



DEPARTMENT OF THE NAVY
NAVAL FACILITIES ENGINEERING COMMAND
1322 PATTERSON AVENUE, SE SUITE 1000
WASHINGTON NAVY YARD DC 20374-5065

NAVFACINST 5040.1A
Code IG
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NAVFAC INSTRUCTION 5040.1A

From: Commander, Naval Facilities Engineering Command

Subj: NAVAL FACILITIES ENGINEERING COMMAND SELF-ASSESSMENT
AND ON-SITE INSPECTION PROGRAM

Ref: (a) SECNAVINST 5040.3A
(b) NAVFACINST 5042.6A
(c) NAVFACENGCOM Strategic Plan
(d) NAVFACINST 5000.14B

Encl: (1) NAVFACENGCOM On-Site Inspection Process

1. Purpose. To implement reference (a), prescribe procedures, and assign responsibility for conducting the Naval Facilities Engineering Command (NAVFACENGCOM) Self-Assessment and On-Site Inspection Program. The Reserve Component On-Site Inspection Program is addressed by reference (b).

2. Cancellation. NAVFACINST 5040.1.

3. Background

a. Reference (a) directs objectives and policies for conducting command inspections:

(1) The objective of the inspection program is to assist commanders in improving performance, readiness, effectiveness and efficiency, as well as to identify and disseminate "best practices" throughout the chain of command. SECNAV policy is to emphasize the use of self-assessments and available documentation and metrics, in favor of compliance checklists or other intrusive methods, wherever possible.

(2) Command inspections focus on unit readiness and the inspected command's ability to execute assigned missions. NAVFACENGCOM also reviews command climate and client satisfaction as a means to assess performance in meeting NAVFACENGCOM goals in the focus areas stated in reference (c).

b. The NAVFACENGCOM Inspector General (NAVFAC IG) is responsible for the Command-wide self-assessment program and conducts/coordinates on-site inspections of NAVFACENGCOM subordinate activities. Enclosure (1) describes the inspection process and requirements.

c. A NAVFACENGCOM Notice shall be issued annually to publish NAVFACENGCOM the on-site inspection schedules for component commands posted on the NAVFAC IG website. Reserve components are covered by a separate Notice. The goal is to validate a command's performance at least once during the first 12-18 months of each commander's/commanding officer's tour of duty, when possible. The schedule shall facilitate efficient use of personnel and travel resources by aligning the on-site inspections with other Immediate Superior In Command (ISIC) and Outside Authority (OA) inspections or audits (e.g., by Major Claimant, Regional Commander or Naval Inspector General (NAVINSGEN)), to the maximum extent possible.

4. Action

a. NAVFAC IG

(1) The NAVFAC IG shall conduct periodic on-site inspections of Echelon III component commands in accordance with enclosure (1), and submit a report to the Commander, NAVFACENGCOM, within 30 days of the date the report is finalized.

(2) The NAVFAC IG shall retain a repository of on-site inspection reports for review by headquarters staff, and shall periodically disseminate identified "best practices" by appropriate means throughout the chain of command.

(3) The NAVFAC IG shall publish an annual Notice which provides a two-year, on-site inspection schedule for NAVFACENGCOM commands.

b. NAVFAC Pacific/Atlantic

(1) The Commanders of Echelon III ISICs shall conduct similar, periodic, on-site inspections of their subordinate commands. Final Reports shall be forwarded to the Commander, NAVFACENGCOM, via the NAVFAC IG, within 90 days of the completion of the inspections.

(2) By 30 September, NAVFAC Pacific/Atlantic shall provide recommended inspection schedules to the NAVFAC IG for the following two fiscal years to for incorporation into the annual Notice.

c. Inspected Commands

(1) Inspected commands shall submit self assessments with associated documents as directed, normally 30 days in advance of the scheduled inspection, as described in enclosure (1).

(2) Commands shall take action based upon the results of both their command self-assessment and on-site inspection results as appropriate, submitting formal tracking of actions where required.

d. Other

(1) Inspection Support. NAVFACENGCOM Headquarters and subordinate command civilian and military personnel may be assigned temporary duty as required by reference (a) to augment NAVINSGEN on-site inspections/area visits or NAVFACENGCOM on-site inspections. Travel and per diem costs shall be provided by the augmentee's command for these visits. NAVFACENGCOM personnel may be requested to participate in and be assigned temporary duty for other OA inspections; however, per reference (a) travel and per diem cost shall be provided by the requesting command.

(2) Reporting of Fraud, Waste or Abuse. During the course of an on-site inspection, any evidence of fraud, waste, inefficiency or related improprieties, including sexual harassment, prohibited discrimination or fraternization, shall be brought to the attention of the NAVFAC IG immediately.

5. Reports and Forms. Reports and Implementation Status Reports (ISRs) shall be submitted as noted above and as described in enclosure (1). On-Site Inspection Reports shall be marked FOR OFFICIAL USE ONLY and include the following statement:

"The information contained herein relates to the internal practices of the Department of the Navy and is an internal communication within the Navy Department. THIS REPORT IS NOT RELEASABLE without the specific approval of (inspecting authority). Its contents may not be disclosed outside original distribution, nor may it be reproduced in whole or in part. All requests for this report, extracts therefrom, or correspondence related thereto shall be referred to (inspecting authority)."


D.K. LYNN
Inspector General

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NAVFACENGCOM ON-SITE INSPECTION PROCESS

Attachments:

- A. NAVFACENGCOM Assessable Units
- B. Sample Self-Assessment Template
- C. Sample Implementation Status Report, OPNAV Form 5040/2 (11/68)

NAVFACENGCOM's self-assessment and on-site inspection process has three phases: self-assessment; on-site inspection; and follow up.

1. Command Self-Assessment

a. The command's self-assessment should evaluate its effectiveness in carrying out its mission and identify performance process improvements.

(1) Attachment A is a master list of assessable units which shall be used by subordinate commands to develop their self-assessments. Assessable units are comprised of Business and Support Line elements that define or support NAVFACENGCOM core mission areas. The master list may be modified by the inspecting command to reflect the business and support elements of the inspected command as appropriate. A self-assessment shall be submitted for each assessable unit, using the template provided at attachment B. The same list of assessable units is used to develop each command's Management Control Program, in accordance with reference (d).

(2) Where feasible, the command should rely on existing information systems, performance measures, metrics and routine reports to provide self-assessment. In addition, results of reviews by third parties (e.g., NAVIG Oversight Inspection Unit (NOIU); Law Enforcement and Physical Security (LEPS) Assistance Teams, Naval Safety Center, Navy Crane Center) may be substituted for or used to augment appropriate inspection elements in the self-assessment.

(3) Self-assessment should include review of the command's current business/ strategic plan in conjunction with its most recent client and employee surveys. Emphasis on alignment with the Chief of Naval Operations (CNO) top priorities and NAVFACENGCOM's strategic plan, reference (c) of the basic instruction, is critical. Reference (c) is available on both the NAVFACENGCOM internet and intranet sites.

b. The command shall submit the self-assessment report to the inspecting command, along with an executive summary and its business/strategic plan, 30 days prior to the scheduled on-site inspection.

2. On-Site Inspection

a. The NAVFAC IG serves as the single point of contact for all inspections and follow-up matters within this Command. Actual on-site inspections of NAVFACENGCOM Echelon IV

commands are normally delegated to their Echelon III immediate superiors in command (ISICs) and shall follow the same guidelines and principles described herein.

b. The NAVFAC Inspection Team is comprised of a Chief Inspector (the NAVFAC IG in the case of Echelon II inspections, or the Vice Commander in the case of Echelon III inspections) and a cadre of subject matter experts aligned to the assessable unit to be reviewed.

c. The Inspection Team's role is to validate the command's self-assessment, evaluate command effectiveness and efficiency, provide recommendations for improvement, and recognize significant achievement.

(1) Assuming a thorough self-assessment is submitted, the majority of the on-site inspection will consist of validation of the assessment, although members of the Inspection Team may examine other facets of their inspection areas at their discretion. Inspections will include review of progress made on third party recommendations where appropriate.

(2) Normally, significant interface will occur between the Inspection Team members and their counterparts at the inspected command before the actual inspection date, to simplify and streamline on-site inspection requirements.

d. The results of the inspection will be published in a report, including any findings/recommendations which shall be categorized as Formal or Informal. Formal findings are normally limited to issues related to deviation from requirements in statute or governing policy documents, or circumstances requiring documented remediation to ensure critical mission performance or safe and secure operation of the command. Informal findings usually represent recommendations by the Inspection Team to enhance the command's efficiency or effectiveness, or are minor issues which are easily corrected.

(1) Formal recommendations resulting from the inspection require tracking by the NAVFAC IG until action is complete.

(a) If the inspected command commits to immediately act on a recommendation before the draft Report is finalized and published (usually within 30 days), the finding/recommendation will be recorded as a "commitment" in the draft Report. If the action on a commitment is not completed by the end of the draft period, it will become a formal recommendation; if action is taken and agreed to by the inspector within the commitment period, the finding will be rewritten as a proactive measure taken by the command in the final Report.

(b) Commands are required to provide the status of action taken on all formal recommendations via Implementation Status Reports (ISRs), Form 5040/2 (11/68). ISRs are due 90 days after the final Report is issued, and every 90 days thereafter until completed. A sample form is provided at attachment C.

(2) Implementation of informal recommendations is at the command's discretion and no response is required. However, trends of informal recommendations may be tracked by the

NAVFAC IG to identify systemic issues for management control purposes, and an assessment of follow-up action may be requested at a later time.

e. Command On-Site Inspection Reports are submitted to the Commander, NAVFACENGCOC for review.

3. Follow Up. As the objective of the program is to improve performance, readiness, effectiveness and efficiency, follow-up by the command and any other identified action parties in the Report is key. The Command is expected to take action based upon the results of both its command self-assessment and the results of the on-site inspection.

NAVFACENCOM ASSESSABLE UNITS

	BUSINESS AREA	ASSESSABLE UNIT	SUB-ASSESSABLE UNIT
	Base Development Business Line (BDBL)	Base Development	
		Planning	
		Anti-Terrorism/Force Protection (ATFP) (Program)	
MISSION PERFORMANCE	Public Works Business Line (PWBL)	Energy & Utilities	
		Transportation	
		Facilities Management & Engineering	Facilities Management – Engineering
			Facilities Management – Maintenance
		Weight Handling Equipment Program	Crane Procurement
			Contractor Crane Safety
			Crane Safety
			Weight Handling Equipment (WHE) Inspection and Certification
	Capital Improvements Business Line (CIBL)	Capital Improvements <i>(includes Engineering)</i>	
		MILCON	
		Ocean Engineering <i>(NFESC only)</i>	
	Contingency Engineering Business Line (CEBL)	Contingency Engineering <i>(LANT, PAC, NFESC only)</i>	
		Dive Locker Operations <i>(San Diego, NFESC only)</i>	
	Real Estate Business Line (REBL)	Real Estate	
		BRAC	
Environmental Business Line (EBL)	Environmental		
MISSION SUPPORT	Operations	Business Planning	
		Business Management System (BMS) Program Management	
	Acquisition Support	Acquisition	Contracts
			Performance Management And Assistance Program (PMAP)
		Special Venture Acquisition	
		Small and Disadvantaged Business	
		Facility Support Contracting	
	Strategic Sourcing Acquisition Center of Excellence		

BUSINESS AREA	ASSESSABLE UNIT	SUB-ASSESSABLE UNIT
Financial Management (RMS and NWCF)	Budget Formulation	Certified Financial Officer Act (CFOA)
		2108 Certifications
		Accounts Receivable
		Problem Disbursements
	Funds Management	Cash Management
		Obligation Posting
		Prompt Pay
		Receipt and Issuance of Funding Documents
		Unliquidated Obligations
		FM Special Interest
		Judgment Fund
		Resource Allocation Process
	Information Technology	Information Technology/Information Assurance
Administrative Services	Travel	Travel Card
	Supplies and Services	Purchase Card
	Property Management	
	Security Programs	Personnel Security
		Information Security
		Physical Security/Loss Prevention
		Industrial Security
		ATFP (local)
Manpower and Personnel (Civilian and Military)	Civilian Workforce Management	Human Resources Management
		Community Management
		Strategic Sourcing
	Military Workforce Management	Military Personnel Programs
		Reserve Programs (<i>PAC/LANT only</i>)
		Command Climate
NAVFAC Safety and Health Program	NAVOSH	
	Construction Safety	
Command Staff	Counsel	Legal Services
		FOIA/Privacy Act
		Standards of Conduct/Financial Disclosure
		Investigations/Inspections and Command Evaluation
		Public Affairs

**<COMMAND NAME> SELF ASSESSMENT
<DATE>**

1. Business Element: <Mission Performance or Mission Support/Business or Support Line, e.g., <i>Mission Support/Financial Management</i> >
2. Self-Assessment Area: <Name of Self-Assessment Area, e.g., <i>Accounts Receivable</i> >
3. Responsible Point of Contact: <Command Counterpart/Organizational Code>
4. Brief Description of Self-Assessment Area: < Briefly describe the scope of the command's Self-Assessment Area, Business Line, Product Line, and/or NAVFAC field support offices/centers of expertise, etc >
5. Strengths and Innovations: < Briefly describe noteworthy strengths and innovations as they relate to the command's strategic/business plan and NAVFAC's strategic focus areas.>
6. Weaknesses and Opportunities for Improvement: < Briefly describe weaknesses and areas of opportunity for improvement as they relate to the command's strategic/business plan and NAVFAC's strategic focus areas.>
7. Metrics: < Include any currently used performance metrics that are identified in the command's strategic/business plan and/or NAVFAC's strategic focus areas, NAVFAC's headquarters operations assessment metrics, in addition to any other self-assessment metrics prescribed by the Business/Support Line Leader.>
8. Awards: <List significant awards as they relate to the command's strategic business plan and NAVFAC's strategic focus areas. Facilities engineering excellence is often the catalyst for our clients' success in winning these awards and should not be overlooked in the command's self-assessment.>

IMPLEMENTATION STATUS REPORT
OPNAV FORM 5040/2 (11-68)

STATUS AS OF (DATE)	REPORTED BY (ACTION OP/BUREAU/COMMAND)
ACTION OFFICER (NAME AND EXTENSION)	COORDINATION ACTION (OP/BUREAU/COMMAND)

IDENTIFICATION OF REPORT (NAVINGEN/COMMAND INSPECTION/AUDIT/AREA COORDINATION. INCLUDE SERIAL AND DATE)

IDENTIFICATION OF ACTION ITEM (RECOMMENDATION NUMBER/PARAGRAPH NUMBER)

RECOMMENDATION:

CURRENT IMPLEMENTATION STATUS (IF ACTION CONSIDERED COMPLETE, SO STATE)

NEXT STEP IN IMPLEMENTING THE REQUIRED ACTION (INCLUDE ESTIMATED DATE OF COMPLETED ACTION)