at the LBTS and onboard ship.
- (14) Keeping the RM advised of equipment OT&E plans and schedules, and providing status reports to the RM on equipment OT&E.
- (15) Undertaking equipment performance prediction studies required by the RM T&E Manager in support of the ship OT&E program.
- (16) Obtaining RM approval of any proposed test documentation schedule changes.
- (17) Advise RM upon promulgation of equipment OT&E documentation, TEMPs, Project Details, Certification Reports, etc.

8. Installation and Checkout

The extent of Documentation, Installation, Test Support Equipment, and Personnel support to be provided for the installation and checkout of equipment and subsystems should be delineated, in accordance with NAVSEA 0900-LP-095-2010, in the SPD when requested by the RM. This is particularly important in the case of complex systems such as missile systems, where special tools, equipment and teams may be required to install and check-out a system comprised of equipment furnished by several Systems Commanders or an individual Command.

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The RMs requirement that the PARM establish the manning requirements for the hardware system or equipment he is responsible for (or the ship design), together with the supporting documentation showing how the operational and maintenance requirements were arrived at is identified here.

9. Human Engineering

The extent of human engineering to be carried out should be described. For example, a system which requires a very rapid response, like a threat-reactive missile control system, may require an end-to-end human engineering study to insure that human time lag and error do not subvert its intent. What support is expected of the PARM in such a study must be spelled out.

10. Risk Management

The Requiring Manager is required to identify risks and to have a Risk Management Plan to control them. The actions which he requires of a PARM to assist in preparation of details and execution of the Risk Management Plan must be spelled out here. For example, if a special analysis by the PARM is required to permit a decision as to whether some risk item will be used or a fall back will be employed, the analysis must be called out here.

11. Engineering Interface Standards

Engineering Interface Standards for Shipboard Systems and other constraints. The interface requirements and constraints to be invoked for a system to be installed aboard ship should be defined to the PARM. Existing Engineering Interface Standards MIL-STD-1399 (Navy) should be invoked here.

12. Value Assurance

The RM is required to:

a. Assure that appropriate Value Engineering Incentive or Program requirement clauses are included in procurement documents consistent with DAR Section 7-104.44.

b. Assure that Value Engineering changes accepted under earlier contracts for similar type ships are included in specifications for the new project.

C. Equipment Engineering/Production Standardization

1. Component/Equipment Standardization

State or reference the standardization objectives of the projects; for example, all equipment of all ships of the class identical; all computers employed to be AN/UYSK-7; not over 10% of equipment to have new CID numbers; etc.

SUBJECT	DATE	SERIAL
		REV. NO.:

NAVAL SEA SYSTEMS COMMAND HEADQUARTERS
SHIP PROJECT DIRECTIVE
(CONTINUATION SHEET)

ORIG. CODE

Provide guidance to the PARM on the steps to be taken to insure that out-year ships will have equipment identical with current year ships and specifically cover the issues of multi-year equipment procurement, standardization D&F's, options and advance procurement.

2. Signature Engineering

Any special requirements on equipment silencing, magnetic signature, or electromagnetic radiation signature should be called out here.

3. Equipment Safety Engineering

PARM support required to review equipment for safety aspects should be defined.

4. Engineering Interface Standards for Equipment and other Technical Constraints.

The RMs requirement that the PARM to invoke Engineering Interface Standards in the procurement specifications for new equipment is identified here.

5. Specific Actions to be taken by the PARM on Contractor Furnished Material under his technical cognizance

In some cases, the shipbuilder is developing equipment which would normally be provided as GFM. In such cases, assistance should be obtained from the cognizant NMC PARM to insure that it is properly developed and, where appropriate, service approved.

6. Equipment Installation and Check-out

Documentation and assistance required for installation and checkout of GFM must be identified.

D. Integrated Logistics Support (ILS). Integrated Logistic Support (ILS) for the (Identification of Platform) will be accomplished by the SYSCOM PARM in accordance with the (Identification of Platform) Integrated Logistic Support Management Plan (ILSMP) prepared by the NAVSEA SHAPM office responsible.

1. Logistic Element Manager (LEM). SYSCOM PARM shall appoint a Logistic Element Manager (LEM) who will participate in the total ILS program for the (Identification of Platform). The LEM shall serve as a member of the ILS Management Team, the duties of which are described in the (Platform) ILS Plan. The LEM shall have authority to make commitments for NAVELEX, and to express command policy. The LEM will provide to the SHAPM a complete ILS certification sheet and ILSP and or OLSS for all SYSCOM equipment listed in Part II of this SPD. This data, combined with all other platform logistic data, shall form the basis for the development of the complete logistic support package. The data required for SYSCOM equipment shall include technical documentation (NAVSEA Identify), supply support data (e.g. APLS,

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		REV. NO.:

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ORIG. CODE

LSSC, PTD Status, MSD etc.), test equipment, and personnel requirements for equipment maintenance and operation, training requirements, PMS, etc. -

2. Logistic Support Analysis. SYSCOM shall invoke Logistic Support Analysis (LSA) procedures in accordance with MIL-STD-1388 for any equipments/systems that are being designed specifically for (Identification of Platform) when directed by NAVSEA.

3. Logistic Support Analysis Reviews. SYSCOM shall provide a member to the NAVSEA LSA review team. The SYSCOM member shall thoroughly familiarize himself with the (Identification of Platform) maintenance concept and LSA procedures manual. LSA reviews will include reviews of system and equipment maintenance concept decisions, level of repair analysis, planned maintenance analysis provisioning inputs, support and test equipment requirements, manpower and training requirements on all SYSCOM cognizant equipment.

4. All NAVSEA Integrated Logistic Support Requirements shall be specifically identified for review of compliance with SEA 904 policies.

E. Outfitting, Provisioning, and Supply Readiness

1. The PARM requirements and the extent of PARM participation in the Outfitting, Provisioning, and Supply Readiness area shall be specified. The PARMs responsibility in the following areas shall be defined:

- a. Outfitting strategy and methodology
- b. Configuration Baseline Development (FOMIS)
- c. Provisioning Technical Documentation (Invoke PRS)
- d. Provisioning Requirements Statement and specifications. (As a minimum specify PTD lists required IAW the NAVSEA standard PRS and delivery schedule)
- e. Coordinated Shipboard Allowance List (clearly state PARMs responsibility for generation of data etc.)
- f. SRI, OSI, and GUCL development
- g. Incremental Load COSALS and AAP development
- h. Supply Readiness Reviews.

2. The PARM shall be required to monitor Outfitting, Provisioning, Configuration Management, and to support the SHAPM in the achievement of supply readiness goals in accordance with NAVSEA INST 4441.7 series as applicable.

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NAVAL SEA SYSTEMS COMMAND HEADQUARTERS
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ORIG. CODE

III. Schedule

Pertinent dates (Note: GFM dockside or equivalent delivery dates will be shown in Part III.)

IV. Shipping Instructions

As appropriate

V. Special Instructions

VI. Reports

A. Report requirements should be negotiated to reflect the RM need for recurring and single reports during the program.

B. Categories to be considered are:

1. Standardized report formats required by the instruction.
2. Status reports invoked by instructions, primarily oriented for use by field activities.
3. Specialized reports with application to unique aspects of RM programs.

VII. Installation Requirements

Government Furnished Information (GFI) Requirements - The Project's requirements for GFI shall be expressed in conformance with the policies and procedures contained in NAVSEAINST 4160.3

The following check-off list provides a concise shopping guide to assist the RM/PARM to determine specific installation data requirements:

A. Plans

1. Block Diagram
2. Arrangement
3. Foundation
4. Stowages
5. Ripout
6. Interface

B. Support

1. Power (Pneumatic, electric, type)
2. Cooling (air, water)
3. Air Cond. (equipment, habitability)

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ORIG. CODE

4. Special Material (cabling, wave-guide, etc.)
5. Shock (hardening, mounting)
6. Safety (Radhaz, Hero, Personnel)
7. Stowages (spares, Tech Manuals, tools, etc.)
8. PMS
9. Personnel

C. Equipment/Material

1. Description (size, weight)
2. Special Instruction (handling, mounting, maintenance accesses, cable entrance, sway bracing, etc.)
3. Standard Stock Items versus New (contract) items
4. Indication of spare support for new equipment (source)
5. Availability (leadtime, etc.)
6. Tech Manuals
7. PMS

D. Test Equipment

1. General Purpose
2. Special

E. Test and Checkout

1. System Level
2. Equipment Level
3. Interfaces
4. Spare Support
5. Responsibility Matrix
6. Technical Assistance

F. Weight and Moment

1. Gross

G. Special Instructions

1. Preservation and Packaging
2. Shipping

H. Training

1. Civilian (immediate, long range, factory, test site)
2. Military

VIII. Format Guide Statement

In preparing this Part I, the RM has reviewed and considered each area of the Format Guide for applicability.

SUBJECT	DATE	SERIAL
		REV. NO.:

PROJECT DIRECTIVE - PART II
NAVJAG FORM 31 (27 (13-78)

-ZFA-

1. DOCUMENT NUMBER	2. NAVJAG ACT. CODE	3. SUBAGENCY INFORMATION	4. SUBAGENCY PARM	5. FM	6. SA	7. FUND ACCTG. ACT.	8. PROJECT UNIT		9. DATE EFFECTIVE		PAGE 1 OF 4	
							10. PROJECT UNIT	11. PROJECT UNIT	12. PROJECT UNIT	13. PROJECT UNIT		
14. PROJ. UNIT	15. PROJ. UNIT	16. PROJ. UNIT	17. PROJ. UNIT	18. PROJ. UNIT	19. PROJ. UNIT	20. PROJ. UNIT	21. PROJ. UNIT	22. PROJ. UNIT	23. PROJ. UNIT	24. PROJ. UNIT	25. PROJ. UNIT	
N0002482PD77002	01	1711611	8368 EJ	377		N68342						
21400	419 001	AN/SRN-19(V)2 NAVSAT System					1	\$ 40,000	1	\$ 40,000		
21400	419 001A	C/O R-2135/SRN-19(V) Receiver-Processor					1		1			
21400	419 001B	TT-738/SRN-19(V) Teleprinter					1		1			
21400	419 001C	ID-2182/SRN-19(V) Remote Indicator					1		1			
21400	419 001D	OE-284/SRN-19(V) Antenna Group					1		1			
21400	419 001E	C/O AM-7010/SRN-19(V) Radio Freq. Amp					1		1			
21400	419 001F	AS-3330/SRN-19(V) Antenna					1		1			
21400	419 001G	TS-3896/SRN-19(V) Test Set					1		1			
21400	419 002	AN/VCC-2 Radio Relay Terminal (VHF)					1	25,000	1	25,000		
21400	419 002A	C/O MD-791/GCC Modem					1		1			
21400	419 002B	TH-81/GCC Terminal					2		2			
21400	419 002C	J-2790/GCC					2		2			
21400	419 002D	C-8663/VCC Term Set					1		1			
21400	419 002E	C-7674/VCC Cont. Replaced on the address					1		1			
21400	419 003	CU-2007/SRR Combiner (VLF/LF)					1	15,000	1	15,000		
21400	419 004	AN/SRA-49A Multicoupler					2	40,000	2	40,000		
21400	419 004A	C/O DA-515/U Dummy Load										
21400	419 005	SA-2112(V)3/STQ Switch Matrix					1	680,000	1	680,000		
21400	419 005A	C/O C-10276/SSC Channel Selector					16		16			
21400	419 006	TA-970/U Secure Telephone					22	44,000	22	44,000		
21400	419 007	SA-2254/UR Transceiver Switching Unit					10	22,000	10	22,000		
22. SMALL NO.	LSD-42											
23. PROJECT UNIT	LSD-2 FY 1981 SCN	NAVELEX										
24. SUBJECT DES.	NAVELEX	NAVELEX 834										
25. AUTHORITY	See Transmittal Page	See Transmittal Page										
26. DATE	9 APR 1982											
27. AUTHORIZATION	W GARRETT	By direction of J. E. Cooper										
28. SIGNATURE	J. E. Cooper	Deputy Commander/COMFETOLAS										

OPR 000-11-000-2000
OPR 001-118

Actual Form Size 8 1/2" X 13"

26. SUBJECT DESCRIPTION 27. ACTION ADDRESS 28. INFORMATION ADDRESS 29. AUTHORIZATION CODE MAIL
 30. APPROVED BY -NAME, SIGNATURE, CODE 31. ACCEPTED BY -NAME, SIGNATURE, CODE DATE

PAES REPORT 122 4278058 PROJECT DIRECTIVE REVISION AS OF 27 JAN 83 PAGE 1

1. DOCUMENT NUMBER 2. ITRV 3. ACT 4. ITRM 5. SUB- 6. PRM 7. ITRM 8. SA 9. AAR 10. PROJ 11. DATE EFFECTIVE 22. PLAN TO CURRENT
 NO. CODE HEAD BEAD UNIT () () () DIRECTION INDICATOR ()
 12. 13. 14. 15. 16. 17. 18. 19. PLANNED 20. CURRENT DIRECTIVE 21. CURRENT DIR CHANGES
 ACT PROJ MCC POLI SCHEDULE/ ITRM DESCRIPTION LTR A. B. A. B. A. B.
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PROJECT DIRECTIVE DOCUMENT TOTALS

EXHIBIT IV-4

IV-13

28. MAIL NO.

4. Part III (Delivery Schedule). Part III provides a detailed listing of all deliverable packages of goods and services, as well as required delivery dates for each item for which Participating Authorities are responsible to the RM. (See Exhibit IV-5, on pages 15 and 16 for sample of Part III.) All items listed in the Part III will specify the dockside delivery (or equivalent) calendar dates. In this context, equivalent refers to delivery to other than dockside, i.e., to factory for further fabrication/assembly or to Outfit Supply Activity (OSA) for storage until required. All entries on the forms which refer to Shipbuilding Contract Control numbers (i.e., Schedules A and C numbers) or other RM contract schedule numbers shall be the responsibility of the RM to enter. After the SPD is issued by the RM, the delivery dates in the Part III can only be changed through the SPD revision process.

5. Alpha-Numerical Identification of Ship Project Directives

a. Serial Number System. All SPDs Part I will be identified and controlled through an Alpha-Numeric System comprised of the four parts illustrated and described below. SPDs issued for FY75 and prior need not be renumbered.

PART	(1)	(2)	(3)	(4)
SAMPLE	393	DJ	X	001

PART (1) - The originator of the SPD, i.e., the Requiring Manager code designation of the issuing SHAPM - 393, 378, 300, etc.

PART (2) - The recipient of the SPD, identified by PARM Code taken from the participating manager segment of the STARS dictionary in reference (c).

PART (3) - Enter "X", in lieu of the fiscal year of the ship appropriation since the SPD Part I could apply to more than one FY, and the SPD Parts II will specifically identify the applicable program year.

PART (4) - The sequential serial number of the originator which will be a three-digit number applying only to SPDs issued by the originator, i.e., 001, 002, 003, . . . 999. This system is related to the life of the RM office and not to any specific time period.

b. SPD Page Numbering System. Transmittal Page Numbering - All pages of each SPD issue and revision, including the first page, will be identified by a sequential number centered at the bottom of the page, i.e., 1, 2, 3, 4, 5, etc. Where multiple parts II exist, each will be independently numbered. If the content of a page is expanded through revision to two or more pages, the additional pages will be numbered 1A, 1B, 1C, etc., in order to minimize renumbering of subsequent pages.

EXHIBIT IV-5

NAVSEA 7000/5A (1-77)		SHIP PROJECT DIRECTIVE - SCHEDULE (GFI) - PART III				RPD NO.	REV. NO.
GFI SCHEDULE TYPE		DATE		DELIVERY DATES & SCHEDULES		SHIPBUILDER	HULL NO.
DELIVERY SECTION:		PRELIM.	INTHEP.	FINAL			
SPD	ITEM NO.	CONTRACT NO.	DOCUMENT IDENTIF. NO.	EQUIPMENT OR DOCUMENT DESCRIPTION	5a	5b	5c
1		2	3	4			6
001	C-035			GUIDED MISSILE LAUNCHING SYSTEM			
001a	C035.1			MK 26 MOD 1	MAY 73	NOV 73	FEB 74
001b	C-035.2			PHYSICAL INSTALLATION DATA	APR 73	OCT 73	DEC 73
001c	C-035.3			ELECTRICAL DATA (EXCEPT POWER)	APR 73	OCT 73	DEC 73
001d	C-035.4			POWER REQUIREMENTS	JUN 73	DEC 73	FEB 74
001e	C-035.5			CW, AIR, & MISC. SERVICES	JUN 73	DEC 73	FEB 74
001f	C-035.6			HEAT DISSIPATION	APR 73	OCT 73	DEC 73
001g	C-035.7			EQUIPMENT MOUNTING	APR 73	OCT 73	DEC 73
001h	C-035.8			CABLING DATA	APR 73	OCT 73	DEC 73
				TECHNICAL MANUAL	JUL 73	SEP 73	DEC 73
002				N/A - Item 002 (GFI) on Part II appears in items 001a through 001h above.			

EXHIBIT IV-5
(Continued)

NAVSEA 7099/58 (1-77) (FORMERLY NAVSHIPS 7099/58)		SHIP PROJECT DIRECTIVE - SCHEDULE (GFE) - PART III				SPD NO. 383EJX370	REV. NO. 1
SECTION: A GFE DELIVERY SCHEDULE		DATE 09 APR 1982	HULL NUMBER				
ITEM NO.	CONTRACT NO.	DESCRIPTION	QTY PER HULL	FY 1982	FY 1982	FY	
SPD				ARS-51	ARS-52		
001	A0007	AN/SRM-19(V)2 Navigation Set, Radio C/O:	1	10/28/83	2/28/84		
001A	A0007 .01	ID-2182/SRM-19(V) Indicator, Readout	1	10/28/83	2/28/84		
001B	A0007 .02	OE-284/SRM-19(V) Antenna Group	1	10/28/83	2/28/84		
001C	A0007 .03	R-2135/SRM-19(V) Receiver Processor	1	10/28/83	2/28/84		
001D	A0007 .04	TT-738/SRM-19(V) Teleprinter	1	10/28/83	2/28/84		
001E	A0007 .05	TS-3896/SRM-19(V) Test Set	1	10/28/83	2/28/84		
003	A0008	AN/PDR-65 Shipboard Radiac Set, Fixed	1	10/28/83	2/28/84		
005	A0026	AN/UPX-28(V) IFF-Transponder Set C/O:	1	10/28/83	2/28/84		
005A	A0026 .02	PP-6099B/AFX-72 Power Supply	1	10/28/83	2/28/84		
005B	A0026 .06	RT-859A Support Kit	1	10/28/83	2/28/84		
007	A0027	CY-7557/UPX-28(V) Electrical Equipment Cabinet	1	10/28/83	2/28/84		
009	A0035 .06	AN/SRA-() Antenna Coupler Group	0	-	-		

c. Standard Financial Document Numbering System for SPD Parts II

(1) All SPD Parts II will be identified and controlled through an Alpha-Numeric numbering system comprised of five parts as follows:

PART (1) - Identifies NAVSEA as the document originator. This is always "N00024" for NAVSEA documents.

PART (2) - Identifies the fiscal year and is comprised of the last two digits of the fiscal year, i.e.: "1985" becomes "85".

PART (3) - Identifies the document as a PD. This is always "PD".

PART (4) - Identifies the issuer (RM). It is comprised of the last two digits of the PMS code, i.e.: "PMS-396" becomes "96". (There are exceptions to this coding: i.e. "PMS-400" is "40".)

PART (5) - The sequential serial number assigned by the originator which will be a three-digit number applying only to Ship Project Directives issued by that originator, e.g., 001, 002, 003, . . . 999. If more than 999 SPDs are issued-alpha characters may be employed, i.e., A01, A02, . . . A99, B01, etc.

(2) The 15 character financial document number will not be duplicated for the same document type code by an activity within the same fiscal year.

FOR EXAMPLE:

PART	(1)	(2)	(3)	(4)	(5)
SAMPLE	N00024	85	PD	96	002

1. NAVSEA Document -
2. Issued in FY 1985 - - - - -
3. Project Directive - - - - -
4. Issued by PMS-396 - - - - -
5. Second Document Issued by this issuer - - - - -

11. Reporting

a. General. The SPD is originated preferably at least two years in advance of the program year of a Ship Construction or Conversion Project. The SPD, continually modified as necessary to represent all significant activity during the life of the project, remains in effect as a viable instrument until the project is completed. Certain key operations in the SPD system require control and status reporting not only to indicate task progress, but also to identify and document need for change and to form a basis for change execution. Two basic purposes of the SPD system with respect to reporting are to standardize reporting requirements and to eliminate redundancy in reporting. Therefore, to ensure successful operation of the SPD System, certain standard required reports for GFE and GFI acquisition reporting formats and data elements are set forth herein.

b. Configuration and Delivery Data Status Reporting Procedures

(1) Quarterly Government Furnished Material Status Report

(a) Format

1. The SPD Quarterly Government Furnished Material Status Report will be maintained by the appropriate participating authority and copies forwarded quarterly to the cognizant RM; the first to be submitted within 90 days after significant progress has been accomplished. These reports will be by each ship hull number covered by the SPD Part III Section for GFM and will provide detailed information for each Part III item of the SPD (see Exhibit IV-6 on page IV-19 for sample).

2. The GFM Quarterly Status Report is contained on page IV-19 and is explained as follow:

a. (A ITEM) - Schedule A Number from the Shipbuilding Contract.

b. (SPD ITEM) - The SPD Part III Line Item Number

c. (PDN NUMBER) - Procurement Document Number

d. (QTY) - Self explanatory

e. (BUY ITEM DESIGNATION) - The item of GFM to be procured as identified in the SPD.

f. (TYPE PROC) - A symbol denoting the type of procurement prepared or to be prepared

g. (DELAY DATE) - The dockside delivery date for an item as expressed in Part III of the SPD.

h. (AWARD DATE) - The date of contract award, either actual or planned, as appropriate, for the acquisition of the Part III line item being reported.

EXHIBIT IV-6

NAVSEAINST

QUARTERLY GFM STATUS REPORT
BY RM BY SHIP BY PY FOR X QTR FY XX

Report No. 1
DATE OF REPORT
PAGE NO.

2MGR XXXX COG XX
PROC ORGN XXXXXX

PMS XXX (1)	SPD ITEM (2)	Type & Hull (3)	XXXXX (4)	QTY (4)	BUY ITEM DESIGNATION (5)	SPND NO. (6)	XXXX (7)	DELVY DATE (8)	AWARD DATE (9)	LAST ACTION (10)	NEXT ACTION (11)	COMP
xxxxxx	xxxxxx	xxxxxxxxxx	xxxx	3x	xxxxxxxxxxxxxxxxxxxxxxxxxx	xx	xx/xx/xx	xx/xx/xx	xx/xx/xx	xx/xx/xx	xx/xx/xx	24x
7x	6x	16x		3x	24x	2x	8x	8x	11x	11x		

COL (6)

COL (9) and (10)

TYPE PROCUREMENT CODE LEGEND

- 01 RESTORATION PROJECT ORDER
- 02 MIPR
- 03 PROJECT/WORK ORDER
- 04 ALLOTMENT
- 05 REQUISITION
- 06 SYSTEMS COMD PROCUREMENT REQUEST
- 07 NPO PROCUREMENT REQUEST
- 08 SELECTIVE ITEM ACQUISITION
- 09 OTHER

ACTION CODE LEGEND

- 01 PREPROCUREMENT CONFERENCE
- 02 TECHNICAL PACKAGE AVAILABLE
- 03 PR RELEASE
- 04 BID OPENED
- 05 CONTRACT AWARD
- 06 GFM SHIPPED TO SHIPBUILDER
- 07 GFM DELIVERED TO SHIPBUILDER

i. (LAST ACTION) - A symbol denoting the type of action in the sequence of acquisition actions which occurred last, and the date when the action took place.

j. (NEXT ACTION) - A symbol denoting the type of action in the sequence of acquisition actions which is planned to occur next, and the date when the action is planned to occur.

k. (COM) - Pertinent comments concerning the item being acquired.

(2) Monthly Government Furnished Material Status Variance Reporting Procedures

(a) Format

1. The SPD Monthly Government Furnished Material Status variance report on page IV-21, Exhibit IV-7, will be maintained by the appropriate participating authority and copies forwarded monthly, as required, to the cognizant RM. The reports will be by each ship hull number covered by the SPD Part III Section for GFM and will provide variances and detailed information for variances to the latest Quarterly GFM status Report. The report is described on page IV-21 and is explained below.

2. The GFM Monthly variance report is contained on page IV-21 and is explained as follows:

a. (A ITEM) - Engineering Services Schedule Number from the Shipbuilding Contract.

b. (SPD ITEM) - The SPD Part III Line Item Number.

c. (PDN NUMBER) - Procurement Document Number.

d. (QTY) - Self explanatory.

e. (BUY ITEM DESIGNATION) - The identification (nomenclature) of an item of GFM to be procured.

f. (STATUS VARIANCE) - Identification of the date element (from the Quarterly Report) which is in a variance status (i.e., DELVR DATE, if there is a delivery date change, BUY ITEM DESIGNATION, if there is a nomenclature change, etc. IF a partial GFM delivery has been received, the entry PARTIAL will appear in this space). The column of the Quarterly Reports which is affected will appear in this column.

g. (AUTH REF DOC) - Identification of document authorizing the change (i.e., SPD Revision No., ECP, NECP).

h. (ORIGINAL) - Identification of the original planned date of schedule delivery date which requires concurrence for change proposed.

i. (REVISION) - If the variance is a delivery procurement planned date change, the proposed delivery date will be shown. If the item itself is proposed to change, the letters ECP will appear.

EXHIBIT IV-7

NAVSEAINST

MONTHLY GFM
 STATUS VARIANCE REPORT BY RM BY SHIP
 BY FY FOR (MONTH-YEAR)

REPORT NO. 2
 DATE OF REPORT
 PAGE NO.

2MGR XXXX COG XX
 PROC ORGN XXXXXX

RM XXX	TYPE AND HULL XXXXX XXXX	PY XX	SPD NUMBER XXXXXXXX	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
A ITEM	SPD ITEM	PDN NUMBER	QTY	BUY ITEM DESIGNATION	STATUS VARIANCE	AUTH REF DOC	ORIGINAL	REVISION	xxxxxx/xx/xx	xxxxxx/xx/xx	xxxxxx/xx/xx	xxxxxx/xx/xx
xxxxxx	xxxxxx	xxxxxx	xxx	xxxxxxxxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxxxxx	xxxx/xx/xx	xx/xx/xx
7x	6x	16x	3x	24x	16x	16x	8x	8x				

(b) Frequency of Reports. By the fifteenth of each month the appropriate Participating Authority will either submit a Monthly GFM Variance Report for variance incurred or, in the absence of variance, will notify the RM that no variance from the Quarterly Report has occurred. The PARM-action officer or action addressee may forgo submitting a variance report in the same month that a Quarterly Report is submitted provided that items, for which variances have occurred since the last variance report, are identified by the use of an asterisk (*) in the left margin of the report for each item affected.

c. Project Directive Reporting

(1) On-line Project Directive Revision Report. This report is available in STARS. The report is a turn around document which provides the current status of the Project Directive. It is automatically generated when the SPD is originally input into the system or when the SPD is revised. The report is also available upon request. The manager can mark up this report and submit it as a revision to the SPD vice typing a revised SPD Part II when requesting a change.

(a) Format

1. The format of this report is provided on page IV-13, Exhibit IV-4, of this instruction and is generated when the original PD is input into the system. The report indicates the amount of currently planned and/or directed by PDL1. The report can be requested from a STARS terminal by inputting the following:

LK UPDZFD,SEA,N00024PD _ _ _ _ _.

2. The terminal will indicate acceptance of the request and the report will be generated that evening and forwarded to the requestor (RM) the next day.

11. Glossary

a. Participating Manager (PARM). Head of an organization within DOD responsible for providing to the Requiring Manager shipborne systems or components, computer programs or engineering, technical or management support in those areas assigned by Charters of Systems Commands, CNM-Designated Projects or other DOD Activities.

b. SPD Coordinator. The PARMs Coordinator is responsible for interrelating and placing in balance the PARMs resources so that his overall objectives are reached. He will insure that the efforts of all participants, for all SPDs assigned that PARM, are in harmony with the PARMs policy.

c. Functional. Having continuing expertise and resources in a specific discipline or Capability, i.e., communications, weapons, aircraft support, ILS, Hull, etc.

d. Project. Specific task with defined time/cost/performance requirements usually involving several functional areas.

e. STARS. The Standard Accounting and Reporting Subsystem is a subsystem of the Navy's Integrated Disbursing and Accounting System (IDA) and will provide a uniform financial reporting capability for the NAVY's procurement appropriations.

f. Ship Project. The quantity of ships to be procured in a specific program year within a given class; also referred to as Program Year's worth of ships.

g. Ship Class. Title given to a generic group of ships that may be procured over one or more program years (e.g. LHA, SSN, etc.) including, therefore, one or more Ship Projects.

h. Shipborne System. For purposes of this instruction, a system is defined as a unit identifiable by specific nomenclature (Mark and Mod, A/N Designation, etc.) which may consist of more than one component equipment and/or ancillary hardware, software and services. This unit is under the management cognizance of a single PARM, however, the components and ancillary items may be under the cognizance of other PARMs or Action addressees.

i. Program. A continuing effort involving both projects and functional work not necessarily part of projects.

SECTION I
SPD GENERAL DESCRIPTION

1. Purpose of the SPD. The Ship Project Directive (SPD) is a vehicle for transmitting the plans and requirements of a Ship Acquisition Program Manager (RM) to all Participating Authorities (PARM-action officers or action addressees). In addition, the SPD system provides the means to plan, negotiate and document agreements on tasks, schedules and financial resources.

2. Scope of the SPD. In order to insure that the plans and requirements for a ship program are complete, coherent and mutually understood, a three part SPD document, consisting of a single Part I, (Management Direction) with multiple Parts II (Funding) and multiple Parts III (Schedule) identified to the functional organizational elements responsible for accomplishment, shall be issued to Participating Authorities. A separate SPD will be issued for each appropriation administered by the RM.

3. Task Definition. Tasks assigned by the RM should be sufficiently well defined so that the Participating Authorities can effectively negotiate estimates, schedules and manage the effort in a business-like way as to produce a tangible product on time for the RM. Where this cannot be done, non-definitive tasks are to indicate the level of effort desired.

4. Task Direction Consistency. To assist Participating Authorities in scoping, pricing and performing tasks contained in SPDs, RMs will ensure content adequacy and format consistency of the SPD directed actions by full negotiation and participation of all organization elements involved in accomplishment of the task (PARM-action officer or action addressees).

5. Use of References. To facilitate understanding, SPDs may invoke portions of existing NAVSEA and other authority directives, specifications and publications (reference or quote the specific portion desired or invoked). PARM-action officer or action addressees instructions, specifications and publications must be used if they satisfy the requirements of the RM. The RM is required to ensure the availability of the documents referenced.

6. Development of Standard Tasks. To promote uniform interpretation of standard and recurring SPD requirements, a list of standard jobs and task elements should be developed by each RM and participating authority. These lists should be forwarded to NAVSEA 901 for consolidation and promulgation in future SPD instruction revisions.

SECTION II
SPD IMPLEMENTATION PROCEDURES AND PARAMETERS

1. Preparation

a. Initial Project Actions. Upon assignment of a proposed Ship Project by COMNAVSEA, it is the responsibility of the RM or individual designated by COMNAVSEA with total ship project responsibility to:

(1) Negotiate and determine lists of systems/equipment/components required for the Ship Project in collaboration with Participating Authorities.

(2) Develop and publish a milestone plan for SPD issuances.

(3) Establish a negotiating group composed of representatives of each participating authority, responsible for accomplishment of tasks to be delineated in the resultant SPD Parts I, II and III. The resultant SPD will provide each participating authority with clearly defined tasks for accomplishment and accountability.

(4) Issue "Planning" SPDs for planning purposes 24 months prior to the FY in which the ship program is authorized.

b. Advance Funding. It is the responsibility of the RM to budget funds for advance procurement of long lead time material and precontract (i.e., ship construction contract) engineering services. Funded SPDs will be issued by the RM in advance of the Ship Program Year for such cases.

c. SPD Part II Preparation. SPD Part II shall be developed in accordance with paragraph 430201, in Volume 4, Chapter 3 of reference (b).

d. Level of Issuance. Normally, a single SPD will be issued at the shipborne system/ship design level of the cognizant participating authority. This authority shall group tasks and equipment by functional and equipment cognizance responsibility and designate an action officer internal to his own organization and ensure assignment of the appropriate external material and technical support action addressees. Participating authorities will mutually negotiate and officially accept or deny the SPD. Adequate funding must be a part of the acceptance of the SPD task. Reporting of actions taken and anticipated, with their current status, will be made by the Participating Authorities involved.

2. Controls (NMC PARMS)

a. SPD Acceptance. It is essential to the proper functioning of the system that the PARM-action officer/action addressees immediately proceed to initiate procurement planning and management actions defined in a planning or funded SPD which has been signed by the RM whether or not the PARM-action officer or action addressees agree to the terms of the SPD. PARM-action officer or action addressees who disagree significantly with the tasks, cost or delivery dates specified in SPDs should not sign the SPD. The PARM will not be held responsible for accomplishment within time or cost constraints for which he or his assigned action addressee has not yet agreed to. When RM and

PARM-action officer or action addressee disagree on points that are considered minor, the PARM may sign the SPD and record specific points of disagreement. Minor differences should be resolved within 15 calendar days, if not, a formal appeal must be made.

b. SPD Rejection. The PARM-action officer or designated action addressee has 35 calendar days commencing with the date of RM signature to accept the SPD or to state in writing his reason for rejection. If date of receipt by the PARM-action officer or action addressee of the signed SPD does not correspond with the RM date of signature, the PARM-action officer or action addressee will notify the RM by phone of the date of receipt of the signed SPD and the 35 calendar days for acceptance/rejection will commence on the date of receipt of the signed SPD. In exceptional circumstances, the RM may grant an additional 35 calendar days, i.e. when an SPD is highly complex.

c. Resolution of Major Disagreement. When there are disagreements between the RM and a PARM on the original SPD, or on changes to the SPD, and these disagreements cannot be resolved expeditiously to their mutual satisfaction, an appeal procedure is required. This appeal procedure is contained in Section 8 of reference (a) and must be used for all issues subject to appeal within the NMC.

d. SPD Revisions. Once an SPD has been issued by the RM, and accepted by the participating Authorities, it may only be modified by an SPD revision. When either the RM or PARM-action officer or action addressees determine the need for a revision to an SPD, he will notify the other party or his designated representative by telephone of the expected change. Revisions to SPDs will be issued as individual page changes, as necessary, to reflect all changes in scope or character of the directed efforts, estimated costs or delivery dates. A record of revisions will be included on the Transmittal Page and will be maintained current at all times. SPD revisions may be proposed by either the RM or PARM in any appropriate format, subject only to the following considerations:

(1) Proposed SPD Revisions Involving Engineering Change Proposals (ECPs). Proposed revisions to an issued SPD which involve changes to an established configuration baseline require the prior application of procedures outlined in NAVSEAINSTS 4130.10 and 4130.12.

(2) Proposed SPD Revisions Involving Other Than Engineering Change Proposals (NECPs). Proposed changes to an issued SPD which have impact on Cost, Delivery or Work Scope but does not impact on the established configuration baseline require prior application of non-Engineering Change Proposal Procedures outlined in the SACAM Manual NAVSEA 0900-LP-079-6010.

e. Acceptance of Proposed Revisions. Proposed revisions initiated by PARM-Action officer or assigned action addressees will be accompanied with sufficient justification for the RM to understand and make a valid decision on the changes proposed. The RM or the PARM or assigned action addressee must either accept the proposed revision or state his rejection in writing within 35 calendar days of the date of the initiator's signature. If the date of receipt by the recipient of the proposed revision is not the same as the date of signature of the initiator, the recipient will notify the initiator by phone of the date of receipt and the 35 calendar days will commence on the

date of receipt. In cases of rejection, the appeal procedures previously described in paragraphs 2.c and 2.d on page II-2 are applied.

3. Administrative

a. Action Officer. The PARM designated individual or head of PARM designated organizational element with PARM assigned responsibility for accomplishment of the SPD requirement and who organizes and regulates that SPD effort. He is responsible to the PARM for the determination of a specific course of action, its schedule of accomplishment, procedures to be applied and project supervision to insure that negotiated cost, schedule and performance agreements are met. He reports task accomplishments, problems and planned actions required by the agreement in the SPD.

b. Action Addressee. The action addressee is the PARM designated organizational element having cognizance and the responsibility for substantive performance of work in a functional area. SPDs addressed to CNM designated Project Managers will normally be executed by Systems Command organizational elements which will be shown on the SPDs as action addressees. However, the PARM remains as assigned. SPDs sent to organizations other than NAVSEA codes may be addressed to action addressees with a copy to the PARM. All reports required by the SPD negotiations will be prepared and distributed directly by the action addressee with a copy to the PARM or action officer.

c. Distribution. The RM will establish the distribution list for each SPD which will be continued on all subsequent revisions to that SPD. As determined by SEA 908, distributions of complete SPDs (Parts I, II and III) will be made to selected NAVSEA PARM-action officers or action addressees to ensure integrity of task assignments in relation to assigned functional responsibilities.

d. Duration of SPD Activity. SPDs will remain active until a revision closing the SPD out is signed by the RM and accepted and signed by the PARM.

e. Numbering System. Detailed procedures relating to the SPD Serial Numbering System and format for page numbering are provided on pages IV-14 and IV-16 of Section IV.

f. Status Reporting System. Detailed procedures relating to the reporting systems to be followed by all PARMs. The reporting systems must be such as to ensure that the RM is informed of the status of all major aspects of acquisition, with special attention to:

- (1) Potential and actual delays in systems/equipment delivery and test schedules.
- (2) Changes impacting costs.
- (3) Changes in characteristics.
- (4) Unresolved SPDs.

SECTION III
FINANCIAL ADMINISTRATION AND CONTROL PROCEDURES

1. Financial Control Procedures (Participating Authorities)

a. Cost Increases With Off-Setting Reductions. When a participating authority determines that a procurement or other action (allotment, order for work and services, etc.) will exceed the "Current Direction" dollar amount for any SPD Part II line item and that there is an off-setting reduction possible from another item in the same SPD part II, he will:

(1) Process the necessary procurement document for the item for which "Current Direction" dollars are being exceeded; and

(2) Within five working days, inform the RM of his action and provide: the item number that has been exceeded and the amount of dollars transferred; the item number(s) that "Current Direction" dollars have been reduced to compensate for the increases; and, finally, an explanation of the increase and the reason that an off-setting reduction can be made.

b. Costs Increases Without Off-Setting Reductions. When a participating authority determines that a procurement or other action will exceed the "Current Direction" dollar amount for any SPD Part II line item and there is not off-setting reduction possible, he will:

(1) Inform the RM, in accordance with Section II, paragraph 2.e on page II-2, of the potential cost-growth, certify that there is not possible off-setting reduction, and request additional funds, citing the dollar amount required and providing adequate justification in support of the requested increase.

(2) Take no further action on the line item until the RM either approves the requested increase by revision to the SPD Part II or provides alternative direction.

2. Financial Control Procedures (SHAPMs)

a. Cost Increases With Off-Setting Reductions. When notified by a PARM that an adjustment between SPD Part II line items has been made, the RM will have five (5) working days in which to object to the PARM action. If the RM has no objection, he will make the necessary adjustments in the next revision to the SPD, to be issued within thirty (30) calendar days.

b. Cost Increases Without Off-Setting Reductions. When notified by a PARM that an increase in "Current Direction" dollars for an SPD Part II line is required with no off-setting reduction possible, the RM will review the cost change justification with the PARM, exploring all possible alternatives and within five (5) working days, either:

(1) Inform the PARM that funds are available and revise the Part II to increase the "Current Direction" dollars for the line item involved, or

(2) Direct other action necessary to solve the problem within the constraints of the approved characteristics (i.e., cancel procurement, substitute less expensive model, etc.) and revise the SPD accordingly, or

(3) Bring the matter to the attention of higher authority.

3. Procurement and Financial Document Activity

a. Normally, the SPD Part II will convey authority to the Participating Authorities for the release of PR's to the contracting officer or funding documents to the Comptroller without further review by the SHAPM. The SHAPM may, however, specifically request in the SPD that certain procurement/financial documentation be forwarded to him for review prior to release. Such requests should be used only in unique situations which would justify these special controls.

b. NAVSEA Comptroller relationship with the various Participating Authorities is as follows:

(1) Internal PARM-Action Officer/Action Addressees. Those PARM Action Officer/Action Addressees serviced by the NAVSEA Comptroller will receive signature authority by the SPD Part II to process procurement/financial documents, limited by any special arrangements as cited in 3.a above.

(2) External PARMs. Those PARMs having organic financial offices and who are serviced by the NRFC, Washington as their accounting activity (NAVELEX, NAVAIR, NAVSUP NAVFAC, and SUPSHIPS) will receive contractual SPD Parts II that must be signed and dated by the NAVSEA comptroller. This signature will constitute the passing of financial authority within the meaning of R. S. 3679.

(3) Exogenous PARMs. Those which are serviced by an accounting activity other than NRFC, Washington (i.e. NAVMEDCOM, NMPC, SPCC FCDSSA, NUSC). To these PARMs, the issued SPD Part II represents an administrative document only and financial responsibility must be conveyed by another document; e.g., allotment, order for work and services, etc., which will be issued by the NAVSEA Comptroller.