DEPARTMENT OF THE NAVY
NAVAL SERVICE TRAINING COMMAND
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NSTCINST 5040.1H
IG
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NSTC INSTRUCTION 5040.1H

From: Commander, Naval Service Training Command

Subj: COMMAND INSPECTION PROGRAM

Ref: (a) SECNAVINST 5040.3B
       (b) NETCINST 5040.1D
       (c) NETCINST 5200.6A

Encl: (1) Command Inspection Program Flowchart
       (2) Process Self-Assessment Worksheet
       (3) OPNAV 5040/2 (11-68)

1. Purpose.   To establish objectives, policies, and responsibilities for executing the Naval Service Training Command (NSTC) Command Inspection Program (CIP). Summary of changes include updated version of references, removal of Managers' Internal Control Program, added Integrated Risk Management program instruction, added responsibility to draft Process Issues paper and conduct recommendation follow up for NSTC Command Inspection (CI) team, updated time to issue final inspection report to 45 days after inspection, removed "For Official Use Only" markings and added "Controlled Unclassified Information" markings, and the requirement of a designated Command Inspection Coordinator, who will conduct self-assessments, meet full compliance with information and documentation requests and report corrective actions taken. This instruction is a complete revision and should be reviewed in its entirety.

2. Cancellation. NSTCINST 5040.1G.

3. Scope. This instruction applies to NSTC Echelon 5 commands and activities (Officer Training Command (OTC), Recruit Training Command (RTC), Naval Reserve Officers' Training Corps (NROTC) Units, and Maritime Academies). CIs will be scheduled per references (a), (b), and this instruction on a periodic basis. Annual NSTC NOTICE 5040 will be published with updated CI schedules.

4. Policy

    a. CIs are planned, coordinated and conducted to ensure commands are properly organized, trained, equipped, and supported to achieve required capabilities and execute assigned missions. CIs evaluate mission readiness, performance, and quality of life, and identify systemic problems.

b. NSTC CIs are intended to be a snapshot of a command or activity. These assessments will allow for a review of the following:

(1) Command processes;

(2) Command climate;

(3) Risk assessments;

(4) Key metrics for measuring performance;

(5) Attainment of strategic goals and objectives;

(6) Compliance with specific programs;

(7) Normalization of deviation, and

(8) Standardization.

c. The NSTC Inspection Team conducts inspections of Echelon 5 commands and activities that focus on evaluating specific programs and processes within the NSTC domain against requirements outlined in governing directives and instructions. In addition, NSTC assesses programs on compliance, effectiveness, and risk.

(1) NSTC assesses compliance as "Compliant," "Not Fully Compliant," or "Not Compliant." A "Compliant" program has no serious deficiencies. A "Not Fully Compliant" program has some deficiencies, but functions as designed. A "Not Compliant" program is either not being performed or has serious deficiencies that preclude the program from functioning as designed.

(2) Similarly, NSTC assesses effectiveness as "Effective," "Not Fully Effective," or "Not Effective." An "Effective" program achieves the goals of the mission or program. A "Not Fully Effective" program has some shortfalls in performance but is generally accomplishing its objectives. A "Not Effective" program fails to achieve its performance goals.

(3) NSTC assesses risk as "Low Risk," "Moderate Risk," and "High Risk." A "Low Risk" program is well managed with high potential for continued success. A "Moderate Risk" program has some negative elements that may impact future performance. A "High Risk" program has critical elements that, if not addressed, are likely to negatively impact future performance.

d. Objectives

(1) Assess the operational and materiel readiness, effectiveness, and efficiency of NSTC commands and activities.

(2) Assist commanders in improving the performance, readiness, efficiency, effectiveness, and quality of life of the commands, units, and activities for which they are responsible. Inspections are to provide commanders mission-relevant evaluations and recommendations that are timely, accurate, candid, and objective.

(3) Help uniformed and civilian NSTC personnel improve the performance, readiness, efficiency, and effectiveness of their organizations, while constantly improving individual quality of life through evaluation, training, assistance, and mentoring.

(4) Recognize, commend, and disseminate best practices as widely as possible throughout the command.

5. Background. Per reference (a), the Secretary of the Navy (SECNAV) published the objectives, policies and assigned responsibilities for inspections conducted under the Department of the Navy Inspection Program (DONIP). The DONIP is a coordinated program of inspection that focuses on unit readiness and capability to execute assigned missions, current and projected, for the purpose of informing senior naval leaders of the Department of the Navy's (DoN) overall ability to accomplish its mission.

6. Procedures

a. A formal report will be issued not later than 45 days after completion of the CI. The report will consist of an Executive Summary, Processes Inspected, Recommendations, Process Issue Papers and a sample OPNAV Form 5040/2, Implementation Status Report (ISR).

b. Significant deficiencies uncovered during the CI will be reported immediately to the appropriate official via the chain of command and amplified in the formal report. Generally, these are weaknesses requiring immediate action and may be of particular interest to senior level officials in the chain of command.

c. CI reports will be marked "CONTROLLED UNCLASSIFIED INFORMATION". The information contained in the report relates to the internal practices of the DoN and is an internal communication within the Navy Department. The report is not releasable without the specific approval of Commander, NSTC. Its contents may not be disclosed outside original distribution, nor may it be reproduced in whole or in part. All requests for the report, extracts there from, or correspondence related thereto will be referred to NSTC Inspector General.

d. Follow-up Actions

(1) Immediately after completion of the CI, activities shall use the draft Process Issue Papers to identify issues requiring corrective action. One month following receipt of the formal report, activities will complete an ISR for each issue requiring corrective action. The ISR Form is located at Enclosure (3). The ISRs will be forwarded electronically to the NSTC IG via the Commanding Officer's (CO) review. NSTC IG will track corrective actions until all are completed. ISRs indicating completed actions will be reported to NSTC IG as they occur.

(2) After the first month's reporting, activities shall submit ISRs by their designated estimated date of completion. Any changes to the completion date must be fully explained in the block entitled "Current Implementation Status." Once an activity completes all corrective actions, NSTC IG will provide a closeout letter and no further ISRs will be required.

e. Conduct of CI On-Site

(1) An in-brief will be conducted consisting of presentations by the NSTC IG and Team Lead (TL) and by the command participating in the CI. The NSTC IG and TL will provide an overview of the CIP and an introduction of key participants.

(2) The command's in-brief presentation shall follow the format provided by the Command Inspection Manager (CIM).

(3) Process analyses will commence upon completion of the in-briefs.

(4) During the CI, an analysis of each selected process will be conducted using "flowchart walk-throughs" (pending NSTC publication of Integrated Risk Management (IRM) Program Instruction) during which the Process Owners (PO) will demonstrate the process to the Subject Matter Experts (SMEs)/Process Advisors (PAs). The PO shall be able to discuss their understanding of the process in relationship to the system it supports. The process Self-Assessment Worksheet (SAW), shown in enclosure (2), shall be used to provide an analysis of each area inspected with the process SME/PA.

(5) During the CI, the NSTC IG/TL will be available for personal interviews with members of the inspected command. Any employee, civilian or military, is free to discuss any matter of personal concern other than those involving on-going grievances or Equal Employment Opportunity and Equal Opportunity complaints. Information disclosed during these interviews will be kept confidential and will not be disclosed outside the IG network, except where it is necessary to fully investigate and resolve the issue.

(6) Upon completion of all process analyses, the SME/PA will debrief the PO with a draft Process Issue Paper that outline the findings and recommendations. The NSTC IG/TL will debrief the command on the results of the CI.

7. Responsibilities

a. NSTC TL. Provides overall leadership of the CI Team. NSTC IG will serve as the TL.

(1) Directs all facets of the CI.

(2) Conducts general discussions and individual IG consultations.

b. NSTC CIM. Coordinates directly with the CI Coordinator (CIC) and selected commands to ensure all requirements for the CIP are met. NSTC Deputy IG will serve as the CIM.

(1) Assigns processes to SMEs and PAs.

(2) Provides guidance in process improvement activity.

(3) Interacts with SMEs/PAs to ensure a clear understanding of the process.

(4) Provides briefing format to selected commands to assist top management in preparing a 10-20 minute PowerPoint presentation for the CI In-brief. The in-brief will include a description of the command's leadership, mission, organizational structure, statistics, training initiatives, strengths and challenges.

    c. Command CIC. Works directly with the CIM. NSTC IG/TL collaborates with the command being inspected to select an appropriate CIC. Typically, the CIC is the IRM Program coordinator or the Command Evaluation Officer.

(1) Coordinates/confirms CI requirements and logistics with CIM.

(2) Coordinates the inspected command's 10-20 minute PowerPoint presentation for the CI In-Brief.

    d. NSTC CI Team (CIT)/SME/PA. Interviews leadership, program managers and command personnel. The CIT/SME/PA reviews command policy, processes, mission performance, compliance, and oversight of subordinate commands. Works closely with the command's POs.

(1) Evaluates a specific process with a PO using self-assessment worksheets (SAWs), process flowcharts and interviews.

(2) Assesses program compliance against governing guidance.

(3) Drafts Process Issue Papers to document the review

(4) Conducts follow-up and close-out of CI recommendations.

    e. Command POs. Manages and/or controls a process at a command.

(1) Develops a process SAW, process flowchart, and interacts with the SMEs/PAs during the inspection.

(2) Has authority to make process changes.

8. <u>Action</u>

    a. <u>NSTC IG</u>

(1) Serve as principal advisor to NSTC domain activities for the CIP.

(2) Act as TL for CIs and exercise overall direction for the CIP.

(3) Publish CI schedules.

(4) Conduct CIs and follow-up under the policies and procedures contained in references (a), (b), and this instruction.

(5) Coordinate CIs with selected activities.

(6) Maintain liaison with other activities, commands bureaus, offices and agencies for the exchange of information relative to the DONIP.

(7) Publish a CI report and distribute to activities involved in the CI. Monitor the completion of recommended corrective actions.

   b. <u>NSTC Department Heads, Directors and Special Assistants</u>

(1) Provide SMEs/PAs to augment the CI team as appropriate.

(2) Provide the necessary support to the NSTC IG in correcting process weaknesses identified during a CI.

   c. <u>Inspected Commands and Activities</u>

(1) Provide a CIC to coordinate with the inspection team and provide required information listed in this Instruction.

(2) Perform self-assessments and provide same to inspection team as per reference (a).

(3) Fully assist and cooperate with all IG and CIT requests. This obligation specifically includes, but is not limited to, candidly and completely answering questions and providing relevant information, documents, records, and other evidence, consistent with constitutional, statutory, and regulatory due process protections.

(4) Report corrective action taken to resolve recommendations via ISR.

   d. <u>Notification and Preparation for Inspection (see also Enclosure 1)</u>

(1) 120 days prior to the CI (unless short- or no-notice inspection): NSTC IG TL will notify, via email, the command or activity to be inspected to submit the following information within two weeks to the CIM:

(a) The name of the Command or Activity CIC for NSTC IG TL's approval; to include the CIC's full name, title, code, telephone number and email address.

(b) As appropriate, the name of the CO, Executive Officer and Command Master Chief or Senior Enlisted Leader assigned to each command/activity.

(2) 90 days prior to the CI, NSTC IG TL will:

(a) Send an announcement letter to the command or activity confirming the date of the CI and the selected processes for review during the inspection. The intent of the CI is to focus on processes that will achieve the greatest return on investment and provide the greatest command benefit across echelons.

(b) Provide additional information to assist in preparing for the CI.

(3) 60 days prior to the CI, the command inspected will provide directly to the NSTC CIM:

(a) A copy of the CO's bio, command telephone directory and collateral duties list.

(b) A breakdown of assigned staff (military and civilian) and recruit/student personnel as follows:

1. Number of staff officers

2. Number of staff enlisted

3. Number of civil service personnel

4. Number of recruits, officer candidates and/or students

(c) A copy of the most recent Defense Equal Opportunity Management Institute and Defense Organizational Climate Survey Report.

(4) 30 days prior to the CI, the Command CIC will submit the following to the NSTC CIM:

(a) Flowcharts of those selected processes identified by the NSTC IG TL. (NOTE: flowcharts were previously developed while completing the annual Managers' Internal Control Program, which has been replaced by the IRM Program. This flowchart requirement is pending publication of an NSTC IRM Program Instruction.)

(b) A process SAW shown in enclosure (2) for each selected process.

(c) The data call CI logistic requirements, per specified action dates.

(d) The applicable PO's information for each inspected process.

(e) A copy of the command's 10-20 minute CI In-Brief presentation.

11. Records Management. Records created as a result of this instruction, regardless of media and format, must be managed per Secretary of the Navy Manuel 5210.1 of September 2019.

12. Review and Effective Date. Per OPNAVINST 5215.17A, IG 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 in known following the guidance in OPNAV M 5215.1 of May 2016.

13. Forms. The following forms are available for download from the Department of the Navy Issuances web site:
https://www.secnav.navy.mil/ig/Documents/Implementation%20Status%20Report.pdf

   a. OPNAV 5040/2 Implementation Status Report

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Releasability and distribution:
This instruction is cleared for public release and is available electronically only via Department of the Navy Issuances Web site, https://www.netc.navy.mil/Commands/Naval-Service-Training-Command/NSTC-Directives/