

DEPARTMENT OF THE NAVY
VICE CHIEF OF NAVAL OPERATIONS (20350-2000)
ASSISTANT COMMANDANT OF THE MARINE CORPS (20350-3000)
OFFICE OF THE ASSISTANT SECRETARY
(RESEARCH, DEVELOPMENT AND ACQUISITION) (20350-1000)
WASHINGTON, DC

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JOINT LETTER

From: Vice Chief of Naval Operations
Assistant Commandant of the Marine Corps
Assistant Secretary of the Navy (Research, Development,
and Acquisition)

To: Distribution

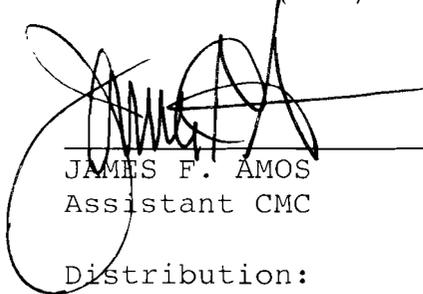
Subj: TOTAL OWNERSHIP COST (TOC) DEFINITION FOR THE DEPARTMENT
OF THE NAVY (DON)

Ref: (a) OSD Cost Analysis Improvement Group, Operating and
Support Cost-Estimating Guide of Oct 07

1. The purpose of this letter is to establish the total ownership cost (TOC) definition that shall be used for all Department of the Navy (DON) programs in support of the integrated defense acquisition, technology and logistics life cycle management framework.
2. Effective immediately, Navy and Marine Corps Program Executive Officers, Program Managers, Direct Reporting Program Managers and their supporting resource sponsors and Systems Commands will use the life cycle cost definition contained in paragraphs 2.1 and 2.2 of reference (a) as the Navy definition for TOC. Chapter 6 of reference (a) shall be used to develop the Operating and Support cost elements of the Program Lifecycle Cost Estimates required to support the DON acquisition governance process; and support other program cost estimating and Planning, Programming, Budgeting, and Execution System actions.
3. The Navy point of contact is Director, Supply, Ordnance and Logistics Operations Division (OPNAV N41), Rear Admiral Kathleen Dussault at (703) 604-9940. The Marine Corps point of contact

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is Director, Marine Corps Business Enterprise Office, Mr. Dave
Clifton at (703) 695-5768.



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