



DEPARTMENT OF THE NAVY

CHIEF INFORMATION OFFICER
1000 NAVY PENTAGON
WASHINGTON, DC 20350-1000

March 13, 2012

MEMORANDUM FOR DISTRIBUTION

Subj: DEPARTMENT OF THE NAVY (DON) POLICY ON MOBILE (CELLULAR) SERVICES COST MANAGEMENT

- Ref:
- (a) UNSECNAV memo for DON CIO, Department of the Navy Information Technology/Cyberspace Efficiency Initiatives and Realignment, of 3 Dec 2010
 - (b) DON CIO memo, Department of the Navy Information Technology/Cyberspace Efficiency Initiatives and Realignment Tasking, of 20 Dec 2010
 - (c) DoD CIO memo, Optimizing Use of Employee IT Devices and Other IT to Achieve Efficiencies, of 17 Feb 2012
 - (d) DON CIO memo, Department of the Navy Plan for Optimizing Use of Employee Information Technologies and Other IT to Achieve Efficiencies, of 27 Feb 2012
 - (e) DON CIO memo, Department of the Navy Policy for Issuance, Use and Management of Government-Provided Mobile (Cellular) Phone, Data Equipment and Services, and Calling Cards, of 2 Sep 2005
 - (f) PM NMCI ARLINGTON VA 252015Z MAY 11, NMCI Mobile Services Plan/Device Migration for Navy and Marine Corps to FISCSD-Supplied Plans/Devices
 - (g) DON CIO memo, Implementing Telecommunications Expense Management Tools in the Department of the Navy, of 28 Jan 2009

1. Purpose. This memorandum provides interim policy for the Deputy, Department of the Navy Chief Information Officer (DDCIO) for Navy and Marine Corps to better manage and control cellular costs and amplifies the guidance contained in references (e) through (g).
2. Applicability and Scope. This policy applies to all Navy and Marine Corps personnel utilizing government-provided mobile devices operating on commercial cellular networks for the provision of voice and data services. For the purposes of this policy, mobile devices include cell phones, "smartphones," BlackBerrys, air cards, and the Secure Mobile Environment, Portable Electronic Device (SME PED). This policy does not apply to wireless networking devices which do not operate over the commercial cellular networks. Navy and USMC activities Outside the Continental United States (OCONUS) should implement this policy to the extent practicable given possible differences in leasing services from foreign providers.
3. Background. References (a) through (d) describe actions taken within the DoD and DON to identify and reap cost savings and efficiencies in the use of information technology (IT). References (e) through (g) describe actions taken within the DON enterprise to more effectively acquire and manage commercial cellular devices and services.

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The enterprise contracts for cellular devices and services have resulted in significant cost savings across the DON. Navy and USMC activities are reminded of the requirement, stated in reference (f), to use only the contracts executed by Fleet Logistics Center, San Diego (FLC-SD, formerly Fleet and Industrial Supply Center San Diego) for acquiring cellular devices and services within CONUS.

Recent analyses of user data have indicated additional opportunities for significant cost reduction through simple actions. For example, an unacceptably high number of devices incur fees month after month yet are not being used (zero-use devices). In other cases, devices are on minute plans or pools that are not optimal for the amount of actual use, resulting in an over-subscribed or under-subscribed state, each of which results in unnecessary costs.

4. Policy

a. General. The Department of the Navy enables workforce mobility through the use of commercial cellular devices and services consistent with references (a) through (g). As responsible managers of public funds, Navy and USMC activities must actively review and manage these investments to ensure that the necessary capabilities are delivered in a cost-effective manner.

b. Zero-Use Devices. All cellular devices that exhibit zero minutes of use on three consecutive monthly invoices shall be reviewed by the responsible Navy and USMC activity for cancellation or re-validation of the requirement.

c. Continuity of Operations (COOP). Cellular devices that are maintained solely for COOP purposes shall be on rate plans that minimize the monthly costs of maintaining inactive devices. Options such as a flat rate or pay-as-you go plans may be more appropriate for such devices.

d. Over-utilization. Minute pools that exhibit charges for significant over-use, i.e., overcharges, for three consecutive months, shall be reviewed by the responsible Navy and USMC activity for potential change to a plan or pool with more minutes. For the purposes of this policy significant over-use is defined as usage which exceeds 125 percent of the contracted plan minutes.

e. Under-utilization. Minute pools that exhibit significant under-utilization shall be reviewed by the responsible Navy and USMC activity for potential change to another plan with fewer minutes. For the purposes of this policy significant underutilization is defined as usage that is less than 75 percent of the contracted plan minutes.

f. Air Cards. Navy and USMC activities shall utilize the "tethering" option (phone as a modem) on BlackBerrys and other cellular devices as appropriate instead of air cards. Tethering provides Internet connectivity at a much lower cost.

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g. Expense Management Tools. Navy and USMC activities should utilize the free-to-use, on-line tools made available by the service providers (i.e. Verizon, AT&T, etc).

h. OCONUS. For users on foreign travel, international calling and international data plans for the device should be closely reviewed and managed to minimize unexpected high costs for usage at the destination.

5. Actions

a. The Department of the Navy Enterprise Mobility Integrated Process Team (EMIPT) shall establish a forum to educate and assist Navy and USMC activities in meeting the objectives of this policy.

b. The DDCIO (Navy and Marine Corps) shall ensure subordinate activities under their cognizance take appropriate measures to implement this policy and establish appropriate governance to ensure compliance.

6. I appreciate your support and look forward to our continued collaboration as we move forward with IT/Cyberspace efficiencies. My POC for this action is Mr. Dan DelGrosso, 703-695-2900, dan.delgrosso@navy.mil.



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