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PROGRAM MANAGEMENT COURSE  
INDIVIDUAL STUDY PROGRAM

NAVY "BLUE DOLLAR" VS.  
MARINE CORPS "GREEN DOLLAR"  
ACQUISITION PROCEDURES

STUDY PROJECT REPORT  
PMC 75-1

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 VS.  
 MARINE CORPS "GREEN DOLLAR"  
 ACQUISITION PROCEDURES

Study Project Report  
 Individual Study Program

Defense Systems Management School  
 Program Management Course  
 Class 75-1

by  
 Richard R. Wilz  
 GS-14            DNC

May 1975

Study Project Advisor  
 Mr. Fred Kelley

This study project report represents the views, conclusions, and recommendations of the author and does not necessarily reflect the official opinion of the Defense Systems Management School or the Department of Defense.

## EXECUTIVE SUMMARY

The primary purpose of this study was to review the peculiarities between Navy and Marine Corps Acquisition Procedures, concentrating on their inter-relationships as they affect the Marine Air Traffic Control (MATCU) Program. Within the Marine Corps, certain types of equipment (i.e. such as aircraft and aircraft-related) are funded, procured, and supported with Navy "Blue Dollars". Other equipments are funded with Marine Corps "Green Dollars". When acquiring equipment and systems with "Green Dollars" Marine Corps procedures as outlined in MCO P5000.10 are followed. However, for "Blue Dollar" programs, current directives generally require compliance with both Marine Corps and Navy Acquisition procedures. This duplication frequently results in confusion and conflict, especially in the areas of determining the proper approval authorities and of coping in the Navy system. The entire spectrum of system acquisition from planning and budgeting, milestone reporting and approvals through support of the deployed equipments is impacted. To assure maximum effectiveness within the time allotted to complete this study and to take advantage of the author's nine years experience as the assigned Acquisition Manager of the MATCU Program, the scope of this study project is limited to only the one "Blue Dollar" program, MATCU.

The approach to accomplishing this project was first to thoroughly analyze the current directives establishing Navy and Marine Corps Acquisition Procedures. From this initial study, the author identified ten areas of issue between the two sets of procedures as they affect the MATCU Program. Issues were selected mainly on the basis of the degree to which they impact the MATCU Program now or their potential impact in the future. The next step was to conduct interviews with approximately twelve individuals throughout the Navy and Marine Corps who have responsibilities in Marine Corps "Blue Dollar" programs. Other Program Managers of "Blue Dollar" programs were interviewed as were senior officials in both Navy and Marine Corps offices responsible for establishing acquisition policies. Finally all available data was analyzed and conclusions were drawn for presentation in this paper.

The primary conclusion is that there appears to be a consensus that Navy procedures should be followed for formal acquisition purposes but that Marine Corps reporting procedures should be followed as a means of keeping high level Marine Corps officials informed on program developments. The recommendations made in this study paper largely reflect what the author feels would be the best approaches to resolving issues that have been persistently disruptive to an orderly MATCU Acquisition Program.

## ACKNOWLEDGEMENTS

The author wishes to acknowledge those officials in both the Navy and the Marine Corps who were so generous with their time during the interview portion of this project. The intimate discussions with these high level individuals were most informative and hopefully some of the knowledge they imparted is reflected herein.

The valuable assistance of the study project advisor, Mr. Fred Kelly is also gratefully appreciated.

## TABLE OF CONTENTS

EXECUTIVE SUMMARY.....	ii
ACKNOWLEDGEMENTS.....	iv
<u>Section</u>	
I. INTRODUCTION.....	I-1
Purposes of this Study Project.....	I-1
Specific Goals of This Project.....	I-1
Organization of This Report.....	I-2
Background of The Report.....	I-2
Scope and Limitations of the Report.....	I-3
II. A SUMMARY OF MARINE CORPS AND NAVY ACQUISITION PROCEDURES.....	II-1
Background.....	II-1
Summary of Navy Acquisition Procedures.....	II-4
Summary of Marine Corps Acquisition Procedures.....	II-5
III. STUDY PROJECT METHODOLOGY.....	III-1
Overview.....	III-1
Study Approach.....	III-4
Identification of Procedural Alternatives.....	III-5
Discussion and Identification of Alternatives.....	III-6
1. Duplication of Staff Personnel.....	III-6
2. Program Documentation.....	III-10
3. Integrated Logistic Support.....	III-11
4. Technical Data Requirements.....	III-14
5. Budgeting and Obligation Problems.....	III-15
6. Test and Evaluation Plans.....	III-18
7. Program Reporting and Milestone Reviews.....	III-19
8. Service Approval.....	III-21
9. Contract Administration.....	III-23
10. Conflicting Directives.....	III-24
IV. SUMMARY.....	IV-1
Introduction.....	IV-1
Conclusion and Recommendation.....	IV-1
LIST OF REFERENCES	
APPENDIX A: Abbreviations.....	A-1

APPENDIX B:	Interview memo.....	B-1
	Interview form.....	B-2
	Attachement 1 to Interview form.....	B-3
APPENDIX C:	Draft Letter to CNO and CMC.....	C-1

**BIBLIOGRAPHY**

SECTION I  
INTRODUCTION

A. PURPOSES OF THIS STUDY PROJECT

The author of this paper serves as the Acquisition Manager (AM) for the Marine Air Traffic Control Unit (MATCU) Program. The MATCU Program involves equipment and systems procured for use by the Marine Corps but funded and supported by the Navy. Acquisition of this equipment must interface with both Navy and Marine Corps acquisition procedures. The purposes of this paper are to identify areas of conflict or concern between these two acquisition systems as they relate to MATCU, to analyze these problem areas, and to recommend appropriate corrective action.

B. SPECIFIC GOALS OF THIS PROJECT

The specific goals are:

1. To provide a clear understanding of Navy "Blue Dollar" versus Marine Corps "Green Dollar" approaches to acquisition.
2. To identify specific areas of these processes which require clarification.
3. To determine some alternative methods complete with supporting rationale.
4. To draft a letter to Commandant of the Marine Corps (CMC) with recommended solutions to clarify existing acquisition procedures.



### C. ORGANIZATION OF THIS REPORT

This report contains four separate sections. Section I presents a general introduction to the study paper. Section II presents a summary explanation of the various acquisition procedures as they now exist in the areas under study. Section III explains the various research methods used and identifies areas for clarification. The development of alternatives and supporting rationale are also included. Section IV, in summary, presents the conclusions of the research in the form of a draft letter to the Commandant of the Marine Corps (CMC) recommending possible directive revisions as solutions.

### D. BACKGROUND OF THE REPORT

The lack of clear definition between Navy and Marine Corps system acquisition procedures has been a constant source of trouble to the MATCU Program. The author, as the designated Acquisition Manager for the MATCU Program for the past nine years, has continually run into problems concerning these alternative acquisition procedures. This has resulted in less than optimum equipment being delivered to the Marine Corps with less than optimum support provided by the Navy. In addition, schedules have slipped and costs have risen as a direct result of the confusing procedures currently in use. The author's attendance at the Defense Systems Management School has increased his awareness of these organizational problems and provided him with a more informed framework from which to investigate the problem

and to make recommendations for correction.

E. SCOPE AND LIMITATIONS OF THE REPORT

Due to the lack of time for a completely exhaustive study of the conflicts between Marine Corps and Navy acquisition procedures, it is the author's intent to deal only with selected major areas of concern in the scope of this paper. The specific areas were selected on the basis of those which are most troublesome at this time, those of clear and apparent contradiction, and those that are relatively simple and can easily be resolved. A myriad of lesser problems or problems that require extensive study will remain for the author to continue to pursue upon leaving the school and returning to his role as the MATCU Program Acquisition Manager.

## SECTION II

### A SUMMARY OF MARINE CORPS AND NAVY ACQUISITION PROCEDURES

#### A. BACKGROUND

DOD Directive 5000.1 of 13 July 1971, establishes current policy for "major" systems acquisition in the Defense Department. By its brevity, DOD 5000.1 illustrates one of its primary intents, "decentralization". Accordingly, each military agency in turn issues implementing directives setting forth the more detailed procedures for systems acquisition as best suits that particular service within the guidelines of DOD 5000.1. The Department of the Navy policies for system acquisition are set forth primarily in SECNAVINST 5000.1 dated 13 March 1972. The stated purposes of this instruction are:

1. Implement DOD 5000.1 within the Department of the Navy.
2. Establish policy and management principles for acquisition of systems within the Department of the Navy.
3. Consolidate SECNAV, OPNAV, HQMC, and NAVMAT systems acquisition policy.

Within the Department of the Navy are two major services, the Navy and the Marine Corps, each of which elaborates further on the system acquisition process by means of its own separate directives.

Marine Corps procedures are primarily set forth in the MCO P5000.10 Systems Acquisition Management Manual.

Further elaboration of Navy procedures is accomplished through a variety of implementing directives. The major Navy documents used for the purposes of this study are:

1. OPNAVINST 5420.2J of 10 Nov. 1973  
"CNO Executive Board Membership and Procedures"
2. OPNAVINST 5000.42 of 1 June 1974  
"Weapon Systems Selection and Planning"
3. OPNAVINST 5000.41B of 30 March 1974  
"Pre-Defense Systems Acquisition Development Council (DSARC)"
4. OPNAVINST 4720.9D of 22 August 1974  
"Approval of Systems and Equipments for Service Use"
5. OPNAVINST 4100.3A of 6 Nov. 1972  
"Integrated Logistic Support"

The Marine Corps is by and large a separate, self-sufficient service within the Department of the Navy. It has separate budgets and appropriations in the Navy Planning, Programming and Budgeting System (PPBS), as well as separate and unique system acquisition procedures for most of its equipment needs. One major exception, however, is Marine Corps Aviation. All Marine Corps Aviation and "Aviation Related" equipment is funded by the Navy. Such Navy funded Marine Corps programs are generally referred to as "Blue Dollar" programs. The Marine Corps funded projects are

referred to as "Green Dollar" programs. The author feels that MCO P5000.10 requires that Marine Corps acquisition procedures be utilized for the "Blue Dollar" programs as well as the "Green Dollar" programs (ie. approval authority, program reviews and similar procedures).

Navy directives on the other hand, direct compliance with Navy procedures for these "Blue Dollar" programs since it is Navy money and the Navy has support responsibility. For major Marine Corps Aviation programs such as the AV-8 Harrier or CH-53 Helicopter, "working procedures" have been developed to overcome some of the major differences between Marine Corps and Navy directives. However, many areas of confusion still exist which must be resolved on a case by case basis as they surface.

Interviews with several project managers of major Marine Corps projects in the Naval Air Systems Command indicate a need for additional clarification of "Blue Dollar" versus "Green Dollar" acquisition procedures. The most common complaint is the duplicity of reporting. Several Marine Corps "Blue Dollar" programs are currently reporting in accordance with both Navy and Marine Corps procedures.

For smaller "aircraft related" "Blue Dollar" programs such as the Marine Air Traffic Control Unit (MATCU) Program, confusion is the rule rather than the exception. A review of MCO P5000.10 indicates that acquisition must follow

Marine Corps procedures with all the attendant decisions made by the Marines. A review of Navy instructions, on the other hand, shows directed compliance with Navy procedures (including high level approval).

The author finds no major short comings in either the Navy or the Marine Corps procedures. The differences that do exist generally reflect individual service peculiarities which must be accomodated. It is felt, however, that full compliance with both sets of procedures is highly duplicative and confusing. Clarification of these issues would be most advantageous to Project Managers (PM)/ Acquisition Managers (AM) of "Blue Dollar" Marine Corps programs.

The following subsections provide very brief summarizations of the two services' procedures. Throughout this paper there is no intent to determine a "one best way", but rather to recognize the differences, to resolve any conflicts and to provide clarification wherever possible in a continuing effort to provide the equipment best suited to meeting Marine Corps operational needs within the available Navy resources.

B. A SUMMARY OF NAVY ACQUISITION PROCEDURES

From the baseline of policy established in DOD 5000.1 the Navy implements the philosophy of decentralization to the Project Manager of most acquisition responsibility with only periodic high level reviews.

All major programs (50 million dollars R & D or 200 million dollars Production) SECDEF or SECNAV designated programs which must report to DNSARC within the Navy.

Less than major programs (20 million dollars R & D or 50 million dollars Production) or CNO designated programs report to the CNO Executive Board (CEB).

All other programs will be documented and reported within the CNO Program Analysis Memoranda (PAM) process and be reviewed by CNM in a manner consistent with SECNAVINST 5000.1.

The basic requirements document in the Navy is the Operational Requirement (OR). The basic development plan is set forth in a Development Concept Paper (DCP) for major programs, in a Navy Development Concept Paper for "less than major" programs and Program Memoranda (PM) for other programs.

The Navy system acquisition cycle basically parallels that established by DOD 5000.1 with the primary difference being the level of review authority for the various programs. It should be noted that much of the review and approval authority for programs under 20 million dollars production is delegated to the CNM who in turn delegates it to the systems commanders.

C. A SUMMARY OF MARINE CORPS ACQUISITION PROCEDURES

The Marine Corps is unique in that it satisfies most

of its needs for new equipment either through joint effort with other services or by direct acquisition through the other services. When satisfying requirements directly related to amphibious operations or for requirements that cannot be satisfied through another service, the Marine Corps will initiate its own acquisition program. Whichever acquisition route is selected, however, specific procedures for pursuing such acquisition are set forth in MCO P5000.10.

For "DOD Major" programs (50 million dollars R & D or 200 million dollars production) or otherwise designated programs, review is made through Navy DNSARC channels to the DSARC with Marine Corps participation as required.

For "Marine Corps Major" programs ( 5 million dollars R & D or 20 million dollars production), for "DOD Major" programs or otherwise designated programs, review is made by MSARC at major milestone decision points.

For programs of "Marine Corps Less-than-Major" (ie. under 15 million dollars R & D or 20 million dollars production) major milestone reviews are conducted by the In-Process Review (IPR) committee.

The basic requirements document in the Marine Corps is the Required Operational Capability (ROC). The basic development plan in response to the ROC is the Technical Development Plan (TDP).



SECTION III  
STUDY PROJECT METHODOLOGY

A. OVERVIEW

An attempt to cover all Navy funded Marine Corps programs would render the scope of this paper too broad to address adequately within the allocated time. Therefore, for the purposes of this paper, the author intends to confine the study to major issues related to selected MATCU Program problems. There are several basic reasons for this choice.

1. The author has distinct personal knowledge and experience by virtue of his being the designated Acquisition Manager for the MATCU Program over the past nine years.

2. The MATCU Program is unique because it is a Navy funded Marine Corps program that is not clearly labeled as an "Aircraft Program" as are the majority of other Navy funded Marine Corps programs. Because of their sheer size, the Marine Corps "Aircraft Programs" are frequently addressed as unique entities in many of the implementing directives of both the Marine Corps and the Navy. This separate consideration of Marine Corps "Aircraft Programs" reduces many of the conflicts between the differing directives and approaches of the two services. Such is not the case with the relatively small MATCU Program.

3. Under Marine Corps directives, the definition of a major program is one that has 20 million dollars or more

in production. The MATCALs Program presently is estimated at 10 million dollars for R &D and slightly over 100 million dollars in production. This clearly establishes the program as a major one in the eyes of the Marine Corps, requiring review and approval by the MSARC. These estimated costs for MATCALs also establish it as a "less than major" program in the eyes of the Navy. This will also necessitate high level review (CEB) by the Navy.

In addition, it is anticipated that updating acquisition programs for the MATCALs program items will be a continuing process. Therefore, in order to avoid many duplications of effort for the very small number of people assigned to the MATCU/MATCALs acquisition efforts, it is in order that these issues be clarified and/or resolved. In this manner, the MATCU/MATCALs equipment that is best suited to meeting the Marine Corps' needs with the minimum expenditure of Navy funds can be acquired. The persons responsible for the program then will be able to spend more time on the acquisition matters within the program rather than on the duplicative reporting/reviewing processes.

The MATCU Program is a small one with relatively little visibility as opposed to other major Marine Corps Aviation programs such as the Harrier and the CH-46. It likewise has a small staff. Thus, clarification of the reportorial issues is of utmost importance in order to keep the program efficient in meeting its objectives according to established policy.

Marine Corps Order P5000.10 states that:

"All weapons systems and equipment to be acquired for Fleet Marine Forces even though developed and funded by another Service are subject to the systems acquisition process described in this manual."

It further states that:

" Within the Marine Corps, these programs will be subject to the systems acquisition review process prescribed for all acquisition programs..."

This then, clearly states that the MATCU Program is required to comply with the Marine Corps procedures.

On the other hand, SECNAVINST 5000.1 states in part:

"Where joint Marine Corps/Navy programs are involved which are funded by the Navy, Marine Corps requirements will be submitted in accordance with OPNAV procedures."

The procedures of both services generally cover guidance set forth in DOD 5000.1, but each provides unique reporting paths, documentation and responsibility levels according to the procedures peculiar to each service.

These separate procedures are sometimes duplicative and/or contradictory. When this occurs, the situation is further confused by the lack of specific direction as to which instruction is truly applicable to the MATCU Program. The basic question still remains, which direction or instruction from which service should be the basic guideline for the MATCU/MATCALS Program?

B. STUDY APPROACH

The author's initial approach to identifying conflicts or problem areas between Navy "Blue Dollar" and Marine Corps "Green Dollar" acquisition procedures was to construct a detailed matrix of all steps involved in the acquisition procedures for accomplishing each step. It was hoped that this method would bring to the surface any areas of problem or concern that could then be further analyzed. As work progressed and further study was completed, two overriding factors became apparent.

1. While the basic approach to Systems Acquisition Management is similar in both services, the detailed step by step procedures vary throughout the acquisition cycle. The participants have different names, the documentation has different format, the review authority is at different levels, the frequency of reporting is at different intervals, DT & E and OT & E criteria are in variance and logistic support requirements are different. It soon became obvious that to tackle a full scale definitive study of the total problem would not be possible within the short period of time allowed for completing this paper.

2. Even though the verbage and technique of the two approaches was at great variance, the basic goals and philosophies of the system acquisition processes were closely aligned.

These two factors encouraged the author to narrow his

investigations to limited specific issues. Accordingly the following criteria were used to select issues for further study in this paper:

- A. Issues which could be adequately researched within the scope and limitations of this paper.
- B. Issues of clear contradiction between the two approaches which could be simply corrected by identification of the contradiction to appropriate authorities.
- C. Issues which were of immediate concern or were affecting the timely progress of the on-going MATCU program acquisition effort.

After further study and investigation, ten specific issues were identified utilizing the above mentioned criteria. The next step was to conduct interviews of appropriate officials involved in the "Blue Dollar" Marine Corps acquisition process. An interview form was devised (see appendix) and mailed to the officials to be interviewed in advance. This procedure allowed them some time to think about the issues or otherwise inform themselves in advance of the actual interview.

#### C. IDENTIFICATION OF PROCEDURAL ALTERNATIVES

##### Selected Issues

The following issues of Navy/Marine Corps acquisition procedures were selected for investigation in this paper.

1. Duplication of staff personnel
2. Program documentation
3. Integrated Logistic Support

4. Technical data requirements
5. Budgeting and obligation problems
6. Test and evaluation plans
7. Program reporting and milestone reviews
8. Service Approval
9. Contract administration
10. Conflicting directives

It should be noted that throughout this section only those procedures relative to the MATCU Program will be considered.

D. DISCUSSION AND IDENTIFICATION OF ALTERNATIVES

1. DUPLICATION OF STAFF PERSONNEL

Statement of problem:

Marine Corps acquisition procedures require the assignment of an "Acquisition Coordinating Group" which is composed of:

- Acquisition Program Sponsor
- Acquisition Sponsor Project Officer
- Acquisition Project Officer
- Development Coordinator
- Development Project Officer

Navy procedures, on the other hand, require the assignment of:

- CNO Program Sponsor
- CNO Development Sponsor
- Acquisition Manager
- Program Analyst
- Logistics Support Manager

The duties of both the Marine Corps "Acquisition Project Officer" and the Navy "Logistic Support Manager" include the preparation of an Integrated Logistic Support Plan (ILSP). This dual assignment of responsibility leads to confusion and could result in conflict between Navy "Blue Dollar" and Marine Corps "Green Dollar" elements.

The stated duties of Marine Development Coordinator and those of the CNO Development Sponsor are likewise similar in the areas of programming and budgeting of Research and Development (R & D) funds. Since MATCU is a "Blue Dollar" program, financial responsibility would logically belong to the CNO.

Similar duplication of assignments exist to a greater or lesser extent for the duties in all areas of the Navy/ Marine Corps acquisition procedures.

#### Present Procedures

Until just recently, there was very little involvement of the Marine Corps procedures in the MATCU Program acquisition. The CNO Program Sponsor and the CNO Development Sponsor are, in fact, Marines. The Acquisition Manager is situated in the Marine Corps Division of the Naval Electronic Systems Command (NAVELEX). The assignment of Marines directly in the Navy "Blue Dollar" acquisition process assures significant Marine Corps input.

The issuance of MCO P5000.10, however, requires that the MATCU Program comply completely with Marine Corps acquisition

procedures. Implementation of this directive has been slow. However, recent indications are that full compliance will be sought in the immediate future. For example, Headquarters Marine Corps (HQMC) has not yet assigned a formal Acquisition Coordinating Group, although action is in process to do so. Hopefully this study paper will help to illustrate potential pitfalls of duplicative acquisition procedure directives and to suggest ways of improving the procedures for all concerned.

#### Alternative Procedures

1. Issue a clarifying directive to assign Acquisition positions only in accordance with Navy procedures.
2. Issue a clarifying directive to use only the Acquisition Coordinating Group assigned by HQMC.
3. Issue a clarifying directive combining the Navy and Marine Corps assignments specifically delineating the responsibilities of each member.
4. Issue a clarifying directive providing general guidance.

#### Conclusion and recommendations

During interviews with various personnel involved in the "Blue Dollar" acquisition process, the author perceived an impression of consensus that Marine Corps acquisition procedures should be followed only on an informational basis. For formal decision making initiatives, Navy procedures should be followed. As an example, the MATCALS Program should be reviewed for decision at the appropriate milestones by the Navy "CEB". These issues should also be presented to the



Marine Corps "MSARC" for informational purposes only. If Marine Corps changes or direction are required, they would be injected through Navy "Blue Dollar" channels, usually by the OPNAV Program Sponsor who is dual hatted as CMC Code AAM and CNO OP 528.

It is the author's opinion that reporting to the MSARC is essential for all major Marine Corps projects including those funded by the Navy. This is considered to be the best vehicle for keeping top echelons of the Marine Corps informed on these important programs. If the MSARC process is to be followed, even if just for informational purposes, certain sub-elements of the process must also be fulfilled. Specifically, the author feels a Marine Corps "Acquisition Coordinating Group" should formally be assigned in addition to the cognizant "Blue Dollar" acquisition team. The primary duties of the "Acquisition Coordinating Group" would be limited to their roles as staff liaison to MSARC principles, keeping their superiors and themselves informed on MATCU issues. Formal acquisition matters would be handled exclusively through Navy Acquisition channels. Marine Corps "Acquisition Coordinating Group" members would provide any contribution to MATCU equipment acquisition through the dual-hatted OPNAV MATCU Program Sponsor (CNO OP-528).

It is recommended that MCO P5000.10 be amended to clarify the role of the "Acquisition Coordinating Group" as relates to MATCU matters. This clarification should em-

phasize their "informational" as opposed to "operational" responsibilities on MATCU matters.

## 2. PROGRAM DOCUMENTATION

### Statement of problem:

Literal interpretation of MCO P5000.10 suggests that the MATCU Program documentation should be in accordance with Marine Corps procedures. This would require a Required Operational Capability (ROC) document, instead of or in addition to an Operational Requirement (OR) and a Technical Development Plan (TDP) instead of or in addition to a Naval Development Concept Paper (NDCP). SECNAVINST 5000.1 requires Navy funded Marine Corps programs "...to be submitted in accordance with OPNAV procedures".

### Present Procedures

Until recently, Navy documentation was used exclusively. Failure to document in accordance with Navy procedures could cause serious problems in the programming and budgeting areas. Documentation in Marine Corps format would be of greater benefit to people in HQMC who are more familiar with the Marine Corps format.

### Alternate Procedures

1. Issue a clarifying directive to use Navy documentation procedures exclusively.
2. Issue a clarifying directive to use Marine Corps documentation procedures exclusively.
3. Determine some combination of Navy and Marine Corps

documentation procedures up to and including full duplication of documentation by fulfilling the requirements existing for both the Navy and Marine Corps.

#### Conclusion and recommendations

The author concludes that in this particular case, the MATCU Program should proceed exclusively with Navy documentation procedures. The rationale for this conclusion is (a) in SECNAVINST 5000.1, the overriding instruction to all other Navy instructions concerning acquisition procedures, it is stated that the Navy procedures supercede all other procedures; (b) for the critical issues of funding, a Navy funded program must be documented in Navy format; and, (c) the principal people in Marine Corps Headquarters who are involved with the MATCU Program are generally familiar with Navy documentation formats and procedures.

The author recommends that MCO P5000.10 be modified to state that Navy documentation be used exclusively.

### 3. INTEGRATED LOGISTIC SUPPORT

#### Statement of problem:

In the area of Integrated Logistics Support(ILS) a more complex problem exists. On the issue of funding, since the Navy has the primary responsibility while Marine Corps interests in funding are secondary, it is clear that use of Navy funding documentation should be followed. On the issue of ILS, the proper line of interests are not so clearly drawn. The MATCU equipment is supported via the Navy supply

system in lieu of the Marine Corps supply system. This would suggest the use of Navy ILS procedures. However, the various issues such as levels of repair decisions, military tactics and manpower skills are of vital concern and primary interest to the Marine Corps. This results in a primary interest resting in both services. Therefore, joint ILS planning is required. Current directives address only the singular requirements of the separate services, not jointly as is needed for the MATCU Program.

#### Present Procedures

At present there is a Marine Corps officer assigned to the Acquisition Manager in the Naval Electronics Systems Command, (whose MOS is that of a MATCU maintenance officer). A major responsibility of this position is to assure that Marine Corps logistics interests are satisfied on MATCU acquisitions. Any MATCU procurement that takes place is first staffed through the Logistics Directorate in NAVELEX in accordance with Navy procedures. However, before the final approval of these logistics issues is made, they are thoroughly reviewed by the Marine Corps officer assigned, to assure that they also meet Marine Corps needs. This officer also sits on the NAVELEX data review board.

#### Alternative procedures

1. Strict adherence to MCO P5000.10 which states that the Marine Corps Acquisition Coordinating Group will identify all Logistics support requirements including the

### Integrated Logistics Support Plan.

2. Strict adherence (as it is presently) to the Navy instructions using the currently assigned Logistics Manager within NAVELEX who is thoroughly familiar with Marine Corps maintenance policies and procedures and reflects the MATCU maintenance philosophy in his actions concerning the logistics plans of this program.
3. An interaction of both HQMC and the Naval Electronic Systems Command combining the necessities of both services to best suit the MATCU Program in the area of Logistics support.

### Conclusion and recommendations

The author recommends the establishment of the Acquisition Coordinating Group mentioned in item (1) and the issuance of a general policy statement to provide guidance as to what the roles of the two services involved should be. It would be recommended that in this area of Integrated Logistics Support, the basic procedures presently employed continue to be followed. After the development of the Integrated Logistics Support Plan, the plan would be forwarded to Marine Corps Headquarters for staffing through the Acquisition Coordinating Group to provide recommendations. The final agreed-upon ILSP could serve as formal guidance document relative to MATCU Program logistics. The Acquisition Project Officer would continue to represent DC/S I & L interests on MATCU through informal channels.

#### 4. TECHNICAL DATA REQUIREMENTS

##### Statement of problem:

Technical data requirements present yet another conflict area in the MATCU Program. Technical data procured under contract is funded of course by the Navy and is required by them for a variety of uses in support of the MATCU. In some areas, Marine Corps requirements for data are different than the Navy's. The Marine Corps has a Data Requirement Review Board established by DC/S I & L to make final determination of Marine Corps data needs. On the other hand, each Navy Systems Command has its own Data Review Board for making these determinations.

##### Present Procedures

Using strictly Navy procedures, the Acquisition Manager determines what he feels should be incorporated as data items in the relevant contract. These items are coordinated with the Logistics Directorate within the Naval Electronic Systems Command and are then submitted through the NAVELEX Data Review Board. Upon approval, these data items are entered into the contract. It should be noted that at all times a Marine Corps officer (the NAVELEX Logistics Sponsor) sits on the Data Review Board to furnish relevant Marine Corps inputs.

##### Alternative Procedures

1. Continue the system as it presently stands, using the Navy instructions and methods.

2. Data items could be entered into contract via the Marine Corps' Data Requirements Review Board as is currently the case with Marine Corps "Green Dollar" programs.
3. Continue the system as is now being done with the addition of having a member of the Marine Corps' Data Requirement Review Board sit in and furnish suggestions to the NAVELEX Data Review Board when the data items concerning MATCU are being reviewed.

#### Conclusion and Recommendation

The author recommends the designation to the NAVELEX Data Review Board of a Marine Corps representative from HQMC to assure the inclusion of Marine Corps requirements with which the representatives from the Naval Electronic Systems Command might not be familiar. This officer would sit as a voting member of the NAVELEX Data Review Board.

#### 5. BUDGETING AND OBLIGATION PROBLEMS

##### Statement of problem:

In the acquisition cycle, certain approvals are required by Marine Corps Headquarters. Occasionally these approvals are not concurrent with the obligation or budgeting requirements in the Navy "Blue Dollar" financial management structure. An example of this situation is the pressure upon the approval authorities to accommodate the "Magic" obligation date of 30 June each year. The approval authority exists within the Naval Electronics Systems Command for relatively small programs

when using Navy procedures. This allows for the timely approval of those small contracts. For higher level programs requiring higher level reviews (still within the Navy system) the offices involved in the Naval review process are accountable to the Navy obligation cycle. They are encouraged to expeditiously process these reviews and approvals to enable the early obligation of funds.

However, when Marine Corps programs are involved, either small or large contracts, these programs must receive approval from Marine Corps Headquarters. This process removes some of the flexibility of the acquiring agency because there is no inherent pressure on the Marine Corps approval authorities to meet the Navy obligation dates. Service approvals vary from the Marine Corps to the Navy. The types of approvals allowing an item to be placed in the budget also vary from service to service. When the Marine Corps approvals differ from the Navy's approvals, it presents a problem with timing and the inclusion of these items in the Navy budget. This can create a situation where the Marine Corps timing varies to the extent that the Navy will drop an item from its budget for lack of the appropriate or timely approvals.

#### Present Procedures

Again, as has been the case in most instances, Navy procedures have been followed in order to gain inclusion in the Navy budget and this problem has not yet surfaced to any great extent. It is anticipated, however, that Marine Corps involvement in these areas of service approvals, reviews and



so forth, will result in less than desirable conditions for the Marine Corps interests in that they may lose money for lack of its timely obligation and loose in the budget due to the lack of the necessary approvals from the Navy point of view. The issue of service approval has been a continuing problem to the MATCU Program throughout the author's participation in the program.

#### Alternative Procedures

1. Issue a clarifying directive to use strictly Navy procedures.
2. Transfer budgeting and funding responsibilities to the Marine Corps from the Navy thus making the pressures and responsibilities for timely budgeting incumbent upon the Marine Corps for the allocation of the necessary funds to continue its own program.
3. Continue to budget for the program under Navy procedures having a minimal level of review by Marine Corps Headquarters. This would require a definition of the distinct approval requirements of the Marine Corps in order to have the items properly included in the Navy budget.

#### Conclusion and Recommendation

The author recommends procedure (3) above (i.e. to follow Navy procedures regarding budgeting requirements with some distinct general guidance provided relative to Marine Corps needs and requirements at the various stages of approval.) It is also recommended that there be a clear delineation of service approval requirements. Specifically, the author

recommends that all service approvals be the responsibility of the Navy as they affect acquisition and/or supportability with Marine Corps granting final service approval prior to deployment.

## 6. TEST AND EVALUATION PLANS

### Statement of problem

Both the Marine Corps and the Navy have specific requirements regarding test and evaluation. Unfortunately these two sets of requirements are markedly different in many aspects. There are problems concerning conflicting approvals of the same item, which service should have the responsibility of developing test plans, which service should approve the test plans, and which service should do the actual test and evaluation of the item.

### Present procedures

Presently the MATCU Program has developed an informal procedure of working with the Marine Corps Development and Education Command (MCDEC), the Project Officer in Marine Corps Headquarters, and the Naval Electronics Systems Test and Evaluation Facility (NESTEF). A test plan is jointly prepared with the operational testing conducted under the direction of MCDEC. The MATCU presently assigned to Quantico is frequently utilized to conduct this operational testing. Development testing has been largely accomplished by NESTEF. Generally there has been a joint DT/OT&E test plan prepared and joint simultaneous DT&E and OT&E when the equipment situation has been such that the test equipment cannot be

easily moved. In cases such as the MRAALS where the equipment is easily transportable, the development testing is done at NESTED and the operational testing is done by the using MATCU organization at Quantico.

#### Alternative procedures

1. Perform test and evaluation strictly by Navy guidelines.
2. Perform test and evaluation strictly the Marine Corps way.
3. Continuation of the current informal arrangement.
4. Formalization of the current informal arrangement by the issuance of appropriate directives.

#### Conclusion and Recommendation

The author recommends the formalization of the current informal arrangement with additional clarification and identification of the responsibilities throughout the acquisition cycle for OT&E and DT&E. The specific timing of the various tests in the different stages of development should also be clarified. There should be specific guidelines on which service will perform each set of tests. The main objective of this arrangement should be to keep the testing as simple and non-repetitive as possible while still obtaining the basic knowledge for which the testing is conducted. MCO P5000.10 should be amended to formalize current procedures.

#### 7. PROGRAM REPORTING AND MILESTONE REVIEWS

##### Statement of problem

The two services, Navy and Marine Corps, have different levels of program reporting requirements relative to the

dollar value of the various programs. The Navy defines a program of 50 million dollars to 200 million dollars production as a "less than major" program while the Marine Corps considers anything over 20 million dollars production a "major" program. Thus, under these definitions, the "less than major" Navy program is required to be reviewed at Navy high level (CEB), and the same program is required to submit to high level Marine Corps review (MSARC). The MATCU Program would be considered by the Navy as a "less than major" program while the Marine Corps would consider it a "major" program. The problem arises as to which (or both) review the MATCU Program should address. If both, there is a duplication of effort requiring considerable man hours and more manpower than the program presently has available.

#### Present procedures

Until recently the reporting on the MATCU Program has been only that necessary for the budgeting of R & D funds through Navy channels. There had been no review boards convened concerning the MATCU Program either by the Navy or the Marine Corps. There are two reasons for this. First, until very recently there have not been any equipment procurements of sufficient magnitude within the MATCU Program to warrant reporting to high level review boards. Secondly, the procedures establishing these high level reviews are relatively recent and the MATCU Program has not yet been brought within their purview. However, with the development of the MATCALS, it must now be recognized that compliance with

these review requirements is necessary. The problem lies in the lack of clear direction as to which service these reviews should be made.

#### Alternative procedures

1. Proceed with complete Marine Corps reviews--MSARC's and other applicable reviews.
2. Proceed with the complete Navy review system including the CEB review for the MATCALs Program.
3. Report to both sets of review boards.
4. Provide distinct guidance of MATCALs reporting requirements.

#### Conclusion and recommendation

The author recommends the issuance of a directive stating that approval authority is the responsibility of the Navy following Navy milestone reviews. Also for the purposes of keeping high levels within the Marine Corps informed, the author recommends an annual MSARC review of the MATCU Program in total. However, the MSARCs would not be for the purposes of granting or denying approval for the continuation of the program. This approval would be accomplished strictly within Navy channels.

#### 8. SERVICE APPROVAL

##### Statement of problem

The Navy has different levels of "Approval for Service Use" (ASU) that allow one to cope with the Navy budget channels. Navy policy requires approval for service use prior to production commitment on all systems that will be supported by

the Navy logistics and supply systems.

The Marine Corps requirements for ASU are similar to the Navy's from an operational standpoint. However, to apply logically to the MATCU Program, the service approval would have to come from the Marine Corps--a different source than the funding. The Navy would also have to give service approval from a supportability view for the MATCU.

#### Present procedures

Service approval for MATCU equipments has been a relatively informal process up to the present. When an equipment is ready for Fleet introduction, it is provided to MCDEC which conducts operational tests utilizing the MATCU at Quantico. MCDEC then sends a report to DC/S Aviation at Marine Corps Headquarters recommending whether or not the equipment be granted service approval. The DC/S Aviation Project Officer then issues a letter of service approval for the particular item being tested. Recently, however, action has been initiated to follow more formal, yet undefined, procedures.

#### Alternative procedures

1. Grant service approval strictly through Navy channels.
2. Grant service approval strictly through Marine Corps channels.
3. Have service approval granted through a cooperative effort on the parts of both the Navy and Marine Corps.

#### Conclusion and recommendation

The author recommends that no item should ever be delivered to the MATCUs without having first undergone

initial OT&E by a MATCU unit. This means that the final approval for service use of any piece of equipment for a MATCU should come from the Marine Corps itself. However, in order to cope with the complexities of the Navy fiscal management and the related acquisition problems, it is recommended that Marine Corps service approval be granted in accordance with the Navy procedures. This could be accomplished by the issuance of a directive stating that the service approval granted any item be in strict compliance with Navy procedures. It would also state that in no instance will a piece of equipment be delivered to a MATCU without first receiving thorough testing by the Marine Corps at a MATCU unit. In implementing Navy service approval procedures, the Acquisition Manager would continue to maintain his close rapport with the Marine Corp Development and Education Command at Quantico.

## 9. CONTRACT ADMINISTRATION

### Statement of problem

At the present time, there are no problems involving contract management in the MATCU program caused by the conflicts of the Marine Corps instructions as opposed to the Navy instructions. However, it is foreseen that problems could arise if full Marine Corps procedures are implemented.

### Alternative procedures

1. Assure that only Navy acquisition team members participate in contract reviews.
2. Designate limited HQMC personnel to participate in contract reviews.

3. Issue relative guidance concerning contract reviews discussing the roles of the Marine Corps Acquisition Coordinating Group versus Navy Acquisition Team members.

#### Conclusion and recommendation

The author recommends the third procedure above. Since there is no specific single limit to the number of participants from either the Navy or Marine Corps (this varies for each review), general guidelines would seem to facilitate the contract management while specifically stating that the only invariable in this situation is the presence and/or knowledge and approval of the contracting officer pertaining to any and all contract changes.

#### 10. CONFLICTING DIRECTIVES

##### Statement of problem

This paper is concerned with only a few of the major acquisition directives involved in the acquisition process. However, there is a myriad of minor implementing instructions which are just as conflicting as the major directives discussed here. These supplemental directives also require clarification.

##### Present procedures

A significant portion of the current workload problem in MATCU Program acquisitions is related to resolving problems resulting from unclear or conflicting Navy and Marine Corps directives. Currently these matters are handled on a case by case basis.



### Alternative procedures

1. Issue a blanket directive to follow Navy procedures.
2. Issue a blanket directive to follow Marine Corps procedures.
3. Issue a guidance document addressing various aspects of the acquisition process.

### Conclusion and recommendation

The author has long felt a need for a special directive addressing "MATCU" issues. This document could serve as a form of program charter spelling out MATCU acquisition policy and philosophy in general and specifying specific procedures where possible. It is recommended that such a directive be issued jointly through Navy and Marine Corps channels.

## SECTION IV

### SUMMARY

#### A. INTRODUCTION

Conducting this study has been a most gratifying experience for the author. As a Marine Corps "Blue Dollar" Acquisition Manager, the problems of reporting to dual authorities has been a way of life. Very often the author has been overly critical of established procedures without fully comprehending the underlying rationale for their existence. If no other purpose is served, the effort put into the study has been fully compensated for by the knowledge of the "Blue Dollar" procurement which the author has gained. This knowledge should be of significant assistance on future MATCU acquisition efforts.

#### B. CONCLUSION AND RECOMMENDATION

The primary conclusion of this paper is that there appears to be an informal consensus on most issues involving both Navy and Marine Corps procedures against any literal interpretation of current directives. Some people felt that no changes to the conflicting directives are required since the informal "understandings" were usually followed anyway. From the author's viewpoint this has not always been the case.

Reflecting on his background as MATCU Acquisition Manager for nine years, the author feels one of his major time consuming problems has been that of the lack of clear procedural definition. Having completed this study, this basic conclusion remains.

Accordingly the author recommends that a limited review be conducted by appropriate authorities with the intent of clarifying the various directives as indicated herein. To that end, the author proposes to submit the following draft letter (Appendix C) to his superiors on returning to his office, with the recommendation that the letter be forwarded to the Commandant of the Marine Corps and the Chief of Naval Operations for further consideration.

APPENDIX A  
ABBREVIATIONS

ACG	- Acquisition Coordinating Group
AM	- Acquisition Manager
APO	- Acquisition Project Officer
APS	- Acquisition Program Sponsor
ASPO	- Acquisition Sponsor Project Officer
ASU	- Approval for Service Use
CEB	- CNO Executive Board
CMC	- Commandant of the Marine Corps
CNM	- Chief, Naval Material
CNO	- Chief of Naval Operations
DC	- Development Coordinator
DCP	- Development Concept Paper
DC/S	- Deputy Chief of Staff
DNSARC	- Department of the Navy Systems Acquisition Review Council
DPO	- Development Project Officer
DSARC	- Defense Systems Acquisition Review Council
DT & E	- Developmental Test and Evaluation
HQMC	- Headquarters, Marine Corps
ILS	- Integrated Logistics Support
ILSP	- Integrated Logistics Support Plan
I/O T & E	- Initial Operational Test and Evaluation
IPR	- In-Process Review (Committee)
MATCAL	- Marine Air Traffic Control And Landing System
MATCU	- Marine Air Traffic Control Unit
MCDEC	- Marine Corp Development and Education Command
MCO	- Marine Corps Order
MSARC	- Marine Corps Systems Acquisition Review Council

MRAALS	- Marine Remote Area Automatic Landing System
NAVELEX	- Naval Electronics Systems Command
NAVMAT	- Naval Materiel Command
NESTEF	- Naval Electronics Test and Evaluation Facility
OPNAV	- Naval Operations
OR	- Operational Requirement
O T & E	- Operational Test and Evaluation
PAM	- Program Analysis Memoranda
PA	- Program Analyst
PM	- Project Manager
PO	- Project Officer
ROC	- Required Operational Capability
SECDEF	- Secretary of Defense
SECNAV	- Secretary of the Navy
SYSCOM	- Systems Command
TDP	- Technical Development Plan
T & E	- Test and Evaluation

APPENDIX B

MEMO

FROM: Dick Wilz

SUBJECT: Interview relative to Marine Corps "Green"  
vs. Navy "Blue" dollar acquisition procedures

Sir:

I appreciate your scheduling an appointment with me to discuss my study project for the Defense Systems Management School at Ft. Belvoir, Virginia which I am currently attending. My normal job is Acquisition Manager for the Marine Air Traffic Control Unit (MATCU) Program. As we discussed, I have elected to research the problem of procedural differences of Navy versus Marine Corps acquisition policies as they affect the MATCU Program.

The enclosed Interview Form and its attachment are provided to give you better insight into these issues which I wish to discuss in our forthcoming interview. It may be helpful to you to review the form in advance. Your cooperation on this effort is deeply appreciated.

Thank you,

Richard R. Wilz

INTERVIEW FORM

NAME \_\_\_\_\_

DATE \_\_\_\_\_

1. Are you familiar with the MATCU? To what extent?
2. Are you familiar with the MRAALS and MATCALS Programs?  
To what degree?
3. Are you familiar with Marine Corps/Navy acquisition  
procedures? To what extent?
4. Are you familiar with the differences between "Green"  
and "Blue" dollar Marine Corps programs?
5. What is the relationship between your current job and  
the MATCU acquisitions?
6. What is your opinion of the current MATCU acquisition  
procedures?
7. The attached sheet identifies some major areas of  
procedural differences between Marine Corps and Navy  
procurement methods. Would you care to comment  
on these areas?

## ATTACHMENT 1

### AREAS OF DIFFERENCE BETWEEN MARINE CORPS AND NAVY ACQUISITION PROCEDURES AS THEY PERTAIN TO THE MATCU/MATCAL PROGRAM

1. Duplication of staff personnel

The assignment of HQMC staff personnel is frequently duplicative of the Navy counterparts. MCO P5000.10 requires the designation of an "Acquisition Coordinating Group". Navy acquisition procedures establish a similar acquisition team. Many of the duties of members on these two groups are duplicative.

2. Program documentation

Currently the Navy requires documentation to justify funding (the OR), while at the same time, the Marine Corps requires documentation (the ROC) to justify the requirements of the program. These two documents address fundamentally the same issues and thus require a duplication of effort on the part of the MATCU/MATCAL program officers.

3. Integrated logistic support

The MATCU equipment is supported via the Navy supply system in lieu of the Marine Corps supply system. However, the various issues such as levels of repair decisions, military tactics, and manpower skills concern both the Marine Corps and Navy. Joint ILS planning is required, but current directives address only the singular requirements of the separate services.



4. Technical data requirements

The Marine Corps has a Data Requirement Review Board established by DC/S I & L and the Navy SYSCOM has its own Data Review Board for all contracts. Again, it should be noted that the Navy is paying for the data while the Marine Corps wants it for end use.

5. Budgeting and obligation problems

Budgeting is closely tied to service approval. Marine Corps service approval procedures do not track with Navy budgeting techniques. Furthermore, Navy obligation goals are tied to their more liberal service approval policies creating additional problems for MATCU "Blue Dollar" Programs.

6. Test and Evaluation Plans

The procedures concerning the development of test and evaluation plans, approval of same, and which service should perform the actual testing of the MATCU Program are not clearly defined in MCO P5000.10.

7. Program reporting and milestone reviews

The two services, Navy and Marine Corps, have different levels of program definition concerning the dollar value of the various programs. The problem arises as to which review the MATCU Program should address or both. If both, there is a duplication of effort requiring consid-

erable man hours and more manpower than the program presently has available.

8. Service approval

The Marine Corps has strong service approval interest from an operational deployment point of view while the Navy has strong service approval interest from a logistics supportability view point.

9. Contract administration

At the present time, there are no problems involving contract management in the MATCU Program caused by the Marine Corps instructions as opposed to the Navy instructions. However, it is foreseen that problems could arise if full Marine Corps procedures are implemented.

10. Conflicting directives

Many other issues of conflicting directives exist between Navy "Blue" and "Green" dollar procedures. Please identify any additional issues that you consider should be clarified.

"DRAFT"

(APPENDIX C)

"DRAFT"



DEPARTMENT OF THE NAVY  
NAVAL ELECTRONIC SYSTEMS COMMAND  
WASHINGTON, D. C. 20360

IN REPLY REFER TO

From: Commanding Officer Naval Electronic Systems Command  
To: Commandant of the Marine Corps  
Chief of Naval Operations

Subj: MATCU Program Acquisition Procedures

Ref: (a) SECNAVINST 5000.1 of 13 March 1972  
(b) MCO P5000.10 of 24 June 1974  
(c) OPNAVINST 5000.42 of 1 June 1974

Encl: (1) Navy "Blue Dollar" vs. Marine Corps "Green Dollar" Acquisition Procedures; a study Project Report by Mr. R. Wilz of 14 May 1975

1. References (a), (b), and (c) are the primary documents dealing with acquisition procedures within the Navy and the Marine Corps. Mr. R. Wilz, MATCU Program Acquisition Manager for this command recently completed a study project (reported in enclosure 1) of potential conflicts in these procedures while attending the Defense Systems Management School.

2. This command generally concurs in the findings set forth in enclosure (1) and recommends that they be incorporated in upcoming revisions to established procedures. In addition, this command recommends that a joint OPNAV/MCO directive be written and promulgated, setting forth across the board guidance and policy for all MATCU Program matters. This command would welcome the opportunity to assist in the drafting of such a directive.

Copy to:  
Defense Systems Management School

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3. Department of Defense Directive: Acquisition of Major Defense Systems DOD 5000.1; 13 July 1971  
Establishes policy for major defense system acquisition in the Military Departments and Defense Agencies (DOD Components).
4. Secretary of the Navy Instruction: System Acquisition in the Department of the Navy SECNAVINST 5000.1;  
13 March 1972  
Establishes policy and management principles for acquisition of systems within the Department of the Navy; consolidates SECNAV, OPNAV, HQMC, and NAVMAT systems acquisition policies.
5. Chief of Naval Operations Instruction: Pre-Defense Systems Acquisition Review Council (DSARC) Procedures  
OPNAVINST 5000.41B; 30 March 1974  
Establishes procedures for CNO and SECNAV approval of weapons systems programs and presentations prior to review by the Defense Systems Acquisition Review Council (DSARC).
6. Chief of Naval Operations Instruction: Approval of Systems and Equipments for Service Use OPNAVINST 4720.9D;  
22 August 1974  
Defines and establishes procedures for approval for service use of systems and equipments.
7. Chief of Naval Operations Instruction: Weapon Systems Selection and Planning OPNAVINST 5000.42; 1 June 1974  
Establishes procedures for identifying operational requirements and conducting management review during system acquisition.

REPORT DOCUMENTATION PAGE		READ INSTRUCTIONS BEFORE COMPLETING FORM
1. REPORT NUMBER	2. GOVT ACCESSION NO.	3. RECIPIENT'S CATALOG NUMBER <b>(9) Study Project rept.,</b>
4. TITLE (and Subtitle) <b>(6) NAVY BLUE DOLLAR <sup>3</sup> <del>VS.</del> MARINE CORPS <sup>3</sup> GREEN DOLLAR <sup>3</sup> ACQUISITION PROCEDURES <sup>3</sup></b> <i>Versus</i>		5. TYPE OF REPORT & PERIOD COVERED <b>Student Project Report 75-1</b>
7. AUTHOR(s) <b>(10) Richard R. Wils</b>		6. PERFORMING ORG. REPORT NUMBER
9. PERFORMING ORGANIZATION NAME AND ADDRESS <b>Defense Systems Management College Ft. Belvoir, VA 22060</b>		8. CONTRACT OR GRANT NUMBER(s) <b>(16) DSMS-PMC-75-1</b>
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408462

DEFENSE SYSTEMS MANAGEMENT SCHOOL

STUDY TITLE: NAVY "BLUE DOLLAR" VS. MARINE CORPS "GREEN DOLLAR" ACQUISITION PROCEDURES

STUDY PROJECT GOALS:

1. Clearly understand "Blue" vs. "Green" dollar approaches.
2. Identify areas requiring clarification.
3. Identify alternative solutions with supporting rationale.
4. Draft a proposed OPNAV instruction to clarify policy.

STUDY REPORT ABSTRACT

*procedures,* The primary purpose of this study was to review the peculiarities between Navy and Marine Corps Acquisition Procedures concentrating on their inter-relationships as they affect the Marine Air Traffic Control Unit (MATCU) Program. Within the Marine Corps, certain types of equipment (i.e. such as aircraft and aircraft-related) are funded, procured and supported with Navy "Blue Dollars"; Other equipments are funded with Marine Corps "Green Dollars". When acquiring equipment and systems with "Green Dollars", Marine Corps Acquisition Procedures-as outlined in MCO P5000.10-are followed. However, for "Blue Dollar" programs, current directives generally require compliance with both Marine Corps and Navy Acquisition Procedures. This duplication frequently results in confusion and conflict, especially in the areas of determining the proper approval authorities and of coping in the Navy system. *The author identifies*

Through a process of carefully studying all applicable directives on Navy and Marine Corps Acquisition Procedures, conducting interviews with a variety of officials involved in the "Blue Dollar" acquisition process and drawing on the author's personal experience as the Acquisition Manager for Marine Air Traffic Control Unit Program, a set of ten issues has been identified and discussed. Based on all these findings, recommendations for resolving the ten issues, have been made. In order to follow up on these findings, the author hopes to pursue the implementation of his recommendation when he returns to his office.

KEY WORDS

MATERIEL ACQUISITION PROCUREMENT PROGRAM MANAGEMENT MILITARY FUNDS

NAME, RANK, SERVICE Wilz, Richard R. GS-14/DNC	CLASS PMS 75-1	DATE 14 May 1975
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*and discusses ten problem areas and makes recommendations for their resolution.*