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TYPE: DMS SIGNED/ENCRYPTED
FROM PLA: DON CIO WASHINGTON DC
FROM D/N: C:US,O:U.S. Government,OU:DoD,OU:NAVY,OU:ORGANIZATIONS(uc),
L:DISTRICT OF COLUMBIA,L:WASHINGTON,OU:DON CIO
WASHINGTON DC(uc)
SUBJECT: ACHIEVING COST SAVINGS AND MANAGEMENT EFFICIENCIES BY
PURCHASING COMMERCIALY AVAILABLE SOFTWARE
TEXT:
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FROM: DON CIO WASHINGTON DC

ORIGINAL TO RECIPIENTS:
ASSTSECNAV FM WASHINGTON DC
ASSTSECNAV IE WASHINGTON DC
ASSTSECNAV MRA WASHINGTON DC
ASSTSECNAV RDA WASHINGTON DC
AAUSN OPTI WASHINGTON DC
CNO WASHINGTON DC//DNS/N091/N095/N1/ N4/N6/N8// CMC WASHINGTON DC//
(ACMC, AR, M&RA, I, I&L, PP&O, C4, P&R) OGC WASHINGTON DC OPA
WASHINGTON DC NAVY JAG WASHINGTON DC OLA WASHINGTON DC CHINFO
WASHINGTON DC NAVAUDSVC WASHINGTON DC NAVINSGEN WASHINGTON DC CNR
ARLINGTON VA BUMED WASHINGTON DC BUPERS MILLINGTON TN CNIC WASHINGTON
DC COMUSFLTFORCOM NORFOLK VA COMUSNAVEUR NAPLES IT COMPACFLT PEARL
HARBOR HI COMUSNAVSO COMUSNAVCENT BAHRAIN COMNAVSEASYSYSCOM WASHINGTON DC
COMNAVRESFORCOM NEW ORLEANS LA COMNAVIRSYSYSCOM PATUXENT RIVER MD
COMNAVSVPSYSYSCOM MECHANICSBURG PA COMNAVLEGSVCCOM WASHINGTON DC
COMNAVAFACENGCYCOM WASHINGTON DC COMNAVSAFECEN NORFOLK VA COMNAVSPECWARCOM
CORONADO CA COMSPAWARSYSYSCOM SAN DIEGO CA COMNAVDIST WASHINGTON DC
DIRSSP WASHINGTON DC FLDSUPPACT WASHINGTON DC NAVHISTCEN WASHINGTON DC
NAVPGSCOL MONTEREY CA NAVWARCOL NEWPORT RI NETC PENSACOLA FL ONI
WASHINGTON DC USNA ANNAPOLIS MD COMNAVNETWARCOM NORFOLK VA PEO C4I SAN
DIEGO CA PEO SPACE SYSTEMS PEO LS QUANTICO VA PEO LAND SYSTEMS PEO
CARRIERS WASHINGTON DC PEO EIS WASHINGTON DC PEO IWS WASHINGTON DC PEO
LMW WASHINGTON DC PEO SHIPS WASHINGTON DC PEO SUB WASHINGTON DC
PEOASWASM PATUXENT RIVER MD PEOSTRKWPNUSUAVN PATUXENT RIVER MD PEOTACAIR
PATUXENT RIVER MD DRPM AAA WASHINGTON DC DRPM NMCI ARLINGTON VA
COMMARCORSSYSYSCOM QUANTICO VA COMMARFOREUR COMMARFORCOM COMMARFORPAC
COMMARFORRES COMMARFORSOUTH DON CIO WASHINGTON DC

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MSGID/GENADMIN/DON CIO WASHINGTON DC//

SUBJ/ACHIEVING COST SAVINGS AND MANAGEMENT EFFICIENCIES BY PURCHASING
COMMERCIALY AVAILABLE SOFTWARE VIA DOD/DON ESI CONTRACT VEHICLES

REF/A/DOC/DOD/26OCT2006//
REF/B/DOC/DOD/22DEC2005//
REF/C/DOC/DOD/12MAY2003//
REF/D/DOC/SECNAV/19NOV2004//
REF/E/DOC/DOD/26JUL2000//
REF/F/DOC/SECNAV/26JUN2008//

NARR/ REF A, DEFENSE ACQUISITION REGULATION (DFAR) SUBPART 208.74 ? ENTERPRISE SOFTWARE AGREEMENTS (REVISED OCT 26, 06), PRESCRIBES POLICY AND PROCEDURES FOR ACQUISITION OF COMMERCIAL SOFTWARE AND SOFTWARE MAINTENANCE. REF B, DOD MEMO, DEPARTMENT OF DEFENSE (DOD) SUPPORT FOR THE SMARTBUY INITIATIVE, DESCRIBES GSA'S SMARTBUY PROGRAM AND ITS USEAGE. REF C, DODINST 5000.2C, OPERATION OF THE DEFENSE ACQUISITION SYSTEM; SECTION E4, PARAGRAPH 4.2.7, STATES THAT WHEN THE USE OF COMMERCIAL IT IS CONSIDERED VIABLE, MAXIMUM LEVERAGE OF AND COORDINATION WITH THE DOD ENTERPRISE SOFTWARE INITIATIVE SHALL BE MADE. REF D, SECNAVINST 5000.2C, IMPLEMENTATION AND OPERATION OF THE DEFENSE ACQUISITION SYSTEM AND THE JOINT CAPABILITIES INTEGRATION AND DEVELOPMENT, PARAGRAPH 7.c. DESCRIBES DON CIO RESPONSIBILITIES FOR DEVELOPING AND ISSUING IT MANAGEMENT POLICIES. REF E, DOD CIO GUIDANCE AND POLICY MEMO NO.12-8430, ACQUIRING COMMERCIALY AVAILABLE SOFTWARE, PARAGRAPHS 4 AND 5 DESCRIBE THE USE OF THE ENTERPRISE SOFTWARE INITIATIVE (ESI) AND ENTERPRISE SOFTWARE AGREEMENTS (ESA) BY DOD COMPONENTS. REF F, SECVAV INSTRUCTION 5430.7P, PARAGRAPH 7.B.(8) ASSIGNS THE DON CIO AS THE SENIOR INFORMATION MANAGEMENT/INFORMATION TECHNOLOGY (INCLUDING NATIONAL SECURITY SYSTEMS) AND INFORMATION RESOURCES MANAGEMENT OFFICIAL FOR SECNAV, OPNAV, AND HQMC.

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NAVY ECHELON II COMMANDS: PLEASE PASS TO COMMAND INFORMATION OFFICER (IO)/N1/N6//

USMC MAJOR SUBORDINATE COMMANDS: PLEASE PASS TO COMMAND INFORMATION OFFICER (IO)/G1/G6//

RMKS/1. THE PURPOSE OF THIS NAVAL MESSAGE IS TO MAXIMIZE DEPARTMENT OF THE NAVY (DON) BUYING POWER AND ACHIEVE COST SAVINGS AND MANAGEMENT EFFICIENCIES BY ACQUIRING AND MANAGING COMMERCIALY AVAILABLE SOFTWARE ON AN ENTERPRISE-WIDE BASIS.

2. PER REFS A-F, THE INTENT OF CURRENT SOFTWARE PROCUREMENT POLICY IS TO ENSURE THAT: (1) THE DON SPEAKS WITH ONE COORDINATED VOICE TO ACHIEVE THE MOST FAVORABLE TERMS AND PRICES ON SOFTWARE PRODUCTS AND RELATED SERVICES; (2) PROCUREMENTS ADHERE TO APPROPRIATE DON-WIDE STANDARDS, ARCHITECTURES, POLICIES AND PROCEDURES; (3) DUPLICATIVE SOFTWARE/MAINTENANCE BUYING EFFORTS AT INDIVIDUAL LEVELS ARE MINIMIZED AND (4) INFORMATION TECHNOLOGY (IT) ASSET MANAGEMENT WITHIN THE DON IS FACILITATED.

3. THE ENTERPRISE SOFTWARE INITIATIVE (ESI) AND ENTERPRISE SOFTWARE AGREEMENTS HAVE PROVEN THAT MANAGING THE ACQUISITION OF COMMERCIALY AVAILABLE SOFTWARE AT THE ENTERPRISE LEVEL REDUCES COSTS. THE ESI ENABLES AGGREGATION OF SOFTWARE REQUIREMENTS AND PROMOTES THE USE OF ENTERPRISE SOFTWARE AGREEMENTS THAT LEVERAGE THE DON'S BUYING POWER. ESI DOES NOT DICTATE THE PRODUCTS OR SERVICES TO BE ACQUIRED.

4. ADDITIONALLY, DOD IMPLEMENTS THE GSA-MANAGED SMARTBUY PROGRAM THROUGH THE DOD ESI TEAM. ESI AND SMARTBUY AGREEMENTS ARE PUBLICIZED THROUGH THE ESI WEBSITE ([HTTP://WWW.ESI.MIL](http://www.esi.mil)).

5. THIS MESSAGE FORWARDS THE FOLLOWING ACTIONS:

A. ACTION: COMMERCIAL SOFTWARE AND RELATED SERVICES (SUCH AS SOFTWARE MAINTENANCE) SHALL BE PURCHASED IN ACCORDANCE WITH THE REGULATIONS, POLICIES, AND PROCEDURES STATED IN REFERENCES A THROUGH F. SPECIFICALLY, USE OF SMARTBUY AGREEMENTS IS MANDATORY WHEN REQUIREMENTS EVALUATION LEADS TO A SMARTBUY DESIGNATED BRAND NAME SOFTWARE PRODUCT OR SERVICE.

B. ACTION: THE DEPARTMENT OF THE NAVY CHIEF INFORMATION OFFICER (DONCIO) DIRECTS THAT ESI REGULATIONS, POLICY, AND GUIDANCE ARE TO BE CONSISTENTLY FOLLOWED. COMMAND INFORMATION OFFICERS MUST ENSURE THAT ESI VEHICLES, IF AVAILABLE, ARE UTILIZED AS THE FIRST STEP WHEN A REQUIREMENT FOR SOFTWARE AND RELATED SERVICES HAS BEEN IDENTIFIED, BEFORE MAKING APPROVE/PURCHASE DECISIONS. ALSO RESPONSIBLE FOR THIS ACTION ARE LOCAL SOFTWARE ACQUISITION PROCESS OWNERS RESPONSIBLE FOR IT APPROVAL, SOURCE SELECTION, AND PURCHASING PROCESSES.

6. THIS NAVAL MESSAGE IS A PRODUCT OF AN ONGOING DON CIO LEAN SIX SIGMA (LSS) PROJECT TO DEVELOP AND INSTITUTIONALIZE AN EFFICIENT AND STREAMLINED LIFE CYCLE MANAGEMENT ENTERPRISE SOFTWARE LICENSING (ESL) PROCESS.

7. A RECOMMENDATION FROM THIS PROJECT IS TO PROACTIVELY CAPTURE NON-ESI SOFTWARE PROCUREMENT INFORMATION IN ORDER TO ASSESS SOFTWARE BUYING TRENDS AND BETTER POSITION THE DON FOR FUTURE ENTERPRISE REQUIREMENTS. THEREFORE, WITHIN 90 DAYS OF THIS MESSAGE, A REPORTING TASK WILL BE EXECUTED BY A SELECTED PILOT COMMAND TO CAPTURE ITS THIRD QUARTER FY08 SOFTWARE PROCUREMENTS THAT DID NOT USE ESI VEHICLE(S). THE TEMPLATE RESULTING FROM THIS LSS PILOT SHALL BE USED AS THE TOOL FOR FOLLOW-ON QUARTERLY REPORTING OF NON-ESI PURCHASES ACROSS THE DON.

7. RELEASED BY ROBERT J. CAREY, DEPARTMENT OF THE NAVY CHIEF INFORMATION OFFICER.//

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