



THE SECRETARY OF THE NAVY
WASHINGTON DC 20350-1000

July 14, 2020

MEMORANDUM FOR COMMANDANT OF THE MARINE CORPS
CHIEF OF NAVAL OPERATIONS
ASSISTANT SECRETARY OF THE NAVY (MANPOWER AND
RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE NAVY (ENERGY,
INSTALLATIONS AND ENVIRONMENT)

SUBJECT: Department of the Navy Lodging Program

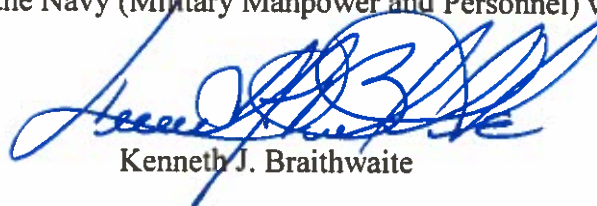
References: (a) Secretary of Navy Memorandum, February 6, 2019
(b) Department of the Navy Business Operations Plan, October 2, 2018
(c) DTM 18-007, "Conversion of DoD Temporary Duty and Permanent Change of Station Lodging to Fully Non-appropriated Fund Operations, Maintenance, and Construction," November 21, 2018
(d) DoD Instruction 1015.10, "Military Morale, Welfare, and Recreation (MWR) Programs," May 6, 2011

I appreciate your contributions and efforts in examining privatization of the Department of the Navy (DON) lodging portfolio. Reviewing the concept to privatize lodging has led to a consensus that privatization is unlikely to result in substantial appropriated fund savings and would limit the flexibility to support our mission. I hereby rescind reference (a).

I am further directing the Navy and Marine Corps resume the consolidation of Permanent Change of Station (PCS) and Temporary Duty (TDY) lodging operations within each Service per reference (b). This effort, as well as complying with reference (c), will transition the DON lodging program to an all non-appropriated fund (NAF) model.

Consolidating PCS and TDY lodging will allow greater opportunity to adopt best practices and to continue providing quality lodging for Sailors, Marines, and their families. I am confident that you will create a self-sustaining full-NAF operation by 1 October 2021.

In accordance with reference (d), I designate Assistant Secretary of the Navy (Manpower and Reserve Affairs) as principal responsible for DON lodging. My point of contact is Dr. Russ Beland, Deputy Assistant Secretary of the Navy (Military Manpower and Personnel) who can be reached at (703) 693-0592.



Kenneth J. Braithwaite

Copy to:
ASN (FM&C)