



THE SECRETARY OF THE NAVY
WASHINGTON DC 20350-1000

June 4, 2021

MEMORANDUM FOR UNDER SECRETARY OF THE NAVY
ASSISTANT SECRETARIES OF THE NAVY
COMMANDANT OF THE MARINE CORPS
CHIEF OF NAVAL OPERATIONS
GENERAL COUNSEL OF THE NAVY
CHIEF INFORMATION OFFICER

SUBJECT: Secretary of the Navy Strategic Guidance for Revised Program Objective
Memorandum 2023

The Office of the Secretary of Defense recently reissued Fiscal Guidance to support development of Program Objective Memorandum (POM) 2023 to support the Future Years Defense Program (FYDP). The Interim National Security Strategic Guidance and the Secretary of Defense's Message to the Force provide overarching guidance for the Military Departments. Accordingly the following POM 23 guidance is provided:

Defend the Nation

- Fully fund strategic deterrence recapitalization efforts (COLUMBIA, Trident D5 Life Extension 2, and the TACAMO replacement) to Independent Cost Estimate or Service Cost Position, as appropriate.
- When pricing DDG 51, SSN, and MH-53K, assume the Department of the Navy (DON) will maximize use of acquisition authorities such as Multi-year Procurements and Economic Order Quantity to most efficiently utilize taxpayer dollars while providing stability to the industrial base.
- The Navy cannot afford to simultaneously develop the next generation of air, surface, and subsurface platforms and must prioritize these programs balancing the cost of developing next generation capabilities against maintaining current capabilities. As part of the POM 23 budget, the Navy should prioritize one of the following capabilities and re-phase the other two after an assessment of operational, financial, and technical risk.
- Operationalize initiatives that connect warfighters and weapons systems with the data necessary to achieve precision effects. Scope requirements and fully fund Project Overmatch to enable both increased battlespace awareness and long range fires as well as support the seamless transition to assured unmanned operations.
- The Navy cannot afford to own, operate, and maintain its current infrastructure and must prioritize demolition to achieve long-term sustainment; the Chief of Naval Operations is directed to develop a 10-year infrastructure reset strategy, similar to the Marine Corps, to achieve

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a 1 percent facility footprint reduction measured in square feet per year over 10 years. Due 1 November 2021.

- Maintain programs for mitigation of encroachment at installations and training and test range complexes.
- Tag prior year investments in climate resiliency in Program Budget Information System database to provide apples to apples comparison; prioritize increase in climate resiliency during POM 23.
- Defund Sea-Launched Cruise Missile – Nuclear development efforts.
- Prioritize Master Chief Petty Officer of the Navy safety initiatives, including a Level 1 Damage Control and Firefighting Trainer at Recruit Training Command.

Take Care of Our People

- Fully fund efforts to institute and sustain enduring telework capability; accelerate implementation of M365 and other cloud-based Information Technology (IT) capabilities across the Navy and Marine Corps, including complete decommissioning of legacy infrastructure which M365 has made obsolete; to include on premise storage, chat, on premise SharePoint, video and audio teleconferencing, and other collaboration and productivity tools.
- Fully resource education programs that directly contribute to naval warfighting and enhance the current training and education structure to shape the future naval force. Specifically, ensure the Naval Community College is resourced to support 5,000 students in Fiscal Year (FY) 23.
- Continue President's Budget (PB) 22 funding investment across the FYDP to support integrated violence prevention programs to combat suicide, sexual assault, and sexual harassment.
- Increase investment in mental health capability/capacity enhancements funded in PB 22, building off of the eight programs/initiatives resourced to optimize and build on the current state, including investment in additional mental health professionals to meet requirements and access to care mitigation strategies. Fund Navy Embedded Mental Health services within recruit, early career, and special duty assignment training environments, ensuring positive integration into the fleet and fleet marine force, establishing healthy coping strategies and fortifying resilience.
- Diversity, Equity and Inclusion (DEI) are critical to the readiness of our Navy and Marine Corps team, and ultimately to our mission success. As part of the POM 23 process, the DON shall provide funding and manpower necessary to establish and appropriately staff and resource an office of primary responsibility to comply with Department of Defense and DON DEI policies, guidance, and activities. Funding priorities for programs will be directed towards enhancing or sustaining recruitment, career development, retention, and training programs that

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reduce/eliminate barriers to service or advancement and deliver resources and benefits equitable to all.

- Fully resource and implement Safety and Occupational Health (SOH) programs to include development of the Risk Management Information System supporting cloud-based collection of all safety mishap/SOH program management.

Succeed Through Teamwork

- The Navy must operate its shore business model more efficiently. Identify five percent savings each year in Base Operating Support funding over the FYDP by reforming shore business and financial processes; reducing shore-based personnel; eliminating missions, functions and tasks; and restructuring organizations.
- Identify candidate DON Defense Business Systems (DBS) that would benefit from a shift in funding from service programs to Secretariat, and then execute that shift in resource sponsorship over POM 23-POM 24. Implement streamlined, transparent, and accountable governance structures for all DON Business Systems. Re-phase programs of record across all business systems to match funding and prioritize demonstrated success.
- Fund the aggressive modernization and consolidation of our disparate IT networks into a single, cloud-enabled, Naval Enterprise Network for all classification levels and drive the divestment of our legacy IT Infrastructures, redundant software, and outdated platforms. Complete transition to a Zero-Trust Architecture supported by a flatter, defendable, performant unified transport layer and a single Naval Identity Management Service.
- Consolidate data analysis capabilities into the DON enterprise data environment and eliminate duplicative investments. Disparate command and organizational-level corporate data warehouses shall transition to DON Jupiter beginning no later than FY23. The Navy Working Capital Fund data warehouses are directed to do the same.

The DON's Total Obligation Authority has essentially remained constant since FY18 in real terms while the Navy's ship count has increased. Prioritization of programs of leadership interest will best ensure alignment with the Secretary of Defense's guidance and deliver a force aligned with the will of the American people. This high level guidance is provided to shape discussions and programming decisions which will be made following detailed analysis; close coordination between the Military Services and the cognizant Assistant Secretary of the Navy or Chief Information Officer will be critical to ensure development of a balanced POM that meets this guidance.



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