

SECNAV INSTRUCTION 5370.5A

From: Secretary of the Navy
To: All Ships and Stations

Subj: DOD/NAVY HOTLINE PROGRAM

Ref: (a) DOD Directive 7050.1 of 20 Mar 87 (NOTAL)
(b) SECNAVINST 5430.57E
(c) OPNAVINST 5214.7

Encl: (1) Navy Responsibilities for Support of DOD/Navy Hotline Program
(2) DOD/Navy Hotline Completion Report (sample format)
(3) DOD/Navy Hotline Progress Report (sample format)

1. **Purpose.** To implement the provisions of reference (a) by establishing policies and procedures for the management, coordination, and operation of Department of Defense (DOD) and Navy Hotlines within the Department of the Navy (DON), and clarify Navy responsibilities for operation of the DOD and Navy Hotline Programs. This is a complete revision and should be read in its entirety.

2. **Cancellation.** SECNAVINST 5370.5. OPNAVINST 5041.1 will be cancelled by separate correspondence.

3. **Background.** The DOD and Navy Hotlines are designed to strengthen and focus efforts to combat fraud, waste, and mismanagement throughout the DOD and Navy. In addition to establishing procedures for timely and thorough examination of hotline allegations, reference (a) also requires the establishment of reports and records sufficient for evaluation purposes.

4. **Applicability.** The provisions of this instruction apply to the Navy Secretariat, offices, bureaus, commands, and activities of the Department of the Navy.

5. **Policy**

a. Per reference (b), inspector general billets and associated resources previously located within the Office of the Chief of Naval Operations (OPNAV) and Headquarters Marine Corps (HQMC) are now assigned within the Office of

the Secretary of the Navy (SECNAV). As the principal advisor on all inspection and non-criminal investigation matters, it is intended that the Naval Inspector General (NAVINGEN) act as the "eyes and ears" of SECNAV, the Chief of Naval Operations (CNO), and the Commandant of the Marine Corps (CMC) in all integrity and efficiency matters. Except for tasks specifically assigned to NAVINGEN by SECNAV on a case-by-case basis, exercise of this function for Marine Corps matters is delegated to the Deputy Naval Inspector General for Marine Corps Matters (DNIGMC).

b. Navy policy is to manage effectively all resources entrusted to its care. Navy is totally committed to eliminating fraud, waste, and mismanagement in all its programs and operations, whenever and wherever they occur. The DON Secretariat, CNO, and CMC will provide the necessary support to ensure that these objectives are accomplished.

c. The DOD and Navy Hotline Programs represent significant corrective mechanisms to be used in this vital effort to combat fraud, waste, mismanagement, and related improprieties. Prompt, responsive, and impartial action will be taken to examine substantive allegations, to pursue corrective measures in accordance with applicable laws, regulations, and directives, and to report the result of such inquiries via the chain of command.

6. **Responsibilities.** The Under Secretary of the Navy (UNSECNAV) is responsible for implementation of Navy efforts to eliminate fraud, waste, and mismanagement, which are supplemented by the DOD and Navy Hotline Programs. NAVINGEN will support UNSECNAV in the execution of these responsibilities by serving as the coordinator for both DOD and Navy Hotline matters. Commanders, commanding officers, and heads of cognizant Navy organizations will ensure prompt, responsible, and impartial processing of referred hotline allegations. Enclosure (1) assigns specific responsibilities.

7. Action

a. NAVINSGEN will normally task the chain of command to inquire into hotline allegations affecting activities or personnel reporting to that command. Further retasking is discretionary, provided that the investigative standards described in enclosure (1) are met.

b. NAVINSGEN may, at his discretion, assist in or undertake independent investigation of hotline allegations when he considers it in the best interest of the Navy.

c. Echelon II commands are responsible for ensuring that written internal procedures for processing hotline referrals are established at all appropriate levels within the chain of command.

8. Procedures

a. In most instances, NAVINSGEN will refer DOD and Navy Hotline allegations to the echelon II commander and will continually monitor inquiries until receipt of a completion report. NAVINSGEN will review reports to ensure that each meets the requirements of independence, timeliness, completeness, and accountability. Enclosure (1) provides a discussion of the importance of each standard as it applies to an investigation. Following NAVINSGEN review, DOD Hotline investigations meeting all the required completion criteria will be forwarded to DOD for review and close out. Navy Hotline investigations will be reviewed and closed out by NAVINSGEN. Any investigation not meeting the standards of independence, completeness, or accountability are unacceptable and will be retasked to the chain of command for further action.

b. Lower echelon commands tasked with responding to hotline allegation(s) will transmit final reports via the chain of command to reach NAVINSGEN by the response date specified in the NAVINSGEN tasker letter. Final reports shall follow the format outlined in enclosure (2).

c. When a suspense date for either a DOD or Navy Hotline cannot be met, one extension may be granted via telephone; however, information must be provided to show cause why the original suspense date cannot be met. All future

extension requests must be addressed in writing in progress report format as outlined in enclosure (3) and be submitted so as to reach the tasking agency on or before the assigned suspense date. Such progress reports shall provide current status of the investigation, intended course of action or inquiry, and a reasonable date of completion. For criminal cases open 6 months or more, progress reports will be prepared as significant information is developed and at least semi-annually on 15 March and 15 September.

d. All working papers and files associated with a hotline inquiry will be maintained for a period of two years from the date the complaint is closed by the tasking activity. At the end of two years, files shall be disposed per the Navy and Marine Corps Records Disposition Manual (SECNAVINST 5212.5C).

9. Report and Forms

a. The progress and final reports specified in this instruction are exempt from formal approval and licensing in accordance with reference (c).

b. Commands are required to provide the widest dissemination of the Hotline programs within their areas of responsibility. To assist in this effort, Hotline Posters are available through the Naval Publications and Forms Center. The following form and stock numbers are to be used when ordering the posters:

OPNAV FORM 5040/4, 0107-LF-050-4040
(8-1/2" x 11" adhesive backed)

OPNAV FORM 5040/3, 0107-LF-050-4030
(11' x 14" non-adhesive)

Posters are packaged in quantities of five (5) and should be ordered in sufficient numbers to ensure ample supply for all areas of responsibility.

H. LAWRENCE GARRETT, III
Acting Secretary of the Navy

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SECNAVINST 5370.5A

26 February 1988

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RESPONSIBILITIES FOR SUPPORT OF DOD/NAVY HOTLINE PROGRAM1. Investigation Standards

All substantive allegations referred through the DOD or Navy Hotline Programs shall normally be examined within the traditional chain of command structure. In tasking through the chain of command, commanders and commanding officers must ensure that standards of independence, completeness, timeliness, and accountability are met during the course of the investigation.

(a) INDEPENDENCE

In all matters relating to an investigation, the individual or the organization performing the inquiry must be free, in fact and in appearance, from all impairments to independence. This standard places the responsibility for maintaining independence upon the chain of command so that judgements used in obtaining evidence, conducting interviews, or making recommendations will in fact be impartial, as well as be viewed as impartial by knowledgeable third parties.

There are circumstances in which investigators may experience difficulty in achieving impartiality based on official, professional, personal, or financial relationships that may affect the extent of the inquiry, limit disclosure of information, or weaken the investigation. Pre-conceived opinions or biases that relate directly or indirectly to a particular group or organization, its objective or financial interest, also contribute to a lack of independence when conducting an investigation.

Factors external to the individual can restrict the ability to conduct an independent, objective investigation. Interference in the assignment of cases, or personnel, and restrictions on funds or other resources otherwise available for the investigation may adversely affect objectivity. The authority to overrule or to influence the extent and thoroughness of the investigation and the content of the completion report or denial of access to sources of information also impact directly on the independence of the final report.

The lack of independence can be attributed as well to an individual's or an organization's position within the chain of command. Since complete assurance of impartiality and objectivity is necessary, allegations must be examined by officials outside and independent of the operation specified in the complaint. To ensure full compliance with this requirement, the following clarification is provided. When the complaint alleges fraud or mismanagement in

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a discrete unit of a command, e.g., the Supply Department or the Personnel Division, and there is no indication that the commanding officer or other key management officials were aware of or in some manner directly responsible for the alleged impropriety, referral of the complaint to the command concerned is acceptable. On the other hand, an allegation against a commanding officer investigated by his/or her Internal Review Team, or anyone in his/or her command, is not acceptable.

In any investigation, independence is the key standard by which an inquiry will maintain its objectivity. Investigations which demonstrate a lack of independence will not be accepted by NAVINSGEN or DOD. Examination and inquiry relating to hotline allegations may be conducted by qualified auditors, inspectors, and investigators. The assistance of others with special professional or technical skills may be utilized when warranted. In any event, the designated examiner must meet basic selection criteria, e.g., sufficient seniority, maturity, professional experience, and independence in the matter under inquiry, as if appointed for a JAGMAN investigation.

(b) COMPLETENESS

Completion reports must thoroughly address all relevant aspects of the investigation. Progress and completion reports must clearly and concisely reflect the results of the investigator's efforts.

In all reports the facts must be straightforward so as to facilitate reader comprehension. A quality report will be logically organized, accurate, brief, clear, and make sense. All reports should clearly record or reference pertinent interviews and should reflect what the investigation accomplished. This information should include fines, savings, recoveries, indictments, convictions, proposed/actual suspensions or removal actions, management recommendations, or other actions taken directly as a result of the investigation.

Reports must not raise unanswered questions nor leave matters open to question or misinterpretation. Reports should be no longer than necessary to clearly and accurately communicate the relevant findings. Systemic weaknesses or management problems disclosed in the investigation must also be reported.

(c) TIMELINESS

Investigations are to be conducted and completion reports forwarded to NAVINSGEN in a timely manner. NAVINSGEN will refer all DOD and Navy Hotlines promptly to the appropriate echelon II

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command or directly to a field activity for investigation where highly sensitive or time critical matters are involved. The organization or individual tasked with the investigation is responsible to ensure that the due date set by NAVINSGEN is met. Paragraph 7 of the basic instruction specifies time limits for meeting the completion report deadline to NAVINSGEN and actions to be taken when either the DOD or Navy Hotline deadline cannot be met.

(d) ACCOUNTABILITY

It is the duty of each commander and commanding officer to hold his subordinates accountable for their actions and to correct systemic faults. Appropriate remedial measures shall be taken against individuals found to have committed unlawful or inappropriate acts, or acts which have created the appearance of impropriety. Such measures may be educational, corrective, administrative or punitive and must always be appropriate and proportionate to the act.

Legal counsel should be consulted to ensure that proposed remedial action is proper and lawful. The Defense/Navy Hotline Completion Report shall contain a statement of all action taken. Where allegations are substantiated, failure to take or report action will preclude case closure by NAVINSGEN.

2. General Provisions

a. All working papers and files (excluding personal notes of a criminal investigator) resulting from the inquiry into the hotline complaint will be retained at the originating activity for two years following closing action by the tasking activity. Such papers and files are to be made available immediately upon request to duly designated DOD or Navy auditors, inspectors, or investigators.

b. In addition to adhering to the investigative standards prescribed in this enclosure, personnel charged with the conduct of a hotline examination may refer to the JAGMAN, as the Navy's standard guideline for conducting an inquiry or investigation.

c. Informants under the DOD and Navy Hotline Programs are assured confidentiality to encourage full disclosure of information without fear of reprisal. Normally, hotline users are encouraged to identify themselves so that additional facts can be obtained if necessary. In order to protect to the maximum extent possible the identity of DOD and Navy Hotline users who have been granted confidentiality, NAVINSGEN shall be the point of contact when such

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identity is required by the investigator assigned to conduct that examination. In those instances where NAVINSGEN discloses the source, the identity shall be protected to the utmost of the investigator's capabilities.

d. Commands are required to provide the widest dissemination of the Hotline programs within their areas of responsibility. To assist in this effort, Hotline Posters are available through the Naval Publications and Forms Center. The following form and stock numbers are to be used when ordering the posters:

OPNAV FORM 5040/4, 0107-LF-050-4040 (8 1/2" x 11" adhesive backed)
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Posters are packaged in quantities of five (5) and should be ordered in sufficient numbers to ensure ample supply for all areas of responsibility.

3. Naval Inspector General

a. NAVINSGEN is the focal point for receipt and tasking to appropriate Naval organizations of all DOD referred and Navy Hotline allegations.

b. NAVINSGEN shall maintain sufficient records and controls to ensure that examination of hotline complaints is in compliance with the responsibilities specified in paragraph 1 of this enclosure and the procedural requirements in paragraph 7 of the basic instruction.

c. NAVINSGEN shall forward progress and final reports on DOD Hotline referrals relating to cognizant Navy organizations to DOD.

4. Navy Organizations. Navy organizations tasked with examining hotline allegations shall comply with the responsibilities specified in paragraph 1 of this enclosure and the procedural requirements in paragraph 7 of the basic instruction. The completed results of such examinations will be reported to NAVINSGEN through the appropriate chain of command which shall review the reports to ensure full compliance with the above-described responsibilities and requirements and direct corrective action when necessary or appropriate.

DEFENSE/NAVY HOTLINE COMPLETION REPORT

AS OF ()

1. Name of Official(s) Conducting the Audit, Inspection, or Investigation:
2. Rank and/or Grade of Official(s):
3. Duty Position and Contact Telephone Number of Official(s):
4. Organization of Official(s):
5. Hotline Control Number:
6. Scope of Examination, Conclusions, and Recommendations:

a. Identify the allegations, applicable organization and location, person or persons against whom the allegation was made, dollar significance of actual or estimated loss or waste of resources.

b. Indicate the scope, nature, and manner of the investigation conducted (documents reviewed, witnesses interviewed, evidence collected, and persons interrogated). The report shall reflect whether inquiries or interviews were conducted by telephone or in person. The identity of the interviewee need not be reflected in the report; however, this information shall be documented in the official field file of the examining agency. If individuals cited in the allegation are interviewed, the fact shall be reflected in the report. The specific identity and location of pertinent documents reviewed during the course of the investigation shall be recorded and reflected in the report. Procurement history data shall be reflected in those complaints of spare parts excessive price increases.

c. Report findings and conclusions of the investigating official. This paragraph may include program reviews made, comments as to the adequacy of existing policy or regulation, system weaknesses noted, and similar comments.

7. Criminal or Regulatory Violation(s) Substantiated:

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8. Disposition: For investigations involving economies and efficiencies, report management actions taken in the final report. For investigations involving criminal or other unlawful acts, provide the results of criminal prosecutions including details of all charges and sentences imposed. Include the results of administrative sanctions, reprimands, value of property or money recovered, or other such actions taken to preclude recurrence.

9. Security Classification of Information: Each investigating organization must determine and state, when applicable, the security classification of information included in the report that might jeopardize national defense or otherwise compromise security if the contents were disclosed to unauthorized sources.

10. Location of Field Working Papers and Files:

DEFENSE/NAVY HOTLINE PROGRESS REPORT
AS OF: ()

1. Applicable DoD Component: Department of the Navy
2. Hotline Control Number:
3. Date Referral Initially Received:
4. Status
 - a. Name of organization conducting investigation.
 - b. Type of investigation being conducted.
 - c. Results of investigation to date (summary).
 - d. Reason for delay in completing investigation.
5. Expected Date of Completion:
6. Action Agency Point of Contact (POC)
 - a. Name of POC:
 - b. Duty telephone number:

Enclosure (3)