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OPNAV INSTRUCTION 4790.14B

From: Chief of Naval Operations

Subj: JOINT DEPOT MAINTENANCE PROGRAM

Ref: (a) DoD 4100.39-M, Federal Logistics Information Systems, October 2010  
(b) AMC-700-99/NAVSUPINST 4790.7/AFMCR 400-21/MCO P4410.22C of 27 April 1990  
(c) DoD Instruction 5000.02 of 8 December 2008  
(d) DoD Directive 4151.18 of 23 March 2004

Encl: (1) Depot Maintenance Inter-Servicing Implementation  
(2) Depot Maintenance Inter-Service Support Agreement (DMISA)  
(3) Navy Depot Maintenance Inter-Service Review Procedures  
(4) Comparative Studies

1. Purpose

a. This instruction establishes policy and provides procedures for implementing the Joint Depot Maintenance (JDM) Program and Depot Maintenance Inter-Service (DMI) process uniformly in the Department of the Navy (DON) and in coordination with other Services in the Department of Defense (DoD), as detailed in enclosure (1). References (a) through (d) provide further guidance.

b. This instruction supersedes the OPNAVINST 4790.14A, formerly the Joint Services instruction on JDM. It defines roles and responsibilities for DON personnel for the inter-Service working environment, and provides an overview of the Joint Service processes and procedures to clearly articulate Navy responsibilities.

2. Cancellation. OPNAVINST 4790.14A.

3. Scope. This instruction applies to the depot maintenance support of all weapons systems, end items, systems, subsystems,

equipment, components and software maintenance, by and for DoD. It provides the methods and processes to be utilized to assign or reassign the depot source of repair (DSOR) and for implementing DSOR assignments. It also describes joint programs and initiatives that have objectives of increasing inter-Service cooperation in a broad range of depot maintenance activities with common concerns.

4. Responsibilities. The Navy's inter-Service network shall be established and maintained to ensure the responsibilities set out in this instruction are fulfilled. This network consists of the Maintenance Inter-Service Support Management Office (MISMO), personnel within each naval systems command (SYSCOM), depot maintenance activities, and acquisition and logistics managers who acquire, modify, support, or procure depot support services for weapons systems, end items, systems, subsystems, equipment, and components, to include software maintenance. It also includes Naval Supply Systems Command Weapon Systems Support (NAVSUP WSS) personnel who manage and procure reparable material. Specific responsibilities within the inter-Service community include:

a. Joint Group on Depot Maintenance (JG-DM). The JG-DM provides guidance to establish, direct and control the JDM Program. They provide direction to the Service MISMOs to ensure consistent emphasis and interpretation of joint and inter-Service depot maintenance policy. Participation in the JG-DM for the Navy should be from Naval Air Systems Command (NAVAIRSYSCOM) Industrial and Logistics Maintenance Planning/Sustainment Department (AIR-6.7), Naval Sea Systems Command Logistics, Maintenance and Industrial Operations (NAVSEASYS COM 04), and Office of the Chief of Naval Operations, Fleet Readiness Division (OPNAV N43).

b. Navy MISMO-NAVAIRSYSCOM Industrial Business Operations Interservice Branch (6.7.7.1). The Navy MISMO is the focal point for implementing joint and inter-Service depot maintenance policies within the Navy. The Navy MISMO has the responsibility to manage the JDM Program, implement joint policy, achieve joint Service objectives, and provide arbitration in resolving conflicts and disputes with other Services or between the Navy and other agencies. The Navy MISMO shall, if necessary, elevate conflicts and disputes to the Navy JG-DM principal for resolution. The Navy MISMO shall:

(1) Implement joint and inter-Service depot maintenance policy and procedures within the Navy.

(2) Serve as Navy manager for inter-Service and interagency actions.

(3) Ensure timely introduction of acquisition and depot maintenance programs for joint review.

(4) Review DSOR assignment recommendations and provide Service position.

(5) Announce DSOR decisions to involved commands and depot repair activities.

(6) Provide a Joint Advisory Board (JAB) member.

(7) Provide joint and inter-Service policy and program guidance to the MISMO staff, Maintenance Inter-Service Support Office (MISO) and Maintenance Inter-Service Coordinating Office (MICO).

c. JAB. JAB shall:

(1) Provide support to the Navy MISMO on the conduct of current missions and taskings.

(2) Assist in scheduling JG-DM meetings, developing agenda topics and coordinating pre- and post-meeting documentation.

(3) Assist in identifying, coordinating, and communicating with appropriate Service or agency staff organizations, as required, to accomplish its mission.

(4) Aid in the provisioning of open communications between JG-DM members as necessary.

(5) Elevate joint and inter-Service depot maintenance issues requiring higher level resolution through the Service MISMOs to the JG-DM.

(6) Meet as required with other Service or agency JABs to ensure progress consistent with JG-DM objectives and commitments.

(7) Present status and issue briefings at JG-DM meetings.

d. SYSCOMs. The SYSCOMs shall establish a MISO within their command headquarters and at the NAVSUP WSS. Personnel within the SYSCOMs should use the MISO network to request depot maintenance support from other Services or other SYSCOMs.

e. MISO. The MISO serves as the focal point for implementation of joint and inter-Service depot maintenance support requirements within each SYSCOM. The MISO shall:

(1) Assure that all items meeting any of the criteria for DMI review are submitted to the Navy MISMO using the DMI candidate information template (obtained from the Navy MISMO).

(2) Coordinate with acquisition programs and depot maintenance activities, as necessary, to prepare data to support DMI reviews.

(3) Coordinate implementation of DSOR decisions, and prepare and negotiate depot maintenance inter-Service support agreements (DMISA) affecting their reporting activity, as detailed in enclosure (2).

(4) Maintain liaison with the Navy MISMO, MICO and other Service MISOs to ensure smooth and effective implementation of their inter-Service programs and resolve issues through negotiation and coordination.

(5) Formally advise the Navy MISMO of problems that cannot be resolved to the satisfaction of the inter-Service participants. Documentation should reflect circumstances and action taken to resolve problems, current status of the existing or planned DMI agreements, and recommendations for remedial action.

(6) Maintain an active file for each inter-Service agreement affecting their commands or reporting activity throughout the life of the agreement.

(7) When the DMISA is used as the implementing agreement, the MISO shall develop, negotiate, manage and terminate DMISA.

(8) Participate in inter-Service meetings and work and study groups as requested through appropriate chain of command.

(9) Serve as the DMISA Service 'Principal' on behalf of the Navy and program office for Navy workload needing repair at another Service.

(10) Serve as the DMSIA Service 'Agent' on behalf of the Navy and program office for workload from other Service or agencies needing repair at the Navy depot.

f. MICO. A MICO is a coordinating office located at a Navy depot maintenance activity and supports inter-Service initiatives on behalf of the SYSCOM MISO as the Service agent representative. The MICO is the central point of contact for coordinating DMI support at the depot repair activity.

g. Program Managers (PM). PMs shall:

(1) Review all new and ongoing acquisitions and logistics support programs for weapons systems, end items, systems, subsystems, equipment, components, and software maintenance, to determine if the criteria in enclosure (3) are met. Any programs meeting any one of these criteria shall be promptly identified to their SYSCOM MISO using the procedures outlined in enclosure (1).

(2) Introduce items for DMI study in sufficient time to conduct the study per enclosure (3) and meet program support needs.

(3) Ensure that binding commitments are not made for support equipment and facility construction or alteration for establishing a capability at a specific depot site (organic or commercial) prior to the DSOR decision.

(4) Ensure logistics reviews include the DSOR decision process as a critical element in the approval for progression to the next weapon system acquisition phase.

(5) Assign a focal point to coordinate the DSOR decision process actions, any comparative studies analysis necessary per enclosure (4), and data requirements to implement the DSOR decisions.

(6) Specify adherence to DMI requirements and indicate DSOR decision status in integrated logistics planning documents.

5. Review. This instruction shall be reviewed annually and updated as required by OPNAV N43.

6. Records Management. Records created as a result of this instruction, regardless of media and format, shall be managed per Secretary of the Navy Manual 5210.1 of January 2012.



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DEPOT MAINTENANCE INTER-SERVICING IMPLEMENTATION

1. Methods of Inter-Servicing. Inter-Service workloads must be accomplished by one of two methods: DMISA or credit exchange. Other methods such as a memorandum of agreement (MOA) or memorandum of understanding (MOU) are acceptable for interim periods of recurring workload less than 1 year in duration or a finite workload requirement of less than 2 years. All recurring workload interim agreements with periods of performance exceeding 1 year and a finite workload exceeding 2 years must be formalized by one of the authorized methods.

2. Implementation Plan. An implementation plan is required for all DSOR decisions that assign workload across Service lines.

a. For Navy workload going out to other Services. The plan shall be initiated by the principal SYSCOM MISO and, following coordination with the other Service agent MISO, be submitted to the Navy MISMO within 90 days upon issuance of the decision letter. A copy of the approved plan shall be provided to the other involved Service MISMO(s).

b. For Navy workload coming in from other Services. The plan shall be developed by that principal Service MISO, coordinated with the Navy SYSCOM MISO and the depot MICO, and then be submitted to the Navy MISMO within 90 days upon issuance of the joint decision letter. A copy of the approved plan shall be provided to the other involved Service MISMO(s).

3. Funding. The principal is responsible for funding establishment of capability and capacity to meet requirements beyond those that already exist at the agent facility.

4. DMISA Policy (reference enclosure (2)).

a. The DMISA shall be used for all multi-year inter-Service depot maintenance workload assignments unless it meets the criteria for an MOA or MOU as outlined above, or the credit exchange method is selected.

b. DMISAs shall be negotiated, managed, and terminated following procedures and formats mutually agreed to by the principal and agent Services, using jointly approved management tools.

(1) Approval authority signatures of both principal and agent shall constitute a formal agreement. Changes after acceptance shall require agreement by both principal and agent.

(2) DMISAs should be established for periods of performance that are mutually acceptable to the principal and agent Services, with annual mandatory reviews. The principal MISO will call the annual review, which primarily will be devoted to establishing workload projections and updating exhibits in the DMISA. Out-of-cycle reviews may be requested by either party to resolve issues.

(3) The program or agency requiring the workload to be repaired is responsible for programming, budgeting, and funding to fully support the DMISAs to which it is a party.

(4) Every effort should be made to resolve conflicts for DMISAs, and they shall not be terminated except as stipulated in enclosure (2), paragraph 6d.

(5) Reassignment of workload from terminated DMISAs shall be accomplished through the DSOR decision process outlined in enclosure (3).

#### 5. Follow-On Implementation Actions

a. Upon completion of provisioning and cataloging actions for the items contained within each DSOR decision, the program office, in coordination with the principal MISO, will report national stock number (NSN), primary inventory control activity, secondary inventory control activity, non-consumable item material support codes, and DSORs for each depot reparable item to the Navy MISMO.

b. If configuration changes occur for the items contained within each DSOR decision, the program office, in coordination with the principal MISO, will report the new manufacturer's part number, commercial and Government entity code and NSN (if assigned) through their Service MISMO to ensure proper recording in the DSOR database.

c. The MICO (or agent MISO when DSOR is in a Service other than Navy) will report any significant cost changes, projected

or incurred, in the implementation of the inter-Service DSOR assignment from those identified in the DMI study to the involved Service MISMOs.

d. Completed implementation will be reported by the principal MISO to the involved Service MISMOs.

6. DSOR Code Recording in the Federal Logistics Information System (FLIS) Total Item Record (TIR).

a. Objective. To provide an accessible record of approved DSOR assignments. This is accomplished by recording a two alpha character code found in reference (a), which is unique to each activity performing depot maintenance within the Military Services, in the FLIS TIR. DSOR codes have also been established for other Federal Government activities that routinely provide depot maintenance support to the Military services.

b. Responsibilities

(1) The Navy MISMO will establish and maintain a distinct code for each Navy activity that performs depot maintenance, and coordinate proposed changes or new codes with the Defense Logistics Agency (DLA).

(2) The Navy MISMO will direct NAVSUP WSS to record the approved DSOR in the FLIS TIR upon receipt of the joint Service decision letter.

(3) NAVSUP WSS will process approved DSOR assignments for cataloging in the FLIS TIR, when received from the Navy MISMO, per references (a) and (b).

c. DSOR Code Management. Authorized DSOR codes are listed in reference (a). Requests to change, delete, or establish a new code shall be submitted through the Navy MISMO for coordination with the DLA representative. The DLA representative will process such requests to the Defense Logistics Information Service (DLIS) and assess any impact upon Service data systems. DLA representatives are identified in reference (a). Attempted use of codes not listed will result in data rejects by system software.

d. Reports. DLIS will periodically provide the following data from the FLIS TIR to the Service MISMOs:

(1) Semi-annual report, by Service, reflecting the status of implementation of DSOR code data into the FLIS TIR.

(2) Annual report that identifies those NSNs (items) with DSOR code either 99 or blank will indicate cataloged items that require DSOR code entries.

7. Contingency Operations

a. During contingency operations, the requirements for equipment reset (repair, rebuild, or upgrade) may exceed the capacity of the designated source of repair. Additionally, equipment reset may generate new depot maintenance workloads not originally planned for.

b. When appropriate, the Navy MISMO will work with program offices and the other Services MISMOs to coordinate offloading of the emerging depot maintenance requirements.

DEPOT MAINTENANCE INTER-SERVICE SUPPORT AGREEMENT (DMISA)

1. Purpose. To provide uniform guidance for developing, negotiating, managing, and terminating DMISAs.
2. Applicability. The guidelines in this enclosure apply to all DMISAs, regardless of the method by which the DSOR decision was reached (e.g., DMI study or Service workload competition).
3. Responsibilities
  - a. MISOs are responsible for developing, negotiating, managing, and terminating DMISAs per the guidelines in this instruction. Resolution of DMISA issues between Service commands and centers is the responsibility of the respective MISOs. When MISOs are unable to reach resolution, the issues shall be referred to the respective MISMO and agency representative.
  - b. Each Military Service and DoD agency is responsible for programming, budgeting, and funding to support the inter-Service arrangements to which it is a member.
  - c. Defense distribution depots (DDD) are responsible for providing distribution support to the agent in executing the agent's assigned maintenance mission at sites where the DDD has such capability. The DDD shall provide the principal accountability and visibility of principal-owned assets.
4. Scope of DMISAs
  - a. DMISAs shall be established to cover depot maintenance and related support functions for weapon systems, equipment end items, systems, subsystems, components, or commodity groups.
  - b. DMISAs are normally used between the Military Services. However, they may also be used between a Military Service and another DoD component or Federal agency. A DMISA may also be used between Navy SYSCOMs.
  - c. DMISAs shall only be used to assign workload and shall not be used to document transfer of responsibility for a function or mission from one Military Service or DoD agency to another.

5. General Guidelines

a. The standard DMISA format should be used (obtained from the Navy MISMO office), but may be tailored to fit the needs of the principal and agent.

b. The effective date of a DMISA will normally begin on the first day of a fiscal year; however, if early support is required before the DMISA can be negotiated the effective date will be the date of acceptance by the agent. Workloads of a continuing nature should be for an indefinite period or compatible with the projected inventory phase-out of the equipment being supported. On short-term, one-time or finite workloads, the termination date should be the date of completion.

c. Amendments should be accomplished only when either the agent or principal determines the change is significant enough to require new signatures.

d. Fixed unit pricing rather than cost reimbursable will be used whenever possible.

e. The alpha-numeric, three character work breakdown structure code provided in DoD 7000.14-R, Financial Management Regulation, volume 6, chapter 14, addendum 4, of March 2009 should be used as needed in DMISAs. Items of workload in Federal Supply Group 34, Metalworking Machinery, will be coded "K-5-(blank)" (only coded to second level, use two characters).

6. Procedures for DMISA Development, Negotiation, Management, and Termination. Detailed procedures are contained in the DMISA desk reference (obtained from the Navy MISMO).

a. DMISA Development. The principal MISO will initiate development by contacting the agent MISO for the assignment of the agent's acceptance number. The principal and agent will establish mutually agreeable work specifications.

(1) The principal MISO will initiate a draft DMISA and will determine support, workload, and technical requirements. The principal will also ensure availability of adequate depot

maintenance resources (e.g., support equipment, test equipment etc.) to the agent MISO expressing requirements and providing associated exhibits.

(2) The agent MISO will coordinate with the collocated DDD those support functions that it will perform and annotate the total cost of support, by line item, on the appropriate exhibits in the DMISA. The agent MISO will also add depot and agent requirements, cost data and flow time information to the workload exhibits in the draft DMISA and return the completed draft DMISA to the principal.

(3) The principal MISO reviews the agent's input and, if acceptable, prepares the formal agreement. The principal signs the DMISA and forwards it to the agent for signature. When DMISA workload will be accomplished at an organic maintenance facility, the depot commander, or their designated representative, will sign the DMISA. If desired by either the principal or agent, the agent will request the DDD sign the DMISA cover page acknowledging the DDD's support commitment. Signatures on the cover page of the DMISA by the principal and agent constitute approval and acceptance of the terms.

b. DMISA Negotiations. A formal negotiation meeting may be held to resolve issues before the DMISA is mutually agreeable to both parties. If DDD support or costs are outstanding issues, DDD attendance should be requested.

(1) The agent is responsible for documenting the agreements and actions assigned during the meeting.

(2) The principal is responsible for tracking actions to ensure successful completion of the negotiations.

(3) After signature, the agent shall distribute copies of the DMISA to the parties indicated on the "Distribution List" page using portable document format (PDF) document by e-mail (preferred). Compact disc (CD) or hard copy by mail is also acceptable. Distribution shall always include the MISMOs of the principal and agent Services. Any changes to the DMISA must be renegotiated and approved by both the principal and agent.

c. DMISA Management. The principal and agent MISO will ensure the continuation of mutually agreeable work specifications.

(1) The DMISA will be reviewed annually. Other periodic reviews may also be held, if required, by either the principal or agent. Changes shall be documented in the DMISA and the agent shall ensure it is distributed.

(2) The principal shall provide updated workload requirements forecasts as part of annual and periodic reviews.

(3) The principal Service should provide timely notification, as needed, to the agent Service of significant workload requirements changes resulting from the Planning, Programming, Budgeting, and Execution System decisions. The principal and agent Services should jointly define, for each DMISA, what constitutes a significant workload requirements change that must be reported by the principal under this requirement.

(4) The agent shall provide any impacts or changes to cost or scheduling and work with the principal to review any impacts.

d. DMISA Termination. Prior to termination, a review by the involved Service MISMOs is mandatory. All efforts should be made to reconcile disagreements and disputes prior to termination. Conditions for and information regarding DMISA termination are:

(1) Unacceptable performance by either the principal or the agent is cause for termination. A principal may seek DMISA termination if the agent's product cost, product quality, or schedule does not meet customer requirements identified in the DMISA. An agent may seek DMISA termination because of a principal's inadequate funding, lack of piece part support, or lack of sufficient assets to support the agreed to workload schedule.

(2) DMISA termination shall not be used to acquire candidates for Service workload competitions.

(3) Workload reassignments from terminated DMISAs shall be accomplished through the DMI study process.

e. DMISA Termination Procedures

(1) Prior to notifying the counterpart MISO of the intent to terminate a DMISA, the initiating MISO will coordinate, in writing, with its Service MISMO, the depot MICO will coordinate through their SYSCOM MISO to the MISMO.

(2) The initiating Service MISMO will consult with the involved MISMO(s) to determine if termination is appropriate and advise the initiating MISO, in writing, of appropriate action.

(3) If the DMISA will be terminated, the initiating MISO will notify the counterpart MISO, in writing, following the terms of the DMISA.

(4) The principal MISO will develop the draft termination plan, in coordination with the agent MISO, and provide a copy to the involved MISMOs and other interested parties. The plan should be completed within 30 days of notification of termination and will, at a minimum, address the following elements:

(a) Status of funds;

(b) Disposition of assets including work awaiting induction, work in process, work awaiting parts, and prepositioned spares;

(c) Disposition of material;

(d) Disposition of equipment and tooling provided by the principal;

(e) Billing closeout;

(f) Training and other assistance the principal requires from the agent;

(g) The method planned to obtain a new DSOR (if required).

(h) The agent MISO should identify costs and impacts to the workload program and resources including capital assets.

(5) The agent MISO will convene a termination review after receipt of the draft plan. During the review, the MISO and MICO will negotiate actions, costs, milestones, and responsibilities for inclusion in the final plan. The principal MISO shall prepare the final plan and distribute copies to the MISMOs and other interested parties.

(6) The agent MISO shall report completion of termination milestones to all addressees on the distribution list of the DMISA. When all milestones are completed, the principal MISO shall notify all addressees, in writing, that the DMISA has been terminated.

(7) The principal Service shall initiate action to determine the new DSOR per enclosure (3), paragraph 6.

NAVY DEPOT MAINTENANCE INTER-SERVICE REVIEW PROCEDURES

1. Applicability. This process applies to weapons systems, end items, systems, subsystems, equipment, components (to include software maintenance), whether single-Service or jointly-managed, which require depot-level maintenance as defined by section 2460 of title 10, United States Code, including modifications that are part of depot-level maintenance and repair. Excluded from this process are hull, mechanical and electrical (HM&E) programs for ships and submarines. The requirements of this instruction are applicable regardless of core determination and will apply when the planned depot maintenance meets any of the following criteria (programs planned for commercial support are not excluded from this requirement):

- a. New acquisitions, including modifications to existing items, regardless of the investment required.
- b. Existing depot repair programs planned for transition from contract to organic support, organic to contract support, or from organic to organic support, regardless of the investment required or the value of the program.
- c. Existing inter-Service depot repair program relationships planned for termination, regardless of reason, investment and cost required, or the value of the program.
- d. Existing depot repair programs for which a planned expansion of capability requires an additional capital expenditure of \$1.5 million or more.
- e. Existing depot repair programs planned for relocation (organic to organic), if the associated total expenditure required is \$1.5 million or more.
- f. HM&E programs are excluded from this process; however, shipboard electronics and ordnance are not.
- g. Programs with depot-level repairable (DLR) that go through a base realignment and closure (BRAC), or are moved by higher level direction will submit the DMI candidate information template to the Navy MISMO to maintain appropriate record keeping.

2. Policies

a. DMI support shall be utilized and provided to the maximum extent possible commensurate with effective support to operational forces and efficient utilization of the Services' depot maintenance resources.

b. Commitment of funds leading to the establishment of a depot capability shall not be made prior to the joint Service DSOR assignment decision. Interim contractor support to satisfy low-rate initial production or initial fielding requirements is not considered an assignment of depot maintenance responsibility under this instruction. The existence or establishment of such an interim capability does not preclude the requirement for the DMI review under this process.

3. Source of Repair Analysis (SORA). The SORA, which is coordinated with the core logistics analysis per reference (b), is performed to identify potential depot repair sites, both organic and or commercial, early in the acquisition planning process (pre milestone B). This analysis includes an array of potential depot sources that will require further evaluation and update by the PM for refinement of the recommended sustainment solution once additional, detailed data becomes available. Like the core logistics analysis, prompt analysis provides opportunity for early planning of associated sustainment lifecycle costs and input to the program of record Life Cycle Sustainment Plan for depot maintenance analysis and decisions.

4. Submission of Items for DMI Review. Items which require DMI review shall be identified and submitted by the managing program office in coordination with the SYSCOM MISO. This action is initiated utilizing the DMI candidate information template obtained from the Navy MISMO. The completed template is to be submitted to the MISMO for initiating the review process.

a. Time Frame for Introduction. For all DMI reviews, the DMI candidate information template shall be submitted as early in the acquisition cycle as possible. Every effort should be made to complete the DSOR process no later than milestone B. Programs entering the acquisition process after milestone B shall complete the DSOR process no later than milestone C. The milestone B DSOR decision may be deferred if the DSOR review determines that programmatic and technical maturity is not at a

level sufficient to support a DSOR decision. All deferred DSOR decisions shall be resolved prior to milestone C. For acquisition programs post milestone C, submissions should be made as soon as requisite data becomes available for the study.

b. Level of System Identification Indenture. For purposes of analysis, weapon systems must be broken down into a system or subsystem, parts, components, assemblies, and subassemblies, to include software. The introducing program office shall be required to provide the missing data prior to milestone C to ensure the DSOR database is properly populated. For acquisition programs post milestone C, submissions should be made as soon as requisite data becomes available. Information required for the DMI candidate information shall include:

- (1) Depot nomination and rationale
- (2) Predecessor (or similar) system information
- (3) Core determination
- (4) List of applicable DLRs

c. Communications Security Materiel. Cryptologic (Federal Supply Classification 5810) shall be subjected to a DMI review through the MISMO office. The MISMO shall work with the intelligence community to ensure adherence to any appropriate authority policies and directives in selection of DSOR assignments.

## 5. Types of DMI Reviews

a. Directed DSOR. A directed DSOR is a decision made outside the DMI process which precludes any alternative assignment. The level these decisions are made within each Service is identified by the respective JG-DM principal. Examples include those workloads directed in approved program management decisions, Service-level agreements, State Department agreements, and decisions resulting from public law. If a directed DSOR decision has been made, the introducing Service(s) shall submit the following to the other Service MISMOs: completed SORA, signed documentation directing DSOR assignment, and a list of repairable items documented on prescribed

mandatory DMI candidate information template, if available (if not available at the time of submission, the repairable item list should be submitted as soon as possible thereafter).

b. Service Workload Competition. This review accommodates DSOR assignments resulting from a competition, which is open to public activities, conducted by a requiring Service for a depot maintenance workload. When a Service workload competition is chosen, either a public-public or public-private competition may be elected. Depots from Services other than the introducing Service may not be excluded from such competitions.

c. MISMO Review. MISMO review should be used for small investment, low-volume workload items, or those items where there is an obvious depot assignment based on known capabilities or other considerations. The introducing Service should submit its DSOR analysis and recommendation to the other DoD components for concurrence.

d. Comparative Merit-based DSOR Study. A comparative merit-based DSOR study for core sustaining workloads is needed to determine final depot-level maintenance sources of repair. The PM or Military Services will conduct the comparative studies for submission to all Services for concurrence. In the case of performance based logistics programs, the PM or DoD-designated approval authority shall provide a recommended set of recurring and non-recurring cost, and best value factors for use during evaluation. Some examples include how the support plan fulfills the strategic objectives of the program, complies with the product support strategy performance measures, or impacts the support strategy of all stakeholders. These factors will be reviewed and agreed to by the PM, the Navy MISMO, and other Services before their use in the DSOR process. Weighting of these factors will also be jointly agreed upon.

e. Comparative DSOR Study (for non-core sustaining workloads). The PM, the Navy MISMO, and the other Services will assess non-core sustaining workload proposals submitted by organic depots or private contractors.

6. Process. The DMI review process is depicted on figure 1-1 and described in the following paragraphs:

a. Step 1 - SORA Submitted. Candidate depot from the SORA is submitted to the Navy MISMO as the recommended DSOR utilizing the DMI candidate information template (submitted by the SYSCOM MISO or program office).

b. Step 2 - Directed DSOR? A directed DSOR is a decision made outside the DMI process which precludes any alternative assignment. The level these decisions are made within each Service is identified by the respective JG-DM principal. Examples include those workloads directed in approved program management decisions, Service-level agreements, State Department agreements, and decisions resulting from public law (e.g., BRAC).

(1) If answered, 'Yes.' If a directed DSOR decision has been made, the introducing acquisition program office will submit the following to the Navy MISMO: documentation directing DSOR assignment (signed at an appropriate level), and a list of repairable items documented in the DMI candidate information template, if available. Go to step 11.

(2) If answered, 'No.' If a directed DSOR decision has not been made, the introducing acquisition program will submit the completed DMI candidate information template to the Navy MISMO for review. The submission shall include a list of known DLRs associated with the system and sub-system. Go to step 3.

c. Step 3 - MISMO Review. The Service MISMOs shall review the DMI candidate information. The Navy MISMO should take the following action based on the type of introduction:

(1) For Navy introductions requesting concurrence of the other Service MISMOs, the introduction will be forwarded for their review and response. The Service MISMOs will respond in one of the following actions: concur with the proposed DSOR, non-concur and recommend an alternative DSOR, or request an extension. Go to step 4.

(2) For introductions from other Services, the Navy MISMO will coordinate the review of the DMI candidate information template with the Navy SYSCOM MISOs in order to assess capabilities for the systems, subsystems, or depot repairables being introduced. Once an understanding of the repairables has been obtained, the Navy MISMO will respond to

the introducing Service MISMO in one of the following actions: concur with the proposed DSOR, non-concur and recommend an alternative DSOR, or request an extension. Go to step 4.

d. Step 4 - MISMOs Concur?

(1) If answered, 'Yes.' If all of the Service MISMOs concur with the DSOR proposed by the acquisition program and introducing Service, the introducing Service MISMO will provide the concurrences to all the Service MISMOs, publish a decision letter, and ensure recording of the decision. Go to step 11.

(2) If answered, 'No.' If one or more of the Service MISMOs non-concur, the non-concurring Service(s) will enter into negotiations with the introducing Service to review the various proposals. Go to step 5.

e. Step 5 - MISMO Negotiations. The Service MISMO(s) will coordinate with the program offices and MISOs, as applicable, to review the suggested DSOR recommendations and make a determination on the best source of repair. Go to step 6.

f. Step 6 - Negotiations Successful?

(1) If answered, 'Yes' and 'Original DSOR' agreed on. If the introducing Service MISMO and the non-concurring Service MISMO(s) agree on the original depot recommendation, go to step 11.

(2) If answered, 'Yes' to a 'New DSOR'. If the introducing Service MISMO and the non-concurring Service MISMO(s) agree on a new depot recommendation, go to step 3.

(3) If answered, 'No.' If the introducing Service MISMO and the non-concurring Service MISMO(s) are unable to agree on a solution, go to step 7.

g. Step 7 - Introducing Service Determines Course of Action (COA). In the event that the Service MISMOs are unable to agree on DSOR assignment, the introducing Service shall determine the subsequent COA. Once a COA is selected, go to step 8. Potential actions include:

(1) Obtaining a directed DSOR from appropriate Service authority;

(2) Conducting a Service workload competition;

(3) Comparative merit-based DSOR study; and

(4) Comparative DSOR study.

h. Step 8 - COA Implemented. The COA chosen by the introducing Service is implemented. If directed DSOR or Service workload competition, the introducing Service MISMO provides appropriate information to the other Service MISMOs, issues a decision letter, and ensures recording in the DSOR database. Go to step 9.

i. Step 9 - COA Decision?

(1) If answered, 'Yes' and 'Original DSOR' agreed on. If the outcome of the implemented COA is the original DSOR recommendation, go to step 11.

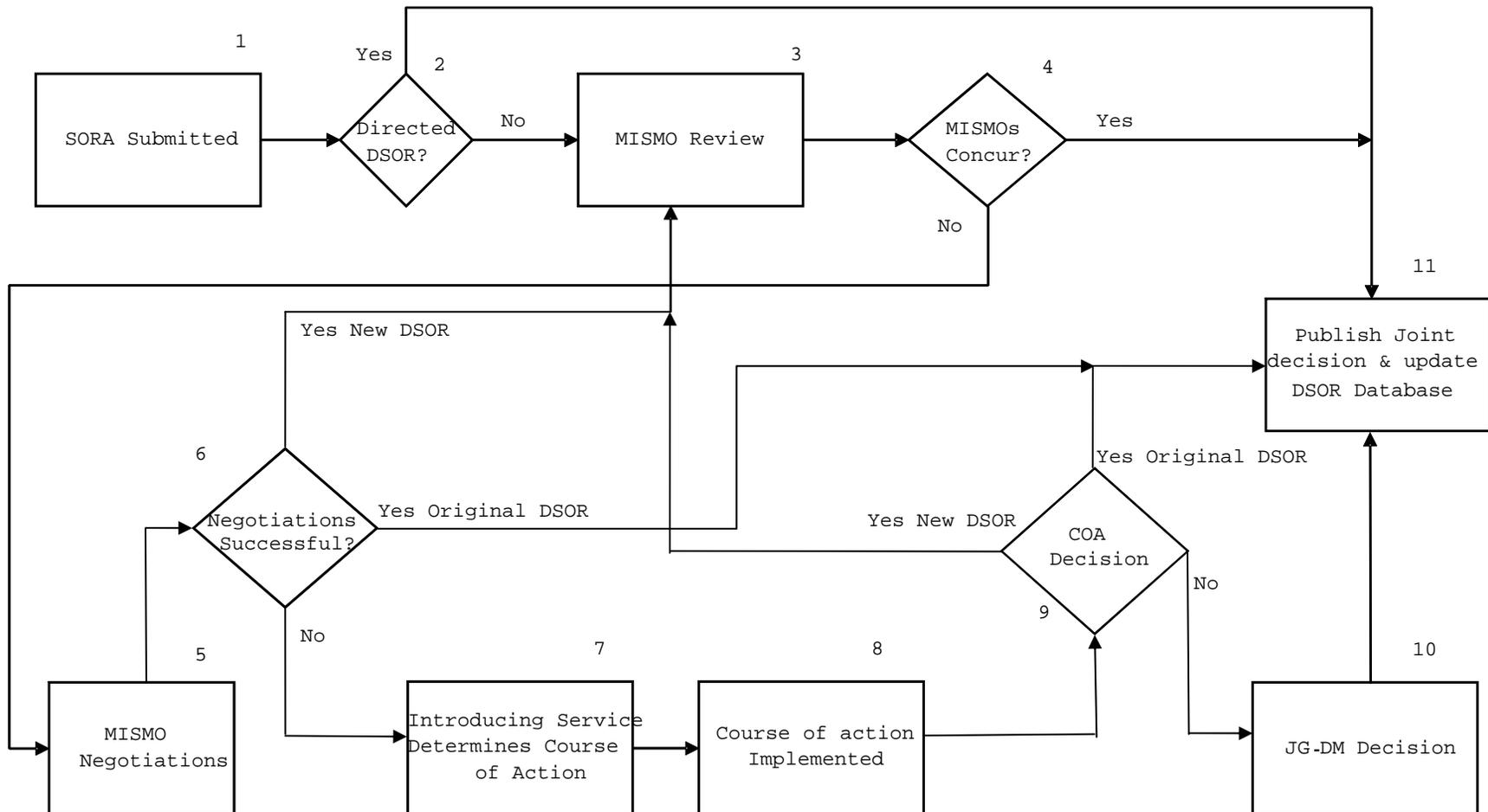
(2) If answered, 'Yes' to a 'New DSOR.' If the outcome of the implemented COA is a new DSOR recommendation, go to step 3.

(3) If answered, 'No.' If the Service MISMOs are unable to agree on the outcome of the implemented COA, go to step 10.

j. Step 10 - JG-DM Decision. In cases where the MISMOs cannot agree on a DSOR assignment, the introducing Service shall refer the issue to the JG-DM for resolution. The JG-DM should collectively review the recommendation of the introducing Service(s) as well as alternative recommendations proposed by any non-concurring Service(s), determine a solution, and direct the introducing Service MISMO to publish the decision letter and ensure it is recorded. Go to step 11.

k. Step 11 - Publish Joint Decision and update DSOR Database. The introducing Service MISMO shall publish the Joint DSOR decision letter and shall ensure the assigned DSORs for specific repairable items are recorded in the DSOR database.

Figure 1-1  
Depot Maintenance Inter-Service Review Process



COMPARATIVE STUDIES

1. Introduction. The comparative study methodology provides a basis for comparison of alternative organic depot solutions. It provides the recurring repair costs and nonrecurring facility, equipment, and training costs for establishing organic capability for each alternative. A comparative study will evaluate the potential DSOR assignments based on the results of proposals submitted by the candidate depots nominated by each of the Services. These proposals address the depot maintenance requirements of the potential customer as defined in the request. Only organic depots may be considered for assignment under the comparative study process. The results of the comparative study will be reviewed by the Service MISMOs for concurrence. Upon unanimous concurrence, the introducing Service MISMO will record and announce the joint Service decision.

2. Data Requirements

a. Program and Technical Data. Program and technical data should be developed by the acquiring program acquisition, logistics office, or potential customer (principal) and provided to the candidate depots for preparation of their proposals. Supporting program technical data, including workload size and facilitization estimates, may be required for the comparative study. The program office will work in coordination with the Navy MISMO and the involved Service MISMOs to determine what data requirements will be necessary. Templates to assist in gathering data can be obtained from the Navy MISMO and include:

- (1) DMI candidate information
- (2) Depot technical data requirements
- (3) Depot support equipment requirements
- (4) Projected depot workload
- (5) Depot support proposal cost summary
- (6) Support equipment requirements

- (7) Industrial and plant equipment requirements
- (8) Facility and military construction requirements
- (9) Existing repair capability
- (10) Man-hour requirements and workload projection
- (11) Repair cost projection
- (12) Unit repair cost comparability worksheet
- (13) Training costs

b. Logistics Management Information (LMI). LMI can be utilized to satisfy many of the data requirements for DMI studies. Submission of contractor-developed data products is encouraged both for economy and accuracy.

c. Support Equipment Recommendation Data (SERD) and Test Requirements Document (TRD). When candidate depots are required to identify support equipment or test program sets as part of the data, the acquiring Service shall submit appropriate requirement specifications or descriptive data as part of the supporting program and technical data package. SERD and TRD should be prepared per approved templates.

3. Candidate Depot Participation. One candidate depot may be nominated by each Service for DSOR assignment consideration in a DMI study. Nominations are made by the Service MISMOs. Once identified, the candidate depots will provide their full cooperation and respond to the necessary data calls, site surveys, and related study efforts. A Service will nominate a candidate depot when a Service depot planning objective can be met, the depot has an existing capability or assignment, or the depot offers a significant savings opportunity. Further, Services will consider other constraints, such as mandated or budgeted manpower ceilings, when nominating candidate depots.

4. DSOR Evaluation Determinants. The primary determinants used to select a DSOR for DMI comparative studies are the estimated nonrecurring cost to establish the depot capability. These

costs will be determined by the candidate depot(s) and based on the potential customer's requirements identified in the program and technical data package.

a. Nonrecurring cost generally consists of the initial capital investment for support equipment (including automatic test equipment and associated test program sets-software, firmware, and interface adapters); facility construction, renovation or alteration; and training. Costs should only be identified as non-recurring if they are funded with one-time expenditures and will not be recouped from the customer on a unit repair cost basis. All capital investment costs, regardless of funding source, including items planned to be funded or furnished by the prospective principal(s), must be identified in the candidate depot's proposal. When phased or incremental investments are planned, a proposed schedule should also be provided that identifies funding requirements and associated capability.

b. Additional determinants to accommodate unique factors associated with the item under study may be included in individual studies. These additional determinants may include, but are not limited to, transportation costs (which may be applied for example to vehicles, communications shelters, or other "bulk" items), and variations in the repair quantities and or pipeline spare requirements costs. Additional determinants, when appropriate, will be agreed to by the MISMOs during the planning phase of each study.