From: Chief of Naval Operations

Subj: HUSBANDING SERVICE PROVIDER PROGRAM POLICY

Ref: (a) NAVSUPINST 4205.3F
     (b) Defense Federal Acquisition Regulation Supplement
     (c) DoD 7000.14-R, Department of Defense Financial Management Regulations, Volume 5, Chapter 9, December 2019
     (d) Federal Acquisition Regulations
     (e) Naval Supply Systems Command Contracts Handbook, April 2018
     (f) Office of Financial Operations Husbanding Service Provider Financial Improvement Audit Readiness Guidebook, February 2015 (NOTAL)

Encl: (1) Husbanding Service Provider Ready Reference Guide
     (2) Husbanding Service Provider Governance
     (3) Husbanding Service Provider Management Metrics

1. Purpose

   a. To prescribe policy, oversight, coordination and direction for Department of the Navy’s (DON) business process for acquiring husbanding services during port visits (PVST), per references (a) through (f); to codify a repeatable, holistic process that is independent of individuals; and to provide clear governance with checks and balances and an inspection and feedback process.

   b. This revision updates Husbanding Service Provider (HSP) Program policy. It adds three enclosures to establish HSP standard procedures, governance processes and required metrics reporting.

2. Cancellation. OPNAVINST 4400.11.

3. Background

   a. The Navy relies on a network of organic, host nation and contractor provided support to conduct PVSTs around the world. Successful management and oversight responsibilities will ensure the Navy procures, and contractors provide, only required goods and services per a contract’s terms and conditions at a fair and reasonable price.
b. A coordinated effort to reduce vulnerabilities across multiple commands is required to establish and monitor internal controls and take corrective actions in response to qualitative and quantitative metrics that measure the health of the HSP Program.

c. PVSTs, both in the continental United States (CONUS) and outside the continental United States (OCONUS), are a vital tool for the Navy to conduct security cooperation, assure allies and partners, refuel, rearm, maintain and repair vessels. The Navy’s HSP Program uses a network of HSP contractors who directly support fleet requirements where there is limited or no U.S. naval organic capability.

d. PVSTs are complex and costly endeavors that require a high level of supervision to ensure the proper stewardship and accountability for taxpayers’ dollars. The critical nature and visibility of these requirements necessitates the Navy apply an auditable approach to all aspects of HSP support, including qualifying personnel, requirements generation, execution, surveillance and payment.

e. HSP Program oversight is commander’s business. Fleet commanders, afloat commanding officers (CO), ships’ masters, and those under their command are vital to the successful execution of PVSTs and the safekeeping of limited government resources. Commanders are responsible for the proper execution of PVSTs; responsiveness to reports of fraud, waste, or abuse; and for empowering subordinates to report unethical behavior.

f. Commanders should review and strictly adhere to the guidance found in this instruction, references (a) through (f), and other fleet or type commander (TYCOM) generated guidance to ensure successful, effective and efficient execution of PVSTs.

g. Key tenets of successful husbanding are:

(1) Ensure all hands are trained, and receive periodic refreshers, in ethical conduct, communications and procurement with HSP contractors;

(2) Ensure all dealings with HSPs are conducted with the highest level of professionalism and standards of conduct;

(3) Request only those goods and services required to safely execute a PVST;

(4) Act as good stewards of government resources;

(5) Ensure those under your command properly validate goods and services received; and

(6) Follow the guidance of and seek input from experienced and warranted contracting officers, contracting officer representatives (COR), office of general counsel and TYCOM financial managers whenever questions arise.
4. **Applicability.** The provisions of this instruction are applicable to the Navy commands, activities, and units in the following subparagraphs 4a and 4b.

   a. Navy commands and activities:

      (1) Performing administrative, personnel, or operational training functions (including financial resourcing) for deployed units requiring HSP support;

      (2) Assessing or mitigating cyber vulnerabilities of HSP contractors or systems;

      (3) Performing assessment or inspection functions over HSP processes;

      (4) Providing training pipelines and formal instruction regarding HSP acquisition and services;

      (5) Exercising operational control of Navy’s deployed units including scheduling of PVSTs, and review and approval of unit requirements;

      (6) Awarding, executing, and administering HSP contracts and procedures for HSP contractor payment; and

      (7) Interacting with HSP contractors.

   b. Deployed Navy units generating requirements and receiving goods and services provided through HSP contract support.

5. **Policy**

   a. **Process.** The Navy performs husbanding services in a controlled, consistent and well-documented manner. The Navy will utilize internal controls and end-to-end business processes to prevent fraud, waste and abuse per enclosure (1). PVST requirements will be planned and administered per references (a) through (f). The program will achieve support to the government while maintaining fiscal accountability and auditability.

   b. **Guidance.** The Deputy Chief of Naval Operations, Fleet Readiness and Logistics (CNO N4) will establish guidance and controls by which echelon 2 commands who perform the functions listed in subparagraph 4a will monitor, measure, and report effectiveness in the management of financial improvement and audit readiness (FIAR), acquisition regulations, and compliant HSP processes. Effective oversight and management of HSP processes will detect and mitigate vulnerabilities that may lead to occurrences of or willful participation in activities of fraud, waste and abuse.
c. **Husbanding Data.** The Husbanding Support Portal (HSPortal) is the official repository for all HSP data. Access to HSPortal is via the website at https://my.navsup.navy.mil/apps/ops$logssrv2.home.

6. **Responsibilities**

   a. **Deputy Chief of Naval Operations, Information Warfare (CNO N2N6).** Coordinate with Commander, Naval Supply Systems Command (NAVSUPSYSCOM) to ensure contract language affords the highest level of cybersecurity required for transacting business with international contractors.

   b. **CNO N4**

      (1) Oversee the Navy’s HSP processes and governance.

      (2) Establish Navywide policies for the control, use and accountability of HSP support.

      (3) Establish required internal controls, metrics, definitions and reporting requirements.

      (4) Monitor the performance of operational and supporting commanders in their support and execution of established HSP process controls.

      (5) In conjunction with Naval Education and Training Command, conduct a bi-annual review of HSP training curriculum to ensure alignment with the latest processes and governance.

      (6) Maintain appropriate documentation to demonstrate compliance with established regulations governing HSP.

      (7) Retain a list provided by Commander, U.S. Fleet Forces Command (COMUSFLTFORCOM); Commander, U.S. Pacific Fleet (COMPACFLT); Commander, Naval Forces Europe-Africa-U.S. SIXTH Fleet; Commander, U.S. Naval Forces Central Command-U.S. FIFTH Fleet; Commander, U.S. Naval Forces Southern Command-U.S. FOURTH Fleet; and NAVSUPSYSCOM of subject matter experts the Office of the Chief of Naval Operations (OPNAV) Office of the Naval Inspector General (N09G) may use to augment the Naval Inspector General designated HSP subject matter experts.

      (8) Establish and administer the HSP governance per enclosure (2).

   c. **OPNAV N09G**

      (1) Evaluate and document compliance and effectiveness of Navy execution of HSP policies and procedures found in this instruction and applicable references.
(2) Inspect the HSP programs in conjunction with scheduled command inspections of COMUSFLTFORCOM; COMPACFLT; NAVSUPSYSCOM; Commander, Naval Forces Europe-Africa-U.S. SIXTH Fleet; Commander, U.S. Naval Forces Central Command-U.S. FIFTH Fleet; and Commander, U.S. Naval Forces Southern Command-U.S. FOURTH Fleet.

(3) Provide oversight to echelon 2 inspector generals in their inspection of echelon 3 compliance with HSP program policy.

(4) Ensure that inspection teams are staffed with personnel qualified to make informed assessments and recommendations. Director, Logistics – Supply Chain Operations Division (OPNAV N41) maintains and will provide a list of HSP subject matter experts from COMUSFLTFORCOM; COMPACFLT; NAVSUPSYSCOM; Commander, Naval Forces Europe-Africa-U.S. SIXTH Fleet; Commander, U.S. Naval Forces Central Command-U.S. FIFTH Fleet; and Commander, U.S. Naval Forces Southern Command-U.S. FOURTH Fleet.

(5) Identify, collect, summarize and report to CNO N4 the results of echelons 2 and 3 inspections for use in HSP governance per Naval Inspector General reporting processes.

(6) Participate in the HSP governance process as outlined in enclosure (2).

d. Naval Education and Training Command. Ensure HSP training curriculum is established and maintained at Surface Warfare Officers School, Naval Submarine School, Navy Supply Corps School, command pipeline courses and shipboard department head courses.

e. NAVSUPSYSCOM

(1) Provide acquisition and contracting policy and oversight for all HSP procurements.

(2) Provide coherent strategic acquisition plans that ensure continued, global contracting support for PVST requirements.

(3) Provide global contracting support coverage for PVSTs through a system of contract vehicles, which maximizes competition to support fair and reasonable pricing and best value to the Navy.

(4) Consolidate HSP contracting functions under NAVSUPSYSCOM by 1 October 2020 (Fiscal Year (FY) 2021).

(5) Provide a global HSP contract with the capability to support all Navy vessels, including Military Sealift Command (MSC), other Services and the United States Coast Guard. Explore options to provide HSP contract support to North Atlantic Treaty Organization and other allied ships operating in support of the numbered fleet commands (NFC).
(6) Ensure a regional fleet logistics center (FLC) is assigned to provide HSP contracting support in a given theater or NFC area of operations. FLCs will provide mission critical support outside of normal working hours.

(7) Ensure assigned contracting officers and contracting specialists are properly trained to provide support required in HSP contracting.

(8) Ensure contracting officers validate that HSP COR nominees have completed the required training prior to appointment and conduct annual HSP COR functional reviews; and ensure CORs properly evaluate HSP contractor performance for each PVST per the contract quality assurance surveillance plan (QASP) and annually at the contract level in the Contractor Performance Assessment Reporting System (CPARS).

(9) Provide input to naval component commands (NCC) and NFCs on COR performance of delegated responsibilities.

(10) Ensure contracting officers perform timely closeout and final reconciliation of task orders.

(11) Ensure contracting officers fully utilize HSPortal and comply with all applicable PVST data entry requirements.

(12) Participate in the HSP governance process as outlined in enclosure (2).

(13) Report HSP metrics as outlined in enclosure (3).

(14) Support OPNAV N09G HSP inspection teams as subject matter experts.

(15) NAVSUPSYSCOM inspector general will assess FLCs for compliance with this instruction.

f. COMUSFLTFORCOM and COMPACFLT. The responsibilities assigned to COMUSFLTFORCOM and COMPACFLT refer to their responsibilities under Title 10, United States Code. COMUSFLTFORCOM and COMPACFLT will also follow guidelines under subparagraph 6g.

(1) Ensure that all forces provided to combatant commanders are trained and proficient in PVST management per specific procedural guidance issued by operation orders in the area of responsibility (AOR) to which they are deployed. All assigned units must receive formal HSP specific training prior to deployment to include ethics training and guidelines regarding interactions with prohibited sources.
(2) Validate proficiency and compliance with HSP guidance by assigned units as part of regularly scheduled oversight inspections including supply management and other administrative inspections.

(3) Develop an HSPortal report capturing the metrics identified in enclosure (3).

(4) Ensure PVST costs for deploying units are centrally funded and bulk funds are provided to NAVSUPSYSCOM correlating to the standard contract line item number structure of the HSP contracts.

(5) Ensure receipt inspectors receive training prior to appointment and deployment and are designated in writing as the only personnel authorized to acknowledge receipt of any services.

(6) Conduct certification of HSP invoices for payment after acceptance.

(7) Maintain, manage and fund the HSPortal data repository.

(8) Transfer HSP contracting functions from MSC to NAVSUPSYSCOM by 1 October 2020 (FY 2021).

(9) Following a formal HSP COR manpower analysis and successful resourcing of expected new billets, transfer HSP COR functions from MSC to NCCs by 1 October 2023 (FY 2024).

g. NCCs

(1) Conduct COR manpower reviews and ensure an adequate number of trained personnel are nominated and appointed as CORs for HSP contracts per reference (a). Report shortfalls in manning via the HSP governance and metrics process, in enclosures (2) and (3) and other methods as appropriate.

(2) Ensure staffing levels are maintained using military Selected Reserve or individual augmentees, or other processes. It is expected there will be no gaps in COR manning due to civilian or military vacancies.

(3) Following a formal HSP COR manpower analysis and successful resourcing of expected new billets, assume HSP COR responsibilities for MSC ships by 1 October 2023 (FY 2024).
(4) Ensure all CORs are nominated and certified using the Joint Appointment Module; complete required initial, annual and refresher COR training per reference (a); upload training certificates to member profiles in Joint Appointment Module; and annually file OGE Form 450 Confidential Financial Disclosure Report per Joint Ethics Regulations.

(5) Evaluate the performance of COR responsibilities as part of the COR’s individual performance appraisal or performance assessment, and solicit input from the appropriate regional FLC.

(6) Ensure HSP program managers (PM) and CORs have unfettered access to the first flag officer in the chain of command.

(7) Ensure CORs are familiar with the HSP contract, all PVST processes, AOR specifics, and are able to assist deployed ships in identifying HSP contract services available.

(8) Review logistics requirements (LOGREQ) from assigned afloat units to ensure each requirement is clearly defined, actionable and aligns to the global LOGREQ.

(9) Deployed units requesting items or quantities in excess of approved global LOGREQs require deviation approval. The assistant chief of staff (ACOS) for Logistics (N4) will approve or disapprove requests for deviations; this requirement cannot be delegated. In the absence of the ACOS for N4, the acting N4 may approve or disapprove deviations. Individual or aggregate deviations for a specific PVST, equal to or in excess of the tripwires listed in subparagraphs 6g(9)(a) through 6g(9)(e), require coordination with the associated TYCOM to ensure adequate funding is available.


   (b) Commander, Naval Surface Forces Atlantic and Commander, Naval Surface Force, U.S. Pacific Fleet: $20,000.

   (c) Commander, Submarine Force Atlantic and Commander, Submarine Force, U.S. Pacific Fleet: $20,000.

   (d) MSC: $20,000.

   (e) Navy Expeditionary Combat Command: $10,000.

(10) Maintain a log documenting all deviation requests and associated actions.

(11) Coordinate with the supporting FLC to acquire contract support.
(12) Ensure CORs perform invoice acceptance functions in the Wide Area Workflow system within 7 days of invoice receipt per reference (b), after all task order modifications are complete and HSP invoices are matched with shipboard DD Form 250 Material Inspection and Receiving.

(13) Ensure CORs review ship-provided OPNAV 4400/4 Port Visit Checklist and DD Form 250 documenting contractor performance, submit QASP reviews upon receipt of the OPNAV 4400/4, review daily reconciliation, accept DD Form 250, and perform annual CPARS assessments for HSP contractors at the contract level.

(14) Ensure CORs are familiar with their responsibilities regarding cyber incident reporting per references (b) through (d).

(15) CORs for HSP contracts will support deployed units including U.S. ships and Government-owned and Government-operated U.S. naval ships. HSP CORs will not be assigned to or conduct acceptance on non-HSP contracts.

(16) Continuously enforce cost avoidance procedures with ships preparing for PVSTs through effective communication and coordination among stakeholders.

(17) Identify conditions and locations whereby CORs provide onsite PVST support. CORs will be onsite to provide contractor surveillance to the maximum extent possible. At a minimum, CORs will be onsite for each of the following occurrences in subparagraphs 6g(17)(a) through 6g(17)(d).

(a) A ship’s first multi-day PVST in each OCONUS AOR.

(b) Fleet weeks, high visibility exercises, multiple ship visits and commissioning.

(c) Aircraft carrier (CVN) and amphibious assault ship general purpose (LHA) or amphibious assault ship multi-purpose (LHD) PVSTs.

(d) Ports anticipating or previously experiencing significant logistics challenges.

(18) Ensure CORs complete an after action report (AAR) for each onsite PVST. The AAR will include the reason for the CORs presence at the PVST key observations about the PVST not related to contractor surveillance, and results of all COR contractor surveillance. When documenting contractor surveillance, CORs will ensure the exhibit line item number, nomenclature, quantity, and other relevant performance characteristics from the task order are included in the AAR.

(19) Conduct reviews of global LOGREQs, led by COMUSFLTFORCOM.
(20) Participate in the HSP governance process per enclosure (2).

(21) Report HSP metrics per enclosure (3).

(22) Add HSP to the assessable units lists under the Managers’ Internal Control Program.

(23) Support OPNAV N09G HSP inspection teams as subject matter experts as required.

(24) NCC inspectors general will assess subordinate TYCOMs and NFCs for compliance with this instruction.

7. Records Management

   a. Records created as a result of this instruction, regardless of format or media, must be maintained and dispositioned per the records disposition schedules located on the DON Directorate for Administration, Logistics, and Operations, Directives and Records Management Division portal page at https://portal.seanav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-and-Information-Management/Approved%20Record%20Schedules/Forms/AllItems.aspx.

   b. For questions concerning the management of records related to this instruction the records disposition schedules, please contact the local records manager or the DON Directorate for Administration, Logistics, and Operations, Directives and Records Management Division program office.

8. Review and Effective Date. Per OPNAVINST 5215.17A, OPNAV N41 will review this instruction annually around the anniversary of its issuance date to ensure applicability, currency, and consistency with Federal, Department of Defense, Secretary of the Navy, and Navy policy and statutory authority using OPNAV 5215/40 Review of Instruction. This instruction will be in effect for 10 years, unless revised or cancelled in the interim, and will be reissued by the 10-year anniversary date if it is still required, unless it meets one of the exceptions in OPNAVINST 5215.17A, paragraph 9. Otherwise, if the instruction is no longer required, it will be processed for cancellation as soon as the need for cancellation is known following the guidance in OPNAV Manual 5215.1 of May 2016.

9. Forms and Information Management Control

   a. Forms


(3) DD Form 577 Appointment/Termination Record – Authorized Signature is available at the Washington Headquarters Services website: https://www.esd.whs.mil/Portals/54/Documents/DD/forms/dd/dd0577.pdf.


b. Information Management Control

(1) OMB 0704-0248 has been assigned to the data collected on DD Form 250.

(2) OPNAV Requirement Control Symbol 4400-6 has been assigned to the data collection contained in subparagraph 6g(21). The requirement control symbol is licensed for 3 years from the effective date of this instruction at which point the sponsor may cancel or renew the collection.

Releasability and distribution:
This instruction is cleared for public release and is available electronically only via Department of the Navy Issuances website, https://www.secnav.navy.mil/doni/default.aspx
HUSBANDING SERVICE PROVIDER READY REFERENCE GUIDE

1. HSP Off Ship Bill Pay Process. In FY 2016, the Navy implemented the off ship bill pay process to increase oversight and mitigate risk associated with PVST logistics. The off ship bill pay process removed HSP contracting functions from ships, created standardized LOGREQs by ship class and mooring type, assigned CORs, and implemented the three-way match process.

   a. Off Ship Bill Pay Process Overview

      (1) Husbanding services no longer rely upon a series of individual contracts with husbanding companies located in countries throughout the world. NAVSUPSYSCOM, through the regional FLCs, has implemented HSP multiple award contracts. These contracts improve competition among HSP contractors, standardize contract structure and available services, and improve support to deployed units. FLCs ordering support is shown in Table 1.

<table>
<thead>
<tr>
<th>FLC</th>
<th>HSP Ordering Support</th>
</tr>
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<tbody>
<tr>
<td>FLC Norfolk</td>
<td>2nd Fleet including U.S. Mid-Atlantic and Northeast, Canadian provinces east of and including Manitoba, and Bermuda</td>
</tr>
<tr>
<td>FLC San Diego</td>
<td>3rd Fleet including California and Mexico</td>
</tr>
<tr>
<td>FLC Puget Sound</td>
<td>3rd Fleet including U.S. Pacific Northwest, Alaska, and Canadian provinces west of and including Saskatchewan</td>
</tr>
<tr>
<td>FLC Pearl Harbor</td>
<td>3rd Fleet Hawaiian Islands and 7th Fleet U.S. Pacific Territories</td>
</tr>
<tr>
<td>FLC Jacksonville</td>
<td>4th Fleet including U.S. Southeast, Caribbean, Central and South America</td>
</tr>
<tr>
<td>FLC Bahrain</td>
<td>5th Fleet including Middle East and Southwest Asia</td>
</tr>
<tr>
<td>FLC Sigonella</td>
<td>6th Fleet including Europe and Africa</td>
</tr>
<tr>
<td>FLC Yokosuka</td>
<td>7th Fleet including Asia and Western Pacific</td>
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Table 1: FLC HSP Ordering Support

(2) The off ship bill pay process segregates duties between the requesting unit, United States Government support personnel, and the vendor. The flow of the off ship bill pay process is shown in figure 1.
b. **HSPortal**

(1) HSPortal is a comprehensive database repository of HSP information gathered from multiple sources. The database has information for all PVSTs utilizing husbanding contracts since FY 2010.

(2) To request access to HSPortal follow the link at [https://my.navsup.navy.mil/apps/opsLogssrv2.home](https://my.navsup.navy.mil/apps/opsLogssrv2.home). HSPortal requires a common access card for public key infrastructure (PKI) registration and access. To gain access to HSPortal, users must first register their PKI at [https://www.navsup.navy.mil/registration](https://www.navsup.navy.mil/registration).

(3) Users will be assigned one of five roles when registering. Those roles are: (1) basic, (2) COR, (3) contracting officer, (4) comptroller, and (5) administrator. Roles are assigned based on the level of access required. For example, shipboard supply officers (SUPPO) will be assigned the basic role. This role allows them to see historical data, access reports, and resources. It does not allow access to contract, financial, or exhibit line item number information.

(4) Roles are requested during the registration process and reviewed by HSPortal administrators before approval.
(5) HSPortal contains a multitude of information about HSP operations. Some of the most commonly accessed information includes the following in subparagraphs 1b(5)(a) through 1b(5)(g).

(a) Prior PVST history.

(b) Point of contact information for FLCs and NFCs.

(c) Contact information for HSPs.

(d) All husbanding contracts by region.

(e) Global LOGREQ templates.

(f) OPNAV, NAVSUPSYSCOM, NCC, NFC, TYCOM guidance, directives and training.

(g) HSPortal data worldwide FY 2010 through the current year.

c. Pre-Deployment Preparation

(1) TYCOMs

(a) Each TYCOM will ensure all units are adequately trained in off ship bill pay procedures, prepared to execute a PVST, and properly utilize HSP contracts, both in the CONUS and OCONUS.

(b) Ensure SUPPOs and receipt inspectors receive formal training, prior to deployment, and are appointed in writing by CO or MSC comptroller as appropriate. SUPPOs and receipt inspectors must receive formal HSP specific training prior to deployment to include required ethics training and guidelines regarding interactions with prohibited sources.

(c) TYCOMs will require ships to maintain all delivery tickets, OPNAV4400/4, daily reconciliations, and DD Form 250 in shipboard PVST files and upload them to Financial Audit Compliance Enhancement Tool (FACET).

(d) TYCOMs may require ships to maintain additional documentation if desired. TYCOM 4400.1 series instructions will be updated to comply with updates found in OPNAVINST 4400.11A and joint fleet 4400.1 series instructions.

(e) Due to communication restrictions or manning constraints on some smaller units, notably patrol craft, minesweepers, littoral combat ships, attack and guided missile submarines, Mark VI boats, Navy Expeditionary Combat Command, submarine forces and naval surface
forces may designate immediate superior in command (ISIC) personnel to submit LOGREQs, act as receipt inspectors, prepare and submit DD Forms 250, and submit OPNAV 4400/4 in support of these units.

(f) All TYCOMs will issue routinely updated standard operation procedures and will ensure all of their units maintain and execute a FIAR-compliant off ship bill pay PVST execution process that follows the procedures found in OPNAV and fleet instructions and include the HSP program in their TYCOM supply management certification criteria.

(2) TYCOM Comptroller. TYCOM comptrollers will centrally fund all PVSTs and ensure bulk funding is provided to NAVSUPSYSCOM FLCs correlating to the standard sub-contract line item number structure of the HSP contracts (e.g., utilities, port services, communications, etc.). TYCOM comptrollers will:

(a) use historical PVSTs to provide funding for PVSTs on a quarterly basis;
(b) submit funding documents via NAVSUPSYSCOM Funding Document Manager;
(c) update funding amounts in HSPortal; and
(d) monitor HSPortal funding levels to ensure funding matches internal accounting systems.

(3) Contracting Officer Role. NAVSUPSYSCOM Contracting (N7) will ensure all FLC HSP contracting officers are adequately trained on HSP processes, update reference (e) as necessary, and continuously monitor FLC contracting officer performance. HSP FLC contracting teams will conduct required periodic COR reviews, provide COR training as required, and continually utilize customer feedback and the QASP to evaluate CPARS objectives. FLC HSP contracting offices will ensure nominated CORs are qualified and issue and revoke COR appointment letters as required. FLC HSP contracting teams, in conjunction with NAVSUPSYSCOM N7, will provide COR training.

(4) Ship Role. Husbanding oversight should not be delegated or be portrayed as only a supply department or SUPPO matter. Husbanding is an all hands evolution and requires focus and support from the CO or ship’s master, executive officer, command master chief or chief of the boat, and other department heads, to assist the SUPPO in planning and execution, receipt and verification of services, and receipt document preparation. In preparation for deployment ships will: (1) ensure access is requested and granted to HSPortal, (2) review the latest HSP and off ship bill pay guidance, (3) download copies of global LOGREQs from HSPortal, (4) identify planned or projected maintenance and other requirements (e.g., provisions) by port, and (5) train personnel on the off ship bill process and designate receipt inspectors using the DD Form 577 Appointment/Termination Record – Authorized Signature following directions found in this instruction and in specific TYCOM guidance.
(a) **CO and Ship’s Master Oversight.** COs and ship’s masters are critical to a successful PVST and must ensure requirements are properly generated, received and contractor performance is monitored.

(b) **Appointment and Training of receipt inspectors.** Appoint receipt inspectors as departmental accountable officials using the DD Form 577. Ensure adequate numbers of receipt inspectors are appointed, receive formal receipt inspector training, have sufficient technical expertise to validate services received from husbanding contractors, and provide 100 percent coverage for all in port duty sections.

1. **U.S. Ships.** At a minimum, appoint receipt inspectors in the functional areas of supply, engineering, navigation, deck, and security and force protection. Appoint receipt inspectors from other departments as necessary. In some cases, such as in support of patrol craft, minesweepers, littoral combat ships, attack and guided missile submarines, Mark VI boats, Navy Expeditionary Combat Command, submarine forces, and naval surface forces, receipt inspectors may be appointed from ISIC shore support.

2. **U.S. Naval Ships.** SUPPOs and junior SUPPOs may be appointed as a receipt inspector.

d. **Requirements Generation and Approval.** Requirements are generated by the ship or ISIC that require goods or services to execute a PVST. It is the responsibility of the requiring ship or ISIC to request only those services required to execute a PVST.

(1) **NCCs and NFCs.** Ships are authorized specific, standardized port services tailored to hull type and mooring. NCC HSP PMs, led by the COMUSFLTFORCOM HSP PM, will verify and update, as needed, the information and service quantities found in global LOGREQs. Updates to global LOGREQs will utilize the Navy 18-month moving average for each service, ship type and mooring. Updates should occur at least semi-annually in March and September. These standardized requirements will be submitted by unclassified LOGREQ naval message at least 30 days prior to a scheduled PVST or as soon as operationally feasible. N4 staffs will coordinate with ships preparing for PVSTs to ensure LOGREQs are submitted no later than 30 days prior to a PVST or as soon as operationally feasible. In the event of limited or denied communication, N4 staffs may utilize the procedures found in subparagraph 1d(3)(b) below. N4 staffs will continuously enforce cost avoidance procedures that have proven successful during previous visits. The ACOS for N4 will approve or disapprove LOGREQ deviations; this requirement cannot be delegated. Additionally, N4s will maintain a log documenting all submitted deviation requests and actions taken.

(2) **Ship Role**

(a) A ship’s primary point of contact for all communication related to the husbanding process is the COR. Ships will refrain from direct communication with the contracting officer.
1. Ships will submit a draft unclassified LOGREQ to the appropriate COR for review and approval 45 days before a PVST and before releasing the official LOGREQ. Official LOGREQs will follow not later than 30 days prior to a PVST, or as soon as operationally feasible, to allow sufficient lead-time for proper review and for competition among contractors before a task order is issued.

2. Unclassified LOGREQs list available quantities for approved services. Units will request quantities that represent a bona fide need. If a unit requires a quantity in excess of the allowed amount or services not listed, the unit will submit a LOGREQ deviation request to the corresponding command’s ACOS for N4 for final adjudication. Deviation request forms are available in HSPortal.

3. All LOGREQs should provide as much detail as possible. For example, request a bus, state bus size, desired hours of use, etc. If requesting a crane, state size, dates required, hours requested, etc.

4. For non-HSP requirements, such as fuel, provisions, or official representation funds (ORF) the assigned contracting agency (Defense Logistics Agency (DLA) or NAVSUPSYSCOM FLCs) will provide specific guidance. When submitting non-HSP requirements, copy the HSP COR for situational awareness. Although not directly responsible for coordination of non-HSP requirements HSP CORs will often pass information to the husbanding provider to ensure a smooth PVST.

(b) CO and Master Oversight

1. COs and masters will ensure accurate LOGREQs are released via naval message in a timely manner, not later than 30 days prior to a PVST or as soon as operationally feasible. Submission of a LOGREQ constitutes CO or master's validation of the bona fide need for requested services. Ensure the LOGREQ contains specific requirements such as offload schedules, dates of receptions, etc.

2. Changes or PVST cancellations require the submission of LOGREQ change message(s) or a LOGREQ cancellation. CO and masters will ensure they utilize the global LOGREQ for their class of ship and mooring plan for pier side or anchorage.

3. Deviation requests are required when any item or quantity exceeds the approved amounts on the LOGREQ. COs and masters are responsible for submitting deviation requests to the COR for submission to the corresponding command’s ACOS for N4 for approval or disapproval.

(3) COR Role. Upon receipt of the official LOGREQ, CORs will review the LOGREQ, process deviations as required, gather clarifying information from the unit, ensure each requirement is clearly and well defined, and submit a complete requirements package to the
supporting FLC contracting office via HSPortal. The specifics of this package are paramount and will require the COR to closely liaise with the unit to gather items like mooring configuration, hose fitting sizes, barge placement, bus or water taxi schedule, crane, forklift, or flatbed truck requirements, etc. CORs will coordinate any port specific requirements not included on the global LOGREQ with ships and process deviations as required. Requirements packages should be built using HSPortal procedures outlined below in subparagraphs 1d(3)(a) through 1d(3)(c).

(a) Building a Requirements Package

1. **Step 1.** Login to HSPortal. Fill in the information in the box titled “Begin PVST Process,” then select the “Begin PVST” button.

2. **Step 2.** HSPortal will create a PVST, assign a number, and set the status to defining requirements. Enter the ship’s requested quantities and appropriate notes in the exhibit line item number tab of the PVST. When complete, select the save button.

3. **Step 3.** Next, select the “Assign, Cancel, or Delete” button. In the pop up box select, submit to Code 200, enter actions, and click save. This will start the process of submitting the requirements package to FLC contracting (Code 200). Requirements package submission to contracting is complete once “OK” is selected on the additional note that pops up.

(b) Limited or Denied Communications Situations. In circumstances where there is limited communication with an underway unit or operational requirements drive a short notice PVST, CORs may submit a requirements package on behalf of the ship without receiving a LOGREQ. In this case the COR will forward the ship a copy of the global LOGREQ and inform the CO or ship’s master and SUPPO of their intent to execute the global LOGREQ. If no communications are heard from the ship, the COR will request only standard items for the PVST. The ship will submit a LOGREQ at the earliest opportunity possible and the COR will handle any additional requirements or deviations at that time.

(c) The COR will ensure LOGREQ deviations are approved if any requirement deviates from the standard list or quantities requested exceed the maximum allowed on the standard LOGREQ. CORs will ensure all changes are submitted to the contracting officer via HSPortal.

(4) Non-HSP Items. If the unit requires non-standard services such as fuel or provisions, then the COR must be aware of those requirements and any potential coordination required with the HSP.

e. **Ordering**
(1) **Ship Role.** On 1 October 2015, afloat authority to issue orders for husbanding services was formally rescinded. Ships will not directly enter into any contractual relationship with an HSP. Ships maintain authority to place orders against DLA and Navy Exchange Command (NEXCOM) contracts and purchase fixed-price items using other supply contracts (e.g., Base ServMarts, General Services Administration Advantage, or select NAVSUPSYSCOM supply contracts).

(2) **Contracting Officers and Contract Specialists Role.** Contracting officers and contract specialists will follow all policies and procedures in reference (e), enclosure (15), HSP and PVST Support.

(a) **Receipt of Requirement**

1. Contracting officer and contract specialist will only accept requirements after the COR has submitted the requirements in HSPortal. Once the contracting officer or contract specialist receives requirements in HSPortal from the COR, the contracting officer or contract specialist will solicit HSPs.

2. Contracting officer and contract specialist will provide the COR and ship FLC contact information for mission critical support outside of working hours.

3. If HSPortal shows insufficient funding is available for the expected task order and the PVST is within 3 business days, the contract specialist or contracting officer will contact the responsible HSP PM and TYCOM comptroller to request additional funding to support the pending requirement. This communication is intended to mitigate task order award delays due to a lack of funding. The contract specialist or contracting officer will also use the HSPortal PVST Overview Screen-Line of Accounting Balances to document available funding and ensure all required information is completed in the “Edit Code 200 Info” tab in HSPortal.

(b) **Requirement Changes.** Contracting officer and contract specialist will only execute requirement changes that have been properly submitted by the COR. Requirement changes must include all necessary information such as revised quantity, exhibit line item numbers, dates and times, etc. Contracting officers may authorize verbally after hours. Any verbal authorizations will be documented in HSPortal via the official communications tab within 1 business day. Contracting officer and contract specialist will document all requirement changes, request execution actions, and authorizations to proceed in the task order file and HSPortal.

(c) **Requirement Disputes.** The contracting officer is the only individual authorized to resolve disputes between the HSP and Navy. If the COR is not able to remedy issues with the contractor and a dispute remains, the ship and COR will immediately notify the contracting officer. The contracting officer will work collaboratively with the ship, COR, and contractor to resolve all disputes.
f. **Monitoring HSP Performance During a PVST (Surveillance).** The first day of the PVST is paramount in setting a tone with the HSP that the ship will steadfastly verify all services and maintain auditable record of when services started, stopped, and were provided within the standards of the contract. The first day of the PVST is a dynamic event and requires significant coordination between the unit and the HSP, and the COR if they are on site. The ship’s role in surveillance is formally captured on the daily reconciliation and OPNAV 4400/4 where mandatory entries are required by the SUPPO and signature by the CO or master.

1. **CO and Master Oversight**

   (a) **Monitoring (Surveillance) Responsibilities.** Ensure they take an active role in ensuring that all department heads support the SUPPO in PVST execution. All receipt inspectors will be appointed by the CO or ship’s master via a DD Form 577 to support the SUPPO in daily reconciliation. These receipt inspectors are paramount to ensuring the ship has an auditable trail to verify what HSP services are provided. The daily reconciliation will be utilized as the receipt inspector’s surveillance log during the PVST. The CO and ship’s master will also provide comments and ratings of the HSP’s performance via the OPNAV 4400/4. The OPNAV 4400/4 will be signed by the CO or ship’s master. When assigning ratings to contractor performance, COs and ship’s masters will follow the guidance found on the OPNAV 4400/4, and ensure all ratings above or below satisfactory (grade of 3) contain sufficient justification and examples to support the rating. The OPNAV 4400/4 can be downloaded from HSPortal.

   (b) **Completion of PVST Documentation.** Ensure submission of all required supporting documentation for the ship’s PVST file and submit required documentation to the COR. Units will maintain a PVST file for each port visited. At a minimum, the file will maintain all documentation received from the HSP, all shipboard generated documents supporting receipt of services, OPNAV 4400/4, daily reconciliation, and DD Form 250. COs and masters are responsible to ensure the PVST file is maintained per this instruction, fleet instructions, and TYCOM guidance. At the end of each PVST, ensure the DD Form 250, OPNAV 4400/4, and daily reconciliation are submitted within 3 days. An example of a daily reconciliation is shown in figure 2.
(2) SUPPO’s Role

(a) The SUPPO is principally responsible to the CO and ship’s master to ensure proper surveillance of services provided during the PVST. Surveillance of the contractor’s performance is the primary tool for proper verification of services. The SUPPO has many tools at their discretion to ensure proper surveillance. The principal tools are departmentally appointed receipt inspectors and the daily reconciliation meeting.

1. Before each PVST, SUPPOs will verify all receipt inspectors have been trained and appointed in writing by the CO or master using the DD Form 577. Furthermore, SUPPOs will ensure all receipt inspectors provide all delivery tickets and government generated forms such as engineering logs monitoring collection, holding, and transfer system (CHT) and water, etc.

2. SUPPO will ensure that a PVST file is maintained per TYCOM instructions. This file will ensure audit ready documents are available for review. Examples of documents that will be kept in that file are: LOGREQ, LOGREQ changes, DD Form 250, OPNAV 4400/4, daily reconciliation, delivery tickets, engineering logs, and important e-mails with COR, contracting officer, and HSP.

3. SUPPOs will complete the OPNAV 4400/4 and prepare the OPNAV 4400/4 for CO or master’s signature. SUPPOs will ensure sufficient justification is provided for all contractor performance rankings above or below a three. Guidelines for assignment of contractor performance ratings are included on the OPNAV 4400/4.

(b) The SUPPO will arrange daily reconciliation meeting with the HSP to review upcoming services and services received during the previous 24-hour period. The SUPPO, or their designee (E-7 or above, or civilian equivalent) will chair this meeting. The purpose of this meeting is to obtain agreement between the ship and HSP on all services received, with
particular attention on volumetric services such as water, CHT, oily waste and trash. A comprehensive reconciliation is required on the final day of the PVST to resolve any differences. Unresolved differences will be immediately elevated to the COR. Ship's personnel will not sign any invoice presented by the HSP. The final number of services provided and received on the final daily reconciliation will be utilized for the DD Form 250. Additionally, the SUPPO will provide surveillance comments about the services received and HSP’s performance providing those services. The draft daily reconciliation will be provided to the vessel by the COR, but can also be downloaded from HSPortal. Figure 2 shows an example of the daily reconciliation.

(c) The SUPPO, in conjunction with departmental receipt inspectors, will ensure services and equipment provided for the PVST conform to the task order and will immediately elevate non-conforming services or equipment to the COR.

(d) Actual receipt quantities will always be captured on the daily reconciliation. In some instances, “actual quantity” totals might not be used on the DD Form 250 for final payment to the HSP. This will be annotated on the final daily reconciliation, and will be further explained in the below subparagraph 1f(2)(e). A signed copy of the daily reconciliation will be e-mailed to the fleet COR not later than 3 days after completion of the PVST.

(e) DD Form 250 is the key document prepared by the ship to verify port services received and allow payment to the HSP. This FIAR-compliant document will be completed and digitally signed by the SUPPO and e-mailed to the fleet COR no later than 3 days after completion of the PVST. All quantities documented on the DD Form 250 should have an audit trail to the receipt inspector’s documentation to verify quantities received. However, sometimes “actual quantities” might not be the amount paid to the HSP. For example, a task order was awarded to an HSP for 16 hours of crane service, but the ship only utilized the crane for 12 hours. Contractually the HSP is allowed to invoice for 16 hours and, thus, the DD Form 250 must have 12 hours listed as the “Ship Actual Total” and 16 hours listed as the “DD 250 Qty.” These examples will be explained individually with each unit by the COR and contracting officer so that unit’s SUPPO understands each individual line item.

(f) For each service provided, the DD Form 250 will include sub-contract line item number, exhibit line item number, item nomenclature, unit of issue, unit price, actual quantity received, reconciled quantity, extended price and total price of services at bottom in blocks 15 through 20 or on the continuation pages. A fleet-customized DD Form 250 and a DD Form 250 message template for units submitting their DD Form 250 via message traffic are available from HSPortal.

(g) All PVST file documents will be maintained by the SUPPO and uploaded to FACET using the HSP module, per TYCOM procedures.

(h) To complete the daily reconciliation, use the following guidance. The daily reconciliation meeting is the proven method to ensure the ship is receiving services, that the ship
is recording services provided, and the ship and HSP agree on services provided and received. The ship will follow the daily reconciliation worksheet and go down the list of exhibit line item numbers one-by-one to gather agreement. If there are disagreements, notes are annotated and resolution efforts begin. Sometimes these efforts concentrate on different measurements of volumetrics provided. The HSP might think a certain number of cubic meters was received in CHT in a barge, where a ship might have utilized their engineering logs, flowmeters, or both and believe a different number of cubic meters was discharged. This is where it is extremely important that the ship have an auditable approach of verifying their quantities.

1. On the summary worksheet, the ship will indicate HSP services received that day, or during that 24-hour period, while also recording notes on the HSP’s performance.

2. Shipboard reconciliation notes and HSP performance notes are mandatory for each service received and those columns are on the far right of the worksheet.

3. Volumetric services will have additional verification notes such as size of barge or truck and how amounts were verified, i.e., flowmeter readings before and after, ship engineering logs, measurements of containers, barge or truck capacities, etc.

4. Buses will have specific hours listed and explanatory notes listed as to how hours were verified, added, or reduced, i.e., buses were utilized from 1600 to 2200.

5. Water taxis will have specific hours listed and explanatory notes listed as to how hours were verified, added, or reduced, i.e., water taxis were utilized from 1200 to 0100.

6. If any services were added or increased, explanatory notes document how COR was notified and contracting officer approved of these changes.

7. Daily amounts are summed in the “Actual Total” column on the daily reconciliation. This amount will be equal to the “Reconciled Total Qty for DD250” column unless the ship is directed by the COR or contracting officer as explained in the examples in figure 2. The amount of each service will provide the amount that will be populated in the ship’s DD Form 250 that is submitted to the COR.

8. The daily reconciliation will be kept in the ship’s PVST file and provided to the COR within 3 days of the end of PVST, or as soon as discrepancies are resolved.

9. In the event the task order language requires an HSP to be paid for services contract minimums or cancellation charges, the ship will annotate this in the notes section. COR or contracting officer can provide guidance on this subject. This is common for volumetric services, bus hours, water taxi hours, crane hours, etc.
a. Example 1: Ship requested 18 hours of crane service and HSP was awarded 18 hours on the task order. During the PVST the ship only utilized the crane for 16 hours. HSP is authorized to invoice for 18 hours per the task order. Anytime a task order minimum is greater than actual receipts, document both numbers on the DD Form 250 using a statement, such as “Received 16 hours of crane service; however, the contract minimum is 18 hours.”

b. Example 2: Ship requested 48 hours of bus service (2 buses x 24 hours each). 1 bus was delayed 4 hours on 2nd day of PVST. Advise COR or contracting officer of this difference in the notes section. List 44 hours in the reconciled quantity and on the DD Form 250 because the HSP is only allowed to invoice for that amount.

(i) If an agreement cannot be established on the discharged amount, the issue will be elevated to include the COR and contracting officer and potentially FLC counsel. If a ship cannot reconcile with the HSP on a particular day and especially the final day of the PVST, then the unit must contact either the COR, contracting officer, or both to assist with their efforts. The COR, contracting officer, or both will provide guidance on the way ahead per the terms of the contract.

(3) Receipt Inspector Role. Receipt inspectors will be TYCOM and shipboard trained on their duties before appointment. Then they will be appointed by the ship’s CO or master via a DD Form 577 as shown in the above CO or master section. This form will highlight the primary responsibility of a receipt inspector: verifying the receipt of goods and services provided by a contracted HSP during a PVST. Additionally, the DD Form 577 will give other duties as specified below in subparagraphs 1f(3)(a) through 1f(3)(g).

(a) Engineering department receipt inspectors will verify the quantity of trash, CHT, potable water, and oily waste loaded or offloaded by the ship to include verification of the beginning quantity, ending quantity, and quantity onloaded and offloaded. These same receipt inspector’s will ensure this information is recorded on Government generated forms and reported to the SUPPO or their designated representative. They will be familiar with methods to calculate quantity onloaded and offloaded and they will physically witness the onload and offload.

(b) Receipt inspectors will verify the amount of hours that buses and water taxis are utilized to ensure these hours are accurately reported by the ship and HSP. Use the following language in subparagraphs 1f(3)(b)1 through 1f(3)(b)6 when appointing receipt inspectors for the following departments.

1. Supply Department. In block 7 of DD Form 577, insert:

   a. “1. Receive receipt inspector training prior to accepting responsibility as a supply receipt inspector, before deployment, and before signing this appointment document.
b. 2. You will familiarize yourself with the specific services, quantities and units of issue for husbanding services found in the approved FLC task order. You will not take any action that could alter the terms of the HSP contract. You will not solicit or accept gifts, make unauthorized commitments, or take action that appears illegal or unethical.

c. 3. Verify receipt of all services provided during a PVST, to include, but not limited to: buses, water taxis, CHT, potable water, trash, oily waste, brows, cranes, forklifts, force protection equipment, buses, ships vehicles and all other services not specifically attributed to other departments. Quantity comparisons and conversion calculations should be held in tandem with applicable departmental receipt inspectors. Ensure these records are maintained on government generated forms and are provided to the SUPPO for daily reconciliation. Ensure services are received per the approved FLC task order.

d. 4. Attend the daily reconciliation meeting, review daily reconciliation paperwork, and closeout invoices for accuracy. Assist in preparing the OPNAV 4400/4, daily reconciliation, and DD Form 250 per applicable guidance.

e. 5. Identify HSP contractor deficiencies and inform the SUPPO, NFC COR or FLC contracting officer.”

2. **Engineering Department.** In block 7 of DD Form 577, insert:

a. “1. Receive receipt inspector training prior to accepting responsibility as a supply receipt inspector, before deployment and before signing this appointment document.

b. 2. You will familiarize yourself with the specific services, quantities and units of issue for engineering services found in the approved FLC task order. You will not take any action that could alter the terms of the HSP contract or contact the HSP directly. You will not solicit or accept gifts, make unauthorized commitments, or take action that appears illegal or unethical.

c. 3. Verify receipt of all engineering services provided during a port visit, to include, but not limited to: potable water, CHT, bilge water, trash, oily waste, prevention equipment and shore power. Maintain independent government records of volumetric or hour-based services (potable water, CHT, oily waste, trash, etc.). Provide these records to the SUPPO for daily reconciliation. Ensure services are received per the approved FLC task order.

d. 4. Daily, for the duration of a port visit, verify the date, port, and services provided. Review delivery tickets for accuracy. If inaccurate, do not sign the delivery ticket. If verified accurate, circle, sign, date, and print your name on the delivery ticket. Provide signed
delivery tickets to the SUPPO for daily reconciliation. Attend the daily reconciliation meeting. Assist in preparing the OPNAV 4400/4, daily reconciliation, and DD Form 250 per applicable guidance.

e. 5. Identify HSP contractor deficiencies and inform the SUPPO, NFC COR or FLC contracting officer.”

3. Navigation Department. In block 7 of DD Form 577, insert:

a. “1. Receive receipt inspector training prior to accepting responsibility as a supply receipt inspector, before deployment, and before signing this appointment document.

b. 2. You will familiarize yourself with the specific services, quantities and units of issue for navigation services found in the approved FLC task order. You will not take any action that could alter the terms of the HSP contract or contact the HSP directly. You will not solicit or accept gifts, make unauthorized commitments, or take action that appears illegal or unethical.

c. 3. Verify receipt of all navigation related services provided during a port visit, to include, but not limited to: tugs, barges, pilotage, wharfage, dockage (including dockage, undockage, and kedge anchors), berthing and anchorage fees, fleet landing expenses and immigration services such as passport or visa entry and exit stamps. Maintain independent government records of volumetric or hour-based services (tugs, etc.). Provide these records to the SUPPO for daily reconciliation. Ensure services are received per the approved FLC task order.

d. 4. Daily, for the duration of a port visit, verify the date, port and services provided. Review delivery tickets for accuracy. If inaccurate, do not sign the delivery ticket. If verified accurate, circle, sign, date and print your name on the delivery ticket. Provide signed delivery tickets to the SUPPO for daily reconciliation. Attend the daily reconciliation meeting. Assist in preparing the OPNAV 4400/4, daily reconciliation, and DD Form 250 per applicable guidance.

e. 5. Identify HSP contractor deficiencies and inform the SUPPO, NFC COR or FLC contracting officer.”

4. Deck Department. In block 7 of DD Form 577, insert:

a. “1. Receive receipt inspector training prior to accepting responsibility as a supply receipt inspector, before deployment and before signing this appointment document.

b. 2. You will familiarize yourself with the specific services, quantities and units of issue for deck services found in the approved FLC task order. You will not take any
action that could alter the terms of the HSP contract or contact the HSP directly. You will not solicit or accept gifts, make unauthorized commitments, or take action that appears illegal or unethical.

c. 3. Verify receipt of all deck services provided during a port visit, to include, but not limited to: trips on water taxis, brows, cranes, forklifts, personnel lifts, diving services for installation or removal of temporary sea suction screens, paint floats, camels, fenders and line handlers. Maintain independent government records of volumetric or hour-based services (water taxis, cranes, forklifts, etc.). Provide these records to the SUPPO for daily reconciliation. Ensure services are received per the approved FLC task order.

d. 4. Daily, for the duration of a port visit, verify the date, port, and services provided. Review delivery tickets for accuracy. If inaccurate, do not sign the delivery ticket. If verified accurate, circle, sign, date and print your name on the delivery ticket. Provide signed delivery tickets to the SUPPO for daily reconciliation. Attend the daily reconciliation meeting. Assist in preparing the OPNAV 4400/4, daily reconciliation, and DD Form 250 per applicable guidance.

e. 5. Identify HSP contractor deficiencies and inform the SUPPO, NFC COR or FLC contracting officer.”

5. Security and Force Protection. In block 7 of DD Form 577, insert:

   a. “1. Receive receipt inspector training prior to accepting responsibility as a supply receipt inspector, before deployment and before signing this appointment document.

   b. 2. You will familiarize yourself with the specific services, quantities and units of issue for force protection services found in the approved FLC task order. You will not take any action that could alter the terms of the HSP contract or contact the HSP directly. You will not solicit or accept gifts, make unauthorized commitments, or take action that appears illegal or unethical.

   c. 3. Verify receipt of all force protection services provided during a port visit, to include, but not limited to: barricades, tents, transportation, security services, metal detectors, security personnel, buses, overseas agricultural and customs inspection charges and rental of portable sanitary facilities. Maintain independent government records of volumetric or hour-based services (buses, cranes, etc.). Provide these records to the SUPPO for daily reconciliation. Ensure services are received per the approved FLC task order.

   d. 4. Daily, for the duration of a port visit, verify the date, port, and services provided. Review delivery tickets for accuracy. If inaccurate, do not sign the delivery ticket. If verified accurate, circle, sign, date and print your name on the delivery ticket. Provide signed
delivery tickets to the SUPPO for daily reconciliation. Attend the daily reconciliation meeting. Assist in preparing the OPNAV 4400/4, daily reconciliation, and DD Form 250 per applicable guidance.

e. 5. Identify HSP contractor deficiencies and inform the SUPPO, NFC COR or FLC contracting officer.”

6. Submarine or Other Shore Receipt Inspectors. In block 7 of DD Form 577, insert:

   a. “1. Receive receipt inspector training prior to accepting responsibility as a supply receipt inspector, before deployment, and before signing this appointment document.

   b. 2. You will familiarize yourself with the specific services, quantities and units of issue for [ship type] services found in the approved FLC task order. You will not take any action that could alter the terms of the HSP contract or contact the HSP directly. You will not solicit or accept gifts, make unauthorized commitments, or take action that appears illegal or unethical.

   c. 3. Verify receipt of all [ship type] services provided during a port visit, to include, but not limited to: tugs, barges, pilotage, wharfage, potable water, CHT, cranes, forklifts, personnel lifts, barricades, tents, transportation, security services, paint floats, camels, fenders and line handlers. Maintain independent government records of volumetric or hour-based services (potable water, CHT, oily waste, tugs, water taxis, cranes, forklifts, etc.). Provide these records to the SUPPO for daily reconciliation. Ensure services are received per the approved FLC task order.

   d. 4. Daily, for the duration of a port visit, verify the date, port and services provided. Review delivery tickets for accuracy. If inaccurate, do not sign the delivery ticket. If verified accurate, circle, sign, date and print your name on the delivery ticket. Provide signed delivery tickets to the SUPPO for daily reconciliation. Attend the daily reconciliation meeting. Assist in preparing the OPNAV 4400/4, daily reconciliation, and DD Form 250 per applicable guidance.

   e. 5. Identify HSP contractor deficiencies and inform the SUPPO, NFC COR or FLC contracting officer.”

   (c) Receipt inspectors will verify specific departmentally requested goods and services such as force protection equipment, crane and man lift usage, etc. and provide all HSP delivery tickets to the SUPPO or designated representative daily.

   (d) Receipt inspectors will identify contractor non-compliance and deficiencies and inform the SUPPO or COR.
(e) Receipt inspectors will not take any action that could alter the terms of the HSP contract or share any non-public information, solicit or accepts gifts, make unauthorized commitments, or take actions that give the appearance they are illegal and unethical.

(f) Receipt inspectors will ensure they have received applicable formal TYCOM training before signing their appointment letter.

(g) Surveillance refers to observations of the HSP providing services along with grading the performance of the HSP executing these actions.

4) COR Role. The COR performs quality assurance (QA) functions for contracted services. The COR provides continuous technical oversight of the contractor’s performance. The COR uses the QASP to conduct the oversight and surveillance process. The COR will maintain a QA file in HSPortal that accurately documents the contractor’s actual performance. The purpose is to ensure that the contractor meets the performance standards contained in the contract. The COR is not authorized to make any contractual commitments or to make any contractual change on behalf of the Government. COR functions include the following in subparagraphs 1f(4)(a) through 1f(4)(k).

(a) Assists in acquisition planning and contract award and administration processing.

(b) Provides technical assistance to the contracting officer.

(c) Maintains proficiency in contract surveillance procedures.

(d) Performs surveillance per the surveillance plan and provides contracting officer documentation of surveillance observations.

(e) Notifies contracting officer of any significant performance deficiencies.

(f) Monitors, assesses, and communicates HSP performance to the contracting officer, which will be used in documenting HSP’s past performance.

(g) COR will collect all relevant documentation to include OPNAV 4400/4, AARs, relevant e-mails, documented phone conversations and HSP invoices submitted in Wide Area Workflow.

(h) COR will upload documentation applicable to QA report into the HSPortal. For classified documents that cannot be uploaded, CORs will reference messages by date-time group or e-mails by date and enter pertinent comments into the HSPortal QA tab comments section.

(i) CORs will review ship provided OPNAV 4400/4 and provide any reasons for non-concurrence.
(j) For urgent concerns discovered during PVST execution or during the QA report process, where timeliness of HSP performance concerns need to be processed quickly, COR will notify contracting officer of any significant performance deficiencies as soon as possible and not wait for all documentation to be collected.

(k) CORs will use the following methodologies in subparagraphs 1f(4)(k)1 through 1f(4)(k)3 to monitor HSP performance per the QASP.

1. Customer Feedback
   a. After each ship visit, the ship will submit a OPNAV 4400/4 to indicate requirement receipt and communicate performance of the contractor. Ship complaints will be provided to the contractor. When the COR is off-site, the COR will rely on customer feedback to monitor contractor performance and ensure compliance with contract requirements.
   
   b. By reviewing all communications between the ship and HSP and by entering the ship’s observations into HSPortal to produce QASP ratings of each HSP. Those QASP ratings will be submitted by the COR or COR supervisor into CPARS semi-annually.

2. COR Random Inspection. When the COR is on-site, the COR will conduct random inspections for each non-volumetric service. Random inspections should be accomplished primarily through physical verification of the goods or services. Interviews with ship personnel, HSP representatives, and other key stakeholders may assist in accomplishing these inspections. The COR will provide a descriptive analysis of non-volumetric services randomly inspected in an AAR. The AAR will be uploaded to HSPortal.

3. Deliverable Inspections. 100 percent inspection is required by the ship’s designated representative of all reports, invoicing and other deliverables. When the COR is on-site, the COR will follow the instructions listed below in subparagraphs 1f(4)(k)3a and 1f(4)(k)3b.
   
   a. Be present or validate, at a minimum, one incident of each type of volumetric onload or offload, including trash removal, potable water on load, oily waste removal and CHT removal. During the monitoring of volumetric services, ensure ship personnel and the HSP accurately measure and record onload or offload amounts.
   
   b. Attend all daily reconciliation meetings to ensure ship designated representatives have accurately and correctly reviewed or completed all reports, invoicing and other deliverables.

(5) Contracting Officer Role. The contracting officer will ensure COR or COR PM has completed HSPortal QA tab and annual CPARS requirements. In cases where multiple numbered fleet COR programs cover a contract region, the contracting officer will ensure each
numbered fleets’ COR program are afforded the opportunity to review CPARS submissions. The contracting officer will review performance data, ask for clarifying information from the COR (if required), and provide the HSP with performance ratings. The contracting officer is ultimately responsible for determining the adequacy of the contractor’s performance. The contracting officer will consider the following when determining the adequacy of the contractor’s performance: DD Form 250; OPNAV 4400/4; and supplemental information received from the COR, NFCs and ships.

   g. **Receipt.** The ship has five main roles in the “Receipt” section of off ship bill pay and the HSP Program.

      (1) Complete the DD Form 250, digitally sign it, and submit it to the COR. Figures 8 and 9 provide an example of the DD Form 250. For details on completing the DD Form 250, see reference (f) and TYCOM instructions.

      (2) Complete the OPNAV 4400/4, have the CO or ship’s master sign it, and submit it to the COR.

      (3) Complete the daily reconciliation, sign it, and submit it to the COR. Figure 2 shows an example of the daily reconciliation.

         (a) Figure 2 indicates how the crane and forklifts were utilized for 16 hours, but the HSP is entitled to invoice for 18 hours because that amount was on the FLC task order.

         (b) Shipboard reconciliation notes should also explain these numbers to provide a clear audit trail.

      (4) Maintain copies of all required documents per TYCOM guidelines and any document that will provide an auditable trail to verify entries on the DD Form 250, OPNAV 4400/4 and daily reconciliation.

      (5) If equipped with the technology, upload all documents via FACET.

   h. **Invoicing and Acceptance**

      (1) **HSP Role.** The HSP will prepare an invoice for the services provided per the task order and upload it into Wide Area Workflow. If there is no disagreement with the HSP uploaded invoice, then the Navy is responsible for payment to the HSP within 30 days.

      (2) **COR Role.** CORs will ensure all PVST documents are received from ships to include the OPNAV 4400/4, daily reconciliation, and DD Form 250. CORs will upload these documents into HSPortal after verifying completeness and accuracy. Ensure only the final PVST documents
are uploaded to HSPortal. After an HSP has uploaded its PVST invoice into Wide Area Workflow, the COR is responsible for completing a FIAR compliant review and conducting the three-way match of the following documents: HSP’s invoice, ship’s DD Form 250 and FLC’s task order. If all documents match, then the COR will accept the invoice in Wide Area Workflow. The invoice will then flow electronically to the TYCOM for certification. The HSP may submit multiple invoices; however, the total of all invoices must match the DD Form 250 and the task order. In the event a COR cannot make a three-way match, CORs will coordinate with the contracting officer and HSP contractor before rejecting the invoice. Refer to reference (f) for details on the three-way match.

i. Certification and Payment of HSP’s Invoice

(1) TYCOM Comptroller Role. After a COR accepts the HSP invoice in Wide Area Workflow, the invoice is electronically forwarded to the respective TYCOM comptroller local processing official. Local processing official conducts a FIAR compliance review and conducts the three-way match of the following documents: HSP’s invoice, ship’s DD Form 250 and FLC’s task order. If all documents match, the local processing official will then certify the invoice for payment within Wide Area Workflow.

(2) Defense Finance and Accounting Service (DFAS) Role. After a TYCOM local processing official certifies an HSP invoice, the invoice is electronically forwarded to DFAS for review. After DFAS conducts its review of the documents, it will approve the invoice and schedule an electronic payment to the HSP.

j. PVST, Off Ship Bill Pay and HSP Program Document Retention

(1) Ship Role. The ship or unit will retain all required documents prescribed by TYCOM directives. At a minimum, those documents will include: LOGREQ, LOGREQ deviation requests, FLC task orders, daily reconciliation, copy of each receipt inspector’s DD Form 577, vendor delivery tickets, DD Form 250 and OPNAV 4400/4.

(2) Contracting Officer Role. The contracting officer will retain all required documents prescribed in reference (d), subpart 4.805.

(3) COR Role. The COR will retain all required documents prescribed by NAVSUPSYSCOM COR appointment letter.

(4) TYCOM Comptroller. The TYCOM comptroller and specifically the TYCOM comptroller local processing official will retain all required documents prescribed by fleet comptroller directives. TYCOM, NAVSUPSYSCOM and comptroller guidance will specify the actual required location of these documents.
2. Specific Interest Item Amplifying Guidance

a. Cancelled PVSTs. Cancelled PVSTs may incur valid charges that an HSP will invoice for payment and reimbursement. Upon these occurrences, contracting officers and CORs will explain the specific responsibilities of ship SUPPOs to complete a DD Form 250 for these invoices to be paid similarly to a routine PVST.

b. ORF. ORF is allocated to the fleet commanders by the Secretary of the Navy and is used to host official receptions, dinners, similar events, and to otherwise extend official courtesies to guests of the fleets for the purpose of maintaining the good standing and prestige of the Department of Defense and DON. SECNAVINST 7042.7K and specific fleet and TYCOM instructions provide specific guidance. Generally, the ship will submit an ORF request per operational commander’s guidance. The ORF vendor may be the same as the HSP vendor although ORF requirements will not use the HSP contract.

c. Fuel

(1) The DON Ships’ Bunkers Easy Acquisition (SEA) Card Program is organizationally aligned within the NAVSUPSYSCOM Corporate Operations Directorate. SEA Card Program provides efficient ordering and payment mechanisms for bunker fuel needs by using commercial processes and electronic technology to automate the SF Form 1449 Solicitation/Contract/Order for Commercial Items; provide timely payments to vendors; and minimize paperwork. To effectively support this program, SUPPOs will execute an official turnover of the SEA Card Program during SUPPO turnover to include training and account setup available at: https://www.dla.mil/Energy/Offers/Products/GovernmentFuel/SEACard.aspx. For detailed SEA card procedures, refer to the SEA Card Order Management System Vessel User Manual: https://www.seacardsys.com/help/forms/SCOMS-VesselManual.pdf.

(2) If the SEA Card Program is unable to satisfy a ships fuel requirement, with prior approval from the TYCOM and the NFC, ships may direct their fuel requirement to the appropriate FLC to coordinate with commercial vendors regarding delivery, specification issues, or attempt an alternative procurement strategy.

d. Provisions. In emergent cases, or if the DLA prime vendor is unable to meet delivery requirements, and with prior approval from the TYCOM and Bureau of Naval Personnel, ships will direct their subsistence requirements to the appropriate NAVSUPSYSCOM FLC for procurement. FLCs will support subsistence requirements at the best fill rate available.

e. NEXCOM and 1Q Items. These items are not sourced via NAVSUPSYSCOM HSP contracts. Utilize the NAVSUPSYSCOM Publication 4998, Consolidation Afloat Requisition Guide Overseas, for NEXCOM and 1Q item procurement procedures. Orders for 1Q ship store merchandise outside the NEXCOM electronic data interchange process will require NEXCOM authorization.
f. **Force Protection.** NFC force protection conditions drive the force protection measures and requirements for a particular PVST. Some of these requirements may be provided at no cost by the local law enforcement agency CONUS or a host nation under international agreement at an OCONUS PVST. Generally, the ship will be billed for the service through the HSP. Each fleet provides guidance on force protection procedures.

g. **Volumetrics.** Volumetrics, such as CHT, water, and oily waste, are the biggest cost drivers of any PVST. Ships will execute dedicated efforts to verify services provided and actual amounts offloaded or loaded. All units will physically verify empty containers, full containers, barge soundings, flowmeter readings, and tank level indicator readings before pumping and after pumping.

h. **Unauthorized Commitments.** An unauthorized commitment is an agreement that is not binding solely because the Government representative who made it lacked the authority to enter into that agreement on behalf of the Government. Government employees (e.g., ship department heads) may have implied or apparent authority, but lack actual authority and become liable for making apparent changes or agreements with a contractor. Only contracting officers can obligate the Government under the HSP contracts. If a ship commits an unauthorized commitment, the FLC chief of contracting office may ratify charges up to $50,000 under certain circumstances defined in the Deputy Assistant Secretary of the Navy, Acquisition and Procurement (DASN (AP))’s Navy Marine Corps Acquisition Regulation, supplement to reference (b), dated April 2018. Other unauthorized commitments may only be ratified by NAVSUPSYSCOM. If the Navy declines to ratify an unauthorized commitment, the government representative committing the unauthorized commitment may be held personally and financially liable. The ship’s contractual authority is limited to government commercial purchase card micro-purchases. Understanding the terms and conditions of the contract is critical to ensure unauthorized commitments are not committed.

i. **Constructive Changes.** A constructive change is sometimes called a change by implication and occurs when the Government, by its actions, changes the contract without specifically adhering to the requirements of the changes clause. A constructive change order has been defined as an oral or written act or omission by the contracting officer or other authorized government official, which is of such a nature that it has the same effect as a formal written change order under the changes clause. SUPPOs and CORs will communicate with contracting officers when contract terms and conditions are in question.
3. **Best Practices and Lessons Learned**

   a. **Cost Avoidance and Suggested Cost Savings**

      (1) CHT in itself is generally the number one cost driver of any PVST. Therefore, it is a commander’s interest item and requires extra scrutiny throughout the chain of command. It starts with the estimated requirements on the LOGREQ. Ships will not simply default to the maximum rate allowed on the global LOGREQ.

         (a) The unit will coordinate with the COR to determine the amount to estimate. Factors such as liberty port, working port, Marines embarked, engineering casualties, and planned maintenance, etc., will be considered.

         (b) It is acceptable if the ship discharges above or below the estimate because HSP contracts are built for these uncertainties and contractors bid with two prices on their services.

             1. The P1 price will be executed for amounts discharged within a pre-determined range (generally +/- 15 percent).

             2. The P2 price will be charged for amounts above or below the range and the amount that the HSP can invoice. It is determined via a formula listed on the daily reconciliation.

         (c) CHT estimates should be scrutinized to ensure the ship plans on either a liberty or working port call. These CHT figures can be significantly different and thus cost several more thousand dollars if ships do not plan appropriately.

         (d) CHT is generally the most expensive item during a PVST, so the estimate placed in the LOGREQ should be reviewed by engineering representatives and compared to historical figures.

      (2) Under most circumstances oily waste does not require daily offload. Ships should make every effort to store oily waste and offload only every 2 or 3 days while in port. Oily waste offload schedules should be included in the ships LOGREQ to the maximum extent possible. This policy can conserve expenditures during deployments.

      (3) Crane and forklift requirements should be planned and a detailed schedule developed. Unplanned crane hours results in numerous contract changes and increased costs to the government.
(4) Buses and water taxis should have a planned schedule that varies to accommodate larger requirements during liberty with scheduled start and end times while reducing hours during normal working hours. Ships will not default to having water taxis or buses run all day long.

(5) Oil booms are a significant cost driver and should be avoided when not required. Oil booms are not required by Navy environmental policy and should only be used when required by CONUS or OCONUS ports, or when directed by Navy policy. COs or ship’s masters may request an oil boom based on a ship’s evolutions and the risk assessment.

b. Emergent and Emergency Requirements. The CO and ship’s master retains the authority to direct emergent action in a life and limb emergency. These events will be quickly elevated via the most expeditious communications to the COR. The COR will provide direction to the ship on how to reconcile with the HSP.

(1) Emergent requirements should be sent via the fastest communication method, typically by phone with a follow up e-mail, from the SUPPO to the COR as soon as identified. If within scope and agreed upon by the NFC, it may be possible to modify the contract or task order to include the additional PVST requirements through negotiation and a fair and reasonable determination of price. Those requirements above the threshold and outside the scope of the HSP contract may be awarded by the contracting officer as a stand-alone procurement, but time limitations may be a factor in whether the requirement can be successfully procured for the PVST.

(2) Emergency requirements involving life, limb, or property may require immediate action by the ship’s CO and SUPPO. An unauthorized commitment may result from an instance of a ship taking immediate action and not following normal procurement procedures. Ships must notify the COR as soon as possible to ratify emergency requirements as legal contract arrangements.

c. Ethics. Be good stewards of taxpayer dollars. An ethics brief from a judge advocate or legal officer at check-in with periodic refreshers will help Sailors understand the boundaries of a professional working relationship with contractors. Do not accept a gift of any kind, such as transportation, lodging, meals, entertainment, discounts or any other item of monetary value without a review from or a determination from the chain of command and ship judge advocate. However, this does not justify acceptance when conducting routine business.
4. Points of Contact

   a. NAVSUPSYSCOM FLCs

<table>
<thead>
<tr>
<th>Command</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>FLC Jacksonville</td>
<td>(904) 813-0458</td>
</tr>
<tr>
<td>FLC San Diego</td>
<td>(619) 855-0135</td>
</tr>
<tr>
<td>FLC Puget Sound</td>
<td>(360) 340-4582</td>
</tr>
<tr>
<td>FLC Norfolk</td>
<td>(757) 544-2676</td>
</tr>
<tr>
<td>FLC Pearl Harbor</td>
<td>(808) 216-1339</td>
</tr>
<tr>
<td>FLC Yokosuka</td>
<td>011-81-90-1121-1231</td>
</tr>
<tr>
<td>FLC Bahrain</td>
<td>011-973-3947-9360</td>
</tr>
<tr>
<td>FLC Sigonella</td>
<td>011-39-335-758-9696</td>
</tr>
<tr>
<td>NAVSUPSYSCOM Command Duty Officer</td>
<td>(717) 903-8483</td>
</tr>
</tbody>
</table>

   b. Fleet HSP Points of Contact

<table>
<thead>
<tr>
<th>Command</th>
<th>Phone</th>
<th>E-mail</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMUSFLTFORCOM HSP PM</td>
<td>(757) 836-3774</td>
<td><a href="mailto:USFF_NFLT_N01_N41_LRC@navy.mil">USFF_NFLT_N01_N41_LRC@navy.mil</a></td>
</tr>
<tr>
<td>COMPACFLT HSP PM</td>
<td>(808) 471-8376</td>
<td><a href="mailto:PRLH_CPF_N4C@navy.mil">PRLH_CPF_N4C@navy.mil</a></td>
</tr>
<tr>
<td>2nd Fleet</td>
<td>(757) 836-4565</td>
<td><a href="mailto:CTF-80_COR@navy.mil">CTF-80_COR@navy.mil</a></td>
</tr>
<tr>
<td></td>
<td>(757) 266-7465</td>
<td></td>
</tr>
<tr>
<td>3rd Fleet</td>
<td>(619) 767-4213</td>
<td><a href="mailto:C3F_COR_HSP.fct@navy.mil">C3F_COR_HSP.fct@navy.mil</a></td>
</tr>
<tr>
<td>4th Fleet</td>
<td>(904) 270-4904</td>
<td><a href="mailto:COMUSNAVSO-C4F_MYPT_LOGISTICS@navy.mil">COMUSNAVSO-C4F_MYPT_LOGISTICS@navy.mil</a></td>
</tr>
<tr>
<td>5th Fleet</td>
<td>011-973-3947-3121</td>
<td><a href="mailto:C5FHSPCOR@me.navy.mil">C5FHSPCOR@me.navy.mil</a></td>
</tr>
<tr>
<td>6th Fleet</td>
<td>39-081-568-1227/1241/1212 39-335-101-1748 (after hours)</td>
<td><a href="mailto:C6FCOR@eu.navy.mil">C6FCOR@eu.navy.mil</a></td>
</tr>
<tr>
<td>7th Fleet</td>
<td>Defense Switched Network (DSN): 315-243-5106</td>
<td><a href="mailto:CPFCOR@navy.mil">CPFCOR@navy.mil</a></td>
</tr>
</tbody>
</table>

   c. MSC

<table>
<thead>
<tr>
<th>Group</th>
<th>Phone</th>
<th>E-mail</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSC COR</td>
<td>(757) 443-2440</td>
<td><a href="mailto:COMSC_N41_HSP_COR@navy.mil">COMSC_N41_HSP_COR@navy.mil</a></td>
</tr>
<tr>
<td>MSC Contracting (N10)</td>
<td>(757) 443-2472</td>
<td><a href="mailto:COMSC_N102A_HUSBAND@navy.mil">COMSC_N102A_HUSBAND@navy.mil</a></td>
</tr>
<tr>
<td>MSC Far East COR</td>
<td>DSN (315) 421-2059/2424 +65-9235-6550 (after hours) +65-6750-2424 (after hours)</td>
<td><a href="mailto:MSCFE_HUSBANDINGING@fe.navy.mil">MSCFE_HUSBANDINGING@fe.navy.mil</a></td>
</tr>
</tbody>
</table>
HUSBANDING SERVICE PROVIDER GOVERNANCE

1. Purpose

   a. The HSP governance structure is responsible to review, validate and oversee compliance with all HSP policy, procedures and business processes. Additionally, the HSP governance structure receives reports on audit findings; reviews and assesses OPNAV N09G and HSP inspection plans; and approves inspection and audit closure responses. The HSP governance structure does not plan or conduct audits or determine that OPNAV N09G inspection findings, or Naval Audit Service (NAVAUDSVC) audit findings, recommendations and disclosures are accurate and complete.

   b. The senior member of the HSP governance structure, OPNAV N41, annually briefs CNO N4 and informs the DON Senior Management Council.

2. HSP Governance Structure. The HSP governance structure consists of the HSP Board of Directors (BOD), HSP Audit Committee, and HSP Working Group (HSP WG). See figure 1.

![HSP Governance Diagram]

Note: NAVSUPSYSCOM N7B is Deputy Assistant Commander for Contracting; and NAVSUPSYSCOM N00 is Commander, Naval Supply Systems Command

3. Executive Secretary. An OPNAV N41 action officer will serve as the executive secretary and will draft all meeting minutes for approval and issue to the HSP community of interest. Minutes will be issued within 10 business days.

Enclosure (2)
4. **Voting.** For voting purposes, a quorum exists when more than 50 percent of the voting members (or designated representatives) are in attendance or actively participating.

5. **HSP BOD**
   
a. **Purpose and Responsibilities**
   
   (1) Review annual assessment plan, metrics and policy updates provided by the HSP Audit Committee.
   
   (2) Direct policy changes.
   
   (3) Review and approve actions requiring HSP BOD approval.
   
   (4) Monitor implementation of recommended actions.
   
   b. **Meetings.** The HSP BOD will meet semi-annually or as required (in person or by telecommunications or video teleconference (VTC)).
   
   c. **Chair.** OPNAV N41.
   
   d. **Voting Members.** Flag officers (O-7 or O-8) from NAVSUPSYSCOM and NCCs.
   
   e. **Advisory Members (non-voting)**
   
   (1) DASN (AP). Reviews each proposed HSP policy or procedural change to determine if it conflicts with DON contracting and procurement policies, and advises as to any upcoming policy changes that will affect HSP processes.
   
   (2) NAVAUDSVC. Provides advice on routine business matters, educates the board about matters within the technical expertise of NAVAUDSVC auditors, and provides information, such as best practices. NAVAUDSVC will not perform any advisory service that includes management responsibilities per the Government Accountability Office Yellow Book. This ensures there is no impairment to NAVAUDSVC’s independence. NAVAUDSVC will continue to conduct audits per SECNAVINST 7510.7G, to include audits on the HSP Program.
   
   (3) OPNAV N09G. Responsible for the preparation, presentation, and integrity of assigned inspection findings and recommendations. Management responsibilities also include inspection policies, internal inspection, and internal review functions, internal accounting controls, and disclosure controls and procedures. The inspectors will also ensure that inspection findings and recommendations are included in public disclosures and inspection reports, and
fairly represent the results of operations. OPNAV N09G inspectors are responsible for planning and conducting inspections of HSP policy, procedures, and business practices. All opinions expressed must conform to HSP policy, procedures and business practices.

6. **HSP Audit Committee**
   
   a. **Purpose and Responsibilities**
      
      (1) Advises the HSP BOD on the effectiveness of the HSP program’s internal review programs and inspections with recommendations for improvement.
      
      (2) The HSP Audit Committee will conduct annual self-assessments of its performance.
      
      (3) Approve annual assessment plan provided by the HSP WG.
      
      (4) Validate recommended actions and determine when HSP BOD approval authority is required.
      
      (5) Review and approve actions that require immediate attention or do not warrant HSP BOD approval authority.
      
      (6) Monitor implementation of recommended actions.
   
   b. **Meetings.** The HSP Audit Committee will meet quarterly or as required (in person or by telecommunications or VTC).
   
   c. **Chair.** Head, Logistics – Supply Chain Operations – Fleet Support Branch (OPNAV N413).
   
   d. **Voting Members.** O-6s from NAVSUPSYSCOM N7 and NCC N4s.
   
   e. **Advisory Members.** Representatives from DASN (AP), NAVAUDSVC and OPNAV N09G. Advisory responsibilities are outlined above in subparagraphs 5e(1) through 5e(3).

7. **HSP WG**
   
   a. **Purpose and Responsibilities**
      
      (1) Advise the HSP Audit Committee on the effectiveness of the internal review program and make recommendations for improvement. The HSP WG will provide quarterly updates to the HSP Audit Committee chair. Members of the HSP WG will be responsible for ensuring their respective HSP BOD and HSP Audit Committee members are apprised of HSP WG endeavors, published inspections and audit reports.
(2) Ensure that managerial and internal controls are effective, guarantee the protection of assets, and include checks and balances with an inspection and feedback process.

(3) Require that the HSP program internal inspectors and management keep the HSP WG informed about fraud, illegal acts, deficiencies in internal control, and similar matters as soon as they are known per agreed guidelines.

(4) Require that NFC managers’ internal controls program reviews designate HSP as an assessable unit to ensure adequate controls are in place. Inspections performed by OPNAV N09G must be conducted per SECNAVINST 5200.35G with adequate checks and balances and an inspection and feedback process.

(5) Review:

(a) HSP process compliance with this OPNAV instruction;

(b) Management of FIAR and acquisition regulations;

(c) Annual internal review plans, subsequent changes, and implementing coverage per SECNAVINST 5200.35G;

(d) Internal reviews for findings involving fraud, waste, abuse and mismanagement, and any recurrent findings; and

(e) All inspections conducted on the HSP Program.

b. Meetings. The HSP WG will meet monthly or as required (in person or by telecommunications or VTC).

c. Chair. O-5 from OPNAV N413.

d. Voting Members. Action officers (O-5/GS-14 and below) from NAVSUPSYSCOM and NCCs.

e. Advisory Members. Representatives from DASN (AP) will serve as advisors to the HSP WG. Inspectors from OPNAV N09G will serve as independent assessors. Advisory responsibilities for DASN (AP) and OPNAV N09G are outlined in subparagraphs 5e(1) and 5e(3).
HUSBANDING SERVICE PROVIDER MANAGEMENT METRICS

1. **Purpose.** To maintain the health of the HSP Program, specific metrics are required to keep the program audit ready and provide husbanding support to the Navy. Metrics identified in this enclosure monitor:
   
   a. timeliness of key performance milestones of the HSP Program,
   
   b. compliance with HSP Program policy, and
   
   c. accuracy of the products and documents generated during the PVST process.

2. **Required Metrics.** Table 1 lists the required metrics, to include:
   
   a. method of collection and reporting,
   
   b. metric goals, and
   
   c. command(s) responsible.

3. **Reporting.** HSPortal is the central repository for the execution of the HSP program. All metrics are collected from HSPortal’s OPNAV Metrics Report.
   
   a. CNO N4 will collect metrics found in table 1 not later than the 5th day of the quarter (i.e., January, April, July and October). Metrics are collected using the OPNAV Metrics Report found in the metrics tab in HSPortal. These metrics document the performance of the HSP program for the preceding quarter, e.g., first quarter (October through December), and are collected no later than 5 January. If the 5th falls on a weekend, the metrics are collected the following Monday.
   
   b. CNO N4 will review metrics for trends, compliance with HSP program policy, and provide to the HSP governance members for review.
   
   c. No later than the 10th day of the quarter, CNO N4 will request information from responsible commands for any metrics of concern.
<table>
<thead>
<tr>
<th>Metric Name</th>
<th>What does this metric monitor?</th>
<th>How is this metric calculated?</th>
<th>Goal</th>
<th>Responsible Command(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PVSTs Executed</td>
<td>Monitors the number of PVSTs conducted by the fleet year to date</td>
<td>Count the number of PVSTs executed</td>
<td>Not applicable (N/A)</td>
<td>NFCs</td>
</tr>
<tr>
<td>PVSTs Cancelled</td>
<td>The number of cancelled PVSTs and costs associated with preparation for the PVST</td>
<td>Count the number of cancelled PVSTs, the reason why, and any costs incurred</td>
<td>No goal established as cancelled PVSTs are due to operational</td>
<td>NFCs and NAVSUPSYSCOM</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>requirements or weather events</td>
<td></td>
</tr>
<tr>
<td>PVSTs Cancelled with Charges</td>
<td>The total number of cancelled PVSTs that have charges against them</td>
<td>The total number of cancelled PVSTs with charges by NFC</td>
<td>No goal established as cancelled PVSTs are due to operational</td>
<td>NFCs</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>requirements or weather events</td>
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<td></td>
<td></td>
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<tr>
<td>Cancelled PVSTs – Invoice Paid Amount</td>
<td>Total costs associated with preparation for cancelled PVSTs</td>
<td>Any costs incurred for a cancelled PVST</td>
<td>No goal established as cancelled PVSTs are due to operational</td>
<td>NFCs</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>requirements or weather events</td>
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<tr>
<td>LOGREQ Submission</td>
<td>Timeliness of fleet LOGREQ submission</td>
<td>Average number of days from receipt of LOGREQ until the first day of the PVST</td>
<td>Average LOGREQ submission ≥ 30 calendar days prior to PVST</td>
<td>NFCs</td>
</tr>
<tr>
<td></td>
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<tr>
<td>LOGREQ Processing</td>
<td>Timeliness of COR review and submission of LOGREQs to NAVSUPSYSCOM FLC Code 200</td>
<td>Average number of calendar days between COR submission of requirements package to beginning</td>
<td>Average ≥ 15 calendar days prior to PVST</td>
<td>NFCs and NAVSUPSYSCOM</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PVSTs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task Order Award Timeliness</td>
<td>Monitors FLC performance on awarding HSP task orders prior to the PVST</td>
<td>Average the number of days between the task order award and start of the PVST</td>
<td>Average ≥ 7 calendar days before PVST start</td>
<td>NAVSUPSYSCOM</td>
</tr>
<tr>
<td>Metric Name</td>
<td>What does this metric monitor?</td>
<td>How is this metric calculated?</td>
<td>Goal</td>
<td>Responsible Command(s)</td>
</tr>
<tr>
<td>-------------</td>
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</tr>
<tr>
<td>Task Order Amount</td>
<td>Monitors the amount obligated towards task orders</td>
<td>Maintain a running total for obligations towards task orders</td>
<td>N/A</td>
<td>NFCs</td>
</tr>
<tr>
<td>PVSTs with Outstanding Authorization to Proceed (Modification Needed)</td>
<td>Monitors the number of PVSTs that require a task order modification</td>
<td>Calculates a total number of PVSTs that have received a verbal authorization to proceed, but require a modification</td>
<td>N/A</td>
<td>NFCs and NAVSUPSYSCOM</td>
</tr>
<tr>
<td>COR Boots on Ground</td>
<td>Monitors compliance with OPNAV direction for minimum COR boots on ground requirements to reduce risk in the most vulnerable or high cost PVSTs</td>
<td>Identify if a NFC COR was present for: (1) a ship's first PVST in the AOR; (2) fleet week and high visibility exercises; (3) CVN/LHA/LHD visits; or (4) ports experiencing or potentially experiencing logistics challenges</td>
<td>95 percent ≥ CORs boots on ground per OPNAV guidance</td>
<td>NFCs</td>
</tr>
<tr>
<td>End of PVST Files (OPNAV 4400/4, Daily Reconciliation, DD Form 250)</td>
<td>Timeliness of ship submission of required end of PVST files</td>
<td>Average number of days from the end of the PVST, not including the last day of the visit, until the ship submits final copies of all required documentation (OPNAV 4400/4, daily reconciliation, DD Form 250)</td>
<td>Average ≤ 3 calendar days after the last day of the PVST</td>
<td>NFCs</td>
</tr>
<tr>
<td>End of PVST Files (OPNAV 4400/4, Daily Reconciliation, DD Form 250) Overdue</td>
<td>Total number of PVSTs with overdue end of PVST files</td>
<td>The total number of task orders missing an end of PVST file document. Broken down by OPNAV 4400/4, daily reconciliation, and DD Form 250</td>
<td>No goal established as average ≤ 3 calendar days after the last day of the PVST is captured for the end of PVST file</td>
<td>NFCs</td>
</tr>
<tr>
<td>Metric Name</td>
<td>What does this metric monitor?</td>
<td>How is this metric calculated?</td>
<td>Goal</td>
<td>Responsible Command(s)</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>-----------------------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Task Order Completion</td>
<td>Timeliness of task order modifications by NAVSUPSYSCOM FLCs</td>
<td>Average number of days between the HSP COR uploading an actionable final DD Form 250 and daily reconciliation and the FLC contracting officer issuing the PVST complete modification</td>
<td>Average days for PVST complete modification ≤ 3 calendar days following receipt of DD Form 250 and daily reconciliation</td>
<td>NAVSUPSYSCOM</td>
</tr>
<tr>
<td>Task Order Completion Overdue</td>
<td>Total number of PVSTs with past due task order completion</td>
<td>The total number of task orders that have not been completed within the established goal</td>
<td>No goal established. Average days for final modification ≤ 3 calendar days following receipt of DD Form 250 and daily reconciliation</td>
<td>NAVSUPSYSCOM</td>
</tr>
<tr>
<td>HSP Invoice Acceptance</td>
<td>Monitors COR timeliness in acceptance of HSP invoices, part of process to prevent interest charges</td>
<td>Average number of days from an HSP uploading the final invoice until accepted by the COR</td>
<td>Average invoice accepted ≤ 7 calendar days following invoice submission by HSP</td>
<td>NFCs</td>
</tr>
<tr>
<td>HSP Invoice Certification</td>
<td>Monitors TYCOM comptroller timeliness in certification of HSP invoices for payment, part of process to prevent interest charges</td>
<td>Average number of days between COR acceptance of the HSP invoice until certified for payment by TYCOMs</td>
<td>Average ≤ 7 calendar days after invoice acceptance by COR</td>
<td>TYCOMs</td>
</tr>
<tr>
<td>Invoice Paid Amount</td>
<td>Monitors the running cost of PVSTs by fleet and ship type (guided missile cruiser (CG), guided missile destroyer (DDG), etc.)</td>
<td>Maintain a running cost for PVSTs broken down by fleet and ship type</td>
<td>N/A</td>
<td>NFCs</td>
</tr>
<tr>
<td>Metric Name</td>
<td>What does this metric monitor?</td>
<td>How is this metric calculated?</td>
<td>Goal</td>
<td>Responsible Command(s)</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------</td>
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<td>----------------------------------------------------------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>Interest Charges</td>
<td>Monitors the amount of interest paid</td>
<td>Add the total amount of interest paid on HSP task orders from Federal Procurement Data and HSPortal</td>
<td>≤ 0.009 percent of total invoices paid (Assistant Secretary of the Navy Financial Management and Comptroller established standard)</td>
<td>NFCs and TYCOMs</td>
</tr>
<tr>
<td>Interest Percentage</td>
<td>Monitors the percentage of interest paid compared to invoice paid amount</td>
<td>Divide interest paid amount by invoice paid amount</td>
<td>≤ 0.009 percent of total invoices paid (Assistant Secretary of the Navy Financial Management and Comptroller established standard)</td>
<td>NFCs and TYCOMs</td>
</tr>
<tr>
<td>Final Invoice Received without Dollar Match</td>
<td>Monitors the number of PVSTs in which the final invoice does not match the task order amount</td>
<td>Maintains a count of PVSTs in which the final invoice amount does not match the task order</td>
<td>N/A</td>
<td>NFCs and NAVSUPSYSCOM</td>
</tr>
<tr>
<td>Number of LOGREQ Deviations</td>
<td>Monitors the standardization of LOGREQs and identifies areas needing modification to standard global LOGREQs</td>
<td>Count the number of approved LOGREQ deviations by the N4s</td>
<td>No goal established as LOGREQ deviations are driven by unique ship circumstances</td>
<td>NFCs</td>
</tr>
<tr>
<td>Invoice Payment</td>
<td>Monitors timeliness of DFAS payment of certified invoices</td>
<td>Average number of days from final invoice submission to payment by DFAS</td>
<td>Average days after invoice receipt ≤ 30 calendar days</td>
<td>N/A</td>
</tr>
<tr>
<td>Metric Name</td>
<td>What does this metric monitor?</td>
<td>How is this metric calculated?</td>
<td>Goal</td>
<td>Responsible Command(s)</td>
</tr>
<tr>
<td>------------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>QA Tab Input</td>
<td>Monitors COR completion of QASP input following PVSTs</td>
<td>COR present for PV: count the number of days from the end of the PVST until the COR completes entry in the QA tab in HSPortal</td>
<td>QA information entered into HSPortal ≤ 5 calendar days following end of PVST if COR is present, or after receipt of final OPNAV 4400/4 if COR not present for the PVST</td>
<td>NFCs</td>
</tr>
<tr>
<td>HSP Manning</td>
<td>Monitors approved, funded, and onboard HSP manning at the NFC</td>
<td>Report the total authorized, funded, and onboard manpower</td>
<td>90 percent manned to approved manning and 100 percent manned to funded manning</td>
<td>NFCs</td>
</tr>
<tr>
<td>COR Workload</td>
<td>Monitors the number of PVSTs per COR in the given fleet</td>
<td>Number of PVSTs completed to date, divided by the number of CORs on hand</td>
<td>N/A</td>
<td>NFCs</td>
</tr>
</tbody>
</table>

Table 1: HSP Management Metrics