



DEPARTMENT OF THE NAVY
VICE CHIEF OF NAVAL OPERATIONS
2000 NAVY PENTAGON
WASHINGTON DC 20350-2000

IN REPLY REFER TO:
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MEMORANDUM FOR DISTRIBUTION

Subj: NAVAL CAPABILITIES BOARD (NCB) CHARTER, REVISION 1

Ref: (a) NCB Charter of 3 May 06
(b) SECNAVNOTE 5000 of 26 Feb 08
(c) Resource and Requirements Review Board (R3B) Charter of 25 Jul 08

Encl: (1) Decision Making Authorities - Guiding Thresholds
(2) Capability Document Initiation Review Process
(3) NCB Administrative Guide of 8 Jul 08

1. Mission. The NCB is the Navy's two-star decision forum for reviewing and making decisions on Navy requirement and resource issues.

2. Scope. The NCB will exercise the decision authority as shown in enclosure (1). The NCB will assist the R3B in the review and approval of Navy capability requirements as outlined in references (b) and (c). The NCB will assist in providing a controlled requirements process by ensuring all organizations and programs follow a consistent, stabilized acquisition and requirements plan that includes a rigorous oversight of costs, cost growth, requirements growth and schedule with a focus on execution risk. The NCB will review cost trade-offs versus performance capabilities for all systems and family of systems. The NCB will also provide a forum for best practices and lessons learned to be leveraged across all programs and the requirements process. The NCB will review emerging capabilities and current programs to validate execution against the capability being provided. The NCB will review all Joint Capabilities Integration Development System documents under its purview and make recommendations for approval to the Deputy Chief of Naval Operations for Integration of Capabilities and Resources (CNO N8). Finally, the NCB shall evaluate new capability requirements definition initiatives (Capability Based Assessments (CBA) or Initial Capability Documents (ICD)) to ensure alignment with Navy objectives, proper scope and scenarios, and acceptable methods/funding. The NCB will recommend initiation of CBAs and ICDs to CNO N8 for final approval.

3. Cancellation. Reference (a) is hereby cancelled.

Subj: NAVAL CAPABILITIES BOARD (NCB) CHARTER, REVISION 1

4. Membership

a. Principal NCB members are one or two-star Flag/General Officers or Senior Executive Service equivalent civilians from the Office of the Chief of Naval Operations (OPNAV) and the following organizations:

(1) Director, Total Force Programming & Manpower & Information Resource Management (OPNAV N12)

(2) Director of Naval Intelligence

(3) Assistant Deputy Chief of Naval Operations for Information, Plans, and Strategy

(4) Director, Supply, Ordnance, and Logistics Operations Division (OPNAV N41)

(5) Director, Warfare Integration (OPNAV N6F)

(6) Director, Programming Division (OPNAV N80)

(7) Director, Assessment Division (OPNAV N81)

(8) Systems Command representative as appropriate

(9) Deputy Assistant Secretary of the Navy (DASN) representative as appropriate

(10) United States Marine Corps, Programs and Resources as appropriate

b. A Principal's Deputy may attend a meeting on his or her behalf.

c. The NCB chair may identify additional membership requirements to ensure proper stakeholder representation. Ad hoc non-voting members as required will include: The Oceanographer/Navigator of the Navy (OPNAV N84), Director of Expeditionary Warfare (OPNAV N85), Director of Surface Warfare (OPNAV N86), Director of Submarine Warfare (OPNAV N87), Director of Air Warfare Division (OPNAV N88), Head of Special Programs (OPNAV N89), Director of Naval Reactors (NAVSEA 08), Program Executive Office, Marine Corps Combat Development Command, and United States Coast Guard.

d. Permanent non-voting members include: Head, Strategic Mobility Combat Logistics (OPNAV N42), Director of Fleet

Subj: NAVAL CAPABILITIES BOARD (NCB) CHARTER, REVISION 1

Readiness (OPNAV N43), Deputy Director, Programming Division (OPNAV N80B), and Director of Fiscal Management (OPNAV N82).

5. Chairperson. The Director of Warfare Integration (OPNAV N8F) will chair the NCB.

a. If the issue warrants, another resource sponsor may co-chair the board at OPNAV N8F's discretion. In general, a resource sponsor may be asked to serve as co-chairperson when a preponderance of the resources, requirements, or capabilities under review rests within the NCB member's domain.

b. The NCB chairperson retains final decision authority in cases of dissent.

c. The NCB chairperson approves the NCB agenda, conducts the meeting, takes the vote, establishes the decisions made, and signs the associated decision memorandum. When a co-chair exists, the co-chair will also sign the decision memorandum.

d. The NCB chairperson authorizes the use of an electronic NCB when appropriate.

6. Guiding Principles. The following intent shall guide discussion at the NCB:

a. The NCB will provide a forum by which the Requirements and Acquisition Communities can discuss investments required to meet various capabilities, to ensure the proper level of functionality is provided against affordability limits and to consider the costs and alternate methods of meeting those capabilities across the Naval enterprise.

b. Attendance at NCBs shall be limited to principals plus one attendee, as necessary to provide technical advice, input, or assistance. Additional personnel may attend only with prior approval of the NCB director.

c. NCB discussion shall focus on achieving resolution of issues. Dissent shall not preclude an issue from consideration. To that end, the NCB will serve as a forum where Navy leadership can debate the merits of program content in terms of cost versus capability. The NCB will evaluate and make recommendations to CNO N8 regarding capability deletion or retention that requires additional fiscal resources or that will impact a key performance parameter from the original system/platform design.

Subj: NAVAL CAPABILITIES BOARD (NCB) CHARTER, REVISION 1

d. The NCB will conclude with one of three actions:

(1) Decide and report.

(2) Forward issue to the R3B for action.

(3) Return the issue to the lead organization if there is insufficient information to make a decision.

7. NCB Director. The NCB shall be supported by a director who will:

a. Propose an NCB agenda.

b. Coordinate NCB meeting execution.

c. Support the chairman as necessary in executing NCB responsibilities.

d. Based on sponsor recommendation, propose to the NCB chair to conduct an electronic NCB for non-controversial issues.

e. Work with requirements sponsors and the appropriate DASN to develop issues for consideration by the NCB.

f. Be a member of the Analysis of Alternative (AoA) review panels with insight into cost and performance trade-offs.

8. Business Rules

a. Unless NCB review is specifically requested by the R3B, issues shall be addressed at the highest level of review required to avoid multiple meeting steps. The NCB can, after reviewing an issue, recommend R3B review and approval.

b. Enclosure (1) provides the guiding thresholds for NCB issue review. The NCB may review issues beyond this scope, but will not delegate its responsibility unless approved by CNO N8.

c. The NCB shall review proposals for new CBAs or ICDs. This review shall ensure that the CBA and ICD are aligned with Navy objectives, that the scope and scenarios are adequate and consistent with Office of the Secretary of Defense, Joint Chiefs of Staff and Navy guidance, that sufficient funding exists and that the tools and analytic approaches are adequate. All CBA and ICD initiation proposals require an endorsement (positive or negative) from the appropriate pillar in OPNAV N81 prior to submittal to the NCB. The NCB shall forward for CNO N8

Subj: NAVAL CAPABILITIES BOARD (NCB) CHARTER, REVISION 1

concurrence a recommendation to proceed which includes, as required, identification of sponsor and funding source.

d. Lead organizations shall coordinate information sources, validate assumptions and data prior to the NCB, and address stakeholder concerns as part of the NCB presentation.

e. NCB actions and decisions shall be documented in an NCB decision memorandum.

f. Board members who do not agree with the NCB decision may document objections as a dissent statement to be included in the NCB decision memorandum.

g. If voting members do not respond to electronic NCB's, or do not vote during or prior to live NCB's, concurrence is assumed.

h. AoA guidance for programs under NCB purview will be reviewed by the NCB to ensure affordability considerations are in place to bound requirements prior to the commencement of analysis.

i. The resource sponsor will prepare NCB candidate program briefings using the appropriate template provided in enclosure (3).

9. Responsibility. CNO N8 is responsible for the routine review and maintenance of this charter.



P. M. WALSH

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