



DEPARTMENT OF THE NAVY  
OFFICE OF THE ASSISTANT SECRETARY  
(INSTALLATIONS AND ENVIRONMENT)  
1000 NAVY PENTAGON  
WASHINGTON, D.C. 20350-1000

FEB 09 2005

The Honorable Duncan Hunter  
Chairman, Committee on Armed Services  
House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

This letter provides you with notification of our decision to study operations, budget/finance, and administrative support functions performed by military and civilian personnel in the Department of the Navy for possible performance by private contractors. Only preliminary planning for possible competition has been initiated at this time.

The Navy will study the operations, budget/finance, and administrative support functions at the following location:

City and State	Activity Name	Civilians	Military
Stennis Space Center, MS	Naval Oceanographic Office	202	0
<b>GRAND TOTAL</b>		<b>202</b>	<b>0</b>

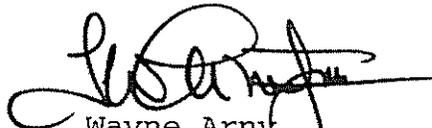
The Navy continues to seek ways to improve efficiency and effectiveness, reduce the overall cost of operations, and improve business processes. As part of this effort, we are fully exploring opportunities for competitive initiatives. Per Office of Management and Budget Circular A-76 released May 29, 2003, we must complete the preliminary planning process before making public announcement of a competition. Preliminary planning is designed to coordinate management of competitive sourcing actions, support the agency through the competitions, and achieve competition success.

Preliminary planning will produce a decision regarding the scope of the competition(s), including the type(s) of competition to be performed (streamlined or standard), methods for collecting workload data, baseline costs, plan of action and milestones schedule, roles and responsibilities of competition participants, and competition officials. Preliminary planning must include review of functions and positions to be competed. Preliminary planning is estimated to require 9 to 12 months to complete.

A competition will only be initiated if preliminary planning reveals that it will likely result in savings for the government. Prior to beginning the competition, the Navy will provide a formal notification to the Congress.

A similar letter has been sent to Chairmen Warner, Stevens, and Lewis. If I can be of further assistance, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Wayne Army", written in a cursive style.

Wayne Army  
Acting Assistant Secretary  
(Installations and Environment)

Copy to:  
The Honorable Ike Skelton  
Ranking Member