



DEPARTMENT OF THE NAVY
NAVAL POSTGRADUATE SCHOOL
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27 Apr 18

From: President, Naval Postgraduate School
To: Secretary of the Navy
Via: (1) Director Navy Staff
(2) Vice Chief of Naval Operations
(3) Chief of Naval Operations

Subj: SAILING DIRECTIONS TO SUPPORT THE STRATEGIC VISION

Encl: (1) Naval Postgraduate School Strategic Plan for 2018 thru 2023

1. During your visit to Naval Postgraduate School (NPS) on 1 February 2018, you expressed an expansive vision for the institution's future role and mission within the Navy and broader national security domain. Your vision was extremely well received by the campus. It also energized us in completing our Strategic Plan and in evaluating the current barriers and enablers required to realize that objective in support of the nation's maritime and national security strategies. Enclosure (1) is the new NPS Strategic Plan which reflects the expansive and cutting-edge relevancy you articulated for the school. The following memo provides the policy and regulatory actions necessary to enable and achieve that shared vision.

2. NPS recently submitted a revised Mission and Functions instruction for approval. The new instruction provides a revised mission statement and multiple other key updates related to our education programs, research and faculty expertise, relationships and partnerships as well as business processes. NPS requests immediate approval of this important overarching instruction. In addition, NPS continues to evaluate its relationship with the NPS Foundation and how it can be expanded into a more robust and productive partnership. NPS appreciates your staff counsel's continued support and collaboration with this important initiative.

3. Regulations and rule sets that have been imposed or reinterpreted to manage oversight of a standard annual appropriations command have created significant barriers and often paralysis within our academic institution and its complex business model. NPS requires flexibility with discrete, targeted waivers to current regulations in order to effectively execute its advanced research and education mission. More specifically, NPS requires:

a. ASN(FMC) and CNP/OPNAV N1 approval of NPS:

(1) Authority to waive the 51 percent rule on Economy Act Orders to support sponsored education and research. This waiver would be used on a case-by-case basis when the NPS President assesses it's in the best interest of the Navy for education and research funded by Department of the Navy (DoN) and Department of Defense (DoD) sponsors.

Subj: SAILING DIRECTIONS TO SUPPORT THE STRATEGIC VISION

(2) Authority to charge overhead using a total direct cost model for reimbursable work. The current cost model is limited to labor and travel only and does not accurately or equitably capture indirect costs across all reimbursable work.

(3) Authority to coordinate all contracting support for any NPS centers (e.g., Center for Homeland Defense and Security, and Center for Civil-Military Relations) with Naval Supply Systems Command via NPS memorandum of agreement when that support is funded via other sponsors.

4. To execute the mission effectively, NPS needs to maintain a world-class faculty and staff. In the academic world this requires enablers such as a more flexible salary cap and the ability to approve faculty appointments longer than one year. More specifically, NPS requires:

a. ASN(M&RA) and CNP/OPNAV N1 approval of NPS:

(1) Authority to increase the DoN faculty pay schedule "Pay Cap" to enable NPS to compensate our tremendous faculty where appropriate, based upon distinct positions, qualifications and specialty.

(2) Authority to establish time-limited General Schedule positions under Schedule A in the excepted service to support variable reimbursable work performed in the academic schools. The key words here: time-limited.

(3) Authority to hire foreign nationals under Schedule A of the excepted service on a limited case basis and based upon critical subject matter expertise that will serve in key non-critical sensitive faculty positions.

5. As stated in your 1 February speech, NPS serves as "a critical component in the retention, education, and development of the talent we have in the Navy-Marine Corps team, our fellow services and government entities." To continue to attract and educate the best students, NPS requires the Navy to place an increased value on in-residence graduate education. Further, the Navy should leverage our international relationships to enhance this in-residence education and build maritime partnerships with an increase in foreign students. Specifically, NPS requires:

a. ASN(M&RA), CNP OPNAV N1 and/or OPNAV N3/N5 approval and support of:

(1) Ability to attract the most talented and career competitive naval students possible, to include due course officers in the unrestricted line communities.

(2) Adjustment of promotion and administrative screen board precepts to reflect the distinct nature and career value of in-resident graduate education.

(3) Efforts to increase international student enrollment by enhancing the visibility and stature of NPS in DoD security cooperation and maritime partnership efforts. This action would in turn enhance in residence education and build further trust and interoperability with our international partners.

Subj: SAILING DIRECTIONS TO SUPPORT THE STRATEGIC VISION

6. Long term, the Navy should develop a new paradigm for NPS, one less constrained by bureaucratic processes and barriers; a construct that could allow the institution to function in an innovative and more effective manner to truly leverage the best practices of the non-DoD academic and research domain. NPS recommends the Navy charter an independent study to evaluate new organizational alignment and operational constructs for NPS that take the best practices of a working capital fund, a federally funded research and development center, and a direct mission funded organization to create a “Defense University.”

7. The actions summarized in paragraphs two through five above will provide NPS the academic agility and regulatory flexibility to enable the Strategic Plan while operating in an effective and innovative manner. This will in turn raise our national and global profile as a world class institution of advanced research and graduate education, creating an institution that is laser-focused on relevancy in direct support of the National Defense Strategy and the Design for Maintaining Maritime Superiority. The NPS Team looks forward to coordinating with your staff to enable this vision.



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