



DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF INFORMATION OFFICER
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MEMORANDUM FOR DISTRIBUTION

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

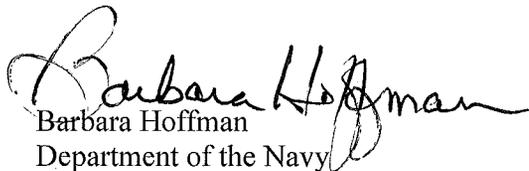
Ref: (a) DON CIO memo, Department of the Navy Policy on Mobile (Cellular) Services Cost
Management, of 13 Mar 2012
(b) DoD Directive 8100.02 of 23 Apr 2007
(c) DON CIO Policy, Processing of Electronic Storage Media for Disposal, of 28 Aug 2012

Encl: (1) DON Policy for Achieving Mobile (Cellular) Services Cost Efficiency

The Department of the Navy (DON) employs commercial cellular devices and services to enable workforce mobility. As responsible stewards of public funds, all DON activities must actively manage their mobile services to minimize the cost of necessary capabilities. This memorandum cancels reference (a) and provides expanded DON policy pertaining to mobile service cost management in enclosure (1).

This policy applies to DON use of government-provided commercial wireless devices, as defined in reference (b), government provided devices operating on commercial cellular networks. It does not apply to devices that do not operate over commercial networks. Navy and Marine Corps activities outside the continental United States (OCONUS) that are not required to use the DON wireless contract will implement the cost saving practices described in enclosure (1) to the extent practicable.

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

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Subj: DEPARTMENT OF THE NAVY (DON) MOBILE (CELLULAR) SERVICES COST
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DON POLICY FOR ACHIEVING MOBILE (CELLULAR) SERVICES COST EFFICIENCY

1. Zero-Use Devices

a. Zero Minutes. If a cellular device reflects zero minutes of use on three consecutive monthly invoices, the responsible activity will re-validate the need for that device or cancel the service.

b. Continuity of Operations (COOP). Cellular devices intended solely for COOP purposes will be on rate plans that minimize the monthly cost of maintaining inactive devices. Though carrier dependent, the best option for these devices is usually the lowest cost metered ("pay as you go") service plan.

c. Monitoring. The Department of the Navy Chief Information Officer (DON CIO) monitors zero use devices. Each quarter, in cases where activities have not initiated appropriate action to minimize costs, the DON CIO will direct those activities to modify their task orders. Progress will be monitored through the Fleet Logistics Center, San Diego.

2. Pooled Minute Usage Management

a. Over-Utilization. An activity with a pooled minute plan or a device with an assigned minute plan that is charged for exceeding its limits by 25 percent or more for three consecutive months is required to change to a plan or pool with more minutes.

b. Under-utilization. An activity with a pooled minute plan or a device with an assigned minute plan that is charged for 75 percent or less of the contracted minutes for three consecutive invoices is required to change to another plan with fewer minutes.

3. Air Cards. DON personnel assigned data capable devices (e. g., smartphone or BlackBerry) will not be issued air cards to provide Internet connectivity for their laptop computers. Instead, those personnel will employ a "tethering" option; using the phone as a modem to provide unlimited data connectivity at no additional cost.

4. Expense Management Tools and Training

a. Online Tools. All DON activities will employ the no-cost online tools and data made available by the service providers (Verizon, AT&T, etc.) to manage their accounts for maximum efficiency.

b. Training. All DON account managers who will have the authority to order, cancel or modify services via the DON wireless contract must be trained to use the wireless management tool by the appropriate carrier within 90 days of assignment. All account managers already exercising such authority must complete the training within 120 days of the date of this memo. The training is provided under the wireless contract, either in Fleet Logistics Center San Diego sponsored classrooms or using on demand WebEx and telecom from the carriers.

Enclosure (1)

5. OCONUS Travel. International calling and data plans for devices to be used on foreign travel will be closely reviewed at least monthly by wireless contract account managers, and managed to minimize high OCONUS usage charges.

6. Task Order Consolidation

a. Navy Echelon II Budget Submitting Offices (BSOs) and Marine Corps Major Subordinate Commands (MSCs) will aggregate mobile device requirements throughout their organizations and make consolidated orders. Some Echelon II commands have already succeeded in lowering costs by awarding one order with each service provider for each funding type (e.g., Operations & Maintenance (O&M), Navy Working Capital Fund (NWCF)) used to acquire mobile services.

b. If unable to comply with stated guidance to consolidate wireless task orders at the MSC/BSO level, commands and activities shall submit waiver and exemption requests to the DON CIO. Requests shall consist of formal letter correspondence endorsed by the first General Officer or Senior Executive (SES) in the requesting command or activity chain and routed through their respective DON Deputy CIO to the DON CIO.

7. Equipment Exchange. Recycling old wireless devices and accessories through third parties is not authorized. Account managers are only authorized to “exchange” wireless equipment from wireless carriers as permitted by the DON wireless contract in compliance with reference (c) (available in the Policy & Guidance section at www.doncio.navy.mil). Wireless equipment exchange only permits the acquisition of like equipment or the exchange of non-surplus/obsolete equipment and will not be used for services or be conducted with vendors not authorized by the DON wireless contract. The DON CIO is working with the Navy and Marine Corps staffs to establish blanket waivers of the requirements in reference (c) to maximize the DON’s wireless equipment buyback potential.