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From: Naval Inspector General
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Subj: COMMAND INSPECTION OF COMMANDER, NAVAL FACILITIES
        ENGINEERING COMMAND, 28 OCTOBER – 7 NOVEMBER 2014

Ref: (a) SECNAVINST 5040.3A
        (b) SECNAVINST 5430.57G

1. The Naval Inspector General (NAVINSGEN) conducts command
inspections of echelon 2 commands to provide the Secretary of
the Navy and the Chief of Naval Operations with a firsthand
assessment of Departmental risks and major issues relevant to
policy, management, and direction as directed by reference (a).
Reference (b) tasks NAVINSGEN with conducting inspections and
surveys, making appropriate evaluations and recommendations
concerning operating forces afloat and ashore, Department of the
Navy components and functions, and Navy programs which impact
readiness or quality of life for military and civilian naval
personnel.

2. NAVINSGEN conducted a Command Inspection of Commander, Naval
Facilities Engineering Command (NAVFAC) 28 October to 7 November
2014. This report documents our findings.

3. This report contains an Executive Summary, our observations
and findings, and documented deficiencies noted during the
inspection. Issue papers are included that highlight
significant concerns that either point to a potentially broader
Navy issue or, in our opinion, require coordination among
multiple commands to fully address. Finally, a summary of
survey and focus group data, as well as a complete listing of
survey frequency data, is included.

4. During our visit we assessed overall mission performance
(per OPNAVINST 5450.348 (Missions, Functions and Tasks of Naval
Facilities Engineering Command), SECNAVINST 5400.15C CH-1,
(Department of the Navy Research and Development, Acquisition,
Associated Life-Cycle Management and Logistics Responsibilities
and Accountability), DoDD 4270.5 (Military Construction), and
other laws, policy, and regulations. We assessed compliance
with Navy administrative programs, facilities, safety,
occupational health and environmental compliance, security

programs, NAVFAC Inspector General performance, and foundational
Sailor programs under the purview of senior enlisted leadership.
Additionally, we conducted surveys and focus group discussions
to assess the quality of work life (QOWL) for Navy and Marine
Corps military and civilian personnel.

5. Our overall assessment is that NAVFAC is fulfilling its
mission as the shore facilities systems command (SYSCOM) with
Navy acquisition executive and head of contracting agency
authority for facility planning, design, construction, services,
utilities, facilities maintenance (public works), environmental,
and real estate and as the manager of the Department of the Navy
(DON) shore facilities life-cycle. NAVFAC also acquires and
manages capabilities for the Navy's expeditionary combat forces,
provides contingency engineering response, and enables DON
energy security and environmental stewardship.

6. In the course of our inspection, we identified deficiencies
in delegation of contracting authority, property survey data
maintenance, energy security, manning and manpower, civilian
employee performance management, training completion and
documentation, Security Programs, Personnel Security, Industrial
Security, Operations Security, Physical Security, Personally
Identifiable Information, Individual Medical Readiness, Suicide
Prevention, Victim and Witness Assistance Program, Personal
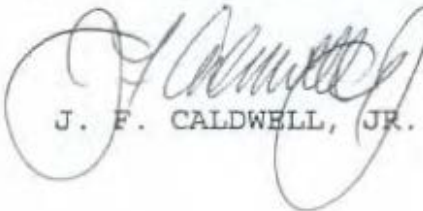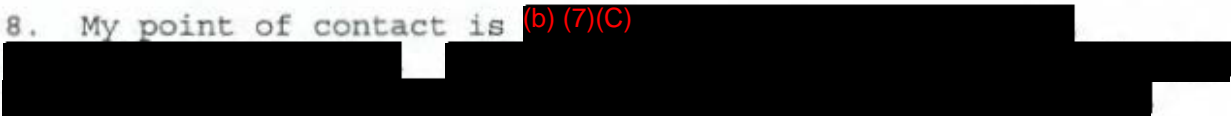Property Management, and Command Indoctrination.

7. Corrective actions

    a. We identified 32 deficiencies during our inspection that
require NAVFAC's corrective action. Correction of each
deficiency, and a description of action(s) taken, should be
reported via Implementation Status Report (ISR), OPNAV 5040/2 by
NAVFAC no later than 1 May 2015. Deficiencies not corrected by
this date or requiring longer-term solutions should be updated
quarterly until completed. Additionally, NAVINSGEN provided
NAVFAC with 17 separate recommendations for consideration,
relating to tracking of contract warrants, management of
utilities systems, revision of their Mission, Functions, and
Tasks Instruction, Shore Manpower Requirements Determination,
civilian and military training management, Industrial Security,
Ethics, and Personal Property Management. Follow up reporting
on these recommendations is not requested.

Subj: COMMAND INSPECTION OF COMMANDER, NAVAL FACILITIES
ENGINEERING COMMAND, 28 OCTOBER - 7 NOVEMBER 2014

b. This report includes four issue papers that require actions by NAVFAC; Office of the Chief of Naval Operations, Director, Fleet Readiness and Logistics (OPNAV N4); Office of the Chief of Naval Operations, Director, Shore Readiness Division (OPNAV N46); Commander, Navy Installations Command (CNIC); and Deputy Assistant Secretary of the Navy for Civilian Human Resources (DASN(CHR)). Appendix A: Issue Papers (page 25 of this report) provides detailed guidance on how to report completion of recommendations identified in the issue papers.

8. My point of contact is (b) (7)(C)

J. F. CALDWELL, JR.

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NAVAL INSPECTOR GENERAL COMMAND INSPECTION OF
NAVAL FACILITIES ENGINEERING COMMAND
28 OCTOBER – 7 NOVEMBER 2014

Executive Summary

The Naval Inspector General (NAVINSGEN) conducted a command inspection of Commander, Naval Facilities Engineering Command (NAVFAC) from 28 October to 7 November 2014. We last inspected NAVFAC in 2008. The team was augmented with subject matter experts, including personnel from Assistant Secretary of the Navy, Energy, Installations and Environment (ASN(EI&E)); Office of the Chief of Naval Operations, Fleet Readiness Division (OPNAV N43), Energy and Environmental Readiness Division (OPNAV N45), Shore Readiness Division (OPNAV N46), Expeditionary Warfare Branch (OPNAV N95), and Special Assistant for Safety Matters (OPNAV N09F); Commander, Naval Sea Systems Command, Contracts Directorate (SEA 02); Commander, Navy Installations Command (CNIC); Office of Naval Intelligence, Special Security Office (SSO Navy); Naval Criminal Investigative Service, Security Training, Assistance, and Assessment Team Atlantic (NCIS STAATLANT); and Office of Civilian Human Resources - Navy (OCHR).

During our visit we assessed overall mission readiness per OPNAVINST 5450.348 (Missions, Functions and Tasks of Naval Facilities Engineering Command), SECNAVINST 5400.15C CH-1, (Department of the Navy Research and Development, Acquisition, Associated Life-Cycle Management and Logistics Responsibilities and Accountability), DoDD 4270.5 (Military Construction), and other laws, policy, and regulations. Additionally, we conducted surveys and focus group discussions to assess the quality of work life (QOWL) and home life (QOHL) for Navy military and civilian personnel.

MISSION PERFORMANCE

NAVFAC is executing its mission well. We found a very dedicated and professional staff that is committed to their mission. We identified a number of challenges facing NAVFAC, most of which they can correct themselves, but some of which will require outside assistance.

Acquisition Support and Contracting Authority Oversight

Within the past year, NAVFAC implemented a mechanism to more closely track warrants for currency and relevancy in accordance with SECNAVINST 4200.37, Organic Department of Navy (DON) Procurement System Oversight and Management, but must continue updating their corporate process to reflect this method. In addition, NAVFAC has not promulgated procedures governing the delegation of contracting authority in accordance with Navy/Marine Corps Acquisition Regulation Supplement (NMCARS) 5201.601-90.

Civilian Vacancies and Speed of Hiring

NAVFAC is hampered by their inability to close the gap on approximately 2,700 civilian vacancies (approximately 15 percent of their government civilian workforce), coupled with an attrition rate of 8 percent per year and a hiring rate of 4 percent over the last year. They are reviewing their internal hiring process to remove friction points and are working with OCHR Stennis Operations Center to close the vacancy gap; however, NAVFAC could use outside assistance. We recommend that DASN (Civilian Human Resources) assist NAVFAC to determine

additional measures that might expedite hiring processes to fill vacancies. We did not validate NAVFAC's manpower requirements, but recommend that NAVFAC undergo Shore Manpower Requirements Determinations (SMRD) for its echelon 2 headquarters staff and for lower echelons to validate its stated requirement.

Civilian Performance Management

Civilian performance plans and annual appraisals are not being completed in a timely manner in accordance with the Department of Navy Interim Performance Management System (IPMS). A random sample of records found that FY13 and FY14 approved performance plans were submitted with a median latency of 167 and 165 days after due dates, respectively. FY13 annual appraisals were submitted 103 days after due date, on average.

Policy and Requirements Clarity for Navy Smart Grid Systems

NAVFAC is working to support SECNAV, OPNAV and CNIC energy security and independence initiatives and needs to continue their ongoing dialogue with ASN(EI&E), OPNAV N4, and CNIC to clarify requirements and resourcing strategies to align with Navy goals. Notable areas actively being addressed include:

- Common definitions of smart and micro grid to help focus NAVFAC's efforts to achieve SECNAV goals.
- Prioritization of efforts in the cyber protection of industrial control systems.
- Alignment of SECNAV goals and OPNAV resources.

Energy Security and the Defense Critical Infrastructure Program (DCIP)

Energy Security Assessment Program (ESAP) reports, conducted by (b) (7)(E)

and propose mitigation measures. While Resource Sponsors (OPNAV N2/N6 and OPNAV N4) and CNIC have responsibility for prioritizing and funding mitigation of the infrastructure vulnerabilities from classified ESAP reports, (b) (7)(E)

In the course of our inspection, we found that in the past year ESAP reports have not routinely been endorsed by OPNAV N46 and were not formally provided to Installation Commanders. Without signed reports, Installation Commanders do not have a formal assessment of their Tier 1 and 2 TCA vulnerabilities and cannot develop requirements to have these issues corrected.

FACILITIES, ENVIRONMENTAL, ENERGY CONSERVATION, AND SAFETY AND OCCUPATIONAL HEALTH (SOH)

NAVFAC headquarters is successfully executing shore related mission requirements with respect to facilities, environmental, and energy conservation. SOH programs meet all required

program elements in accordance with applicable laws, regulations, and policies. SOH oversight of subordinate echelon 3 commands is effective.

SECURITY PROGRAMS

Command Security Programs

The NAVFAC Command Security Manager does not have direct access to the Commander for security-related issues in accordance with SECNAV M-5510.36, Department of the Navy Information Security Program.

Personnel Security

(b) (7)(E)

These (b) (7)(E) are authorized continued access to classified material per SECNAV M-5510.30, Department of the Navy Personnel Security Program, while their PSIs are updated. We recommend that NAVFAC improve its PSI tracking process to ensure that PSIs do not go out of date.

Information Security

Intrusion Detection System (IDS) (b) (7)(E)

SECNAV M-5510.36 requires that these controls (b) (7)(E) .

Industrial Security

A qualified security specialist is not designated in writing as a Contracting Officer's Representative (COR) to review classified contracts per SECNAV M-5510.36. Industrial security requirements are not documented in NAVFAC's Business Management System (BMS). As a result, industrial security requirements may not be followed when new contracts are being established.

(b) (7)(E)

Operations Security (OPSEC)

(b) (7)(E)

Personally Identifiable Information (PII)

The command PII instruction is incomplete and does not contain all program elements required by SECNAVINST 5211.5E, Department of the Navy (DON) Privacy Program, and ALNAV 070/07,

Subj: Department of the Navy (DON) Personally Identifiable Information (PII) Annual Training Policy. Semi-annual PII spot-checks are not documented, annual training has not been completed by senior civilians, and no Privacy Act Team is in place.

COMPLIANCE PROGRAMS

Overall, NAVFAC's programs were effective. There are some areas for improvement:

Personal Property Management (PPM)

NAVFAC has not completed a physical inventory of personal property since 2008, a triennial requirement directed by SECNAVINST 7320.10A, Department of Navy (DON) Personal Property Policies and Procedures.

Suicide Prevention Program

NAVFAC Senior Leadership has not regularly published messages, information and guidance on suicide prevention and has not incorporated suicide prevention as a part of life skills and health promotion training as required by OPNAVINST 1720.4A, Suicide Prevention Program.

Individual Medical Readiness (IMR)

NAVFAC does not have a process for regularly monitoring and reporting IMR to senior leadership as required by DoDI 6025.19, Individual Medical Readiness and SECNAVINST 6120.3 CH-1, Periodic Health Assessment for Individual Medical Readiness.

Victim and Witness Assistance Program (VWAP)

NAVFAC is not executing its echelon 2 oversight responsibilities for VWAP and had not appointed a Victim Witness Assistance Coordinator (VWAC) as required by OPNAVINST 5800.7A, Victim and Witness Assistance Program.

NAVFAC Inspector General (IG) performance

We conducted a quality assurance review of the NAVFAC IG hotline program and found it to be compliant with SECNAVINST 5370.5B, DON Hotline Program. NAVFAC has an inspection program to self-assess program compliance per SECNAV 5040.3A, Inspections Within the Department of the Navy.

SURVEY AND FOCUS GROUP FINDINGS

Our survey and focus group discussions found that QOWL at NAVFAC is comparable to the historical echelon 2 command average; QOHL is higher than the echelon 2 average. The NAVFAC workforce is focused on their mission; however, survey data and focus groups indicate a perception of the following issues as adversely impacting mission, job performance and quality of life: leadership (at various levels), manning/manpower, communication, military-civilian relationships, and headquarters facilities. Rated on a 10-point scale, the NAVFAC QOWL and QOHL are 6.40 and 8.07, respectively; the corresponding echelon 2 command historical averages are 6.60 and 7.86. Specific comments from focus groups and surveys were passed to NAVFAC leadership and are presented in Appendix C.

Contents

Areas/Programs Assessed

- **Mission Performance**
  - Mission Readiness
  - Strategic Planning
  - Command Relationships and Communications
  - Intelligence Oversight
  - Total Force Management
  - Civilian Human Resource Services
  - Personnel Training/Qualifications
  - Continuity of Operations Plan

- **Facilities, Environmental, and Safety**
  - Facilities Management
  - Shore Infrastructure Planning and Management
  - Environmental Readiness
  - Energy Conservation
  - Safety and Occupational Health

- **Security Programs and Cybersecurity/Technology**
  - Command Security
  - Industrial Security
  - Physical Security and Antiterrorism/Force Protection
  - Operations Security
  - Personnel Security
  - Cybersecurity
  - Information Security
  - Information Assurance and Personally Identifiable Information

- **Resource Management/Compliance Programs**
  - Comptroller Functions
  - Managers' Internal Control
  - Personal Property Management
  - Government Travel Charge Card
  - Government Commercial Purchase Card
  - Command Individual Augmentee Coordinator
  - Post Deployment Health Reassessment
  - Individual Medical Readiness
  - Physical Readiness Program
  - Sexual Assault Prevention and Response
  - Command Managed Equal Opportunity
  - Suicide Prevention
  - Navy Alcohol and Drug Abuse Prevention
  - Hazing Policy Training and Compliance

- o Legal/Ethics
- o Victim and Witness Assistance Program
- o Voting Assistance Program
- o Inspector General Functions

- **Sailor Programs**
  - o Command Sponsorship
  - o Command Indoctrination
  - o Career Development Program

Observations and Findings

MISSION PERFORMANCE

The Mission Performance Team utilized survey and focus group responses, document review, group discussions, and face-to-face interviews to gather information and assess the mission performance of Naval Facilities Engineering Command (NAVFAC). These findings were applied to the functions and tasks as assigned in or defined by the following:

- OPNAVINST 5450.348, Mission, Functions, and Tasks of Naval Facilities Engineering Command
- DoDD 4270.5, Military Construction
- SECNAVINST 5400.15C CH-1, Department of the Navy Research and Development, Acquisition, Associated Life-Cycle Management, and Logistics Responsibilities and Accountability
- SECNAVINST 4200.37, Organic Department of Navy (DON) Procurement System Oversight and Management

Our overall assessment is that NAVFAC is executing its mission well, although we have identified several areas that require improvement. We found a dedicated and professional staff at NAVFAC headquarters committed to this broad and complex mission that includes the following areas that we reviewed:

- Systems Command (SYSCOM) Responsibilities
- Acquisition Support and Contracting Authority
- Expeditionary Support
- Contingency Support
- Capital Improvements
- Environmental Quality and Restoration
- Public Works
- Energy
- Asset Management
- Antiterrorism/Force Protection
- Financial Management
- Specialized Support

Acquisition

One of NAVFAC's principal roles is their designation as a DON Head of Contracting Agency (HCA) to plan, award, and administer contracts in support of Commander, Navy Installations Command (CNIC), Commandant of the Marine Corps (CMC), operating forces of the Navy, and other agencies. NAVFAC is executing this difficult mission area well and has a capable cadre of contracting professionals.

Facility Support Contract (FSC) Oversight

NAVFAC is effectively providing oversight of FSC functions at its lower echelon commands. Several Naval Audit Service reports (2010, 2011, and 2013) identified FSC oversight shortfalls which NAVFAC has taken positive steps to correct. These corrections include:

- A Public Works stand down effort to train and emphasize the importance of Contracting Officer Representative (COR) appointment and responsibilities.
- Centralization of Base Operating Support (BOS) at echelon 3 commands.
- Implementation of the NAVFAC COR Instruction, which provides clearer guidance.

The majority of NAVFAC acquisition for services is executed by their echelon 4 commands and administered at Field Offices that report to those commands.

Deputy Assistant Secretary of the Navy for Acquisition and Procurement (DASN(AP)) recently completed a detailed inspection of NAVFAC echelon 3 and 4 contracting offices; the results of that report are pending.

Contract Warrant Oversight

NAVFAC is providing effective oversight of contract warrants at headquarters and lower echelons.

Within the past year, NAVFAC implemented a mechanism to more closely track warrants for currency and relevancy in accordance with SECNAVINST 4200.37, paragraph 4a(4), and they are updating their corporate process to reflect this method. NAVFAC fully implemented a web-based process that gives visibility of all warrants issued across their enterprise. Appointment letters are uploaded into this program, and reasons for rescissions and modifications are annotated as well. At the time of our inspection, NAVFAC was routing an updated Business Management System (BMS) process for signature that codifies this improved mechanism for tracking of warrants.

Recommendation 1. **That NAVFAC formally implement its recently updated tracking process in BMS.**

Procurement Performance Management Assessment Program (PPMAP)

PPMAP reviews of contracting activities required by SECNAVINST 4200.37, Navy and Marine Corps Acquisition Regulation Supplement (NMCARS) 5201.601, and Naval Facilities Acquisition Supplement (NFAS) of November 2012 are critical to NAVFAC headquarters for ensuring compliance with statutes, regulations, and instructions for management of CORs, contract warrants, and delegation of contracting authorities. During the 2013 sequestration and resultant furlough, NAVFAC fell behind schedule in conducting PPMAP reviews of its lower echelon contracting activities. As a result, some commands were inspected outside the required three-year inspection periodicity. DASN(AP) granted a waiver of the three-year inspection periodicity for those commands affected by this delay.

Delegation of Contracting Authority

NAVFAC has not formally promulgated procedures governing the delegation of contracting authority in accordance with NMCARS 5201.601-90. NAVFAC is developing a BMS process to fully meet NMCARS guidance on this aspect of contracting authority.

Deficiency 1. **NAVFAC has not promulgated a formal procedure to document and track delegation of contracting authority. Reference: NMCARS 5201.601-90(a).**

Small Business Program

NAVFAC runs a model Small Business Program which exceeded established Department of Navy targets between FY12 and FY14. Best practices include an internal small business webpage to educate in-house staff, a public small business webpage for use by industry and potential small business partners, and a robust awards program to recognize outstanding small business performance of subordinate commands.

Environmental

NAVFAC is compliant with its environmental program responsibilities as defined in OPNAVINST 5450.348. NAVFAC headquarters program health, as measured by the number of Environmental Management System compliant facilities and new Notices of Violation (NOV) received annually, is within historic norms.

OPNAV and Budget Submitting Offices (BSO) have accepted risk in many environmental program areas, which impedes NAVFAC's ability to execute the affected programs. Specifically, funding is often prioritized to address legally mandated projects on a just-in-time basis. The just-in-time approach often results in a lack of Program Objective Memorandum (POM) support and unfunded budget-year requirements. Funding is generally not provided for projects that are required solely as a matter of Department of Defense (DoD) or Navy policy, represent best practices, are designed solely to reduce life cycle costs, or facilitate proactive management. In some cases, such projects remain unaddressed until they evolve over time into an issue that threatens legal non-compliance, or an unexpected source of funds becomes available (e.g., end of fiscal year windfall). For the NAVFAC environmental program, this presents challenges, including potential loss of trust with external observers, such as regulators and installation commanding officers, that comes from executing a program that only minimally complies with policies established in OPNAV M-5090.1, Environmental Readiness Program Manual. This contributes to the perception that regulatory violations, when they occur, could have been avoided by following established policies and best practices.

Examples of unfunded projects related to installation environmental compliance include:

- Historic lack of funding for oil and hazardous substances spill response plans, solid waste management plans, storage tank management plans, and radon assessments.   These products are necessary to properly manage and achieve regulatory compliance.
- Funding for spill equipment procurement has been reduced and this increases the risk of uncontrolled oil spills.

- Necessary increases for addressing overseas drinking water requirements were offset by reductions to stateside program requirements increasing the risk of noncompliance.
- Lack of funding in the Natural Resources Conservation Program results in risk-based decisions to underfund efforts such as invasive species control.   This will result in further spread and damage to installations ecosystems impacting land and near-shore sustainment for the infrastructure to support the operational mission. Reduced funding will also increase the long term costs.
- Underfunding the Cultural Resources Program results in the reduced ability to proactively assemble critical program information such as the location and extent of archaeological sites on our installations. This produces impacts to base development projects including extended regulatory consultation times and increased mitigation costs. Risks include failure to comply with statutory and regulatory requirements, litigation, and the constriction of training and operational flexibility.

Given these challenges, we recommend that OPNAV N4 reassess the level of risk that has been accepted in the current and future funding profiles for environmental compliance programs.

Issue paper A-1 addresses this issue in further detail.

Public Works

Policy, Technical Support, and Management of Utilities Systems

NAVFAC is the owner and operator of Navy utility systems, including electrical, power, potable and waste water, steam, and demineralized water. NAVFAC drafts and implements policy, provides technical solutions, and runs the utilities systems, including billing. The Utility Management (UM) Division in the Public Works Business Line (PWBL) has developed several metrics that provide an enterprise look at utility reliability, maintenance effectiveness, costs, and condition. The Utilities and Energy Systems (UES) Division is responsible for centralized program management of shore energy material solutions, including Smart Grid, Industrial Control Systems (ICS), Advanced Metering Initiative (AMI), and Centralized and Integrated Reporting for the Comprehensive Utilities Information Tracking System (CIRCUITS). Several of the UES-related BMS processes need to be updated, but PWBL leadership is aware of this issue and working to clarify accountability for these processes. We recommend a particular emphasis on processes for Energy Project Development (BMS process B-5.1.1) and Performance Verification on Energy Projects (BMS process B-5.1.5). A few of the UM processes are likewise dated and should be revised to reflect current initiatives such as Utilities Infrastructure Condition Assessment Program (UICAP), for which NAVFAC should consider establishing a BMS process.

UES metrics are not currently included in the metric program manual, although progress toward energy mandates such as the Energy Independence and Security Act (EISA) of 2007, Executive Orders, and Secretary of Navy goals is tracked. Expanding the utility metrics to include related energy metrics would provide a more complete view of UES mission performance. In addition, completion of UICAP condition assessments and inventories in

Maximo (Navy's corporate facility work order management system) is scheduled for the end of FY15 and will provide a more accurate picture of utility systems performance.

<u>Recommendation 2.</u>   That NAVFAC update BMS processes for Utilities Management (UM) and Utilities and Energy Systems (UES) to reflect current organization and tools.

<u>Recommendation 3.</u>   That NAVFAC consider expanding their metric program manual to include energy conservation metrics that reflect performance on federal and department energy goals.

Infrastructure to Support Alternative Fuel Vehicles (AFV)

As the SYSCOM for the shore's "white vehicle" fleet, NAVFAC is charged with making progress on vehicle-related energy goals established in national and departmental policy. The current focus on AFVs has raised some challenges among CNIC, Defense Logistics Agency (DLA), and NAVFAC relating to infrastructure. Capitalization of facilities as the Navy moves away from traditional gas stations needs to be resolved to support standardization of the Navy Working Capital Fund (NWCF) rates charged to clients for Base Support, Vehicles, and Equipment (BSVE). For instance, electric vehicle charging stations and compressed natural gas (CNG) fueling tanks and pumps are expensive to install. Inclusion of these capital costs in NWCF rates varies widely across DoD. In order to address AFV concerns, a focus group is being established with the Navy Secretariat, OPNAV, CNIC, and NAVFAC to consider such infrastructure and vehicle challenges.

Asset Management

Shore Investment Planning/Shore Infrastructure Footprint Reduction

NAVFAC maintains a shore facility planning system (SFPS) to promote efficient and economical use of Navy real property assets and identify facility disposal opportunities. Additional policy from OPNAV regarding shore facilities planning would ensure SFPS data is maintained and accurate. Critical areas to be addressed include:

- Identification of the required level of Basic Facility Requirements (BFR) validation by warfare enterprises and echelon 2 commands for key or critical category codes, and establishment of an Echelon 1 adjudicator for requirements.
- Implementation of a Navy Space Management program to more effectively assign, manage, and adjust type, quantity, and location of facility space.

The products and services covered under shore investment planning include BFR development; Asset Evaluations (AE); Facility Planning Documents (FPD); and Facility Requirements Plans (FRP). Together, these products and services form the Navy's shore facility planning system, and are used to develop what real property assets are required (BFR); to identify what real property assets are available to meet requirements (AE); and to plan for balancing assets with requirements (FPD). NAVFAC has published an SFPS guidebook that clearly explains the required outcomes when facility planners perform AEs and update BFRs, FPDs, and FRPs. However, there are no clear outcomes defined with respect to footprint reduction or optimal shore footprint.

Issue paper A-2 addresses this issue in further detail.

Installation Master Planning

NAVFAC maintains installation master plans to promote efficient and economical use of Navy real property assets. Additional guidance from OPNAV that formalizes the Navy's shore infrastructure planning program is required to accomplish the following:

- Establish requirements and Navy-wide goals/objectives for keystone installation master planning products: Global Shore Infrastructure Plans (GSIP), Regional Integration Plans (RIP), and Installation Development Plans (IDP).
- Implement requirements of DoDI 4165.70, Real Property Management, Unified Facilities Criteria (UFC) 2-100-01, Installation Master Planning, and recently established OSD metrics to track compliance with the UFC.

Installation Master Plans are critical documents that allow Navy leadership to monitor real property holdings and ensure they are used to the maximum extent possible consistent with both peacetime and mobilization requirements. Prior to funding, a facility project must be determined to be consistent with the installation master plan. OSD has published criteria that define what must be included in an installation master plan as well as metrics to measure compliance with the UFC.

NAVFAC has published consistency guides and BMS processes for GSIPs and IDPs to ensure consistency across the enterprise and compliance with the UFC. Installation master plans are maintained as required.

NAVFAC measures installation master plan currency. However, processes are needed to measure the other 3 metrics established by OSD in August 2014: master plan content, master planning and programming integration, and master planning staff competency. CNIC has provided Common Output Level (COL) 4 funding metrics for these plans. Development of additional internal NAVFAC shore infrastructure planning metrics is in the initial planning stages.

Issue paper A-3 addresses this issue in further detail.

Cadastral Information Requirements

Guidance for management of government property records, including cadastral data (surveyor information such as quantity and boundary lines), is outlined in 44 U.S.C. and SECNAV M-5210.1, Part III, Chapter 11, Real Estate Records. Our team found that cadastral products and services do not meet these standards, which involve record data more detailed than just general boundary lines.   NAVFAC has most of this information, but does not have all original source documents. A cadastral modernization program to correct the deficiencies at NAVFAC is underway, but is expected to take until 2018 at the current CNIC-funded level.

Deficiency 2.   **NAVFAC does not maintain all required cadastral data on Navy-owned property. Reference: SECNAV M-5210.1, Part III, Chapter 11.**

Military Housing Privatization Initiative/Limited Liability Company Public Private Ventures (PPV)

Through effective use of PPV authorities, NAVFAC has leveraged government housing allowances to finance private dollars for the construction and renovation of family housing in an efficient and cost-effective manner. As noted in the 2008 NAVFAC command inspection report, resident satisfaction scores for service improved from 66% prior to privatization to almost 80% in 2007.

Neither the Department of the Navy (DON), nor the Department of Defense, has an established resident satisfaction score goal (e.g., 85%). Resident satisfaction measures were established and have been taken annually by a private firm (CEL & Associates, Inc.) to benchmark against industry standards with numerical and descriptive ratings for PPV housing resident satisfaction (e.g., 85-100% = Outstanding, 80-84% = Very Good, 75-79% = Good). DON PPV overall resident satisfaction steadily increased from 77.1% (Good) in 2006 to 83.5% (Very Good) in 2012. In 2013, overall resident satisfaction dropped slightly to 82.6% (Very Good) and is expected to stabilize as the program has matured into steady-state operations.

Real Property Financial Improvement and Audit Readiness (FIAR)

In their role as the Navy's manager of Class 1 (land) and Class 2 (permanent improvements such as buildings, utilities, and roads) real property, NAVFAC is responsible for keeping an accurate asset inventory. In the field, there are adequate resources to physically inventory approximately 20 percent of CNIC assets annually via Real Property Accountability Officers (RPAO), a rate that supports compliance with the DoDI 4165.14, Real Property Inventory and Forecasting, requirement for a physical inventory of each real property asset on a five-year cycle.

NAVFAC's biggest challenges to FIAR compliance are the timelines of the task and retaining or providing the required supporting documentation to update the Internet Navy Facilities Asset Data Store (iNFADS). Metrics and tools exist for iNFADS and FIAR. For iNFADS, a Real Property Inventory Status tool allows the field and managers to track the accuracy and completeness of property records. For FIAR, sustainment testing measures audit readiness of the following metrics:

- Currency of the physical inventory
- Physical inventory adjustments (assets added or disposed outside of normal processes)
- Timeliness of iNFADS postings
- Periodic virtual inventory
- DD 1354 (Transfer and Acceptance of DoD Real Property) progress

This two-fold approach is expected to yield favorable results in meeting all requirements for real property management.

Energy

Energy Security

OPNAV N4 tasks the (b) (7)(E) ███████████████████████████████████
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██████████████████████████████ These assessments are documented in Energy Security
Audit Program (ESAP) reports. (b) (7)(E) ████████████████████████████████
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██ but are not coordinated across the
NAVFAC staff. As a result, there is no integrated effort at NAVFAC across its Public Works,
Capital Improvements, Asset Management and Chief Information Officer business lines to
develop a plan of action with Resource Sponsors (OPNAV N2/N6, N4) and CNIC (b) (7)(E) ████
████████████████

Issue paper A-4 addresses this issue in further detail.

Policy and Requirements Clarity for Navy Smart Grid Systems

NAVFAC is working to support SECNAV, OPNAV and CNIC energy security and independence
initiatives and maintains dialogue with Assistant Secretary of the Navy, Energy, Installations and
Environment (ASN(EI&E)), OPNAV N4 and CNIC to clarify requirements and resourcing
strategies to align with Navy goals. Notable areas being actively addressed include:

- Common definitions of smart and micro grid to help focus NAVFAC's efforts to achieve
  SECNAV goals.
- Prioritization of efforts in the cyber protection of industrial control systems.
- Alignment of SECNAV goals and OPNAV resources.

Update of Mission, Functions, and Tasks Instruction

NAVFAC's Mission, Functions, and Tasks instruction (OPNAVINST 5450.348 dated April 2012) is
scheduled for revision in FY15 and should be updated to reflect several changes in NAVFAC's
organization and mission in the past 3 years.

Recommendation 4.   **That OPNAVINST 5450.348 paragraph 4c(1) be updated to remove the
reference to the term "chief operating officer" and revised to more accurately reflect its role
as lead SYSCOM for the Naval Expeditionary Combat Enterprise (NECE).**

Recommendation 5.   **That OPNAVINST 5450.348 paragraph 4g(1) be revised to clarify Public
Works Business Line responsibilities of Facility Maintenance and Facilities Services (FMFS),
Facilities Management and Sustainment (FM&S), Base Support Vehicles and Equipment
(BSVE), Utilities Management (UM), and Utilities and Energy Systems (UES).**

Recommendation 6.   **That OPNAVINST 5450.348 paragraph 4f be revised to align functions
that reflect NAVFAC Environmental Business Line's three components of Compliance and
Services, Planning and Conservation, and Environmental Restoration.**

Recommendation 7.   That OPNAVINST 5450.348 paragraph 4f(1) be revised to remove the reference to the Naval Environmental Protection Support Service (NEPSS) Programs that have been assigned to other Budget Submitting Offices (BSO).

Recommendation 8.   That OPNAVINST 5450.348 paragraphs 4g(7) and 4l(10) regarding Base Realignment and Closure (BRAC) functions be realigned under paragraph 4i (Asset Management) to reflect NAVFAC's current organization.

Recommendation 9.   That OPNAVINST 5450.348 paragraph 4g(2) be revised to remove reference to "fuels management" since this function is assigned to other commands.

Manning and Manpower

NAVFAC is experiencing enterprise-wide civilian vacancies and hiring challenges. NAVFAC is hampered by their inability to close the gap on approximately 2,700 civilian vacancies (approximately 15 percent of their government civilian workforce), coupled with an attrition rate of 8 percent per year and a hiring rate of 4 percent over the last year. They are reviewing their internal hiring process to remove friction points and are working with the OCHR Stennis Operations Center to close the vacancy gap; however, NAVFAC requires outside assistance.

Per OCHR, the process to hire a civilian employee should take no more than 85 days. NAVFAC established its own goal of completing hiring actions within 132 days and is currently averaging 147 days per action. We recommend that DASN (Civilian Human Resources) assist NAVFAC to determine additional measures that may expedite hiring processes to fill vacancies.

Column "c" (FY15 Affordability Vacancies) in the following chart identifies vacancies across the enterprise as of 22 October 2014.

Issue Paper A-5 addresses this issue in further detail.

SMC Name	FY15 Affordability	Civilians (DH, FD, FI) Onboard	FY15 Affordability Vacancies	Open RPAs
	a	b	c [a - b]	d
1Q - HQ	445	415	30	29
1L - LANT (a)	591	472	119	64
2L - MIDLANT	3,592	3040	552	302
3L - WASH	1,503	1335	168	190
4L - MIDWEST	791	683	108	24
5L - NORTHWEST	1,039	863	176	113
6L - SOUTHEAST	1,724	1593	131	168
7L - SOUTHWEST	3,136	2815	321	340
8L - EURAFSWA	908	802	106	123
1P - PAC	509	362	147	29
2P - HAWAII	1,516	1165	351	104
3P - FAR EAST (b)	2,182	1936	246	103
4P - MARIANAS	534	473	61	63
2Q - NCC	85	79	6	4
3Q - EXWC	932	784	148	73
5Q - NFI	31	27	4	1
Grand Total	**19,518**	**16,844**	**2,674**	**1730**

Notes:
(a) LANT's Civilians Onboard number includes 20 Djibouti employees who are coded CE3 in LANT's manpower document.
(b) FAR EAST's FY15 Affordability and Civilians Onboard numbers include 1770 and 1655 CIV-FIs, respectively. In this case, FAR EAST FY15 Affordability Vacancy requirement is 146 for CIV-DH and CIV-FD combined.

Shore Manpower Requirements Determination (SMRD).

NAVFAC headquarters military manning was 98 percent filled and headquarters civilian staff manning was 87 percent filled, as of 4 November 2014. Surveys, focus group discussions, and interviews with leaders at NAVFAC indicate that the workforce feels stressed and overworked at its current workload. We did not validate the headquarters staff manpower requirements, but note that NAVFAC has no record of an SMRD being performed. An SMRD provides a systematic means of determining and documenting manpower requirements based on Mission, Functions and Tasks and projected personnel workloads. An SMRD is required to establish NAVFAC's baseline (peacetime) manpower requirements per OPNAVINST 1000.16K CH-1, Navy Total Force Manpower Policies and Procedures.

Deficiency 3.   NAVFAC requires an SMRD in accordance with OPNAVINST 1000.16K CH-1, Chapter 400, paragraph 5 and Chapter 402, paragraph 4b.

Recommendation 10.   That NAVFAC request SMRDs be conducted at a number of lower echelon commands in order to assist NAVFAC in establishing its enterprise-wide manpower requirements.

Civilian Performance Management

NAVFAC did not complete civilian performance plans for FY13 and FY14, and annual appraisals for FY13, in a timely manner. A random sample of records found that FY13 and FY14 approved

performance plans were submitted on average 167 and 165 days after the due date, respectively. On average, FY13 annual appraisals were submitted 103 days after the due date. Performance management records for FY12 were not provided.

Performance management training is required for supervisors and managers every three years, per NDAA 2010 Section 1113. NAVINSGEN was unable to verify the extent to which this training had been accomplished. NAVFAC records are incomplete.

Deficiency 4.   **NAVFAC headquarters does not complete Annual Performance Plans and Annual Appraisals within prescribed timeframes. Reference: Interim Performance Management System DON Handbook, paragraph 6b.**

Deficiency 5.   **NAVFAC headquarters does not maintain Performance Management records for three years after the date of rating in accordance with SECNAV M-5210.1.**

Deficiency 6.   **NAVFAC headquarters is not providing required performance management training for supervisors in accordance with NDAA 2010 Section 1113.**

Personnel Training/Qualifications

Defense Acquisition Workforce Improvement Act (DAWIA) Qualifications

As of 30 September 2014, NAVFAC headquarters staff DAWIA coded billets (251 billets) were 91 percent current in DAWIA certification requirements per DoDI 5000.66, Operation of the Defense Acquisition, Technology and Logistics Workforce Education, Training, and Career Development Program. A total of 23 civilian headquarters personnel are not compliant with DAWIA certification.

Of the 6,942 DAWIA-coded billets across the NAVFAC enterprise (including headquarters), 96 percent are filled by personnel current in their DAWIA certification requirements per DoDI 5000.66. A total of 10 military and 246 civilian personnel are not compliant with DAWIA certification across the enterprise.

Enterprise-wide, NAVFAC met or exceeded three of the four applicable FY14 goals outlined in DON ASN(RD&A) Memorandum of September 17, 2013, Subj: FY14 DON DAWIA Goals, specifically:

- Goal 1 – Certification Levels: 95 percent of Acquisition Workforce (AWF) members be certified to the level required by their position within allowable timeframes. NAVFAC achieved 96 percent.
- Goal 2 – Continuous Learning (CL): 87 percent of AWF members have current CL certificates. NAVFAC achieved 86 percent (missed CL goal by 1 percent).
- Goal 3 – Acquisition Corps Membership for Critical Acquisition Positions (CAP): 95 percent of CAPs be filled by Acquisition Corps members at the time of assignment to the CAP. NAVFAC achieved 95 percent.
- Goal 4 – Not applicable to NAVFAC.
- Goal 5 – Key Leadership Positions (KLP): 100 percent of individuals assigned to KLPs be fully qualified. NAVFAC achieved 100 percent.

General Military Training (GMT)

GMT is not completed by all military personnel as directed by OPNAVINST 1500.22G, General Military Training. NAVFAC headquarters staff FY13 GMT completion rate was 55 percent. NAVFAC's FY14 GMT completion rate was 92 percent (Category One topics) and 84 percent (Category Two topics) per OPNAVINST 1500.22G and NAVADMIN 264/13, FY-14 General Military Training Schedule.

Deficiency 7. **NAVFAC headquarters staff GMT Category One and Two topics are not completed by all military personnel. References: OPNAVINST 1500.22G, paragraph 4c and 6d(2); NAVADMIN 386/11; NAVADMIN 264/13.**

Recommendation 11. **That NAVFAC designate a Training Officer to collaborate with divisions/departments to establish and maintain an overall training program for the command.**

Civilian Training

As of 14 November 2014, only 51 percent of the NAVFAC headquarters staff had completed annual required training. Annual civilian training completion documentation for 2013 was not available for review. Further, NAVFAC is only tracking completion of civilian training with an annual requirement. Required training with other specific periodicity, such as "complete within 30 days or reporting" or "complete within 90 days of reporting," and biannual and triennial requirements, is not tracked. Civilian annual training requires greater emphasis.

Deficiency 8. **NAVFAC headquarters civilian staff mandatory training is not completed by all civilian personnel. Reference: SECNAVINST 12410.25; DON OCHR (https://www.portal.navy. mil/donhr/TrainingDevelopment/Pages/MandatoryTraining.aspx).**

Deficiency 9. **NAVFAC is not fully tracking completion of civilian training requirements. Reference: SECNAVINST 12410.25, Civilian Employee Training and Career Development; DON OCHR (https://www.portal.navy.mil/donhr/TrainingDevelopment/Pages/Mandatory Training.aspx).**

Recommendation 12. **That NAVFAC closely review its annual civilian training requirements and ensure civilian personnel are afforded an appropriate opportunity to complete them.**

Contractor Training

As of 14 November 2014, only 33 percent of the NAVFAC headquarters staff contractors had completed annual training required specifically for contractors (e.g., Anti-Terrorism, Information Assurance, Privacy Act/Personally Identifiable Information, Suicide Prevention, Operations Security, Physical Security). 2013 contractor annual training completion documentation was not available for review. Contractor annual training requires greater emphasis.

Deficiency 10. **Appropriate NAVFAC headquarters civilian staff training is not completed by all contractor personnel. Reference: OPNAVINST 1720.4A, paragraph 5a(1); DON OCHR (https://www.portal.navy.mil/donhr/TrainingDevelopment/Pages/MandatoryTraining.aspx).**

Recommendation 13. That NAVFAC closely review its contractor annual training requirements, ensure contractors are afforded an appropriate opportunity to complete them, and improve tracking of contractor-completed training.

Training for Supervisors of Civilian Personnel

Mandatory training requirements for civilian and military supervisors of civilian personnel are derived from DON OCHR. NAVFAC headquarters civilian supervisors of civilians annual training completion rate was 31 percent and that of military supervisors of civilians was 52 percent.

Deficiency 11. Training for civilians that supervise civilian personnel was only completed by 31 percent of personnel requiring this training. Reference: SECNAVINST 12410.25; DON OCHR (https://www.portal.navy.mil/donhr/TrainingDevelopment/Pages/Mandatory Training.aspx).

Deficiency 12. Training for military that supervise civilian personnel was only completed by 52 percent of personnel requiring this training. Reference: SECNAVINST 12410.25; DON OCHR (https://www.portal.navy.mil/donhr/TrainingDevelopment/Pages/Mandatory Training.aspx).

FACILITIES, ENVIRONMENTAL, ENERGY CONSERVATION, AND SAFETY AND OCCUPATIONAL HEALTH (SOH)

The Facilities, Environmental, Energy, and Safety Team assessed management, oversight, compliance, and execution of programs associated with each subject area via document review, data analysis, site visits, focus group and survey comments, and interviews with members of the NAVFAC headquarters and NAVFAC Washington staff. NAVFAC headquarters is successfully executing shore related mission requirements with respect to facilities, environmental, and energy conservation. SOH programs meet all required program elements in accordance with applicable laws, regulations, and policies and SOH oversight of subordinate echelon 3 commands is effective.

Facilities

The Facility Readiness Evaluation System indicates a condition rating of 73 for NAVFAC's headquarters facilities. This rating is below the average condition rating of 80 for other Washington Navy Yard (WNY) echelon 2 commands (scores ranged from 64 to 93) and below the average condition rating of 82 for all WNY facilities. Space allocation (available square footage) appeared sufficient and did not emerge as a significant mission impact in survey data or during on-site interviews.

Environmental Readiness

A review of operations at NAVFAC headquarters was conducted considering environmental compliance and environmental planning documentation including:

- Hazardous material
- Hazardous waste
- Spill prevention
- Storm water
- Drinking water
- Waste water
- Air pollution
- Environmental impact statements
- Environmental assessments
- Categorical exclusions
- Natural and cultural resources requirements

Due to the nature of their operations focused on policy, oversight, and training, the NAVFAC headquarters environmental program deals primarily with the proper storage, handling, and disposal of hazardous material, all of which are well-managed. NAVFAC headquarters does not use or have responsibility for petroleum storage or a hazardous waste accumulation area. Host installations (Naval Support Activity Washington and Naval Base Ventura County) handle other environmental program responsibilities.

Energy Conservation

NAVFAC headquarters is compliant with SECNAVINST 4101.3, Department of the Navy Energy Program for Security and Independence Roles and Responsibilities, and OPNAVINST 4100.5E, Shore Energy Management.

Safety and Occupational Health

NAVFAC SOH programs were assessed for compliance with 29 U.S.C. 651-678; Occupational Safety and Health Act of 1970; safety related rules, regulations, and standards promulgated by the Occupational Safety and Health Administration; and policies outlined in OPNAVINST 5100.23G CH-1, Navy Safety and Occupational Health Program Manual.

During our inspection, we reviewed the following aspects of SOH and found them to be compliant with governing directives:

- Command SOH policy
- SOH oversight of subordinate commands
- Headquarters SOH program
- Training and qualifications of safety professionals assigned to NAVFAC headquarters
- Operational risk management
- Safety councils, committees, and working groups
- Safety database input
- Safety trend analysis
- Safety self-assessment
- Acquisition safety
- Traffic safety (including motorcycle safety)
- Recreational/off-duty safety

NAVFAC headquarters maintains an effective SOH Program that meets all required program elements in accordance with applicable laws, regulations, and policies listed above. They excel in construction safety training and tracking, given their unique authorities and responsibilities with regards to military construction (MILCON). In addition, NAVFAC provides effective SOH oversight of their subordinate commands.

SECURITY PROGRAMS AND CYBERSECURITY/TECHNOLOGY

The Security Programs and Cybersecurity and Technology Team used survey and focus group responses, document review, and face-to-face interviews to assess the following areas:

- Command Security Programs
- Personnel Security
- Information Security
- Industrial Security
- Operations Security
- Physical Security and Antiterrorism/Force Protection
- Cybersecurity
- Personally Identifiable Information

Command Security Programs

NAVINSGEN reviewed compliance with mandatory personnel, information, industrial and operations security requirements. NAVFAC has a full-time command security officer and one security specialist. The Command Security Office is fully staffed.

Per NAVFAC 5510.30B, Naval Facilities Engineering Command Information, Personnel and Physical Security Program, Appendix B, Figure B-1, the Command Security Manager (CSM) reports directly to the Director, Management Services, but does not have access to the Commander regarding security matters, when required, as directed by SECNAV M-5510.36, Department of the Navy Information Security Program. While the CSM does not need access to the Commander for routine security matters, this access is required to ensure that the CSM can directly address security concerns with the Commander.

Deficiency 13. **The Command Security Manager does not have direct access to the Commander for security-related issues. Reference: SECNAV M-5510.36, Section 2-2, paragraph 1.**

Personnel Security

At the time of our inspection (b) (7)(E)

are authorized continued access to classified material per SECNAV M-5510.30, Department of the Navy Personnel Security Program, while their PSIs are updated.

Deficiency 14. (b) (7)(E)

Information Security

NAVFAC does not have a fully compliant Information Security program as required by SECNAV M-5510.36.

Deficiency 15. The Intrusion Detection System (IDS) (b) (7)(E)

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Deficiency 16. (b) (7)(E)

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Deficiency 17. (b) (7)(E)

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Deficiency 18. (b) (7)(E)

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Industrial Security

NAVFAC does not have a fully compliant Industrial Security program as required by SECNAV M-5510.36. NAVFAC executes classified contracts, but these contracts are not reviewed by qualified security specialists who are designated in writing by the Contracting Officer as Contracting Officer Representatives (COR) in accordance with SECNAV M-5510.36. NAVFAC does provide oversight of lower echelon Industrial Security programs, but is not inspecting to all program standards and requirements.

Industrial security requirements, delineated in SECNAV M-5510.36, are not documented in NAVFAC's BMS; as a result, Industrial Security requirements may not be followed when new contracts are being established.

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Deficiency 19. Classified contracts are not reviewed by qualified security specialists, designated in writing by the Contracting Officer as Contracting Officer Representatives (COR). Reference: SECNAV M-5510.36, Sections 2-6 and 11-5.

Deficiency 20. NAVFAC is not providing Industrial Security program oversight to lower echelons against all current program standards and requirements. References: SECNAV M-5510.36, Chapter 11; NAVFACINST 5510.30B, Chapter 27.

Deficiency 21. (b) (7)(E)

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Recommendation 14. (b) (7)(E)

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Operations Security (OPSEC)

(b) (7)(E)

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Deficiency 22. (b) (7)(E)

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Deficiency 23. (b) (7)(E)

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Physical Security and Antiterrorism/Force Protection

NAVFAC's Emergency Action Plan (EAP) (Chapter 24 of NAVFAC Manual 5510.30 dated 04 December 2012) does not contain all required elements specified in CNICINST 3440.17, Navy Installation Emergency Management Program Manual, Standard 7, Tenant Command Emergency Action Plan. Of note, NAVFAC's draft EAP does contain all required elements and will satisfy CNICINST 3440.17 requirements when signed out.

Deficiency 24. NAVFAC's Emergency Action Plan does not contain all required elements. Reference: CNICINST 3440.17, Standard 7, Page 165.

Personally Identifiable Information (PII)

NAVFAC does not have a PII program as required by SECNAVINST 5211.5E, Department of the Navy (DON) Privacy Program. The command has a Privacy Coordinator, but a number of program requirements are not executed in accordance with SECNAV 5211.5E and ALNAV 070/07, Subj: Department of the Navy (DON) Personally Identifiable Information (PII) Annual

Training Policy, including regular conduct of semi-annual PII spot checks, establishment of a Privacy Act Team, promulgation of breach procedures or oversight of lower echelon PII programs.

Deficiency 25. **NAVFAC does not have a PII program. Reference: SECNAVINST 5211.5E, paragraph 7h; ALNAV 070/07.**

RESOURCE MANAGEMENT/COMPLIANCE PROGRAMS

The Resource Management/Compliance Programs Team assessed 18 programs and functions. Our findings reflect inputs from survey respondents, onsite focus group participants, document review, direct observation, and face-to-face personnel interviews.

The following programs and functions are considered to be well-administered and in full compliance with applicable directives:

- Financial Management/Comptroller Functions
- Managers' Internal Control
- Government Travel Charge Card
- Government Commercial Purchase Card
- Command Individual Augmentee Coordinator Program
- Post-Deployment Health Reassessment
- Sexual Assault Prevention and Response
- Physical Readiness Program
- Navy Alcohol and Drug Abuse Prevention
- Command Managed Equal Opportunity
- Hazing Training and Compliance
- Legal and Ethics
- Inspector General Functions
- Voting Assistance Program

NAVFAC Inspector General (IG) Performance

We conducted a quality assurance review of NAVFAC's IG hotline program and found it to be compliant with SECNAVINST 5370.5B, DON Hotline Program. NAVFAC has an inspection program to self-assess program compliance per SECNAV 5040.3A, Inspections Within the Department of the Navy, and has a robust program of inspection of subordinate commands.

Ethics

Overall, NAVFAC's Ethics program is very well run. They exhibit such best practices as use of Total Workforce Management Services (TWMS) to identify and track Office of Government Ethics (OGE) Form 450 filers, cross-referencing a list of companies/entities with whom NAVFAC contracts to determine potential conflicts of interest, and close coordination and engagement with NAVFAC front office personnel who are well-sensitized to ethics issues in areas such as industry meetings and travel. However, the front office is not routinely routing Flag Officer and Senior civilian leadership invitations (e.g., speaking engagements) through the ethics lawyers for review.

Recommendation 15. **That invitations for senior NAVFAC personnel (e.g., speaking engagements, events, widely-attended gatherings) be routed through ethics attorney for review.**

The following programs are not fully compliant:

Individual Medical Readiness (IMR)

IMR is well-managed. However, regular reporting of IMR status of headquarters staff and the NAVFAC Force to senior NAVFAC leadership as required by DoDI 6025.19, Individual Medical Readiness and SECNAVINST 6120.3 CH-1, Periodic Health Assessment for Individual Medical Readiness, has not been performed.

Deficiency 26.   IMR status is not regularly reported to NAVFAC senior leadership. References: DoDI 6025.19, Enclosure (2), paragraph 6a; SECNAVINST 6120.3 CH-1, paragraph 3a.

Suicide Prevention

NAVFAC Senior Leadership has not regularly published messages, information and guidance on suicide prevention (SP) and has not incorporated SP as a part of life skills and health promotion training as required by OPNAVINST 1720.4A, Suicide Prevention Program.

NAVFACINST 1720.1A, Suicide Prevention Program, requires annual reporting to NAVFAC headquarters by lower echelons of the status of their SP programs, using a checklist contained in the instruction. There was no evidence that these annual reports are being sent to NAVFAC by their subordinates or that NAVFAC headquarters has been tracking compliance with this requirement.

Deficiency 27.   NAVFAC has not regularly published messages to provide suicide prevention guidance and information and has not incorporated suicide prevention as a part of life skills and health promotion training. Reference: OPNAVINST 1720.4A, paragraphs 5a(2)-(3) and 6h(4).

Deficiency 28.   NAVFAC headquarters is not receiving or tracking annual reports of lower echelon suicide prevention programs as required by their own instruction. Reference: NAVFACINST 1720.1A, paragraph 5d(1).

Noncompliant Programs:

Victim and Witness Assistance Program (VWAP)

NAVFAC did not have a headquarters VWAP in place at the time of our inspection and was not executing echelon 2 oversight responsibilities for subordinate commands as required by OPNAVINST 5800.7A, Victim and Witness Assistance Program. During our inspection, NAVFAC appointed a Victim and Witness Assistance Coordinator (VWAC) and promptly began developing plans to provide proper oversight of subordinate commands, such as including VWAP among items assessed during inspections of echelon 3 and below.

Deficiency 29.   NAVFAC is not performing echelon 2 responsibilities for oversight of VWAP throughout subordinate commands. Reference: OPNAVINST 5800.7A, paragraph 8b.

Deficiency 30. NAVFAC headquarters does not have an appointed VWAC. Reference: OPNAVINST 5800.7A, paragraph 8d(2).

Personal Property Management

NAVINSGEN reviewed the NAVFAC Personal Property Management program, including its usage of the Defense Property Automated System (DPAS) database and hard copy back-up records. The current headquarters program is unsatisfactory; NAVFAC did not conduct its last periodic physical inventory within the three-year periodicity required by SECNAVINST 7320.10A, Department of Navy (DON) Personal Property Policies and Procedures. NAVFAC last completed a physical inventory of personal property in 2008. All other required elements of the program, per SECNAVINST 7320.10A and DoDI 5000.64, Defense Property Accountability, were in place.

Deficiency 31. The triennial physical inventory of personal property has not been completed by NAVFAC within required periodicity. Reference: SECNAVINST 7320.10A, Enclosure (1), paragraph 7d(1).

Recommendation 16. That NAVFAC Personal Property Manager (PPM) utilize multiple count times to conduct inventory (e.g., employing the book-to-floor inventory method at one time, while employing the floor-to-book method at another, reconciling any discrepancies).

Recommendation 17. That NAVFAC continue implementation of web-based DPAS to enable headquarters PPM to gain increased oversight of lower echelon Personal Property Management programs.

SAILOR PROGRAMS

Brilliant on the Basics Programs were reviewed and behavior associated with good order and discipline was closely observed. Overall, command morale and perceptions of quality of life (QOL) were noted to be average. Enlisted Sailors displayed proper military bearing and maintained a professional appearance.

Sailor Career Management Programs

Areas reviewed included the Command Sponsorship, Command Indoctrination, and Career Development Programs.

Command Sponsorship Program

This program is in compliance with OPNAVINST 1740.3C, Command Sponsor and Indoctrination Programs. The command has a designated coordinator responsible for assigning Sponsors to prospective military staff members. The Sponsor Coordinator has a system in place to ensure Sailors complete required Fleet and Family Support Center training before being assigned Sponsorship duties.

Command Indoctrination Program (INDOC)

NAVFAC does not have a Command Indoctrination program established and therefore is not in compliance with OPNAVINST 1740.3C. The command has identified a command training team and has plans in place to establish an INDOC program to include Navy Pride and Professionalism training.

Deficiency 32. **NAVFAC does not have a Command Indoctrination program as required by OPNAVINST 1740.3C, paragraphs 4a & 4b and Enclosure (2), paragraphs 1c through 1e.**

Career Development Program (CDP)

NAVFAC's CDP is in compliance with OPNAVINST 1040.11D, Navy Enlisted Retention and Career Development Program. A rated Navy counselor is assigned and junior enlisted Sailors receive required Career Development Boards and guidance from senior enlisted leaders.

Appendix A: Issue Papers

SUMMARY OF ACTIONS

Issue Papers that follow require responses to recommendations in the form of Implementation Status Reports (ISRs). If you are an Action Officer for a staff listed in Table A-1, please submit ISRs as specified for each applicable recommendation, along with supporting documentation, such as plans of action and milestones and implementing directives.

- Submit initial ISRs using OPNAV Form 5040/2 no later than 1 May 2015. Each ISR should include an e-mail address for the action officer, where available. This report is distributed through Navy Taskers. ISRs should be submitted through the assigned document control number in Navy Taskers. An electronic version of OPNAV Form 5040/2 is added to the original Navy Tasker Package along with the inspection report, upon distribution.

- Submit quarterly ISRs, including "no change" reports until the recommendation is closed by NAVINSGEN. When a long-term action is dependent upon prior completion of another action, the status report should indicate the governing action and its estimated completion date. Further status reports may be deferred, with NAVINSGEN concurrence.

- When action addressees consider required action accomplished, the status report submitted should contain the statement, "Action is considered complete." However, NAVINSGEN approval must be obtained before the designated action addressee is released from further reporting responsibilities on the recommendation.

- NAVINSGEN point of contact for ISRs is (b) (7)(C)

Table A-1. Action Officer Listing for Implementation Status Reports

COMMAND	RECOMMENDATION NUMBER(S) XXX-14
OPNAV N4	052, 053, 054, 055
CNIC	054
OPNAV N46	058
DASN(CHR)	060
NAVFAC	054, 056, 057, 059, 060

ISSUE PAPER A-1: REASSESSMENT OF ENVIRONMENTAL COMPLIANCE PROGRAM FUNDING

Issue: OPNAV N4 and Budget Submitting Offices (BSO) have accepted notable risk in many environmental program areas, which impedes NAVFAC's ability to execute the affected programs on behalf of supported commands and may ultimately impact Navy missions.

Background: Funding for environmental projects is often prioritized to address legally mandated projects on a just-in-time basis. The just-in-time approach often results in a lack of Program Objective Memorandum (POM) support and unfunded budget-year requirements. Funding is generally not provided for projects that are required solely per Department of Defense (DoD) or Navy policy, represent best practices,   designed solely to reduce life cycle costs, or facilitate proactive management. In some cases, such projects remain unaddressed until an unexpected source of funds becomes available (e.g., end of fiscal year windfall). Legally-mandated projects may also be unfunded, subject to CNIC funding controls provided for each region.

Discussion: This just-in-time funding approach presents challenges for the NAVFAC environmental program, including potential loss of trust with external observers, such as regulators and installation commanding officers, that comes from executing a program that only minimally complies with policies established in OPNAV M-5090.1, Environmental Readiness Program Manual. This contributes to the perception that regulatory violations, when they occur, could have been avoided by following established policies and best practices.

Examples of unfunded projects related to installation environmental compliance include:

- Historic lack of funding for oil and hazardous substances spill response plans, solid waste management plans, storage tank management plans, and radon assessments.   These products are necessary to properly manage and achieve regulatory compliance.
- Funding for spill equipment procurement has been reduced and this increases the risk of uncontrolled oil spills.
- Necessary increases for addressing overseas drinking water requirements were offset by reductions to stateside program requirements increasing the risk of noncompliance.
- Lack of funding in the Natural Resources Conservation Program results in risk-based decisions to underfund efforts such as invasive species control.   This will result in further spread and damage to

installations ecosystems impacting land and near-shore sustainment for the infrastructure to support the operational mission. Reduced funding will also increase the long term costs.

- Underfunding the Cultural Resources Program results in the reduced ability to proactively assemble critical program information such as the location and extent of archaeological sites on our installations. This produces impacts to base development projects including extended regulatory consultation times and increased mitigation costs. Risks include failure to comply with statutory and regulatory requirements, litigation, and the constriction of training and operational flexibility.

Recommendation: 052-14. That OPNAV N4 review the level of risk that has been accepted in the current and future funding profiles for environmental compliance programs and reassess if it is appropriate. If a review determines that the risk is too high, increase funding as appropriate.

NAVINSGEN POC: (b) (7)(C)

ISSUE PAPER A-2: GUIDANCE ON SHORE FACILITY PLANNING

Reference: (a) DoDI 4165.70, Real Property Management, 6 Apr 05

Issue: NAVFAC lacks OPNAV guidance regarding Basic Facility Requirements (BFR) validation and Navy facility space management.

Background: NAVFAC maintains a shore facility planning system (SFPS) to promote efficient and economical use of Navy facility space, including identification of facility consolidation and disposal opportunities as addressed in reference (a).

Discussion: Additional OPNAV policy regarding shore facilities planning is needed to ensure SFPS data can be used to best allocate facility space. Critical areas to be addressed include:

- Identification of the required level of BFR validation by warfare enterprises and echelon 2 commands for key or critical category codes, and establishment of an Echelon 1 adjudicator for requirements.
- Implementation of a Navy Space Management program to more effectively assign, manage, and adjust type, quantity, and location of facility space.

The products and services covered under shore investment planning include BFR development; Asset Evaluations (AE); Facility Planning Documents (FPD); and Facility Requirements Plans (FRP). Together, these products and services form the Navy's SFPS used to develop what real property assets are required (BFR); what real property assets are available to meet requirements (AE); and a plan to balance our assets with our requirements (FPD). NAVFAC has published an SFPS guidebook that clearly explains the required outcomes when facility planners perform AEs and update BFRs, FPDs, and FRPs. However, there are no clear outcomes defined with respect to footprint reduction or optimal shore footprint.

Recommendation: 053-14. That OPNAV N4 provide written guidance regarding measurable goals for shore facilities planning and basic facility requirements validation from warfare enterprises and echelon 2 commands.

                           054-14. That NAVFAC, in coordination with OPNAV N4 and Commander, Navy Installations Command, develop and implement a Navy space management program.

NAVINSGEN POC: (b) (7)(C)

ISSUE PAPER A-3: INSTALLATION MASTER PLANNING GUIDANCE

References: (a) DoDI 4165.70, Real Property Management, 6 Apr 05
                        (b) Unified Facilities Criteria (UFC) 2-100-01, Installation Master Planning

Issue: NAVFAC maintains installation master plans to promote efficient and economical use of Navy real property assets, but lacks Navy-wide goals and objectives for these efforts.

Background: References (a) and (b) require the Services to develop and implement infrastructure master plans.

                        NAVFAC maintains installation master plans to promote efficient and economical use of Navy real property assets. Installation master plans are critical documents that allow Navy leadership to monitor their real property holdings and ensure they are used to the maximum extent possible consistent with both peacetime and mobilization requirements. The Office of the Secretary of Defense (OSD) has published criteria that define what must be included in an installation master plan as well as metrics to measure compliance with the UFC.

Discussion: Additional guidance from OPNAV that formalizes the Navy's shore infrastructure planning program is required to accomplish the following:

- ▪ Establish requirements and Navy-wide goals/objectives for the keystone master planning products: Global Shore Infrastructure Plans (GSIP), Regional Integration Plans (RIP), and Installation Development Plans (IDP).
- ▪ Implement recently established OSD metrics to track compliance with UFC 2-100-01.

                        NAVFAC has published consistency guides and Business Management System (BMS) processes for GSIPs and IDPs to ensure consistency across the enterprise and compliance with the UFC. Installation master plans are maintained as required, but this work is dependent on available funding and competing requirements for other work performed by the same personnel. NAVFAC measures installation master plan currency. However, processes are needed to measure the other 3 metrics established by OSD in August 2014: master plan content, master planning and programming integration, and master planning staff competency. Commander, Navy Installations Command (CNIC) has also provided Common Output Level (COL) 4 funding metrics for these plans. Development of additional internal NAVFAC shore infrastructure planning metrics is in the initial

planning stages.

Recommendation: 055-14. That OPNAV N4 provide written guidance that establishes Navy-
                    wide metrics regarding master planning documents.

NAVINSGEN POC: (b) (7)(C)

ISSUE PAPER A-4: NAVFAC SUPPORT TO CNIC FOR THE DEFENSE CRITICAL INFRASTRUCTURE PROGRAM (DCIP)

References: (a) OPNAVINST 5450.348, Missions, Functions and Tasks of Naval Facilities Engineering Command
(b) OPNAVINST 4100.5E, Shore Energy Management
(c) DoDI 3020.45, Defense Critical Infrastructure Program (DCIP) Management
(d) DoDD 3020.40, DoD Policy and Responsibilities for Critical Infrastructure
(e) SECNAVINST 3501.1C, Department of the Navy Critical Infrastructure Protection Program
(f) Public Law 111-84, National Defense Authorization Act for Fiscal Year 2010 (NDAA-10)
(g) Public Law 109-58, Energy Policy Act of 2005 (EPA 2005)
(h) Public Law 110-140, Energy Security and Independence Act of 2007 (EISA 2007)
(i) DoDM 3020.45, Defense Critical Infrastructure Program (DCIP)

Issue: (b) (7)(E)

Background: (b) (7)(E)

(b) (7)(E)

- Following an installation assessment, (b) (7)(E)

- Installation Commanders use (b) (7)(E)

- (b) (7)(E)

Installation and Regional Commanders are required by reference (b) to report progress to CNIC (b) (7)(E)

Discussion: (b) (7)(E)

uring our inspection, NAVINSGEN (b) (7)(E)

A broader Navy issue related to the number and delivery of various installation vulnerability assessments provided to an Installation Commander was also identified. Installation Commanders today receive various (b) (7)(E) assessments at periodic intervals. Examples include the (b) (7)(E)

. The current assessment scheme provides (b) (7)(E) to the Installation Commander (b) (7)(E)

In addition, a number of
(b) (7)(E)

DoD (b) (7)(E)

The Navy (b) (7)(E)

(b) (7)(E)

Recommendations: 056-14. That NAVFAC (b) (7)(E)

057-14. That NAVFAC (b) (7)(E)

058-14. That OPNAV (b) (7)(E)

NAVINSGEN POC: (b) (7)(C)

ISSUE PAPER A-5: NAVFAC HIRING CHALLENGES

Issue: NAVFAC has a considerable number of corporate vacancies, but hiring
                        rates have been outpaced by employee attrition rates.

Background: NAVFAC self-reported nearly 2,700 vacancies and an estimated
                        onboarding rate of 4 percent versus an estimated 8 percent attrition rate.
                        This requires that approximately 14 new employees be hired each week.
                        A notable backlog developed in Human Resources processing across the
                        Department of the Navy as a result of budget constraints, the civilian
                        employee hiring freeze, and the government employee furlough.

Discussion: The chart below shows the current vacancies across the NAVFAC
                        Enterprise. At the time of this weekly report of 22 October 2014, NAVFAC
                        listed 2,674 vacant billets with 1,730 of those having an open Request for
                        Personnel Action (RPA) in some stage of the hiring process. In the far left
                        column is the overall "Affordability" number. This number is derived by
                        budgetary controls and equates to the full time equivalent (FTE) end
                        strength for a given fiscal year.

SMC Name	FY15 Affordability	Civilians (DH, FD, FI) Onboard	FY15 Affordability Vacancies	Open RPAs
	a	b	c [a - b]	d
1Q - HQ	445	415	30	29
1L - LANT (a)	591	472	119	64
2L - MIDLANT	3,592	3040	552	302
3L - WASH	1,503	1335	168	190
4L - MIDWEST	791	683	108	24
5L - NORTHWEST	1,039	863	176	113
6L - SOUTHEAST	1,724	1593	131	168
7L - SOUTHWEST	3,136	2815	321	340
8L - EURAFSWA	908	802	106	123
1P - PAC	509	362	147	29
2P - HAWAII	1,516	1165	351	104
3P - FAR EAST (b)	2,182	1936	246	103
4P - MARIANAS	534	473	61	63
2Q - NCC	85	79	6	4
3Q - EXWC	932	784	148	73
5Q - NFI	31	27	4	1
Grand Total	**19,518**	**16,844**	**2,674**	**1730**

Notes:
(a) LANT's Civilians Onboard number includes 20 Djibouti employees who are
coded CE3 in LANT's manpower document.
(b) FAR EAST's FY15 Affordability and Civilians Onboard numbers include 1770
and 1655 CIV-FIs, respectively. In this case, FAR EAST FY15 Affordability Vacancy
requirement is 146 for CIV-DH and CIV-FD combined.

Current hiring efforts do not yield the required accession rate to reduce the current employee vacancy gap. Many of the required steps/tollgates to hire employees are outside of NAVFAC's control. NAVFAC's stated goal for duration of the hiring process is 132 days; however, examples of two hiring actions processed through two different locations during FY14 showed durations of 103 days and 265 days.

NAVFAC Process Improvement efforts are underway to analyze and address this variance between the different human resource office hiring timelines. Further efforts to close the vacancy gap across the NAVFAC enterprise require assistance from Navy's Civilian Human Resources experts.

We did not validate NAVFAC's manpower requirements, but note that NAVFAC has no record of a Shore Manpower Requirements Determination (SMRD) being performed for its echelon 2 headquarters staff and for lower echelons to validate its stated requirement.

Recommendations: 059-14. That NAVFAC formalize and promulgate process improvements on internal hiring steps in their Business Management System to accelerate personnel vacancy onboarding rates.

060-14. That Deputy Assistant Secretary of the Navy (Civilian Human Resources) assist NAVFAC with means and methods to more efficiently screen, hire, and onboard qualified employees to fill vacancies.

NAVINSGEN POC: (b) (7)(C)

APPENDIX B: Summary of Key Survey Results

PRE-EVENT SURVEY

In support of the Naval Facilities Engineering Command (NAVFAC) Command Inspection held 28 October 2014 to 7 November 2014, the Naval Inspector General (NAVINSGEN) conducted an anonymous on-line survey of active duty military and Department of the Navy (DON) civilian personnel from 27 August 2014 to 7 October 2014. The survey produced 306 respondents (28 military, 278 civilian). According to reported demographics the sample represented the NAVFAC workforce with less than a 5% margin of error at the 99% confidence level. Selected topics are summarized in the sections below. A frequency report is provided in Appendix C.

Quality of Life

Quality of life was assessed using a scale from 1 to 10, where 1 is worst and 10 is best. The overall NAVFAC average quality of work life (QOWL), 6.40 was comparable to the echelon 2 average, 6.60 (Figure B-1). The overall NAVFAC average quality of home life (QOHL), 8.07 was higher than the echelon 2 average, 7.86 (Figure B-2). Average QOWL rating varied among subgroups: the average civilian QOWL (6.31) was lower than military (7.21) and the average female QOWL (5.97) was lower than male (6.73).

The perceived impact of factors on QOWL life rating is summarized in Table B-1. Factors of potential concern were identified by distributional analyses, where 20% negative responses served as a baseline. Advancement opportunities, workload, awards and recognition, command morale, and command climate were the most frequently identified factors perceived to have a negative impact on QOWL. Military-civilian and male-female subgroup differences in perceived negative impacts on QOWL rating are summarized in Table B-2. Advancement opportunities and awards and recognition were expressed as having a negative impact on QOWL more often for civilians than military. Command morale was expressed as having a negative impact on QOWL more often for females than males.

The perceived impact of factors on QOHL life rating is summarized in Table B-3. Not surprisingly, cost of living in the geographic area was broadly identified (44%) as a negative impact on QOHL rating.

Job Importance and Workplace Behaviors

Table B-4 lists strongly agree and agree response percentages to survey questions addressing perceived job importance, and whether fraternization, favoritism, gender/sex discrimination, sexual harassment, or hazing occur at NAVFAC. Overall echelon 2 command inspection percentages over a 5-year period are shown for comparison. Excepting job importance, lower values are "better."
- Perceived job importance at NAVFAC was comparable to the 5-year echelon 2 value.
- Perceived occurrence of favoritism, sexual harassment, and race discrimination at NAVFAC were lower than the 5-year echelon 2 values.
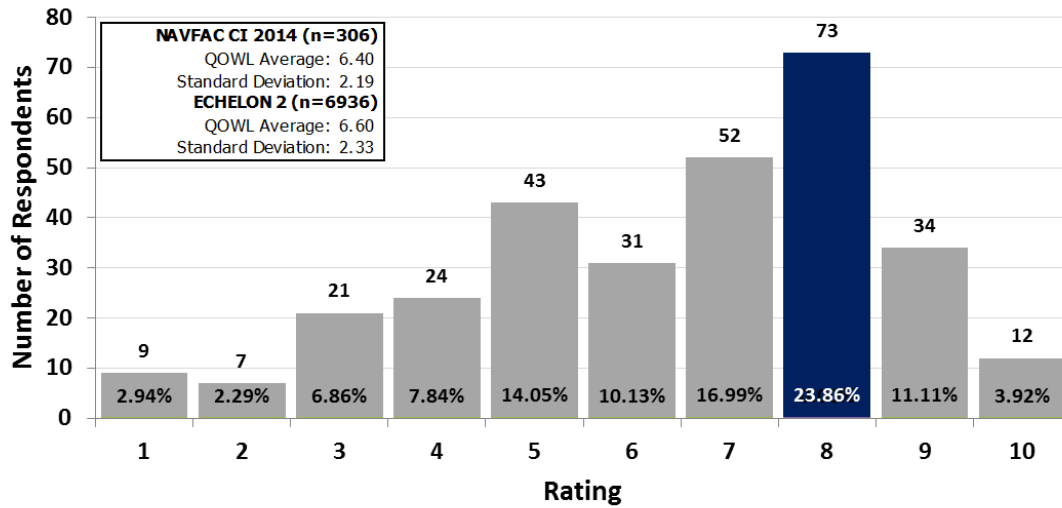
Figure B-1. Distribution of quality of work life ratings from the pre-event survey. The x-axis lists the rating scale and the y-axis represents the number of survey respondents. Response percentages for ratings are shown at the base of the bar. Counts for each rating are shown above each bar. The most frequent rating is shown in blue.
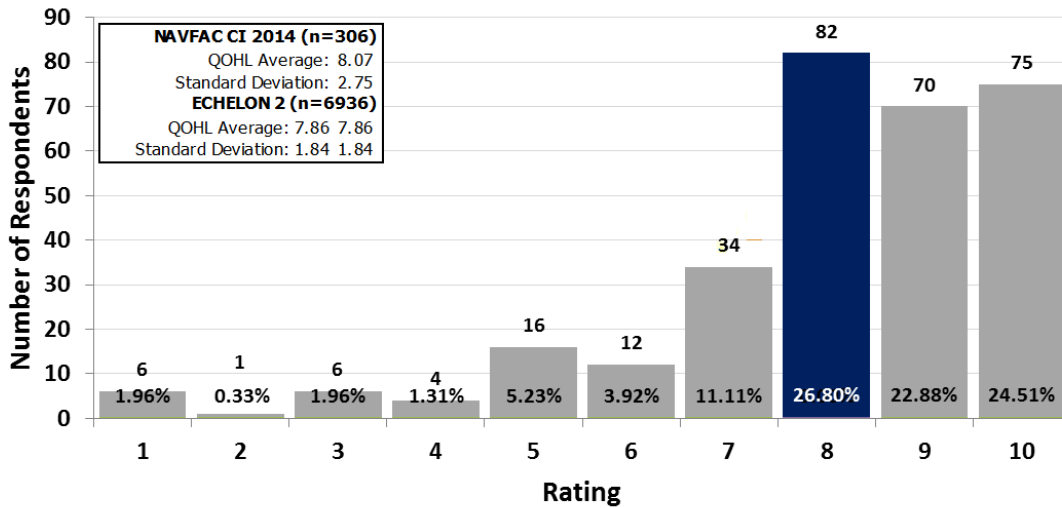
Figure B-2. Distribution of quality of home life ratings from the pre-event survey. The x-axis lists the rating scale and the y-axis represents the number of survey respondents. Response percentages for ratings are shown at the base of the bar. Counts for each rating are shown above each bar. The most frequent rating is shown in blue.

Table B-1. Impact of Factors on Quality of Work Life Rating

Factor	Negative	Other
Job satisfaction	18%	82%
Leadership support	25%	75%
Leadership opportunities	25%	75%
Advancement opportunities	**31%**	69%
Workload	**30%**	70%
Work Hours/Schedule	**9%**	91%
Training opportunities	24%	76%
Awards and recognition	**31%**	69%
Command morale	**35%**	65%
Command climate	**30%**	70%
Quality of workplace facilities	23%	77%

Notes. Perceived impact of factors on quality of work life rating based on negative verses aggregate positive and neutral (Other) responses. Negative values in bold indicate a poor "fit" when using a 20% baseline.

Table B-2. Differences in the Perceived Negative Impact of Factors on Quality of Work Life Rating as a Function of Subgroup

Factor	Military	Civilian	Male	Female
Advancement opportunities	4%	**34%**	-	**-**
Awards and recognition	4%	**34%**	-	-
Command morale	-	-	29%	**47%**

Notes. Differences between the distribution of military-civilian and male-female subgroups in the identification of factors that have a negative impact on quality of work life rating.

Table B-3. Impact of Factors on Quality of Home Life Rating

Factor	Negative	Other
Quality of home	**5%**	95%
Quality of the school for dependent children	**3%**	97%
Quality of the childcare available	**5%**	95%
Shopping & dining opportunities	**4%**	96%
Recreational opportunities	**4%**	96%
Access to spouse employment	**6%**	94%
Access to medical/dental care	**5%**	95%
Cost of living	**44%**	56%

Notes. Perceived impact of factors on quality of work life rating based on negative verses aggregate positive and neutral (Other) responses. Negative values in bold indicate a poor "fit" when using a 20% baseline.

Table B-4. Perceived Job Importance and Occurrence of Workplace Behaviors

Question Topic	NAVFAC	Echelon 2
Job Importance	84%	79%
Fraternization	14%	14%
Favoritism	**3%**	32%
Gender/Sex Discrimination	8%	14%
Sexual Harassment	**1%**	9%
Race Discrimination	**1%**	11%
Hazing	0%	7%

Notes. Aggregate strongly agree and agree (SA+A) response percentages for selected command climate topics. Echelon 2 percentages from FY10-14. Excepting Job Importance, lower percentages are "better." Bold values indicate a significantly different distribution of SA+A responses than Echelon 2.

APPENDIX C: Summary of Focus Group Perceptions

FOCUS GROUPS

On 28-29 October 2014, NAVINSGEN conducted a total of 12 focus groups at NAVFAC, six with various groupings of active duty military ranks and six with various groupings of civilian grades. There were a total of 64 NAVFAC focus group participants: 20 military, 44 civilians. Each focus group was scheduled for approximately one hour and consisted of one facilitator and two note takers. The facilitator followed a protocol script: (a) focus group personnel introductions, (b) brief introduction to the NAVINSGEN mission, (c) privacy, Whistleblower statutes, and basic ground rules, (d) participant-derived list of topics perceived to be obstacles to the mission, job performance, or quality of life, and (e) subsequent refinement and discussion of participant-derived topics with an emphasis on understanding the perceived impact. Note takers transcribed focus group proceedings, which were subsequently entered and coded in a spreadsheet database to determine the total number of focus groups in which the same or comparable topic and its perceived impact were discussed.

Due to the predominant civilian population (88%), topics from the six active duty military sessions were combined into one "group" to better represent civilian-military proportions in the population. Table C-1 lists focus groups topics that were expressed as a major impact on the mission, job performance, or quality of life in at least two military and/or DON civilian focus groups. Military and civilian focus groups at NAVFAC mentioned Leadership most often as having a major impact on the mission, job performance, or quality of life.

Table C-1. Participant-Derived Focus Groups Topics Expressed as a Major Impact on the Mission, Job Performance, or Quality of Life.

Topic	Impact		
	Major	Moderate	Minor
Leadership	●●●●●		
Manning/Manpower	●●	●●●	
Communication	●●	●●	
Military-Civilian Relationship	●●		
Facilities	●●		

Notes. Descending order of the number of focus groups topics that were expressed as a major impact on the mission, job performance, or quality of life in at least two groups. Colored circles indicate active duty military (●) and civilian (●) groups at NAVFAC. Due to the predominant civilian population at NAVFAC, topics from active duty military sessions were combined into one "group."

Leadership

Various positive and negative attributes of leadership were expressed as a major impact on the mission, job performance, and/or quality of life in five of the seven groups. Three of the five groups expressed that NAVFAC leadership is consumed by "a culture of fear" that constricts the courage to inform customers of insufficient project resources and calculated risk-taking through consideration of bottom-up information within the organization. In terms of job performance, participants expressed that the organization is too "stovepiped," where vertical lanes in NAVFAC's matrix organization are not easily crossed. The stovepipe mentality was perceived to impede progress while navigating horizontally within the matrix, especially for the mid and lower graded employees. Several participants noted shortfalls in teamwork and sharing information when projects span across vertical organization lines that were expressed as negative impacts on productivity and workforce morale. The combination of a culture of fear and "Can-do!" motto within headquarters was perceived as an inhibitor of truth-telling to Navy leadership and customers regarding the impact of regulations, reduced funding and resources, and other project constraints. Some participants thought that NAVFAC leadership is unwilling to stand up and say, "No, we cannot support the request given the resources that you supply." With respect to employee performance appraisals, civilian participants in particular expressed cynicism regarding accountability in that supervisors appear to "pass everyone" without due recognition for exemplary or substandard performance.

On a positive note, some mid-level and immediate supervisors were praised for their flexible governance of work schedules and telework policy, although participants generally expressed that the application of the telework policy is highly dependent on the personality of the supervisor. In addition, the "Can-do!" motto was viewed as a positive force at lower echelons where the facilities are built.

Manning/Manpower

Several group participants noted over 2000 job vacancies in the NAVFAC enterprise workforce, with expressed impacts on the quality, cost, and timeliness of mission products (e.g., audit failures). In the absence of reduced expectations, the staffing vacancies were also thought to produce an unrealistic workload burden and contribute to elevated workplace stress. Some participants expressed that "staffing studies" have not been performed to determine manning/manpower requirements. Several participants expressed that the NAVFAC workforce consists of too many supervisors (e.g., GS-15 hired to supervise another GS-15).

Communication

Two groups expressed a major negative impact on job performance as a function of reliance on email as a primary platform for communication. Several mid to lower graded civilian participants expressed that job productivity is enhanced through team discussions where goals and objectives are clarified, whereas email was described as a predominantly one-way conversation that was perceived as a less effective means to accommodate team discussion.

On a positive note, the ability to travel on-site to conduct face-to-face communications with NAVFAC personnel, performers, and customers was expressed as a critical component of mission success.

Military-Civilian Relationship

Negative impacts on the mission, job performance, and quality of life involving military-civilian relationships were reported in two groups (participants in other groups "tip-toed" around this topic or did not provide impact statements). Civilians expressed that some military members in leadership roles do not have the requisite training or understanding to manage a civilian workforce (e.g., work hours, work schedule, performance appraisal cycle), while some military members were concerned that some civilians in senior positions are not in alignment and committed to common NAVFAC goals. Both groups recognized that there are good examples of military-civilian relationships; however, participants in each subpopulation generally expressed that there is room for improvement.

Facilities

Quality of work life was expressed by several group participants as being adversely affected by the lack of adequate climate control, general cleanliness (e.g., bathrooms, window sills) and the presence of insects (e.g., roaches) in the workplace. A few participants reported lost productivity as a result of recurring temperature range shifts in their work area. Participants expressed significant delays in mission completion as a function of losing key individuals during climate control challenges.

Other Focus Group Topics with Expressed Major Impact

Topics that were expressed in only one focus group as a major impact on the mission, job performance, or quality of life are briefly described below, first in order of importance based on the number of groups that discussed the topic and then in alphabetical order.

Telework: Participants in four groups expressed a positive impact on job performance (productivity) and quality of life (avoidance of commute, parking, and aforementioned facilities stressors) in association with the ability to work from home. However, several participants in each of these groups expressed that the policy is driven too much by supervisor personality— whether they "agree" with telework. Several participants favored expansion of the telework policy beyond a single day within a work week (or pay period).

Other Policies/Processes: One civilian focus group expressed some major disappointments with the check-in process. The check-in sheet was generally expressed as a positive impact on the mission, but should be revised more often to avoid inaccurate information. Some participants expressed that it takes too long to complete the check-in sheet.

With respect to the hiring process one participant exclaimed, "Bringing on a new hire is always like the first time doing it," which received consensus replies from the group. Participants strongly expressed that, since there is often considerable lag between the job offer acceptance and report dates, the entire process to bring a new employee aboard should be a well-oiled

machine. Several participants expressed that the "system [hiring process] is not agile enough to compete with the private sector."

One group expressed that NAVFAC does not effectively communicate policy to lower echelons, and that NAVFAC needs to do a better job at ensuring that that the impact on lower echelons on what is imposed is considered before implementation.

Advancement/Promotion: Some participants were very disappointed that they had reached the promotion ceiling within their series and face a paucity of advancement options within the organization.

Training: Participants claimed that several employees have not completed required acquisition Level III training and that there is insufficient time at work to complete this requirement (one participant reported completing the requirement on their own time at home). However, our inspection team found that NAVFAC is adequately maintaining acquisition training/certification in the workforce.

One group thought that more time is spent on mandatory, rather than job-related training, which was expressed as a detriment to technical positions that must maintain continuing education requirements and licenses, as well as other knowledge and skillsets for emerging and cutting edge technologies.

Command Climate: Some participants claimed that the biggest command climate issue at NAVFAC is "killing the messenger," which may be related to previously summarized content under *Leadership*.

Culture: As previously noted under *Leadership*, some participants thought that the "Can do!" culture of Seabees often works against the organization in that it inhibits headquarters from making the case for resource requirements to accomplish the mission, or enumerate what cannot be accomplished with resource reductions. However, this motto is viewed positively when applied at lower echelons.

NMCI/IT: One participant exclaimed that "every other SYSCOM has an enterprise business system funded by Big Navy, but ours is homegrown… It's too embarrassing to ask for help, because we are going to 'can-do' our way through it." The group concurred that this topic, when expanded to the current intranet infrastructure, has a negative impact on communication and workload.

Teamwork: As previously discussed under *Leadership*, some participants expressed difficulties in executing the mission though teamwork: chain of command related issues; appropriate release/dissemination of information; leveraging bottom up information and subject matter expertise. Group participants also expressed some general difficulties working with personalities at the Senior Executive Service level.

Work Hours/Schedule: One group expressed a major positive impact on job performance and quality of life with the ability to have a flexible work schedule. Negative impact: One civilian group claimed that they were working hours in excess of compensation. Thirty –three percent of survey respondents indicated that they frequently or always report fewer hours in a pay period because they cannot complete all assigned tasks during scheduled work hours.

Workspace: One group expressed that NAVFAC workspaces are jam-packed and too noisy. Several participants claimed that they are more productive when working at home.

Other Focus Group Topics with Expressed Moderate Impact

Topics not previously mentioned that were expressed in at least one focus group as a moderate impact on the mission, job performance, or quality of life are briefly described below in alphabetical order.

Awards & Recognition: Two groups expressed that there is insufficient recognition of employees for work performed.

Human Resources: Some participants claimed that not all position descriptions are correct (a few participants expressed that the command was making an effort to correct this issue).

APPENDIX D: Survey Response Frequency Report

Numerical values in the following tables summarize survey responses to forced-choice questions as counts and/or percentages (%). Response codes are listed below in the order that they appear.

SD   Strongly Disagree

D   Disagree

N   Neither Agree nor Disagree…

A   Agree

SA   Strongly Agree

-    Negative

N   Neutral

+   Positive

N   Never

R   Rarely

S   Sometimes

F   Frequently

A   Always

	Military		Civilian	
	Male	Female	Male	Female
	21	7	156	122
	7%	2%	51%	40%

On a scale from 1 (worst) to 10 (best), please rate your Quality of Work Life (QOWL). QOWL is the degree to which you enjoy where you work and available opportunities for professional growth.

	1	2	3	4	5	6	7	8	9	10
Count	9	7	21	24	43	31	52	73	34	12
%	2.94%	2.29%	6.86%	7.84%	14.05%	10.13%	16.99%	23.86%	11.11%	3.92%

For each of the factors below, please indicate whether they have a positive, neutral, or negative impact on your QOWL rating.

	+	N	-
Job satisfaction	195	72	59
Leadership support	163	80	83
Leadership opportunities	120	126	81
Advancement opportunities	84	140	102
Workload	102	128	97
Work Hours/Schedule	207	89	30
Training opportunities	121	127	79
Awards and recognition	86	139	102
Command morale	93	118	116
Command climate	104	125	98
Quality of workplace facilities	124	128	75

On a scale from 1 (worst) to 10 (best), please rate your Quality of Home Life (QOHL). QOHL is the degree to which you enjoy where you live and the opportunities available for housing, recreation, etc.

	1	2	3	4	5	6	7	8	9	10
Count	6	1	6	4	16	12	34	82	70	75
%	1.96%	0.33%	1.96%	1.31%	5.23%	3.92%	11.11%	26.80%	22.88%	24.51%

For each of the factors below, please indicate whether they have a positive, neutral, or negative impact on your QOHL rating.

	+	N	-
Quality of home	255	49	15
Quality of the school for dependent children	139	171	9
Quality of the childcare available	96	207	16
Shopping & dining opportunities	240	68	11
Recreational opportunities	245	61	13
Access to spouse employment	165	135	19
Access to medical/dental care	231	74	14
Cost of living	65	117	137

My job affords me a reasonable amount of quality time with my family.

SD	D	N	A	SA
6	25	44	169	57
2%	8%	15%	56%	19%

My command gives me sufficient time during working hours to participate in a physical readiness exercise program.

SD	D	N	A	SA
0	1	4	13	10
0%	4%	14%	46%	36%

My current work week affords enough time to complete mission tasks in a timely manner while maintaining an acceptable work-home life balance.

SD	D	N	A	SA
1	7	4	11	5
4%	25%	14%	39%	18%

My position description is current and accurately describes my functions, tasks, and responsibilities.

SD	D	N	A	SA
17	54	44	115	48
6%	19%	16%	41%	17%

I work more hours than I report in a pay period because I cannot complete all assigned tasks during scheduled work hours.

N	R	S	F	A
31	60	93	68	26
11%	22%	33%	24%	9%

The Human Resource Service Center provides timely, accurate responses to my queries.

SD	D	N	A	SA
30	48	162	30	7
11%	17%	58%	11%	3%

My (local) Human Resources Office provides timely, accurate responses to my queries.

SD	D	N	A	SA
25	55	147	43	7
9%	20%	53%	16%	3%

The DON civilian recruitment process is responsive to my command's civilian personnel requirements.

SD	D	N	A	SA
47	81	123	45	4
16%	27%	41%	15%	1%

During the last performance evaluation cycle, my supervisor provided me with feedback that enabled me to improve my performance before my formal performance appraisal/EVAL/FITREP.

SD	D	N	A	SA
18	31	60	113	39
7%	12%	23%	43%	15%

I have the tools and resources needed to do my job properly.

SD	D	N	A	SA
20	55	43	150	37
7%	18%	14%	49%	12%

I am satisfied with the overall quality of my workplace facilities.

SD	D	N	A	SA
21	59	48	141	34
7%	19%	16%	47%	11%

My command is concerned about my safety.

SD	D	N	A	SA
5	12	26	155	105
2%	4%	9%	51%	35%

My command has a program in place to address potential safety issues.

SD	D	N	A	SA
5	9	38	167	82
2%	3%	13%	55%	27%

My job is important and makes a contribution to my command.

SD	D	N	A	SA
6	14	29	137	118
2%	5%	10%	45%	39%

_____ is occurring at my command.

	SD	D	N	A	SA
Fraternization	2%	5%	10%	45%	39%
Favoritism	17%	32%	37%	9%	6%
Gender/Sex Discrimination	23%	35%	39%	2%	1%
Sexual Harassment	21%	35%	36%	4%	4%
Race Discrimination	32%	38%	29%	1%	0%
Hazing	32%	38%	29%	1%	0%

I have adequate leadership guidance to perform my job successfully.

SD	D	N	A	SA
28	40	57	120	59
9%	13%	19%	39%	19%

Communication down the chain of command is effective.

SD	D	N	A	SA
36	56	75	113	21
12%	19%	25%	38%	7%

Communication up the chain of command is effective.

SD	D	N	A	SA
31	56	84	104	26
10%	19%	28%	35%	9%

My performance evaluations have been fair.

SD	D	N	A	SA
5	15	46	138	97
2%	5%	15%	46%	32%

The awards and recognition program is fair and equitable.

SD	D	N	A	SA
31	48	91	96	35
10%	16%	30%	32%	12%

Military and civilian personnel work well together at my command.

SD	D	N	A	SA
11	20	55	156	59
4%	7%	18%	52%	20%

My command's Equal Opportunity Program (EO - to include Equal Employment Opportunity & Command Managed Equal Opportunity) is effective.

SD	D	N	A	SA
5	21	135	110	29
2%	7%	45%	37%	10%

My command adequately protects my personal information.

SD	D	N	A	SA
4	11	87	148	50
1%	4%	29%	49%	17%

My superiors treat me with respect and consideration.

SD	D	N	A	SA
17	21	38	125	100
6%	7%	13%	42%	33%

My command attempts to resolve command climate issues.

SD	D	N	A	SA
17	40	72	132	39
6%	13%	24%	44%	13%

I have adequate time at work to complete required training.

SD	D	N	A	SA
26	88	43	123	20
9%	29%	14%	41%	7%

Do you supervise Department of the Navy (DON) civilians?

Yes	No
78	222
26%	74%

When did you receive civilian supervisory training?

>4 yrs	1-4 yrs	<12 mos	Never
20	36	37	19
18%	32%	33%	17%